

Changes to legislation: The Securitisation Regulations 2018 is up to date with all changes known to be in force on or before 08 October 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in relation to Regulation (EU) No 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ No L 347, 28.12.2017, p.1.) (the “EU Securitisation Regulation 2017”). The EU Securitisation Regulation 2017 harmonises and reforms existing rules on due diligence, risk retention, disclosure and credit-granting which will apply in a uniform way to all securitisations, securitising entities and all types of EU regulated institutional investors and creates a new framework for simple, transparent and standardised (“STS”) long-term securitisations and asset-backed commercial paper programmes.

Regulation 4 designates the Financial Conduct Authority (“FCA”) as the competent authority for the supervision of compliance of persons engaged in the conduct of selling a securitisation position to a retail client located in the United Kingdom with Article 3 of the EU Securitisation Regulation 2017 and the compliance of persons established in the United Kingdom with Article 4 of that Regulation when establishing SSPEs in a third country. The FCA is designated as the competent authority responsible for the supervision of compliance of persons with the STS securitisation requirements set out in the EU Securitisation Regulation 2017 and the authorisation and supervision of third party verifiers. For the purpose of supervision of compliance with respect to the general requirements for securitisations (Articles 6, 7, 8 and 9 of the EU Securitisation Regulation 2017), the instrument designates the Prudential Regulation Authority (“PRA”) as the competent authority for the supervision of compliance by PRA-authorised persons and the FCA for originators, original lenders and SSPEs not regulated by the PRA.

Part 2 of the Regulation gives effect to Article 30 of the EU Securitisation Regulations 2017 by ensuring that the appropriate disciplinary and remedial measures are available to the competent authorities as a minimum to address contraventions of relevant requirements by all persons.

Part 3 of the Regulations gives effect to Article 28 of the EU Securitisation Regulation 2017 by setting out processes relating to third party verifiers, including their authorisation, the cancellation of the authorisation and the temporary withdrawal of the authorisation. Part 3 also sets out the processes for warning notices and decision notices relating to the measures set out in Part 2. In addition, Part 3 sets out the process for imposing a temporary ban on making a notification under Article 27(1) of the EU Securitisation Regulation 2017.

Part 4 of the Regulations imposes mutual consultation obligations on the competent authorities and creates powers of direction to require information.

Schedule 1 applies and modifies provisions of the Financial Services and Markets Act 2000 (c.8).

Schedule 2 makes consequential amendments to primary and secondary legislation.

An impact assessment has not been produced for this instrument as no significant impact on the costs of business or the voluntary sector is foreseen.

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Changes and effects yet to be applied to :

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)