

Deal struck on easier access to information relevant for investors

- Common data space to attract investors
- More efficient EU capital markets and SMEs made more visible
- Capital market participants will be better informed while making decisions about investments

Parliament and the Council negotiators agreed on Tuesday on common data spaces to merge information relevant for capital markets, financial services and sustainable finance.

Negotiators decided that the [European Securities and Markets Authority](#) (ESMA) would establish and operate a European single access point (ESAP) 42 months after the regulation enters into force. The negotiations led also to faster start-up of phase one of ESAP with 6 months and made the overall process more structured and predictable.

The ESAP is set to provide centralised electronic access to public information about companies, both financial and non-financial, such as on sustainability. MEPs also pushed to increase the number of Union legislative acts in scope of ESAP, making sure that information regarding crypto assets, green bonds or activities and supervision of institutions for occupational retirement provision will be easily accessible.

This in turn should make EU capital markets more efficient and SMEs more visible as well as support the green transition through sustainable finance, as investors and other key capital market participants as well as non-governmental organisations would be better informed when making decisions about investments.

It was also agreed that, in addition to the information made public because of EU law, ESAP should also make available information that any EU business has made public on a voluntary basis 72 months after the rules enter into force. Each member state should designate at least one entity to collect such information. Information provided voluntarily would have to be uniform in format and comparable in substance, value, use and reliability to that submitted on a mandatory basis. Nevertheless, it should be clearly distinguished from information submitted on a mandatory basis. Furthermore, negotiators inserted strict rules on information containing personal data and assured that they should not be stored on ESAP.

MEPs also insisted that ESAP should not create any new reporting requirements but should instead build upon existing disclosure requirements, procedures and infrastructure stemming from EU legislation. The information on ESAP should be available free of charge, except for fees charged for specific services such as downloads of large volumes of information of commercial relevance. The successful rollout and functioning of ESAP of course depends on sufficient funding, negotiators decided that under the current Multiannual Financial Framework 40% of funding should be provided from the EU budget and 60% from member states.

Finally, negotiators made changes to certain regulations and directives to align them with the new access point and thereby ensure easier access to public information crucial to increasing opportunities for small and medium business growth, visibility, and innovation, including easier access to voluntary information.

Quote

Pedro Silva Pereira (S&D, PT) the lead MEP, said: "Once implemented, the ESAP will be the go-to hub for information about European entities' activities and products. It will be the first platform of this kind and one that has been long requested by EU market participants.

But the ESAP is not only about innovation. This EU-wide digital data space holds the potential to address the great challenge of capital market fragmentation that we still face today. Ultimately, this common data space will make it easier for companies – especially our SMEs – to attract investors and for investors to find opportunities. Needless to say how relevant this is in today's global economic context.

As Parliament Rapporteur, I am particularly pleased that we were able to secure a broadened scope of ESAP, which now covers important green and crypto legislation. What is equally important is the fact that no new reporting obligations will be generated and no additional burden will be placed on our companies. The ESAP is essentially about improving the accessibility and availability of public company data at EU level.

The ESAP is a turning point for the Capital Markets Union and a major stepping stone towards the achievement of a truly single market for capital across the EU. It will further support the objectives of the European Green Deal, the EU's Digital Strategy and the Digital Finance Strategy."

Background

The Capital Markets Union (CMU) Action Plan adopted by the European Commission in September 2020 aimed to establish a European Single Access Point (ESAP), which would contribute to allocating capital more efficiently across the EU and to giving greater visibility to smaller national capital markets. As the financial world is expected to undergo a digital transformation in the coming years, the European Union should support data-driven finance and make essential information easily accessible to investors.

Next steps

The provisional political agreement reached by the EP negotiating team will now have to be approved first by the Economic and Monetary Affairs Committee, followed by a plenary vote. The Council also has to approve the deal, before it can come into force.

Further information

[Procedure file](#)

[Committee on Economic and Monetary Affairs](#)

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