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PRESS RELEASE

ECB MODIFIES LOAN-LEVEL REPORTING REQUIREMENTS FOR SOME ASSET-BACKED SECURITIES

The Governing Council of the European Central Bank (ECB) has decided to modify the loan-level reporting requirements for asset-backed securities (ABSs) backed by auto loans, leasing receivables, consumer finance loans and credit card receivables that are used as collateral in Eurosystem monetary policy operations and are unable to satisfy the timeline announced on 27 November 2012.

As of 1 October 2014, auto loan, leasing, consumer finance and credit card ABSs for which the mandatory level of compliance with reporting requirements has not been attained and for which the data provider has neither given an explanation for that non-compliance nor provided an action plan for achieving full compliance, will become ineligible for use as Eurosystem collateral.

Additionally, the Governing Council has decided that, as of 1 October 2014, the Eurosystem may temporarily accept non-compliant auto loan, leasing, consumer finance and credit card ABSs as eligible collateral, on a case-by-case basis and subject to the provision of adequate explanations for the failure to achieve the mandatory score required. For each adequate explanation, the Eurosystem will specify its tolerance stance.

These decisions will help secure a smooth transition to full compliance while ensuring a level playing field between different classes of ABSs at different stages of the compliance process.

Further details of the ABS loan-level initiative, including the above-mentioned modifications, are available via the ECB's dedicated web pages.

For media queries, please call Wiktor Krzyżanowski on +49 69 1344 5755.

European Central Bank

Directorate General Communications and Language Services, Global Media Relations Division

Kaiserstrasse 29, D-60311 Frankfurt am Main

Tel.: +49 69 1344 7455, Fax: +49 69 1344 7404

Internet: <http://www.ecb.europa.eu>

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