

São Paulo, January 30<sup>th</sup>, 2026

Directorate for Capital Markets and Financial Institutions

Sent by e-mail to: [corporategovernance@oecd.org](mailto:corporategovernance@oecd.org) and [Caio.Deoliveira@oecd.org](mailto:Caio.Deoliveira@oecd.org)

**Subject: IBGC Comments on the OECD Consultation – Guidelines for Corporate Bond Issuers**

Dear Mr. Caio de Oliveira,

Thank you for the opportunity to comment on the OECD Consultation on the *Draft Guidelines for Corporate Bond Issuers*.

The Brazilian Institute of Corporate Governance (IBGC) is pleased to contribute to this important global discussion. After careful analysis and review by our technical team, we are pleased to submit the following suggestions for consideration:

Original version	IBGC suggestion	Comments
1.A. The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters	1.A. The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters	<b>Mandate disclosure of potential conflicts of interest involving the issuer and key service providers.</b>  In Brazilian debenture offerings, essential information about the nature of relationships between issuers and offering intermediaries

<p>regarding the listed bonds of the corporation, which may include the financial situation and operating results, performance, company objectives, ownership, related party transactions, foreseeable risk factors, debt contracts, and governance of the company.</p>	<p>regarding the listed bonds of the corporation, which may include the financial situation and operating results, performance, company objectives, ownership, related-party transactions, <b>controls to fulfill covenants, potential conflicts of interest involving the issuer and key service providers</b>, foreseeable risk factors, debt contracts, and governance of the company.</p>	<p>is often omitted, as well as relevant details on debt structure, such as the identification of existing creditors.</p> <p>As highlighted by the Brazilian Association of Capital Market Investors (AMEC) diagnosis<sup>1</sup>, there are growing concerns about potential conflicts of interest in the relationships between bond issuers and service providers involved in debt offerings – such as financial advisors, legal counsel, trustees, and underwriters. In some cases, these providers maintain ongoing ties with the issuer or are involved in multiple phases of the transaction, which compromises their independence and may affect the quality and integrity of the services provided.</p> <p>These gaps hinder investors’ ability to conduct proper risk assessment. While drawn from the Brazilian context, this observation underscores a broader international need to mandate comprehensive disclosure of all material information, including potential conflicts of interest and controls to meet covenant needs, as prerequisites for ensuring transparency, integrity, and protection for bond investors.</p>
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<sup>1</sup> AMEC. Mercado de Crédito Privado: Diagnóstico e propostas da AMEC. 2025. p. 9. Access link: <https://amecbrasil.org.br/wpcontent/uploads/2025/12/DIAGNOSTICO-AMEC-MERCADO-CREDITO-vFINAL.pdf>

<p>1.C. Information should be prepared and disclosed in accordance with internationally recognised accounting and disclosure standards.</p> <p>Consistent with Principle IV.B. of the Principles, the use of high-quality accounting and disclosure standards is expected to significantly improve investors' ability to monitor a company by providing increased relevance, reliability, and comparability of reporting and improved insight into a company's performance and risks. Typically, issuers of listed bonds need to prepare and disclose information in accordance with the same</p>	<p>1.C. Information should be prepared and disclosed in accordance with internationally recognised accounting and disclosure standards.</p> <p>Consistent with Principle IV.B. of the Principles, the use of high-quality accounting and disclosure standards is expected to significantly improve investors' ability to monitor a company by providing increased relevance, reliability, and comparability of reporting and improved insight into a company's performance and risks. Typically, issuers of listed bonds need to prepare and disclose information in accordance with the same accounting and disclosure</p>	<p><b>Bond issuance materials should include standardized disclosures of key structural and risk-related information to ensure transparent and informed investment decisions.</b></p> <p>As highlighted by the AMEC diagnostic (2025, pp. 3-4), the absence of critical information in bond offering materials – such as quorum thresholds, subordination structures, and acceleration clauses – undermines transparency and hinders investors' ability to assess credit risk. Standardized and comprehensive disclosures are essential to promote informational fairness, enhance governance, and increase investor confidence in debt markets.</p>
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<p>accounting and disclosure standards used by listed companies in the same jurisdiction. In some jurisdictions, foreign companies can disclose information using foreign accounting standards if they are deemed to be equivalent to domestic accounting standards, which may facilitate cross-border investments.</p>	<p>standards used by listed companies in the same jurisdiction. In some jurisdictions, foreign companies can disclose information using foreign accounting standards if they are deemed to be equivalent to domestic accounting standards, which may facilitate cross-border investments.</p> <p><b>Informational materials related to bond issuance should include complete and standardized disclosures to allow investors to properly assess risks. At a minimum, such materials should disclose: (i) the applicable quorum requirements for bondholder meetings; (ii) a</b></p>	
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	<p>summary of the hierarchy of subordination among the issued instruments, including any implicit subordination resulting from differences in contractual provisions (e.g., financial covenants); (iii) the mapping and identification of financial instruments issued by companies within the same corporate group, with references to corresponding tickers to clarify interdependencies and cross-issuer risks; (iv) acceleration mechanisms such as cross-default clauses; and (v) a detailed breakdown of the costs associated with the issuance.</p>	
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<p>1.F. Channels for disseminating information should provide for equal, timely and cost efficient access to relevant information by bondholders and parties acting on their behalf.</p> <p>Consistent with Principle IV.E. of the Principles, there should be requirements for ongoing disclosure to holders of listed bonds and bond trustees, which includes periodic disclosure and continuous or current disclosure that is provided on an ad hoc basis. This should be provided in an easily accessible and user friendly manner, ideally on the same platform used for</p>	<p>1.F. Channels for disseminating information should provide for equal, timely and cost efficient access to relevant information by bondholders and parties acting on their behalf.</p> <p>Consistent with Principle IV.E. of the Principles, there should be requirements for ongoing disclosure to holders of listed bonds and bond trustees, which includes periodic disclosure and continuous or current disclosure that is provided on an ad hoc basis. This should be provided in an easily accessible and user friendly manner, <del>ideally on the same</del> <b>preferably through a centralized</b> platform <b>with</b></p>	<p><b>Bondholder information should be disclosed through a centralized, standardized platform integrated with listed company disclosure systems.</b></p> <p>Brazil's debt market still faces significant barriers to transparency, liquidity, and allocative efficiency due to the lack of a centralized information repository and the fragmentation of trading platforms. As highlighted in the AMEC diagnostic (2025, pp. 7-8), the absence of consolidated and timely data on trading volumes and conditions for debt instruments deters new investor participation and undermines proper risk assessment and investment strategy formulation. In this context, the creation of a centralized and standardized disclosure platform – covering meetings, corporate actions, and transactional data – is a critical step toward strengthening governance, expanding investor access, and improving capital allocation in the debt market.</p>
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<p>listed companies' disclosure.</p>	<p><b>standardized content, integrated with the system</b> used for listed companies' disclosure.</p>	
	<p><b>1.H. Issuers should disclose the rationale, volume, timing, and conditions of any repurchase of their own debt instruments. Regulatory frameworks should establish safeguards to prevent market distortion and ensure equal treatment of investors.</b></p>	<p>The repurchase of corporate debt by issuers, when conducted without transparency, may distort secondary market prices and create informational asymmetries among investors. The AMEC diagnostic (2025, p. 6) highlights how the absence of clear rules on debt buybacks undermines investor oversight and fairness. The report recommends the establishment of objective criteria and mandatory disclosure for these operations, mirroring the framework applied to share repurchases in equity markets. This includes setting parameters for volume and frequency, disclosing buyback policies, and encouraging internal governance standards for such decisions. These measures would strengthen market integrity and bolster investor confidence in credit markets.</p> <p>There are cases in which the issuer repurchases part of its own debt and uses these securities to compose the quorum in bondholder meetings – a practice that undermines principles of independence and compromises the integrity of the decision-making process.</p> <p>The absence of regulation has allowed important decisions submitted to bondholder meetings to be influenced or validated by</p>

		<p>the issuing company itself, to the detriment of other investors. Legislation and regulation must be improved to limit or balance the consideration of such securities as eligible for quorum composition (AMEC, 2025, p. 11).</p>
<p>3.D. Bondholders should have the opportunity to participate effectively and vote in bondholder meetings, and should be informed of the rules, including voting procedures, that govern bondholder meetings.</p> <p>Bondholders should be furnished with sufficient and timely information concerning the date, format, location and agenda of bondholder meetings, as well as fully detailed and timely information regarding</p>	<p>3.D. Bondholders should have the opportunity to participate effectively and vote in bondholder meetings, and should be informed of the rules, including voting procedures, that govern bondholder meetings.</p> <p>Bondholders should be furnished with sufficient and timely information concerning the date, format, location and agenda of bondholder meetings, as well as fully detailed and timely information regarding the issues to be decided at the meeting.</p>	<p><b>Establish minimum notice periods, standardized disclosures, and safeguards to ensure fair and inclusive bondholder meetings.</b></p> <p>The experience of the Brazilian market reveals significant weaknesses in the governance of bondholder meetings. As detailed in the AMEC report (2023, pp. 15-16), the asymmetry of access to information among creditors – with some investors receiving detailed and early communications while others are unaware that meetings are even taking place – violates fundamental principles of fairness, timeliness, and equal treatment.</p> <p>The report also highlights the recurring practice of pre-aligned decisions among large creditors, turning meetings into formal rituals and undermining effective participation and the integrity of outcomes. This reality reinforces the need for regulatory and self-regulatory measures to ensure reasonable advance notice, minimum standardization of materials, and predictability of the</p>

<p>the issues to be decided at the meeting.</p> <p>Processes, format and procedures for bondholder meetings should allow for equitable treatment of all bondholders. Company procedures should not make it unduly difficult or expensive to cast votes. Impediments to cross-border voting should be eliminated.</p> <p>[...]</p>	<p><b>Bondholder meeting procedures should include minimum advance notice periods, standardized disclosure requirements, and mechanisms to ensure simultaneous and equal access to information for all bondholders.</b></p> <p><b>Jurisdictions should promote safeguards against informal alignment among selected creditors prior to meetings, and ensure that minority bondholders have real and timely opportunities to participate and influence decisions.</b></p> <p>Processes, format and procedures for bondholder meetings should allow for equitable treatment of all</p>	<p>topics to be addressed, in addition to inclusive means for remote and cross-border participation.</p>
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	<p>bondholders. Company procedures should not make it unduly difficult or expensive to cast votes. Impediments to cross-border voting should be eliminated.</p> <p>[...]</p>	
<p>3.E.1. If a trustee is appointed, the trustee should be independent, competent and meet eligibility requirements to provide high-quality services.</p> <p>A trustee should be independent [...] (v) to protect the interests or engage third parties to negotiate on behalf of bondholders in debt restructuring and insolvency proceedings, in-court and out-of-court.</p>	<p>3.E.1. If a trustee is appointed, the trustee should be independent, competent and meet eligibility requirements to provide high-quality services.</p> <p>A trustee should be independent [...] (v) to protect the interests or engage third parties to negotiate on behalf of bondholders in debt restructuring and insolvency proceedings, in-court and out-of-court.</p>	<p><b>Require trustees to publish standardized, evidence-based reports on covenant compliance and ensure accountability for noncompliance.</b></p> <p>The Brazilian experience, as documented in the AMEC diagnostic (2025, pp. 5-6) reveals persistent uncertainties regarding the effectiveness of trustees in monitoring covenant compliance. Investors often face legal and operational insecurity due to the absence of systematic verification of compliance, which forces them to assume additional monitoring responsibilities. Reports issued by trustees are frequently generic or silent on critical items such as financial indicators, acceleration clauses, or default events.</p> <p>This lack of standardized disclosure and objective diligence weakens transparency and creates an environment of low accountability. Correcting these structural deficiencies requires</p>

<p>To effectively carry out their role, trustees should ensure that the bond issue prospectus is clear, accurate and, if relevant, aligns with applicable laws. [...]</p>	<p><b>To this end, bond trustees should be required to publish standardized diligence reports on covenant compliance, supported by objective evidence and updated regularly. Supervisory frameworks should also provide for accountability in cases of noncompliance by trustees or other appointed third parties.</b></p> <p>To effectively carry out their role, trustees should ensure that the bond issue prospectus is clear, accurate and, if relevant, aligns with applicable laws. [...]</p>	<p>legislative and regulatory reforms mandating the periodic publication of standardized diligence reports, supported by verifiable evidence. The OECD Guidelines can incorporate these recommendations to foster a culture of greater oversight, investor protection, and transparency in bond markets globally.</p>
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<p>3.E.2. Trustees should be accountable to the bondholders of the company and owe a duty to exercise due professional care and to avoid conflicts of interest.</p> <p>Trustees have a fiduciary duty to act on behalf of bondholders in accordance with the terms of the bond contract. [...]</p>	<p>3.E.2. Trustees should be accountable to the bondholders of the company and owe a duty to exercise due professional care and to avoid conflicts of interest.</p> <p><b>Supervisory frameworks should establish mechanisms to identify, prevent, and manage potential conflicts of interest involving trustees, including in the context of bondholder meetings.</b></p> <p>Trustees have a fiduciary duty to act on behalf of bondholders in accordance with the terms of the bond contract. [...]</p>	<p><b>Establish mechanisms to identify and manage potential conflicts of interest involving trustees, including during bondholder meetings.</b></p> <p>As highlighted in the AMEC report (2025, pp. 11-12), significant regulatory gaps remain regarding how to identify and address conflicts of interest involving key participants in bondholder meetings – including trustees themselves. The lack of clear criteria undermines the impartiality of collective decisions and creates incentives for opportunistic behavior.</p> <p>While the OECD text acknowledges the need to avoid appointing conflicted trustees, it is also important that the guidelines recommend national regulatory frameworks to include specific safeguards, with objective criteria and formal mechanisms to detect and manage conflicts, including in bondholder meetings. Such measures strengthen investors' institutional confidence and ensure greater integrity in collective decision-making.</p>
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For any questions or further clarification, please contact [institucional@ibgc.org.br](mailto:institucional@ibgc.org.br).



Yours sincerely,

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