

Milan, 18 March 2025

ESMA
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Via ESMA website

Prot. n. 23/25
MFE/GC

RE: Response to ESMA's Consultation on the Draft RTS for an EU Code of Conduct for Issuer-Sponsored Research

AMF Italia welcomes the opportunity to provide ESMA with comments on the Consultation Paper as better detailed here below.

Question 1: Are you aware of or adhering to another code of conduct for issuer-sponsored research that ESMA could take into account? If so, which specific parts of the code of conduct would be of added value to consider for the EU code of conduct?

In Italy, there is no specific national code of conduct for issuer-sponsored research. Therefore, the experience of other Member States, in particular the French "Charter of Good Practices on Sponsored Research", is a valuable reference.

However, AMF Italia expects that the EU Code of Conduct will maintain the necessary flexibility to accommodate different market structures and avoid imposing rigid requirements that could make issuer-sponsored research less accessible or burdensome, also considering that research providers play an important role in ensuring coverage of SMEs admitted to trading on growth markets.

Question 2: Do you agree with the proposed approach?

Esma's proposed approach (option 3) is a positive step as it builds on French best practice rather than introducing a completely new framework. However, certain aspects need to be clarified to ensure regulatory certainty and consistency.

In particular, the EU Code of Conduct should explicitly state that issuer-sponsored research is subject to the same principles of independence and objectivity as research under MiFID II and avoid duplicating provisions already contained in the relevant Level 2 regulations.

Question 3: Do you agree to mainly focus the requirements on research providers? Or do you think additional requirements are necessary for issuers?

AMF Italia agrees to focus the requirements mainly on research providers. Imposing additional requirements on issuers could discourage them from being listed/admitted to trading on financial markets and/or from commissioning research (if on a voluntary basis), which would be counterproductive.

Question 4: Do you agree with a minimum initial term of the contract of two years? Or should the initial term be more or less? Or should the code of conduct allow one-off reports, such as for initial public offerings?

The two-year minimum contract period provides stability and continuity for issuer-sponsored research but may not be appropriate in all circumstances. A more flexible approach should be considered, allowing one-year contracts with renewal options without strict requirements.

In addition, one-off reports should be explicitly allowed in the EU Code of Conduct, as they may be produced in some cases, particularly in the context of corporate events.

Question 5: Do you agree with a minimum upfront payment of 50% of the annual remuneration? Or should that percentage be more, or less?

For smaller companies, a minimum upfront payment structure could create liquidity constraints. In some cases, a staged payment approach would be preferable, allowing issuers to pay in several instalments. A flexible payment structure should therefore be allowed, as the independence of the research provider is not affected by the method of payment.

Question 6: Do you agree with the information listed in Clause 7 of the code of conduct that research providers should make available to investment firms? Is there anything missing?

The information requirements in Clause 7 are unclear as to the capacity of investment firms and do not seem to cover asset managers. Further clarification would be beneficial.

In addition, the requirement to share full contractual details of the arrangement between issuers and research providers could compromise business confidentiality. Key contractual terms should be sufficient to ensure that the receiving investment firm is adequately informed.

Question 7: Do you agree that only when the issuer paid fully for the research, it should be made accessible to the public immediately? Or should research partially paid for by the issuer also be made accessible to the public immediately?

We agree that only research that is fully paid for by the issuer should be made publicly available immediately and free of charge to all investors.

Question 8: Do you think that any further requirements should be introduced in the code of conduct?

Additional requirements should not be introduced. Further obligations could create barriers and limit the availability of issuer-sponsored research.



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Secretary General