

## Financial Regulation: Weekly Update. 9 September 2016

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### GLOBAL

- ISDA launches standard for calculating margins

This is an industry [standard methodology](#) widely adopted by market participants to calculate the margin for non-cleared derivatives trades.

- G20 Leaders' Communique Hangzhou Summit

It [claims](#) that growth must be supported by an efficient financial architecture. The G20 will continue to monitor the financial system to address emerging risks and vulnerabilities.

### EUROPE

- ESAs publish report on risks and vulnerabilities in the EU financial system

[Focus](#) on low growth and low yield environment and potential effects on profitability and asset quality. Highlights concerns regarding the interconnectedness of EU financial system.

- Delegated Regulation published in the OJEU

Regarding [regulatory technical standards](#) for the methodology for setting the minimum requirement for own funds and eligible liabilities. Entry into force: 23 Sep.

- EBA publishes report on Core Funding Ratio (CFR) and Net Stable Funding Ratio (NSFR)

[States](#) that CFR is not a good alternative to the NSFR for measuring funding risk. CFR does not look at the whole balance sheet, hence it does not assess the potential funding gap.

- EBA updates its Common Equity Tier 1 (CET1) list

[Updates](#) the list of instruments that Competent Supervisory Authorities have classified as CET1. New instruments included as they comply with Capital Requirements Regulation.

- ECB publishes list of EU supervised entities

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

- EIOPA launches survey under Article 30(7) of the Insurance Distribution Directive

Article 30(7) requires EIOPA to develop Guidelines for the assessment of insurance-based investment products that might be difficult for customers to understand. Deadline: 25 Sep.

- EIOPA publishes updates to Solvency II

i) Monthly [update](#) of the symmetric adjustment of the equity capital charge for Solvency II and ii) monthly technical [information](#) on relevant risk-free interest rate term structures.

## UNITED KINGDOM

- PRA publishes policy statement on the definition of credit unions

This [policy statement](#) provides feedback on a previous consultation and sets out final amendments to the definition of “credit unions” in the PRA Rulebook Glossary.

- FCA consults on Pension Wise standards

Seeks comments on [proposed changes](#) to the standards applied to Pension Wise designated guidance providers. Deadline: 4 Oct.

## SPAIN

- BdE publishes note on public support for restructuring the Spanish banking system

It [reports](#) on the repayment of aid granted in the form of capital injections, deposit insurance scheme’s contributions, guarantees, extraordinary loans, and contributions to the FROB.

- BdE publishes survey on the currency and OTC markets in Spain

A triennial [survey](#) of the overall trading volume of the currency and OTC markets. Both markets showed a decrease compared with the figures from the last survey in 2013.

## UNITED STATES

- Federal Reserve approves final policy statement on Countercyclical Capital Buffer

Provides [background](#) on the range of financial-system vulnerabilities and other factors the Board may take into account as it evaluates settings for the buffer.

- Agencies issue study on banking activities and investment

This [report](#) considers: i) type of permissible activities and investments, ii) the risks associated to those activities and iii) risk mitigation activities undertaken by banking entities.

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](#). July 2016.
- [Digital Economy Outlook](#). July 2016

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

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