



European Securities and
Markets Authority

Final Report

ESMA's technical advice to the Commission on fees for securitisation repositories under the Securitisation Regulation



Table of Contents

1	Executive Summary	3
2	Consultation process.....	5
3	Feedback on technical advice to the Commission on fees for securitisation repositories under the Securitisation Regulation.....	6
3.1	Overall messages	6
3.2	Detailed feedback	7
4	Annexes.....	18
4.1	Annex I: Commission request to ESMA for technical advice on possible delegated acts concerning the supervisory fees to be charged to securitisation repositories.....	18
4.2	Annex II: List of respondents to the consultation paper	24
4.3	Annex III: List of questions in the consultation paper	25
4.4	Annex IV: Technical advice on securitisation repositories supervisory fees.....	26

Acronyms and definitions used

ABCP	Asset-Backed Commercial Paper
ABS	Asset-backed security
Final Report on disclosure technical standards	Final Report on ‘Technical standards on disclosure requirements under the Securitisation Regulation’ https://www.esma.europa.eu/sites/default/files/library/esma33-128-474_final_report_securitisation_disclosure_technical_standards.pdf
CP on disclosure requirements and operational standards	Consultation Paper on ‘Draft technical standards on disclosure requirements, operational standards, and access conditions under the Securitisation Regulation’ https://www.esma.europa.eu/sites/default/files/library/esma33-128-107_consultation_paper_disclosure_and_operational_standards_0.pdf
CP on repositories application requirements	Consultation Paper on ‘Draft technical standards on the application for registration as a securitisation repository under the Securitisation Regulation’ https://www.esma.europa.eu/sites/default/files/library/esma33-128-109_consultation_paper_securitisation_repositories_application.pdf
CP on securitisation repository fees	https://www.esma.europa.eu/sites/default/files/library/consultation_paper_ta_fees_securitisation_repositories.pdf

CRAR	Regulation (EU) No 462/2013 of the European Parliament and of the Council of 21 May 2013 amending Regulation (EC) No 1060/2009 on credit rating agencies Text with EEA relevance
EBA	European Banking Authority
EMIR	European Market Infrastructure Regulation (Regulation (EU) 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories)
EMIR fees regulation	COMMISSION DELEGATED REGULATION (EU) No 1003/2013 of 12 July 2013 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to fees charged by the European Securities and Markets Authority to trade repositories
ESMA	European Securities and Markets Authority
ESMA Regulation	Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC, as amended
ESMA final technical advice on fees under SFTR	Final Report: ESMA Technical advice to EC on fees to TRs under SFTR and on certain amendments to fees to TRs under EMIR https://www.esma.europa.eu/sites/default/files/library/esma70-151-223_final_report_on_technical_advice_on_tr_fees_under_sftr_and_emir.pdf
EU	European Union
FTE	Full-Time Equivalent
ITS	Implementing Technical Standards
RTS	Regulatory Technical Standards
Securitisation Regulation	Regulation (EU) 2017/2402 of the European Parliament and of the Council laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012
SFTR	Securities Financing Transactions Regulation (Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012

1 Executive Summary

Reasons for publication

Regulation 2017/2402 of the European Parliament and of the Council laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 was published in the Official Journal of the European Union on 28 December 2017.

On 31 January 2018 the European Securities and Markets Authority (ESMA) received a formal request from the European Commission (Commission) to provide technical advice to assist the Commission in formulating a Regulation on fees for Securitisation Repositories (SRs) under the Securitisation Regulation. The advice is to be delivered to the Commission by 31 October 2018.

ESMA's Consultation Paper (CP) on 'ESMA's technical advice to the Commission on fees for securitisation repositories under the Securitisation Regulation' (hereafter 'CP on securitisation repository fees') was published on 23 March 2018, a public hearing was held on 13 April 2018, and the consultation period closed on 23 May 2018.

Contents

This Final Report provides an overview of the feedback to the CP received from stakeholders during the open public consultation and public hearing as well as ESMA's response to it. ESMA welcomes the predominant support for the approach outlined in the CP and the proposed requirements. Following the public consultation, ESMA further developed and clarified some requirements in its technical advice.

In particular, ESMA agrees with feedback provided that securitisation repository registration fees should be adjusted in order to more closely track applicants' turnover. ESMA has therefore adjusted these proposed registration fees in a manner that is also consistent with the arrangements proposed in ESMA's final technical advice for fees under EMIR and SFTR. At the same time, in order to avoid incentive issues, ESMA has further specified in its technical advice that, in case of a material change in the provision of services (i.e. a change in classification of a repository from 'low' to 'high' turnover), as a consequence of which the securitisation repository would owe a higher registration fee than the registration fee paid initially, ESMA will charge the difference between the initially paid registration fee and the higher applicable registration fee resulting from that material change. ESMA notes that this arrangement is in line with the fee arrangements under EMIR and SFTR.

Elsewhere, ESMA has further clarified provisions for the annual supervisory fee for a

given year (n) for a securitisation repository registered on or after 1 October of the previous year (n-1). This situation is necessary to specify because ESMA's internal budgetary processes require time to calculate the applicable annual supervisory fee for each registered repository and thereafter to send out requests for payment to each firm, in order to ensure that ESMA receives the necessary funds by the end of the year. At the same time, it may happen that a firm is registered after 1 October but before the end of the same year. In such a situation, an annual supervisory fee for the following year would still be necessary. In this case, ESMA considers it appropriate that the annual fee for this year should be equal to the registration fee. In ESMA's view, this arrangement balances the need for certainty for market participants, with ESMA's internal budgetary processes and need for a '1 October' cut-off date to launch these processes.

Section 2 of the Final Report outlines the consultation process leading to this final technical advice. Section 3.1 includes a high-level overview of the comments received as well as ESMA's response to them. Section 3.2 details the comments received on individual questions and ESMA's response to them. Where relevant, ESMA highlights the changes made to the final technical advice.

This final report is accompanied by Annexes that include the Commission request for technical advice (Annex I), the list of respondents (Annex II), the list of consultation questions (Annex III), as well as the final technical advice to the European Commission (Annex IV).

Next Steps

This final advice is submitted to the European Commission.

2 Consultation process

1. Regulation 2017/2402 of the European Parliament and of the Council laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 was published in the Official Journal of the European Union on 28 December 2017.
2. On 31 January 2018 the European Securities and Markets Authority (ESMA) received a formal request to provide technical advice to the Commission in formulating an EU Regulation on fees for securitisation repositories under the Securitisation Regulation by delegated act. The advice is to be delivered to the Commission by 31 October 2018. The mandate is enclosed in Annex I in this paper.
3. ESMA's Consultation Paper (CP) on 'ESMA's technical advice to the Commission on fees for securitisation repositories under the Securitisation Regulation' (hereafter 'CP on securitisation repository fees') was published on 23 March 2018 and the consultation period closed on 23 May 2018. ESMA received five responses: three from entities involved in providing repository services (securitisation or non-securitisation), one from an entity classified under Exchanges and Trading Systems, and one response from an industry representative body.
4. A detailed list of respondents is provided in Annex II. The answers received on the CP are available on ESMA's website unless respondents requested their responses to remain confidential.¹
5. On 13 April 2018, ESMA held a public hearing on the draft technical advice.
6. The final technical advice has been developed on the basis of the requirements of the Securitisation Regulation, while also aiming for consistency with existing fee provisions under SFTR and EMIR. At the same time, ESMA has sought to streamline the fee arrangement where possible, also in view of its experience in calculating and processing fees for trade repositories and CRAs for several years. In doing so, ESMA has aimed to both meet its legislative mandate (i.e. that its fees should be proportionate to repositories' turnover) while also establishing an efficient framework. The technical advice has been adjusted where relevant following the feedback received in the consultation process. The final technical advice is included in Annex IV of this Report.

¹ <https://www.esma.europa.eu/press-news/consultations/consultation-technical-advice-fees-securitisation-repositories>

3 Feedback on technical advice to the Commission on fees for securitisation repositories under the Securitisation Regulation

3.1 Overall messages

7. Although the number of responses to this consultation was limited, the responses received on each question indicate that the majority of respondents supported nearly all of ESMA's proposals, subject to certain specific feedback that is detailed in the next section.
8. One overall theme in market participants' feedback is the uncertainty that exists as regards ESMA's future ongoing supervisory costs and, as a result, the ongoing annual supervisory fees that registered securitisation repositories might expect in the future.
9. The trade-off between centralisation of information (i.e. few repositories) and having sufficiently-low barriers to entry is another theme that arose based on several respondents' feedback across the consultation. Similarly, the importance of proportionality in ESMA's fee arrangements was highlighted on several occasions by at least one market participant. These elements were highlighted in light of the existing landscape of one existing firm performing securitisation services of a similar nature for the majority of euro area securitisations.

ESMA's response

10. ESMA welcomes the feedback received on this consultation, and would like to thank all of the respondents that made the effort of providing responses. ESMA has endeavoured to reflect this feedback via amendments to its technical advice, as is further discussed below on the specific questions.
11. ESMA understands that the uncertainty faced by market participants on ESMA's future supervisory costs is a concern, particularly given the fact that the market for securitisation repository services is a new market and thus that entering this market represents an important commercial decision for applicants. In line with its current supervisory arrangements, ESMA will endeavour to provide further clarity on its expected costs via its annual work programmes, which should also help to provide an indication for registered securitisation repositories. For example, in its 2019 annual work programme² ESMA set a budget of EUR 2,459,339 and allocated 14 FTE (including overheads) to carry out ESMA's supervisory activity of trade repositories (8 trade repositories are currently registered).

² See section 4.4.2 in the following link: https://www.esma.europa.eu/sites/default/files/library/esma20-95-933_2019_annual_work_programme.pdf

12. However, ESMA also faces an element of uncertainty itself as regards its supervisory expenses. As further explained in its 2017 supervisory report and 2018 supervision work programme, which was published in February 2018³, ESMA sets out supervisory priorities for each year, but where necessary, due to ad hoc events or information received, and in line with its risk-based approach, ESMA may also reprioritise issues. As set out in the above-mentioned supervisory report, some examples of trade repository-related ad hoc events that resulted in a reprioritisation include reported incidents or material changes that each required immediate attention, as they had a direct impact on availability and access to data.
13. ESMA also understands that, from the perspective of users of securitisation information held in repositories, it is more efficient to obtain these details from as few repositories as possible. On the other hand, ESMA understands that firms considering to apply to become registered securitisation repositories would prefer there to be as few fixed costs of entry (including registration fees) as possible, given that the number of securitisations likely to report to securitisation repositories has been relatively stable in the past few years.
14. In this context, ESMA recalls that the Securitisation Regulation does not contain any restrictions on the number of firms that can apply to register as securitisation repositories, nor on the type of firms that are eligible to apply. Similarly, ESMA’s mandate to provide technical advice on securitisation repository fees does not include taking into account the market structure of the provision of repository services. ESMA’s mandate is instead oriented towards fulfilling Article 16(1) of the Securitisation Regulation (i.e. that ESMA should recover its own costs using repository-specific fees that are proportionate to their turnover), in a manner that respects the principle of proportionality⁴. ESMA has indeed aimed to set out proportionate arrangements and, as further discussed in the next section, modified certain aspects of its technical advice to be even closer to this principle, where possible.

3.2 Detailed feedback

Q 1: Do you agree with the proposed new registration fees for securitisation repositories? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
4	1	3	0

³ See section 1.2 in the following link: https://www.esma.europa.eu/sites/default/files/library/esma80-199-153_supervision_ar2017_and_wp2018.pdf

⁴ From ESMA’s mandate (see Annex I below): the technical advice should not go beyond what is necessary to achieve the objective of the delegated acts set out in the legislative act. It should be simple and avoid suggesting excessive financial, administrative or procedural burdens for securitisation repositories

15. Three of the four respondents overall supported the proposed new registration fees. As regards the flat nature of the registration fee, where responses included this aspect, one respondent (the industry association) agreed with ESMA's rationale whereas one respondent providing repository services was against this.
16. This respondent argued that having a fixed registration fee, rather than a fee based on turnover, would disadvantage smaller firms with lower expected turnover, in light of the substantial market dominance for securitisation repository services exercised by another existing firm at the current juncture. According to the respondent, this market dominance would make it more likely that other entrants would be unable to earn sufficiently-high turnover to recoup the initial registration fee cost. In addition, the respondent noted that ESMA's mandate in Article 16(1) of the Securitisation Regulation requires it to set fees that are "proportionate to the turnover of the securitisation repository concerned". Moreover, the respondent noted that the likely size of the market for securitisation repository services would be too small to sustain such a large registration fee as proposed in the consultation paper.

ESMA's response

17. On the basis of the feedback received, ESMA notes that the majority of respondents supported the proposals.
18. As regards specific feedback provided on the registration fee by the respondent above, ESMA also notes that the respondent itself, in its public response to ESMA's CP on securitisation repositories application requirements, stipulated that it expects all securitisation repositories to provide ancillary services⁵, which implies a classification as 'high turnover' under the EMIR and SFTR fee approach. ESMA also notes that another respondent not yet active in securitisation markets but signalling an interest in entering the market and providing securitisation repository services had no objection to the proposal, whereas a second respondent also not yet active in the market did not provide comments (despite providing views on 10 out of 12 of the CP questions).
19. Nevertheless, ESMA recognises that the drafting of Article 16(1) the Securitisation Regulation could be interpreted as requiring each of ESMA's fees (registration and annual) to be proportionate to the turnover of the securitisation repository concerned and, therefore, has amended its technical advice to be in line with the existing arrangements under EMIR and SFTR and use a 'low-turnover'/'high-turnover' fee split (i.e. 'high turnover' firms providing both core and ancillary securitisation repository services are 'high turnover' and firms providing only core securitisation repository services are 'low turnover'). This would translate, in line with ESMA's past technical advice, to a registration fee of EUR 100,000 for high turnover repositories and EUR 65,000 for low turnover repositories. ESMA considers that the same fee arrangements

⁵ Response to Question 1 of ESMA's CP on securitisation repository application requirements: "...in order to be able to satisfactorily support its obligations under the Securitisation Regulation and, at the same time, remain commercially viable businesses, an SR [securitisation repository] will need to take full advantage of the provision of the Securitisation Regulation (by incorporation of EMIR Article 80) allowing commercial use of the data it holds."

as set out in the EMIR and SFTR technical advices should apply for securitisation repositories. This is because, as explained further in the CP on securitisation repository fees, ESMA expects to expend similar efforts for assessing applications for registration to provide securitisation repository services as for applications for registration to provide trade repository services under EMIR or SFTR. Although ESMA considers that this arrangement will lead to additional complexity for its own internal handling of application requirements (by virtue of having a greater number of registration fee arrangements), it agrees that this provision remains closer to its mandate as set out in Article 16(1) of the Securitisation Regulation.

20. At the same time, in order to avoid incentive issues, ESMA has further specified in its technical advice that, in case of a material change in the provision of services (i.e. a change in classification from 'low' to 'high' turnover), as a consequence of which the securitisation repository would owe a higher registration fee than the registration fee paid initially, ESMA will charge the difference between the initially paid registration fee and the higher applicable registration fee resulting from that material change. ESMA notes that this arrangement is in line with the fee arrangements under EMIR and SFTR⁶.
21. On the basis of the feedback provided, ESMA does not, however, see a need to revise the absolute amount of its registration fees, given the above-mentioned considerations (and as further explained in its CP on securitisation repository fees) on ESMA's efforts in assessing applications being similar to its efforts under EMIR and SFTR, as well as the similarity in the application requirements across these three market segments (securitisation, EMIR, and SFTR). Moreover, ESMA recalls that its mandate to design technical advice on fees does not include taking into account the turnover of the repository concerned when considering the *absolute* fees to be charged, but instead requires ESMA to recoup its costs of effort and to charge fees that are proportionate to the turnover.

Q 2: Do you agree with the proposed extension of registration fees for securitisation repositories? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
4	1	2	1

22. Respondents overall supported the general requirements proposed in the draft technical advice. One respondent indicated concern that fees for extensions of registration should be set so low as 50% of new registration fees, whereas another respondent asked for an even greater reduction than 50% in view of the substantial

⁶ For EMIR, see Article 6(7) in the EMIR fees regulation and, for SFTR, see section 6.1.1 of ESMA's final technical advice on fees.

information already held by ESMA on the applicant thanks to EMIR and/or SFTR repository applications.

ESMA's response

23. In light of feedback received, ESMA does not propose to amend the fees for extensions of registration, other than the corresponding amendments discussed in its feedback on the previous question as regards the new registration fees. In other words, for applicants seeking an extension of registration and classified as 'high turnover', the extension of registration fee would be EUR 50,000 (i.e. 50% of the new registration fee for 'high turnover' applicants of EUR 100,000). For firms classified as 'low turnover', the extension of registration fee would be EUR 32,500 (i.e. 50% of the new registration fee for 'low turnover' applicants of EUR 65,000).

Q 3: Do you agree with this proposal on registration fees in the event of simultaneous applications under EMIR, SFTR, and/or the Securitisation Regulation? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
3	1	2	0

24. Of those respondents providing feedback, there was agreement with the proposal.

ESMA's response

25. ESMA has left its technical advice on this aspect unchanged, in light of feedback received.

Q 4: Do you agree with the approach to determining applicable turnover? Please elaborate.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
5	1	3	1

26. Respondents had mixed views on this question. One respondent supported the proposal. A second supported the approach but requested that further distinction be made between the type of ancillary services that should be in the scope of these provisions. In the view of this respondent, ESMA should further distinguish between

ancillary securitisation services that may be exclusively provided by securitisation repositories and those that could be provided by both securitisation repositories and other market participants. In this respondent's view, the wide scope of information held by the repository that must be provided 'free of charge' to a list of entities in Article 17(1) of the Securitisation Regulation, as set out in ESMA's Final Report on disclosure technical standards, implies that other market participants such as investors and potential investors could conceivably obtain data from the securitisation repository free of charge and then package this information for their own products, without being subject to such supervisory fees and thus obtain a competitively advantageous position vis-à-vis securitisation repositories. The respondent therefore requested that only ancillary services that could be exclusively provided by the securitisation repository be deemed 'ancillary services' for the purposes of calculating applicable turnover.

27. A third respondent was against the proposal, for similar reasons expressed by the previous respondent (which had supported the proposal but asked for the above-mentioned distinction). A fourth respondent was against because it considered that ESMA's supervisory efforts are essentially related to supervising core services.
28. Finally, a fifth respondent requested further clarification of the term 'ancillary services'.

ESMA's response

29. As regards the distinction of ancillary services, ESMA has sympathy with the need for adequate business models for securitisation repositories. At the same time, ESMA would recall that the provisions on information being provided 'free of charge' in the Securitisation Regulation apply to a set of entities in Article 17(1) of the Securitisation Regulation. The list of entities in Article 17(1) does not, according to ESMA's understanding, appear to include other registered securitisation repositories. Although sophisticated investors or potential investors could indeed obtain substantial information from securitisation repositories, it is not clear whether these entities could immediately compete with the specialised nature and experience of repositories in securitisation markets. ESMA also does not consider it within its mandate to define the ability of securitisation repositories to exert control or restrictions over information reported to them by reporting entities or how this information is subsequently used by data users⁷.
30. ESMA furthermore recalls that, as set out in its CP on securitisation repository fees, the objective of including ancillary services in the applicable turnover calculation is aimed at introducing as proportionate an approach as possible across the population of registered securitisation repositories, insofar as repositories that provide ancillary services are likely to earn greater revenues than firms not providing such services (all else being equal). At the same time, ESMA expects that it would expend greater efforts to supervise firms offering both ancillary and core securitisation repository services,

⁷ ESMA's mandate under Article 17(2)(c) of the Securitisation Regulation extends to specifying the details that should be accessible to the entities listed under Article 17(1) but does not extend, in ESMA's view, to drafting technical standards on the terms and conditions associated with the use of those details. The same considerations apply to ESMA's mandate under Article 17(2)(d), which relates to the notion of 'direct and immediate' access.

when compared with firms providing only core securitisation repository services (all else being equal). This is due to the likely greater complexity of ‘core plus ancillary services’ repositories’ business models, operational arrangements, operational risks, and commercial relationships and thus the need for ESMA to spend greater effort to assess such firms’ continued compliance with the conditions for registration under the Securitisation Regulation.

31. In this context, ESMA does not consider that its supervisory efforts would be different if a securitisation repository were offering ancillary securitisation services that only the repository could exclusively provide, versus ancillary securitisation services that could be provided by either the repository or another market participant. Furthermore, ESMA does not consider that making such a distinction would be within the scope of its fee-related parameters under Article 16(1). For these reasons, ESMA has not adjusted its technical advice to remove or further distinguish ‘ancillary services’ within the calculation of ‘applicable turnover’ for the purposes of determining its supervisory fees.
32. As regards further details on ancillary services, in ESMA’s view, ‘ancillary services’ related to securitisation would arise when a repository would make use of information provided by a reporting entity for the purpose of meeting its disclosure requirements under Articles 7 and 17 of the Securitisation Regulation, and would leverage this information into additional services or products that were not governed by the ‘free-of-charge’ provisions under Article 7(1) of the Securitisation Regulation. ESMA also notes that further examples have been provided in paragraphs 31 and 32 of its CP on securitisation repositories fees. Beyond this, ESMA considers that it is difficult to provide further guidance without a case-by-case assessment, but will continue to observe the nature of services provided by repositories, with a view to providing further guidance to market participants if necessary.
33. ESMA has also further clarified, in its final report on securitisation repository application requirements, the necessary information to be provided in an applicant’s financial accounts, with a view to enabling an assessment and calculation of applicable turnover.

Q 5: Do you agree with the proposed minimum supervisory fee arrangements? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
5	1	3	1

34. Respondents unanimously agreed with the proposal.

ESMA’s response

35. ESMA has left its technical advice on this aspect unchanged, in light of feedback received.

Q 6: Do you agree with the proposed first-year fee arrangements? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
5	1	3	1

36. The majority of respondents agreed with the proposal and one did not object. One respondent, while not opposing the approach, requested a clarification for the coefficient calculation in relation to SFTR, in the context of the proposed minimum fee arrangement.

ESMA's response

37. ESMA has left its technical advice on this aspect unchanged, in light of feedback received. As regards the specific calculation modalities, ESMA has made clear that the minimum fee arrangement would not apply to supervisory fees in year (n) for firms registered in the same year (n). In these cases, the registration fee would be multiplied by the ratio of working days from the firm's date of registration until the end of the year and 250 days. This approach is different to the arrangements under SFTR, and reflects ESMA's supervisory experience gained thus far.

Q 7: Do you agree with these proposed annual supervisory fee arrangements? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
5	1	3	1

38. The majority of respondents agreed with this proposal and one did not object. Two respondents asked for further clarity on ESMA's future supervisory costs. One respondent did not agree with the proposal on the basis of ESMA's supervisory costs being unknown and, therefore, securitisation repositories having to bear uncertainty regarding the viability of their business models. The same respondent argued that ESMA's fees for supervising securitisation repositories should not be made similar to its fees for supervising trade repositories, given the likely differences in the size of each market. The respondent instead suggested that ESMA's annual supervisory fees should be capped at a given percentage of each repository's annual turnover, and proposed a cap of 5%. The same respondent also suggested that, in case a repository ceases to fulfil the conditions for registration, ESMA should reimburse any fees paid.

ESMA's response

39. ESMA notes that the majority of respondents to this question agreed with the proposal. As regards the specific considerations raised, ESMA would recall that its mandate under Article 16(1) of the Securitisation Regulation is to recover its costs related to the supervision of firms registered to provide securitisation repository services. Article 16(1) does not introduce the notion of a 'cap' or 'threshold' above which ESMA's supervisory costs should not be recouped. As regards the future supervisory expenses that ESMA plans to undertake, ESMA understands that the uncertainty around these provisions are a challenge for market participants. Although it is too early to judge, ESMA considers that, as the type and number of entities that it supervises increases, there may be further synergies that might result in some savings in supervisory costs. Insofar as ESMA's fees are set to reflect its supervisory costs, any cost savings of this type would also be passed on via fee reductions over time to supervised entities.
40. Moreover, ESMA plans its supervisory costs on the basis of the EU Financial Regulation's⁸ principle of sound financial management (e.g. aiming at a high level of efficiency and effectiveness), against which the Agency is duly and regularly audited. In addition, as set out in paragraph 7 of the CP on securitisation repository fees, the proposed approach is in line with ESMA's annual budgeting procedure, and if there are persistent and significant surpluses or deficits over time ESMA would expect to undertake an analysis of the reasons why this happened and to use lessons learned as an input into the next budgeting period.
41. Elsewhere, ESMA considers that, in the event that a securitisation repository ceases to be registered with ESMA, there are additional supervisory efforts that are unique to this situation (including ensuring the smooth transfer and closing down of the business without disruption to the rest of the market) which would not, at the present juncture, appear to justify the insertion of any provisions in the present technical advice for reimbursing any supervisory fees paid by that repository to ESMA.

Q 8: Do you agree with the proposed arrangements for the calculation of annual securitisation repository supervisory fees in the first two full years following a firm's registration? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
5	1	3	1

⁸ See Article 30 here: http://ec.europa.eu/budget/library/biblio/documents/regulations/financial_regulation_2017_en.pdf

42. Four respondents agreed with this approach (in some cases subject to their feedback in the previous section). One respondent disagreed, saying that actual turnover figures would be available after the first year of registration.

ESMA’s response

43. ESMA has maintained its proposal, given the feedback provided to this consultation. ESMA considers that the rationale for using figures relating to applicants’ expected turnover in the first two full years has been adequately set out in its CP on securitisation repository fees.

44. Elsewhere, ESMA has further clarified provisions for the annual supervisory fee for a given year (n) for a securitisation repository registered on or after 1 October of the previous year (n-1). This situation is necessary to specify because ESMA’s internal budgetary processes require time to calculate the applicable annual supervisory fee for each registered repository and thereafter to send out requests for payment to each firm, in order to ensure that ESMA receives the necessary funds by the end of the year. At the same time, it may happen that a firm is registered after 1 October but before the end of the same year. In such a situation, an annual supervisory fee for the following year would still be necessary. In this case, ESMA considers it appropriate that the annual fee for this year should be equal to the registration fee. In ESMA’s view, this arrangement balances the need for certainty for market participants, with ESMA’s internal budgetary processes and need for a ‘1 October’ cut-off date to launch these processes.

Q 9: Do you agree with the proposed timing relating to the payment of new registration and extension of registration fees? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
4	1	2	1

45. All respondents either agreed or did not object to this arrangement.

ESMA’s response

46. ESMA has left its technical advice on this aspect unchanged, in light of feedback received.

Q 10: Do you have any comments on the proposed reimbursement arrangements? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
4	1	2	1

47. All respondents either agreed or did not object to this arrangement.

ESMA's response

48. ESMA has left its technical advice on this aspect unchanged, in light of feedback received.

Q 11: Do you agree with the proposed timing of the payments of annual securitisation repository supervisory fees? Please elaborate on the reasons for your response.

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
4	1	2	1

49. All respondents either agreed or did not object to this arrangement.

ESMA's response

50. ESMA has left its technical advice on this aspect unchanged, in light of feedback received.

Q 12: Do you agree with the proposed approach to dealing with the reimbursement of costs to the competent authorities in case of delegation of ESMA tasks under Article 14(1) of the Securitisation Regulation? Please elaborate on the reasons for your response

Number of respondents	Industry Representative Body	Repository Services	Exchanges and Trading Systems
5	1	3	1

51. Four respondents either agreed or did not object to this arrangement. A fifth respondent noted that these costs should be disclosed in advance.

ESMA's response

52. ESMA has left its technical advice on this aspect unchanged, in light of feedback received. As regards disclosure of these costs, ESMA notes that these provisions aim to ensure that supervisory fees in this regard are arranged internally between ESMA and competent authorities, without the need for further operational arrangements by securitisation repositories. In any case, the overall supervisory effort would be the same and thus, on the basis of Article 16(1) of the Securitisation Regulation, the fees paid by securitisation repositories would be the same as well.

4 Annexes

4.1 Annex I: Commission request to ESMA for technical advice on possible delegated acts concerning the supervisory fees to be charged to securitisation repositories

With this mandate, the Commission seeks ESMA's technical advice on a possible delegated act concerning the Regulation on a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation ('Securitisation Regulation') or the "**legislative act**"). This delegated act should be adopted in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU).

The Commission reserves the right to revise and/or supplement this formal mandate. The technical advice received on the basis of this mandate should not prejudice the Commission's final decision.

The mandate follows the Regulation of the European Parliament and the Council establishing a European Securities and Markets Authority (the "**ESMA Regulation**"),⁹ the Communication from the Commission to the European Parliament and the Council - Implementation of Article 290 of the Treaty on the Functioning of the European Union (the "**290 Communication**"),¹⁰ and the Framework Agreement on Relations between the European Parliament and the European Commission (the "**Framework Agreement**").¹¹

According to Article 11(2) of the legislative act and with regard to the supervisory fees to be charged to securitisation repositories, the Commission shall adopt a delegated act to specify further the type of fees, the matters for which fees are due, the amount of the fees and the manner in which they are to be paid.

The European Parliament and the Council shall be duly informed about this mandate.

In accordance with Declaration 39 on Article 290 TFEU, annexed to the Final Act of the Intergovernmental Conference which adopted the Treaty of Lisbon, signed on 13 December 2007, and in accordance with the established practice within the European Securities Committee,¹² the Commission will continue, as appropriate, to consult experts appointed by the Member States in the preparation of possible delegated acts in the financial services area.

In accordance with point 15 of the Framework Agreement, the Commission will provide full information and documentation on its meetings with experts appointed by the Member States within the framework of its work on the preparation and implementation of Union legislation, including soft law and delegated acts. Upon request by the Parliament, the Commission may also invite Parliament's experts to attend those meetings.

The powers of the Commission to adopt delegated acts are subject to Article 82 of the legislative act. As soon as the Commission adopts a possible delegated act, the Commission will notify it simultaneously to the European Parliament and the Council.

⁹ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), OJ L 331, 15.12.2010, p. 84.

¹⁰ Communication of 9.12.2009. COM (2009) 673 final.

¹¹ OJ L 304, 20.11.2010, p. 47.

¹² Commission Decision of 6.6.2001 establishing the European Securities Committee, OJ L 191, 17.7.2001, p.45.

1. Context

1.1 Scope

One of the objectives of Securitisation Regulation is to enhance the transparency of securitisations and thus of the financial system. Among other aspects, the Securitisation Regulation creates a Union framework under which specific elements of securitisations can be efficiently reported to securitisation repositories (SRs).

The Securitisation Regulation grants ESMA direct registration and supervisory powers over securitisation repositories, in a similar fashion to Regulation No. 648/2012 of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ('EMIR'). In accordance with Article 16(1) of the Securitisation Regulation, ESMA shall charge fees to securitisation repositories and those fees shall fully cover ESMA's necessary expenditure relating to the registration, recognition and supervision of securitisation repositories.

In accordance with Article 16(2) of the Securitisation Regulation, the Commission shall adopt a Regulation on fees, to be adopted in the form of a delegated act, that specifies further the type of fees, the matters for which fees are due, the amount of the fees and the manner in which they are to be paid.

This mandate focuses on the technical aspects of the Regulation on fees. In providing its advice, ESMA should build upon its previous experience in advising on supervisory fees for trade repositories registered under EMIR and under the Securities Financing Transactions Regulation (SFTR), as well as the experience of relevant national authorities in setting supervisory fees for financial institutions.

1.2 Principles that ESMA should take into account

On the working approach, ESMA is invited to take account of the following principles:

- It should respect the requirements of the ESMA Regulation, and, to the extent that ESMA takes over the tasks of CESR in accordance with Art 8(1)(l) of the ESMA Regulation, take account of the principles set out in the Lamfalussy Report¹³ and those mentioned in the Stockholm Resolution of 23 March 2001.¹⁴
- The principle of proportionality: the technical advice should not go beyond what is necessary to achieve the objective of the delegated acts set out in the legislative act. It should be simple and avoid suggesting excessive financial, administrative or procedural burdens for securitisation repositories.

¹³ Final Report of the Committee of Wise Men on the Regulation of European Securities Markets, chaired by M. Lamfalussy, Brussels, 15 February 2001.

http://ec.europa.eu/internal_market/securities/docs/lamfalussy/wisemen/final-report-wise-men_en.pdf

¹⁴ Results of the Council of Economics and Finance Ministers, 22 March 2001, Stockholm Securities legislation.

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/01/105&format=HTML&aged=0&language=EN&guiLanguage=en>

- While preparing its advice, ESMA should seek coherence within the regulatory framework of the Union, in particular with the EMIR and SFTR frameworks (as amended).
- In accordance with the ESMA Regulation, ESMA should not feel confined in its reflection to elements that it considers should be addressed by the delegated acts. If it finds it appropriate, ESMA may also indicate guidelines and recommendations that it believes should accompany the delegated acts to better ensure their effectiveness.
- ESMA will determine its own working methods depending on the content of the provisions being dealt with. Nevertheless, horizontal questions should be handled in a way that ensures coherence between different standards of work being carried out by the various expert groups.
- In accordance with the ESMA Regulation, ESMA is invited to widely consult market participants in an open and transparent manner, and take into account the resulting opinions in its advice. ESMA should provide a detailed feedback statement on the consultation, specifying when consultations took place, how many responses were received and from whom, as well as the main arguments for and against the issues raised. This feedback statement should be annexed to its technical advice. The technical advice should justify ESMA's choices vis-à-vis the main arguments raised during the consultation.
- ESMA is invited to justify its advice by providing a quantitative and qualitative cost-benefit analysis of all the options considered and proposed.
- ESMA's technical advice should not take the form of a legal text. However, ESMA should provide the Commission with a clear and structured ("articulated") text. The technical advice carried out should be accompanied by sufficient and detailed explanations. Furthermore, the technical advice should be presented in an easily understandable language that respects current legal terminology at the European level. Similarly, explanations should be presented in an easily understandable language respecting current terminology in the Union.
- ESMA should provide comprehensive technical analysis on the subject matters described in section 3 below, where these are covered by the delegated powers included in:
 - o the relevant provision of the legislative act,
 - o the corresponding recitals, or
 - o the relevant Commission's request included in this mandate.
- ESMA should address to the Commission any questions to clarify texts of the Securitisation Regulation that ESMA considers of relevance for the preparation of its technical advice.

2. Procedure

The Commission is requesting ESMA's technical advice in view of the preparation of possible delegated acts to be adopted pursuant to the Securitisation Regulation and in particular regarding the questions referred to in section 3 of this formal mandate.

The mandate takes into account the ESMA Regulation, the 290 Communication and the Framework Agreement.

The Commission reserves the right to revise and/or supplement this mandate. The technical advice received on the basis of this mandate will not prejudice the Commission's final decision.

In accordance with established practice, the Commission may continue to consult experts appointed by the Member States in the preparation of the delegated acts relating to the legislative act.

The Commission has duly informed the European Parliament and the Council about this mandate. As soon as the Commission adopts possible delegated acts, it will notify them simultaneously to the European Parliament and the Council.

3. ESMA is invited to provide technical advice on the following issues

ESMA is invited to provide technical advice to assist the Commission in formulating a delegated act on fees for securitisation repositories, and more specifically on the following aspects:

- In order to ensure a fair treatment of securitisation repositories within the Union framework, ESMA should base its work on the EMIR Delegated Regulation on trade repositories' fees, as well as on ESMA's combined Technical Advice on fees to trade repositories under SFTR and on certain amendments to fees to trade repositories under EMIR.¹⁵
- ESMA is invited to reflect on the type of fees that could be levied. Fees could be provided for specific supervisory actions (e.g. registration fees) or a general flat fee (for example annual) could be levied which would cover all supervisory activity for a year. A mixed system (fees for individual supervisory actions complemented by a general flat fee to cover the remaining expenditure) could also be considered.
- In case ESMA suggests fees for specific supervisory actions, ESMA should draw up a list of supervisory actions with the corresponding amounts of fees taking into

¹⁵ Commission Delegated Regulation (EU) No 1003/2013 of 12 July 2013 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to fees charged by the European Securities and Markets Authority to securitisation repositories OJ L 279, 19.10.2013, p. 4. (<http://ec.europa.eu/transparency/regdoc/rep/3/2013/EN/3-2013-4363-EN-F1-1.Pdf>) and ESMA Final Report: ESMA Technical advice to EC on fees to trade repositories under SFTR and on certain amendments to fees to trade repositories under EMIR, 20.04.2013 (https://www.esma.europa.eu/sites/default/files/library/esma70-151-223_final_report_on_technical_advice_on_tr_fees_under_sfr_and_emir.pdf)

account any applicable fees on trade repositories already registered under EMIR, where such repositories register with ESMA extend their services, pursuant to Article 10 of the Securitisation Regulation. ESMA is also invited to advise on whether exceptional circumstances need to be foreseen in the fees structures to take into account potential exceptional/non-routine supervisory activities.

- In case ESMA suggests annual flat fees, ESMA should indicate how the flat fee should be calculated, i.e. how its expenditure necessary for the registration, recognition and supervision of securitisation repositories should be distributed to the individual supervised securitisation repositories. ESMA should take into account any applicable fees on trade repositories already registered under EMIR, where such repositories extend their services, pursuant to Article 10 of the Securitisation Regulation. ESMA is invited to advise on whether fees should be yearly adjustable or fixed.
- According to Article 16(1) of the Securitisation Regulation, the amount of fees charged to a securitisation repository shall fully cover all necessary expenditure incurred by ESMA for its registration, recognition and supervision activities under the Securitisation Regulation. Accordingly, ESMA is invited to detail its assessment of the necessary expenditure it will incur for the registration, recognition and supervision of securitisation repositories, and provide information on its estimates and methods of calculation. ESMA should build upon its existing experience of registering and supervising trade repositories under EMIR to inform its analysis. ESMA should also advise on how the surpluses/deficits in ESMA's supervision budget for securitisation repositories should be managed.
- According to Article 16(1) of the Securitisation Regulation, the amount of fees charged to a securitisation repository shall be proportionate to the turnover of the securitisation repository concerned. ESMA is invited to provide its technical advice on the appropriate method for considering the turnover of the securitisation repository in fee calculations, including the use of activity indicators when revenue figures are not yet existent, are not reliable or are not an adequate measure of the securitisation repository activity. ESMA should take into account any applicable fees on trade repositories already registered under EMIR, where such repositories extend their services, pursuant to Article 10 of the Securitisation Regulation.
- According to Article 16(1) of the Securitisation Regulation, the fees charged to securitisation repositories shall also fully cover the reimbursement of any costs that the competent authorities may incur carrying out work pursuant to the Securitisation Regulation in particular as a result of any delegation of tasks in accordance with Article 14(1) of the Securitisation Regulation. ESMA is invited to suggest a method for calculating the amount that competent authorities may claim from ESMA. The amount should depend on the scope and complexity of the task to be delegated and should be consistent with any specific supervisory fee that ESMA can claim from the securitisation repository for undertaking a supervisory action.
- According to Article 16(1) of the Securitisation Regulation, where a securitisation

repository has already been registered under EMIR, the supervisory fees charged under the Securitisation Regulation shall only be adjusted to reflect additional necessary expenditure and costs relating to the registration, recognition and supervision stemming from the Securitisation Regulation. ESMA is invited to reflect on whether there is any need to adapt the methodologies and fees specified in the EMIR Delegated Regulation on trade repositories' fees, to the situation where a trade repository chooses to provide services under both the Securitisation Regulation and EMIR. In this regard, ESMA should consider that additional operational costs for market participants should be minimised.

- ESMA should suggest the timing and appropriate modalities of the payment of the fees, taking into account existing rules and advice under the EMIR Delegated Regulation on trade repositories' fees, as well as under ESMA's combined Technical Advice on fees to trade repositories under SFTR and on certain amendments to fees to trade repositories under EMIR.¹⁶ ESMA is invited to advise on appropriate schedules for the collection of fees (one single payment vs several payments). It has to be ensured that ESMA has at its disposal the resources to finance its activities related to securitisation repositories. This could for instance be achieved by requiring the supervised securitisation repositories to pay the expected fees upfront, drawing up an account at the end of the year.

4. Indicative timetable

This mandate takes into consideration that ESMA requires sufficient time to prepare its technical advice and that the Commission needs to adopt the delegated acts according to Article 290 of the TFEU. The powers of the Commission to adopt delegated acts are subject to Article 47 of the Securitisation Regulation, which allows the European Parliament and the Council to object to within a period of 2 months, extendable by 2 further months. The delegated act will only enter into force if neither the European Parliament nor the Council has objected on expiry of that period or if both institutions have informed the Commission of their intention not to raise objections.

The deadline set to ESMA to deliver the technical advice is 31 October 2018.

¹⁶ Commission Delegated Regulation (EU) No 1003/2013 of 12 July 2013 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to fees charged by the European Securities and Markets Authority to securitisation repositories OJ L 279, 19.10.2013, p. 4. (<http://ec.europa.eu/transparency/regdoc/rep/3/2013/EN/3-2013-4363-EN-F1-1.Pdf>) and ESMA Final Report: ESMA Technical advice to EC on fees to trade repositories under SFTR and on certain amendments to fees to trade repositories under EMIR, 20.04.2013 (https://www.esma.europa.eu/sites/default/files/library/esma70-151-223_final_report_on_technical_advice_on_tr_fees_under_sfr_and_emir.pdf)

4.2 Annex II: List of respondents to the consultation paper

Industry	Institution
Exchanges and Trading Systems	London Stock Exchange Group
Industry Representative Body	Dutch Securitisation Association
Repository Services	EuroABS Limited
Repository Services	European DataWarehouse GmbH
Repository Services	REGIS-TR S.A.

4.3 Annex III: List of questions in the consultation paper

Q 1: Do you agree with the proposed new registration fees for securitisation repositories? Please elaborate on the reasons for your response.

Q 2: Do you agree with the proposed extension of registration fees for securitisation repositories? Please elaborate on the reasons for your response.

Q 3: Do you agree with this proposal on registration fees in the event of simultaneous applications under EMIR, SFTR, and/or the Securitisation Regulation? Please elaborate on the reasons for your response.

Q 4: Do you agree with this approach to determining applicable turnover? Please elaborate.

Q 5: Do you agree with the proposed minimum supervisory fee arrangements? Please elaborate on the reasons for your response.

Q 6: Do you agree with the proposed first-year fee arrangements? Please elaborate on the reasons for your response.

Q 7: Do you agree with these proposed annual supervisory fee arrangements? Please elaborate on the reasons for your response.

Q 8: Do you agree with the proposed arrangements for the calculation of annual securitisation repository supervisory fees in the first two full years following a firm's registration? Please elaborate on the reasons for your response.

Q 9: Do you agree with the proposed timing relating to the payment of new registration and extension of registration fees? Please elaborate on the reasons for your response.

Q 10: Do you have any comments on the proposed reimbursement arrangements? Please elaborate on the reasons for your response.

Q 11: Do you agree with the proposed timing of the payments of annual securitisation repository supervisory fees? Please elaborate on the reasons for your response.

Q 12: Do you agree with the proposed approach to dealing with the reimbursement of costs to the competent authorities in case of delegation of ESMA tasks under Article 14(1) of the Securitisation Regulation? Please elaborate on the reasons for your response

4.4 Annex IV: Technical advice on securitisation repositories supervisory fees

Section 1

Recovery of supervisory costs in full

The fees charged to securitisation repositories shall cover:

1. All costs relating to the registration and supervision of securitisation repositories by ESMA in accordance with Regulation (EU) 2017/2402, including those costs resulting from the recognition of securitisation repositories as well as those costs resulting from the extension of registration for trade repositories that have already been registered under Regulation (EU) No 648/2012 and/or under Regulation (EU) No 2015/2365;
2. All costs for the reimbursement of competent authorities that have carried out work pursuant to Regulation (EU) 2017/2402, and as a result of any delegation of tasks pursuant to Article 74 of Regulation (EU) No 648/2012 and in accordance with Article 14 of Regulation 2017/2402 (EU).

Section 2

Applicable turnover

1. Securitisation repositories registered only under Regulation (EU) 2017/2402 shall keep audited accounts for the purposes of this Regulation which distinguish the revenues generated from at least the following:
 - (a) core securitisation services ;
 - (b) ancillary securitisation services.

The applicable turnover from ancillary securitisation services of the securitisation repository for a given year (n) shall be the revenues from the services determined under point (b).
2. A firm registered both as a securitisation repository under Regulation (EU) 2017/2402 and either as a trade repository under Regulation (EU) No 648/2012 or a trade repository under Regulation (EU) No 2015/2365 shall keep audited accounts for the purposes of this Regulation which distinguish the revenues generated from at least the following:
 - (a) core securitisation services;
 - (b) ancillary securitisation services;
 - (c) core functions of centrally collecting and maintaining records of derivatives under Regulation (EU) No 648/2012;
 - (d) ancillary services that are directly related to centrally collecting and maintaining records of derivatives under Regulation (EU) No 648/2012;

- (e) core functions of centrally collecting and maintaining records of securities financing transactions under Regulation (EU) No 2015/2365;
 - (f) ancillary services that are directly related to centrally collecting and maintaining records of securities financing transactions under Regulation (EU) No 2015/2365;
 - (g) combined ancillary services that are directly related to:
 - i. both core securitisation services and centrally collecting and maintaining records of derivatives under Regulation (EU) No 648/2012;
 - ii. both core securitisation services and centrally collecting and maintaining records of securities financing transactions under Regulation (EU) No 2015/2365;
 - iii. both centrally collecting and maintaining records of derivatives under Regulation (EU) No 648/2012 and centrally collecting and maintaining records of securities financing transactions under Regulation (EU) No 2015/2365;
 - (h) Any services provided under other regulations different from Regulation (EU) 2017/2402, Regulation (EU) No 648/2012, and Regulation (EU) No 2015/2365.
3. The applicable turnover from ancillary services of the securitisation repository used for the purpose of determination of supervisory fees to cover ESMA's securitisation repositories expenses shall be the sum of
- (a) the revenues under point (b) of paragraph 2 and
 - (b) a share of the revenues under points (g)(i) and g(ii) of paragraph 2.
- This share shall be equal to the revenues under point (a) of paragraph 2 divided by the sum of:
- (1) the revenues under point (a) of paragraph 2 and
 - (2) the revenues under point (c) of paragraph 2 and
 - (3) the revenues under point (e) of paragraph 2.
4. Where audited accounts covering the year (n-2) are not available, ESMA shall use the applicable turnover projections for year (n) provided in the business plans submitted to ESMA pursuant to Article 13(2) of the Commission Delegated Regulation (EU) .../... [include full reference to the application requirements RTS]. Where a repository decides to provide any updated applicable turnover projections for year (n) to ESMA, this information shall be provided to ESMA by 30 September of year (n-1). The estimates shall be broken down into the following elements:
- (a) core securitisation services;
 - (b) ancillary securitisation services; and
 - (c) any additional applicable turnover elements set out according to paragraph 2(g).
5. The applicable turnover of a securitisation repository used for the purposes of supervisory fees covering a given year (n) shall be the sum of
- (a) The repository's revenues (or estimated revenues, where paragraph 4 applies) generated from core securitisation services on the basis of the audited accounts of year (n-2) and

- (b) The repository's applicable turnover from ancillary services determined according to paragraph 3 on the basis of the audited accounts of year (n-2) or, where paragraph 4 applies, the repository's estimated revenues under points (b) and (c) of that paragraph.

Section 3

Adjustment of fees

Fees charged for ESMA's activities related to securitisation repositories shall be set at a level such as to avoid a significant and recurrent accumulation of deficit or surplus.

Section 4

Types of fees

Securitisation repositories that apply for registration in accordance with Article 10(1) of Regulation (EU) 2017/2402 shall be charged the following types of fees:

- (a) registration and extension of registration fees in accordance with Section 5;
- (b) annual supervisory fees in accordance with Section 6.

Section 5

Registration fee and extension of registration fee

1. The registration fee to be paid by individual applicant securitisation repositories shall reflect the expenditure necessary to accurately assess and examine the application for registration or extension of registration.
2. Where a securitisation repository is applying for registration and has not already been registered under either Title VI, Chapter 1 of Regulation (EU) No 648/2012 or Chapter 3 of Regulation (EU) No 2015/2365, the securitisation repository shall pay the following registration fee:
 - (a) EUR 100 000 where the repository indicates an intention to provide ancillary services under points (b), (g)(i), or (g)(ii) of paragraph 2 of Section 2;
 - (b) EUR 65 000 where point (a) does not apply;
3. Where a securitisation repository is applying for registration and has already been registered under either Title VI, Chapter 1 of Regulation (EU) No 648/2012 or Chapter 3 of Regulation (EU) No 2015/2365, the securitisation repository shall pay the following extension of registration fee:
 - (a) EUR 50 000 where the repository indicates an intention to provide ancillary services under points (b), (g)(i), or (g)(ii) of paragraph 2 of Section 2;
 - (b) EUR 32 500 where point (a) does not apply;

4. Where a securitisation repository not already registered under either Regulation (EU) No 648/2012 or Regulation (EU) No 2015/2365 simultaneously submits applications for registration under both Regulation (EU) 2017/2402 and either Regulation (EU) No 648/2012 or Regulation (EU) No 2015/2365, the securitisation repository shall pay the full registration fee due under either Regulation (EU) No 648/2012 or Regulation (EU) No 2015/2365 (as applicable), and the fee for extension of registration pursuant to paragraph 3.
5. Where a securitisation repository not already registered under either Regulation (EU) No 648/2012 and Regulation (EU) No 2015/2365 simultaneously submits applications for registration under both Regulation (EU) 2017/2402, Regulation (EU) No 2015/2365, and Regulation (EU) No 648/2012, the securitisation repository shall pay the full registration fee due under Regulation (EU) No 648/2012, the fee for extension of registration due under Regulation (EU) No 2015/2365, and the fee for extension of registration pursuant to paragraph 3.
6. In case of a material change in the provision of services, as a consequence of which the securitisation repository owes a higher registration fee pursuant to paragraphs 2 and 3 than the registration fee paid initially, the securitisation repository shall be charged the difference between the initially paid registration fee and the higher applicable registration fee resulting from that material change.

Section 6

Annual supervisory fees for registered securitisation repositories and trade repositories that have extended their registration

1. The total annual supervisory fee for a given year (n) shall be the estimate of expenditure relating to the supervision of securitisation repositories' activities under Regulation (EU) 2017/2402 as included in the ESMA's budget for that year.
2. A registered securitisation repository shall be charged an annual supervisory fee.
3. Where a decision for registration of a repository by ESMA, pursuant to Article 12(1) of Regulation (EU) 2017/2402, took effect in a given year (n), the annual supervisory fee for that year for that repository shall be the registration fee due in accordance with Section 5 multiplied by the ratio between the working days from its date of registration until the end of the year and 250 days.
4. The annual supervisory fee for a given year (n) for a securitisation repository registered pursuant to Article 12(1) of Regulation (EU) 2017/2402 before 1 October of year (n-1) shall be the total annual supervisory fee determined pursuant to paragraph 1, divided between all securitisation repositories registered pursuant to Article 12(1) of Regulation (EU) 2017/2402 before 1 October of year (n-1), in proportion to the applicable turnover for each repository calculated pursuant to Section 2(5).
5. The annual supervisory fee for a given year (n) for a securitisation repository registered pursuant to Article 12(1) of Regulation (EU) 2017/2402 on or after 1 October of year (n-1) shall be equal to the registration fee determined according to Section 5.

6. With the exception of the annual fee payable under paragraph 3, in no case shall a registered securitisation repository pay an annual supervisory fee of less than EUR 30 000.

Section 7

General payment modalities

1. All fees shall be payable in euros. They shall be paid as specified in Sections 8, 9, and 10.
2. Any late payments shall incur a daily penalty equal to 0.1% of the amount due.

Section 8

Payment of registration fees and reimbursements

1. The registration fee referred to in Section 5 shall be paid in full at the time the securitisation repository submits its application for registration under Article 10(5) of Regulation (EU) 2017/2402.
2. One-half of the registration fee paid by a repository is reimbursed if a securitisation repository withdraws its application for registration before ESMA has adopted a decision that it has assessed the application as complete, pursuant to Article 10(6) of Regulation (EU) 2017/2402.
3. Registration fees shall not be reimbursed after ESMA has adopted a decision that it has assessed the application as complete, pursuant to Article 10(6) of Regulation (EU) 2017/2402.

Section 9

Payment of annual supervisory fees

1. With the exception of paragraphs 3 and 5 in Section 6, the annual supervisory fee for a given year referred to in Section 6 shall be paid in one instalment, which shall be due by 31 December of the preceding year.
2. The annual supervisory fees set out in paragraphs 3 and 5 of Section 6 shall be paid in one instalment, which shall be due within 30 days of the date of issuance of the relevant debit note from ESMA.

Section 10

Reimbursement of competent authorities

1. Only ESMA shall charge fees to securitisation repositories for their registration, extension of registration, and supervision pursuant to this Regulation.



2. ESMA shall reimburse a competent authority for the actual costs incurred as a result of carrying out tasks pursuant to Regulation (EU) 2017/2402 and as a result of any delegation of tasks in accordance with Article 14(1) of Regulation (EU) 2017/2402.