

Follow-up to the European Parliament non-legislative resolution on facilitating the financing of investments and reforms to boost European competitiveness and creating a Capital Markets Union (Draghi Report)

- 1. Rapporteur:** Aurore LALUCQ (S&D / FR)
- 2. References:** 2024/2116(INI) / A10-0124/2025 / P10 TA(2025)185
- 3. Date of adoption of the resolution:** 10 September 2025
- 4. Competent Parliamentary Committee:** Committee on Economic and Monetary Affairs (ECON)
- 5. Brief analysis/ assessment of the resolution and requests made in it:**

Throughout this report, the European Parliament is keeping a strong commitment on the Savings and Investments Union (SIU). The initiatives of the Communication are welcomed, and the Commission is exhorted to act on various related policy areas.

The report puts a strong emphasis on the geopolitical context and competitiveness and highlights the need to mobilise financial support for defence. It calls on the Commission to propose a Competitiveness Coordination Tool to identify industrial needs (European Competitiveness Fund). Public funding is often mentioned which should be specifically directed towards de-risking, e.g. defence, energy.

The report calls on the Council to be ambitious in advancing the SIU, notably on areas where Member States have exclusive competence (taxation, financial literacy).

The report demands the following:

- **Enforcement/simplification:** Rely more on Regulations than Directives; Identify best practices in development of national capital markets and deploy them in SIU proposals; simplify sustainable finance reporting requirements; minimize the use of Level 2 and 3 rules.
- **Investment & financing:** Propose measures to boost venture capital, scale-up and listing within the EU; remove barriers to cross-border funding; encourage Initial Public Offerings (IPOs).
- **Supervision & market integration:** Foster supervisory convergence alongside accountability and funding of the European supervisory authorities (ESAs), with an active role of the European Central Bank (ECB) in enhancing integration of

trade/post-trading systems; streamline reporting e.g. European Securities and Markets Authority (ESMA) as central data hub for Markets in Financial Instruments Regulation (MiFIR) & European Market Infrastructure Regulation (EMIR) data; Relocate clearing activities to the EU; Urgently assess feasibility of moving to T+0 settlement.

- **Pensions:** Make sure that all Member States have tracking systems in place, adopt an ambitious Solvency-2 delegated act to boost equity investment capabilities. Take a market-driven approach when it comes to development of products such as Pan-European Personal Pension Product (PEPP).
- **Retail:** Develop a European Savings and Investment Account (ESIA) or label for simple products, call to have a simple consumer framework and accessible advice for basic products; on financial literacy: advance on the strategy, fund initiatives/bodies that support financial education, support the development of independent digital tools for consumers to compare products; leverage on tech developments such as artificial intelligence. Support for a retail dimension of European Stability Mechanism (ESM)/European Investment Bank (EIB) bonds with a possibility for EU safe asset to be incorporated in saving products for workers.
- **Public funding:** assess possibility to issue a common safe asset to facilitate achieving CMU; establish instrument within ESM to address defence needs; cooperate with EIB to adapt lending policy to higher-risk investments.
- **Specific calls to advance on reviews/proposals:** Sustainable Finance Disclosure Regulation (SFDR) streamlining, Corporate Sustainability Reporting Directive (CSRD) review, propose a 28th regime, European Defence Industrial Strategy (EDIS).

6. Response to requests and overview of actions taken, or intended to be taken, by the Commission:

Simplification and harmonisation

On paragraphs 12, 34 & 39: To boost competitiveness and safeguard economic, social and environmental goals, the European Commission aims to reduce regulatory burdens and simplify EU laws. Ten 'Omnibuses' aimed at simplifying the European acquis have been proposed in 2025 and more will come in the next months. The Commission has also revised the SFDR in order to simplify its disclosure requirements and further protect end-investors against greenwashing. Furthermore, simplification is embedded in all legislative proposals and in pending ones (FiDA, RiS), the Commission has proposed the co-legislators further simplification options.

On paragraph 88: As announced in the Communication on the Savings and Investments Union of 19 March 2025, the Savings and Investments Union should be better integrated into the European Semester process, where progress in implementing structural reforms by Member States, individually and collectively, will be regularly assessed. Actions that are instrumental to deliver the Savings and Investments Union will be further reflected in Country Specific Recommendations as appropriate, thus incentivising Member States to deliver and implement reforms.

Investment, financing and public support

On paragraphs 13, 75 & 89: The European Commission welcomes the recent political agreement between the European Parliament and the Council on the ‘Omnibus’ package to simplify the InvestEU programme. This will allow unlocking nearly EUR 55 billion in additional public and private investments. Moreover, the proposed European Competitiveness Fund (ECF) aims to consolidate 14 individual **programmes** from the current MFF in one framework to operate as an investment capacity to bolster European competitiveness in technologies and strategic sectors critical to the EU competitiveness from collaborative research to scaling up, innovation, industrial and infrastructure deployment and manufacturing, including skills, and in support of projects and companies including SMEs, start-ups, larger companies, universities and research entities, while acting as a leverage tool employing budgetary instruments to attract private, institutional and national investments. The proposed Competitiveness Fund will contribute to supporting the priorities set in the Competitiveness Coordination Tool. The proposed InvestEU Instrument under the Competitiveness Fund will help to de-risk private investments and activate capital for growth to ensure Europe’s innovative companies find funding to grow in Europe.

On paragraphs 21, 22, 24 & 60: For venture and growth capital funds to thrive, it is important that the rules applying to these funds at both EU and national level are proportionate. The European venture capital funds label (EuVECA) was created for small venture capital funds not covered by the AIFMD but take up of the label by venture and growth capital funds has been uneven across Member States, due to regulatory limitations that affect its attractiveness and its positive impact on local venture capital markets. The Commission will by Q3 2026, review and upgrade the EuVECA Regulation to make this label more attractive. The Commission will moreover work with the EIB Group and private investors to deploy the scaleup TechEU programme. The Commission will explore ways to support the European Tech-Champions Initiative 2.0 (ETCI) that will be launched by the European Investment Fund (EIF) by 2026, and other potential initiatives that aim at crowding in private investment into venture and growth capital, supporting higher-risk

innovation and contributing to pan-European capital market integration, will have a particular role to play. The Commission also encourages the EIB Group to explore appropriate mechanisms to facilitate exit opportunities for European companies. Furthermore, the Commission will work with private investors to deploy, as part of the European Innovation Council (EIC) Fund, a market-based, privately managed and privately co-financed Scaleup Europe Fund with a focused investment strategy aimed at bridging the financing gap of deep tech scaleup companies. The Scaleup Europe Fund will mobilise significant private funds and make direct equity investments in strategic sectors, to contribute to Europe's technological sovereignty and economic security. The deployment of the Scaleup Europe Fund is without prejudice to the next Multiannual Financial Framework. The Scaleup Europe Fund, expected in 2026, will work in close cooperation with InvestEU and in complementarity with the European Tech Champions Initiative and other instruments of the EIB Group.

On paragraph 59 & 60: The Commission adopted on 29 October 2025 a package of measures to stimulate equity investments by institutional investors. To facilitate investment in equity by insurers, the Commission has specified in the Solvency II delegated act the eligibility criteria for the favourable prudential treatment of long-term investments in equity. For banks, the Commission adopted guidance on the use of the favourable prudential treatment for investments under legislative programmes. The Commission has also replicated such treatment for insurers under the Solvency II delegated act. On pension funds, the Commission clarified how such investments can be in line with the prudent person principle enshrined in current legislation. Furthermore, as announced in the EU Startup and Scaleup Strategy, the Commission, in coordination with the EIB Group, will, by 2026, work with large institutional investors to develop a voluntary European Innovation Investment Pact for those who commit to invest part of their assets under management into EU funds of-funds, venture capital funds and unlisted scaleups. The Strategy includes a dedicated chapter on better finance for startups and scaleups, putting forward actions to expand and simplify the EIC, developing a framework for IP valuation, supporting European business angels, reviewing the definition of undertaking in difficulty or creating a European Corporate Network to integrate venture investors and corporate procurers into the EU's innovation ecosystem. In addition, to attract and retain global talent in the EU startups and scaleups, the Commission places further focus on entrepreneurial education, upskilling, exploring best practices for employee stock options treatment, coupled with an upcoming EU Visa Strategy and reinforcement of EURAXESS services for innovators.

On paragraphs 61 & 86:

To accelerate the commercialisation of research results, the Commission will support strong university ecosystems to network and collaborate across borders to provide access to startups and scaleups to each other's respective services, infrastructures and corporates. Furthermore, the Commission will develop a blueprint for licensing, royalty- and revenue-sharing and equity participation for academic institutions and their inventors when commercialising IP and creating spinoffs, following best commercial practice. Capacity-building of Technology Transfer Offices and the creation of 'venture builders' roles in research performing organisations will be further supported, including the development of a Charter of Access for industrial users to research and technology infrastructures, including for startups and scaleups.

Market integration and supervision**On paragraphs 19 to 21:**

Sources of fragmentation in EU capital markets, whether regulatory, supervisory or political, should be removed to allow for gaining scale. Intermediation in the EU's capital markets remains very fragmented along national borders, limiting efficiency and impeding market operators from harnessing the scale effect of a more integrated market. The Commission recently set up a dedicated channel for all market participants to report on encountered barriers within the single market and will step up enforcement action to accelerate their removal¹. To address barriers to more integrated trading and post-trading infrastructures, the Commission has published on 3 December 2025 a Market Integration and Supervision Package which includes rules on the trading and post-trading market infrastructure, with the aim of further removing barriers to cross-border activity, modernising the legislative framework to recognise new technologies and financial developments, as well as ensuring better quality of execution and price formation on EU trading venues, more efficient settlement, whilst reducing administrative burden and replacing, to the extent possible, Directives with Regulations. As part of the same package, the Commission has also proposed to remove remaining barriers - national or at EU level - to the distribution of EU-authorized funds across the EU, as well as measures to reduce operational barriers affecting cross border groups with a view to simplifying operations of asset managers,

¹ https://finance.ec.europa.eu/regulation-and-supervision/savings-and-investments-union/barriers-financial-market-integration_en

both large and more specialised, and ensuring a more efficient access and servicing of clients.

On paragraphs 25 to 30: Reducing divergence in supervisory practices in EU capital markets will require a new balance between supervisory responsibility at EU and national levels. ESAs need to make better use of their existing supervisory convergence tools to achieve more integrated and harmonised supervision. They will need to step up their work on identifying and tackling divergent national practices where these hinder the development of truly integrated markets and their consistent supervision. The ESAs have a particular responsibility to ensure that their convergence tools contribute to dismantling barriers and take account of the Commission's simplification agenda and burden reduction targets in their work. NCAs should rely where relevant on obtaining technical advice from ESAs, delegating specific tasks or responsibilities to ESAs, or benefitting regularly from ESAs' role as a data and technology hub and a provider of SupTech tools.

There are limits to the use of convergence tools and there are circumstances where transfer of direct supervision to EU level would be appropriate. For example, in cases where market participants have a significant cross-border presence, a supervisory perspective that extends beyond the national level can bring useful synergies. Such considerations are particularly relevant for market operators with significant cross-border activities, such as certain large trading and post-trading infrastructures, as well as large cross-border asset management groups. In cases of new or emerging sectors (e.g. crypto asset services providers), it also may be more efficient to develop supervisory capacity at EU level. For all new tasks, the ESAs should receive appropriate staff resources and funding that would need to be duly assessed in advance and specified in a Legislative and digital financial statement accompanying a legislative act. The Commission plans to make proposals before the end of 2025 to achieve more unified supervision of capital markets as indicated in the Savings and Investments Union strategy, including by transferring certain tasks to the EU level.

On paragraph 37: The European Commission welcomes the provisional political agreement between the European Parliament and the Council on new rules to harmonise certain corporate insolvency rules across the EU, which the Commission [proposed](#) in December 2022.

Retail

On paragraphs 17, 23 & 64: The Commission has adopted on 30 September 2025 a financial literacy strategy to empower citizens, raise awareness and increase their participation in capital markets. The strategy also seeks to increase exchanges of best practices among

Member States and to provide further guidance on implementing the existing financial competence frameworks.

On paragraphs 47 & 51: To further incentivise retail participation in capital markets and to mobilise investments in the European economy, access to savings and investments accounts should be extended across the EU. The Commission adopted on 30 September 2025 a recommendation for a European blueprint for savings and investments accounts (SIA) based on existing best practice. The recommendation outlines some key features of SIAs to benefit citizens and the European economy alike, including tax incentives and simplified tax procedures. The recommendation also calls on Member States to strongly encourage providers to include investment options that allow retail investors to channel their investments into the EU economy to contribute to strategic EU priorities, including the digital, green and social transitions, and the strengthening of EU security and defence. The Commission will closely monitor the uptake of these accounts and regularly report on progress.

On paragraph 49: As regards the lack of EU-wide minimum standards for general shareholders' meetings, the European Commission will assess the need for and consider a potential review of the Shareholders Rights Directive by Q4 2026, with a view to addressing existing barriers to cross-border investments and to making it easier for investors, intermediaries and issuers to operate across Member States.

It is also worth noting that the FASTER Directive will facilitate cross-border investments and improve tax transparency by aligning Member States' withholding tax relief procedures, making sure that investors avoid double taxation on the returns on cross-border investments while reducing administrative burden.

Pensions

On paragraph 53, 57 & 58: A more developed EU supplementary pensions sector is critical to providing financial security for citizens notably in the context of the demographic trends, as well as the development new working patterns. It would also help to develop capital markets and deploy investments to finance EU growth and innovation. Policy measures will be required at both EU and national levels to support further uptake of supplementary pension schemes. These measures aim at encouraging the full development of a strong multi-pillar pension systems, in dialogue with social partners and other relevant stakeholders, while creating the conditions for this sector to deliver better performance for long-term savers.

The Commission has adopted on 19 November 2025 a Pensions Package which notably comprises recommendations on the use of and best

practices for auto-enrolment into supplementary pensions, aiming to facilitate the uptake of supplementary pensions by citizens. In addition, recommendations on pensions tracking systems and pension dashboards will aim to provide more transparency with an overview of pension entitlements at the individual level and better monitoring of the adequacy and sustainability of multi-pillar pension systems at the aggregate level.

This Package also include a review of the existing EU frameworks for Institutions for Occupational Retirement Provision (IORPs) and the Pan-European Personal Pension Product (PEPP) with the aim of increasing participation in supplementary pensions to ensure adequate income in retirement and improving the capacity of pension funds to generate attractive returns for their beneficiaries while contributing to the financing of EU economy.