

Reply Form

**to the Consultation Paper on the securitisation
disclosure templates under Article 7 of the
Securitisation Regulation**

Responding to this Consultation Paper

ESMA invites comments on all matters in this Consultation Paper and in particular on the specific questions summarised in Annexes. Comments are most helpful if they:

- respond to the question asked;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider or comment to specific questions irrespective of the preferred option.

ESMA will consider all comments received by **15 March 2024**.

All contributions should be submitted online at www.esma.europa.eu under the heading ‘Your input - Consultations’.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

- Insert your responses to the questions in the Consultation Paper in this reply form.
- Please do not remove tags of the type < ESMA_QUESTION_SECR_0>. Your response to each question has to be framed by the two tags corresponding to the question.
- If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
- When you have drafted your responses, save the reply form according to the following convention: ESMA_CP1_SECR _nameofrespondent.
- For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA_CP1_SECR _ABCD.
- Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at www.esma.europa.eu under the heading ‘Your input - Consultations’.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading '[Data protection](#)'.

Who should read this paper?

This Consultation Paper may be of particular interest to securitisation investors/potential investors, securitisation issuers/originators, market infrastructures, securitisation repositories, credit rating agencies as well as public bodies involved in securitisations (market regulators, resolution authorities, supervisory authorities, central banks and standard setters).

1 General information about respondent

Name of the company / organisation	Storied Data
Activity	Software Company
Are you representing an association?	<input type="checkbox"/>
Country / Region	Bulgaria

2 Questions

Q1 Option A focuses on maintaining the current framework in its entirety. Do you agree with maintaining the current disclosure framework unchanged?

<ESMA_QUESTION_SECR_1>

Overlapping reporting requirements mandated under multiple file formats create unnecessary costs, delays and barriers to entry, severely affecting the development of securitisation in Europe.

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_1>

Q2 Do you agree that LLD granularity is essential for performing proper risk evaluation, including due-diligence analysis or supervisory monitoring? Please explain your answer considering the costs and benefits of keeping the current level of granularity in terms of operational costs, compliance burden and any other possible implications.

<ESMA_QUESTION_SECR_2>

We believe LDD granularity is essential to performing proper risk evaluation. including due diligence analysis or supervisory monitoring for securitisations, as well as for other asset backed transactions.

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_2>

Q3 Do you agree that the current design of disclosure templates is adequately structured to facilitate comprehensive risk evaluation, including due diligence analysis and supervisory monitoring of securitisation transactions? If not, please explain your answer.

<ESMA_QUESTION_SECR_3>

No

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_3>

Q4 Do you agree that disclosure and reporting requirements should be maintained consistent between private and public securitisation?

<ESMA_QUESTION_SECR_4>

<ESMA_QUESTION_SECR_4>

Q5 Please insert here any general observations or comments that you would like to make on this CP, including how relevant the revision based on the above approach (Option A) may be to your own activities and potential impacts.

<ESMA_QUESTION_SECR_5>

Overlapping reporting requirements mandated under multiple file formats create unnecessary costs, delays and barriers to entry, severely affecting the development of securitisation in Europe

A comprehensive analysis of the collection, distribution, and processing dynamics concerning the information and datasets for a single securitisation transaction highlights a most complex landscape. Current regulations and market requirements necessitate the involvement of up to six distinct categories of "Data Stakeholders." These stakeholders are responsible for creating, reporting, using, or processing various subsets of transaction information documents, which are often stored in at least five different file formats.

Data Stakeholders	Reporting Entities	Authorised Verification Agents	Rating Agencies		Securitisation Repositories		Regulators ⁽¹⁾		Investors (incl. ECB & NCBs/)
Action	Send	Receive	Receive	Send	Receive	Send	Receive		Process
Format	PDF, Word, xls & csv	PDF, Word, xls & csv	Xls	pdf & html	xml, PDF, xls, csv (95% ⁽²⁾)	xml, PDF, xls csv (99% ⁽²⁾)	xbri (COREP)	xml (ESMA)	csv & xls

⁽¹⁾ ESMA, SSM via COREP, National Competent Authorities, European Central Bank and National Central Banks

⁽²⁾ Sources: Securitisation Repository (*), ECB, ESMA, originators, investors, rating agencies contacts

The proliferation of disparate file formats and the multiple reporting sequences mandated by overlapping regulatory requirements at European and National level impose significant burdens on Reporting Entities on one hand and Data and documentation consumers on the other. This complexity compounds the already intricate reporting of securitisation transactions, particularly when underlying collateral comprises thousands of exposures.

On top of this issue, there are different reporting requirements also from a timing perspective either at issuance and thereafter on a monthly or quarterly basis for the documentation as well as the loan-level data reporting requirements under Article 7.

The current convoluted reporting requirements often force Data Stakeholders to undertake extensive Extract, Transform, Load (ETL) processes, data quality verification and integration processes, leading to substantial costs and reporting delays. Moreover, the development and maintenance of the necessary infrastructure create significant barriers to entry, disproportionately affecting both potential new originators and investors.

A comprehensive examination of these intricate, costly and burdensome requirements, along with their complex interactions, can be found in the thoroughly researched article "Reviving Securitisation in the EU: A Critical Analysis of the Reporting Requirement," authored by Mrs. Olivia Hauet, Principal Economist at the ECB. This article was published on July 2nd in the Journal of Financial Compliance.

Streamlining the Reporting Entity multiple reporting obligations into one single unified autonomous “master cross sectoral data carrier file” which contains datasets which are automatically downloadable in major file formats, and powerful analytics and visualisation tools which may be run in full autonomy by any Data Stakeholder.

Recent software development in file formats and no-code dynamic data-centric publishing and distribution platforms now empower each Reporting Entity to consolidate all reporting obligations for a specific securitisation (and any asset-based financing) by extracting all necessary data from various databases, including the loan-by-loan dataset. Subsequently, such developments enable the Reporting Entity to compile and store instantly these datasets and relevant information into a single master transaction file, referred to as the Securitisation Unified Reporting File (SURF) in this context.

SURF is expected to encompass additional data-centric content and information provided by relevant External Credit Assessment Institutions (ECAIs), along with additional rating scenario information, where available.

Periodically, the Reporting Entity will update SURF with relevant data and information available on each investor report date, ensuring timely fulfilment of reporting obligations to investors through the securitisation repository, as well as to regulators, third-party verification agents, and rating agencies.

The implementation of SURF as a simple, unified and transparent interactive document process is poised to play a crucial role in eliminating existing barriers to entry for new or occasional securitisation issuers.

Furthermore, SURF empowers each Data Stakeholder involved in a single securitisation transaction to:

- ✓ Access the relevant datasets, including loan-by-loan data at the launch date and on each investor report date.
- ✓ Automatically download the datasets and required information in any widely used file format (such as in xml, json, csv, xhtml, xls and tagged xbrl) via a simple 1-Click operation.
- ✓ Utilize innovative and interactive embedded analytical tools provided by the Reporting Entity. These tools facilitate institutional investors' access to immediate insights into pool and risk drivers, eliminating the need to invest in large, dedicated securitisation analyst teams. As a result, this removes barriers to entry for new investors.

SURF significantly expedites the reporting process, allowing for the simultaneous release of both the investor report and the loan-by-loan dataset. This would occur as soon as the securitisation repositories have validated the completeness of the securitisation dataset, typically within an estimated 7 to 14 days after the updated dataset release date.

On March 7th, the Governing Council of the ECB re-iterated the importance to move to a top-down approach to foster capital market integration and development at the European level, and singled out EU securitisation as a priority, considering the critical role that it can play in transferring risk away from banks to enable them to provide more financing to the real economy⁽³⁾.

Given the circumstances, we urge the ESMA to sponsor a European private initiative, possibly in line with the ECB sponsorship of the private European industry group initiative which led to the successful and impactful creation of the European Datawarehouse.

This initiative should involve collaboration with representatives from all categories of Data Stakeholders. The goal is to facilitate swift integration and simplification of reporting processes.

Additionally, we recommend examining how:

1. **SURF** (Securitisation Unified Reporting File) can support a simpler, more comprehensive, and integrated cross-sectoral reporting and analytic framework in a timely and cost-effective manner.
2. Enhanced access to reliable datasets through SURF could effectively reduce costs and barriers to entry. This would benefit both the securitisation market and all data stakeholders involved.

Stored Data remains at the disposal of ESMA to provide a complete set of implementation and technical information.

⁽³⁾<https://www.ecb.europa.eu/press/pr/date/2024/html/ecb.pr240307~76c2ab2747.en.html>

<ESMA_QUESTION_SECR_5>

Q6 Do you believe that the additional adjustments to the current framework proposed by Option B, such as restricting the use of ND options and including additional risk indicators (including climate-related indicators) are necessary? Do you support a revision of the technical standards accordingly? Please explain your answer, indicating whether you support these proposed adjustments and any reasons for your agreement and disagreement.

<ESMA_QUESTION_SECR_6>

No, Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_6>

Q7 Do you believe that a reduction of ND thresholds would materially improve the representation of data of securitisation reports? Please explain your answer.

<ESMA_QUESTION_SECR_7>

No, Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_7>

Q8 Do you think that the advantages stemming from restricting the consistency thresholds and/or removal of ND options for specific fields, resulting in more accurate representation of data, would justify the heightened compliance costs for reporting entities?

<ESMA_QUESTION_SECR_8>

No, Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_8>

Q9 Do you believe that the proposal of enriching the Annexes with additional risk-sensitive indicators (presented in Section 5.3) is necessary?

<ESMA_QUESTION_SECR_9>

<ESMA_QUESTION_SECR_9>

Q10 Do you believe that reporting entities would face challenges and/or significant costs if requested to report those additional indicators? If yes, please elaborate your answer.

<ESMA_QUESTION_SECR_10>

No, Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_10>

Q11 Do you believe that the proposal of enriching the Annexes with climate risk indicators (presented in Section 5.4) is warranted?

<ESMA_QUESTION_SECR_11>

<ESMA_QUESTION_SECR_11>

Q12 In addition to the list of advantages and challenges identified by ESMA in introducing the proposed sustainability indicators, do you believe additional advantages and challenges should be factored in?

<ESMA_QUESTION_SECR_12>

<ESMA_QUESTION_SECR_12>

Q13 Please insert here any general observations or comments that you would like to make on this CP, including how relevant the revision based on the above approach (Option B) may be to your own activities and potential impacts.

<ESMA_QUESTION_SECR_13>

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_13>

Q14 Do you agree with Option C as the preferred way forward (simplified template for private transactions, removal/streamlining of loan-level data for some asset classes, new template for trade receivables) for the revision of the disclosure templates?

<ESMA_QUESTION_SECR_14>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_14>

Q15 Do you agree with the analysis and the inclusion of a new simplified template for private transactions that focuses mostly on supervisory needs?

<ESMA_QUESTION_SECR_15>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market.

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_15>

Q16 Do you believe that ESMA should proceed with the review of the RTS based on this option and using the SSM notification template as a starting point? Please provide details in your answer.

<ESMA_QUESTION_SECR_16>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_16>

Q17 Do you consider that a simplified template can be useful even though the operational way to submit the data is exempted from the mandatory reporting via the SRs?

<ESMA_QUESTION_SECR_17>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_17>

Q18 Do you believe that ESMA should proceed with the review of the RTS based on the proposal to deviate from loan-level data reporting for those asset classes which are highly granular, of short-term maturity or revolving pools? What are the potential benefits, challenges, or considerations that ESMA should consider if adopting this approach?

<ESMA_QUESTION_SECR_18>

<ESMA_QUESTION_SECR_18>

Q19 Are there any additional asset classes that should be further explored based on the proposal of deviating from the loan-level data reporting? Please list the relevant asset classes or annexes and explain why.

<ESMA_QUESTION_SECR_19>

<ESMA_QUESTION_SECR_19>

Q20 Do you agree, in the context of option C, that ESMA should further explore the deletion of the current disclosure templates? Please provide details in your answer.

<ESMA_QUESTION_SECR_20>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_20>

Q21 Do you agree, in the context of option C, that ESMA should further explore the streamlining of the current disclosure templates? Please provide details in your answer.

<ESMA_QUESTION_SECR_21>

No, We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_21>

Q22 Do you consider that a new template for non-ABCP trade receivables should be included and why? Please provide reasons for your answer.

<ESMA_QUESTION_SECR_22>

<ESMA_QUESTION_SECR_22>

Q23 Which additional template could be relevant for the reporting of other asset classes that are not currently covered in the framework? Please provide details in your answer.

<ESMA_QUESTION_SECR_23>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_23>

Q24 Please provide any general observations or comments that you would like to make on this CP, including how the revision based on the above approach (Option C) may be relevant to your own activities, and any potential impacts.

<ESMA_QUESTION_SECR_24>

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_24>

Q25 Do you agree with Option D (a comprehensive review of the disclosure framework) as the preferred way forward for the revision of the disclosure templates?

<ESMA_QUESTION_SECR_25>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_25>

Q26 Do you think that it would be possible to achieve a level of simplification and standardisation within fields, across multiple templates, without having an impact on the overall risk analysis of the transaction? Please explain the rationale behind your answer.

<ESMA_QUESTION_SECR_26>

<ESMA_QUESTION_SECR_26>

Q27 Do you think that the overall usability would improve with simplified and standardised templates? Please explain the rationale behind your answer.

<ESMA_QUESTION_SECR_27>

<ESMA_QUESTION_SECR_27>

Q28 Do you agree with the approach proposed by Option D, to create a set of templates based on the characteristics and nature of underlying assets rather than the categorisation of the securitisation transaction (i.e., public or private, true sale or synthetic)?

<ESMA_QUESTION_SECR_28>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_28>

Q29 Do you believe that ESMA should proceed with the review of the RTS based on the proposal to deviate from loan-level data disclosure for those asset classes which are highly granular, of short-term maturity or revolving pools? What are the potential benefits, challenges, or considerations that ESMA should consider if adopting this approach?

<ESMA_QUESTION_SECR_29>

<ESMA_QUESTION_SECR_29>

Q30 Are there any additional asset classes that should be further explored based on the proposal of deviating from the loan-level data reporting? Please list the relevant asset classes or annexes explain why.

<ESMA_QUESTION_SECR_30>

<ESMA_QUESTION_SECR_30>

Q31 What are your views on the proposal to transition from the current ‘no-data’ options to a framework based on ‘mandatory’, ‘conditional mandatory’ and ‘optional’ fields for securitisation transactions?

<ESMA_QUESTION_SECR_31>

<ESMA_QUESTION_SECR_31>

Q32 Do you think that this transition be of added value to the securitisation framework? What challenges or concerns, if any, do you anticipate with the introduction of 'mandatory,' 'optional,' and 'conditionally mandatory' fields? Are there specific considerations related to data availability, feasibility, or implementation that should be considered?

<ESMA_QUESTION_SECR_32>

<ESMA_QUESTION_SECR_32>

Q33 Please provide any general observations or comments that you would like to make on this CP, including how the revision, based on the above approach (Option D) may be relevant to your own activities and any potential impacts.

<ESMA_QUESTION_SECR_33>

We believe a simplified and unified single cross-sectoral data reporting framework is essential to the growth of the securitisation market

Please refer to our response to Question 5 for further developments

<ESMA_QUESTION_SECR_33>