

LISTING ACT: NEW RULES FOR EU CAPITAL MARKETS

The “EU Listing Act” package, aimed at enhancing the competitiveness and attractiveness of the European Union's capital markets, entered into force on 4 December 2024.

Regulation (EU) 2024/2809, which amends the Prospectus Regulation, will simplify listing rules and facilitate access for Small and Medium Enterprises (SMEs) to capital markets starting in 2026.

CONTACTS

ANTÓNIO DE MACEDO VITORINO

AVITORINO@MACEDOVITORINO.COM

ANDRÉ VASQUES DIAS

ADIAS@MACEDOVITORINO.COM

DIOGO FARIA LOPES

DLOPES@MACEDOVITORINO.COM

On 8th October 2024, the European Council approved the “EU Listing Act”, a regulatory package that follows the “Capital Markets Union Action Plan”, initially approved on 30 September 2015. The “EU Listing Act” envisages simplifying the rules governing public offers and the listing of EU companies on stock exchanges, while preserving transparency, investor protection, and market integrity.

This package includes the following acts which were approved by the European Parliament on 23 October 2024 and published on 14 November 2024:

- [Directive \(EU\) No. 2024/2811](#) amending Directive 2014/65/EU on markets in financial instruments (“**Directive amending MIFID II**”);
- [Directive \(EU\) No. 2024/2810](#) on multiple voting share structures (“**Multiple Voting Shares Directive**”); and
- [Regulation \(EU\) No. 2024/2809](#) (“**Regulation 2024/2809**”).

Regulation 2024/2809 amends the following acts:

- [Regulation \(EU\) No. 2017/1129](#) on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (“**Prospectus Regulation**”);
- [Regulation \(EU\) No. 596/2014](#) on market abuse (“**Market Abuse Regulation**”); and
- [Regulation \(EU\) No. 600/2014](#) on markets in financial instruments (“**Markets in Financial Instruments Regulation**” or “**MiFIR**”).

The Directives and Regulation 2024/2809 entered into force on 4 December 2024.

A. DIRECTIVE AMENDING MIFID II

This Directive repeals Directive 2001/34/EC on the admission of securities to official stock exchange listings and the information to be published on those securities (“**Listing Directive**”).

As a result of this revocation, several provisions of the Listing Directive have been incorporated into the MiFID II.

In addition to this revocation, the Directive approves significant amendments, including without limitation:

- For the listing of companies, a minimum market capitalization requirement of €1,000,000 and a minimum free float requirement of 10% (instead of 25%) will apply; and
- Stricter requirements for issuer-sponsored research are introduced in accordance with the new EU code of conduct.

B. MULTIPLE VOTING SHARES DIRECTIVE

This Directive harmonizes the rules on multiple voting shares. In particular, this Directive approves the following measures:

- Member States are authorised to adopt multiple voting share structures even before a request for admission to trading is made, with the option to condition this authorisation to the admission to an MTF; and
- Protective measures to safeguard the interests of minority shareholders.

C. AMENDMENT TO PROSPECTUS REGULATION

The amendment to the Prospectus Regulation aims to address the challenges faced by many European companies in financing their growth through market-based sources.

The high administrative costs and the complexity of the procedures involved, particularly the requirement to prepare a prospectus, discourage SMEs from raising funds in the capital markets..

Key measures include:

- New exemptions from the obligation to publish a prospectus;
- Amendments to the "EU Growth Prospectus" rules, now incorporated in the Prospectus Regulation;
- Introduction of a new "EU Complementary Schedule" for secondary issuances;
- New requirements for the disclosure of ESG information; and
- Easing of the language requirements, allowing the use of a language accepted by the competent authority of the Member State.

D. AMENDMENT TO MARKET ABUSE REGULATION

Regulation 2024/2809 also amends the Market Abuse Regulation. The key measures include:

- Elimination of the requirement to disclose intermediate stages in protracted processes (e.g., mergers and acquisitions); and
- Increase of the threshold for manager's transactions notifications from €5,000 to €20,000.

E. NEXT STEPS

Although the regulatory package entered into force on 4 December 2024, the approved acts will only take full effect in the year 2026.

On one hand, the Directives must be implemented by Member States by 5 June 2026.

On the other hand, several provisions of Regulation 2024/2809 will only come into effect on 5 March 2026 and others on 5 June 2026. In addition, the Commission and the Member States will need to take measures to implement the changes outlined in the Regulation 2024/2809.

© 2024 MACEDO VITORINO

This information is provided for general purposes only and does not constitute professional advice.