|  |
| --- |
| 19 December 2017 |

|  |
| --- |
| Response form for the Consultation Paper on Technical standards on disclosure requirements, operational standards, and access conditions under the Securitisation Regulation |
|  |

|  |
| --- |
| 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

|  |  |
| --- | --- |
| Name of the company / organisation | FRENCH BANKING FEDERATION |
| Activity | Banking sector |
| Are you representing an association? |  |
| Country/Region | France |

# Introduction

Please make your introductory comments below, if any:

<ESMA\_COMMENT\_DOS\_1>

The FBF welcomes the opportunity to share its comments on ESMA’s consultative document on the draft RTS under the new Securitisation Regulation.

*General comment on the switch from non-ABCP notification to ABCP notification and vice versa*

Some public securitisations can be funded both by an ABCP conduit and public issuances. It can also happen that public securitisations are first funded by an ABCP conduit and later on by public issuances of securities. In such cases, should the sponsor, the SSPE or the originator complete both the disclosure notification templates for ABCP and non-ABCP securitisations?

<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>

TYPE YOUR TEXT HERE

<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>

The FBF would recommend not to develop any new template for NPLs, but to add columns to the existing templates if need be.

<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>

French banks recommend to align on the requirements of the European Data Warehouse and do not support the loan level granularity for private securitisations, as this is not required today. We recommend to request the loan level granularity only when there is a requirement to publish a prospectus.

<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>

IRBA indicators such as Loss Given Default (LGD) and Probability of Default (PD) are sensitive and confidential information. Therefore French Banks do not support the idea to include them in the detailed disclosure template. We have no objection, however, to a disclosure on a macro basis (non-granular basis): for example, the average probability of default of the securitized portfolio.

In our view there is no direct connection between the originator’s regulatory parameters (LGD, PD) and the investor’s regulatory capital requirements, because the investor cannot use the originator’s regulatory parameters (LGD, PD) to calculate the RW of the securitisation tranches.

<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>

As pointed out by ESMA in the consultation paper, the proposed securitisation disclosure templates differ from the ECB templates (European Data Warehouse) which already exist and function well. In order to limit the reporting burden for originators and sponsors, we recommend to merge the ECB and ESMA templates into a unique securitisation reporting template. This would be in line with the “Fitness Check on supervisory reporting” consultation of the European Commission which aims at using existing reports as much as possible.

Please note that since ABCP transactions are not part of the EDW reporting, this comment does not apply to ABCP securitisations.

<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>

Yes we agree with the reporting of ABCP underlying exposures to be segmented at the transaction level.

Moreover, we are of the view that the treatment of private securitisations proposed by ESMA is a sensible approach that takes due account of the commercial realities and remains consistent with both the letter and the spirit of the treatment of private securitisations set out in Article 7(2) of the Securitisation Regulation.  We would note, however, that most of ABCP transactions are private transactions.  Likewise, ABCP programmes are mostly private transactions.  Thus, there seems to be some tension in the Draft TS which says that most ABCP transactions and ABCP programmes (both of which ~~are~~ being frequently private securitisations) are outside the scope of the Draft TS yet also specifically provide templates for them. We would therefore recommend amending recital (3) to clarify this point as follows:

"Pursuant to Article 7 of the Securitisation Regulation, the reporting templates do not apply to securitisations **(whether ABCP securitisations or non-ABCP securitisations)** where no prospectus has to be drawn up in compliance with Directive 2003/71/EC (often referred to as 'private securitisations').

<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>

In Annex 9 (page 200 of consultation paper) the Probability of Default is not relevant for some underlying assets of ABCP securitisations.

In addition:

* INVAL9, INVAL10 and INVAL12-INVAL18: Delete – these are too detailed for "aggregate" reporting.
* INVAL21: Delete – this is unlikely to be possible to report using this definition. There will, most likely, be transaction specific definitions of default.
* INVAL22: Delete – too detailed for "aggregate" reporting and may not be relevant for a lot of exposure types.
* INVAL23-INVAL34: Too detailed for "aggregate" reporting. Consider having a single line with any Article 24(9)(a) exposures (i.e., those temporarily not in compliance with Article 24(9)(a). The second paragraph of Article 26(1) does not require this to be split into the sub-components of Article 24(9)(a).
* INVAL43- INVAL49: Delete – too detailed for "aggregate" reporting and may not be relevant for a lot of exposure types.
* INVAL51-INVAL59: These will be irrelevant for many exposures types in ABCP conduits. To be deleted from Annex 9 as too much detail for "aggregate" exposure and they can be provided on a transaction-by-transaction basis to competent authorities if required.

<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>

TYPE YOUR TEXT HERE

<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>

Investor reports are already produced for existing securitisations. In our opinion originators/sponsors will have to continue producing the existing reports because they are standard market practice and investors are accustomed to them. Hence the Securitisation Regulation and the RTS on Disclosure Requirements will lead to the coexistence of two investor reports for securitisations, unless the new ESMA reporting eventually becomes the new market standard. This additional requirement can be seen as an impediment to the development of securitisation in Europe, even though the European Commission mentions the development of securitisation in Europe as one of the objectives of the Capital Markets Union.

As a general observation, a number of fields (as noted below) will not be relevant in many instances so it will need to be possible for them to be populated with "Not Applicable":

* INVAS6: current overcollateralization of the securitisation: this is relevant on a transaction level but not at a program level.
* INVAS 7: Not appropriate for programme level report.
* INVAS 8: please clarify what is a PDL .
* INVAS10-INVAS18: Will not be applicable for many ABCP programmes.
* INVAS 19 to INVAS 25: liquidity facilities are provided for each transaction and not at the program level.
* INVAS21: This question is too transaction specific to be included in the programme level report.
* INVAT3: This is unlikely to be relevant for most typical STS ABCP programmes.
* INVAT4 to INVAT11: These are unlikely to be relevant for most typical STS ABCP programmes.
* INVAN4 and INVAN5: Not appropriate to disclose originator information.
* INVAN 10: Perfection of Sale: ABCP conduits are very rarely purchasing assets but rather buying notes issued by an SPV (such SPV is buying the assets) – so this section is not relevant.
* INVAN13-INVAN22: These fields do not relate to information which is ever usually relevant in the context of a non-recourse securitisation.
* INVAN28: include extra options of (4) loan facility and (5) participation agreement.
* INVAN37-INVAN45: As with INVAS10-INVAS18, these will not be applicable for many ABCP programmes.
* INVAN 48: This should refer to a maximum funding limit rather than the maximum value of receivables which can be sold.
* INVAN48-INVAN56: These will not be relevant for most ABCP transactions. Especially ABCP conduits that are managed on a ‘pool funding’ basis.
* INVAA1 to INVAA5: account level information: we do not understand the rational of these questions for an ABCP conduit.
* INVAR1to INVAR 4: tests Events/ triggers information section- is not needed as information is already requested in INVAS 8: Trigger/ Measurements / Ratios.

<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>

Synthetic ABCP transactions are forbidden by the Money Market Funds regulation. Hence we do not expect a strong development of these transactions in the near future.

<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>

Yes, it is useful to have the static vs. dynamic distinction in the templates.

<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>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

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

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>

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

<ESMA\_QUESTION\_DOS\_1>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<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>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_DOS\_1>