**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.

Data protection

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the headings ‘Legal notice’ and heading ‘[Data protection](https://www.esma.europa.eu/about-esma/data-protection)’..

# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | ABI – Italian Banking Association |
| Activity | Banking sector |
| Are you representing an association? |[x]
| Country/Region | Italy |

# 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>

ABI welcomes the opportunity to express views on the proposed revision of the disclosure framework for private securitisation under Article 7 of the Securitisation Regulation.

ABI appreciates that the ESMA has undertaken an initiative to reduce the administrative burden for reporting entities to comply with disclosure obligations for private securitisation.

In ABI’s view, the proposed approach can work for the purpose of simplification, under the condition that some concerns shall be addressed and safeguards introduced to ensure that actual cost effectiveness can be achieved in the production of the templates.

In this regard, in the response to the previous consultation “On the securitisation disclosure templates under Article 7 of the Securitisation Regulation” launched by ESMA in December 2023, ABI - also in light of the upcoming review of the securitisation framework - had expressed its preference for a different approach, not envisaging the design of a new template but rather leveraging on existing templates (identifying information not useful/necessary that could be not required for private securitisation).

**In the same vein, in ABI’s view, to ensure that the benefit outweighs implementation costs, it is crucial that the new template is maintained after the forthcoming revision of the Level 1 securitisation framework.**

In other words, before finalising the RTS, effective dialogue between Authorities and legislators should ensure that the simplified template for private securitisation still remain suitable to comply with the new framework, in order to avoid further changes and thus additional operational burdens.

An aspect of the proposed approach raising serious concerns is the requirement in paragraph 22 (section 4.2), that - in addition to the simplified template - the full set of «public» disclosure information should be available upon request of investors, potential investors and competent authorities. This would make the proposal for a simplified template completely meaningless, given that it would entail additional costs for reporting entities, without allowing for cost savings (due to the need to maintain both reporting systems). The introduction of a new simplified template only makes sense if no other reporting/disclosure obligations are attached.

Another point worth noting is that the simplified template might not be well-suited to ensure cost savings always and for all types of private securitisation. In particular, there are transactions for which rating agencies would normally require detailed loan-by-loan information (beyond the aggregated data by portfolio cluster provided for in the proposed template). In these cases, reporting entities should retain the option to keep the «public» disclosure template, possibly applying targeted simplifications to remove non-necessary information.

In any case, a grandfathering clause should be envisaged to maintain the current templates for outstanding transactions.

Other significant remarks are reported in the answers to the questions below.

<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>

In this regard, ABI would highlight that restricting the scope only to transactions where all of the originators, sponsors, original lenders and SSPEs are established in the Union could have a significant deterrent effect on the application of the simplified template.

<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>

The option of producing this reporting in CSV format is welcomed. It gives more flexibility to the end users as this format works in different applications, including excel. A general excel format should also be mainly accepted.

<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>

ABI agrees with the disclosure frequency proposed in the Consultation Paper as it seems in line with the market standard.

<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>

ABI agrees with the proposed structure of the simplified template. The sections: “Information on the originator or sponsor”, “Exposure and Risk Retention”, “Position Level Information” and “Syn-thetic Coverage Information” seem to contain all the relevant information on private securitization transactions.

<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>

The possibility to use the ND options is considered useful and necessary. It is particularly im-portant when ESG-related information is required, which is not always available.

<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>

ABI agrees with the fields proposed in Table 1, as overall they are the general information needed to identify the transactions ensuring an adequate level of transparency.

<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>

ABI agrees with the fields proposed in Table 2. They capture the relevant transaction details.

<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>

ABI agrees with the fields proposed in Table 3.

<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>

ABI agrees with the instrument/securities characteristics fields proposed in Table 4.

<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>

ABI has not identified significant issues with continuing with Annex 11, which has already been implemented by banks. However, the simplified reporting can also be implemented and for those purposes would be more appropriate given its simplification.

<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>

ABI supports the use of the simplified templates for ABCP transactions. However, further clarifica-tions would be appreciated on what is intended with "other support provided by the sponsor" (it is not clear whether it refers to other facilities granted to the Conduit, or other than the Liquidity facilities). Clarifications in relation to the "classification of underlying exposures" would also be useful.

<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>

ABI strongly supports the proposed programme-level approach for ABCP transactions, as it is the most practical and efficient method of disclosure. Requiring transaction-level reporting introduces unnecessary complexity and reporting burdens without providing significant added value to investors. The proposed approach ensures adequate transparency while maintaining operational feasibility for market participants.

<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>

ABI agrees in general with the contact information collected under Table 6, but excluding the in-formation about the law firm, given that more than one law firms can be involved.

<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>

ABI has no objections to providing the information on underlying exposures as proposed in Table 7. The level of detail required in Table 7 appears proportionate to the needs of both investors and supervisors, ensuring a balance between transparency and efficiency of reporting.

<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>

ABI acknowledges the importance of ensuring that a minimum set of relevant information is availa-ble to users to effectively monitor the evolution of underlying risks. However, ABI believes that fields related to environmental performance should be excluded from the reporting requirements for the following reasons: i) data on environmental performance are not frequently available or systematically collected by originators, particularly for certain asset classes such as consumer loans; ii) requiring such information would place an undue burden on reporting entities, as many originators would struggle to provide consistent and reliable environmental metrics.

<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>

Avoiding any duplication of information would be preferable, to ensure efficiency, reduce reporting burdens, and maintain data consistency. If the same information on underlying assets is already captured in the Investor Report for non-ABCP transactions, requiring duplicate reporting in the private securitisation template would create unnecessary administrative and compliance burdens for reporting entities.

<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>

Providing the information on restructured exposures through the investor report is considered sufficient, while requiring the same details in Table 7.5 would lead to unnecessary duplication.

<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>

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<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>

ABI does not support the mandatory inclusion of energy performance fields in Table 7.6 due to the difficulty in obtaining this data, the operational challenges it presents, and the potential inconsist-encies in reporting. A more flexible, voluntary approach would be preferable if ESMA aims to capture this information over time.

<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>

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<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>

ABI would prefer not to include risk retention fields in the private securitisation template, as this information is already disclosed in investor reports. Avoiding redundant reporting would help maintaining a streamlined and proportionate disclosure framework, reducing unnecessary administrative burdens for market participants.

<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>

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<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>

In ABI’s view, Table 9 should be deleted as it would require dynamic updating, and Table 4 should be sufficient to capture general information about securities/instruments issued. If supervisors need information on the total outstanding, they can obtain by accessing tailored investor reporting. However, information on the share of each tranche in the proposed “retention” field can be com-mercially sensitive and would not be reported to investors; it is also not entirely clear what benefit it can provide to the supervisor. It has to be noted that currently only the ECB/SSM template applicable to significant institutions requires information on retention, but it is framed differently from how it is presented in Table 9 as it is limited to what is retained according to Article 6.

<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>

ABI agrees with the fields proposed in Table 9, as they represent typical and relevant information for synthetic securitisation transactions. The inclusion of these fields helps ensure transparency, regulatory oversight, and consistency in reporting synthetic securitisations.

<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>

As anticipated in the answer to Q1, given that the implementation of a new template entails opera-tional burdens, to ensure that the benefit outweighs implementation costs, it is crucial that the new template is maintained after the forthcoming revision of the Level 1 securitisation framework.

Moreover, the implementation of the simplified template would only represent a cost if the full set of «public» disclosure information shall be available upon request of investors, potential investors and competent authorities.

In addition, the simplified template might not be well-suited to ensure cost savings always and for all types of private securitisation. In particular, there are transactions - e.g. true sales transactions - for which rating agencies would normally require detailed loan-by-loan information (beyond the aggregated data by portfolio cluster provided for in the proposed template). In these cases, reporting entities should retain the option to keep the “public” disclosure template, possibly applying targeted simplifications to remove non-necessary information. More generally speaking, targeted simplifications as proposed in the ABI response to the previous consultation (i.e. reducing mandatory fields of little added value for investors and improving the use of ND options) should be envisaged for “public” securitisations disclosure.

In any case, a grandfathering clause should be envisaged to maintain the current templates for outstanding transactions.

<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 one-off implementation costs associated with transitioning to the simplified template for pri-vate securitisations are expected to be significantly lower than the expenses incurred during the development and implementation of the original reporting templates. As to reporting, a significant reduction of ongoing costs is expected.

<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 simplified template is expected to provide added value for the investors, by improving the clarity and accessibility of key transaction data while maintaining their ability to perform due dili-gence effectively. The streamlined reporting format ensures that investors receive the most essen-tial and relevant data needed for their risk assessment. By reducing unnecessary complexity, the simplified template enhances data usability, making it easier for investors to interpret and analyze securitisation transactions.The new framework retains the key disclosure elements that investors need to assess credit risk, structure, and performance, ensuring they can still conduct proper due diligence. Investors will spend less time filtering through excessive data, allowing for more effi-cient decision-making based on the most critical information.

<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>

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<ESMA\_QUESTION\_PRSE\_29>