

a) Lack of visibility and attractiveness of SMEs towards investors leading to a lack of liquidity for SME shares and bonds	
b) Lack of investor confidence in listed SMEs	
c) Lack of tax incentives	
d) Lack of retail participation in public capital markets (especially in SME growth markets)	
e) Other (please specify below)	

Please explain your reasoning: *[4000 character(s) maximum]*

2. SPECIFIC QUESTIONS ON THE EXISTING REGULATORY FRAMEWORK

2.1. Prospectus Regulation (Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market)

The [Prospectus Regulation \(Regulation \(EU\) 2017/1129\)](#), which started applying in July 2019, lays down the rules governing the prospectus that must be made available to the public when a company makes an offer to the public or an admission to trading of transferable securities on a regulated market in the EU. The prospectus is a legal document that contains information about the issuer (e.g. main line of business, finances and shareholding structure) and the securities offered to the public or to be admitted to trading on a regulated market. A prospectus has to be approved by the competent authority of the home Member State before the beginning of the offer or the admission to trading of the securities.

The Prospectus Regulation has been subject to targeted amendments:

- I. at the end of 2019 under the [SME Listing Act](#)
- II. in 2020 under the [Crowdfunding Regulation](#)
- III. and in 2021 under the [capital markets recovery package](#)

However, the prospectus regime remains to be seen by some as burdensome and unfit for attracting companies, in particular SMEs, to public markets. Both the [CMU High Level Forum \(HLF\)](#) and the TESG have highlighted that the process of drawing up a prospectus and getting it approved by the relevant national competent authority is expensive,

complex and time-consuming and that targeted yet ambitious simplification of prospectus rules could reduce significantly compliance costs for companies and lower obstacles to tapping public markets.

This section aims at gathering respondents' views on the costs stemming from the application of the prospectus regime as well as on which requirements are most burdensome and how it would be possible to alleviate them without impairing investor protection and the overall transparency regime. Furthermore, this section aims to examine other aspects of the Prospectus Regulation, such as the functioning of the thresholds for exemptions from the obligation to publish a prospectus, the language regime and rules concerning the approval and publication of prospectuses.

2.1.1. Costs stemming from the drawing up of a prospectus

[Analysis conducted by Oxera](#) highlights that the efforts required to comply with the regulatory requirements associated with the listing process, and the litigation risk that could emerge, are often cited by industry practitioners as the most significant indirect costs of listing. In particular, many issuers stressed, as a high and growing cost to listing, the increased length and complexity of the prospectus documentation.

- 8. (a) As an issuer or an offeror, could you provide an estimation for the average cost of the prospectuses listed below (in EUR amount)? If necessary, please provide different estimations per type of prospectus (e.g. prospectus for an IPO, for a right issue, for a convertible bond, for a corporate bond, for an EMTN programme).**

Prospectus Type	Your answer
Standard prospectus for equity securities	
Standard prospectus for non-equity securities	
Base prospectus for non-equity securities	
EU Growth prospectus for equity securities	
EU Growth prospectus for non-equity securities	
Simplified prospectus for secondary issuances of equity securities	
Simplified prospectus for secondary issuances of non-equity securities	

EU Recovery prospectus (currently available for shares only)	
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Please explain your reasoning: *[2000 character(s) maximum]*

(b) Considering the total costs incurred by an issuer for the drawing up of a prospectus, please indicate what is the relative importance of each of the below costs in respect to the overall costs.

a) IPO prospectus

	Less than or equal to 10% of total costs	More than 10% and less than or equal to 20% of total costs	More than 20% and less than or equal to 40% of total costs	More than 40% and less than or equal to 50% of total costs	More than 50% of total costs	Don't know / no opinion / not relevant
a) Issuer's internal costs						
b) Auditors costs						
c) Legal fees (including legal fees borne by underwriters for drawing-up the prospectus)						
d) Competent authorities' fees						
e) Other costs (please specify)						

b) Right issue prospectus

	Less than or equal to 10% of total costs	More than 10% and less than or equal to 20% of total costs	More than 20% and less than or equal to 40% of total costs	More than 40% and less than or equal to 50% of total costs	More than 50% of total costs	Don't know / no opinion / not relevant
a) Issuer's internal costs						
b) Auditors costs						
c) Legal fees (including legal fees borne by underwriters for drawing-up the prospectus)						
d) Competent authorities' fees						

e) Other costs (please specify)						
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c) Bond issue prospectus

	Less than or equal to 10% of total costs	More than 10% and less than or equal to 20% of total costs	More than 20% and less than or equal to 40% of total costs	More than 40% and less than or equal to 50% of total costs	More than 50% of total costs	Don't know / no opinion / not relevant
a) Issuer's internal costs						
b) Auditors costs						
c) Legal fees (including legal fees borne by underwriters for drawing-up the prospectus)						
d) Competent authorities' fees						
e) Other costs (please specify)						

d) Convertible bond issue prospectus

	Less than or equal to 10% of total costs	More than 10% and less than or equal to 20% of total costs	More than 20% and less than or equal to 40% of total costs	More than 40% and less than or equal to 50% of total costs	More than 50% of total costs	Don't know / no opinion / not relevant
a) Issuer's internal costs						
b) Auditors costs						
c) Legal fees (including legal fees borne by underwriters for drawing-up the prospectus)						
d) Competent authorities' fees						
e) Other costs (please specify)						

e) EMTN program prospectus

	Less	More	More	More	More	Don't
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	than or equal to 10% of total costs	than 10% and less than or equal to 20% of total costs	than 20% and less than or equal to 40% of total costs	than 40% and less than or equal to 50% of total costs	than 50% of total costs	know / no opinion / not relevant
a) Issuer's internal costs						
b) Auditors costs						
c) Legal fees (including legal fees borne by underwriters for drawing-up the prospectus)						
d) Competent authorities' fees						
e) Other costs (please specify)						

Please explain your reasoning: *[5000 character(s) maximum]*

9. What are the sections of a prospectus that you find the most cumbersome and costly to draft? Please rate each of the below sections from 1 to 5, 1 standing for “not burdensome at all” and 5 for “very burdensome”.

	1 (not burdensome at all)	2 (rather not burdensome)	3 (neutral)	4 (rather burdensome)	5 (very burdensome)	Don't know – No opinion – Not applicable
Summary						
Risk factors						
Business overview						
Operating and financial review						
Regulatory environment						
Trend information						
Profit forecasts or estimates						
Administrative, management and supervisory bodies and senior						

management						
Related party transactions						
Financial information concerning the issuer's assets and liabilities, financial position and profit and losses						
Working capital statement						
Statement of capitalisation and indebtedness						
Others (please specify below which sections as well as the rating)						

Please explain your reasoning: *[4000 character(s) maximum]*

10. As an issuer or an offeror, how much money do you consider saving with the EU Growth prospectus compared to a standard prospectus (in percentage)?

	Less than or equal to 10%	Between More than 10% and less than or equal to 20%	Between More than 20% and less than or equal to 40%	Between More than 40% and less than or equal to 50%	More than 50%	Don't know / no opinion / not relevant
EU Growth prospectus for equity securities compared to a Standard prospectus for equity securities						
EU Growth prospectus for non-equity securities compared to a Standard prospectus for non-equity securities						

Please explain your reasoning: *[2000 character(s) maximum]*

- 11. As an issuer or offeror, how much money do you consider saving with the EU Recovery prospectus, currently available only for shares, compared to a standard prospectus and a simplified prospectus for secondary issuances of equity securities (in percentage)? Please put an X in the box corresponding to your chosen option.**

	Less than or equal to 10%	More than 10% and less than or equal to 20%	More than 20% and less than or equal to 40%	More than 40% and less than or equal to 50%	More than 50%	Don't know / no opinion / not relevant
EU Recovery prospectus compared to a Standard prospectus for equity securities						
EU Recovery prospectus compared to a Simplified prospectus for secondary issuances of equity securities						

Please explain your reasoning: [2000 character(s) maximum]

2.1.2. Circumstances when a prospectus is not needed

The Prospectus Regulation currently lays down several exemptions for the offer of securities to the public (Article 1(4) and 3(2)) or the admission to trading of securities on a regulated market (Article 1(5)). Moreover, the Prospectus Regulation does not apply to offers of securities to the public below EUR 1 million, in accordance with the conditions laid down in Article 1(3).

- 12. (a) Would you be in favour of adjusting the current prospectus exemptions so that a larger number of offers can be carried out without a prospectus? Please put an X in the box corresponding to the exemption(s) you would be in favour of adjusting and specify in the textbox what changes you would propose, including (where relevant) your preferred threshold.**

Exemptions for offers of securities to the public (Article 1(4) of the Prospectus Regulation)	
1- An offer of securities addressed to fewer than 150 natural or legal persons per Member State, other than qualified investors (Article 1(4), point (b))	
2 - An offer of securities whose denomination per unit amounts to at least EUR 100 000 (Article 1(4), point (c))	
3 - An offer of securities addressed to investors who acquire securities for a total	