

## **Closing remarks by the Eurogroup President at the presentation of the French task force report on the reboot of the Capital Markets Union**

I am honoured to provide the closing remarks at today's conference. I am however sad not to be able to join you in person in Paris!

I know that today you have heard from an array of eminent speakers about the importance of making further progress on Capital Markets Union – not least Minister Le Maire, Managing Director Georgieva and President Lagarde – but also the discussions across a series of interesting panels that cover the key recommendations included in the report being launched today.

Before I turn to the report in more depth, I'd like to offer some broader reflections on the Capital Markets Union (CMU) – on what has been achieved to date, on why we have seen a greater political impetus for this project over the last year or so, and on how I hope to see this project develop over the coming months and years.

### **The context**

As you all know, the Capital Markets Union initiative was launched in 2015 with the aim of creating a single market for capital within the European Union.

Important work has been done since then, not least in terms of the delivery of the measures included in the 2015 and 2020 CMU Action Plans.

However, it has been widely recognised that the CMU has failed to deliver thus far on its initial vision of deep, integrated EU capital markets which get money – investments and savings – flowing across the EU to the benefit of consumers, investors and companies, regardless of where they are located.

This has only become more apparent in the current political and economic context, where governments are operating with limited fiscal space and high borrowing costs, while at the same time facing up how to finance multiple and ever-increasing demands on public finances, including the green and digital transitions.

Indeed, the urgency of making progress is clearly reflected in the report being launched today.

It is clear that we will not be able to fund Europe's future through the public purse alone.

Progress on deepening the CMU should be commensurate with the challenges and financing needs the EU faces and with the need to close the gap with international competitors.

And it is also clear that we must make progress on this now. There is no time to waste.

### **The political impetus and the Eurogroup workstream**

EU leaders, Finance Ministers and institutions all recognise this urgency, which has led to unprecedented political attention given to the CMU project.

At the March 2023 Euro Summit, EU Leaders tasked Finance Ministers to 'take forward the Capital Markets Union'.

Responding to this call, the Eurogroup which I have the privilege to chair, began a year long process to consider the main policy measures which need to be taken up with priority to ensure that our European capital markets are fit for our future.

We approached this task in a very comprehensive manner.

It was an opportunity to hear from EU and international institutions about how European capital markets fare in a global

perspective; from market participants, who used their own practical experience of operating within EU and international capital markets to offer suggestions of areas for improvement.

And we also exchanged our own national experiences and best practices.

On this basis, the Eurogroup worked hard to agree a statement on our shared priorities and the concrete measures to deliver on them to make a decisive push in getting the CMU where we want it to be.

This Eurogroup statement, this plan for action, was endorsed by all EU Finance Ministers in March and by EU leaders at the March Euro Summit.

And we can also see the results of that work in the European Council conclusions agreed last week.

## **The Noyer report**

I will turn now to the report being launched today.

One of the key insights from the Eurogroup process was the recognition that progress will come by combining a 'top-down' and 'bottom-up' approaches, looking at both areas of political consensus where the legislative work of the next Commission could be directed and national initiatives that can complement work at the EU level – particularly in this period where we are awaiting the formation of the next EU Commission.

All along, I have been very clear that I will spare no effort to ensure that the result of the Eurogroup work is not an empty statement – now that we have reached agreement, we must move to delivery.

And it is for these two reasons – support for national initiatives and a focus on implementation – that I particularly welcome the report being published today.

First, on process, it is an initiative launched by an EU Finance Minister, my friend and colleague Bruno Le Maire, aimed at encouraging debate and furthering progress in European capital markets.

This is the sort of work that I hope to see happening across Member States in the months to come.

Secondly, on content, it makes 4 recommendations – developing European long-term savings products, revitalising the securitisation market, moving towards integrated supervision, and measures to address the fragmentation of settlement systems.

What I find very encouraging about these recommendations is that three of the areas – long-term savings products, securitisation and supervision – were identified as priority areas of action in the Eurogroup statement, as well as in last week's European Council conclusions.

You have spent time discussing these areas in this morning's panel sessions. We all know that some of these topics are sensitive for certain Member States. Supervision, in particular, is an area where Member States have very different views, and it is necessary to listen carefully to these viewpoints so that progress can be achieved.

Having reached a consensus on the priority areas for action – even if the exact form of action to take may differ – helps to keep these issues at the top of the agenda and allows us to keep our focus on implementation and delivery.

This report therefore provides a valuable input to our work and will add to the richness of our discussions in the Eurogroup.

It is also a testimony to the level of political attention the CMU is gathering not only at the EU level but also within countries.

This is exactly what we need to make a decisive leap in delivering on the CMU project. We need political ownership and determination by all actors, at EU and national level, in the public and private sectors.

The stakes are high as the CMU is a key element to ensuring our long-term European competitiveness and prosperity.

I look forward to returning to this topic at our May Eurogroup meeting, where we will scope out how to deliver on the statement we have agreed.

Thank you for your attention and may I conclude by extending my congratulations to everyone involved in making today's event a success.

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