



## BULGARIAN CHAMBER OF COMMERCE AND INDUSTRY

**BCCI**  
Our Ref. 527  
date - 4 -09- 2025

To  
Ms. Maria Luís ALBUQUERQUE  
EU Commissioner, Financial Services and the Savings and Investments Union

RE: Savings & Investment Union – meeting EU Commissioner Ms. Albuquerque on September 4, 2025

Sofia, September 4, 2025

Dear Ms. Albuquerque,

On behalf of the Bulgarian Chamber of Commerce and Industry, I would like to thank you for the opportunity to meet and discuss important financial issues for further development of the European market.


We consider the amendments and proposals in the area of savings and investments in the Single European Market as a positive trend of development. We have come to this conclusion based on the sources we used as listed in Enclosure 1. We will continue observing carefully the forthcoming developments as announced in the Commission's timeline. We are particularly interested in the development of EuVECA regulatory framework designed to simplify the process for venture capital funds to raise capital and invest in start-ups and early-stage innovative companies.

As to the proposals for closer integration in the field of financial services, we believe that the right course of action should be the implementation of more opportunities for companies who are in need of attracting capital.

Meanwhile, we would plead for comprehensive protective measures for the smaller and less developed financial markets in some of the EU countries. We would participate in the formulation of such measures when they are proposed.

I would like to reiterate BCCI's availability for further consultations with a view to finding feasible solutions benefitting the Single Market.

SINCERELY YOURS,

  
Tsvetan Simeonov  
BCCI's President



## ENCLOSURE 1

### Adoption of SUI and further development of the matter at hand

- **Where it stands:** The European Commission **adopted the Savings & Investments Union (SIU) strategy on 19 March 2025** via a formal Communication setting the agenda for 2025–2029.
- **What's happened since:**
  - **Consultations opened:** an SIU-wide call for evidence (Feb 2025) and a **June 2025 call for evidence on a European blueprint for "Savings & Investment Accounts"** (SIAs).
  - **First legislative move** under SIU: on **17 June 2025** the Commission proposed **reforms to the EU securitization framework** (CRR/SECR etc.) to free up bank balance sheets and deepen capital markets.
  - Related enabler already in force: the **FASTER Directive (EU) 2025/50** to speed up **withholding-tax relief** on cross-border dividends/interest was published in the OJ (Jan 2025).
- **What's next (Commission's timeline):**
  - **Q3 2025:** Recommendation/"blueprint" for **Savings & Investment Accounts** + an **EU financial-literacy strategy**.
  - **Q4 2025:** measures on **supplementary pensions** (auto-enrolment guidance; IORP/PEPP reviews) **and a Market Infrastructure & Supervision package** (trading/post-trade, funds' cross-border provision, steps toward more integrated supervision).
  - **2026:** **EuVECA review** and a **banking-sector competitiveness report**; **mid-term SIU review in Q2 2027**.



## Enclosure 2

### Executive take

- **Bulgarian employers intend to backing the Savings & Investments Union (SIU)** as a way to lower the cost of capital, diversify beyond bank loans, and open equity/VC channels for SMEs, while insisting on **proportionality** for small markets like Bulgaria and safeguards against liquidity draining to bigger hubs.
- **Context matters:** Bulgaria's capital market is very small ( $\approx 8\text{--}9\%$  of GDP market cap in 2023–24) and households overwhelmingly save in bank deposits ( $\approx 42\%$  of GDP), so retail-investor and SME-financing measures are particularly relevant at home.

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### 1) Bulgarian employers' position on the SIU (pros/cons for any market size)

#### Support (pros)

- **Cheaper, more diverse financing** for SMEs and scale-ups via listings, private markets and VC; less dependence on banks.
- **Mobilizing household savings** into productive assets to build wealth and pensions, with better financial literacy—key in deposit-heavy Bulgaria.
- **EU-wide fixes** (withholding-tax relief, post-trade integration, harmonized insolvency/accounting) reduce friction and cross-border costs.

#### Risks/concerns (cons)

- **Liquidity migration** to larger EU venues; small exchanges risk being bypassed unless SME markets and local ecosystems are nurtured.
- **One-size-fits-all supervision** could raise compliance costs and reduce local say; proportionality and phased implementation are essential.
- **Retail-investor rules** that unintentionally restrict advice or product choice could suppress participation (e.g., narrow provider scopes for new “Savings & Investments Accounts”).

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### 2) Employers' view on current proposals under consideration (by other stakeholders)

- **EU “Savings & Investments Accounts” + literacy push (Q3 2025):** Support if product-neutral across providers (banks, asset managers, **insurers**), with simple tax treatment and strong guardrails against mis-selling. (Insurance Europe wants insurers fully in-scope.)
- **Pensions package (auto-enrolment recommendations; IORP & PEPP reviews – Q4 2025):** Positive if it expands long-term equity capacity while keeping national specifics and cost controls; ensure Bulgarian funds can invest more flexibly in EU equity/VC.
- **Market-integration & supervision package (Q4 2025):** Back harmonization of **withholding tax, corporate actions, and post-trade**; be cautious on any sweeping centralization of supervision—ask for

## Enclosure 2

proportionality and clear “systemic cross-border” thresholds. (ECB argues for more integrated supervision; employers can support outcomes, not necessarily a single model.)

- **Promoting equity investment (incl. EuVECA review; institutional investors’ equity eligibility – 2026):** Support broader long-term equity allocations and a more attractive EU VC framework—critical for scale-up finance. (Asset-manager groups also link this with fixing the debt-equity tax bias.)
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### 3) What Bulgarian employers can propose

1. **Proportionality & phase-ins** for small markets across any new supervisory or disclosure rules; protect SME Growth Markets and reduce listing costs/fees.
  2. **Debt-equity tax neutrality** (support an EU-level allowance for equity—DEBRA/ACE—and align Bulgarian tax to favor equity retention/issuance).
  3. **Fast-track withholding-tax relief and post-trade simplification** for cross-border investors in Bulgarian securities, using the EU framework once adopted.
  4. **Retail participation plan:** adopt the EU Savings & Investments Account domestically with simple tax wrappers, broad provider access (incl. insurers), and a national financial-literacy program co-funded with industry.
  5. **Pension-capital channel:** enable higher strategic equity/Venture Capital limits for pension funds (with risk controls) to anchor local listings and growth funds.
  6. **IPO & scale-up toolkit:** Bulgarian-language prospectus templates, voucher schemes for advisory costs, and co-investment vehicles with IFIs (e.g., EBRD priorities align).
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### 4) Affected interests for Bulgarian employers & why some Member States resist deeper integration

#### Affected Bulgarian employer interests

- **Access to finance & cost of capital** (equity/Venture capital availability, listing conditions, cross-border investor reach).
- **Pension & insurance investment rules** (scope for long-term equity allocations).
- **Compliance/supervision model** (who supervises what; reporting burdens; local influence).
- **Retail market development** (advice models, product scope of new accounts, literacy).

#### Why some Member States push back

- **Sovereignty concerns** over supervision and insolvency/tax harmonization; fear of losing control over consumer-protection models.
- **Protection of national financial centers** and market infrastructure; concern that liquidity and listings could migrate.
- **Political sensitivity** of shifting household savings into markets (perceived risk vs. deposits/pensions).