

Council reaches agreement on Securitisation package, first building block of the Capital Markets Union

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On 2 December 2015, after two months of intensive and constructive negotiations under Luxembourg Presidency, Member States agreed on the Securitisation package at the meeting of the Committee of Permanent Representatives.

The European Commission adopted two legislative proposals on 30 September 2015: The first regulation brings together in one legal act existing rules on securitisation so as to guarantee coherence and convergence between sectors and defining the criteria qualifying a new category of simple, transparent and standardised (“STS”) securitisations. The second regulation amends the capital requirements regulation (“CRR”) in order to adjust the regulatory framework to allow a more risk-sensitive approach.

The development of a simple, transparent and standardised (“STS”) securitisation market constitutes the first building block of the Capital Markets Union.

“These proposals aim to relaunch the securitisation market, by promoting simple, transparent and standardised securitisations. The objective is to contribute to the financing of the economy and hence to the creation of jobs and growth,” said Pierre Gramegna, Minister of Finance of Luxembourg and President of the ECOFIN Council.

The negotiating mandate will be formalised by the ECOFIN Council on 8 December 2015, and talks with the European Parliament can start in 2016.

Press release issued by the Ministry of Finance