

## **Euronext Dublin’s Response to the CBI Consultation on amendments to Central Bank Market Abuse and Transparency Rules and consolidation into Central Bank (Investment Market Conduct) Rules**

The Irish Stock Exchange plc, trading as Euronext Dublin (“Euronext Dublin”) welcomes the opportunity to respond to the consultation by the Central Bank of Ireland (“CBI”) on the amendments to Central Bank Market Abuse and Transparency Rules and consolidation into Central Bank (Investment Market Conduct) Rules.

By way of background, Euronext Dublin operates the regulated market (Main Securities Market) in Ireland on which equity securities, government bonds, collective investment undertakings and debt securities are admitted. In addition, the ISE operates three multilateral trading facilities, the Enterprise Securities Market, the Global Exchange Market and the Atlantic Securities Market. At the end of August 2018, Euronext Dublin had 58 equity securities, 5,204 classes of investment funds and 32,842 non-equity securities listed on its markets.

### **Section I: Additional requirements to be contained in the Central Bank (Investment Market Conduct) Rules**

***Question 1: Stakeholders are requested to indicate whether they have any comments or concerns as regards the proposal to require issuers to obtain an LEI.***

Euronext Dublin acknowledges that LEIs are becoming a standard way of identifying issuers and other financial market participants and that there is an enhanced effort being made to improve the take up of LEIs. Therefore, we are in agreement with this proposal in principle; however we would ask that the following points are taken into consideration.

Under MiFID II, the requirement was introduced on 3 January 2018 for the market operator of a regulated market and/or a MTF to provide the LEI of all issuers with securities admitted to its markets. As a result, Euronext Dublin updated its Listing and Admission to Trading Rules, effective 3 January 2018, to require issuers to provide a LEI. While this has meant we have been receiving LEIs for new listings on our markets, it is much more problematic obtaining this information for historically listed securities. We have an on-going project focusing on obtaining these LEIs but progress is slow.

With this in mind, we would suggest that further consideration needs to be taken on the approach to historically listed issuers, as these would have listed their securities at a time when there was no business nor regulatory requirement to have an LEI. There may be cases where obtaining an LEI now is not possible for some types of issuers e.g. an SPV that was set up 10 years ago to list a security is unlikely to have funds available at this point in time to purchase an LEI.

In addition, while the LEI is now a globally recognised code and indeed, was included previously in the G20 commitments, there are many issuers with securities listed in the Irish market that come from jurisdictions that do not have legislation requiring LEIs and are not familiar with and do not see the value of such codes. Again, we would ask that further consideration may need to be taken with regard to these issuers as the take up of LEIs may take significantly more time.

Furthermore, given the concept of LEIs is relatively new in the market, there are still areas where clarity needs to be provided. For example, in relation to funds, there is an inconsistent approach in the application of LEIs to funds, as some are applied at umbrella level and some are applied at sub-fund level. We understand

this is still under consideration by ESMA, and we would ask that a consistent approach is agreed and implemented by the relevant authorities and within GLEIF, and advised to the market, before mandating the LEI in the Central Bank's Investment Market Conduct Rules.

Finally, we suggest due consideration is given to the approach to LEIs by National Competent Authorities across all EU jurisdictions in this regard, as it is important that a harmonised approach is taken to ensure that a similar LEI requirement applies throughout the EU to ensure there is a level playing field and that the Irish market is not put at a competitive disadvantage.

***Question 2: Stakeholders are requested to indicate whether they have any comments or concerns as regards the proposal to require issuers to classify regulated information.***

Euronext Dublin welcomes this proposal as we, as Ireland's Officially Appointed Mechanism (OAM), are already obliged to classify regulated information received in accordance with these requirements. Therefore it makes sense to require the issuers to notify the OAM of such classifications and it is in line with our current OAM requirements for the submission of information by issuers through [www.isedirect.ie](http://www.isedirect.ie).

## **SECTION II: Key amendments to the Transparency Rules**

***Question 3: Stakeholders are requested to indicate whether they have any comments as regards the proposed requirements for the distribution of regulated information when no RIS is open for business.***

Euronext Dublin agrees that the Transparency Rules should be consistent with the Market Abuse Rules to avoid any divergences in implementation and we support the proposal to issue guidance on the Transparency Regulations; however, please see our response to Question 4 hereunder on the specific point regarding situations where no RIS is open.

***Question 4: Do stakeholders have views on whether Rule 5.3 of the Transparency Rules and Rule 4 of the Market Abuse Rules remain necessary? If the Rules do remain necessary, do stakeholders have views as to whether, given ongoing changes in technology, there are better methods of dissemination and making public of information that are available outside of business hours that satisfy the requirements of Regulation 33 of the Transparency Regulations, and of Article 2 of Commission Implementing Regulation (EU) 2016/10559?***

Euronext Dublin is of the view that the requirement to publish in two national newspapers should be removed given the advances in technology as dissemination is usually electronic on a RIS or other news service. It should also be clarified that the rule applies where no approved RIS is open for business.

***Question 5: Stakeholders are requested to indicate whether they have any comments or concerns as regards the proposal not to continue Rules 10.1, 10.2(1) and 10.2(3) of the Transparency Rules.***

We have no comments.

***Question 6: Stakeholders are requested to indicate whether they have any comments or concerns as regards the proposal not to continue Rule 10.2(2) of the Transparency Rules.***

We have no comments.

**Section III: Additional Guidance as regards transparency (regulated markets) law**

***Question 7: Stakeholders are requested to indicate whether they have any comments on or concerns about the proposed additional Guidance to be issued by the Central Bank as regards transparency (regulated markets) law.***

We support the proposed changes.

Lastly, Euronext Dublin supports the Central Bank's proposal to consolidate the Transparency Rules and Market Abuse Rules into one new statutory instrument of Investment Market Conduct Rules, as this seems an appropriate approach and should be more user-friendly for issuers and other relevant market participants. In addition, we agree with the intention to also consolidate the Prospectus Rules into this document in due course.

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