



Call for evidence on availability and use of credit rating information and data.

Link to the document *Call for evidence on availability and use of credit rating information and data.*

1. Target audience (potential stakeholders):

This call for evidence is addressed, in particular, to:

A.- Users and potential users of credit ratings:

Public authorities such as financial supervisors, ministries of finance, debt management offices, and central banks;

Financial institutions such as credit institutions, investment firms, fund management companies, central counterparties, insurance and reinsurance companies, institutions for occupational retirement provision;

Natural person users acting in a professional capacity, such as financial advisors and analysts; and

Other natural person users such as retail investors and academics.

B.- Credit Rating Agencies (CRAs).

C.- Credit Rating Distributors: subsidiaries of CRAs and data service providers.

Section 7 contains 3 different questionnaires addressed to each of these target groups: questionnaire A for users and potential users, questionnaire B for CRAs and questionnaire C for credit rating distributors.

In addition, all market participants in general and any stakeholders may participate in this call for evidence.

The CNMV would appreciate it if all the above-mentioned potential stakeholders were to send a copy of their responses to the consultation to the following email address:

Documentosinternacional@cnmv.es

2.- Information Note

ESMA published, on 30 March, a call for information about the access and use of the credit ratings published on the websites of the CRAs and the European Rating Platform established by ESMA.

The call for information is structured as follows:

1. Introduction.

The purpose of the document is to identify which specific credit rating data is required to carry out the main activities (regulatory and other) by the different types of users of credit ratings, and whether this required data corresponds to the information currently provided on the websites of the CRAs and the European Rating Platform (ERP).

ESMA aims to identify the reasons why many users pay to subscribe to data providers, in order to access and use credit ratings issued by certain CRAs, rather than to obtain them through their websites and to find out the reasons for the low number of queries on the ERP.

ESMA aims to assess whether there is scope for improving the use of information published on the CRA and ERP websites and what the likely costs and benefits to users and CRAs might be if such improvements are implemented.

2. Different credit rating data required for different activities.

ESMA asks about specific credit rating data that may be needed for different activities and different types of users.

One of the main uses of ratings is regulatory use, that is, the use of credit ratings for the specific purpose of complying with Union law, or their implementation at national level by Member States such as the calculation by banks or insurance companies of their capital requirements. However, credit ratings are also used for non-regulatory purposes, such as investment strategies, market research, etc.

Some of these activities may require, where appropriate, automated processing of information, real-time information or more information about the rated entity etc.

ESMA aims, for each activity such as risk management, market research and regulatory reporting, to identify users' specific rating data needs (e.g. format, frequency, scope, downloadability etc.) and how these correspond with the information that is currently provided on the European Rating Platform (ERP) and on credit rating agencies' (CRAs) public websites.

3. Credit ratings posted on a CRA's website.

This section summarises the disclosure requirements for credit ratings on the CRA websites. The disclosure obligation of CRAs is laid down in Article 10 of Regulation 1060/2009, as amended by Regulation 462/2013, which indicates which data and under

which conditions it should be disclosed, although CRAs have discretion over the means of disclosure.

4. Ratings paid and fees charged for such ratings.

ESMA has raised for the first time the issue of fees charged for credit ratings.

Credit ratings issued by some CRAs are provided through data providers, including providers that are members of the same group as some CRAs, with users paying for this service, which typically groups together credit rating and other data.

With the questionnaire contained in section 7, ESMA aims to understand how many, why and what types of users rely on the information provided by these data providers and why only some CRAs provide such information.

5. Credit ratings published on the European Rating Platform.

This section summarises the disclosure requirements for credit ratings on ESMA's ERP.

6. Next steps.

ESMA intends to publish a report that will describe the current disclosure practices of CRAs, including disclosure through data providers, as well as the use of ratings by users of CRAs.

This report will consider possible options for improving access to and use of credit ratings, both through the CRA and ESMA's ERP websites and the potential costs/benefits of each option.

7. Questionnaires for different stakeholder groups.

As indicated above, this section contains 3 different questionnaires for the gathering of information addressed to each of these target groups: questionnaire A for users and potential users, questionnaire B for CRAs and questionnaire C for credit rating agencies.

Submission of comments

The deadline for submitting comments is **3 August 2020**.

Respondents may send their comments through ESMA's website:

www.esma.europa.eu. The paper of this consultation (ESMA 70-151-2852) is available in the section [Your input-Consultation](#).

ESMA invites stakeholders in particular to answer the questions in Chapter 7, which contains 3 types of questions addressed to three groups of stakeholders.

As indicated above, the CNMV would also appreciate it if stakeholders could send a copy of their responses to the consultation to the following email address:

Documentosinternacional@cnmv.es

Dirección de Asuntos Internacionales

CNMV

c/ Edison 4

28006 Madrid