

## Financial Regulation: Weekly Update. 2 June 2017

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### EUROPE

- EC publishes a Reflection Paper on the future of the Economic and Monetary Union

Proposals on: Banking union and CMU, centralised supervision in markets and insurance, safe bonds, banks' sovereign holdings regulation, fiscal stabilization, and European Treasury.

- EP, EC & Council reach agreement on the securitisation market and Venture Capital

i) It sets the risk retention requirement at 5%, increases market transparency, and prevents conflicts of interest with third parties, improving authorisation process; ii) Agreement on new regulation for EuVECA and EuSEF funds in order to boost venture investment in the EU.

- ECB publishes letter on IFRS 9 transitional arrangements

It prefers a static approach over a dynamic one for the design of transitional arrangements. Also, it states that further adjustment to the CRR should be done to avoid double counting.

- ECB consults on the review of Regulation on supervisory fees

It seeks feedback on possible improvements on the methodology and criteria for calculating the annual supervisory fee. Deadline: 20 Jul.

- EC agrees in principle on Monte dei Paschi's preventive recapitalisation

The agreement is subject to several conditions, among which that the ECB confirms that MPS is solvent, and that the bank disposes of its NPL portfolio on market terms.

- ESAs publish their responses to the consultation on their future

EBA, ESMA and EIOPA have published their replies to the Commission's consultation on the future of those three European Supervisory Agencies.

- ESAs consult on strengthening group-wide ML/TF risk management

RTS to manage money laundering and terrorist financing risks where a third country's law prevents implementation in their branches or subsidiaries.†Deadline: 11 Jul.

- ESMA consults on measure for CCPs to manage conflicts of interest

[Sets out criteria](#) that CCPs should apply to mitigate the risks of conflicts of interest and ensure a consistent implementation across CCPs. Deadline: 24 Aug.

- ESMA issues final Implementing Technical Standards (ITS) on MAR

These ITS set out how national competent authorities [should cooperate with each other](#) under the Market Abuse Regulation (MAR). Commission has 3 months to approve these ITS.

- ESMA publishes opinion on the supervisory approach to relocations from the UK

In order to foster [consistency](#), it sets out general principles to be followed by National Competent Authorities to authorise and supervise entities relocating from the UK.

- ESMA issues opinions regarding the implementation of MiFID II and updates Q&As

i) Both opinions [help to clarify](#) transparency and position limit regimes for instruments traded on non-EU trading venues; ii) [Updates questions](#) regarding: algorithmic trading, extension of MiFID I waiver, SI regime, commodity derivatives and non-equity instruments.

- ESMA issues new guidelines about CSDR and reporting templates and updates Q&As

i) Issues [details on implementation](#) of Central Securities Depositories Regulation (CSDR), clarifies scope of data to be reported for the calculation of indicators; ii) Includes [issues](#) on investment policy, access, and conditions to provide services in other Member State.

- ESMA registers a new trade repository

It [registers](#) Bloomberg Trade Repository Ltd. as a trade repository under EMIR from 7 June 2017. Derivatives covered: commodities, credit, FX, equities and interest rates.

- ESMA updates list of recognised third-country CCPs

Adds New Zealand Clearing Limited to the [list of third-country CCPs](#). There are 29 recognised CCPs that offer services and activities in the Union.

- ESMA launches data submission under Market Abuse Regulation (MAR) and updates Q&As

i) [Announces](#) that its IT system for the collection of financial instrument reference data under MAR will become operational starting from 17 July 2017; ii) Includes [new answers](#) regarding the disclosure of inside information and blanket cancellation of orders policy.

- OJEU issues commission's delegated regulation 2017/867 under BRRD's art.76

To [protect arrangements](#) during the partial transfer of assets, rights and liabilities of an institution under resolution. Entry into force: 9 Jun.

## SPAIN

- BdE publishes its Annual Report

In spite of its [strong solvency](#) position, the report highlights the financial sector's low profitability as a potential source of risk for the economy.

## UNITED KINGDOM

- PRA publishes updates on submission systems and levies for the FSCS

i) Update [regarding](#) submission system, templates, and instructions for Capital+ reporting; ii) Informs of adjustments to [risk-based levies](#) for the Financial Services Compensation Scheme.

## UNITED STATES

- FRB announces final amendments to Regulation CC

[Seeks to](#) create a framework for electronic cheque collection and new warranties for electronic cheques, that will result in consistent warranty chain regardless of their form.

- Federal agencies issue advisory on appraiser availability

[They](#) point to two alternatives to help in areas facing shortage of appraisers: i) temporary out-of-state practice permits or ii) temporary waivers to certification of individuals.

- FRB announce schedule for results from Dodd-Frank Act stress test and CCAR

[The results](#) will be released on June 22, and the Comprehensive Capital Analysis and Review (CCAR) will be released on June 28.

Recent publications of interest (in English and Spanish):

- [Regulation Watch](#). Reflection paper on the future of the Eurozone. June 2017

- [Press Article](#). Brexit storm clouds. May 2017
- [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
- [Digital Economy Outlook](#). January 2017

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