

Financial Regulation: Weekly Update

11 May 2018

Regulation Unit

Highlights

FSB consults on compensation data reporting. ESAs consult on amendments to EMIR. EBA issues statement on the implementation of Basel III and publishes results of CVA risk monitoring exercise. ESMA updates DVC data. CNMV publishes Q&A for fintechs, and suspends certain waivers on pre-trade transparency requirements.

GLOBAL

■ FSB consults on compensation data reporting aimed at addressing misconduct risk

Issues [recommendations](#) to help national supervisory authorities in considering and monitoring the effectiveness of firms' compensation tools and incentives. Deadline: 6 Jul.

■ CPMI issues finalised strategy to improve wholesale payments security

Encourages the [industry](#) to seek a common strategy to enhance the security of market infrastructures and wholesale payments presenting a series of elements to achieve this.

EUROPE

■ ESAs consult on amendments to joint EMIR standards

[Consultation](#) to amend the current regulation in order to provide a specific treatment for simple, transparent and standardised (STS) securitisation structures. Deadline: 15 Jun.

■ EBA confirms support to the EC in the implementation of Basel III framework

After a [call for advice](#), EBA confirms it will perform an [analysis](#) of the impact of the latest standards on credit, market, operational and CVA risk. Report will be ready by 30 Jun 2019.

■ EBA publishes results of CVA risk monitoring exercise

Assesses the effect of [reintegrating](#) transactions exempted from CVA risk charge. Results show the materiality of CVA risks not capitalised (risk charge multiplied by 3.06).

■ ESAs conclude MoU with EFTA Surveillance Authority

Multilateral MoU [regarding](#) the adoption of acts by the EFTA Surveillance Authority on product intervention, breaches of EEA law, action during emergencies, and other issues.

■ ESMA updates public register with Double Volume Cap (DVC) data

Latest set of DVC data under MiFID II. It includes DVC data and calculations for the period 1 April 2017 to 31 March 2018. Instruments that breach the 4%-8% thresholds are suspended.

■ ECB sets its supervisory fees for 2018

Fees amount to €474.8 million (includes Brexit related costs and stress tests) compared to €425 millions in 2017. Significant banks will pay 90% (compared to 92% in 2017).

■ ESMA sets up a one-stop company portal

It provides information on whether a financial service provider is authorised within the EU for the purposes of MiFID, UCITS and AIFMD as well as sanctions applied by authorities.

■ EIOPA updates monthly data

Symmetric adjustment of equity capital charge and, ii) risk-free interest rate term structure with end-april data.

SPAIN

■ CNMV publishes Q&A for the Fintech industry

It seeks to clarify issues that may arise on these new activities. It focuses on five topics: general questions, crowdfunding platforms, robo-advice, neo-banks, and cryptocurrencies.

■ CNMV suspends for six months certain waivers on pre-trade transparency requirements

Following ESMA's update on DVC, it suspends the use of transparency waivers on trading orders at prices referenced to another market for two financials instruments.

UNITED KINGDOM

■ FCA consults on the funding of the Financial Services Compensation Scheme (FSCS)

Presents rules regarding the funding of the FSCS, and changes to the Professional Indemnity Insurance requirement for Personal Investment Firms. Deadline: 1 Aug.

UNITED STATES

■ FRB approves final changes to regulation on extension of credit by Federal Reserve Banks

It makes some technical adjustment to reflect the expiration of the Term Asset Backed Securities Loan Facility (TALF) programme.

Recent publications of interest (in English and Spanish):

- [Press Article](#). Liquidity or moratorium? March 2018
- [Press Article](#). Sustainable finance: less and less green. March 2018
- [Financial Regulation Outlook](#). April 2018.
- [Digital Economy Outlook](#). March 2018
- [Banking Outlook](#). February 2018

Previous editions of our Weekly Regulatory Update in [Spanish](#) and [English](#).

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