

Financial Regulation: Weekly Update. 22 April 2016

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GLOBAL

- [BIS updates the CCB information for Spain, U.K. and other countries](#)

The [press release](#) includes a summary table for the current and future countercyclical capital buffers (CCBs) for several jurisdictions.

- [WEF on impact of technology-enabled innovation on financial stability](#)

[Recommendations](#) for the private sector and financial supervisors to foster competition between traditional financial players and new entrants while also preserving system stability.

- [BIS finalizes standards for Interest Rate Risk in Banking Book \(IRRBB\)](#)

[Includes](#) guidance on expectations for shock scenarios, reinforces disclosure and updates standardized framework. Implementation expected by 2018.

EUROPE

- [EP releases a briefing on G-SIBs in Europe describing their profiles and other issues](#)

It provides a [clear and a didactic review](#) of the Global Systemically Important Banks (G-SIBs), subject to more requirements than non-G-SIB, such as an enhanced supervision.

- [EBA publishes final guidelines for disclosing confidential information under the BRRD](#)

To avoid identification of firms, [disclosure](#) in summary or collective form should consider three factors: number of institutions, specific patterns and context of disclosure.

- [EBA acknowledges notification from the Hungarian Central Bank](#)

On the ongoing [resolution](#) of MKB Bank Zrt which has been sold to three funds for HUF 37 bn. By 30 Jun 2016 sale process should be finalized. No effect on retail deposits expected.

- [EP adopts General Data Protection Regulation](#)

It sets out uniform new rules in the field of [data protection](#) across the EU. Entry into force: 20 days after publication in the OJEU (to be applied 2 years later).

- [EC sets out path to digitise European industry](#)

Plans to help European industry, SMEs, researchers and public authorities make the most of new technologies.

- [EBA publishes its second end of term report of its Banking Stakeholder Group \(BSG\)](#)

The **BSG** has to advise the EBA and submit opinions focused on homogeneous supervisory culture and practices, examination of competent authorities and analysis on market evolution.

- [ECB statement on fifth post-programme surveillance visit to Spain](#)

Highlights stabilization of the financial sector (liquidity, solvency and asset quality). Medium term profitability still challenging. Restructuring remaining state-owned banks still needed.

- [ESMA adds credit derivatives to its public register on EMIR](#)

Updates its Public Register to include iTraxx main and iTraxx crossover credit derivative contracts in the clearing obligation under EMIR.

- [EIOPA publishes itsWork Programme 2016](#)

Main objectives: i) ensure transparency, simplicity, accessibility and fairness for consumers, ii) sound and prudent regulations, iii) improve quality and consistency of supervision.

- [EIOPA publishes two consultations and a recommendation](#)

i) **Consultation** on treatment of infrastructure corporates under Solvency II. Deadline: 16 May; ii) **consultation** on methodology to derive ultimate forward rate under Solvency II. Deadline: 19 Jul; and iii) **recommends** to enhance risk assessment and transparency of pension funds.

- [Commission delegated regulation published in OJEU](#)

With regard to regulatory technical standards on the **clearing obligation**.

SPAIN

- [CNMV criteria for recovery plans of institutions that provide investment services](#)

Based on EBA's criteria, the first recovery plans need to be sent to the CNMV before 30 June 2016. Thereafter, every two years.

- [CNMV releases draft circular on warnings about financial instruments](#)

It [aims](#) at fostering investor protection, especially in complex investment products by increasing CNMV's control [powers](#). Deadline: 5 May.

UNITED KINGDOM

- [FCA releases its key findings about inducements and conflicts of interest](#)

[Highlights](#) that there is room to improve the quality of the service provided and that MiFID II firms should explain clients the value of allowable benefits so they better decide.

- [FCA and PRA publish proposals to enhance decision-making process](#)

[Consults](#) on changes to FCA and PRA's enforcement decision-making process. It explains what has already been put into practice and sets out recommendations Deadline: 14 Jul.

UNITED STATES

- [Financial Stability Oversight Council releases its 2015 annual report](#)

More regulatory [attention](#) paid to changes in financial market structure and CCPs. The report also recommends heightened risk management and supervisory attention.

ASIA

- [Japan's Financial Services Agency approach to introduce the TLAC Framework](#)

The agency [releases](#) its approach to introduce the TLAC framework for Japanese G-SIBs. Prefers SPE (Single Point of Entry). Same calibration as FSB's term sheet.

Recent publications of interest (in English and Spanish)

- [Presentation](#). New requirements for loss absorbing capacity: TLAC and MREL
- [Financial Regulation Outlook](#). April 2016.
- [Digital Economy Outlook](#). April 2016
- [Regulation Watch](#). UK proposal on MREL: alignment with TLAC

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

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