

Luxembourg, 25 April 2014

To all securitisation vehicles

In case of discrepancies between the French and the English text,
the French text shall prevail

CIRCULAR BCL 2014/236

Modification of the statistical data collection of securitisation vehicles

Ladies and gentlemen,

The Governing Council of the European Central Bank (ECB) has adopted the regulations ECB/2013/40 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions, ECB/2013/33, concerning the balance sheet of the monetary financial institutions sector and ECB/2012/24 concerning statistics on holdings of securities as well as the guidelines ECB/2013/24 on the statistical reporting requirements of the European Central Bank in the field of quarterly financial accounts and ECB/2011/23, as modified, on the statistical reporting requirements of the European Central Bank in the field of external statistics.

The new regulations and the new guidelines follow the set-up of the regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union (ESA 2010).

The current data collection system has been set up with the objective of limiting the overall reporting workload for Luxembourg securitisation vehicles.

1 Objectives

On the basis of aforementioned guidelines as well as regulations of the European Central Bank (ECB), BCL has developed a data collection system that is supposed to obey the following objectives:

- complete coverage of the foreseeable requirements of the European Central Bank in the field of monetary and financial statistics
- minimization of the workload for reporting agents
- consistency within data collected for supervisory purpose
- compatibility with the standards of ESA 2010 (European System of national Accounts 2010)
- coverage of financial stability and prudential supervision needs.

2 Main innovations

Compared to the current statistical data collection, the changes consist in new layouts of the current reports.

The main innovations of the reports, which are detailed in the instructions, are as follows:

- the codification of items and original maturities are modified to harmonise these codifications with the ones used for the data collection for other Luxembourg financial entities
 - the list of economic sectors and the list of security types are modified according to the changes foreseen in the ESA 2010
 - following the introduction of the security by security reporting:
 - regarding the items in relation with the securities, breakdowns by country, economic sector and original maturity of securities held and issued are not required in the quarterly balance sheet anymore
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- quarterly report on transactions and write-offs/write-downs on securitised loans has been lightened: only few items of the balance sheet are to be filled and only one breakdown by country is required
- in the quarterly balance sheet, breakdowns by country, currency, economic sector and original maturity of items other than those in relation with securities are now required in order to estimate the financial transactions on these captions
- introduction of a new nature of securitisation linked to insurance and re-insurance area.

3 Securitisation vehicles

3.1 Definitions

Article 1 of regulation ECB/2013/40 defines a «securitisation vehicle». It is notably an undertaking which principal activity meets both of the following criteria:

- it intends to carry out, or carries out, one or more securitisation transactions and its structure is intended to isolate the payment obligations of the undertaking from those of the originator, or the insurance or reinsurance undertaking; and,
- it issues, or intends to issue, debt securities, other debt instruments, securitisation fund units, and/or financial derivatives (hereinafter the «financing instruments») and/or legally or economically owns, or may own, assets underlying the issue of financing instruments that are offered for sale to the public or sold on the basis of private placements.

Are then concerned all undertakings located in Luxembourg and governed by the law of 22 March 2004 on securitisation, as well as undertakings meeting the definition of a securitisation vehicle in the sense of the article 1 of regulation ECB/2013/40 and governed by the law of 10 August 1915 on commercial companies.

If a securitisation vehicle does not have legal personality under the Luxembourg law, the persons legally entitled to represent the securitisation vehicle, or in the absence of formalised representation, persons that under the applicable national laws are liable for acts of the securitisation vehicle, shall be responsible for reporting the information foreseen by the present circular.

3.2 List of securitisation vehicles

The ECB establishes and updates, for statistical purpose, a list of securitisation vehicles that form the reference reporting population.

For this purpose, Luxembourgish securitisation vehicles provide the BCL with the requested information according to ECB guideline ECB/2008/31 of 19 December 2008 amending ECB guideline ECB/2007/9 concerning monetary financial and financial market statistics within one week from the date on which it has taken up business irrespective whether it expects to be subject to any of the statistical reporting requirements. The BCL transmits this information to the ECB, which shall establish the complete list of securitisation vehicles for the whole euro area and shall make this list and its updates available in an appropriate form.

4 Collect of statistical data

4.1 Statistical reporting of the BCL

Regulation ECB/2013/40 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions defines the information requests addressed to securitisation vehicles. In this context, securitisation vehicles must periodically submit to the BCL the following financial information:

- Quarterly report S 2.14 «Quarterly statistical balance sheet of securitisation vehicles»
- Quarterly report S 2.15 «Transactions and write-offs/write-downs on securitised loans of securitisation vehicles»
- Monthly report SBS «Security by security reporting of securitisation vehicles»

These documents are published and can be downloaded from the BCL's website from the following address:

http://www.bcl.lu/en/reporting/Securisation_vehicules/index.html

4.2 Derogations

Regulation ECB/2013/40 concerning statistics on the assets and liabilities of financial vehicle corporations engaged in securitisation transactions foresees the possibility of exempting small-sized securitisation vehicles from reporting requirements. Selection of the securitisation vehicles subject to reporting is performed by the BCL, which will grant derogations provided that coverage rate exceeds 95% of the aggregated assets of all Luxembourg securitisation vehicles.

The BCL shall check the fulfilment of this condition in good time in order to adjust the exemption threshold, with effect from the start of each calendar year.

The securitisation vehicles that benefit from a derogation shall report their annual financial statements to the BCL, if they are not available from public source, i.e. published in the Luxembourg Trade and Companies' Register, within seven months following year-end.

5 Use of the collected data

The statistical data collection in the field of and compartments of securitisation vehicles is primarily achieved for a statistical purpose and is based on the data requirements as they are laid down in the aforementioned ECB regulations. However, in order to limit the reporting burden for reporting agents and to avoid multiple data collections, the data may be used for other purposes than those foreseen in the organic law of the BCL.

Therefore, the confidentiality of individual data collected is subject to professional secrecy on the part of Central Bank bodies and staff members, as defined in Article 33 of the organic law of the BCL. It is important to mention that this article allows the BCL to exchange data with the *Commission de surveillance du secteur financier*, the *Commissariat aux assurances* and the *Service central de la statistique et des études économiques* (STATEC), if the data are necessary for the accomplishment of their respective missions.

6 Quality of the data transmitted

We would like to stress the importance of the quality of the data transmitted to the BCL and the necessity to submit the data to the verification rules detailed in the technical documentation. Only a rigorous control undertaken during data production will allow the quality requirements as well as the reporting delays to be met. This point is all the more important that the data collected and transmitted on an aggregated level to the ECB will be checked by the ECB before being aggregated with the data of the other Member States. In addition, the detailed statistics published on the BCL's website have to reach a high level of quality in order to properly address the user needs. Any error or important negligence would have harmful repercussions on the reputation of the whole financial community in Luxembourg.

7 Respect of the reporting deadlines

The BCL establishes and publishes on its website a calendar of remittance dates at which the monthly and quarterly statistical reports must be submitted to the BCL.

Reporting agents are reminded that BCL must transmit to the ECB quarterly statistics within 28 working days following the end of the period to which the data refer to. Therefore, it is absolutely necessary that reporting agents scrupulously respect the reporting deadlines defined in the present circular in order to let the BCL comply with its engagements in the framework of the European System of Central Banks (ESCB).

8 Repeals

The present circular replaces and repeals with effect from 1 January 2015 the circulars:

- BCL 229/224 «New statistical data collection for securitisation vehicles»
 - BCL 213/232 «Introduction of a security by security reporting».
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9 Set-up of the new data collection

Securitisation vehicles or compartments of securitisation vehicle are kindly asked to transmit the quarterly reports S 2.14 «Quarterly statistical balance sheet of securitisation vehicles» and S 2.15 «Transactions and write-offs/write-downs on securitised loans of securitisation vehicles» and the monthly security by security reporting for the period of reference ending December 2014 no later than 30 January 2015.

Yours sincerely,

BANQUE CENTRALE DU LUXEMBOURG
La direction

Pierre Beck
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