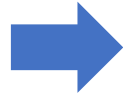


ISMMA Comparative Database - first steps

Richard Kemmish
Seville, September 2026

What is ISMMA?

ISMMA



International Secondary
Mortgage Market
Association

- The global association for institutions involved in secondary mortgage markets
- Founded in 2018 under World Bank sponsorship
- Focuses on regulatory advocacy, knowledge-sharing and support for newer institutions
- Secretariat hosted by EMF-ECBC since July 2022
- Open to secondary mortgage market institutions worldwide

Purpose: improve access to adequate, safe and affordable housing through stronger housing-finance systems

What is an MMA?

Mono-line pooling aggregator



Additional products



Multi-product



?

Private sector

- Long-term liquidity to primary lenders
- Largely state / IFI funding

- Risk transfers, guarantees
- Capital markets funding

- Multiple products
- Broad policy role objectives

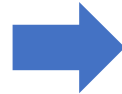
- Private sector (sort of)
- Different accounting, solutions

What is the comparative database?

14 Institutions

17 Funding products

3 Guarantee products



- A common questionnaire
- ISMMA member responses + targeted research
- Allows comparison for design choices
 - Or for investors
 - Or to support knowledge exchange
- Links to laws, etc
- Version 1. Dynamic
 - More institutions
 - More information

As of end August 2026

Some interesting* differences: ownership

Public sector. Implications:

- Control and extent MMA is an instrument of housing / cap market development
- Government accounting – whole MMA consolidated into national debt? Or, equity investment in public corporation? Treatment of guarantees?
- Support probability for rating agencies?

Private sector, implications:

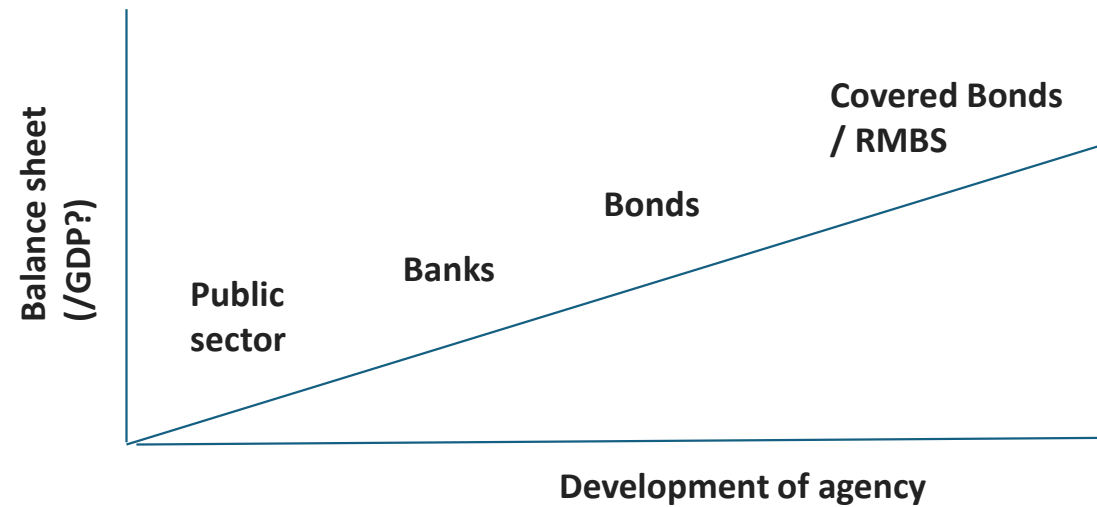
- Equity pro-rata to funding? Or 'linked' to funding? Or unrelated?
- Financial accounting (consolidated, proportional consolidation, investment in financial instrument – at cost or FVTPL)
- Regulatory accounting Controlling consolidation (deduct from CET 1), regular equity (250% risk weight), unlisted equity (400%), specific treatment rules (100%)

Mixed

* Interesting for me, at least

Funding

Expected
progression over
time



- Is MMA sufficiently incentivised?
- Is capital market development an objective?
- Are early stages compatible with later stages?
- Is the progression influenced by mandate or ownership?
- Is secured funding the end-game?
- Does this happen in practice?

Guarantees

- Only three guarantees so far: PMRC, Cagamas and KHFC
- Structured as: Fund, trust or separate business managed by MRC
- Objectives include: supporting low cost mortgages, stimulating supply side, developing Islamic products

Some design choices

Individual loans or portfolio?

First loss/second loss, capped, what attachment point? ..detachment point?

Can be to facilitate eligibility for 'regular' refinancing via MRC

Accounting

Depends on ability to quantify expected losses, potentially "Provisions for calls on standard guarantees" (outside 'Maastricht definition of government liabilities, ESA 2010).

For non-EU "IPSAS 41, Financial Instruments" applies.