

# Weekly Regulation Update

Sistemas Financieros y Regulación

## EUROPE

- **EBA publishes three new technical standards**  
(i) **Liquidity requirements**, (ii) **prudent valuation** and (iii) **additional collateral outflows**. This is another brick in the building of an integrated prudential framework.
- **The Parliament approves the Commission's proposal on legal audits**  
The Directive **will provide** a revised and improved legal framework for external audits. After its final approval by the Council, it will be published in the OJEU in the second half of 2014.
- **BCE approves the rules of procedure of the Supervisory Board**  
This sets out the **selection mechanism** for making up the steering committee which will carry out the daily tasks of the Board of the Single Supervision Mechanism.
- **Publication in the OJEU of technical rules on conglomerates**  
**Delegated Regulation 342/2014** specifies the methods for calculating capital requirements for financial conglomerates. Obligatory as of 23 April.
- **Experts publish report on eurobills and the debt redemption fund**  
The **expert group**, created by the EC in March 2013, presented its **position** on viability, profits and risks of both projects in the context of a future fiscal union.
- **European supervisory authorities highlight cross-sectorial risks**  
This their third bi-annual **report** on the risks and vulnerabilities in the EU financial system.
- **ESMA publishes a trade repository supervision work plan**  
The **aim** is to enhance transparency. Counterparties have been required to report their derivative trades to trade repositories (TRs) since 12 February.
- **EIOPA publishes two consultation papers on Solvency II**  
(i) Implementing **technical standards**. (ii) Operating guidelines for **colleges of supervisors**.  
Runs to: 30 June.
- **Legislative agreement to increase protection for small investors**  
This requires key information to be supplied in a clear, comparable and complete manner in a mandatory **three-page A4 Key Information Document (KID)**. Final voting in parliament in April.

## UNITED KINGDOM

- **Treasury consults on its bank levy reform**  
It **is consulting on** a neutral reform to increase revenue sustainability. Runs to: 08 May.
- **FCA to investigate how to reduce index multiplication risk**  
It **will investigate** banks' options for reducing internal risk benchmark manipulation.

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- **FCA takes over regulation of consumer credit firms**  
The **aim** is to increase consumer protection. Companies are subject to FCA rules on consumer protection and to its 11 **principles for business**.

## GLOBAL

- **FSB reviews work plans for completing core financial reforms**  
Publication dates of certain documents **revised**.
- **BCBS publishes guidance on external audits of banks**  
The **new guidance** enhances and supersedes previous documents from 2002 and 2008.
- **BIS finalises standard method for measuring counterparty risk exposure**  
As well as **instructions** about reporting related data, it updates the **FAQs**.
- **BIS updates instructions for Basel III monitoring**  
It publishes **new methodology** for capital requirements on derivatives, to be applied from January 2017.
- **Global report on OTC derivatives cross-border implementation**  
**Prepared** by the international ODRG regulators' group. Includes planning schedule.

Relevant recent publications: **Financial Inclusion Flash: The Commission on Long-Term Financing of the European Economy**

**Back issues** of our *Weekly Regulation Update* (only in Spanish).