

Financial Regulation: Weekly Update. 1 April 2015

Lucía Pacheco Rodríguez / Pilar Soler Vaquer

EUROPE

- SSM presents its annual report

It acknowledges the main challenges of the year: harmonising supervisory practices; tracking the results of the comprehensive assessment and the effective roll out of the SSM. Full report

- ECB and BoE enhance financial stability in centrally cleared markets in the EU

They have agreed on more extensive information exchange and cooperation regarding central counterparties (CCPs) and have extended the scope of their standing swap line.

- ECB and BoE publish their response to the EC's consultation document on securitisation

They manifest their support for establishing a European framework for simple, transparent and standardised securitisations. Consultation open to: 13 May.

- ECON reduces conflicts of interest in setting benchmarks

ECON has backed a draft law to set the benchmarks used in mortgages, bonds and other securities. Next step: EP voting.

- ESMA updates and sends to EC the implementing and regulatory technical standards for MiFID

It has issued an update for EC of standards sent in January on the assessment of acquisitions and increases in qualifying holdings in investment firms (resulting from the prior publication of a corrigendum to MiFID).

- EIOPA publishes two consultations, technical assessment and a coordination agreement

It is consulting on: i) infrastructure investments by insurers and ii) implementing technical standards on information exchange between supervisors. Open to: 26 Apr and 30 Jun. It advises the EC on recovery plans and financing schemes which insurers must provide if they do not comply with the solvency and minimum capital required under Solvency II and announces a coordination agreement for colleges of supervisors of insurance groups with internal models.

UNITED KINGDOM

- BoE publishes details of 2015 stress test

The [new features](#) include: a global recession scenario which particularly affects Asia and the eurozone, and the slowdown of the British economy. In the stress scenario, the capital adequacy thresholds are 4.5% CET1 ratio and 3% Tier 1 leverage ratio.

- [Treasury consults on transposition of MiFID II](#)

It [contains](#) the government's approach for transposing MiFID II by 3 July 2016. It seeks views on proposed elements and legislative amendments. Open to: 18 Jun.

- [FCA consults on remuneration in the financial sector](#)

[Revised guidance](#) on compliance with the Remuneration Code on ex-post risk adjustment applicable to variable remuneration. Open to: 7 May.

- [FCA on implementation of MCD and second mortgages](#)

Final rules published for implementing the [Mortgage Credit Directive](#) (MCD) and the new regime for second charge mortgages, incorporating feedback received. Comes into force: 21 Mar 2016.

- [Foreign exchange committees revise recommendations for a well-functioning global market](#)

The eight committees in the major financial centres released their [best practice](#) code and their shared global principles, at their annual meeting.

GLOBAL

- [FSB increases its participation in emerging markets in its plenary session](#)

The ministries of finance for Argentina, Indonesia, Saudi Arabia and Turkey and the South African Reserve Bank were welcomed as members of the FSB [plenary](#), and implementation issues were discussed.

Recent publications of interest (in English and Spanish)

- [Regulation Outlook](#). March 2015
- [Regulation Watch](#): Completing banking union
- [Regulation Watch](#): TLAC QIS: the next milestone in designing the optimal loss-absorbing framework
- [Regulation Flash](#): First step towards a Capital Markets Union
- [Banking Outlook](#). Primer Trimestre 2015 (in Spanish only)

Earlier editions of our Financial Regulation: Weekly Update in [Spanish](#) and in [English](#).

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