



Directorate A-General Affairs  
The Director

Brussels, 29 April 2020  
FISMA.A.1/PP/ng – (2020)2634735

[Redacted]  
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Per email:

[Redacted]

**Subject: RE: "Challenges facing Europe's banks: Solutions through securitisation"**

Dear [Redacted]

Thank you for your letter and for bringing these issues my attention.

Despite the slow start in the beginning of 2019, the take-up of the STS label since then does point to strong demand among investors. Thus, the new label appears to be working as intended and has helped to reduce the stigma among investors.

At the same time, I fully acknowledge the significant strain that the securitisation market is under in these extraordinary economic and market conditions. I agree with you that securitisation can be helpful in facilitating the flow of funding to the real economy and thereby promoting economic recovery once the market situation improves.

My services are thoroughly examining your proposals.

Yours sincerely,

(e-signed)

[Redacted]