

ESMA consults on the use of No Data options in securitisation reporting

The proposed Guidelines set out an initial calibration of thresholds to be applied by securitisation repositories when verifying the completeness and consistency of disclosure templates submitted to them under the technical standards (TS), recently published by the European Commission (EC), setting out the key elements of the disclosure obligations for securitisation transactions as well the operational standards of securitisation repositories.

Steven Maijoor, Chair, said:

“Today’s proposals will help market participants and securitisation repositories to understand ESMA’s expected maximum use of ‘No Data’ options when submitting the information contained in the disclosure templates.

“While the technical standards are yet to be adopted by the Parliament and Council, we believe that providing this clarification, ahead of time, to market participants, securitisation repositories, reporting entities and investors will allow them to be sufficiently prepared for the introduction of the new reporting templates. Our proactive approach contributes to stable and orderly markets as well as promoting investor protection.”

Guidelines and Technical Standards

The TS define the content and format of the information which an originator, sponsor and SSPE of a securitisation must provide to competent authorities, investors and potential investors in a securitisation. They also set out the obligations of a securitisation repository, through which this information must be made available. One of the obligations of a securitisation repository is to verify that the data it receives from the originator, sponsor and SSPE of a securitisation is “sufficiently representative” of the underlying exposures in a securitisation, which is understood as the permitted level of use of the *No Data* options in the disclosure templates by the securitisation parties.

The proposed Guidelines contained in this CP set out:

- The proposed calibrations for data completeness thresholds to be applied by securitisation repositories;
- Explanations as to how and when ESMA intends to revise these thresholds; and
- An example of how the representativeness verification of these thresholds would be applied to a sample exposure report (Annex II);

The CP follows on from ESMA’s final report on securitisation repositories technical standards, where the thresholds were presented to the market, as

well as ESMA's role in calibrating them.

Next Steps

The [public consultation](#) is open until 16 March and responses are sought from securitisation repositories, providers of securitisation information to repositories, as well as trade associations, investors, and consumer groups.

ESMA aims to publish the Final Report on the Guidelines as close as possible to the publication of the TS in the Official Journal.