

European Banking Authority  
One Canada Square (Floor 46)  
Canary Wharf  
London E14 5AA

19 July 2018

Dear Sirs,

**Response submission from the International Capital Market Association (ICMA) – transparency register number 0223480577-59**

**Re: European Banking Authority public consultation on its draft Guidelines on the STS criteria for ABCP securitisation**

**Introduction:**

The ICMA<sup>1</sup> is a membership association, committed to serving the needs of its wide range of members representing both the buy side and sell side of the industry. Its membership includes issuers, intermediaries, investors and capital market infrastructure providers. ICMA currently has more than 540 members located in over 60 countries worldwide. The ICMA's market conventions and standards have been the pillars of the international debt market for 50 years.

The ICMA notes that on 20 April 2018 the European Banking Authority opened a consultation on its draft Guidelines on the STS criteria for ABCP securitisation. The ICMA further notes that in the context of building a genuine Capital Markets Union (CMU), which is an important long-term project, securitisation is one of the areas initially identified (in the Investment Plan adopted by the European Commission in November 2014) for action in the short term.

**Commentary:**

The ICMA has considered this consultation on behalf of its full membership; both in context of the ICMA's ongoing mission to promote resilient and well-functioning international debt capital markets, necessary for economic growth, and of its support for the European Commission's CMU initiative<sup>2</sup>.

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<sup>1</sup> For more information regarding the ICMA please go to <http://www.icmagroup.org/>

<sup>2</sup> For more information about the ICMA's CMU work please go to <http://www.icmagroup.org/resources/capital-markets-union/>

STS securitisation is an important CMU initiative in relation to which ICMA has been part of a strong industry consensus, supportive of the initiative and seeking to best shape it such as to secure its successful implementation. Consistent with this cross-industry approach, the ICMA has carefully reviewed the [response prepared by the Association for Financial Markets in Europe](#) (AFME) in relation to the European Banking Authority's current consultation regarding its draft Guidelines on the STS criteria for ABCP securitisation and, rather than repeating the substantive content thereof, the ICMA is submitting this short letter to affirm its support for the detailed views submitted by the AFME.

Furthermore, the ICMA wishes to particularly underscore the support of its Euro Commercial Paper (ECP) Committee<sup>3</sup> for the AFME's specific comments concerning these draft Guidelines on the STS criteria for ABCP securitisation, noting that ABCP is an important financing tool for the real economy.

**Concluding statement:**

The ICMA appreciates the valuable contribution made by the European Banking Authority through this public consultation process and would like to thank the European Banking Authority for its careful consideration of the points made in this response and in the more detailed AFME response to which this ICMA response refers. The ICMA would be happy to review these matters in a meeting with the European Banking Authority team should they consider such to be helpful.

Yours faithfully,



David Hiscock  
Senior Director - Market Practice and Regulatory Policy, ICMA

cc: Richard Hopkin - Managing Director, Head of Fixed Income, AFME

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<sup>3</sup> For more information regarding the ICMA's ECP Committee please go to <http://www.icmagroup.org/About-ICMA/icma-councils-and-committees/euro-commercial-paper/>