

## EU Savings and Investment Union: issuance aspects (including PRIIPs)

On 10 June 2025, ICMA [responded](#) to the European Commission's [targeted consultation on integration of EU capital markets](#). This included responses specifically from the Eurobond issuance perspective to section 1's Question 6 (on PRIIPs) on page 12, and section 4.3's Questions 8 to 22 (on issuance more generally) on pages 26-31.

**Section 1/PRIIPs:** Regarding PRIIPs, ICMA responded as being neutral from the Eurobond perspective on the specifics of KID content whilst its purpose continues to be flawed, citing ICMA's response to Question 4.2.1 on pages 3-4 of ICMA's [August 2021 response](#) to the Commission. (ICMA also responded distinctly from the funds perspective.)

**Section 4.3:** Regarding section 4.3 generally, it was not always clear why certain questions were being raised (and whether the Commission was contemplating specific scenarios other than Eurobond issuance). ICMA sought to outline some initial responses in this respect (interpreting questions around "barriers" as relating to issues significant enough to warrant Commission action), for potential further engagement as relevant.

**Issuance steps:** ICMA's response outlined the typical main steps for public syndicated issuance (large-size programme drawdowns): (i) initial disclosure; (ii) any marketing (not for repeat issuers, so rare); (iii) execution (hours intra-day, from books open to investor allocations and trade pricing); (iv) pre-settlement (three-five days); and (v) closing and settlement (minutes intra-day once all conditions satisfied).

In this respect, bond issuance differs fundamentally from equity issuance in many ways and there is no case for regulation to shorten the primary market settlement cycle (see [article on the topic](#) extracted from the [First Quarter 2025 edition](#) of the ICMA Quarterly Report).

The process is generally seen as smooth and without significant barriers, competitive at a global level and with periodic incremental evolution,<sup>1</sup> despite some ongoing regulatory frictions. (ICMA has made various proposals in the context of the EU's ongoing CMU Listing Act and Retail Investment Strategy dossiers and sees no need for further regulatory intervention.)

**ISIN attribution:** The response noted that there were no "barriers" related to the allocation of International Securities Identification Numbers (ISINs) or the length of ISIN allocation processes, which should not be further regulated.

Whilst "XS"-prefix ISINs mainly used for Eurobond ISINs may often be not available by the time books open, it would be exceptional that they would not be available by pricing. (Attribution of some national ISINs within the EU may

however take significantly longer.) ICMA understands that the International Central Securities Depositories (ICSDs) acting as numbering agency for the attribution of the XS ISINs need to complete often significant due diligence tasks ahead of ISIN attribution. In terms of competition in ISIN attribution, ICMA is unaware of any problems arising from the international ICSDs acting as numbering agencies for the attribution of the XS ISINs.

**Investor identification and classification:** The response noted that there were no "barriers" related to investor identification and classification.

The Eurobond markets continue to operate as anonymised holding markets, albeit now through the ICSDs and thence sub-custodian accounts (which are perceived as cheaper and more flexible than direct holding structures). Whilst this can complicate advertising to front offices around bondholder resolution voting, the formal voting process itself is generally effective in reaching end-holders' back offices via the sub-custody chain. (There can be some inefficiencies, as noted, in the context of post-LIBOR transition, at pages 64-65 of the [Second Quarter 2021 edition](#) of the ICMA Quarterly Report).

Distinctly in terms of new issuance allocation decisions, investor identification is consistent at the institutional/legal level. Characteristics at subsidiary portfolio levels are however often subjective and variable over time (any Legal Entity Identifier that might apply would be at the level of an investor's legal identity and so would potentially straddle many investor sub-accounts). Eurobond bookbuilding systems' investor identification processes work well, and issuance effectiveness is not impacted – with a few very sophisticated issuers seeking additional granularity.

**Automation/STP:** The response noted that there were no "barriers" related to automation/straight-through processing (STP) or the exchange of data. In this respect the response noted sufficient satisfaction with the current level of digitalisation of the bookbuilding process.

Whilst there could, and likely will, be significant efficiency gains from further automation/STP and improved data exchange (eg in the context of investor back-office order management system connectivity), the current situation cannot be characterised as constituting "barriers" in the Eurobond market. (ICMA has been developing its [Bond Data Taxonomy](#) to assist, as well as conducting its recent stakeholder roundtables on primary market innovation.)

**Competition/fees in underwriting:** The response noted that there were no significant "barriers" for issuers regarding competition and fees in the area of underwriting. The response was also neutral on the transparency of fee structures, but noted that there should not be additional transparency requirements (eg for publishing indicative prices or for standard/average price lists).

1. See the separate article, in the Third Quarter 2025 edition of the ICMA Quarterly Report, on the ICMA Primary Market Innovation Project.

In this respect, the [ICMA Primary Market Practices Committee](#) (ICMA's main underwriter group) currently gathers 48 institutions (with another 21 on the related [ICMA European Bond Syndicate Heads Group](#)), suggesting a healthy number of market participants and consequent choice for issuers. This area was also reviewed in detail by the UK's FCA before Brexit – See #2 in ICMA's [October 2014 response](#) to the FCA and #53-55 at page 15 of ICMA's [January 2015 response](#) to the UK authorities. ICMA is unaware of any issuers subsequently suggesting that there is insufficient competitiveness in Eurobond underwriting.

ICMA deliberations do not touch on what underwriting fee levels are, as that is something rightly reserved by law to competitive market forces. Distinctly regarding price transparency, the response noted that underwriting services are not billed to investors. Transparency of underwriting fees billed to issuers was significantly considered in the context of MiFID2 implementation – with a notable ongoing concern that European issuers should not be prohibited from remunerating (and so hiring) underwriters to help manage their bond offerings (see #5(A) at page 4 of ICMA's [August 2023 response](#) to the Commission). And the prevailing view has been that investors have little or no interest in the level of bond underwriting fees, as very rarely a material factor in investment decisions regarding bonds (see “Inducements and costs & charges” at page 6 of ICMA's [December 2019 analysis](#)). ICMA is not aware of changing views in this respect.

*EDDI:* Finally, the response disagreed with the suggestion for a front-to-back pan-European platform to address “barriers”, such as the European Distribution of Debt Instruments (EDDI) initiative proposed by the ECB in 2019.

There is no perception of significant “barriers” to address in the context of Eurobond issuance (as noted above) and the initial perception of EDDI largely endures of “a solution in search of a problem” (as noted at page 25 of the [2022 First Quarter edition](#) of the ICMA Quarterly Report).

*Next steps:* ICMA will continue to monitor this area as the SIU initiative develops, looking to engage where necessary.



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