

Mandate of the European Supervisory Authorities' Joint Committee Securitisation Committee (JCSC)

1. Framework

1. Article 36(3) of Regulation (EU) 2017/24021 (hereafter the “Securitisation Regulation”) requires the establishment of a specific securitisation committee within the framework of the Joint Committee of the European Supervisory Authorities.
2. The main objective of the Sub-Committee on Securitisation of the Joint Committee of the European Supervisory Authorities (hereafter referred to as the “JCSC”) is to assist the Competent Authorities (hereafter referred to as “CAs”), the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA), i.e., the European Supervisory Authorities (ESAs), through their Joint Committee, in fulfilling their respective mandates pursuant to the Securitisation Regulation.

2. Tasks

3. The JCSC shall contribute to the work of and report to the Joint Committee and act as a forum for CAs and the ESAs to closely cooperate and coordinate the duties under Articles 30 to 34 of the Securitisation Regulation to:
 - a. Enable CAs to discuss and assess practical and operational issues or cases related to their supervision and enforcement duties as per Articles 30-34 of the Securitisation Regulation, and to develop joint positions and agree on common acts in relation to simple, transparent and standardised (STS) securitisation;
 - b. Ensure consistent approaches in the implementation of the STS criteria and supervisory best practices;
 - c. Provide a regulatory and supervisory input to CAs with respect to supervisory duties under Articles 30 to 34 of the Securitisation Regulation, including by identifying possible topics for level 3 work to be carried out by the relevant ESAs committee or, on topics involving a material cross-sectoral component itself;

¹ Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

- d. As a complement to ESMA's general powers under Articles 19 and 20 of Regulation No 1095/2010, in the event of disagreement between the competent authorities, ESMA, and where appropriate, the Joint Committee of the ESAs shall exercise their binding mediation powers (Article 20 of Regulation No 1095/2010) in order to settle cross sectoral disagreements between CAs;
- e. In conjunction with the Securitisation Regulation, fulfil any other specific tasks set out and agreed by the ESAs' governing bodies, and as delegated by the Joint Committee, as appropriate.

3. Type of deliverables

- 4. To achieve the tasks set out in the previous paragraphs, the JCSC will assist the Joint Committee, to prepare deliverables including:
 - a. joint positions including reports as defined in Article 44 of the Securitisation Regulation and other level 3 related work (Article 56 of the ESA Regulations);
 - b. common acts (Article 56 of the ESA Regulations) on issues related to STS securitisation;
 - c. joint decisions (Article 20 of the ESA Regulations) in the area of the implementation of the STS securitisations;
 - d. opinions (Article 16a of the ESA Regulations) to the European Parliament, the Council, or the Commission on issues related to the STS securitisations;
 - e. cross-sectoral Q&As (Article 16b of the ESA Regulations);
 - f. a training programme for CAs in the field of the implementation of the Securitisation Regulation;
 - g. responses to call for advice;
 - h. non-legislative instruments such as discussion papers and reports;
 - i. supervisory statements.

4. Internal organisation

4.1. Membership

- 5. The Chairpersons of the ESAs are members of the JCSC.
- 6. Each ESA shall nominate at least one expert to participate in the JCSC.
- 7. Each voting member of the ESAs' Board of Supervisors (BoS) may nominate experts with

expertise and experience in the area relevant to the tasks and deliverables of the JCSC to be a member of the JCSC.

8. In Member States where more than one competent authority is responsible for the securitisation supervision, then both/all those authorities – including where the latter is outside ESA’s scope of application – could participate at the JCSC. For those Member States who choose not to nominate a representative to attend the JCSC, a contact person may be designated, to make sure that the respective authorities in that Member State are able to follow and contribute to the work of the JCSC.
9. During the term of appointment of the Chairperson, his/her competent authority may decide to send another high-level representative to assume the interests of the competent authorities.
10. The following may participate as non-voting members of the JCSC:
 - A representative, with relevant expertise and experience, from the national supervisor of an EEA-EFTA Member State and of the EFTA Surveillance Authority.
11. The following shall be invited as observers to the JCSC meetings:
 - The Executive Directors of the EBA, EIOPA and ESMA;
 - Representatives from the ESRB;
 - Representatives from the European Commission.
12. The following may be invited as observers to the JCSC meetings:
 - Representatives, with relevant expertise and experience, of the ECB;
 - Representatives, with relevant expertise and experience, from non-voting members of the ESAs’ BoS;
 - A representative, with relevant expertise and experience, from the national supervisor of an applicant country of the EU; and
 - Other observers and experts, where appropriate.

4.2. Members’ profile and responsibilities

13. Members of the JCSC should have expertise and experience in the area relevant to the tasks and deliverables of the JCSC. They should also be empowered by their respective ESA or competent authority to represent and take decisions on their supervisory authority’s behalf.
14. Members are expected to provide their comments and views within the suggested deadlines.

4.3. JCSC Chairperson

15. The JCSC should be chaired by a high-level representative of one of the relevant CAs (in line with Article 57(3) of the ESA Regulations) and shall have sufficient seniority, expertise and experience. This representative shall preferably be a Member or alternate of the BoS of one of the ESAs or a permanent representative or alternate in the case of EIOPA. The term of the Chairperson’s appointment shall be for two years and can be renewed once. Article 13.1 of the

Joint Committee Rules of Procedure outlines the selection process of the Chairperson.

16. The JCSC Chairperson should be responsible for ensuring the tasks allocated to the JCSC, by the Joint Committee, are delivered.
17. The JCSC Chairperson shall also be an Observer of the Joint Committee.
18. The JCSC Chairperson may request to hold a partial or fully restricted meeting without non-voting members and observers, when deemed necessary.
19. The JCSC Chairperson shall strive to reach decisions by consensus. In the event that a consensus cannot be reached, controversial issues shall be remitted by the JCSC Chairperson to the Joint Committee for its consideration and decision taking in line with the Joint Committee Rules of Procedure.
20. When carrying out his/her tasks, the JCSC Chairperson shall act in the interest of the European Union.

4.4. Ongoing work and meetings

21. JCSC ongoing work shall be directed by the JCSC Chairperson and supported by ESAs' staff.
22. Meetings should be arranged to follow the schedule of the Joint Committee and timelines for external and internal deliverables.
23. Additional meetings can be scheduled if necessary.

4.5. Substructures

24. Subject to the approval of the Joint Committee, the JCSC may set up Subgroups (SGs).
25. No Subgroup should generate further substructures.
26. Subgroups should be chaired by a member of the JCSC or, where appropriate, by a technical expert from the organisation of a member or observer or by ESA staff, who shall be appointed by the JCSC and confirmed by the Chair of the JCSC, in consultation with the ESAs.
27. The members of the Subgroups of the JCSC should have expertise and experience in the substructure's allocated area.
28. Members of the JCSC and members of the sub-groups of the JCSC representing the same CA should ensure that their positions are coordinated.

4.6. External Relations

29. JCSC engagement with stakeholders should primarily be with the ESAs' stakeholder groups, and where established, any Joint Committee industry group on Securitisation products together with any of the relevant ESAs' stakeholder group (Article 37 of the ESA Regulations).

30. To the extent necessary, the JCSC may seek input from or exchange views with the European Commission and/or relevant committees/groups, including the ESRB standard-setting bodies or other interested parties, and ensure that the JCSC's interests are properly reflected at these levels.
31. To the extent necessary, the JCSC will follow the work of the BCBS, IOSCO, Joint Forum subgroups on securitisation products, where established. The ESA staff will ensure adequate exchange of information and documents between the JCSC and these international fora.
32. After having given prior information to the Joint Committee, regular contacts with CAs of Third Countries could also be established.

4.7. Review of the mandate

33. The mandate of the JCSC will, every two years, be subject to review and endorsement by the Joint Committee and subsequent approval by the ESAs' BoS and, to the extent necessary, adapted to reflect new developments.

4.8. Effective date

34. This mandate, approved by the ESAs' BoS, will come into effect on 11 November 2024.