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| 23 March 2018 |

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| Response form for the Consultation Paper on Securitisation Repositories Application Requirements  |
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| Date: 23 March 2018 |

Responding to this paper

ESMA invites responses to the questions set out throughout its Consultation Paper on Securitisation Repositories Application Requirements (ESMA33-128-109). 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 23 May 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\_TPF\_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\_TPF\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_TPF\_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 Securitisation Repositories Application Requirements”).

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 market infrastructures,

investors/potential investors, securitisation issuers, 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 DataWarehouse GmbH |
| Activity | Other Financial service providers |
| Are you representing an association? |[ ]
| Country/Region | Germany |

# Introduction

Please make your introductory comments below, if any:

<ESMA\_COMMENT\_TPF\_1>

## About the European DataWarehouse GmbH

Founded in 2012 as part of the implementation of the European Central Bank ABS Loan Level Initiative the European DataWarehouse (ED) is the first central data repository in Europe for collecting, validating and making available for download detailed, standardised and asset class specific loan-level data (LLD) for Asset-Backed Securities (ABS) transactions. Developed, owned and operated by the market, ED helps to facilitate risk assessment and to improve transparency standards for European ABS deals.

ED currently hosts loan-level data and relevant documentation for over 1,250 ABS transactions and private portfolios belonging to a wide variety of different originators across Europe. Originators, issuers, sponsors and servicers upload ABS exposure and relevant documentation to ED, while data users including investors, data vendors, rating agencies and public institutions use ED data for monitoring and risk assessment purposes.

## Response on ESMA Consultation on the application for registration as a securitisation repository under the Securitisation Regulation

ED welcomes the new Securitisation Regulation (EU 2017/2402) laying down a common framework for securitisation and the development of a specific framework for simple, transparent and standardised securitisation as a building block of the Capital Markets Union (CMU). ED views the Securitisation Regulation as a crucial step towards the revival of the securitisation market in Europe addressing key issues in terms of the current disclosure requirements.

In particular, ED as a securitisation repository aims to register with ESMA to provide repository services to originators, sponsors and/or SSPEs under the Securitisation Regulation.

This document contains ED’s responses to the 9 questions summarised in Annex 1 of the Consultation Paper.

<ESMA\_COMMENT\_TPF\_1>

**Q 1: Do you agree with the general requirements proposed in the draft RTS?**

<ESMA\_QUESTION\_TPF\_1>

In general, ED agrees with the general requirements proposed by ESMA in the draft RTS. <ESMA\_QUESTION\_TPF\_1>

**Q 2: Do you agree with the operational reliability provisions set out in the draft RTS? Do you have any further suggestions?**

<ESMA\_QUESTION\_TPF\_2>

As a general point, with regard to the operational requirements set out in this consultation paper, ED believes that there are significant differences between the trade repositories and the securitisation repositories that have not been fully considered by ESMA in the proposed requirements. While there is certainly a need to have appropriate systems and other operational safeguards, it seems that securitisation repositories have to fulfil additional requirements absent under the EMIR or SFTR framework while keeping the same requirements in all other cases. In ED’s view, this cumulative approach does not seem always proportionate considering the different IT environments needed for securitisation repositories compared to trade repositories. In particular:

* Quarterly reporting with a high number of data fields (except for ABCP which is monthly but very few transactions only, if at all) compared to daily reporting with a high number of daily reporting items but few data fields.
* Focus on securitisation transaction disclosure to regulators and investors rather than trading driven with a need for daily reconciliation.
* Data is relatively widely available given the wider scope of recipients as outlined in Article 17(1) compared to confidential data collected by trade repositories.

<ESMA\_QUESTION\_TPF\_2>

**Q 3: Do you agree with a centralised approach to develop ISO 20022-compliant XML messages/schema? Do you agree that ESMA is best placed to develop ISO 20022-compliant XML messages/schema? Please explain why if not and provide an alternative proposal.**

<ESMA\_QUESTION\_TPF\_3>

ED agrees with the centralised approach for the XML messages/schema. However, in line with ED’s response to Q17 in the ESMA consultation on disclosure requirements, operational standards and access conditions, ED believes that the ISO 20022 standard could be used for daily reporting and providing feedback messages, but using the format for the template fields would increase the size of data files (especially for the underlying exposures and investor reports), creating performance constraints in terms of data transmission, validation and processing times. So, ED agrees with the use of the ISO 20022 format for all securitisation information made available like the end of day reports and feedback messages. However, ED proposes a generic XML format based on the template field identifiers for the underlying exposures and investor report templates.

<ESMA\_QUESTION\_TPF\_3>

**Q 4: Do you agree with the data safeguarding provisions set out in the draft RTS?**

<ESMA\_QUESTION\_TPF\_4>

ED generally agrees with the proposed data safeguarding provisions.

However, ED does not agree with the audit log requirements for staff members of the securitisation repositories, specifically in terms of the nature and purpose of data accessed. While there is a log in terms of user access, nature and purpose can be difficult to track given that the filter criteria also allow data selection across transactions and time and data will be accessed frequently for data quality purposes. Moreover, in ED’s view, this requirement seems to be somewhat contradictory to the ESMA proposed user access requirements set out in the draft technical standards on disclosure requirements, operational standards and access requirements under the Securitisation Regulation, whereby the data can be widely accessed by all entities listed in Article 17(1) including among others investors and potential investors. In our understanding, these entities will not have any particular regulatory obligation on data safeguarding.

<ESMA\_QUESTION\_TPF\_4>

**Q 5: Do you agree with the contents of the simplified application?**

<ESMA\_QUESTION\_TPF\_5>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TPF\_5>

**Q 6: Do you agree with the proposed requirements for the ITS?**

<ESMA\_QUESTION\_TPF\_6>

ED agrees with the ESMA proposed requirements for ITS.

<ESMA\_QUESTION\_TPF\_6>

**Q 7: Do you agree with the considerations on transferring information following a request to transfer data to another repository?**

<ESMA\_QUESTION\_TPF\_7>

ED believes that five working days might be challenging to establish a mutually agreed migration plan. Also, it is unclear what are the sanctions and for which repository in case a mutually agreed migration plan is not achieved within the ESMA suggested timeline. It might be easier if the receiving repository selected by the reporting entity draws up the migration plan which should be agreed by the transferring repository, such agreement not be unreasonably withheld. ED generally agrees with the proposed format for the transfer of the information to another repository. In ED’s view, though the XML format should be however indicative and this should not prevent the securitisation repository from using alternative formats for the transfer of data to another repository.

One of ED’s main concerns, in line with the response to question 2, is the specific encryption requirements for the transfer of data files. From a securitisation repository standpoint, we believe that the encryption of the channel, together with the usage of a digital signature to guarantee the integrity and authenticity of the file is sufficient.

<ESMA\_QUESTION\_TPF\_7>

**Q 8: Do you consider that any other aspects should be considered regarding the fees charged by the new or old repository for the data transfer process?**

<ESMA\_QUESTION\_TPF\_8>

In principle, ED agrees with ESMA’s approach, which is also in line with the existing guidelines on portability of information across trade repositories.<ESMA\_QUESTION\_TPF\_8>

**Q 9: Do you agree with the draft arrangements for transferring information from one securitisation repository to another following a withdrawal of registration?**

<ESMA\_QUESTION\_TPF\_9>

In ED’s view, in a case of a withdrawal of registration of a securitisation repository further clarification is required by ESMA to which securitisation repository(s) the data will be transferred. It is unclear if ESMA would make the decision on the receiving repository or the reporting entities who are ultimately paying fees to the new repositories.

With respect to the free-of-charge proposal, while the actual transfer can be free of charge, it does not seem to be clear at what exact point the receiving repository can charge fees for the transferred transactions. In case the reporting entity makes the decision, the fees charged should be in line with the fees for a voluntary transfer. We agree that in any case no fees should be charged by the withdrawing repository.

<ESMA\_QUESTION\_TPF\_9>