

Regulation (EU) 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

[^{F1}CHAPTER 5

SUPERVISION

[^{F1}Article 30

Powers of the competent authorities

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2 [^{F3}Competent authorities] shall regularly review the arrangements, processes and mechanisms that originators, sponsors, SSPEs and original lenders have implemented in order to comply with this Regulation.

The review referred to in the first subparagraph shall include:

- a the processes and mechanisms to correctly measure and retain the material net economic interest on an ongoing basis, the gathering and timely disclosure of all information to be made available in accordance with Article 7 and the credit-granting criteria in accordance with Article 9;
- b for STS securitisations which are not securitisations within an ABCP programme, the processes and mechanisms to ensure compliance with Article 20(7) to (12), Article 21(7), and Article 22; and
- c for STS securitisations which are securitisations within an ABCP programme, the processes and mechanisms to ensure, with regard to ABCP transactions, compliance with Article 24 and, with regard to ABCP programmes, compliance with Article 26(7) and (8).

3 Competent authorities shall require that risks arising from securitisation transactions, including reputational risks, are evaluated and addressed through appropriate policies and procedures of originators, sponsors, SSPEs and original lenders.

4 [^{F4}Competent authorities] shall monitor, as applicable, the specific effects that the participation in the securitisation market has on the stability of the financial institution that operates as original lender, originator, sponsor or investor as part of its prudential supervision in the field of securitisation, taking into account, without prejudice to stricter sectoral regulation:

- a the size of capital buffers;
- b the size of the liquidity buffers; and
- c the liquidity risk for investors due to a maturity mismatch between their funding and investments.

[^{F5}Where a competent authority identifies a material risk to the financial stability of a financial institution or to the financial system as a whole, it must take action to mitigate those risks and, unless it is the PRA, report its findings to the Bank of England.]

Changes to legislation: Regulation (EU) 2017/2402 of the European Parliament and of the Council, Article 30 is up to date with all changes known to be in force on or before 21 July 2024. 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](#)

[^{F65} Competent authorities shall monitor any suspected circumvention of the obligations set out in Article 6(2) and ensure that sanctions are applied for a circumvention.]]

Textual Amendments

- F1** Regulation revoked (14.12.2023 for the revocation of Art. 46) by [Financial Services and Markets Act 2023](#) (c. 29), s. 86(3), **Sch. 1 Pt. 1** (with s. 1(4)) (with savings and transitional provisions in S.I. 2024/104, regs. 52, Sch. 3); S.I. 2023/1382, reg. 2(b)(i)
- F2** Art. 30(1) omitted (31.12.2020) by virtue of [The Securitisation \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/660), regs. 1(2), **27(a)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F3** Words in Art. 30(2) substituted (31.12.2020) by [The Securitisation \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/660), regs. 1(2), **27(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F4** Words in Art. 30(4) substituted (31.12.2020) by [The Securitisation \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/660), regs. 1(2), **27(c)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F5** Words in Art. 30(4) substituted (31.12.2020) by [The Securitisation \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/660), regs. 1(2), **27(c)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F6** Art. 30(5) substituted (31.12.2020) by [The Securitisation \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/660), regs. 1(2), **27(d)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Changes to legislation:

Regulation (EU) 2017/2402 of the European Parliament and of the Council, Article 30 is up to date with all changes known to be in force on or before 21 July 2024. 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.

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Changes and effects yet to be applied to :

- Regulation savings for revocation of 2017 EUR2402 by 2023 c. 29, Sch. 1 Pt. 1 in S.I. 2024/102, reg. 52A (as inserted) by [S.I. 2024/705 reg. 2\(10\)](#)