

Remarks by Vice-President Valdis Dombrovskis at the informal ECOFIN press conference in Bucharest

Good afternoon,

First of all, I would like to thank the Minister and his teams for a warm welcome here in Bucharest. Multumesc!

I would also want to say multumesc to Romania for their skilful Presidency of the EU Council since the beginning of the year.

In its first 12 weeks, the Romanian presidency has closed an impressive 60 legislative files and reached provisional deals on 12 more. Congratulations on this success!

As Minister explained, today's informal ECOFIN session focused on the future priorities and a topic close to my heart – the Capital Markets Union. Also here the Romanian Presidency has been a great ally by over delivering on expectations. One example that we have often discussed at ECOFIN and ECOFIN press conferences is the revision of the European Supervisory Authorities. We brought [this file] to a successful conclusion, which was perhaps not obvious one or two months ago.

In fact, I think the time is right to pay tribute also to Austrian, Bulgarian and Estonian Presidencies. They all contributed to building political but also technical buy-in for the Capital Markets Union files.

As we know, many of these files are technical and sometimes may lack political appeal, because they are difficult to explain to the general public.

But it is not one idea, one measure that can make a difference. It is about a sum of measures that, taken together, create a positive eco-system for capital markets to flourish.

I think we can be proud that we have managed to reach agreement on 11 out of 13 proposals put forward during this mandate.

Of course, the work is not completed.

I count on the next European Commission to continue to champion the Capital Markets Union project. Today we heard a strong political support from Finance Ministers and Central Bank Governors for this project.

I am convinced this will remain high on our agenda. .

Let me make a couple of additional points:

First – capital markets have a vital role to play in the transition to a climate-neutral economy. The Commission has its strategy for building a climate neutral economy by 2050, because climate change will just not go away. This is why we need to keep sustainable finance high on the agenda. Because there can be no transition without proper funding. I am therefore glad that the Finnish Presidency has identified sustainable finance as one of its priorities.

Second, we need to keep boosting local and regional capital markets in the

EU. Capital markets in different countries are at different stage of development in terms of liquidity, depth or size. So our task goes beyond supporting only big players. We also need to invest in development of capital markets at national and regional level. It is known that small and medium size companies are the backbone of European economy. We need to ensure that they all have access to the capital regardless of their hometown. This is also why we promote convergence among economies and support inclusiveness in terms of geographical distribution.

Third, the European financial sector should fully embrace technological change while not ignoring increasing cyber threats. For this, Commission has come forward with an Action Plan for FinTech companies. In today's debate several Ministers stressed the need to reinforce our innovation capacities and support to disruptive companies – this of course goes beyond the financial sector.

Final point – several Ministers stressed the need to modernise our taxation system to make it fit for the 21st century and step up the fight against tax avoidance. This work will be brought forward in the frameworks of the OECD and G7. The Commission stands ready to support that work. And, as we have been often emphasising, in absence of international consensus, we have to be more ambitious at EU level.

Thank you.