

Mr Arnoud VOSSEN
Secretary General
CEBS
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Brussels, 7 October 2010

CEBS Consultation paper on guidelines to Article 122a of the Capital requirements Directive (CP40)

Dear Sir/Madam,

Beste Arnoud.

The EBF has welcomed the proposed guidelines which contribute to a better understanding of the way in which firms will be expected to implement Article 122a of the CRD.

We note that several of our members have responded to the consultation on an individual basis in line with exchanges of views held at EBF level and would, therefore, like to refer to their comments on the details of the proposals.

A well functioning securitisation market contributes to the completeness of the financial system by allowing credit risk transfer from the banking sector to the wider financial sector as well as risk (and return) diversification for end-investors. Furthermore, securitisation is an important instrument for banks to create and provide direct funding sources among others to SMEs, residential and commercial mortgages, consumer loans and credit cards, vehicle loans, and EU Government receivables.

Against this backdrop, the EBF supports any initiative that contributes to revitalising the securitisation market and strongly believes, therefore, that the thrust of the proposed guidelines should be to take this overarching objective into account.

Yours sincerely,


Guido RAVOET