

Commissioner Maria Luís Albuquerque  
Financial Services and the Savings and Investments Union  
European Commission  
Rue de la Loi, 200  
1049 Brussels  
Belgium

## **Advancing EU capital markets: Prioritising key targets for the Savings and Investments Union**

1<sup>st</sup> July 2025

Dear Commissioner Albuquerque,

We, AFME, EFAMA, FESE and FIA EPTA, representing a broad coalition of market participants—including brokers, investors, liquidity providers—as well as market infrastructure providers such as exchanges, are writing to reaffirm our strong support for the European Union’s Savings and Investment Union (SIU).

We share your vision of developing integrated capital markets and welcome the Commission’s forward-looking guidance under the SIU Strategy<sup>1</sup>, including initiatives aimed at stimulating demand, such as the European Blueprint for Savings and Investment Accounts, those aimed at leveraging the potential of DLT and recommendations to Member States on tax incentives.

As the EU progresses towards realising the SIU, it is crucial to prioritise the most pressing challenges facing capital markets. The core factors behind the comparatively small and fragmented capital pools in the EU are the growing, but still insufficient investor demand for listed equities, the persistent national barriers (such as fragmented legal and tax frameworks—often aggravated by gold-plating), limited financial literacy, and the absence of effective investment incentives, among others. Tackling these issues would greatly contribute to more resilient, competitive, and efficient EU capital markets.

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<sup>1</sup> March 2025, European Commission, Savings and Investments Union: A Strategy to Foster Citizens’ Wealth and Economic Competitiveness in the EU.

We do not view connectivity to liquidity pools in the equities space as a problem area necessitating a remedy. There are several proposals outlined in the public consultation that, if implemented, would result in additional costs ultimately to be borne by investors, which would not solve any known problem.

**Proposals inspired by other jurisdictions, such as mandating connection to trading venues by intermediaries or other trading venues, or implementing a best execution regime focused exclusively on execution price, would not be effective in the European context.**

- Implementing such models would create additional cost and complexity, leading to adverse selection and stale prices for investors.
- Moreover, it would limit innovation by reducing competition, and hinder technological progress by diverting resources away from innovation and towards regulatory compliance for a multi-year period.
- This possibility risks putting the EU at a global competitive disadvantage during a critical evolution of technological realities, and will portray the region as being in a state of constant regulatory flux.

Investors, including those newly attracted to Europe in light of recent geopolitical trends, need stability, predictability, and consistency.

**The EU should concentrate on generating stronger demand through concrete measures aimed at attracting investors.** The objective should be to build a framework that fosters competition without imposing prescriptive and burdensome rules that hinder innovation. Regulation should support and advance the interests of investors and issuers by facilitating choice and reducing cost and complexity. This would help encourage issuers to choose the EU as their business jurisdiction to drive job creation, economic growth, and tax revenue—strengthening the EU’s global competitiveness.

We encourage policymakers to ensure robust identification and in-depth analysis of the root causes, so that any policy initiatives are well-calibrated to address genuine barriers and reflect the realities of the EU’s capital markets—thereby helping to unlock the full potential of the SIU.

We remain at your disposal to discuss these matters further and contribute to the ongoing dialogue.

Yours sincerely,

**Adam Farkas**

Chief Executive Officer of AFME

**Tanguy van de Werve**

Director General of EFAMA

**Rosa Armesto**

Director General of FESE

**Piebe Teeboom**

Secretary General of FIA EPTA

## **About AFME**

The Association of Financial Markets Europe (AFME) represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. We advocate stable, competitive, sustainable European financial markets that support economic growth and benefit society.

AFME is the European member of the Global Financial Markets Association (GFMA), a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) in Asia.

AFME is registered on the EU Transparency Register, registration number 65110063986-76.

## **About EFAMA**

The European Fund and Asset Management Association (EFAMA) is the voice of the European investment management industry, which manages around EUR 33 trillion of assets on behalf of its clients in Europe and around the world. Its membership consists of 29 national associations, 52 global asset managers, and 24 associate members. We advocate for a regulatory environment that supports our industry's crucial role in steering capital towards investments for a sustainable future and providing long-term value for investors.

Besides fostering a Savings & Investments Union, consumer empowerment and sustainable finance in Europe, we also support open and well-functioning global capital markets and engage with international standard setters and relevant third-country authorities. EFAMA is a primary source of industry statistical data and issues regular publications, including Market Insights and the authoritative EFAMA Fact Book.

## **About FESE**

The Federation of European Securities Exchanges (FESE) is the unique voice of European exchanges, advocating for fair, transparent and efficient capital markets to support growth and prosperity in Europe. We are committed to financing the economy, ensuring financial stability, and fostering sustainable development.

FESE represents 17 full Members and 1 affiliate Member from 32 countries. Exchanges operate both transparent regulated markets for securities and exchange-traded derivatives, and specialised SME growth markets that allow small and medium-sized companies to access public capital markets.

FESE is registered in the European Union Transparency Register with number 71488206456-23.

## **About FIA EPTA**

The European Principal Traders Association (FIA EPTA) represents the leading Principal Trading Firms in the EU and UK. Our members are independent market makers and providers of liquidity and risk transfer for markets and end-investors across Europe, providing liquidity in all centrally cleared asset classes including shares, bonds, derivatives and ETFs. FIA EPTA works constructively with policymakers, regulators and other market stakeholders to ensure efficient, resilient and trusted financial markets in Europe. More information about FIA EPTA and independent market makers is available on: [www.fia.org/epta](http://www.fia.org/epta) and [www.wearemarketmakers.com](http://www.wearemarketmakers.com)