Creation of a European Capital Market for smaller entrepreneurially managed growing companies

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The ECON adopted the report by Mr HARRISON on the feasibility of the creation of a European capital market for young entrepreneurially-managed fast-growing companies. It formulated a series of proposals which included the following: As regards liquidity-related issues: - repealing restrictions on investments by pension funds in securities listed on exchanges in other Member States; - setting limits on fees for acceptance to trading; - preventing fiscal discrimination against investors who buy or deal in shares in other Member States. As regards regulatory issues: - introducing and enforcing stringent rules; - streamlining the process of prospectus approval by means of harmonization or mutual recognition; - defining the relationship between EASDAQ and existing exchanges to prevent duplication, and determining the conditions under which business currently listed on the national exchange of a Member State may also be listed on EASDAQ; - examining the wider regulatory framework of a Europe-wide capital market, one feature of which could be a European Securities and Exchange Commission along the lines of the SEC (Securities and Exchange Commission) in the USA. As regard protectionism: - ensuring that national markets do not engage in unfair competition practices with any pan-European small company stock market; - guaranteeing the full independence of any pan-European small company stock market.