



## EU competitiveness: fund and asset management industry urges bold action

As the European Commission prepares to announce its Savings and Investments Union (SIU) strategy, European Fund and Asset Management Association (EFAMA) – a trade association representing the fund management and asset management industry in Europe – urges policymakers to introduce reforms that will make investing simpler, improve access to capital, and strengthen market integration.

One of the most pressing challenges is the existing disconnection between savings and investment. Despite high levels of household savings, European businesses still struggle to secure funding. EFAMA argues that by making investment products more accessible, streamlining regulations, and fostering deeper capital market integration, the EU can unlock significant economic potential.



For businesses, better access to diverse sources of capital is essential. EFAMA highlights the need to expand investment opportunities by promoting European Long-Term Investment Funds (ELTIFs 2.0) and loan-originating alternative investment funds (AIFs). Revitalizing Europe's securitization market would also help companies secure the funding they need to grow and innovate.

At the same time, EFAMA advocates for more efficient and better integrated capital markets. Excessive reporting requirements, regulatory inconsistencies, and costly market data all create barriers to investment. EFAMA hence calls for a high-quality, affordable access to information to improve market transparency, while also addressing inefficiencies in ESG data collection and the ever-growing costs associated with access to financial information. The adoption of distributed ledger technology (DLT) in the financial services sector could also bring greater efficiency to the system.

The EU is at a pivotal moment. The success of the SIU strategy will depend on decisive action from policymakers to create an enabling regulatory environment that fosters long-term growth and competitiveness.

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