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European Mortgage Federation-European Covered Bond Council (EMF-ECBC) Final Proposals for Amendments in the context of the Trilogue Negotiations on the Revised Securitisation Framework

The European Mortgage Federation-European Covered Bond Council (EMF-ECBC)[1] strongly supports the European Commission's efforts to revitalise the European securitisation market and strengthen the financing capacity and resilience of Europe's financial system.

Building on our Proposals for Trilogues on the Revised Securitisation Framework Package circulated on 30 June 2026 and ahead of upcoming technical and political trilogue meetings, we would like to reiterate the following key points regarding the proposed amendments to the Capital Requirements Regulation (CRR):

- We acknowledge the envisaged reduction of the minimum risk weight for senior securitisation tranches from 10% to 5%, as proposed by the Commission and supported by the European Parliament, in order to enhance the efficiency and attractiveness of the European Securitisation Framework.
- At the same time, we believe it is important to ensure that the evolving prudential framework continues to preserve a **coherent and risk-sensitive treatment across comparable high-quality asset classes, in particular covered bonds**. Covered bonds have demonstrated exceptional resilience and extremely low loss rates over many decades, including during periods of severe market stress.
- Against this background, we **expressly welcome the inclusion of a review clause for covered bonds in Article 506d CRR-E**. However, we believe it is important that this review be initiated at an early stage and not only after several years of application of the revised securitisation framework.
- While stressing the importance of implementing an ambitious securitisation reform package without delay, we encourage the European Commission to **begin its assessment of the prudential treatment of covered bonds upon the entry into force of the revised framework**, including whether the current risk weights for high-quality covered bonds remain appropriate in light of their proven risk profile and the revised treatment of senior securitisation tranches.
- In this context, we would welcome consideration of a **targeted amendment to Article 506d**, requiring the Commission to consider, within six months after the entry into force of the revised securitisation framework, whether it is necessary to adjust the risk weights for covered bonds and, if appropriate, to make a legislative proposal within that period.

Such an approach would ensure that the prudential treatment of covered bonds and securitisations is assessed in a timely, coherent and risk-sensitive manner from the outset.

[1]Established in 1967, the **European Mortgage Federation** (EMF) is the voice of the European mortgage industry, representing the interests of mortgage lenders and covered bond issuers at European level. The EMF provides data and information on European mortgage markets, which were worth 9.1 trillion EUR at the end of 2024 (EU27 + UK, Norway and Iceland). As of March 2026, the EMF has 13 Full Members across 11 EU Member States as well as a number of Observer Members. In 2004 the EMF founded the **European Covered Bond Council** (ECBC), a platform bringing together covered bond issuers, analysts, investment bankers, rating agencies and a wide range of interested stakeholders. As of March 2026, the ECBC has over 120 members across more than 30 active covered bond jurisdictions and many different market segments. ECBC members represent over 95% of covered bonds outstanding, which were worth 3.31 trillion EUR at the end of 2024.

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