

24 September 2020

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# **Association of German Banks welcomes plans for capital markets union**

“An efficient, single capital market is more urgent than ever.”

**Christian Ossig**  
Chief Executive

- Economy needs more capital as a result of the pandemic
- Commission sets out important key points
- Plans should be swiftly implemented

The European Commission has today unveiled its action plan for creating capital markets union. The aim of the plan is to strengthen and expand European capital markets. “An efficient, single capital market is more urgently needed than ever,” said Christian Ossig, Chief Executive of the Association of German Banks. “We need it to finance post-COVID-19 reconstruction and the modernisation of the European economy and to permanently ensure Europe’s competitiveness and sovereignty. The European Commission has now laid important cornerstones

of the project." Among the 16 action points, the proposals for revising securitisation rules were particularly notable, in Ossig's view. They would give banks more financial scope to lend to businesses.

Improving cross-border securities settlement and greater harmonisation of the rules on withholding tax refunds would also facilitate cross-border investment in the EU.

In light of the United Kingdom's withdrawal from the European Union, capital markets union should not be put off any longer, Ossig warned. While it would not be possible to complete capital markets union in a short space of time, the political momentum should be used to achieve real progress.

True capital markets union would also benefit citizens. It would help them to participate in the growth of the European economy. This was important so that they could build up assets against the backdrop of persistently low interest rates and strengthen their provision for old age, said Ossig. The Commission had rightly recognised that this could not least be supported by better financial education.