



## Welcome

The notable issues in this Newsletter are as follows:

- *Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, on the establishment of a framework to facilitate sustainable investment*, known as the Taxonomy Regulation, which aims to establish a European classification system that creates a common language for all players in the financial system and sets out the criteria for determining whether an economic activity is sustainable in order to channel private investment into this type of economic activity.
- *The European Commission proposal, of 24 July 2020, for the recovery of capital markets due to the effects of COVID-19*, containing a package of targeted amendments in different legal texts (MiFID II, the Prospectus Regulation, the Securitisation Regulation and the Regulation on capital requirements of credit institutions and investment firms) the aim of which is to encourage greater investment in the economy, allow for the rapid re-capitalisation of companies and increase banks' capacity to finance the recovery.
- *The Final Report of the High Level Forum on the Capital Markets Union*, published in June 2020, which proposes to the European Commission a number of recommendations that, with the objective of furthering this Union, seeks to create a dynamic and competitive business environment, solid and efficient market infrastructures, greater engagement of retail investors in the capital markets as well as the overcoming of certain barriers of the internal market.
- *The OECD Report on corporate bond market trends, emerging risks and monetary policy*, published in 2020, which highlights the importance of corporate bonds as an investment object for institutional investors, with potential systemic effects, whose supervision and rating must be rigorous and proportionate.
- *The ESMA Final Report on the transparency regime for non-equity instruments*, addressed to the co-legislators in accordance with Article 52 of MiFIR and published in September 2020 which, in order to increase the transparency of the markets calls for some amendments, including the removal of certain exceptions in orders and transactions for bonds (government and corporate bonds).
- *The IOSCO Final Report on Good Practices in processes for deference*, published in June 2020, which calls for the development of efficient deference mechanisms and processes that promote global capital markets and avoid involuntary and harmful market fragmentation.