



## **Eurobonds «Repatriation» initiative (Italy)**



**EURONEXT SECURITIES**

**/ MILAN**

## Eurobonds: historical context



### Issuance

Dedicated to international investors, Eurobonds are generally issued under an **EMTN Program** (Euro Medium Term Notes), can also be *standalone*



### Form

Typically identified by an "**XS**" **ISIN** and a certificate known on the market as **Global Note**



### Jurisdiction

Historically issued under **UK law**, commonly thought to be predictable and quick in case of litigation.



### Institution

The issuance of these instruments is done in the **iCSDs**

### Focus

**~400BN+**  
issued by IT  
entities

**Autostrade per l'Italia** initiated this trend by issuing the first Eurobond in **1963**

Retail Bonds have been recently issued on iCSDs to avoid **CONSOB** approval

# Eurobonds: What we have done

A +4-year journey

Meetings	Events	Webinar & Articles	Whitepaper
<p><b>600+ meetings</b> with <b>1000+ people</b> on EMTN issuances only in the past 2 years. Euronext Securities Milan meets <b>Issuers, Legal Firms, Arrangers and Associations</b> to promote the dematerialized model.</p>	<p>Numerous <b>conferences targeting Banks</b> and Corporates, with the involvement or facilitated by <b>Ministry of Economy &amp; Finance, Cassa Depositi e Prestiti and ABI.</b></p>	<p><b>Online webinars</b> dedicated to Issuers and Legal Firms and various <b>educational interviews, articles and papers.</b></p>	<p>Euronext Securities Milan published, in December 2022, a <b>whitepaper</b> to illustrate the legal and operational advantages of the <b>dematerialization structure</b> while ensuring the same international reach of Global Notes.</p>

## Quick Facts



### Brexit

**Brexit** can be considered the real **breaking point for reconsidering domestic law for issuance.** Following the Brexit, Italian Banks had to change the Issuance Law in their prospectus from UK to IT law.

### MREL

The minimum requirements for own funds and eligible liabilities guide Banks to issue debt instruments **under EU legislation**

### Bank's Setup

In Euronext Securities Milan Banks can act as **Paying Agent** of their own issuances achieving full control of the **placement, payment and redemption** processes.

# Local Issuances vs Global Notes

A turnaround from a consolidated Market Practice

## Local Issuance

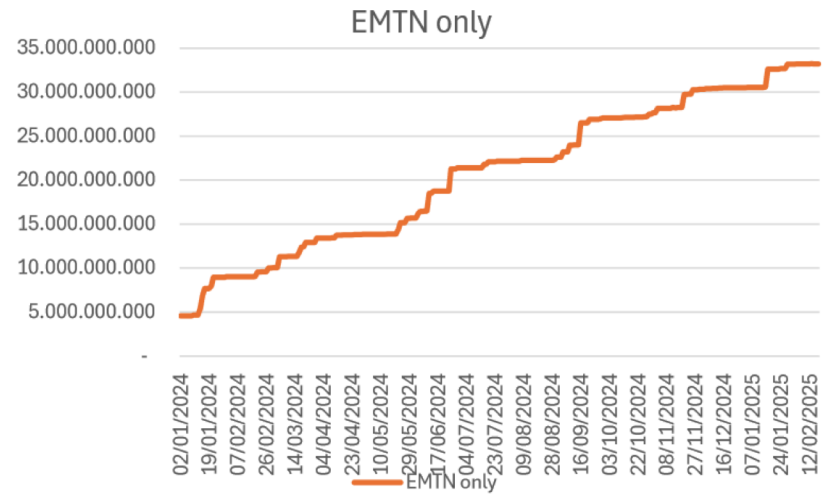
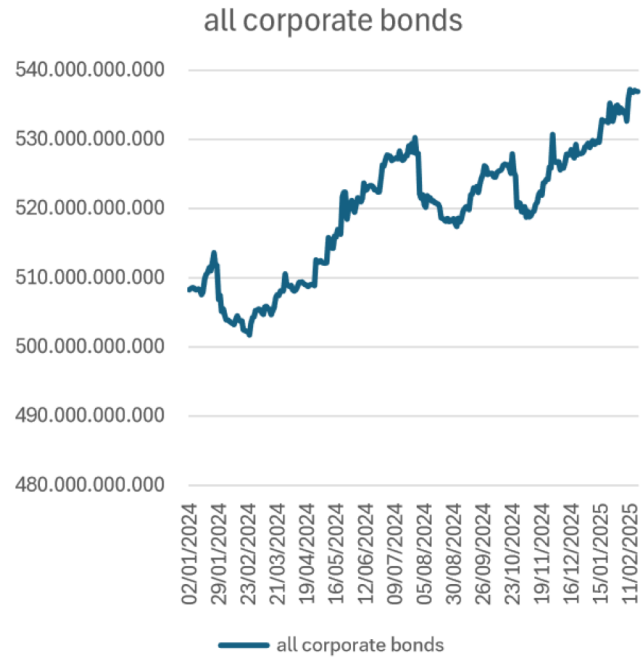
VS

## Global Notes

- ✓ **Fully dematerialized securities**
- ✓ **Simplified structure involving few actors**
- ✓ **Contained costs**
- ✓ **Central Bank EUR for placement and payments**
- ✓ **Timely and efficient support from ES through all the setup and issuance process**

- Paper-form certificates that require a manual signature in London and a common depository
- Many actors involved resulting in:
  - Higher costs
  - Large set of legal documentation
  - Less control on issuance process and delays
  - Potential delays in credit coupon payments to bondholders done in commercial bank money

# Bond Issuance trend 2024-2025



## Annex 1: Italy results through-out 2023-2024

Issuer	Digital issuance in MT (status)	Programme total amount (€ Billion)	Issuer	Digital issuance in MT (status)	Programme total amount (€ Billion)
MEF	Included	80	UnipolSAI	Included	3
Intesa	Included	70	Generali	Included	15
Unicredit	Included	60	AMCO	Included	6
BPER	Included	6	SNAM	Review	13
Banco BPM	Included	25	ENI	Review	20
Raiffeisen	Included	0,75	Campari	Review	Stand-alone
Banca IFIS	Included	5	FSI	Review	12
CF+	Included	Stand-alone	ACEA	Review	5
Iccrea Banca	Included	3	Terna	Review	9
Illimity Bank	Included	3	AZA	Review	7
Banca Mediolanum	Included	1	Autostrade per l'Italia	Review	7
Mediobanca	Included	40	ENEL	Review	35
FincoBank	Included	2	ENI	Review	20
Banca Sella	Included	Stand-alone	TIM	Review	Stand-alone
Banca MPS	Included	50	Pirelli	Review	2
BFF	Included	2.5	Poste Italiane	Review	2,5
Banco Desio	Included	3	Italgas	Review	6,5
Banca Popolare Sondrio	Included	5	Iren	Review	4
Cassa Centrale Banca	Included	3			
Mediocredito Centrale	Included	1			

**Total Eurobond issued under EMTN programmes in Italy**

**EUR +35BN**

## Annex 2: EMTN main features analysis

	PREVIOUS SITUATION	CURRENT STATE – REPATRIATION INITIATIVE	
<b>Dematerialization</b>	<b>CORPORATES AND BANKS</b>	<b>CORPORATES</b>	<b>BANKS</b>
Governing Law ( <i>Lex Contractus</i> )	UK	UK <sup>1</sup>	Italy
Place of Issuance of the Notes	UK	Italy	Italy
Place of Settlement	EC / CBL	Monte Titoli <sup>2</sup>	Monte Titoli
Form of Securities	Global Note	Dematerialized <sup>2</sup>	Dematerialized
Securities ISIN Code	XS	IT	IT
Signature Process	Physical – London	n/a	n/a
<b>Listing<sup>3</sup></b>			
Competent Authority	CSSF or CBI	New Programme in CONSOB / CSSF or CBI with passporting procedure in CONSOB	
Primary Listing Venue	Luxembourg or Dublin	Italy	

<sup>1</sup> International “investor friendly” solution; <sup>2</sup> Combination UK Law (*lex contractus*), Monte Titoli: Global Note issuance is also accepted; <sup>3</sup> Competent Authority and Primary Listing Venue may vary depending on the issuers’ preferences





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