1. Background

Commission Decision (EU, Euratom) 2021/625\(^1\) provides for the rules on the establishment of the European Union Primary Dealer Network (‘PDN’).

The Commission is calling for applications with a view to selecting members of the primary dealer network, i.e. a group of credit institutions eligible to participate in the following borrowing and debt management activities of the Commission:

(a) the placement of debt securities on the primary capital markets, in particular through auctions and syndicated transactions;

(b) the promotion of liquidity of the Union and the Euratom debt securities on the financial markets;

(c) the provision of fair advice and market intelligence to the Commission;

(d) the promotion and development of the placement of the Union and the Euratom debt securities.

The primary dealer network will play a crucial role in the successful execution of our large scale borrowing activities and in limiting the execution risk of syndicated transactions.

2. Application procedure

All the application documents will be published on the website https://ec.europa.eu/info/strategy/eu-budget/eu-borrower-investor-relations/primary-dealer-network_en as of 19\(^{th}\) April 2021.

They consist of an Application form and its annex, the General Terms and Conditions, and the excel template for reporting for transitional period.

Interested banks are invited to submit the complete application form and supporting documentation by email to EU-PRIMARY-DEALER-NETWORK@ec.europa.eu and the original

\(^{1}\) OJ L 131, 16.4.2021, p. 170.
The two-month period to decide the admission of an applicant to the primary dealer network set out in Article 13 of Commission Decision (EU, Euratom) 2021/625 starts from the reception of the original hard copy.

Documents to be provided

1. Request for Membership duly completed and signed (Annex I).
2. Documents related to the membership request (Annex II):
   - Information related to the legal entity of the applicant;
   - Contacts of the Primary Dealer manager - primary business contact (and his/her deputy), as well as, the persons who will likely be in contact with the Commission staff for preparing and carrying out transactions (primary market such as auctions and syndications, cash market transactions, hedging transactions);
   - Motivational and organizational aspects to substantiate the rationale for applying;
   - Information on secondary market that will be used to assess secondary market performance during the interim period (as specified in Annex II of the General Terms and Conditions) during the transitional period (as defined in Article 16 of Commission Decision (EU, Euratom) 2021/625);
   - Supporting evidence of the respect of the eligibility criteria as per Article 4 of Commission Decision (EU, Euratom) 2021/625.
3. Template for reporting for transitional period in excel format (Annex III).

Deadline for application

The application process remains open.

The Commission intends to publish the first list of primary dealers, as referred to in Article 16 of Decision (EU, Euratom) 2021/625 by the end of May. Applications received until the 3 May 2021 included by 18:00 CET will be considered for the establishment of that list. To such end, hard copies of application documents shall be received by the Commission no later than 10 May 2021, 18:00 CET.

3. Selection

The selection is governed by the rules set out in Commission Decision (EU, Euratom) 2021/625.

For any further information, please contact EU-PRIMARY-DEALER-NETWORK@ec.europa.eu

ANNEXES:

- Annex I: Request for Membership
- Annex II: Annex to the Membership Request
- Annex III: Excel template for reporting for transitional period
- Annex IV: General Terms and Conditions for European Union primary dealers