

## Financial Regulation: Weekly Update. 8 July 2016

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### EUROPE

- EBA informs on the 2016 EU-wide stress test and transparency exercise

i) Provides further information on the use of the [stress test results](#) in the Supervisory Review and Evaluation Process (SREP) and ii) details of the upcoming [transparency exercise](#).

- ECB publishes list of EU supervised entities

Updates [list](#) of significant and less significant institutions (as of January 2016). Specific grounds and criteria for direct supervision are [indicated](#).

- EBA publishes analysis on governance arrangements and indicators for recovery plans

Third comparative [report](#) to identify the crucial elements that should be considered when designing recovery plans. Some plans remain at a less advanced stage.

- EBA on asset encumbrance in EU banking institutions in 2015

Second annual [report](#) finds no significant increase in the level of asset encumbrance in EU banking institutions. However, a wide dispersion across institutions and countries remains.

- EC on market manipulation and tax transparency

i) New [rules](#) to increase investor protection and confidence took effect on 3 July, ii) next steps to increase [tax transparency](#) and tackle tax abuse.

- EC adopts new rules on the content and methodology of the KIDs

The [Key Information Documents](#) will have to be provided to [retail](#) consumers investing in some products to [explain](#) main characteristics in a comprehensible form (as of 31 Dec 2016).

- The SRF now has €10 bn in contributions

On 30 June 2016 the [SRB](#) collected €6.4 bn in contributions to the Single Resolution Fund (SRF) from 4,000 banks. In 2015, the SRF had already collected €4.3 bn.

- [ESMA on reporting obligations under MiFIR and on alternative performance measures](#)

Two [amendments](#) for the identifiers for natural persons to be used in transactions reports, and reminds issuers that alternative performance measures guidelines [apply](#) from 3 Jul.

- [EIOPA on market conduct and personal pension products](#)

i) Thematic [review](#) aimed at identifying potential sources of consumer detriment and ii) advice on the further development of a single EU market for [personal pension products](#).

- [EIOPA consults on IDD and updates information to calculate RFR term structures](#)

i) [Consultation](#) on technical advice to EC on possible delegated acts concerning the Insurance Distribution Directive. Deadline: 3 Oct. 2016 ii) [updates](#) representative portfolios to calculate volatility adjustments to relevant risk-free interest rate term structures for Solvency II.

- [ESAs send joint letters on risk mitigation techniques for OTC and on PRIIPs](#)

[Letter](#) to the Commission on the delayed adoption of the RTS on risk mitigation techniques for OTC derivatives and another [letter](#) to the Parliament and the Council on the supervisory convergence work on PRIIPs.

- [Published in OJEU Regulations, Implementing and Delegated Regulations, and a Directive](#)

i) Regulation amending MiFIR, MAR and CSDR on improving [securities settlement](#) in the EU, and Regulation amending CRR on exemptions for [commodity dealers](#) ii) implementing regulations on ITS on public [disclosure](#) and on [resolution](#) plans iii) delegated regulation on [buy-back programmes](#) and stabilisation measures iv) Directive amending [MiFID II](#).

## UNITED KINGDOM

- [BoE and PRA release their respective annual reports and two other important documents](#)

The Financial Stability [Report](#) points out that some risks are materialising and that there is going to be a period of uncertainty and adjustment. The FPC reduces the UK countercyclical capital buffer from 0.5% to 0% of banks' UK exposures. Links to BoE's & PRA's [Annual Reports](#) and to PRA's [statement](#) on adjustments to firms' PRA buffers.

- [PRA publishes first annual competition report](#)

Produced as a response to a Government request to set out the steps that [PRA](#) is taking to drive more competition and innovation in financial services markets.

- [PRA policy statement on ensuring operational continuity in resolution](#)

The policy [statement](#) provides feedback to responses to a previous consultation paper and sets out final rules for implementing the proposals on operational continuity.

- [HM Treasury issues an advisory notice on money laundering and terrorist financing controls](#)

The [notice](#) lists a number of jurisdictions, some to be considered as high risk regarding money laundering, and others for actions to be taken to minimise risks.

- [FCA releases changes to guidance on implementation of MAR](#)

The [policy statement](#) brings some changes to the Decision Procedure and Penalties manual and the Enforcement Guide. The Market Abuse Regulation came into force on 3 Jul.

## SPAIN

- [CNMV on MAR and on counselors' and managers' operation reporting obligation](#)

It [releases](#) market prospectations and [updates](#) the information under the new MAR framework. It reduces, for listed companies, the [notification period](#) to a maximum of 3 days since the operation date.

Recent publications of interest (in English and Spanish):

- [Flash](#). EBA clarifies use of 2016 EU-wide stress test results in the SREP process
- [Regulation Watch](#). Setting a limit to leverage in banking. May 2016
- [Financial Regulation Outlook](#). June 2016
- [Digital Economy Outlook](#). June 2016

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

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