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| 19 December 2017 |

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| Response form for the Consultation Paper on Technical standards on disclosure requirements, operational standards, and access conditions under the Securitisation Regulation |
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| Date: 19 December 2017 |

Responding to this paper

ESMA invites responses to the questions set out throughout its Consultation Paper on Draft technical standards on disclosure requirements, operational standards, and access conditions under the Securitisation Regulation (ESMA33-128-107). Responses are most helpful if they:

* respond to the question stated;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all responses received by 19 March 2018.

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 the present response form.
* Please do not remove tags of the type <ESMA\_QUESTION\_DOS\_1>. 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 response, name your response form according to the following convention: ESMA\_DOS\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_DOS\_ABCD\_RESPONSEFORM.
* Upload the form containing your responses, in Word format, to ESMA’s website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Your input – Open consultations” 🡪 “Consultation on Draft technical standards on disclosure requirements, operational standards, and access conditions under the Securitisation Regulation”).

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly indicate by ticking the appropriate checkbox on the website submission page if you do not wish your contribution to be publicly disclosed. 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](http://www.esma.europa.eu) under the heading “Data protection”.

Who should read the Consultation Paper

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

# General information about respondent

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| --- | --- |
| Name of the company / organisation | European Central Bank / Eurosystem |
| Activity | Government, Regulatory and Enforcement |
| Are you representing an association? |  |
| Country/Region | Europe |

# Introduction

Please make your introductory comments below, if any:

<ESMA\_COMMENT\_DOS\_1>

*The Eurosystem, comprising of the European Central Bank (ECB) and the national central banks (NCBs) of those EU Member States that have adopted the euro, welcomes ESMA’s consultation on technical standards on disclosure requirements, operational standards, and access conditions under the forthcoming Securitisation Regulation (“disclosure requirements”). The Securitisation Regulation 2017/2402 is intended to promote securitisation through the development of a framework for simple, transparent and standardised securitisations (“STS securitisations”). This framework is one of the cornerstones of the Capital Markets Union (CMU) project to develop a single market for capital in the EU. Well-functioning financial markets are important to central banks in ensuring a smooth transmission of monetary policy to the real economy.*

*The ECB, together with the Bank of England, have been early supporters of a better functioning securitisation market by promoting transactions that comply with the concept of simple and transparent ABS, taking into account the lessons learnt from the 2008 financial crisis. An early analysis revealed that lack of transparency acted as one of several obstacles to the revitalisation of the securitisation market. Thus, the Eurosystem has made a significant effort to ensure a high degree of transparency in securitisation by incorporating loan-level data requirements in its collateral framework. The related data templates have served as a starting point for ESMA’s own securitisation reporting templates.*

*As a general remark, the Eurosystem highlights the need to coordinate the outcome of this consultation with the currently ongoing consultation conducted by the EBA on the Draft Regulatory Technical Standards on the homogeneity of the underlying exposures in securitisation.*

*The Eurosystem is committed to support the forthcoming disclosure requirements proposed by ESMA.*

<ESMA\_COMMENT\_DOS\_1>

**Q 1: Do you agree with ESMA’s initial views on the possibility of developing standardised underlying exposures templates for, respectively, CDOs and “rare and idiosyncratic underlying exposures”? If you perceive a need to develop one or all of these underlying exposure templates, please explain in detail the desirable consequences that this would have. As regards CDOs, if you are in favour of developing a dedicated template, then please also indicate whether ‘managed CLOs’ and ‘balance sheet CLOs’ should be dealt with under the same template or separately under different templates.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem welcomes the development of additional standardised underlying exposure templates for other sufficiently sizable ABS asset classes in the future. At the same time, the Eurosystem is of the view that a single reporting template for all relevant information related to other underlying exposures not captured in the proposed underlying exposure templates is challenging, given the idiosyncrasy of the underlying asset classes in some cases (e.g. including funds recovered from electricity tariff deficits, student loan payments, trade receivables, health care receivables, etc.).* *The Eurosystem notes that details on structures and securitised asset classes beyond those eligible as Eurosystem collateral are less relevant for the Eurosystem.*

<ESMA\_QUESTION\_DOS\_1>

**Q 2: Do you agree that ESMA should specify a set of underlying exposure disclosure requirements and templates for NPL securitisations, among the set of templates it will propose to the Commission? If so, do you agree that the draft EBA NPL exposures templates could be used for this purpose? Are there additional features (excluding investor report information, discussed in section 2.1.4 below) that are pertinent to the securitisation of NPL exposures that would need to be reflected or adjusted, in relation to the draft EBA NPL exposures templates?**

<ESMA\_QUESTION\_DOS\_1>

*In general, the Eurosystem welcomes enhanced transparency also for NPL securitisations. However, given that EBA’s NPL exposure templates do not have yet an official legal status and do not constitute a legal regulatory requirement for supervisory report or anything similar, they are intended to be used on a voluntary basis by market participants. Consequently, ESMA could consider developing a set of underlying exposure disclosure requirements and templates for NPL securitisations after some experience has been garnered through the use of EBA’s NPL exposure template. The Eurosystem notes that details on structures and securitised asset classes beyond those eligible as Eurosystem collateral are less relevant for the Eurosystem.*

<ESMA\_QUESTION\_DOS\_1>

**Q 3: Do you have any comments on the loan/lease-level of granularity for non-ABCP securitisations? If so, please explain, taking into account the due diligence, supervisory, monitoring, and other needs and obligations of the entities discussed above.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the granularity of non-ABCP securitisations reporting.*

<ESMA\_QUESTION\_DOS\_1>

**Q 4: Do you find these risk-related fields proposed in the draft templates useful? Do you see connections between them and the calculation of capital requirements under the SEC-IRBA approach provided for in the CRR?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 5: Do you have any views on the contents of the non-ABCP securitisation underlying exposure requirements found in the templates in Annexes 2 to 8 in the ITS (located in Annex V to this consultation paper)?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the scope and content of non-ABCP securitisation templates, but suggests the ‘renaming’ of the “SME” reporting template to “SME and corporate” reporting template. This would mean that both the SME ABS transactions and corporate ABS transactions would share the same reporting template, without prejudice to current Eurosystem eligible ABS types. To reduce operational risk, a mapping from ECB’s field names and field IDs to ESMA’s new field names and field IDs should be provided by ESMA to the market.*

<ESMA\_QUESTION\_DOS\_1>

**Q 6: Do you agree with the reporting of ABCP underlying exposures to be segmented at the transaction level?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 7: Do you have any views on the contents of the ABCP securitisation underlying exposure requirements, found in the template located in Annex 9 in the ITS (Annex V to this consultation paper)?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 8: Do you agree with the proposed reporting arrangements for inactive exposures? If you prefer the alternative (i.e. require all inactive exposures to continue to be reported over the lifetime of the securitisation), please provide further evidence of why the envisaged arrangement is not preferred.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the proposed reporting arrangements for inactive exposures.*

<ESMA\_QUESTION\_DOS\_1>

**Q 9: Do you have any views on these proposed investor report sections? Are there additional fields that should be added? Are there fields that should be adjusted or removed? Please always include field codes when referring to specific fields.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the proposed investor report sections and suggests few additional elements which are bilaterally transmitted to ESMA. The investor report sections are very important to assess the structure of a securitisation, and help investors to perform their due diligence, to understand the waterfall and to price the securities under various scenarios. One of the general objectives of this Regulation is to develop a wider investor base for securitisation instruments by facilitating due diligence and valuation process for investors. From a public authority’s perspective, it is also essential to provide supervisors and central banks with general information to understand the securitisation instruments.*

<ESMA\_QUESTION\_DOS\_1>

**Q 10: Do you have any views on the ‘protection information’ and ‘issuer collateral information’ sections, for synthetic securitisations?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 11: Synthetic ABCP securitisations have not been observed in Europe—to ESMA’s knowledge. However, do you see a need to extend the ABCP securitisation invest report template to cover potential synthetic ABCP securitisations?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 12: Do you agree with the proposal that ISIN-level information should be provided on the collateral held in a synthetic securitisation using CLNs? If you believe aggregate information should be provided, please explain why and how this would better serve the due diligence and monitoring needs of investors, potential investors, and public bodies listed in Article 17(1) of the Securitisation Regulation.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 13: Do you consider it useful to have this static vs. dynamic distinction in the templates?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem considers it useful to have the distinction of static versus dynamic fields in the templates, in order to indicate which fields should be updated periodically during the life of a loan and which fields should in principle remain unchanged once they are populated.*

<ESMA\_QUESTION\_DOS\_1>

**Q 14: Do you have any views on these ‘No data’ options? Do you believe additional categories should be introduced? If so, please explain why.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees to the proposed ‘No Data’ options. The Eurosystem also welcomes ESMA’s proposal to establish a “Frequently asked questions” section on its website, which should be ideally updated on a regular basis.*

<ESMA\_QUESTION\_DOS\_1>

**Q 15: Do you have any views on these data cut-off date provisions?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the data cut-off date provisions.*

<ESMA\_QUESTION\_DOS\_1>

**Q 16: How much time would you need to implement these disclosure requirements? Do you have views on the date of effect of these disclosure requirements?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 17: Do you agree with the proposed technical format, ISO 20022, as the format for the proposed template fields? If not, what other reporting format you would propose and what would be the benefits of the alternative approach?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem in general welcomes further standardisation also with regard to the technical format of fields. In this respect, the Eurosystem supports the standardisation of data and information exchange in line with the ISO20022 standard, which is indeed, thanks to its data dictionary and structured messages, the most accurate technical format to be applied also to reporting. At the same time, the Eurosystem cautions that technical formats should reflect the ISO standards as soon as possible in the draft templates proposed by ESMA to avoid additional lengthy and costly amendments to IT systems at a later point in time.*

<ESMA\_QUESTION\_DOS\_1>

**Q 18: Do you agree with the contents of the item type and code table? Do you have any remarks about a system of item codes being used in this manner?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the contents of the item type and code table proposed by ESMA.*

<ESMA\_QUESTION\_DOS\_1>

**Q 19: Do you agree with the proposal to require the use of XML templates for securitisation information collected by securitisation repositories?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the proposal to require the use of XML templates for securitisation information collected by securitisation repositories. In the Eurosystem’s view, securitisation repositories must establish and maintain robust technology systems. In particular, the securitisation repository’s technology system should allow data users to extract securitisation data, data completeness scores and the timestamp of data submissions, through both manual and automatic processes that cover all securitisation submissions of all ABS transactions which have been submitted through that securitisation repository and an extraction of multiple securitisation data files if required in one download request. Besides, the Eurosystem cautions that processes in handling the securitisation submissions should be automatized as far as possible by securitisation repositories in order to allow for a timely, structured and comprehensive data process and to avoid operational risk for both data ‘producers’ and data ‘consumers’.*

<ESMA\_QUESTION\_DOS\_1>

**Q 20: Do you agree with the requirement that securitisation repositories produce unique identifiers that do not change over time?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the requirement that securitisation repositories produce unique identifiers that do not change over time. In this regard, the Eurosystem notes that it could be useful to require securitisation repositories to store information on the matching of unique identifiers and ISINs to facilitate the handling of the data.*

<ESMA\_QUESTION\_DOS\_1>

**Q 21: Do you agree with the usefulness and contents of the end-of-day report?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem would welcome the introduction of end-of-day reports.*

<ESMA\_QUESTION\_DOS\_1>

**Q 22: Do you agree that securitisation repositories should, at a minimum, offer a secure machine-to-machine connection platform for the users listed in Article 17(1) of the Securitisation Regulation? If not, please explain why and what you would propose instead as a minimum common operational standard.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees that securitisation repositories should, at a minimum, offer a secure machine-to-machine connection platform for the users listed in Article 17(1) of Securitisation Regulation. The Eurosystem’s understanding is that this secure “machine-to-machine” connection would allow data users to access data stored in the data repository programmatically via an Application Programming Interface (API) or web services.*

<ESMA\_QUESTION\_DOS\_1>

**Q 23: Do you believe that other channels besides SFTP (such as messaging queue), are more appropriate? If so, please outline your proposal and explain why.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 24: Do you agree with the available fields for creating ad hoc queries? Are there other fields that you would like to include? Please explain why if so.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the fields suggested for ad-hoc queries.*

<ESMA\_QUESTION\_DOS\_1>

**Q 25: Do you agree with the deadlines for securitisation repositories to provide information, following a data access query? Please explain if not and provide an alternative proposal and justification.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 26: Do you agree with the 60 minute deadline for securitisation repositories to validate data access queries and provide a standardised feedback message? Please explain if not and provide an alternative proposal and justification.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 27: Do you agree with the mandatory use of XML format templates and XML messages? If not, please explain why and please provide another proposal for a standardised template and data exchange medium.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 28: Do you agree with the use of the ISO 20022 format for all securitisation information made available by securitisation repositories? If not, please explain why and please provide another proposal for a standardised information format.**

<ESMA\_QUESTION\_DOS\_1>

*In line with the answer for Q 17, the Eurosystem supports the adoption of the ISO20022 format also for all securitisation information made available by securitisation repositories, as this could further standardise reporting practices.*

<ESMA\_QUESTION\_DOS\_1>

**Q 29: Do you agree with the data completeness score provisions? Are there additional features that you would recommend, based on your institution’s needs as per the Securitisation Regulation?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees to the approach to calculate the data completeness score. Yet, the Eurosystem would have a preference if a regulatory authority - instead of the securitisation repositories - would ensure that the use of “ND5”-values is legitimate, because delegating to securitisation repositories the calculation of the data completeness score and the validation that the use of “ND5”-values is legitimate might lead to potential conflict of interest for securitisation repositories. A validation by a regulatory authority, ideally ESMA, would also ensure a level playing field across securitisation repositories. As a second-best option, ESMA in its role as the supervisor of securitisation repositories could provide a guideline to specify for which field attributes and under which instances “ND5”-values would be legitimate to use.*

<ESMA\_QUESTION\_DOS\_1>

**Q 30: Do you agree with the data ‘consistency’ provisions? Are there additional features that you would recommend be examined?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees that securitisation repositories should be required to perform minimum data ‘consistency’ checks in order to ensure that reported data have sufficient quality. However, as highlighted with the answer for Q 29, the legitimate use of “ND5”-values should be ultimately assessed by a regulatory authority, ideally ESMA, instead of the securitisation repositories. A validation by a regulatory authority, ideally ESMA, would also ensure a level playing field across securitisation repositories. As a second-best option, ESMA in its role as the supervisor of securitisation repositories could provide a guideline to specify for which field attributes and under which instances “ND5”-values would be legitimate to use.*

<ESMA\_QUESTION\_DOS\_1>

**Q 31: Do you agree that the securitisation repository, in order to verify the “completeness” of the securitisation documentation reported to it, should request written confirmation each year, as described above?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 32: Do you agree that the securitisation repository should verify the “consistency” of documentation reported under points (b), (c), (d), (f), and the fourth subparagraph of Article 7(1) of the Securitisation Regulation by asking for written confirmation of its “consistency” as part of the same “completeness” confirmation request?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 33: Do you see a need to develop standardised language for the written confirmation?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 34: Do you agree with these ‘free of charge’ proposals?**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the ‘free of charge’ proposals. In this vein, the Eurosystem highlights that it is important that such access provisions should encompass all technical possibilities to retrieve current and historical data that are offered to external stakeholders.*

<ESMA\_QUESTION\_DOS\_1>

**Q 35: Do you agree with the data access conditions for each entity listed in Article 17(1) of the Securitisation Regulation? If not, please explain your concerns and what access conditions you instead consider appropriate.**

<ESMA\_QUESTION\_DOS\_1>

*The Eurosystem agrees with the data access conditions for each entity listed in Article 17(1) of the Securitisation Regulation.*

<ESMA\_QUESTION\_DOS\_1>

**Q 36: Do you consider that additional specifications should distinguish ‘direct and immediate’ access to information? If so, please explain why the above provisions are insufficient for your purposes and what you instead propose.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q 37: Do you believe that there should be a specific deadline for reporting entities to be able to make corrections for information submitted to a securitisation repository? If so, please set out the reasons why a principle-based approach is insufficient and, furthermore, what deadline you propose.**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q38 Do you agree with the outcome of this CBA on the disclosure requirements?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q39 Do you have any more information on one-off or ongoing costs of implementing the disclosure requirements or of working with the disclosure requirements?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q40 Do you agree with the outcome of this CBA on the operational standards and access conditions?**

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

**Q41 Do you have any more information on one-off or ongoing costs of implementing the turnaround times for responding to reporting entities or to data queries?**

<ESMA\_QUESTION\_DOS\_1>

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<ESMA\_QUESTION\_DOS\_1>