13 February 2025
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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 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 under the headings 'Legal notice' and heading 'Data protection'..

General information about respondent

Name of the company / organisation	Leaseurope, Eurofinas, the German Banking Industry Committee (GBIC) and True Sale International GmbH (TSI)
Activity	Other Financial service providers
Are you representing an association?	☒
Country/Region	Europe

Questions

Q1 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>

Leaseurope, Eurofinas, True Sale International GmbH (TSI) and the German Banking Industry Committee (GBIC), jointly comment on the ESMA consultation on the revision of the disclosure framework for private securitisation under Article 7 of the Securitisation Regulation. The comments of TSI, GBIC, Leaseurope and Eurofinas correspond to each other.

*As a Federation, **Leaseurope** brings together 45 associations throughout Europe representing either the leasing, long term and/or short term automotive rental industries. The scope of products covered by Leaseurope's members ranges from hire purchase and finance leases to operating leases of all asset types (automotive, equipment and real estate) and also includes the rental of cars, vans and trucks. It is estimated that Leaseurope represents approximately 91% of the European leasing market. In 2023, the leasing firms represented through Leaseurope's membership helped European businesses and other customers invest in assets that is estimated worth 448 billion EUR, reaching about 976 billion EUR of outstandings at the end of the year.*

***Eurofinas**, the European Federation of Finance House Associations, is the voice of the specialised consumer credit providers in the EU. As a Federation, Eurofinas brings together associations throughout Europe that represent finance houses, specialised banks, captive finance companies of car, equipment, etc. manufacturers and universal banks. The scope of products covered by Eurofinas members includes all forms of consumer credit products such as personal*

loans, point of sale credit, credit cards and store cards. Consumer credit facilitates access to assets and services as diverse as cars, studies, furniture, electronic appliances, etc. Eurofinas members financed around €467 billion worth of new loans during 2023 with outstanding portfolio amounting €1.3 trillion euros at the end of the year.

***GBIC** is the joint committee operated by the central associations of the German banking industry. These associations are the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR), for the cooperative banks, the Bundesverband deutscher Banken (BdB), for the private commercial banks, the Bundesverband Öffentlicher Banken Deutschlands (VÖB), for the public banks, the Deutscher Sparkassen- und Giroverband (DSGV), for the savings banks finance group, and the Verband deutscher Pfandbriefbanken (vdp), for the Pfandbrief banks. Collectively, they represent approximately 1,700 banks.*

***TSI** is dedicated to support the development of the securitisation market in Germany and Europe, its regulation and the further development of its legal framework. Through training courses and specialist conferences, we contribute to the qualification of the participants and to an open exchange between market participants, supervisory authorities and science.*

A simplified template for private securitisations on aggregate level is generally the right approach, see also our responds to the Field-by-Field review in 2023. The newly introduced template should be designed especially for the purpose of supervisory information. Investor information should not be in scope which is justified by market practice for private securitisations, where investors receive much more detailed and comprehensive information than could be captured by any template, and in other formats and ways. The new proposed template is independent of asset classes which we support. No loan level data are required for the new template which is also appropriate for the defined purpose.

However, the proposal has some inconsistencies which we would like to highlight (please note that we explicitly exclude CLOs from all our answers, as we have not received comments with respect to this segment from our stakeholders):

1. The proposal mixes up investor needs and supervisory needs at some points (e.g. page 16 No 22). Investors do not need a fixed regulatory template in the private segments as they receive necessary information in a customized way from the originator before signing into a transaction and ongoing. Therefore, the template should be designed for supervisory needs only.
2. The new template should be based on the existing ABCP and SSM templates. As far as we can see, no additional data requirements are needed to ensure a proper supervision and market overview/ risk monitoring. The simplification should focus on reducing the number of existing data points.
3. The template should be developed in close cooperation with the ECB/SSM to ensure that the template satisfies also the supervisory needs of the SSM and hence any separate SSM reporting like the ECB notification template will no longer be required after introducing the new template.
4. The explicit requirement to provide loan level data upon request on basis of the existing ESMA templates should be dropped entirely. Otherwise, originators or sponsors would still

need to invest in IT and processes in order to meet the requirements for both template formats. Hence, the new RTS would only lead to additional burden and no simplification would be reached. Furthermore, no potential investors should have access to such data upon request, especially for ABCP, private non-ABCP and synthetic on-balance-sheet transactions, that would contradict the nature of private markets. Otherwise, banks would be able to gain knowledge on their competitor's confidential information.

Due to the above-mentioned, fundamental issues with the current proposal, we do not comment in detail on the single data points of the new template. We propose to firstly agree on these general points and to align the new RTS with the upcoming changes in Level 1 and afterwards to establish a working group together with ECB/SSM, European Commission and market participants to develop a streamlined private template.

Furthermore, a grandfathering rule should be introduced for the new template. Therefore, running transactions should have the option to choose (and switch any time) between the old and the new template requirements as the reporting for such transactions usually is already agreed on between all transaction parties and implemented in the IT structures and switching the reporting standards might lead to practical hurdles but could also be in favour of the transaction parties. We propose that developing a proper grandfathering rule should also be a task of the above-mentioned working group.

As a general remark, a consistent implementation of the proposed focus on supervisory purposes leads to the conclusion that investor reporting for private securitisations should even follow a principles-based approach only. All references in Article 7 SECR to templates for private securitisations could be deleted and it could be left to the SSM and the CAs to agree on a harmonised and efficient reporting template for supervisory purposes.

<ESMA_QUESTION_PRSE_1>

Q2 **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>

The template should also apply to transactions where not all sell-side parties are located in the EU. The EU-only restriction does negatively affect the ability of EU banks to provide securitisation financing to EU clients in third countries and creates a competitive disadvantage for EU banks, which is in contrary to the objective of stable and strong EU banks and the European competitiveness. Such a restriction would also have a negative impact on EU domiciled corporates wishing to take advantage of a securitisation financing (sponsored by an EU Bank) for international subsidiaries or sellers. Further, only one template without distinction between EU or Non-EU would

simplify the supervisory practice as a standardised analysis of data would be possible, otherwise different templates would prevail and no or no material cost reduction for originators and sponsors could be achieved.

<ESMA_QUESTION_PRSE_2>

Q3 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 agree with the proposal to allow CSV as a possible data type for submission, as it is used far more frequently than XML. We further propose to also allow PSV as a possible data format as this is very similar to .csv and also commonly used.

<ESMA_QUESTION_PRSE_3>

Q4 Do you agree with the disclosure frequency proposed in the Consultation Paper? Please provide your rationale.

<ESMA_QUESTION_PRSE_4>

The proposed disclosure frequency is fine in general. However, we like to highlight some crucial prerequisites:

- There should be no new data fields introduced with the new template, the existing data fields in the ABCP Reporting and SSM should in our view be more than sufficient for supervisory purposes.
- The template should be designed in a way that an automated reporting can be implemented with low costs.
- Further clarity should be provided in respect on the definition of reportable significant events and the reporting requirements regarding such events should be narrowed down to the supervisory minimum needs (see also our response to Question 8). E.g. if such significant events
    - impact the STS status, if applicable;
    - impact ongoing compliance of the sell-side parties with risk retention (Article 6) and transparency requirements (Article 7);
    - relate to early redemption or unwinding of the transaction;
    - relate to a material breach of the obligations provided for in documentation disclosed under Article 7(1)(b), incl. default scenarios.
- The focus really should be on the simplification of the reporting requirements. This focus is currently not recognisable as the proposed RTS again introduces new data fields and

at some points exhaustive reporting requirements (e. g. significant events or restructuring).

If such prerequisites (especially harmonisation with SSM & ABCP template and easy automation) cannot be fulfilled we propose to switch to a “one-off” reporting where, similar to the SSM template, only the major characteristics of the transaction and on an ongoing basis only significant events are reported.

<ESMA_QUESTION_PRSE_4>

Q5 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>

The general approach has to be adjusted first. At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

However, please note that many introduced data fields are duplicates of fields already reported elsewhere (e. g. SSM reporting). A thorough check is needed on which fields are required for the supervisory purposes of ESMA, see Question 1.

<ESMA_QUESTION_PRSE_5>

Q6 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 definitely required for certain data fields. However, at this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_6>

Q7 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_7>

Q8 **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>

Reportable significant events should be in line with the SSM reportable events and should not be reported to potential investors (reasoning see our response to Q1). As the description of "significant events" is very time consuming, we propose allowing to reference to the transaction documentation where such significant events are defined. This would lead to increased legal certainty for the supervisory authority, the originator and possibly the investor.

Further, we propose to narrow the reporting scope of significant events to ensure similar reporting requirements for all Originators. For example, only covenant breaches which are not waived should be reportable, see also our answer to Question 4. It is good market practice in ABCP and private non-ABCP securitisations that banks apply conservative covenants and thus accept more frequent covenant breaches and waiver requests. This approach is only possible due to the private nature of these transactions. It would be materially affected by additional reporting requirements and could negatively impact the quality of ongoing transaction monitoring from sponsor banks. This should not be in the interest of supervision.

<ESMA_QUESTION_PRSE_8>

Q9 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_9>

Q10 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_10>

Q11 **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>

In our view, it makes no sense to maintain two different templates on aggregate data level. Even more with respect to the fact that the same transactions in case of syndicated facilities might be financed by some bank investors over their ABCP programme and by some bank investors over their balance sheet (non-ABCP). So, for the same transaction, this would lead to different reporting requirements. We propose a working group to develop one proper template for all private transactions. See our answer to Question 1.

<ESMA_QUESTION_PRSE_11>

Q12 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_12>

Q13 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>

This question seems unclear since the data requests, besides the unique identifier, seem more to be on transaction than on programme level. However, transaction level data would also be in line with the current ABCP template and is more reasonable, as in a ABCP programme different sellers with different risk profiles are included. Hence, an aggregated reporting on programme level in our view would make no sense for supervisory purposes when all underlying transactions are already part of the reporting requirements and there are no changes to be made on programme level. Furthermore, at this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_13>

Q14 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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_14>

Q15 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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1. However, we have one remark on the following:

Table 7.4: Why is this table required for non-ABCP transactions only? There should be one harmonised template for all private transactions.

<ESMA_QUESTION_PRSE_15>

Q16 **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>

Table 7 information should be designed for monitoring by the supervisors, not the investors. Investors have their own data requirements applied for private transactions and hence do not need a pre-designed template for risk monitoring purposes.

Further, at this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_16>

Q17 **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>

The purpose of simplified private disclosure template is not investor education but supervision only. With regards to the investor reports we propose the following carve-out option:

1. Originator and Investors agree bilaterally on a reporting format
2. If such agreement cannot be reached, the existing investor reporting templates have to be used.

<ESMA_QUESTION_PRSE_17>

Q18 **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>

The information requirements on restructured exposures are very exhaustive and ESMA should carefully re-evaluate which information really are needed for supervisory purposes. In addition, this data is not available in the requested format for many originators and hence the collection and reporting of such data would produce a lot of manual extra effort and costs. Furthermore, it would probably not be possible to deliver them for several asset classes, e.g. retail portfolios.

<ESMA_QUESTION_PRSE_18>

Q19 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_19>

Q20 **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>

The reporting of energy performance certificate data does not make sense at an aggregate level and should be deleted. The names of certificate providers are not possible to report for aggregated data.

<ESMA_QUESTION_PRSE_20>

Q21 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_21>

Q22 **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>

Investors do have knowledge of the risk retention mechanisms in private transactions (e. g. through a private placement memorandum for ABCP transaction or the transaction documentation for private non-ABCP transactions). Risk retention data fields are already sufficiently included in the SSM template or investor reports. We propose to use the SSM data fields on risk retention for the new template. Furthermore, the reporting formats should be harmonised to one single reporting to avoid double reporting see also Question 1.

<ESMA_QUESTION_PRSE_22>

Q23 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_23>

Q24 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_24>

Q25 **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>

At this stage, it is not reasonable to start a field-by-field analysis of the proposed template, and we propose a working group to develop a proper template. See our answer to Question 1.

<ESMA_QUESTION_PRSE_25>

Q26 **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>

Yes. In the current proposal, only additional reporting requirements are introduced, and no simplification is reached at all. The main reasons for that are:

- Loan level templates 'upon request' means that the IT environment has to be expanded to be able to provide for both, the old templates and the new templates. This also increases market entry barriers instead of reducing them.
- The new differentiation between EU and Non-EU transactions also brings additional costs and burden to the reporting entity and puts EU banks into a material competitive disadvantage compared to non-EU banks.
- A harmonisation of the SSM template and the ESMA Disclosure template would be a decrease in bureaucratic burdens and reduce costs. The consultation paper does not show that this is currently aspired.

See also Question 1.

We also do not support the idea of decentralised reporting channels via the CAs. The target image is a standardised reporting channel for the delivery of the template, a possible solution would be to use the reporting channel to the SSM. This would also assure the possibility of a standardised analysis of the market data and hence an ongoing monitoring. An alternative solution for the SSM reporting channel would be a “Carveout Securitisation Repository (SR)”:

- The templates are reported to the “private space” of a SR and hence are not publicly available, also not upon request.
- The reporting to an SR can be done on voluntary basis.
- If reporting to a SR is done, reporting duties of originators, SSPEs and sponsor banks should be seen as fulfilled and no further reporting to CAs should be required.

Please make sure that the adjustments regarding reporting channels will be in line with the legislative proposal of the European Commission on Level 1.

Furthermore, a transitional period should be introduced to implement the new reporting channels in the IT framework of the market participants as such implementation could pose an operational challenge.

<ESMA_QUESTION_PRSE_26>

Q27 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>

No reduction of reporting burden is reached with the current proposal. Hence, only additional costs are generated. At this stage, it is not sensible to estimate implementation costs as some elementary adjustments have to be applied to the new proposed RTS firstly. See Question 1.

<ESMA_QUESTION_PRSE_27>

Q28 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 should not be designed for investor needs. The simplified disclosure framework for private securitisation has no use for investors.

<ESMA_QUESTION_PRSE_28>

Q29 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>

Under the current proposal: no. On the opposite, only additional burdens are produced with this proposal. See Q1 and Q26. A real improvement of the effectiveness of the supervisory oversight would be reached with the harmonisation of SSM and ESMA templates and without introducing different reporting formats upon request or for EU/Non-EU transactions.

With regard to this, we would like to add another general comment:

The shown market data seems incomplete, compare to European Benchmark Exercise. Especially the volume of ABCP transactions is indicated with EUR 20bn, which is only a fraction of the market with ca. EUR 200bn volume.

<ESMA_QUESTION_PRSE_29>