

## Financial Regulation: Weekly Update. 7 April 2017

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### GLOBAL

- [BIS issues final guidance on the prudential treatment of problem assets](#)

The [guidelines](#) include harmonised definitions for “non-performing exposures” and “forbearance” and aim at complementing the existing accounting and regulatory framework.

- [IOSCO approves standards for cross-border enforcement cooperation](#)

The [standards](#) offer securities regulators new enforcement powers to safeguard the stability of financial markets, while protecting depositors and preventing fraud and misconduct.

### EUROPE

- [EBA issues guidance on bail-in under the BRRD](#)

It [publishes](#) 3 sets of guidelines to facilitate the use of bail-in: i) on conversion rates, ii) treatment of shareholders, and iii) treatment of AT1 and T2 instruments in bail-in.

- [EBA updates risk Dashboard](#)

It [summarises](#) the main risk and vulnerabilities in 4Q2016. Highlights the increase in CET1, but warns against still high levels of NPL, and low profitability in the sector.

- [ESMA issues opinion on draft regulation on CCP recovery and resolution](#)

It [welcomes](#) the Commission's proposed regulation on CCP recovery and resolution and proposes a few amendments.

- [ESAs consult on draft guidelines to prevent terrorist financing and money laundering](#)

They seek to [foster](#) a common approach to AML/CFT and establish a common understanding of payment service providers' obligations in this area. Deadline: 5 June.

- [ESMA issues guidance regarding MiFID II and MiFIR implementation](#)

It [explains](#) the functioning of Organised Trading Facilities. It also clarifies activities of Systematic Internalisers.

- [ESMA issues final guidelines regarding circuit breakers under MiFID II](#)

The report contains the calibration of [circuit breakers](#), and issues regarding the publication of trading halts under MiFID II for trading venues.

- [ESMA publishes report on shareholder identification and communication systems by issuers](#)

It [finds](#) that there is need to further harmonise: i) shareholder identification processes, ii) key aspects of the transmission of information, and iii) communication formats.

- [ESMA publishes supervisory briefing on the application of Credit Rating Agency regulation](#)

It [seeks](#) to help sectoral Competent Authorities with supervision and enforcement of certain provisions, promoting convergence and support for the use of smaller CRAs.

- [ESMA publishes responses to consultation on transfer of data between TDs](#)

[Feedback](#) will be used to finalise the guidelines on Trade Repositories. Draft guidelines expected by the 3Q2017.

- [ESMA publishes response to Capital Markets Union \(CMU\) mid-term review](#)

It [supports](#) initiatives to accelerate the CMU and improve funding and growth on the EU. Presents suggestions on supervisory convergence, financial data, SMEs and crowdfunding.

- [Council of the EU adopts directive regarding shareholders rights](#)

In order to strengthen shareholders' rights, the new [requirements](#) apply to transparency, identification of shareholders, and the transmission of information, among other things.

- [ESMA updates Q&As regarding MiFID II / MiFIR and EMIR](#)

i) On [investor protection](#) under MiFID II / MiFIR, ii) On MiFIR [data reporting](#), and iii) on the validation rules for reporting [under article 9](#) of EMIR.

- [EIOPA publishes new set of Q&As](#)

i) On [templates](#) for submission of information; ii) procedures and templates for solvency and financial condition reports; iii) classification of own funds; and iv) public disclosures.

- [OJEU publishes regulatory technical standards under MiFID II and MiFIR \(level II\)](#)

[Following](#) Directive 2014/65/EU of the EP and the Council with regard to the RTS for the admission of financial instruments to trading on regulated markets.

## UNITED KINGDOM

- FCA publishes near final rules on MiFID II

These rules [include](#) changes regarding trading venues, transparency and high frequency trading. Final rules covering all remaining issues are expected by June.

- HM Treasury issues regulatory innovation plan

It presents [actions](#) that financial services regulators undertake in order to create a supportive regulatory framework for new business models and disruptive technologies.

Recent publications of interest (in English and Spanish):

- [Financial Regulation Outlook](#). April 2017
- [Press Article](#). Creating Green Opportunities. March 2017
- [Press Article](#). Shadow banking: time to step out into the light. March 2017
- [Regulation Watch](#). White Paper on the future of Europe. March 2017
- [Regulation Watch](#). New package of banking reforms. November 2016
- [Digital Economy Outlook](#). January 2017

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

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