



AEB's comments on Draft Implementing Technical Standards specifying the templates to be used by credit institutions for the provision of information referred to in Article 15(1) of Directive (EU) 2021/2167 in order to provide detailed information on their credit exposures in the banking book to credit purchasers for the analysis, financial due diligence and valuation of a creditor's rights under a non-performing credit agreement, or the non-performing credit agreement itself (NPL Transactions Data Templates)

1. Do the respondents agree that these draft ITS fits for the purpose of the underlying directive?

Overall, we acknowledge and welcome the work done to date to simplify the templates from their original iteration. However, we are of the view some specific data fields would be disputable, and the number of mandatory data fields remains significantly higher than what is and has historically been necessary to sign and close voluntary NPL deals.

Please find our specific comments on different fields in the dedicated columns of the data glossary.

In addition, we would like to make some specific considerations regarding the **no data options** and the **internal governance procedure** (see below question 9 and question 13)

2. What are the respondents' views on the content of Template 1? Please provide any specific comment you may have on the data fields in the dedicated columns of the data glossary (Annex II to the draft ITS) added for your feedback.

See specific comments on template 1 fields in the dedicated columns of the data glossary.

3. What are the respondents' views on the content of Template 3? Please provide any specific comment you may have on the data fields in the dedicated columns of the data glossary (Annex II to the draft ITS) added for your feedback.

See specific comments on template 3 fields in the dedicated columns of the data glossary.

4. What are the respondents' views on the content of Template 4? Please provide any specific comment you may have on the data fields in the dedicated columns of the data glossary (Annex II to the draft ITS) added for your feedback.

See specific comments on template 4 fields in the dedicated columns of the data glossary.

5. What are the respondents' views on the content of Template 5? Please provide any specific comment you may have on the data fields in the dedicated columns of the data glossary (Annex II to the draft ITS) added for your feedback.?



See specific comments on template 5 fields in the dedicated columns of the data glossary.

6. **Do the respondents agree on the structure of Template 2 to represent the relationship across the templates? If not, do you have any other suggestion of structure?**

7. **Do the respondents agree on the structure and the content of the data glossary? Please provide any specific comment you may have on the data fields in the dedicated columns of the data glossary (Annex II to the draft ITS) added for your feedback.**

8. **What are the respondents' views on the content of instructions?**

9. **Do the respondents agree on the use of the 'No data options' as set out in the instructions?**

For loans originated after the ITS entry into force and its implementation period we would suggest applying the *no data options* as time is needed in some cases to feed into systems certain fields that have been turned compulsory, while for the rest of the loans we would suggest completing the data on a best effort basis taking into consideration many of these fields were not compulsory in the past, and even requested in other context in the past could be difficult to provide as some institutions have faced IT system migrations due to, among others, mergers & acquisitions.

10. **What are respondents' views on whether the proposed set of templates, data glossary and instructions are enough to achieve the data standardisation in the NPL transactions on secondary markets, or there may be a need for some further technical specifications or tools to support digital processing or efficient processing or use of technology (e.g., by means of the EBA Data Point Model or XBRL taxonomy)?**

11. **What are the respondents' views on the approach to the proportionality, including differentiating mandatory data fields around the threshold? Please provide any specific comment you may have on the data fields in the dedicated columns of the data glossary (Annex II to the draft ITS) added for your feedback.**



12. **Do the respondents agree with the proposed calibration of 25 000 euros threshold in line with AnaCredit Regulation? If not, what alternative threshold should be introduced, and why?**

13. **What are the respondents' views on the operational procedures, confidentiality and data governance requirements set out in the draft ITS?**

We believe that the proposed operational procedures and data requirements are quite complex and do not take into account the circumstances of all involved parties.

Additionally, on the internal governance procedure proposed in Article 8 we believe that reference to internal validation function should be removed. This template should be aligned and follow a similar governance as FINREPs or other regulatory/supervisory reporting they are based in (see below the proposed amendment in article 8).

Article 8

Credit institutions' data governance arrangements

(1) *Credit institutions shall set up adequate and effective internal governance and data governance arrangements to ensure the completeness, consistency and accuracy of the information provided to prospective buyers in accordance with this Regulation. ~~Such internal governance and data governance arrangements shall include internal validation of information by functions that are independent from those preparing the information.~~*

(2) *Credit institutions shall ensure that the information provided to the prospective buyers is subject to an appropriate managerial approval process confirming that the credit institution is responsible for the completeness, consistency and accuracy of the information provided.*

Furthermore, regarding the paragraph 2 of the article 8, we consider that this obligation is already in place and consequently it must be therefore clarified that this does not imply an additional burden. The data and the R&W related to them are a significant part of the SPA, and such contract is a substantial part of the deal, since not only the price is critical. Consequently, the relevant governing bodies and their procedures approve both when accepting an offer, so they would be aware of any weakness in the data provided which could cause a future claim from R&W. Thus, these bodies already have global responsibility on the data provided.