

Conditions on buy-back programmes and stabilisation measures

-

Draft delegated regulation amending DR (EU)2016/1052

-

ICMA feedback

EXECUTIVE SUMMARY

Centralising stabilisation reporting by reference to liquidity may work well for shares, but not bonds – where trading does not visibly concentrate in official exchanges and where focus would more proportionately be on the location of primary listing or otherwise of the stabilisation.

1. **Introduction** – ICMA welcomes the opportunity to provide feedback, from the perspective of the mainstream international bond markets (Eurobonds), on the draft delegated regulation (Ares(2026)8907894) amending [Delegated Regulation \(EU\)2016/1052](#) (the “Stabilisation Regulation”), as set out on the European Commission’s [Regulatory technical standards – conditions on buy-back programmes and stabilisation measures \(amendment\) webpage](#).
2. **Background / ESMA advice** – The Commission’s proposed adoption of the draft delegated regulation follows ESMA’s preceding [7 September opinion](#) (ESMA74-268544963-1748) that proposed amendments are appropriate.
3. **Centralising stabilisation reporting by reference to liquidity: Shares, not bonds**
 - (A) The draft delegated regulation notably amends Stabilisation Regulation Art.6(4) to require reporting of stabilisation transactions to be to the competent authority *“of the most relevant market in terms of liquidity”*.
 - (B) Such a liquidity concept stems from the equity context, where share trading tends to visibly concentrate in official exchanges. It does not however carry over the debt context, where bond trading is overwhelmingly conducted OTC off-exchange, whether in voice format or across many different trading platforms – without clear visibility (also bearing in mind that FIRDs data is not available in real time and that it is also difficult to find specific ISINs there).
 - (C) The current requirement, for reporting to be to the competent authority *“of each trading venue on which the securities under the stabilisation are admitted to trading or are traded; [...] of each trading venue where transactions in associated instruments for the stabilisation of securities are carried out”*, involves a similar problem.

- (D) This could have theoretically resulted in individual authorities drowning in reports from reporters over-cautiously reporting to all 27 authorities when unable to identify, robustly and on a timely basis, relevant venues.
- (E) This was avoided to the extent many reporters seem to have adopted proportionate compliance approaches, such as reporting to (i) the authority of the EU regulated market or 'primary' MTF ('exchange-regulated market') on which the stabilised securities have been admitted or, absent any such listing, (ii) the authority of the jurisdiction from where the stabilisation trades are executed.
- (F) Such proportionate approaches would consequently continue to be just as relevant under the amendments set out in the draft delegated regulation.
4. **Other stabilisation alleviations** – Incidentally, stabilisation would be significantly less disincentivised if at least (beyond more extensive reforms historically advocated by ICMA) (i) 'pre-stabilisation' notices (under Stabilisation Regulation Art.6(1)) be allowed to be part of general transaction announcements and (ii) the requirement for distinct 'mid-stabilisation' period notices (under Stabilisation Regulation Art.6(1)) were repealed. (Something ICMA is currently advocating to UK authorities.)

International Capital Market Association (ICMA)

Zurich | London | Paris | Brussels | Hong Kong

ICMA promotes well-functioning cross-border capital markets, which are essential to fund sustainable economic growth. It is a not-for-profit membership association with offices in Zurich, London, Paris, Brussels, and Hong Kong, serving over 630 members in 71 jurisdictions globally. Its members include private and public sector issuers, banks and securities dealers, asset and fund managers, insurance companies, law firms, capital market infrastructure providers and central banks. ICMA provides industry-driven standards and recommendations, prioritising three core fixed income market areas: primary, secondary and repo and collateral, with cross-cutting themes of sustainable finance and innovation and digitalisation. ICMA works with regulatory and governmental authorities, helping to ensure that financial regulation supports stable and efficient capital markets.

www.icmagroup.org (EU Transparency Register Identification number: [0223480577-59](https://register.transparency.eu/0223480577-59))

Contact:

Ruari Ewing

Senior Director, Primary markets

Market Practice and Regulatory Policy

Direct line: +44 20 7213 0316