

Capital Markets Union Action Plan avoids knee-jerk policymaking, says the Quoted Companies Alliance

The Quoted Companies Alliance, the independent membership organisation that champions the interests of small to mid-size quoted companies, welcomes the measured approach of the European Commission to enhancing access to finance in its Action Plan on Building a Capital Markets Union published today.

Tim Ward, Chief Executive of the Quoted Companies Alliance, comments: "It is refreshing to see that the European Commission is pausing for reflection after a period of intense and quick legislative change for financial markets. The Capital Markets Union Action Plan shows that the Commission is ready to dig deep into the detail in order to understand what is holding back companies from accessing finance, growing and creating jobs.

"However, very few of the measures and reviews announced in the Action Plan focus on directly helping companies to raise public equity finance and instead focus more on private equity, venture capital, bank lending and pension funds. As a result, the European Commission's upcoming proposals on the Prospectus Directive will be particularly important in ensuring that growth companies are able to raise finance efficiently and access public equity markets.

"The Quoted Companies Alliance hopes that the Commission will be ambitious in addressing the Prospectus Directive and take on board a number of our proposals, such as introducing distinct prospectus requirements for an IPO and secondary offer; creating a truly proportionate prospectus for secondary offers; addressing the process of the national competent authority approving a prospectus; increasing the thresholds under which a prospectus does not have to be produced; and creating a specific prospectus regime for SME Growth Markets. These changes will ensure that SMEs are able to access public equity financing and ensure that prospectuses are providing meaningful information to help make investment decisions."

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Notes to editors:

1. The Quoted Companies Alliance's response to the Capital Markets Union Green Paper is available at: www.theqca.com/qca-cmu2015
2. The Quoted Companies Alliance's response to the European Commissions' Review of the Prospectus Directive is available at: www.theqca.com/qca-pd2015
3. The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies. We campaign, we inform and we interact to help our members keep their businesses ahead. Through our activities, we ensure that our influence always creates impact for our members. For more information please visit www.theqca.com.