**Reply** **form**

Consultation Paper on the revision of the disclosure framework for private securitisation under Article 7 of the Securitisation Regulation

Responding to this paper

ESMA invites comments on all matters in the Consultation Paper and in particular on the specific questions in this reply form. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all comments received by **31 March 2025.**

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 this reply form.
* Please do not remove tags of the type <ESMA\_QUESTION\_VALID\_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 responses, save the reply form according to the following convention: ESMA\_VALID\_nameofrespondent.

For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_VALID\_ABCD.

* Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. 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.

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# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | Fédération Bancaire Française |
| Activity | Banking sector |
| Are you representing an association? |  |
| Country/Region | France |

# Questions

1. Do you agree with the proposed approach to disclosing information on private securitisations? If not, please specify any alternative approaches you would recommend, including their advantages and potential drawbacks.

<ESMA\_QUESTION\_PRSE\_1>

Yes, we welcome the principle of introducing a simplified template for the disclosure of private securitisations.

Our preference goes to our template proposal made at the beginning of 2024(based on annex 11) with the possibility of having it completed by the investor.

However, should the proposed template (in this consultation), be used, we welcome the introduction of aggregate-level data. We believe that the proposed Annex 16 should be clearly aimed at harmonising notification to the EU supervisors only, for non-ABCP private securitisations only, and replace all existing annexes).

Over lapping with other existing reporting sent to supervisors should be avoided in order to achieve a true simplification (e.g. COREP or SSM reporting in relation with Article 6 to 8).

With regards to the reporting for investors, we believe that no mandatory template-based reporting for asset-level and investor reporting by EU and non-EU sell-side parties on private (non-ABCP) securitisations should be required. Instead, requirements for reporting for investors should be principles-based/substance over form approach, like the PRA approach (cf.SECN 4.2 Before holding a securitisation position - FCA Handbook).

With regards to the templates related to ABCPs transactions, only the current templates should apply and remain unchanged. For instance, sponsors of ABCP transactions (placed with ABCP conduits) be permitted to continue disclosing transaction information under the current reporting (annex 11), also for consistency.

Additionally, there are some extra information that are required compared to the existing templates, especially for ABCP transactions, which far away from the objective of simplification.

In addition, we would like to point out the following issues:

* Timing /articulation with ongoing Level 1 review by the EC: it is important that the final RTS be aligned with the potentially reviewed Level 1 text. A transitional arrangement may have to be included in the RTS. In our view, the new template shall not apply until the disclosure issue for non-EU securitisations is clarified by the Level 1 text.

Cf. also answers to questions 2 and 26

* It is difficult to comment on the questions in this consultation without clarity on potential future changes to the SECR level 1 text should the amendments to the investor due diligence requirements substantially amended.
* With regards to the perimeter where this RTS should apply, operations in third countries should for instance be included in the scope. We also disagree with the proposal to introduce the simplified private reporting regime only for EU-originated/sponsored securitisations in advance of a more settled position on the wider EU securitisation Level 1 reforms that is likely to amend SECR requirements on transparency and investor due diligence.
* Annex 16 should be further simplified, with data limited to supervisors’ needs. The suggested template (annex 16) contains too many ND fields, especially on the asset description. . Such annex also requires new information (when compared with loan level templates) that would require additional developments from reporting entities
* In terms of frequency, a one-off reporting within one month of closing would be sufficient.
* *As regards significant events/material changes: preferred approach is not to prescribe any template-based reporting to avoid duplication with any communication/notices about such events already sent to investors (ie the same investor communication should be shared with supervisors avoiding any template-based reporting*.

We recommend for significant events reportable to supervisors to be clear and more limited in scope than Article 7(1)(g): What constitutes a significant event for the purposes of Article 7(1)(g) is potentially open to interpretation. Some private bi-laterally negotiated securitisations may have frequent changes to certain commercial terms which will be notified to and, if necessary, agreed with investors, but which (even if they are considered as falling under Article 7(1)(g)) are arguably of less relevance to the EU supervisors. Therefore, to avoid excessive significant event reporting to the supervisors we propose for ESMA to consider narrowing the scope of such reporting to certain specific cases, e.g. (we will welcome further dialogue with ESMA on the possible list of items, a few examples listed below are provided for illustrative purposes only at this stage):

* + changes impacting the STS status, if applicable.
  + changes impacting ongoing compliance of the sell-side parties with risk retention (Article 6) and transparency requirements (Article 7).
  + changes relating to early redemption or unwinding of the transaction.
  + changes relating to a material breach of the obligations provided for in documentation disclosed under Article 7(1)(b) (we note that this will capture default scenarios).”]
* Content of §21 and §22 are subject to interpretation:
* §21 states that “If these entities are established outside the EU, compliance with Article 7 of SECR. will follow the disclosure requirements applicable to public securitisations”. Based on the actual modifications made to the RTS and ITS documents, we would like to confirm that such comment only relates to the type of the Annex to be filled up and not the other public securitisation requirements such as the obligation to make all such reportings available on EDW. We believe that § 21 should be deleted.
* §22 states that “However, originators, sponsors and SSPEs of private transactions must still provide the full set of ‘public’ disclosure information outlined in Article 7(1)(a) of the SECR to investors, potential investors and competent authorities upon request.” How shall it be interpreted? this seems to completely negate the purpose of the contemplated modifications. Where does this statement translate in the level 1 and 2 texts? We believe that § 22 should be deleted, or at least the terms ‘upon request’.

<ESMA\_QUESTION\_PRSE\_1>

1. Do you agree with the proposed scope of application, which requires all of the originators, sponsors, original lenders and SSPEs to be established in the Union? Alternatively, do you see any merit in applying the new template when at least the originator and sponsor are established in the Union? Please provide specific examples where the application of the proposed scope might present practical challenges.

<ESMA\_QUESTION\_PRSE\_2>

**No, we don’t agree.**

We believe that there should be no different disclosure framework depending on whether the originator, sponsor or SSPE is established in or outside the EU.

Cf. also answer to question 1.

Original lender should also not be included in the jurisdictional scope.

<ESMA\_QUESTION\_PRSE\_2>

1. Do you agree that the simplified template should be made available in CSV format, or should ESMA adopt a more flexible approach proposing a machine-readable format to be determined by the CA? Please specify which alternative format(s) you would recommend and provide your rationale.

<ESMA\_QUESTION\_PRSE\_3>

We recommend Excel as an alternative format.

<ESMA\_QUESTION\_PRSE\_3>

1. Do you agree with the disclosure frequency proposed in the Consultation Paper? Please provide your rationale.

<ESMA\_QUESTION\_PRSE\_4>

No, a disclosure at the constitution should suffice.

<ESMA\_QUESTION\_PRSE\_4>

1. Do you agree with the structure of the simplified template, specifically the relevance of Section A to D for private securitisations? If not, please suggest any changes to the template’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_5>

Yes, we partly agree with the proposed structure with some below suggestions to simplify it, given its focus for supervisory reporting:

o information of permanent nature could be reported shortly after the closing only, as said above, (and not repeated) and only significant events (as detailed above) would be reported thereafter

o ABCP conduit information should not be part of this reporting

o Some sections are too detailed and do not provide enough flexibility on ND fields

o Private information should be avoided (GDPR and contractual restrictions)

<ESMA\_QUESTION\_PRSE\_5>

1. Do you consider the use of ND Options in the template for private securitisations to be useful? Please provide your rationale.

<ESMA\_QUESTION\_PRSE\_6>

Yes, we believe that the option shall be kept. However, the different uses of the ND values (ND1, ND2…) are not always very clear and one or two ND value (not applicable / not available) should be sufficient.

<ESMA\_QUESTION\_PRSE\_6>

1. Do you agree with the fields proposed in Table 1? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_7>

Yes.

• The LEI identifier of the original lender is often not available, but we understand that the corresponding field may be left blank.

• The information requested should be available but is confidential. This would be an issue for ABCP conduits (hence the importance of maintaining annex 11 for them)

• The table should accommodate the possibility of multiple sponsors

• The table should also accommodate the possibility of several originators

<ESMA\_QUESTION\_PRSE\_7>

1. Do you agree with the fields proposed in Table 2? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_8>

See above question 1

<ESMA\_QUESTION\_PRSE\_8>

1. Do you agree with the securitisation characteristics fields proposed in Table 3? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_9>

Yes, except for the information on STS which we believe is redundant with existing STS templates.

<ESMA\_QUESTION\_PRSE\_9>

1. Do you agree with the instrument/securities characteristics fields proposed in Table 4? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_10>

• ND should be allowed since ISIN, First call date, Pricing date are not commonplace for private deals.

• Maturity date to correspond to legal maturity date

• Maximum Issuance limit: committed? uncommitted ? program size ?

<ESMA\_QUESTION\_PRSE\_10>

1. ESMA is not aware of significant issues with the current disclosure framework for ABCP transactions. Do you agree with maintaining this approach (i.e., Annex 11), or do you consider that disclosure via the simplified template would be more appropriate for ABCP transactions? Please provide your rationale.

<ESMA\_QUESTION\_PRSE\_11>

Yes, we support maintaining the current approach for ABCP transactions (i.e. continue to fill in Annexes 11 and 13) or at least allowing the use of only these existing templates in lieu of the new Annex 16.

The current reporting templates for ABCP do not raise specific issues and are adequate. There is no need in our view to incur new IT development costs for an exclusive use of the new annex.

<ESMA\_QUESTION\_PRSE\_11>

1. If you support the use of the simplified templates for ABCP transactions (Question 10), do you also agree with the specific fields proposed in Table 5? If not, please suggest any changes to the content or structure of the table, along with the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_12>

We do not see the rationale of providing ABCP program specific information in a template dedicated to individual transactions – bearing in mind that a private transaction can be placed to several ABCP conduits and that ABCP conduit sponsors would continue to report under annex 11

<ESMA\_QUESTION\_PRSE\_12>

1. Do you agree with the proposed approach for ABCP transactions, which focuses on information at the programme level? Alternatively, do you consider that disclosure should be based on transaction-level information to ensure alignment with the disclosure requirements for public transactions? Please provide your rationale.

<ESMA\_QUESTION\_PRSE\_13>

Cf. answer to question 11.

<ESMA\_QUESTION\_PRSE\_13>

1. Do you agree with the contact information collected under Table 6? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_14>

No, we don’t fully agree:

* SSPE: since there are many structures with no SSPE, there should be a possibility to leave the field blank.
* Law firm: in some structures, there are many law firms involved and they can change over time, which would make it burdensome to provide the full legal name for each of them.
* Table 6 should provide for more flexibility in terms of ND and contains private / confidential information

Overall, we wonder about the purpose of providing such extensive contact information.

<ESMA\_QUESTION\_PRSE\_14>

1. Do you agree with the fields on the underlying exposures proposed in Table 7? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_15>

• Exposures are not necessarily denominated in EUR (e.g., PLN) – we would suggest keeping the currency of the program instead in table 7.1 (otherwise, variations could be subject to exchange rates)

• Information required in 7.2, 7.3 and 7.4 is new, not necessarily available and would require new developments. The comment (non ABCP excluding retention outside of the securitisation) for table 7.4 is unclear to us

• Table 7.6 should be removed. What is required under table 7.6 is unclear or not mandatory for supervision only or purely not operable:

* should the information be shown in percentage value of the portfolio amount?
* Should Annex XVI is to be developed as a template aimed at meeting the needs of the EU supervisors only, why supervisors need to separately receive information on ESG credentials of the underlying exposures?

We also note that, currently, EPC-related disclosure is only relevant (but not always available) for certain asset classes (mortgages or auto-loans) where aggregation is additionally not feasible. only and it must only be considered for STS-designated securitisations. Therefore, given that the reporting on ESG-related matters is an evolving area (Omnibus package), it is best if it is left to the tailored investor reports for now.ND option or blank should be included.

• Generally, more flexibility would be required on ND options here, as information is not necessarily available with the required granularity (e.g., on currencies, jurisdictions).

Overall Table 7.5 should be sufficient (and used in ABCP reporting – annex 11) while the requested information on Arrears and restructured exposures is too detailed. In our view, it would be sufficient to provide information on the restructuring percentage. In addition, some inquiries remain, for instance what is required for “Defaulted exposures”? litigations?

<ESMA\_QUESTION\_PRSE\_15>

1. Do you believe that a minimum set of information should be made available to users to monitor the evolution of the underlying risks? If so, do you consider that the fields proposed in Table 7 to be relevant for this purpose? If not, please indicate which alternative indications should be used and provide the rationale for your suggestions.

<ESMA\_QUESTION\_PRSE\_16>

See above.

<ESMA\_QUESTION\_PRSE\_16>

1. ESMA proposes the inclusion of fields to capture information on underlying assets to be reported at an aggregated level. Some of this information is also included in the Investor Report for non-ABCP transactions. Do you agree that such information should be provided in both the template for private securitisations and the Investor Report for non-ABCP transactions? Alternatively, would you support introducing the option to flag such fields as ‘not applicable’ in the Investor Report when used in the context of private securitisations? Please provide your views.

<ESMA\_QUESTION\_PRSE\_17>

We believe that the information already included in the Investor Reports (annexes 12 and 13) shall not be duplicated in the new template for the avoidance of redundancy.

<ESMA\_QUESTION\_PRSE\_17>

1. Do you agree with the inclusion in table 7.5 of fields related to restructured exposures or do you consider that the information included in the investor reports is sufficient? Please provide your rationale for agreeing or disagreeing.

<ESMA\_QUESTION\_PRSE\_18>

See above

<ESMA\_QUESTION\_PRSE\_18>

1. If you agree with the inclusion of restructured exposure fields (Question 17), do you also agree with the specific fields proposed in Table 7.5? If not, please suggest any changes to the structure or content of Table 7.5, along with the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_19>

See above

<ESMA\_QUESTION\_PRSE\_19>

1. Do you agree with the inclusion in table 7.6 of fields related to energy performance? Please provide your rationale for agreeing or disagreeing.

<ESMA\_QUESTION\_PRSE\_20>

See above

<ESMA\_QUESTION\_PRSE\_20>

1. If you agree with the inclusion of energy performance fields (Question 19), do you also agree with the specific fields proposed in Table 7.6? If not, please suggest any changes to the structure or content of Table 7.6, along with the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_21>

See above

<ESMA\_QUESTION\_PRSE\_21>

1. Do you agree with the inclusion of the proposed fields related to risk retention, considering that this information is already covered in the investor reports? Please provide your rationale for agreeing or disagreeing.

<ESMA\_QUESTION\_PRSE\_22>

We believe that the requested information on retention is too detailed, even more as this information is redundant with information already provided in some existing reporting provided to supervisors (e.g. COREP or SSM reporting in relation to Article 6 to 8).

This is far away from the simplification objective of this consultation.

<ESMA\_QUESTION\_PRSE\_22>

1. If you agree with the inclusion of risk retention fields (Question 21), do you also agree with the specific fields proposed in Table 8? If not, please suggest any changes to the structure or content of Table 8, along with the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_23>

Cf. answer to question 22 (and not question 21, there is a typo).

<ESMA\_QUESTION\_PRSE\_23>

1. Do you agree with the fields proposed for the position level information in Table 9? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_24>

No specific comment but does not meet the objective of simplification

<ESMA\_QUESTION\_PRSE\_24>

1. Do you agree with the fields proposed for synthetic securitisation in Table 9? If not, please suggest any changes to the Table’s structure and provide the rationale for your proposed modifications.

<ESMA\_QUESTION\_PRSE\_25>

Reference should be to Table 10 and not 9 (typo).

When there is an SPV in the structure, we suggest reporting the SPV as protection provider.

<ESMA\_QUESTION\_PRSE\_25>

1. Do you foresee any operational challenges or implications arising from the implementation of the simplified template for EU private securitisations? If so, please describe the challenges you anticipate and suggest any measures that could mitigate them.

<ESMA\_QUESTION\_PRSE\_26>

Non-EU transactions should not be kept out of scope: adding this new reporting template in parallel with the existing ones, pending the review of the Level 1 text, should be avoided. This would be operationally burdensome.

Regarding ABCP, cf. our answers to question 11. In our view, the current ABCP templates work well and imposing the use of the new template only would add operational costs and complexity.

The new template will require additional developments (and costs) ), and a continuous effort of further simplification.

Also, it should be reminded that some fields are filled in manually.

Lastly, a grand fathering for the existing operations, or a sufficient transitory implementation period (e.g. 3 years), should be granted.

<ESMA\_QUESTION\_PRSE\_26>

1. What are the projected implementation costs for sell-side parties for transitioning to the simplified template for private securitisations, and how do these compare to the reduction of reporting burden?

<ESMA\_QUESTION\_PRSE\_27>

The implementation costs could be quite significant.

For ABCP, there would be no reduction of the reporting burden compared with the existing templates.

For non ABCP, some fields shall be reviewed or removed for the sake of simplification.

<ESMA\_QUESTION\_PRSE\_27>

1. To what extent does the simplified disclosure framework for private securitisation improve the usefulness of information for investors while maintaining their ability to perform due diligence?

<ESMA\_QUESTION\_PRSE\_28>

The impact for investors is quite limited in our view. Investors typically rely on bespoke investor reports addressing the specific risk features of the transaction and the underlying exposures.

Besides, this reporting is for supervision only as per the commission acknowledgement.

<ESMA\_QUESTION\_PRSE\_28>

1. Does in your view the introduction of the simplified template enhance the effectiveness of supervisory oversight without imposing disproportionate costs on market participants?

<ESMA\_QUESTION\_PRSE\_29>

Our understanding is that the purpose of this template is primarily for addressing the supervision needs only (i.e not for the investors) with a simplified format aiming at avoiding any unnecessary data request thus minimizing the related development cost.

We fully agree with this coherent and pragmatical approach, but the proposed template is too broad and detailed (e.g. table 8), hence incurring some IT development cost, with several fields based on risk approach (e.g. Table 7), hence more IT development cost, more linked to an investment need that a supervisory need for which purpose this reporting is fitted.

<ESMA\_QUESTION\_PRSE\_29>