

## Financial Regulation: Weekly Update. 08 January 2016

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### EUROPE

- The Netherlands takes up the rotational presidency of EU Council and publishes work programme

Mandate term: 1 Jan - 30 Jun 2017. In the [upcoming 18 months](#) they intend to continue to implement open initiatives, among others: Digital Single Market, Capital Market Union and TTIP (Transatlantic Trade and Investment Partnership).

- Single Resolution Mechanism and Single Resolution Board fully operational in 2016

SRB has become [fully operational](#) and is now capable of exercising all of its resolutionary powers. An inter-institutional agreement has been signed with the [EP](#) and a MoU with the [ECB](#) to improve cooperation.

- The Insurance Regulatory Directive (Solvency II) goes live from 1 January 2016

The Directive [requires](#) that risk management be more efficient and transparent and strives to ensure that insurance customers are better protected.

- ECB publishes the priorities of Single Supervisory Mechanism (SSM) for supervision in 2016

It [sets out](#) high-level priorities, to guide its supervision of banks in an appropriately harmonised, proportionate and efficient way.

- SSM completes the 2015 Supervisory Review and Evaluation Process (SREP)

SREP's first operative year has come to an end, in which a common methodology was implemented for the 120 largest banking groups. It has also [published](#) its updated list of significant credit institutions (from 123 to 129).

- ECB on bank dividend distribution policies

It [recommends](#) adopting prudent policies to ensure that minimum capital requirements continue to be adhered to (Pillar 1 and Pillar 2) after distribution.

- ESMA consults on directives related to MiFIR

It has [requested feedback](#) on transaction reporting, reference data and order record keeping. Open to: 23 Mar.

- [ESMA publishes a review on the short-selling regulation](#)

The review focuses on how national competent authorities apply the exemption for market makers, [focusing](#) on the difference between the number of notifications and companies.

- [ESRB publishes a risk dashboard for 4Q2015 and reports on the real estate sector](#)

It indicates that financial market conditions generally continue to remain favourable, and identifies the [main systematic risks](#). It has also published two reports on the [commercial](#) and residential real estate sectors and its effects on financial stability.

- [ESRB reports on macro-prudential measures of which it is aware](#)

Updates its [summary](#) to 28 Dec, and provides information on: i) identification of Systemically Important Institutions in [The Netherlands](#), [Luxembourg](#) and [Portugal](#), and ii) decisions of authorities in [Finland](#), [Malta](#) and [Poland](#) regarding the countercyclical capital buffer and the need to maintain an capital conservation buffer.

- [EC publishes two delegated regulations in December](#)

Regarding: i) obligations of depositaries within the legal framework of the [UCITS](#) Directive, and ii) requirements relating to [Regulation on market abuse](#) (MAR).

- [OJEU publishes four regulations and one directive](#)

i) Regulation on operational transparency of [financing transactions](#) (from 12 Jan). ii) Directive on [payment services](#); PSD2 (deadline to transpose: 13 Jan 2018). iii) Three [regulations](#) implementing technical standards with regard to Solvency II.

## SPAIN

- [Bank of Spain sets the capital buffers for systematic institutions and the countercyclical capital buffer for 2016](#)

It has [approved](#) the list of systemically important institutions, setting the countercyclical capital buffer (CCB) at 0% for 2016.

- [CNMV publishes notices regarding corporate governance and market infrastructure](#)

i) Annual report models regarding [corporate governance](#) of listed companies, savings banks and other institutions that issue shares on official stock markets (from: 31 Dec 2015). ii) Statistical data information on [market infrastructure](#) (from: 3 Feb).

## UNITED STATES

- [SEC Issues Annual Reports on Credit Rating Agencies](#)

[These indicate](#) that operational improvements have been made to controls and governance processes. Likewise, the market share of smaller organisations has also increased.

- [FINRA publishes its 2016 Regulatory and Examination Priorities Letter](#)

[Highlights](#): technology management and management of conflicts of interest, money laundering, cyber security, data quality and liquidity.

Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook](#). January 2016
- [Regulation Flash](#). Single Resolution Fund on schedule
- [Press article](#). A European Guarantee Fund Deposits
- [Digital Economy Outlook](#). December 2015
- [Banking Outlook](#). December 2015

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

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