

# Financial Regulation: Weekly Update. 25 September 2015

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## GLOBAL

- FSB and OECD send reports to G20 central bank governors and finance ministers

FSB [reports](#) on: i) vulnerabilities in the financial structure of the real sector, ii) annual review of the G20 data gaps initiative and iii) addressing data gaps involving foreign currency exposures. OECD defines [principles](#) for sound corporate governance.

- FSB, BCBS, CPMI and IOSCO publish progress report and joint workplan regarding CCPs

The [objective](#) is to improve [resilience](#), recovery plans and resolvability of [central counterparties](#) (CCPs). Conclusion expected at the end of 2016.

- BCBS publishes 64 responses received to the consultation on IRRBB

Financial associations, global banks and certain individuals [commented](#) on the consultation of June 2015 regarding interest rate risk in the banking book (IRRBB).

- ISDA launches initiative for a derivatives product identification standard

To achieve [consistent global and comprehensive application](#) of derivative instruments that enable complexity and costs for market participants to be reduced.

## EUROPE

- EBA consults on defining default under the solvency rules

[Harmonised definition](#) to improve consistency regarding regulatory capital ratios and launch of a [study on its quantitative impact](#). Deadline: 22 Jan 2016.

- Banco de Portugal notifies the ESRB that it will implement a capital conservation buffer with no phase-in

From [1 January 2016](#), portuguese banks will have to comply with the additional CET1 capital requirement of 2.5%.

- ESRB publishes EU risk dashboard

The markets considered that [systemic risk](#) diminished in 3Q15. [Market conditions](#) remained favourable and the banks continued to improve profitability levels.

- [EC consults on digital single market standards](#)

In relation to various areas of technology to set a [priority plan](#). Deadline: Dec 16.

- [Meeting of EU and US representatives in a Financial Markets Regulatory Dialogue](#)

Among [subjects discussed](#) were the capital markets union, derivatives, banking and fund regulation, benchmarks, banking resolution and central counterparty resolution.

- [ECB on the use of CCPs and payment systems and settlement supervision](#)

Publishes [standards](#) for using central counterparties in foreign reserve management operations and informs on [supervisory](#) duties with respect to payments systems, settlement, CCPs, trade repositories and other non-banking institutions.

- [ESMA updates organigram to support its 2016-20 strategic orientation](#)

Highlights [three departments](#): i) Supervision (integrates credit rating agencies and trade repositories), ii) Risk Analysis and Economics, and iii) Corporate Affairs. [Effective](#) from Nov 16.

- [ESMA publishes draft ITS on penalties and measures under UCITS V](#)

Indicates [how](#) to send information on holdings in Undertakings for Collective Investment in Transferable Securities (UCITS). Application expected from March 18, 2016.

- [Five EC legislative documents published in the EU's Official Journal](#)

Delegated regulations: i) technical standards on equity exposures using the [IRB](#) method, ii) disclosure regarding the [counter-cyclical capital buffer](#) by institutions, and iii) use of the European Fund for Strategic Investments ([EFSI](#)). Corrigenda: extension of [transitional periods](#) for requirements for own funds and [loan agreements](#) for real estate.

## SPAIN

- [CNMV consults on reporting obligations for securitisation funds](#)

Content, format and other conditions for preparation and publication with regard to [financial and accounting reporting obligations](#) established under Law 5/2015. Deadline: Oct 13 .

## UNITED KINGDOM

- [Guidance on ring-fencing implementation and transfer schemes](#)

[PRA](#) and [FCA](#) consult on implementation of ring-fencing and Ring-fencing Transfer Schemes to facilitate business restructure to comply with the ring-fencing requirements in 2019. Deadline: Oct 30.

- Other news regarding the FCA, PRA and the Payment Services Regulator (PSR)

i) FCA and PRA [consult](#) on the accountability regime for depositories, insurers and investment firms (deadline: Oct 19); ii) FCA and PSR appoint [new members](#) to four decision-making committees.

## UNITED STATES

- FSOC consults on asset management products and services

Asks whether they pose [potential risks](#) for the financial system with regard to liquidity, redemptions, leverage, operational functions and resolution. Deadline: 60 days from publication (Nov 21).

- News on virtual currency regulation

[CFTC](#) declares that bitcoin and other virtual currencies are commodities. Conference of State Bank Supervisors ([CSBS](#)) publishes [regulatory framework](#) for virtual currencies.

- SEC and FINRA publish on liquidity risk management

i) [SEC](#) consults on new [regulation and amendments](#) for investment funds and Exchange Traded Funds (ETFs). Deadline: 90 days from publication; and ii) [FINRA](#) issues [guidance](#) on increasing investor protection  
Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook](#) September 2015
- [Digital Economy Outlook](#). September 2015
- [Regulation Flash](#): The leverage ratio as a macroprudential tool
- [Regulation Watch](#): EU loss-absorbing capacity requirement
- [Banking Outlook](#). September 2015

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

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