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EBA-2023-D-4372

John Berrigan
Director General
Directorate-General for Financial Stability,
Financial Services and Capital Markets Union (FISMA)
European Commission
Rue de Spa 2
1049 Brussels
Belgium

7 June 2023

Subject: Opinion on the EC amendments relating to the final draft Regulatory Technical Standards on requirements on credit scoring of crowdfunding projects, pricing of crowdfunding offers, and risk management policies and procedures supplementing Regulation (EU) No 2020/1503, having regard in particular to Article 19(7) thereof.

Dear Mr Berrigan,

On 10 May 2022, the EBA submitted for adoption to the European Commission the final draft regulatory technical standards (RTS) on credit scoring and pricing disclosure, credit risk assessment and risk management requirements for crowdfunding service providers in accordance with Article 19(7) of the Regulation (EU) No 1503/2020 (European Crowdfunding Service Providers Regulation).

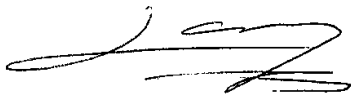
On 2 May 2023, the Commission sent a letter to the EBA informing of its intention to endorse with amendments the draft Regulatory Technical Standard (RTS) submitted by the EBA and sent on the same date to the EBA a modified version of the RTS. The letter details one substantive change in the drafting of Article 5, following comments from the European Data Protection Supervisor (EDPS). This notification gives the EBA the possibility to amend the draft RTS on the basis of the Commission's proposed amendments and resubmit it in the form of a formal opinion. It is my pleasure to submit to you today this EBA Opinion on the intended change, as endorsed by the EBA's Board of Supervisors.

In substance, the enclosed Opinion, while noting that the original wording in the draft RTS was proposed as a regulatory record-keeping requirement to which the GDPR principles would continue to apply, accepts the substantive change proposed to the text of Article 5 with the view of providing a more precise and harmonised approach with respect to record-keeping of documentation relevant for the assessment of credit worthiness and that may contain personal data.

In the Opinion, the EBA highlights that the record-keeping requirement in the RTS is aimed at providing enough time to crowdfunding platforms to build up a robust database on financial and

non-financial factors on projects and project owners, so to improve their scoring models and enhance benchmarking analysis. In addition, the EBA also notes that personal data included in the documentation for the assessment of creditworthiness of prospective project owners shall always be treated in accordance with GDPR, i.e. for the time necessary to fulfil the original purpose of their collection and use, in this case for the period that is necessary to assess the capacity of project owners to repay their loan.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'José Manuel Campa', is positioned below the text 'Yours sincerely,'.

José Manuel Campa

CC: Irene Tinagli, Chair of the Committee on Economic and Monetary Affairs European Parliament
Claudia Lindemann, Head of ECON Secretariat
Elisabeth Svantesson, ECOFIN Chair, Minister of Finance, Presidency of the Council of the EU
Tuomas Saarenheimo, Chair of Economic and Finance Committee, Council of the European Union
Thérèse Blanchet, Secretary-General, Council of the European Union
Marcel Haag, Director Dir B, Horizontal Policies, DG FISMA
Martin Merlin, Director Dir D, Banking, Insurance and Financial Crime, DG FISMA
Tatyana Panova, Head of Unit B1, Capital Markets Union, DG FISMA
Almoro Rubin de Cervin, Head of Unit D1, Bank Regulation and Supervision, DG FISMA

Encl: EBA Opinion RTS Crowdfunding
Draft RTS ECSPR 19(7) – Text
Draft RTS ECSPR 19(7) - Annex