

# FISMA/12181 - Meeting with ICMA

## Meeting date and place

Meeting held on 22/01/2020 15:00

## Participating organisation(s) representative(s)

International Capital Market Association    **Contact, Participant, Requester**

## Main issues discussed

- ICMA requested a meeting to present to the Commission a preliminary version of its upcoming study on the establishment of a bond consolidated tape (CT). The study was prepared by ICMA's consolidated tape taskforce consisting of representatives from 35 member firms, with a broader consultative group of 65 firms representing sell-side, buy-side, trading venues and data providers.

- ICMA is in favour of setting a bond tape and provides an analysis of the US tape, named TRACE ('Trade Reporting And Compliance Engine'), which has existed since 2002. According to ICMA, TRACE has improved transparency, liquidity and market efficiency in bond markets. ICMA recommends that the EU tape follow the gradual way in which TRACE was rolled out by sub-asset class. One particular challenge to setting up a bond CT in the EU is that post trade data on bonds is currently scattered over 17 APAs, which complicates the consolidation process. Another obstacle is the fact that bond transparency obligations under MiFID II are subject to national deferral regimes

- ICMA recommends to consider harmonisation. ICMA also notes that the legislation needs to set clear, concise and unambiguous instructions for reporting data, citing a few shortcomings in the current framework. - ICMA recommends that ESMA take up the role of awarding the contract to provide a CT to a third party, which it would then supervise. ESMA should also supervise the mandatory submission of post-trade data to the CT by APAs. Alternatively, ESMA could also be the operator of a bond CT in a pared-down utility model.

## Directorate or unit

FISMA.C.3

## Internal participants

FISMA C/3	( )@ec.europa.eu)	Notetaker, Participant, Requested for
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## Author(s) of minutes

Ms LOUEDEC Emmanuelle

## Validator and validation date

Mr LUEDER Tilman