

Financial Regulation: Weekly Update. 04 December 2015

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GLOBAL

- CPMI and ISCO report on implementation of the Responsibilities for authorities

They identify a [high level of compliance](#) in a majority of the jurisdictions for all financial market infrastructure types. They assess whether a review is necessary.

- IAS publishes regarding Insurance Core Principles and methodology for G-SIIs

i) Reviews [Core Principles](#), taking into account developments regarding supervision, corporate governance and risk management. ii) [Consults](#) on changes to the 2013 methodology for identifying global systemically important insurers (G-SIIs). Deadline: 25 Jan.

EUROPE

- Council confirms ratification of Intergovernmental Agreement on Single Resolution Fund (SRF)

A sufficient number of member states had ratified this by 30 Nov, so the [Single Resolution Mechanism](#) and the SRF will come into force and become fully operative on 1 Jan 2016.

- Council reports on the current status of the financial transaction tax (FTT)

[Reviews](#) progress on the constituent parts of the FTT (principles behind and scope of application, exemption and methodology for calculation) and on the next steps. To be discussed at the forthcoming ECOFIN.

- Council approves its negotiating stance on securitisation

Contains [proposals](#) aimed at relaunching the market by promoting simple, transparent and standardised securitisations. Will allow a start on negotiations with the EP in 2016.

- ECON sends letters to Lord Hill on technical standards and postponement of MiFID II/MiFIR

i) Urges the EC to take account of his recommendations [on](#) non-equity transparency and ancillary activity exemption, and ii) establishes conditions for acceptance of [delay](#) of MiFID II.

- EBA publishes assessment of the Pillar 3 reports of banks

[Examines](#) compliance with the CRR. Highlights an increase in the quality of disclosures but compliance with

new disclosure requirements is still work in progress.

- EC proposes to overhaul prospectus directive rules in the context of Capital Markets Union

The [proposals](#) will enable investors to make informed investment decisions, simplify the rules for companies that wish to issue shares or debt and foster cross-border investments.

- ECB announces pan-European instant payments scheme between accounts by Nov 2017

Euro Retail Payments Board (ERPB) presses the [payments services](#) to develop a pan-European scheme based on SEPA.

- ESMA publishes Final Report on guidelines on complex debt instruments in MiFID II

To identify [complex](#) debt and structured deposits which make it difficult for clients to understand the risk involved, and thus enhance protection for them. Applies from 3 Jan 2017.

- EC adopts third group of three Solvency II Implementing Technical Standards

[Regarding](#): i) templates for submission of information to supervisory authorities; ii) solvency and financial condition report, and iii) disclosure of specific information by supervisory authorities.

- ESAs publish on administrative sanctions and financial conglomerates

i) EBA publishes a report reviewing the publication by competent authorities of administrative penalties imposed for breach of [transposing](#) the CRD or CRR, and ii) ESAs update the [list](#) of financial conglomerates.

- EC delegated regulations with regulatory technical standards published in the OJEU

[Regarding](#): i) the [obligation to clear](#) interest rate swaps via central counterparties (CCP) under EMIR (mandatory from [June 2016](#)), and ii) closely correlated [currencies](#) under CRR.

UNITED KINGDOM

- BoE publishes results of stress testing of the UK banking system

Confirms an [improvement in capitalisation](#) of the UK banking system and highlights the capacity to withstand a global adverse scenario.

- BoE publishes second financial stability report for 2015

[Highlights](#): i) certain domestic risks remain elevated; ii) real estate activity is strengthening; iii) the current account deficit remains high, and iv) risks are rotating to emerging market economies.

- [Payment Systems Regulator \(PSR\) on interchange fee regulation](#)

Consults on the approach in [relation to](#): i) scope of application; ii) caps on fees; iii) monitoring; iv) the powers of the regulator, and v) penalties. Deadline: 29 Jan.

- [FCA consults on SMEs, financial services compensation and insurance renewal](#)

i) Consults on whether the rules applying to SMEs are the right ones and [extending access](#) to the financial ombudsman (Deadline: 18 Mar). ii) Proposes, among other, lifting the cap on [compensation](#) from 90% to 100% for certain kinds of policy (Deadline: 29 Feb). iii) Proposes rules to [enhance transparency](#) in policy renewals (Deadline: 4 Mar).

UNITED STATES

- [Fed approves final rule on emergency lending](#)

[Broadens](#) the definition of insolvency to improve eligibility of the right entities. Comes into effect: 1 Jan 2016.

- [Agencies announce threshold for exemption from requirements for higher-priced mortgage loans](#)

Application of the same 2015 [threshold](#) of USD25,000. Effective from 1 Jan 2016.

Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook](#). December 2015
- [Banking Outlook](#). December 2015
- [Press article](#). A European Guarantee Fund Deposits
- [Regulation Flash](#). Proposal for a European Deposit Insurance Scheme
- [Regulation Watch](#). Fed confirms methodology to set higher capital requirements for G-SIBs
- [Press article](#). G20 Antalya: Just another summit meeting?
- [Press article](#). TLAC: All creditors contribute?

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

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