

PARTICULARITIES OF EUROPEAN CAPITAL MARKET EVOLUTION IN A DIGITAL ECONOMY

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National Strategy for information society development “*Digital Moldova 2020*” indicates, as general objective, “Creating favorable conditions for development and wide use of Information and Communications Technology (ICT) potential by the public institutions, businesses and individuals in order to help them achieve economic, social and cultural goals, for the benefit of everyone”. Achieving this goal requires significant investments, attracted mainly through the national financial market, whose modernization, using the advantages provided by the digital economy, can contribute to a significant increase in the volume of obtaining capital.

The aim of this investigation is identification, with the purpose of implementing the best European practice, specifying the peculiarities of modern European capital market evolution and main advantages that implied ICT development for European Union (EU) financial market in the Republic of Moldova,

The study demonstrates, that development of contemporary capital markets of EU countries, mainly determined by the implementation of tasks, indicated in EU *Investment Plan*, aims to tackle investment shortages head-on by increasing and diversifying the funding sources for Europe’s businesses and long-term projects, according to the *Europe 2020 Strategy*, established three priorities: *Sustainable growth*, *Inclusive growth* and *Smart growth* which contains such initiatives as: *Innovation Union*; *Digital agenda for Europe* and *Education*.

The main particularities of EU countries capital markets evolution in a digital economy, grouped according to related measures, are:

- 1. *Financing for innovation, start-ups and non-listed companies, including:*** support venture capital and equity financing, elaboration of the *Pan-European Venture Capital Fund(s)-of-Funds programme* aimed to address Europe’s equity gap and to attract additional private funding from institutional investors into the EU venture capital; review of the *European Venture Capital Funds* and *European Social Entrepreneurship Funds* regulations; tax incentives for venture capital and business angels; elaboration pan-European information systems based on modern ICT, overcome information

barriers to SME investment; promote innovative forms of corporate financing, broaden access to finance for innovative companies, start-ups, unlisted firms, including SMEs; promote private placements.

2. *Making it easier for companies to raise capital on public markets, based on:* strengthen access to public markets; modernization the regulatory framework for SME admission on public markets and SME Growth Markets; review corporate bond markets, focusing on market liquidity; address debt-equity bias in national corporate tax systems.

3. *Investing for long-term, infrastructure and sustainable investment, which implies:* support infrastructure investment, especially for projects that involve ICT; expand investment opportunities for institutional investors and fund managers; elimination of the barriers to the cross-border distribution of investment funds; analysis, using modern methods based on ICT, of evidence on the cumulative impact of the financial reform?

4. *Fostering retail and institutional investment, involving:* increase choice of financial instruments, financial intermediaries and competition for retail consumers; support saving for retirement, improve policy framework to establish EU personal pensions.

5. *Leveraging banking capacity to support the wider economy, inclusive:* strengthen local financing networks based on ICT; build EU securitisation markets; creation EU-wide framework for covered bonds and similar structures for SME loans.

6. *Facilitating cross-border investing, through:* removing national barriers to cross-border investment; improving market infrastructure for cross-border investing; fostering convergence of insolvency proceedings, removing cross-border tax barriers, strengthening supervisory convergence and EU macro-prudential framework.

Bibliography:

1. *National Strategy for information society development “Digital Moldova 2020”*, approved by the Government Decision no. 857, 31.10.2013
2. http://ec.europa.eu/europe2020/index_en.htm
3. <http://ec.europa.eu/finance/capital-markets-union/>