

To

European Securities and Markets Authority
Submitted via ESMA website

Date: 31 May 2026

Reference: Call for Evidence (ESMA00.666616337-488) on the restricted subscription and private credit ratings

Dear ESMA,

With reference to your Call for Evidence dated 16 April 2026¹, we are pleased to hereby submit the response of our association, on behalf of our Members registered as Credit Rating Agencies with your esteemed institution. These Members are subject to the EU CRA Regulation (as amended) as well as the numerous guidance's issued by ESMA. EACRA Members registered or recognized as CRAs outside of the European Union are subject to other regulatory requirements.

On page 7 of this Call for Evidence, ESMA provides the following working definition of restricted subscription credit ratings and private credit ratings:

3 Working definitions of restricted subscription and private credit ratings

Category	Private Credit Ratings	Restricted Subscription Credit Ratings
Working definition (for the purposes of this Call for Evidence)	Credit ratings that are: (i) produced pursuant to an individual order; (ii) provided exclusively to the person who placed the order; (iii) not intended for public disclosure or distribution by subscription; and (iv) not within the scope of the CRA Regulation.	Credit ratings that are: (i) issued by a credit rating agency registered or certified under the CRA Regulation; (ii) distributed on a selective basis to a limited number of subscribers; (iii) used for regulatory purposes; and (iv) subject to contractual or technical restrictions on onward disclosure.
Distribution Model	Bilateral, client-specific and limited to a maximum of 150 persons	Limited distribution to selected subscribers
Distinction from Public Ratings	Not publicly disseminated; cannot be used for regulatory purposes	Not publicly disseminated but can be used for regulatory purposes

¹ Available at https://www.esma.europa.eu/sites/default/files/2026-04/ESMA00-666616337-488_Call_for_Evidence_on_the_restricted_subscription_and_private_credit_ratings.pdf

We agree with the definition and characteristics of Private Credit Ratings above. With respect to their distribution model, ESMA has clarified in its “Guideline and Recommendations on the Scope of the CRA Regulation”² in paragraph 15 that such Private Credit Ratings can be distributed to a maximum of 150 persons and that the rating provider is expected to monitor the distribution.

EACRA Members registered with ESMA have all implemented processes and procedures in order to comply with this requirement. This may be done at the level of the contract between the person requesting the private rating which may include specific provisions highlighting the limited distribution of this private rating, non-disclosure provisions, labelling of the credit rating as private, IT systems tracking the distribution of the rating and confirmation from the person requesting the rating on the limited distribution.

On the other hand, EACRA Members registered with ESMA provide Credit Ratings subject to the CRA Regulation, which are usable for regulatory purposes and are distributed non-selectively and in a timely manner in accordance with Article 10 of the CRA Regulation. Depending on the business model of the CRA, the credit ratings are either publicly available on the CRAs website or only available to subscribers.

At this stage, no EACRA Member registered with ESMA as CRA is providing “restricted subscription credit ratings” as defined above. We believe that this definition does not comply with the current requirements of the CRA regulation which provides for only 2 options:

- a) A private rating, which is outside of the scope of the CRA Regulation, can’t be used for regulatory purposes in accordance with Article 2 and 4 of the CRA Regulation
- b) A credit rating within the scope of the CRA Regulation usable for regulatory purposes under Article 4 needs to be disclosed non-selectively and in a timely manner in accordance with Article 10 of the CRA Regulation.

The proposed in-between approach of selective distribution of a credit rating usable for regulatory purposes is not foreseen in the CRA Regulation currently. It is therefore not surprising that no EACRA Member registered with ESMA is currently proposing such “restricted subscription credit rating”.

Q.9 What are the main purposes and market needs that private credit ratings are intended to serve? In what circumstances are they used instead of, or alongside, publicly disseminated ratings or other forms of credit assessment? Please provide concrete examples where possible.

The main purpose of private credit ratings for the person requesting the credit rating is to receive an independent opinion on the creditworthiness of an entity. This independent opinion may act as a benchmark for the creditworthiness assessment carried out by the person requesting the credit rating or the maximum 150 persons receiving this credit rating. Such an independent opinion supports the

² Available at: https://www.esma.europa.eu/sites/default/files/library/esma80-196-6345_final_report_on_guidelines_on_scope_of_the_cra_regulation.pdf

spirit of the CRA Regulation in its Article 5a requiring investors to make their own credit risk assessment and not to solely and mechanically rely on credit ratings.

Whether another credit rating agency has provided a private credit rating (or a subscription credit rating) on the same entity is usually not known to the credit rating agency. It may therefore potentially happen that 2 credit ratings on the same entity are available to investors. Whether these 2 ratings are private or under the scope of the CRA regulation does not matter since both support the own credit analysis by the investor.

Q.12 To what extent, if any, do private credit ratings differ from publicly disseminated regulated ratings in terms of governance, independence, conflicts of interest, internal controls, and application methodologies; and what risks, if any, arise from such differences? Please provide examples where possible.

To our understanding, EACRA Members registered with ESMA as CRAs use the same processes and methodologies for private ratings and for public credit ratings, the only difference relating to the distribution of the rating.

In terms of rating reports, there may be differences between private ratings and public credit ratings. This may be linked to the fact that information required for a private credit rating are often not available in the public domain and therefore credit rating agencies need to provide more information to investors to enable these to make their own assessments. On the other hand, at the opposite end of the spectrum, private credit ratings are often used by highly professional investors who may need less detailed information than a public credit rating would contain.

Q.15 In your view, does the current regulatory framework adequately support the market need for external credit risk assessments in private markets? If not, please indicate in which areas improvements may be warranted.

As mentioned already above, we believe that the current working definition of “restricted subscription credit rating” is not compatible with the current requirements of the CRA Regulation requiring either the non-selective distribution (either public or via subscription) or excluding the regulatory use of private credit ratings.

If ESMA agrees with the above analysis and decides to propose an amendment to the CRA Regulation, we believe that there are numerous other items to amend in order to make the CRA Regulation more precise, contribute to more competition in the market (e.g. making Article 8d mandatory) and more proportionate both in terms of requirements on CRAs and sanctions for potential infringements.

We thank you for the opportunity to comment and remain at your full disposal for any additional information or clarification.