

# Amending Regulation (EU) 2017/2402 on securitisation and a specific framework for simple, transparent and standardised securitisation

2025/0826(COD) - 08/05/2026 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Ralf SEEKATZ (EPP, DE) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

## *Public/private distinction*

To enhance transparency and to ensure consistent regulatory treatment aiming at reducing costs for issuers, the report introduces a definition of **public and of private securitisation**. A securitisation should be deemed public whenever a prospectus is required to be published or where the underlying pool of exposures is actively managed by the originator or sponsor. Moreover, a dedicated and simplified reporting template for private securitisations should be developed since it should not be required to report the same amount of information for private securitisations as that for public securitisations.

## *Due diligence reform*

The report streamlines investor due diligence proportionate to tranche seniority and risk. An institutional investor, other than the originator, sponsor or original lender, holding a securitisation position, will at least in the case of repeat transactions, document the due diligence solely on the elements of the transaction that have changed since the last issuance, provided that the investor has already purchased a securitisation position in a previous transaction in the past **24 months**.

## *Simplified disclosure requirements*

The degree of granularity of underlying exposures which justifies aggregated reporting might differ from asset class to asset class. Therefore, mapping the granularity of pools of exposures, which allows for aggregated reporting, to specific underlying asset classes, including mortgages, corporate loans, credit cards, consumer loans, auto loans and trade receivables, should be trusted to the EBA.

The current reporting templates both for public and private securitisations are too costly and burdensome. They should be streamlined to reduce the number of mandatory data fields. The revision of the template should aim to bring a reduction of **at least 35%** of mandatory data fields.

## *Third-country issuers*

To avoid limiting investment opportunities for Union investors and to support the development of a strong investor base for securitisations within the Union, the requirements should be adjusted so that Union

investors, as part of their due diligence, verify that third-country issuers provide information which is substantively equivalent to the transparency standards, without mandating formal adherence to the Union's disclosure templates.

### ***National promotional banks***

Members include a measure to exempt synthetic securitisations originated by national promotional banks (NPBs) where first-loss tranche is guaranteed by a public entity and non-guaranteed tranches are retained until maturity.

### ***Sole purpose test***

The 'sole purpose test' is an important safeguard to avoid loopholes in risk retention. However, its implementation needs to be recalibrated to avoid creating obstacles for businesses that are considered economically suitable to act as retainers. The EBA should in greater detail specify the criteria whereby an entity should not be considered to have been established or to operate for the sole purpose of securitising exposures. In particular, those criteria should ensure that entities acting as an originator, that provide SME loans, consumer credit or residential mortgages, and that can demonstrate that securitising exposures is a means to finance their business or that of an entity belonging to the same group, which is centred on the provision of goods or non-financial services, should be deemed to satisfy the 'sole purpose test'.

### ***Centralised supervision***

The report highlights that the EBA should assume direct, exclusive supervisory responsibility for compliance of the STS requirements by originators, sponsors and securitisation special purpose entities SSPEs, replacing parallel national competences. ESMA, on the other hand, will assume exclusive authority for authorisation and ongoing supervision of third-party STS verifiers.

Both the EBA and ESMA are granted supervisory, investigative and enforcement powers, which they must exercise in accordance with the relevant provisions of EU legislation.

The EBA and ESMA are empowered to impose sanctions where STS securitisation participants or third-party STS verifiers commit specified infringements, whether intentionally or negligently.

**Available sanctions** include: (a) public statements identifying the individual or entity responsible and describing the infringement; (b) cease-and-desist orders requiring the infringement to stop and preventing its repetition; (c) temporary management bans for directors or other individuals responsible for the breach; (d) temporary prohibition on STS notifications by originators and sponsors.

**Administrative fines:** (a) at least up to EUR 5 million for natural persons; (b) at least up to EUR 5 million or 10% of annual net turnover for legal persons; (c) up to twice the benefit obtained from the infringement, even where this exceeds the standard maximum amounts.

When determining the appropriate sanction, the EBA and ESMA consider factors such as the seriousness and duration of the infringement, whether it was intentional or negligent, the offender's financial strength, profits gained or losses avoided, harm caused to third parties, cooperation with the authorities, and any previous infringements.

Sanction decisions must be reasoned, are subject to appeal, and are generally published on the relevant authority's website.