



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Template for comments

ECB Guide on the notification of securitisation transactions

Institution/Company

Contact person

Mr/Ms

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General comments

As general comments, we would like to point out that:

- There is a significant overlap between what the ECB requires to be reported under the new template and what is already reported using other templates under SECR and CRR/COREP regimes as well as additional dedicated quarterly reporting for SRT transactions.
- Hence, we believe that the approach proposed by the ECB to its notification requirement is disproportionate and should be amended.

Template for comments

ECB Guide on the notification of securitisation transactions

Please enter all your feedback in this list.

When entering feedback, please make sure that:

- each comment deals with a single issue only;
- you indicate the relevant article/chapter/paragraph, where appropriate;
- you indicate whether your comment is a proposed amendment, clarification or deletion.

Deadline: 5/1/2022

ID	Chapter	Section	Page	Type of comment	Detailed comment	Concise statement as to why your comment should be taken on board	Name of commenter	Personal data
1	Chapter 1	section 1 scope	2	Clarification	ECB indicates that the Guide is 'non binding' and recommends that SIs follow this Guide. The SIs consider that the text should reflect more accurately the non-binding feature of the proposed Guide, which is highlighted by the ECB.	Current wording provided in the Guide is ambiguous.		Don't publish
2	Chapter 1	section 1 scope	2	Amendment	The date of April 1, 2022 for the remittance of the first reportings is not workable as ECB has not provided the technical details on how to submit the data and the form of the templates. It would be better to set the date of April 1, 2023.	Past experience on implementation of ESMA templates, which took several years.		Don't publish
3	Chapter 3	section 3 the notification	5	Amendment	Proportionate approach is needed for notification of public as well as private securitisations: We note that the ECB acknowledges that data collected by SRs on public securitisations facilitates the supervision of compliance with Art 6-8 and goes on to note that nevertheless supervision would benefit from SIs providing more focused information, in particular a transaction overview. We consider that this approach by the ECB to public securitisations is disproportionate, given that all deal information and reporting is easily accessible by the ECB and other competent authorities via SRs. Private securitisations, whilst not required to report via SRs, commonly use a secure website for making Article 7 information available to investors as well as to relevant regulators. Therefore, if ECB can access all relevant information on both public and private securitisations, the proposed approach by the ECB to its notification requirements is disproportionate, duplicative and should be amended.	Another detailed template with key features of the transaction creates unnecessary duplication with existing SECR as well as CRR/COREP reporting prepared on both public and private securitisations. Compliance with the new ECB notification regime will require the development of new IT systems in order to prepare relevant reporting in a consistent manner with what is already required to be reported under SECR and CRR/COREP, which means additional costs and time needed to implement this reporting under the new ECB regime by the relevant SIs. All or part of the information is already provided via the SRT reporting, ESMA template and STS notification template.		Don't publish
4	Chapter 3	section 3 the notification	5	Amendment	ECB requires a new reporting to SIs which includes also information that are already provided in the COREP (such as transaction origination date, maturity date, exposures asset amount, exposures category,...). We note that the COREP internal identifier is required in 'Section A: Key transaction information' page 8. It would have been more efficient to add new fields to the existing COREP rather than asking SIs to report twice the same information to ECB.	This requirement will imply new IT development and administration costs for the SIs and could also require additional time spent in case of inconsistency. We question the necessity of such additional reporting, as the COREP information seems already available and sufficient for both private and public securitisations of the SIs. New reporting might incur some new operational risk and/or potential discrepancies between reportings.		Don't publish
5	Chapter 3	section 3 the notification	5	Clarification	General comment: It is difficult to understand what ECB expects for ABCP transactions and ABCP programs without seeing the templates and there are some questions Detailed comments: The sentence on page 5 of the consultation is very confusing for ABCP: 'it is recommended that new transactions be notified to the ECB within two weeks of the date of origination (footnote 7) (footnote 7) mentions: ...the date on which the initial securitisation position were created (ABCP transactions) OR on which the asset backed commercial paper was first issued (ABCP programs). This is in line with article 43 (9) We do not understand the reference made by ECB to article 43(9). There can be two types of information to report: - Reporting on ABCP transactions - Reporting on ABCP programs What is needed to report: ABCP transactions or ABCP programs or both ? Also, within 2 weeks of the date of origination is too short: - for ABCP transactions: does it mean 2 weeks after the date of funding ? - for ABCP programs: does it mean 2 weeks after the first time an ABCP was issued for this program? ; which means that we are very late as the ABCP Programs have been all created years and years ago....	Without having seen the templates required, it is very difficult to understand how ABCP transactions and ABCP programs should be reported in the guide. We recommend that the ECB hold a separate roundtable with the industry to clarify the requirements.		Don't publish

6	Chapter 3	Timeliness of the notification	5	Amendment	Original text: "It is recommended that new transactions be notified to the ECB within two weeks of the date of origination." Proposed amendment: "It is recommended that new transactions be notified to the ECB within two weeks of the COREP report following the date of origination".	COREP identifiers required as per the reporting guide will not always be available two weeks after origination as they may be created at a later date to produce the following COREP report.		Don't publish
7	Chapter 3	Introduction	5	Clarification	[via the CASPER platform] [link to the website in a footnote]. - Could the platform OneGate or EDW, already used in relation to COREP or ESMA reportings, be used instead of CASPER ?	- The use of a new platform would incur extra burdens / implementation delays (platform certification and IT developments).		Don't publish
8	Chapter 3	chapter 3	5	Amendment	In the continuity with the responses made on the recent EC consultation, we would rather alleviate the disclosure requirements for private securitisations rather than increase them. Thus, could the scope be limited to the public operations only ?	A significant part of the information is provided for the private securitisation through the COREP report. In addition : - Investors in private securitisations (who are highly specialised like credit funds) carry out their own extensive due diligence and receive bespoke reporting and information. - In the private financing business, banks contractually agree with their clients/originators on the necessary information to monitor their securitisation transactions. This means that each reporting is "tailor-made" to reflect the specificity of each deal. - Since the distinction between public and private operation is made for SR in the Regulation 2017/2402 , this distinction should also apply to SI if new requirements are to be implemented.		Don't publish
9	Annex	Section A	8	Clarification	Section A / § 3 indicates : Type of transaction: (a) traditional securitisation/ synthetic securitisation/ ABCP transaction/ ABCP programme. We would like to mention that an 'ABCP programme' is not a transaction. The SECR defines in Article 2 (7) and (8) what is an ABCP programme and what is an ABCP transaction. (7) 'asset-backed commercial paper programme' or 'ABCP programme' means a programme of securitisations the securities issued by which predominantly take the form of asset-backed commercial paper with an original maturity of one year or less. (8) 'asset-backed commercial paper transaction' or 'ABCP transaction' means a securitisation within an ABCP programme'. Therefore it looks very difficult to use the same reporting pattern for ABCP transactions and ABCP programs.	Without having seen the templates required, it is very difficult to understand how ABCP transactions and ABCP programs should be reported in the guide. We recommend that the ECB hold a separate roundtable with the industry to clarify the requirements.		Don't publish
10	Annex	Section A	8	Clarification	Item 5 mentions 'nominal amount of the underlying securitised exposures. For ABCP transactions, assets are revolving and their amount is varying every month. Will SIs have to report ABCP transactions every month or only one time ? Then what are SIs supposed to indicate there as amounts are varying every month ? Also how will this field have to be populated for ABCP Programs ?	Without having seen the templates required, it is very difficult to understand how ABCP transactions and ABCP programs should be reported in the guide. We recommend that the ECB hold a separate roundtable with the industry to clarify the requirements.		Don't publish
11	Annex	Section A	8	Clarification	Same remark (as for item 5) can be made for item 6 'Nominal amount of the tranches': For ABCP transactions, assets are revolving and their amount is varying every month. Will SIs have to report ABCP transactions every month or only one time ? Then what are SIs supposed to indicate there as amounts are varying every month ? Also how will this field have to be populated for ABCP Programs ?	Without having seen the templates required, it is very difficult to understand how ABCP transactions and ABCP programs should be reported in the guide. We recommend that the ECB hold a separate roundtable with the industry to clarify the requirements.		Don't publish
12	Annex	Section B	10	Clarification	Item 5 asks about 'jurisdiction of loans', however all securitised exposures are not loans - for instance trade receivables are not loans.	The 'loan' qualification is not correct with the legal nature of some assets.		Don't publish
13	Annex	Section C	10	Amendment	Paragraph 1 – final legal and expected maturity of securitisation positions: Certain information on securitisation positions, including final legal maturity, will be reported under Article 7 templates. However, <i>expected</i> maturity is not required to be reported. Given that the ECB noted on page 4 in Chapter 2 section 2.2 that " <i>the Guide does not intend to introduce any new requirements</i> ", the requirement to notify expected maturity should be deleted. NB: We have not identified these information in ANNEX XI - UNDERLYING EXPOSURES INFORMATION — ASSET-BACKED COMMERCIAL PAPER; We only have the information in IVAL 17: maximum residual maturity.	Notification of expected maturity date goes beyond what is required to be reported under the SECR regime. -> to be limited to the final legal maturity of securitisation positions. NB: Providing the expected maturity date would require new extra calculation with several assumptions for which developments or agreements shall be required.		Don't publish
14	Annex	Section C	10	Clarification	Paragraph 10 – ban on resecuritisation/Art 8(4) – ABCP programme: This is the only item in the Annex that expressly confirms that for ABCP programme information on the credit enhancement needs to be notified. The rest of the Annex does not differentiate in sufficient detail what needs to be notified on an ABCP transaction vs ABCP programme. Again, it is difficult to get a full and clear picture as to what the ECB expects to receive on ABCP transactions and ABCP programmes and when, given the absence of the technical specifications on the template and limited information included in the draft Guide in relation to ABCP-related matters. We would therefore invite the ECB to hold a separate roundtable with the industry in order to develop a separate template and a clear set of notification requirements for ABCP transactions and ABCP programmes that can be met in practice by the SIs.	More clarity is needed on the application of the guide in the context of ABCP.		Don't publish

