



EUROPEAN CENTRAL BANK
EUROSYSTEM

Technical working document (3/3)

produced in connection with ECB Opinion [CON/2025/35] on (a) a proposal for a regulation amending Regulation (EU) 2017/2402 laying down a general framework for securitisations and creating specific framework for simple, transparent and standardised securitisation, (b) a proposal for a regulation amending Regulation (EU) 575/2013 on prudential requirements for credit institutions as regards requirements for securitisation exposures, and (c) a draft proposal for a delegated regulation amending Delegated Regulation (EU) 2015/61 as regards the eligibility conditions for securitisations in the liquidity buffer of credit institutions¹

**Drafting proposals in relation to the proposed amendments to Delegated Regulation (EU) 2015/61
(the LCR delegated regulation)**

Text proposed by the Commission	Amendments proposed by the ECB ²
Amendment 1 Article 1, point (1)(a), of the proposed regulation (Article 13(2), point (a), of the LCR delegated regulation)	
'(a) the position has been assigned a credit assessment of credit quality from step 1 to step 7 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment;'	'(a) the position has been assigned a credit assessment of credit quality from step 1 to step 7 4 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment;'
<u><i>Explanation</i></u> <i>While the ECB supports the proposed restoration of the HQLA eligibility of securitisations with credit quality steps 2 to 4, the ECB is concerned about making securitisations with credit quality steps 5 to 7, equivalent to a rating of A+ to A-, eligible for use in the liquidity buffer. The latter extension constitutes a further deviation from international standards without factual evidence that such securitisation positions have a proven record as a reliable source of liquidity, especially during stressed market conditions. The ECB therefore suggests limiting the proposed extension of HQLA-eligible securitisations to those exposures that have been assigned a credit quality between credit quality steps 2 and 4.</i> <i>See paragraphs 17.4 and 17.6 of the ECB Opinion.</i>	

¹ This technical working document is produced in English only and communicated to the consulting Union institution(s) after adoption of the opinion. It is also published on EUR-Lex alongside the opinion itself.

² Bold in the body of the text indicates where the ECB proposes inserting new text. Strikethrough in the body of the text indicates where the ECB proposes deleting text.

Text proposed by the Commission	Amendments proposed by the ECB ²
Amendment 2 Article 1, point (1)(d), of the proposed regulation (Article 13(14) of the LCR delegated regulation)	

'14. The market value of level 2B securitisations shall be subject to: (a) a minimum haircut of 15 % where all of the following conditions are met: (1) the position has been assigned a credit assessment of credit quality from step 1 to step 4 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment; (2) the position complies with the requirements laid down in Article 243(3) of Regulation (EU) No 575/2013; (3) the issue size of the tranche is at least EUR 250 million (or the equivalent amount in domestic currency); (b) a minimum haircut of 25 % where the position has been assigned a credit assessment of credit quality from step 1 to step 4 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment; (c) a minimum haircut of 50% where the position has been assigned a credit assessment of credit quality from step 5 to step 7 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short-term credit assessment;'	'14. The market value of level 2B securitisations shall be subject to: (a) a minimum haircut of 15 % where all of the following conditions are met: (1) the position has been assigned a credit assessment of credit quality from step 1 to step 4 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short term credit assessment; (2) the position complies with the requirements laid down in Article 243(3) of Regulation (EU) No 575/2013; (3) the issue size of the tranche is at least EUR 250 million (or the equivalent amount in domestic currency); (b) a minimum haircut of 25 % where the position has been assigned a credit assessment of credit quality from step 1 to step 4 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short term credit assessment; (c) a minimum haircut of 50% where the position has been assigned a credit assessment of credit quality from step 5 to step 7 by a nominated ECAI in accordance with Article 264 of Regulation (EU) No 575/2013 or the equivalent credit quality step in the event of a short term credit assessment; (a) a minimum haircut of 25 % for securitisations that comply with the requirements under this article and that are backed by residential loans secured
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Text proposed by the Commission	Amendments proposed by the ECB ²
	by a first ranking mortgage or fully guaranteed residential loans; (b) a minimum haircut of 35 % for securitisations that comply with the requirements under this article and that are not referred to under point (a);'
<u>Explanation</u> <i>The ECB does not consider the application of lower haircuts appropriate as securitisations have not yet been sufficiently tested over the past decade, embedding also stress events that are consistent with the scenarios referred to in Article 5 of the LCR delegated regulation. The ECB therefore suggests (a) maintaining the 25 % haircut for securitisations that are backed by residential loans secured by first ranking mortgages or fully guaranteed residential loans, and (b) applying the existing 35 % haircut to all other securitisation positions, in both cases only provided that they meet all the other criteria for HQLA-eligible securitisation positions referred to in Article 13 of the LCR delegated regulation.</i> <i>See paragraphs 17.5 and 17.6 of the ECB Opinion.</i>	