

Financial Regulation: Weekly Update. 9 December 2016

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GLOBAL

- G20 publishes priorities for 2017

The agenda has 3 main points: i) building resilience, ii) improving sustainability, iii) assuming responsibility. The summit will take place in Hamburg on 7 and 8 July 2017.

- Financial Stability Institute (FSI) publishes its programme for 2017

The main activities are: i) high level meetings with senior officials, policy implementation meetings, ii) FSI Connect, iii) policy implementation analysis, iv) fellowship programme.

EUROPE

- EBA consults on Guidelines on the reporting of operational or security incidents under PSD2

Guidelines in support of the objectives of the PSD2 of strengthening the integrated payments market throughout the European Union. Deadline: 7 March 2017.

- EBA publishes its ninth report on risks and vulnerabilities in the EU banking sector

Identifies as the key challenges: the persistently high levels of non-performing loans (NPLs) and sustained low profitability. Operational risks are on the rise and volatility remains high.

- ECB adjust parameters of its asset purchase programme (APP)

Purchases of securities under the APP with a yield to maturity below the interest rate on the ECB's deposit facility will be permitted to the extent necessary.

- ECB Eurosystem introduces cash collateral for PSPP securities lending facilities

Eurosystem central banks will be able to also accept cash as collateral in their PSPP securities lending, without having to reinvest it in a cash-neutral manner.

- EC welcomes agreement to give companies easier access to capital markets

Prospectus directive review rules that support companies raising money on capital markets to invest and grow, its part of the EU Capital Markets Union

- EIOPA harmonises EU-wide reporting formats

Implements XBRL as the standard for reporting data between EIOPA and NCAs. Also EIOPA develops the Data Point Model (DPM) to develop an IT reporting solution.

- EIOPA starts the Solvency II review process and addresses key financial stability risks

i) consults on the [solvency capital requirement](#) standard formula, aims to ensure a proportionate but technically robust, risk sensitive and consistent supervisory regime. ii) the keys are: geopolitical risks and the [low interest rate](#) environment.

UNITED KINGDOM

- FCA proposes stricter rules for Contract for Difference products

Stricter rules for firms selling 'contract for difference' (CFD) products to retail customers to improve standards in the sector and ensure the protection of customers

- FCA publishes interim feedback following a call for input about crowdfunding rules

Updates on the post-implementation review of the loan-based and investment-based [crowdfunding market](#). New rules to be considered in Q1 2017.

- PRA approach to the implementation of the systemic risk buffer

Financial Policy Committee (FPC) to establish a [framework](#) for an Systemic Risk Buffer (SRB) that applies to large building societies and ring-fenced bodies.

- PRA provides information on 2016 Stress Test

[Provides](#) a macroeconomic scenario to guide firms in designing Pillar 2 capital planning stress tests. Also, the PRA publishes the Key Elements of the 2016 stress test scenario.

UNITED STATES

- CFTC Approves proposed rules about Swaps and re proposes position limits rule

i) the rules propose minimum levels of qualifying capital for [SDs and MSPs](#) that are not subject to the capital rules of a prudential regulator. ii) re propose regulations implementing [limits](#) on speculative futures and swaps positions as called for in the Dodd-Frank act.

Recent publications of interest (in English and Spanish):

- [Flash](#). Global | 2016 G-SIBs List. November 2016
- [Regulation Watch](#). New package of banking reforms. November 2016
- [Regulation Watch](#). Europe: TLAC implementation and MREL review. November 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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