Council of the European Union

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From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 2)
No. Cion doc.:	COM (2015) 472 final COM (2015) 473 final
Subject:	Proposal for a Regulation of the European Parliament and of the Council laying down common rules on securitisation and creating a European framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 Proposal for a Regulation of the European Parliament and of the Council amending Regulation No 575/2013 on prudential requirements for credit institutions and investment firms = Statement

The following statement is to be entered into the minutes of Coreper (part 2) of 28 June 2017:

Statement by the United Kingdom and Germany

The United Kingdom and Germany support the Securitisation Regulation package that aims to free up capital for economic growth through simple, transparent and standardised securitisation.

However, it needs to be ensured that this package does not create unnecessary risks to financial stability. In particular, it needs to be ensured that the reversion of the Basel hierarchy of methods to calculate capital risk weights does not have a damaging effect on financial stability and the wider economy. In this respect, particular attention needs to be given to possible risks caused by the extension of the reversion of the hierarchy to non-STS securitisations.

We call on the European Banking Authority and the Commission to monitor closely the impact of the reversed hierarchy of methods on financial stability and other potential unintended consequences of the Regulation, taking immediate action where needed.