PANORAMIC

DEBT CAPITAL MARKETS

Belgium



LEXOLOGY

Debt Capital Markets

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Contents

Debt Capital Markets

MARKET SNAPSHOT

Market climate
Regulatory framework

FILING AND DOCUMENTARY REQUIREMENTS

General filing requirements
Prospectus requirements
Documentation
Authorisation
Offering process
Closing documents
Listing fees

KEY CONSIDERATIONS

Special debt instruments
Classification
Transfer of private debt securities
Cross-border issues
Underwriting
Transaction execution
Holding forms
Outstanding debt securities

REGULATION AND LIABILITY

Reporting obligations
Liability regime
Remedies
Enforcement
Tax liability

UPDATE AND TRENDS

Key developments of the past year

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Belgium



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MARKET SNAPSHOT

Market climate
What types of debt securities offerings are typical, and how active is the market?

The Belgian debt securities market is relatively well developed. There is a clear legal framework, part of which has recently been overhauled and modernised, as well as competent law firms to guide issuers during the entire process. Belgian investment banks have ample experience in working with issuers on debt securities transactions.

Large corporations and small and medium-sized enterprises are, however, still primarily financed through bank financings, with debt capital markets being a secondary source of funding.

Issuers of debt securities are mainly Belgian entities, active in a variety of sectors, as well as governmental authorities. In terms of the instruments issued, these are, for the most part, non-complex debt securities issued through both private placements and public offerings, including to retail investors.

Law stated - 31 December 2025

Regulatory framework
Describe the general regime for debt securities offerings.

The Belgian Financial Services and Markets Authority (FSMA) is tasked with the supervision of the Belgian capital markets and their participants, as is the European Securities and Markets Authority (ESMA) on a European level. The National Bank of Belgium and the European Central Bank jointly supervise financial institutions.

The legal framework applicable to capital markets in Belgium is primarily shaped by EU legislation, both directly applicable, and indirectly, supplemented by specific Belgian legislation, notably in the area of prospectuses and consumer protection. Soft law by the FSMA and ESMA also has a significant impact. Finally, the internal rulebooks of Euronext are to be complied with by listed issuers.

The Prospectus Regulation and its Delegated Regulations set out the requirements for and contents of a prospectus. Further relevant to debt issuances are the Market Abuse Regulation, which aims at tackling various forms of market abuse, the Markets in Financial Instruments Directive II (MiFID II), setting out rules for various forms of (offerings of) investments, the Packaged Retail and Insurance-based Investments Products Regulation, applicable to specific investment products, the Benchmarks Regulation, establishing a regime for benchmark administrators, and the Securitisation Regulation, laying down a general framework for securitisation.

In addition, at the end of October 2023, the Council of the EU formally adopted the Regulation on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the Green Bond Regulation), as previously approved by the EU Commission and the EU Parliament. The Green Bond Regulation was published in the Official Journal of the EU on 30 November 2023, entered into force 20 days

thereafter and applies as from 21 December 2024. The Green Bond Regulation lays down uniform standards for issuers who wish to use the designation "European green bond" or "EuGB" for the marketing of their bond. The standards will enable investors to direct their money more confidently towards more sustainable technologies and businesses.

On 8 October 2024, the Council of the EU formally adopted the EU Listing Act, a strategic initiative designed to enhance the EU's Capital Markets Union. The Act aims to make the EU public markets more attractive for companies by alleviating compliance burdens while ensuring a high level of investor protection. It introduces targeted amendments to several existing legal frameworks, including the EU Prospectus Regulation, the EU Market Abuse Regulation (MAR), MiFID II and MiFIR. We have set forth more detail on this regime below.

Belgian law governs a variety of other topics and numerous laws and decrees are to be complied with. Noteworthy are the Belgian Prospectus Law and the Belgian Code of Economic Law (CEL). The Prospectus Law, among others, broadens the scope of the Prospectus Regulation to additional types of investment instruments. Further, the Belgian consumer protection legislation, set out in the CEL, is elaborate and contains specific rules for offerings made to consumers, for example, prohibiting the unilateral redemption without proper compensation or provisions allowing for unilateral changes to certain key terms and conditions.

In addition, public takeover bids on debt securities are, unlike in many other jurisdictions, governed by Belgian takeover legislation, including the Act of 1 April 2007 on public takeover bids and the Royal Decree of 27 April 2007 on public takeover bids.

The FSMA has further issued several position papers on various topics, for example, on consumer protection, as has ESMA, for example, on risk factors, which have to be complied with.

Finally, the rulebooks of the stock exchanges are to be mentioned here, as they could impose certain additional obligations on issuers with listed securities, for example, in terms of disclosure of information.

Law stated - 31 December 2025

FILING AND DOCUMENTARY REQUIREMENTS

General filing requirements

Give details of any filing requirements for public offerings of debt securities. Outline any requirements for debt securities that are not applicable to offerings of other securities.

In the context of a public offering of debt securities, subject to certain exemptions, the issuer must prepare, file and publish a prospectus or, alternatively, publish a so-called Annex IX short-form information document, which should, unlike a prospectus, not be approved by the Belgian Financial Services and Markets Authority (FSMA).

In practice, formal filing with the FSMA will follow after several informal filings and an unofficial "no further comments" confirmation from the FSMA. Issuers must submit their applications to the FSMA by email. Once the prospectus is formally approved and published,

it is valid for 12 months. Any subsequent supplements to the prospectus also require approval of the FSMA.

In the case of passporting of a prospectus approved by another EU authority, the FSMA will be notified by such competent authority (typically of the home member state of the issuer) and will be provided with a certificate of approval. However, prior approval of any marketing materials to be used on Belgian territory by the FSMA will still be required.

In the case of a request for admission to trading of debt securities, the prospectus or information note, a technical term sheet and an application form must be provided to Euronext, together with several ancillary documents.

Law stated - 31 December 2025

Prospectus requirements

In a public offering of debt securities, must the issuer produce a prospectus or similar documentation? What information must it contain?

A prospectus is required for public offerings of investment instruments for a total consideration exceeding €5 million. If the investment instruments are to be admitted to trading on a multilateral trading facility, the threshold is €8 million. In principle, regardless of the amount of the offering, a prospectus is required in the case of admission to trading of the investment instruments on a regulated market (but certain exemptions are available).

In addition, the following offers are also exempt from the obligation to publish a prospectus:

- a public offer of fungible securities by issuers whose securities have been continuously traded on a regulated market for at least 18 months, insofar as (1) the securities are not issued in connection with a takeover by means of an exchange offer, merger or division, (2) the issuer is not subject to a restructuring or to any insolvency proceedings, and (3) a short-form information document is prepared and published;
- securities offered or (to be) granted to existing/former directors or employees by their employer/an affiliated undertaking, insofar as an information document is provided to such investors;
- securities offered in connection with a takeover by means of an exchange offer or securities offered or (to be) granted in connection with a merger or division, insofar as an information document is provided;
- non-equity securities continuously/repeatedly issued by a credit institution amounting to less than €150 million per credit institution over 12 months, provided that the securities (1) are not subordinated, convertible or exchangeable, (2) do not give a right to subscribe/acquire other types of securities and (3) are not linked to a derivative instrument; and
- issuance of same class shares as a form of distributing dividends, known as "optional dividend", to be paid out to existing shareholders of a certain class of shares, insofar as an information document is provided; issuance of shares in substitution for already existing same-class shares, insofar as the issuing does not trigger a capital increase; and Belgium also provides a full exemption from both the prospectus and the information note requirements for offers with a total value of less than €500,000

across the EU over a 12-month period, provided that each investor is limited to a maximum subscription of €5,000.

A prospectus must comply with the information requirements provided for in the disclosure regime contained in the annexes to the Prospectus Regulation, and will include information relating to, among others:

- the terms and conditions applicable to the debt securities;
- the applicable risk factors related to the issuer and the securities;
- the rights attached to the securities; and
- the use of the proceeds.

In general, the information requirements are more stringent for public offerings of complex debt securities and for public offerings to retail investors. European Securities and Markets Authority (ESMA) Guidelines further clarify which information must be provided by the issuer in a prospectus.

In addition, a prospectus must also contain a summary, the requirements of which are also set out in the Prospectus Regulation.

An information note, which can be no longer than 15 pages, is considerably shorter than a prospectus and must contain information on the issuer, the investment instruments and on the key risks and must include the issuer's annual accounts for the past two financial years.

Law stated - 31 December 2025

Documentation

Describe the drafting process for the offering document.

The prospectus or offering memorandum is generally jointly prepared by the issuer's and the banks' legal counsel, with input from the issuer, its auditor and the banks assisting the issuer in the transaction. Usually, the issuer's legal counsel will be responsible for drafting the issuer-specific parts, whereas the banks' counsel will hold the pen on those parts specifically relating to the offered debt instruments. However, the person ultimately responsible for the contents of the entire prospectus is the issuer.

The main documents produced in an offering of debt securities include:

- a mandate letter, in which the issuer instructs the banks on the transaction;
- a prospectus, information note or offering document;
- marketing materials;
- a subscription or placement agreement;
- one or several agency agreements;
- a clearing services agreement;
- legal opinions by the counsel to the issuer and banks; and
- arrangement and comfort letters from the issuer's auditor.

Disclosure requirements may vary depending on the specific features of the offered instruments and the specificities of the issuer. Generally, the disclosure requirements for debt securities are more limited than those for equity securities. Further, alleviated disclosure requirements will apply for debt instruments with a minimum denomination of €100,000 for which admission to trading on a regulated market is sought or for debt instruments that are offered to qualified investors only. A proportionate disclosure regime also applies to small and medium-sized enterprises, companies that have listed equity securities and companies with a reduced market capitalisation that already have listed debt securities.

In the context of a public offering by a Belgian issuer, a prospectus is subject to certain language requirements that may, depending on the region of the issuer's seat, require a full translation of the prospectus. Prospectus summaries will always need to be made available in Dutch or French. Otherwise, the agreements documenting the transaction between the various parties to it, in general, do not differ significantly between a public offering and a private placement.

Law stated - 31 December 2025

Documentation

Which key documents govern the terms and conditions of the debt securities? Who are the parties to such documents? How can such documents be accessed?

The terms and conditions of the debt instruments are mainly included in the offering memorandum or prospectus. In the case of a euro medium-term note programme, a form of final terms will be included in the offering memorandum or base prospectus, and a document setting out the final terms applicable to that specific issuance will need to be drawn up for each separate issuance under the programme.

In addition, a subscription or placement agreement made between the issuer and involved banks will document, among others, the terms governing the subscription or placement of the debt securities offering. Two types of commitments can be agreed upon: a hard commitment, whereby the banks commit to purchase themselves all securities not sold to investors, or a best-efforts commitment, whereby the banks only have a best-efforts obligation to place the debt securities in the market and usually will commit to make the payment on behalf of the investors that effectively subscribed to the securities. Further, an agency agreement made between the agents (usually, paying agent, calculation agent and listing agent) and the issuer will include the terms and conditions relating to the various services to be rendered on behalf of the issuer. Finally, a clearing agreement will be entered into with the clearing system (typically the Belgian National Bank in the case of Belgian law governed bonds) for the purpose of clearing the bonds.

In relation to public offerings, the prospectus should always be provided free of charge in a durable medium to investors who request it. A hard copy version must be made available to potential investors who specifically request it. The prospectus will also be published on, among others, the websites of the FSMA, ESMA, the issuer and the banks. The same requirements apply in the case of an information note.

The subscription or placement agreement and the agency agreement are usually confidential and not made available to the public.

Law stated - 31 December 2025

Documentation

Does offering documentation require approval before use? In what forms should it be available?

Yes, when there is a legal requirement to publish a formal prospectus. Such prospectus must be approved by the FSMA before it is published and prior to issuing the debt securities. Once approved, the prospectus must be made public a reasonable time in advance of, and at the latest at the beginning of, the offer to the public or the admission to trading of the debt securities. It shall be deemed available to the public when published in electronic form on any of the websites of the issuer, the offeror and the financial intermediaries placing or selling the securities. An electronic version of the prospectus must be provided to the FSMA for publication on its website and an electronic version will be provided by the FSMA to ESMA.

Where an information note is required instead of a prospectus, no prior approval by the FSMA of such information note needs to be obtained. The same publication requirements do, however, apply. Further, the information note must be provided to the FSMA for publication on its website, as well as to Euronext in the case of listed securities.

The short-form Annex IX information document does equally not require prior approval from the FSMA, but must be provided to the FSMA at the time it is published.

In the event of an offering of debt securities not qualifying as a public offering and where no admission to trading on a Belgian exchange is requested, the offering documentation should not be made public.

Law stated - 31 December 2025

Authorisation

Are public offerings of debt securities subject to review and authorisation? What is the time frame for approval? What are the restrictions imposed, if any, on the issuer and the underwriters during the review process?

A prospectus must be approved by the FSMA before it is published and prior to publicly offering debt securities. Where an information note or an Annex IX information document is required instead of a prospectus, no prior approval by the FSMA needs to be obtained.

Once a draft prospectus has been filed with the FSMA, the FSMA has, in principle, 10 business days to examine the submission and to issue its decision on the approval of the prospectus. Each time the issuer submits a new version of the prospectus, a new term of 10 business days will be granted for the FSMA's review. In practice, several informal filings will occur first, following which an informal 'no further comments' is obtained from the FSMA. It is common practice to agree with the FSMA on a timeline for the approval process.

For offerings to the public by an issuer that does not have any securities admitted to trading on a regulated market, nor has previously issued securities to the public, the term granted to

the FSMA is extended to 20 business days. For plain vanilla instruments issued by issuers with a positive track record, a five business days accelerated procedure can be applied. Fast-track approvals (five business days) are also possible for frequent issuers using a universal registration document as part of a base prospectus.

The FSMA may, in all of the above-mentioned situations, suspend its review if the prospectus clearly does not meet the requirements.

Law stated - 31 December 2025

Authorisation

On what grounds may the regulators refuse to approve a public offering of securities?

The FSMA may refuse approval of the public offering if the requirements set out in the Prospectus Regulation and in the Prospectus Law are not complied with. In general, the FSMA describes its task as ensuring the fair and proper treatment of investors through accurate and complete information, in order to create transparent financial markets.

Law stated - 31 December 2025

Authorisation

How do the rules differ for public and private offerings of debt securities? What types of exemptions from registration are available?

Several exemptions apply for public and private offerings and can exempt the issuer from the obligation to draw up a prospectus or information note, as applicable.

For private offerings of securities: (1) addressed solely to qualified investors; (2) addressed to fewer than 150 natural or legal persons per member state (other than qualified investors); (3) whose denomination per unit amounts to at least €100,000; or (4) addressed to investors who acquire securities for a total consideration of at least €100,000 per investor, for each separate offer, no prospectus, Annex IX information document nor information note will be required.

See above for the additional exemptions that can apply to public offerings.

Law stated - 31 December 2025

Offering process

Describe the public offering process for debt securities. How does the private offering process differ?

When looking at the practical aspects relating to a public offering, a difference should be made between offerings under an existing debt issuance programme and a stand-alone transaction. Whereas the former can be completed in a relatively brief period of time, typically

some weeks, the latter usually takes about six weeks to three months. In practice, much depends on the specificities of the transaction and the level of experience of the issuer.

In the first phase of the process, the lead managers and legal counsel will agree to a timeline, draft the necessary documentation and submit the prospectus and marketing materials for approval to the FSMA.

Once the FSMA confirmed its sign-off, the public offering may be launched. The issuer, together with the banks, will subsequently market the offered debt securities, often by means of a roadshow and information package for the investors.

Closing of the offering period may occur earlier if the issuance is fully subscribed. Two business days after the closing of the offering period, settlement usually occurs.

If the debt securities are offered through a private placement, the timeline will be substantially shorter, as no approval by the FSMA is required.

Law stated - 31 December 2025

Closing documents

What are the usual closing documents that the underwriters or the initial purchasers require in public and private offerings of debt securities from the issuer or third parties?

The typical closing documents consist of a bring-down capacity legal opinion and an enforceability legal opinion issued by the legal counsel, a bring-down comfort letter issued by the auditor, non-insolvency certificates, a director's certificate and signed corporate authorisations. If applicable, there will also be final terms relating to the (first) issuance made under an issuance programme. Finally, if applicable, there will be a rating agency approval confirmation, as well as a confirmation of listing by the stock exchange.

Law stated - 31 December 2025

Listing fees

What are the typical fees for listing debt securities on the principal exchanges?

The FSMA's fees for the review and approval of a prospectus are determined by Royal Decree and will vary depending on the type of transaction, as well as the underlying deal specifics (eg, amount and type of debt securities issued). Typically, they will range from €4,000 to €20,000.

In addition, Euronext fees, calculated on the basis of an admission fee and an annual fee, will be due in respect of the listing of debt securities. These vary between €15,000 and €20,000.

Finally, agency fees, which will be agreed between the issuer and the (paying, listing and calculation) agent, will usually also be due.

Law stated - 31 December 2025

KEY CONSIDERATIONS

Special debt instruments

How active is the market for special debt instruments, such as equity-linked notes, exchangeable or convertible debt, or other derivative products?

Although a Belgian market for special debt instruments exists, it is not as active as the market for plain vanilla debt securities. Special debt instruments that are being traded on the Belgian debt capital markets include:

- fixed rate bonds;
- convertible bonds;
- covered bonds;
- exchangeable bonds;
- subordinated bonds;
- bonds with transfer restrictions;
- equity-linked notes;
- real estate certificates; and
- Pfandbrief-style products.

High-yield bonds are not issued or traded that often and when Belgian issuers do issue such instruments, they are usually placed with international investors and listed abroad.

In recent years, certain Belgian issues have made German law governed Schuldschein offerings.

Recently, there has been a substantial increase over the past few years in the issuance of environmental, social and governance (ESG) bonds, in particular green bonds. Noteworthy is that there is a specific Belgian label, issued by the Belgian Federation of the Financial Sector, which is compliant with the relevant EU legislation.

Further, "tax shelter certificates" can be issued, which is a form of investment certificate entitling an investor to a temporary tax exemption of retained taxable profits.

Law stated - 31 December 2025

Special debt instruments

What rules apply to the offering of such special debt securities? Are there any accounting implications that the issuer should be aware of?

The rules applicable to the offering of special debt securities are generally the same as those applicable to regular debt securities. The Prospectus Law is relevant in this context, as it has a broader scope of application than the Prospectus Regulation ("investment instruments" as opposed to "securities"). As a result, although the offering of certain special debt securities may be exempt under the Prospectus Regulation, it could still trigger the obligation to draw up a prospectus or information note under the Prospectus Law.

Further, specific disclosure requirements may apply to the offering of special debt instruments, in particular those under the Packaged Retail and Insurance-based Investment Products Regulation. ESG bonds may also require specific additional ongoing disclosure.

In an accounting context, the correct qualification of hybrid securities (ie, securities having equity and debt features) could prove difficult. The International Financial Reporting Standards Foundation provides guidance with IAS 32 for this classification.

Law stated - 31 December 2025

Classification

What determines whether securities are classed as debt or equity? What are the implications for instruments categorised as equity and not debt?

The Prospectus Regulation defines equity securities, being shares and other transferable securities equivalent to shares in companies, as well as certain convertible instruments relating thereto. All other types of securities are qualified as non-equity securities. The specific requirements under the Prospectus Regulation differ for each of these types, with the more stringent requirements generally being applicable to equity securities.

The classification as equity or debt securities has tax implications (ie, withholding tax deductions), as well as consequences in certain insolvency scenarios (subordination of equity). A requalification is possible.

Law stated - 31 December 2025

Transfer of private debt securities

Are there any transfer restrictions or other limitations imposed on privately offered debt securities? What are the typical contractual arrangements or regulatory safe harbours that allow the investors to transfer privately offered debt securities?

There are no specific transfer restrictions on privately offered debt securities. The general restrictions set out in the Prospectus Regulation and the Prospectus Law apply. However, in practice, parties contractually agree to certain restrictions, among others, to prohibit the transfer to consumers, with a view to preventing the application of specific consumer protection rules.

Law stated - 31 December 2025

Cross-border issues

Are there special rules applicable to offering of debt securities by foreign issuers in your jurisdiction? Are there special rules for domestic issuers offering debt securities only outside your jurisdiction?

There are no specific rules applicable to foreign issuers.

It is possible that offerings that are exempt in other member states under the Prospectus Regulation still trigger the requirement to draw up a prospectus or information note in Belgium, as set out in the Prospectus Law.

Law stated - 31 December 2025

Cross-border issues

Are there any arrangements with other jurisdictions to help foreign issuers access debt capital markets in your jurisdiction?

The Prospectus Regulation provides for an EU harmonised legal framework for the mutual recognition of prospectuses. If the requirements are met (ie, the prospectus is approved by the competent authority of the home member state of the issuer and is submitted with the Belgian Financial Services and Markets Authority (FSMA) and European Securities and Markets Authority (ESMA) by the competent authority), the prospectus is eligible to receive a "passport" for a public offering in Belgium. The additional formalities to be complied with are limited and mainly consist of the requirement to translate the prospectus in Dutch, French or English and provide a summary of the prospectus in Dutch or French if advertisements will be made. Such issuers should, however, be aware that certain terms and conditions of these instruments may not be enforceable in Belgium because of the applicable consumer protection legislation. There are no special rules applicable to Belgian issuers offering debt securities outside Belgium.

In addition, the Prospectus Regulation provides that prospectuses of third countries can also be "passported" when:

- they are approved by the competent authorities of third countries;
- the information requirements imposed by those third-country laws are equivalent to the requirements under the Prospectus Regulation; and
- a cooperation arrangement exists between the FSMA and that third country's competent authority.

However, the FSMA will not accept prospectuses of third countries that are on the list of the European Commission with jurisdictions that have strategic deficiencies that pose significant threats to the financial system of the EU.

Law stated - 31 December 2025

Underwriting

What is the typical underwriting arrangement for public offerings of debt securities? How do the arrangements for private offerings of debt securities differ?

Hard underwriting, in which the banks effectively take on the risk of placing the debt securities in the market, is rarely used anymore in Belgium. A typical transaction will have soft underwriting by the banks (ie, underwriting when the order book is closed) on a joint and several basis.

There are, in principle, no major differences between underwriting in the context of a public or a private offering.

Law stated - 31 December 2025

Underwriting

How are underwriters regulated? Is approval required with respect to underwriting arrangements?

Underwriting is qualified as a regulated investment service for the purposes of the Marketing in Financial Instruments Directive II (MiFID II). That means, in principle, that there is a licensing requirement for entities wishing to perform underwriting activities in Belgium. However, only stockbroking firms and EU MiFID entities are eligible to perform underwriting activities in Belgium. In addition, entities from third countries are allowed to underwrite in Belgium, if they meet certain requirements and after registration with the FSMA.

Law stated - 31 December 2025

Transaction execution

What are the key transaction execution issues in a public debt offering? How is the transaction settled?

The key transaction issues depend on the specificities of each transaction. They will typically be of a commercial or regulatory nature.

Settlement of a transaction typically occurs on a delivery versus payment basis, meaning that delivery of the securities and of the proceeds will happen simultaneously. This will occur two business days after closing, with the agent being the responsible party.

Debt securities are usually settled through the securities settlement system operated by the National Bank of Belgium (NBB), which operates in a similar manner to other clearing and settlement systems. The reason for this is that only the NBB's settlement systems allows for tax-free trading of debt securities for non-resident and corporate investors. The settlement systems operated by Clearstream and Euroclear are sometimes used as well.

Law stated - 31 December 2025

Holding forms

How are public debt securities typically held and traded after an offering?

Most public debt securities issued under Belgian law are held in electronic accounts and are traded through the securities settlement system of the NBB. Belgian law does not allow for securities to be issued in bearer form. Registered securities, however, could be used, although this is rarely done in practice for publicly offered securities. Debt securities issued by Belgian issuers but governed by foreign law (often English law) can be held in bearer form, although they cannot be physically delivered in Belgium.

Law stated - 31 December 2025

Outstanding debt securities

Describe how issuers manage their outstanding debt securities.

A variety of options can be used by issuers to manage their outstanding debt securities, including open market purchases, making use of call options, consent solicitations, and tender and exchange offers to the bondholders.

Unlike in many other European jurisdictions, where takeover rules only apply to equity securities, Belgian issuers should be aware that tender and exchange offers on debt securities are, in principle, subject to Belgian takeover legislation requiring the issuer to publish an FSMA-approved takeover prospectus in the event the tender offer is made to the public and it cannot rely on one of the available exemptions.

Concerning call options, Belgian law provides for specific requirements when the option is exercised in relation to consumers (in the broad, legal sense of the word). Among others, the consumer must receive proper compensation.

For any form of purchase by an issuer of outstanding debt securities, market abuse legislation prohibits the preferential treatment of specific security holders. Further, an issuer may not resell its purchased bonds at a later stage, as Belgian law provides that a debt claim disappears when the debtor and creditor become the same person by operation of law.

Law stated - 31 December 2025

REGULATION AND LIABILITY

Reporting obligations

Are there any reporting obligations that are imposed after offering of debt securities? What information would be included in such reporting?

Disclosure obligations are mainly imposed by the Market Abuse Regulation, the Transparency Directive, the Belgian Code of Companies and Associations, and, if applicable, the Euronext rules (or rules of the applicable trading venue).

The Market Abuse Regulation imposes an ongoing disclosure requirement on listed issuers, who must disclose inside information to the markets as soon as possible, with very limited exceptions, and file the same with the Belgian Financial Services and Markets Authority (FSMA).

The Transparency Directive sets out a periodic disclosure requirement, obliging issuers to publish semi-annual and annual financial statements within, respectively, three and four months after the relevant account period has ended. Filing with the FSMA is also required.

Issuers having their registered seat in Belgium also need to disclose certain information to the general meeting of bondholders, in accordance with the Belgian Code of Companies and Associations.

Finally, entities listed on one of the Euronext markets need to comply with the Euronext internal rules, set out in the rule books. The requirement is rather broad, as all necessary information to enable holders of debt instruments to exercise their rights has to be published. Other disclosure requirements set out therein mirror these set out in the Market Abuse Regulation.

Law stated - 31 December 2025

Liability regime

Describe the liability regime related to debt securities offerings. What transaction participants, in addition to the issuer, are subject to liability? Is the liability analysis different for debt securities compared with securities of other types?

Liability in relation to a prospectus may arise for misleading statements, fraud, market abuse and misrepresentation. The prospectus summary, in principle, cannot give rise to liability, except when, read together with the prospectus, it can be deemed misleading.

The actors that are subject to liability are the issuer, the offeror, the person requesting admission to trading and, as applicable, the guarantor. These actors have to declare that the prospectus contains information that is accurate and that no material information has been omitted from the prospectus.

The Prospectus Regulation does not provide for an autonomous civil liability regime. However, according to the Prospectus Law, the responsible actors are jointly and severally liable towards investors for damage caused by misleading or inaccurate information.

There is no different analysis for securities of other types as the Prospectus Law applies to all investment instruments.

Law stated - 31 December 2025

Remedies

What types of remedies are available to the investors in debt securities?

An investor can either seek damages contractually or damages in tort. In Belgium, class action suits are not allowed for this purpose, meaning that an investor would need to claim damages on an individual basis, although this can still be in the same proceedings as other investors.

The mere fact that the FSMA has ruled that an issuer has made certain infringements of applicable laws, does not mean that investors can automatically be granted damages. Individual procedures still need to be initiated by each investor, and the civil court is not bound by the FSMA's ruling. However, if it is ruled that the prospectus contains misleading or inaccurate information, any investors' damage is deemed to be the result thereof, unless proven otherwise.

Law stated - 31 December 2025

Enforcement

What sanctioning powers do the regulators have and on what grounds? What are the typical results of regulatory inquiry or investigation?

The FSMA can request the actors responsible for the prospectus to remedy the prejudice caused by misleading or incorrect information provided for in the prospectus, and, more generally, may request the actors to comply with the relevant laws.

Further, the FSMA has the authority to (1) publish a statement of its findings whereby it reveals the identity of the infringer and the nature of the infringement ("name and shame") and (2) impose a penalty payment or fine or both.

Law stated - 31 December 2025

Tax liability

What are the main tax issues for issuers and bondholders?

Under Belgian corporate income tax law, interest paid or attributed on debt instruments is, in principle, deductible for Belgian corporate income tax purposes, subject to certain conditions and interest deduction limitation – including hybrid mismatch – rules. As a general rule, dividend payments are not deductible for corporate income tax purposes. Consequently, attention should be paid to the proper qualification of the instrument in terms of either debt or equity.

Interest paid or attributed on debt instruments are, in principle, subject to a 30% withholding tax subject to exemptions (for so called 'eligible investors' (for example, Belgian or foreign companies) and reduced rates.

The Belgian tax on stock exchange transactions applies, in principle, to the purchase and sale on a secondary market of qualifying financial instruments, provided such transaction is (1) entered into or executed in Belgium through a professional intermediary or (2) deemed to be entered into or executed in Belgium. The applicable tax rate and capped amount depends on the specific nature of the instrument. Exemptions may apply in certain situations. The purchase and sale of financial instruments upon their issuance (ie, primary market transactions) are out of scope.

The European Commission published a proposal for a Directive for a common financial transactions tax for an enhanced cooperation in the area of financial transactions tax (the FTT). The proposal stipulated that once the FTT enters into force, the participating member states shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT, as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. On 21 October 2025, the European Commission, however, announced that it intends to withdraw the FTT proposal (see below).

An annual tax on securities accounts may apply to (1) Belgian resident individuals and legal entities holding a securities account with a Belgian or foreign intermediary and (2) non-resident individuals and legal entities holding a securities account with a Belgian intermediary. The applicable tax base is the average value, provided it exceeds €1 million,

of taxable financial instruments and cash balance held on a securities account during the reference period. The applicable tax rate is, in principle, 0.15%. Exemptions may apply in certain situations. The Belgian federal government has announced that the 0.15% would be increased to 0.30%. As at the date of this publication, no final legislative texts are available.

Investors should be aware that the Belgian federal government has submitted a draft law to the Belgian federal parliament that would introduce a tax on capital gains on financial assets realised within the scope of the normal management of one's private estate. If adopted, this new capital gains tax will apply to all capital gains realised on financial assets (including the bonds) as from 1 January 2026, to the extent that the capital gain has accrued after that date. The draft law includes specific rules for determining the amount of the taxable capital gain. Capital gains, as determined under the draft law, will be taxed at a rate of 10%. Capital losses realised on financial assets (including bonds) will be deductible from the taxable basis of taxable capital gains realised on the same category of financial assets. These capital losses will not be carried forward to subsequent assessment years. An exemption will be available for an annual amount of taxable basis of €10,000 (amount applicable to taxable year 2026–assessment year 2027).

Law stated - 31 December 2025

UPDATE AND TRENDS

Key developments of the past year

Please provide any updates and trends in your jurisdiction's debt capital market.

Due to uncertainty in the international markets, including because of the Russia–Ukraine conflict, the Belgian debt capital markets saw, as in 2022 and 2023, substantially less activity than expected. Although strong corporate borrowers continued to raise funds through debt issuances, high interest rates made this relatively unattractive. For smaller companies, investors' risk aversion made it difficult to successfully place debt instruments. Governmental entities, on the other hand, were active and continued to raise large amounts of funds throughout the whole of 2023.

EU Listing Act

On 8 October 2024, the Council of the EU formally adopted the EU Listing Act, a strategic initiative designed to enhance the EU's Capital Markets Union. The Act aims to make the EU public markets more attractive for companies by alleviating compliance burdens while ensuring a high level of investor protection.

It introduces targeted amendments to several existing legal frameworks, including the EU Prospectus Regulation, the EU Market Abuse Regulation (MAR), MiFID II and MiFIR.

Key changes

Key changes to the EU Prospectus Regulation relevant for debt issuances include:

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Future financials: Issuers do not need to publish a supplement to a base prospectus to update annual or interim financial information provided that it is within the 12-month validity period for base prospectuses (but they may do so voluntarily).

- Incorporation by reference: More documents may now be incorporated by reference, including sustainability reports included in management reports and the short form summary document required for some of the fungible exemptions referred to below.

- ESG Bonds: Bonds marketed as considering Environmental, social, and governance (ESG) factors or pursuing ESG objectives will have to comply with additional prospectus disclosure requirements with the EU Commission empowered to adopt delegated acts setting out further detail within 18 months.

- Standardising prospectuses: The format and sequence of information in a prospectus is to be standardised with the EU Commission empowered to adopt delegated acts setting out further detail by 5 June 2026. The European Securities and Markets Authority is also asked to develop draft implementing technical standards to specify the template and layout of prospectuses and guidelines on comprehensibility and on the use of plain language to ensure that the information provided is concise, clear and user friendly.

- Risk factors: The requirement to "rank the most material risk factors" has been replaced with a requirement that in each category, the most material risk factors shall be listed in a manner that is consistent with the assessment of the materiality of the risk factor based on the probability of occurrence and the expected magnitude of negative impact. The EU Listing Act makes clear that a prospectus may not include risk factors that are generic, only serve as disclaimers or that do not give a sufficiently clear picture of the specific risks.

- Exemptions: The EU Listing Act significantly broadens the scope of exemptions from the requirement to publish a prospectus under the EU Prospectus Regulation. However, whether these exemptions will be of practical use remains to be seen.

Volume-dependent exemption

Notably, the threshold for admissions to trading of fungible securities without a prospectus has been increased from 20% to 30% over 12 months.

Previously limited to admissions to trading, this exemption will also be extended to public offers of securities that are fungible with those already traded on regulated or small and medium-sized enterprises (SME) growth markets, provided that the issuer is not undergoing insolvency or restructuring proceedings and a short document is filed with the competent authority (but not approved) and made public.

Volume independent exemption

Additionally, a new exemption for seasoned issuers has been introduced, allowing companies to offer or admit fungible securities to trading without a prospectus if the original securities have been continuously traded on a regulated or SME growth market for at

least 18 months. This exemption applies irrespective of the size of the offering, making it particularly advantageous for companies with a well-established market presence. However, it will not apply if the new issuance relates to a takeover, merger or division, or if the issuer is in insolvency or restructuring. As is the case for the above exemption, a short summary document will need to be filed with the competent authority (but not approved) and made public.

Small offers

The existing exemption for small offers has also been modified. The previous threshold of offers of €1 million, below which the Prospectus Regulation did not apply, has been eliminated in favour of a harmonised EU-wide threshold of €12 million over 12 months. Member states may still set a lower threshold of €5 million if desired. For offerings below these thresholds, a simplified national document may be required instead of a full prospectus.

Furthermore, the EU Listing Act introduces two new types of prospectuses: the EU Follow-on Prospectus and the EU Growth Issuance Prospectus.

Follow-on Prospectus

The Follow-on Prospectus is accessible to issuers whose securities have been admitted to trading on a regulated market or an SME growth market for at least 18 months before the public offer or admission of new securities. This prospectus simplifies required disclosures, mandating only one year of financial information.

Growth Prospectus

Replacing the original EU Growth Prospectus, the EU Growth Issuance Prospectus aims to facilitate easier access to capital markets for SMEs and other eligible issuers by reducing documentation complexity. It can be utilised for public offers by companies without securities listed on a regulated market, provided specific conditions are met, including having securities traded or set to be traded on an SME growth market, or making an offer with a total consideration below €50 million over 12 months, with the company employing fewer than 500 people.

Entry into force

The changes are implemented on a staggered basis, with some changes applying when the EU Listing Act came into force (4 December 2024) and others applying from 5 March 2026 (EU follow-on Prospectus and EU Growth issuance prospectus) or 5 June 2026 (ESG disclosure requirements and standardising prospectuses). The EU Listing Act contains transitional provisions that allow, for issuers with medium-term note programmes, that prospectuses approved until 4 June 2026 shall continue to be governed by the version of the Prospectus Regulation that is in force at the time of approval until the end of their validity.

Law stated - 31 December 2025