Risk capital markets and job creation: implementation of the action plan RCAP

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The committee adopted the report by Peter SKINNER (PES, UK) on the Commission communication on the implementation of the risk capital action plan. The report pointed out that, although it had grown, the amount of risk capital in Europe was far lower than in the US. The committee urged the Commission to bring forward and apply as soon as possible a proposal for a directive on supplementary pension funds, and a proposal on the taxation of pension funds, arguing that the single market for supplementary occupational pensions had a significant role to play in the development of EU risk capital markets. Pension schemes should be given greater freedom to invest effectively. The report also called on the EIB to focus on providing incentives to venture capital funds to invest in higher risk ventures, by taking on board an appropriate share of the risk of default. The Commission and the Member States were urged to address the shortage of seed and early stage capital, as lack of start-up equity was a major barrier to starting up and developing companies throughout the EU. Other recommendations made by the report included providing small businesses with high quality and easily available information about access to risk capital; introducing measures to enable bankrupt companies to continue trading (for example, a moratorium on debt recovery), if no fraudulent or illegal practices were involved; and introducing taxation systems that promote innovation and benefit private individuals wishing to invest capital in businesses (for instance, more favourable and simplified taxation rules concerning share options).