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23 May 2023

John Berrigan
Director General
DG for Financial Stability, Financial Services and the Capital Markets Union (DG FISMA)
European Commission
Rue de la Loi / Wetstraat 200
1049 Brussels, Belgium

Ref: Joint Committee's draft regulatory technical standards (RTS) on ESG disclosure for STS securitisations.

Dear Mr Berrigan,

I am writing to you as Chair of the Joint Committee of the European Supervisory Authorities (ESAs) to submit to you, for the European Commission's adoption, in line with the empowerment contained in Articles 22(6) and 26d(6) of the Securitisation Regulation (SECR)¹, the Joint Committee's final report on the draft Regulatory Technical Standards (RTS) on the ESG disclosure for simple, transparent and standardised (STS) securitisations. The abovementioned Articles were inserted in the SECR through the amending Regulation (EU) 2021/557, which is part of the Capital Markets Recovery Package (CMRP)².

The draft RTS aim at enabling originators to disclose principal adverse impacts (PAIs) on sustainability factors of STS securitisations where the underlying exposures are residential loans, auto loans and leases. Following a logic similar to the SFDR RTS, the draft RTS distinguish between the publication of the available information on mandatory indicators and on additional indicators, among which originators may select at least one social or governance and at least one environmental indicator.

The Joint Committee conducted a public consultation on the draft RTS and analysed the potential related costs and benefits. The ESAs respective Stakeholders Groups have also

¹ 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, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

² Regulation (EU) 2021/557 of the European Parliament and of the Council of 31 March 2021 amending Regulation (EU) 2017/2402 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation to help the recovery from the COVID-19 crisis.



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been informed about the relevant issue but they have not issued a formal opinion in this respect.

Should you or your staff want to discuss the subject matter of the draft RTS or require any further information, please do not hesitate to contact me.

Yours sincerely,

José Manuel Campa
EBA Chair
Joint Committee Chair

Petra Hielkema
EIOPA Chair

Verena Ross
ESMA Chair

cc.:

Irene Tinagli, MEP, Chair of the Committee on Economic and Monetary Affairs,
European Parliament

Claudia Lindemann, Head of ECON Secretariat, European Parliament

Elisabeth Svantesson, President of the ECOFIN Council, Council of the European Union

Thérèse Blanchet, Secretary-General of the Council of the European Union