

ESMA CONSULTS ON SYNTHETIC SECURITISATIONS RTS AND AMENDMENTS TO STS TEMPLATES

The European Securities and Markets Authority (ESMA), the EU's securities and markets regulator, published today a [Consultation Paper](#) (CP) on draft regulatory technical standards (RTS) implementing the amended Securitisation Regulation (SECR).

The amended SECR requires that certain securitisations meeting pre-defined simple, transparent and standardised (STS) requirements must be reported using standardised templates for STS notification published on ESMA's website.

The CP sets out ESMA's proposed draft RTS and implementing technical standards (ITS) specifying the content and the format of the standardised templates for STS notification of on-balance sheet (synthetic) securitisations. It builds on the existing [technical standards for STS notification of traditional securitisations](#), while taking into account specific features of synthetic securitisations. The CP also includes targeted technical amendments to the STS notification templates for traditional securitisations.

Background

The amended SECR, which entered into force on 9 April 2021, introduces an STS framework for synthetic securitisations supplementing the existing STS framework for traditional securitisations.

At the same time, ESMA published [interim STS templates for synthetic securitisations](#) which may be used on a voluntary basis until the RTS becomes applicable.

Next steps

The [consultation](#) is open for feedback until 20 August 2021. ESMA is seeking feedback from originators, sponsors and institutional investors in securitisation. The draft RTS and ITS will be submitted to the European Commission for endorsement by 10 October 2021.