

Financial Regulation: Weekly Update. 18 November 2016

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GLOBAL

- FSB publishes the work plan for 2017

Main **issues**: market development and vulnerabilities, G-SIFIs update, CCPs, asset management vulnerabilities, correspondent banking, misconduct, climate-related financial disclosure, implementation and effect of reforms, shadow banking, and FinTechs.

EUROPE

- ECB consults on guidelines for the fit and proper assessments of board members

Explains supervisory criteria and procedures for determining suitability of bank board members. Deadline: 20 Jan 2017.

- EBA consults on revised standards on supervisory reporting

Proposes new reporting requirements on sovereign exposures and changes to requirements regarding operational risk reporting. Deadline: 7 Jan 2017.

- EBA consults on PD and LGD estimation and treatment of defaulted assets

Details estimation of PD and LGD parameters, including specification of definitions, requirements for data used and clarifications on modelling techniques. Deadline: Feb 2017.

- EBA consults on the review of the maturity ladder for liquidity reporting

Proposes to **review** its ITS to improve monitoring. It has reduced some required detail on assets and made it more consistent with the LCR requirements. Deadline: 2 Jan 2017.

- ESMA asks for a delay of central clearing for small financial counterparties

Publishes **final report** in which it proposes to prolong by 2 years the phase-in for financial counterparties classified in category 3 under EMIR.

- ESMA publishes final report on guidelines for validation and review of CRA methodologies

The objective of the [guidelines](#) is to clarify how Credit Rating Agencies evaluate their methodologies. Focuses on discriminatory and predictive power, and historical robustness.

- OJEU publishes guidelines from the ECB

i) On the recognition of institutional [protection schemes](#) for prudential purposes by national competent authorities, and ii) on the coordination of the [assessment and monitoring](#) of institutional protection schemes including significant and less significant institutions.

UNITED KINGDOM

- PRA publishes policy statements on credit unions and forecast capital data

i) Provides feedback to consultation on [credit unions'](#) regulatory reporting. Sets final rules on frequency and format of reporting requirements, and ii) provides feedback to consultation on [forecast capital data](#). Contains final rules, templates and instruction for new requirements.

- FCA publishes results for its asset management market study

Results suggests that there is [weak price competition](#) in a number of areas of the asset management industry. Proposes a package of remedies to solve this problem.

- FCA publishes rules for the sale of the "Lifetime ISA" (LISA)

Outlines its proposed approach to [regulating](#) the promotion and distribution of LISA (a product designed to save or invest flexibly). These new rules will help to protect consumers.

- FCA introduces cap on early exit pension charges

Announced its final rules on capping early exit charges for consumers eligible to access the government's [pension reforms](#) from age 55.

UNITED STATES

- FDIC Board approves recordkeeping requirements to facilitate rapid payment of deposits

Requires institutions with more than 2 million deposit accounts to maintain [accurate data](#) on each depositor, in order to guarantee repayment within 24 hours of failure.

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

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

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