

Financial Regulation: Weekly Update. 31 July 2015

Lucía Pacheco Rodríguez / Arturo Fraile Izquierdo / Santiago Muñoz Trujillo

SPAIN

- Ministry of Economy on information and classification obligations for financial products

Sends [Draft Ministerial Order](#) to Council of State for customers to be aware of risks which products entail and choose on the basis of their preferences. Enters into force: three months after publication in the Official State Gazette (BOE).

- Bank of Spain on financial regulation in its Economic Bulletin

[Highlights](#): law on recovery and resolution, European regulations on equity capital, supervision fees, EU long-term investment funds, interchange fees regulation and law on promoting business finance.

- Bank of Spain publishes annual report on payment systems oversight in 2014

[Informs](#) on TARGET2-Banco de España, national electronic settlement system, payment instruments, securities infrastructures and its regulatory development and oversight framework.

EUROPE

- EBA consults on deposit guarantee schemes

[Guidelines on cooperation agreements](#) to be established by guarantee schemes to ensure their effectiveness when entities fail. Open to: 29 Oct.

- EBA publishes metrics and information on 37 global systemically important institutions (G-SII)

[EU institutions](#) whose leverage ratio exposure measure exceeded EUR200bn in 2014. FSB and BCBS will publish results from the G-SIB exercise in Nov.

- ESMA consults on guidelines for remuneration policies under UCITS and AIFMD

To [protect](#) the interests of investors regarding holdings in Undertakings for Collective Investment in Transferable Securities (UCITS) and the Alternative Investment Fund Managers Directive (AIFMD). Open to: 23 Oct.

- ESRB publishes two reports on EMIR

Efficiency of [margin requirements](#) to limit pro-cyclicality and the need to define additional intervention capacity and [additional topics](#) for consideration (besides margining requirements).

- ESMA publishes report on prospectus activity within the European Economic Area (EEA)

On processes for approving [prospectuses](#) and the structure and content of prospectuses approved. Identifies a slowdown in the decline in prospectus activity in 2014.

UNITED KINGDOM

- UK Treasury consults on implementing interchange fee regulation

To establish a [regulatory regime](#) to supervise compliance with regulation and the exercising of national discretions that are allowed. Open to: 29 Aug.

- PRA publishes statements on bank and insurance solvency

i) New approach to [setting Pillar 2](#) capital requirements for the banking sector which clarifies the role of supervisory judgement and own capital assessments, and ii) treatment of [sovereign risk](#) in internal model under Solvency II.

- FCA publishes thematic review of benchmarks

[Presents](#) the findings from the work by firms on oversight and controls in relation to financial benchmarks, and indicates the need for substantial further work.

- FCA publishes on complaint handling, risks and fair treatment for consumers

(i) [Final rules](#) on handling complaints and call charges; (ii) [finalised guidance](#) on risks to customers from the management of firms' results and (iii) [review](#) of fair treatment for consumers who suffer unauthorised transactions.

UNITED STATES

- FED and FDIC publish updated resolution plan template

[To be used](#) by 119 firms with consolidated assets of between USD 50bn and 100bn, which will re-submit their plans before 31 Dec 2015.

- Treasury seeks public comments on online marketplace lenders

[Analyses](#) business models and products, industry potential to expand access to credit and adaptation of financial regulation to guarantee security. Open to: 31 Aug.

GLOBAL

- [FSB publishes its second annual report \(Apr 2014 - Mar 2015\)](#)

[Highlights](#) advances in achieving more resilient institutions and markets, ending “too big to fail”, preventing regulatory arbitrage, and addressing evolving risks and vulnerabilities.

- [FSB and IOSCO on progress in implementing derivatives market regulation](#)

[FSB](#) publishes its ninth progress report on OTC derivatives market reforms. [IOSCO](#) releases thematic review of progress in regulation of derivatives market intermediaries (DMIs).

- [FSB on identifying non-bank, non-insurer global systemically important financial institutions](#)

[Postpones](#) conclusion of the methodology to Spring 2016. Will finalise the work on financial stability risks from asset management activities beforehand.

- [BCBS creates Foreign Exchange Working Group to strengthen code of conduct and principles](#)

Under auspices of the Markets Committee, and seeks to achieve [greater commitment](#) by covering all parts of the global wholesale FX market considering local circumstances.

Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook](#) July 2015
- [Digital Economy Outlook](#). July - August 2015
- [Regulation Flash](#): The leverage ratio as a macroprudential tool
- [Regulation Watch](#): EU loss-absorbing capacity requirement
- [Situación Banca](#). Segundo Trimestre 2015

Previous Weekly Regulation Updates in [Spanish](#) and in [English](#).

This document has been prepared by BBVA Research Department, it is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance. This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

In regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions in the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. It is forbidden its reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process, except in cases where it is legally permitted or expressly authorized by BBVA.