

# Financial Regulation: Weekly Update

8 June 2018

Regulation Unit

## Highlights

FSB consults on TLAC implementation and publishes review of bank resolution planning. ECB signs MoU with SRB to share information. ESMA publishes risk dashboard. BdE keeps its countercyclical capital buffer unchanged. BoE receives assessment on resolution arrangements. US Agencies issue joint consultation on Volcker Rule.

## GLOBAL

- FSB consults on implementation of TLAC standard

It seeks to monitor the consistent [implementation](#) of the standard and to identify technical or operational challenges. FSB does not seek comments relating to the design or desired changes. Deadline: 20 Aug.

- FSB publishes a thematic peer review on bank resolution planning

The [review](#) evaluates the implementation by FSB jurisdictions of the resolution planning standard set out in the FSB Key Attributes. FSB invites feedback from stakeholders. Deadline: 4 Jul.

## EUROPE

- ECB signs memorandum of understanding (MoU) with the SRB

The [MoU](#) sets out the scope of cooperation and information sharing between the two institutions to avoid duplication in reporting requests in their data collection exercises to alleviate unnecessary burdens on firms.

- ESMA publishes last iteration on the 2018 risk dashboard

Finds that equity markets remain with [high risks](#) due to the high assets over-valuations and the ultra low interest rate environment. Highlights the new restriction on binary options and CFDs and concerns on cryptocurrencies.

- ECB updates the list of supervised entities

[The list](#) includes: significant institutions and less significant institutions. The total number of significant supervised entities was 118 at 1 April 2018.

- ESMA publishes new Q&A

On temporary [product intervention measures](#) on the marketing, distribution or sale of Binary options and CFDs (Contract for Differences) to retail clients.

- ESMA issues latest double volume CAP (DVC) data

Updates [DVC data](#) and calculations under MiFID II, for the period of 1 May 2017 to 30 April 2018.

- EIOPA issues monthly update on technical data

On [risk-free interest](#) rate term structures and Symmetric adjustment of the [equity capital charge](#) with end-May data.

## SPAIN

- BdE maintains without change the countercyclical capital buffer (CCyB) for 3Q2018

[Maintains the CCyB](#) at 0% for credit exposures from spanish entities in Spain. Decision consistent with indicators used to assess the systemic risk caused by credit growth.

## UNITED KINGDOM

- BoE receives IEO's assessment on its resolution arrangements

The Independent Evaluation Office's [assessment](#) finds significant progress. It issues nine recommendations grouped in three areas (roadmap to 2022, work in structural separation and preparing for a resolution). BoE welcomes the report.

- FCA issues rules on Claims Management Companies

Draft [rules](#) setting out how it will regulate Claims Management Companies after the regulation governing these firms passes to the FCA next April 2019.

- BoE consults on standards to modernize payment system

Joint [consultation](#) with New Payments System Operator and the Payment System Regulator regarding the adoption of the common global language "ISO 20022" for the payment system. It sets the details of how it will be implemented and what data will be compulsory. Deadline: 18 Jul.

## UNITED STATES

- Agencies consult on Volcker Rule proposal

Following the FRB's [announcement](#), the five agencies with rulemaking authority (FRB, OCC, FDIC, CFTC, SEC) are jointly asking for comments on the proposal. Changes seek to make the rule more efficient. Deadline: 60 days.

- CFTC voted on final and proposed rules during Open Commission Meeting

Three [rules](#): i) Indemnification Final Rule (removes requirement to indemnify swap data repositories and Commission for expenses arising from litigations); ii) proposed changes to Volcker Rule (commented before); iii) "De Minimis Exception" proposed rule (among other issues, it keeps the \$8 billion in gross notional swap dealing activity threshold for participants who are required to register with the Commission). Deadline: 60 days.

- OCC issues final rule on settlement cycle

It shortens the [standard](#) settlement cycle for transactions of securities, following the cycle used by registered broker dealers (unless the parties involved have a different arrangement). It aligns its requirements with FDIC and FRB.

- SEC adopts rule under Investment Company Act, and consults on fund disclosure and fees for fund reports

i) New rule that [creates](#) an optional "notice and access" method for delivering shareholder reports. ii) Consults on how to improve disclosure by mutual funds, ETFs, and other investment funds. Deadline: 31 Oct. iii) Consults on framework for processing fees charged to funds for delivering fund shareholder report. Deadline: 31 Oct.

- FRB publishes schedule for results for the DFAST and CCAR

The [results](#) from the last Dodd-Frank Act Stress Tests (DFAST) and the Comprehensive Capital Analysis and Review (CCAR) will be published on 22 June.

- OCC publishes CRA performance evaluations

Issues [performance evaluations](#) under Community Reinvestment Act at May 2018 for OCC supervised institutions. 28 entities are rated satisfactory and 4 are rated outstanding.

- OCC issues CRA evaluation schedule

It [presents](#) the list of institutions under OCC supervision scheduled for Community Reinvestment Act examination for the third and fourth quarters of 2018.

## Recent publications of interest (in English and Spanish):

- [Press Article](#). SSBS: Low risk without mutualisation? June 2018
- [Regulation Watch](#). From words to action: Recent regulatory reforms in the U.S. June 2018
- [Regulation Watch](#). Europa | Liquidez en resolución. Mayo 2018
- [Financial Regulation Outlook](#). April 2018
- [Digital Economy Outlook](#). March 2018
- [Banking Outlook](#). May 2018

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

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