

26 November 2021

Capital Markets Union

Commission puts forward a package of legislative proposals to ensure that investors have better access to company and trading data.

Introduction

This MFSA circular intends to inform Financial Market Participants and Financial Advisors that on 25 November 2021, the European Commission adopted a number of measures to improve the ability of companies to raise capital across the EU and ensure that Europeans get the best deals for their savings and investments.

1. The [European Single Access Point \(ESAP\)](#) for financial and non-financial information
2. The [European Long-Term Investment Fund \(ELTIF\)](#) Framework review.
3. The [Alternative Investment Fund Managers Directive \(AIFMD\)](#)
4. Review of the [Markets in Financial Instruments Regulation \(MIFIR\)](#) and Markets in Financial Instruments Directive (MIFID)

Background

1. The European Single Access Point (ESAP): putting data at investors' fingertips

The ESAP will offer a single access point for public financial and sustainability-related information about EU companies and EU investment products. This will give companies more visibility towards investors, opening up more sources of financing. This is particularly important for Falso international investors. The ESAP will also contain sustainability-related information published by companies, which will support the objectives of the European Green Deal. As a common data space, the ESAP is a cornerstone of the EU's Digital Strategy and the Digital Finance Strategy.

2. Review of the European Long-Term Investment Funds (ELTIFs) Regulation: encouraging long-term investment, including by retail investors

The review will increase the attractiveness of ELTIFs for investors and their role as a complementary source of financing for EU companies. It will also make it easier for retail investors to invest in ELTIFs, in particular by removing the minimum €10,000 investment threshold, while ensuring strong investor protection. Since ELTIFs are designed to channel long-term investments, they are well placed to help finance the green and digital transitions.

3. Review of the Alternative Investment Fund Managers Directive (AIFMD)

These changes will enhance the efficiency and integration of the Alternative Investment Funds market. The proposal harmonises the rules related to funds that give loans to companies. This will facilitate lending to the real economy, while better protecting investors and ensuring financial stability. The review also clarifies the rules on delegation. EU rules on delegation allow fund managers to source expertise from third countries. Today's review will ensure that there is adequate information and coordination among EU supervisors, better protecting investors and financial stability.

4. Review of the Markets in Financial Instruments Regulation (MiFIR): enhancing transparency by introducing a "[European consolidated tape](#)" for easier access to trading data by all investors

These adjustments to EU trading rules will ensure more transparency on capital markets. They will introduce a "European consolidated tape", which will give investors access to near real-time trading data for stocks, bonds and derivatives across all trading venues in the EU. So far, this access has been limited to a handful of professional investors. Today's review will also enhance the level playing field between stock exchanges and investment banks. In addition, it will promote the international competitiveness of EU trading venues by removing the open access rule.

Conclusion

The MFSA will be assessing all documents and proposals published. It will also be actively participating in discussions at EU level which commence in the coming days, and will be issuing other informative circulars or request information as necessary and warranted to keep all stakeholders up to date. Notwithstanding, market participants should not hesitate to send any comments or questions they may have.