



European Commission

ACCESSING PUBLIC FINANCIAL MARKETS:

simpler listing rules for companies, especially SMEs

December 2022



Why do we need these new rules?



EU capital markets remain fragmented and underdeveloped in size



Many EU companies find it too complicated and burdensome to get listed on a stock exchange

WHAT WILL THE COMMISSION'S PROPOSALS CHANGE?

It will simplify and improve listing rules, in particular for SMEs, without jeopardising investor protection and market integrity.



Simpler prospectus rules

Making it easier and cheaper for companies to get listed.



More proportionate market abuse rules

Providing greater legal clarity about what information needs to be disclosed by companies and reinforcing supervisory cooperation between market authorities.



Multiple-Vote Share structures

Allowing companies to use multiple-vote shares when listing for the first time on SME Growth Markets. This allows owners to keep control of their vision for their company while raising funds on public markets.



SME investment research

Enhancing the production and distribution of investment research on midcaps and SMEs. This will support their listings on public markets.

WHAT ARE THE BENEFITS?



For companies

Significant cost reductions and a boost to Initial Public Offerings (IPOs) in the EU:

- Estimated **€67 million** savings per year from simpler prospectus rules.
- Approximately **€100 million** per year from lower compliance costs for listed EU companies.
- Multiple-Vote Right shares could potentially increase the number of IPOs in the EU by up to **20%**.
- Specific benefits for **SMEs**: enhanced visibility towards investors on financial markets and more proportionate sanctioning regime for minor infringements of the market abuse rules.



For investors and supervisors

- **Shorter, more timely and easier** to navigate corporate information for investors
- **More efficient supervision** thanks to simpler and clearer listing rules