

EUROPEAN DATAWAREHOUSE GMBH

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ESMA

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Subject: European DataWarehouse Response to ESMA Consultation on Guidelines on securitisation repository data completeness and consistency thresholds (ESMA 33-128-827).

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 1,520 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.

ED intends to register with ESMA to provide securitisation repository services under the Securitisation Regulation (EU) 2017/2402. In the meantime, ED assists the originators, sponsors and Securitisation Special Purpose Entities (SSPE) to fulfil the regulatory reporting obligations by providing a website compliant with the requirements set out in Article 7(2) of this regulation.

ED welcomes ESMA's consultation on the initial calibration of thresholds to be applied by repositories when verifying the completeness and consistency of disclosure templates submitted by the reporting entities in accordance with the disclosure regulatory technical standards and implementing technical standards published by the EC on 16 October 2019 and 29 October 2019 respectively¹.

This document contains ED's responses to the 5 questions summarised in Annex 1 of the Consultation Paper (ESMA 33-128-827).

Q1: Do you agree with the guiding principles used for developing the thresholds, as discussed in this section (section 3.1)?

ED generally agrees with the ESMA proposed guiding principles used for developing the thresholds. Based on the ESMA's proposed guiding principles and more specifically on point a), ED understands that the ND thresholds would be specific to each underlying exposure template and not the investor report template. ED, though, would like to request further clarification on what ESMA means with respect to the guiding principle a) "potentially at an even greater level of detail for specific categories of securitisations within each type of underlying exposure". We suggest that those categories should be derivable from the underlying data provided.

Q2: Do you agree with the proposed calibration approach and proposal for the percentage threshold, as discussed in this section (section 3.4)?

In principle, ED agrees with the proposed calibration approach and proposal for the percentage threshold.

Q3: Do you agree with the proposed calibration approach and proposal for the 'number of legacy assets fields' thresholds, as discussed in this section (section 3.5)?

In general, ED agrees with the proposed calibration approach and proposal for the 'number of legacy assets fields' thresholds.

¹ The RTS and ITS are available at the following link: https://ec.europa.eu/info/law/securitisation-regulation-2017-2402/amending-and-supplementary-acts/implementing-and-delegated-acts_en

Q4: Do you agree with the proposed calibration approach and proposal for the 'number of legacy IT system fields' thresholds, as discussed in this section (section 3.6)?

ED generally agrees with the proposed calibration approach and proposal for the 'number of legacy IT system fields' thresholds.

Q5: Do you have any comments on the threshold revision process? Are there any other aspects on this topic that are missing in your view and should be taken into consideration?

Generally, ED agrees with ESMA's view that it appears too early to stipulate how often the thresholds will be revised. The calibration of the revised ND thresholds should be based on evidence gathered by the securitisation repositories. Additionally, the threshold revision process should allow sufficient time for both the reporting entities and the securitisation repositories to adjust the IT systems accordingly. One important point to note on the ESMA's threshold revision process is that it may be technically challenging for the repositories to allow the simultaneous application of multiple thresholds during the revision in case of corrections or resubmissions. Therefore, in ED's view, it is important that the new tightened ND thresholds start to apply the moment the old thresholds cease to apply.

Kind regards



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