

# Financial Regulation: Weekly Update. 30 June 2017

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## GLOBAL

- [BCBS consults on a simplified alternative to market risk standardised approach](#)

Sets out a [simplified](#) alternative to the sensitivities-based method, which is the primary component of the standardised approach. Deadline: 27 Sept.

- [FSB issues report on the financial stability implications of FinTech](#)

[Report](#) analyses the use of technology enabled innovation in financial services and potential financial stability issues. Three priority areas for international cooperation are identified.

- [FSB Task Force on Climate-related Financial Disclosures releases final recommendations](#)

It [presents](#) its final report for helping businesses with disclosure of climate-related financial information. Support docs: i) Annex; ii) Technical supplement; iii) Changes and clarifications.

- [BIS & IOSCO consult on harmonisation of OTC derivatives data elements](#)

Framed within the commitment to report [OTC derivatives](#) contracts to trade repositories to increase transparency, mitigate systemic risk and prevent market abuse. Deadline: 30 Aug.

- [FSB issues reports on OTC derivative market reforms](#)

These three reports set out the [progress](#) on the reforms on the OTC market. They look at the effectiveness of the reforms and their broader effects.

## EUROPE

- [ECB, SRB & EC liquidate Veneto Banca and Banca Popolare di Vicenza](#)

[ECB](#) declares them failing or likely to fail due to breaches in capital requirements. [SRB](#) determines they are not to be resolved as they are not systemic. [EC](#) authorises the use of State Aid to support the sale of parts of these banks.

- [EC issues proposal for Regulation on pan-European personal pension products \(PEPPs\)](#)

[PEPPs](#) are voluntary products aimed at increasing options for savers to put money aside for retirement. They will have same standard features wherever they are sold in the EU.

- [ESAs publish AML/CFT final guidelines, and central contact point \(CCP\) standards](#)

i) [Guidelines](#) on anti-money laundering and countering financing of terrorism to promote a common understanding of the risk-based approach to AML/CFT, and ii) Draft RTS to [determine](#) when payment service providers should use a CCP for AML/CFT purposes.

- [ESMA issues final guidelines on trading halts under MiFID II](#)

Aimed at calibrating [trading halts](#) that Member States can require regulated markets to apply when there is significant price movement in a financial instrument.

- [EBA publishes reports on consumer data and on consumer trends](#)

i) Identifies risks and benefits of innovative uses of consumer [data](#) by financial institutions. No additional industry-specific legislation is needed, and ii) Main consumer [trends](#): mortgages have the biggest impact, indebtedness has increased, as well as fees and charges on payment accounts and loans.

- [EBA publishes opinion on EC's intention to amend RTS on PSD2](#)

While it [agrees](#) with the aim of EC's amendments, it disagrees with some of the means proposed to achieve that objective. It proposes alternative means to achieve these goals.

## SPAIN

- [BOE publishes RDL creating the senior non-preferred debt](#)

Spain has created a new category of senior [non-preferred](#) debt by means of Royal Decree-law 11/2017.

- [BdE maintains countercyclical capital buffer unchanged](#)

Based on [systemic risk](#) indicators, it decided to keep the countercyclical capital buffer at 0% during 3Q17 for credit exposures in Spain.

## UNITED KINGDOM

- [PRA consults on changes to the UK leverage ratio framework](#)

Proposes to [exclude](#) claims on central banks from the leverage exposure, while increasing the minimum requirement from 3% to 3.25%. Deadline: 12 Sep.

- [BoE increases countercyclical capital buffer](#)

The Financial Policy Committee [decided](#) to increase the countercyclical capital buffer from 0% to 0.5%. It is expected to increase it to 1% in the November meeting.

- [PRA updates guidelines on regulatory reports, and Capital+ reporting requirements](#)

i) It includes the [updated](#) Notes for completing the Mortgage Lenders and Administrators Return, and ii) publishes [indicative](#) timetable of implementation activities for firms subject to Capital+ reporting requirements.

- [FCA publishes final report on the asset management sector](#)

It [proposes](#) remedies to address the main problems identified. These fall into three areas: protecting investors, increasing competition and improving intermediaries' effectiveness.

## UNITED STATES

- [FED releases results of Comprehensive Capital Analysis and Review \(CCAR\)](#)

It raised [no objections](#) to capital plans of any of the 34 bank holding companies participating in CCAR. However, one firm was asked to address weaknesses and resubmit by year end.

Recent publications of interest (in English and Spanish):

- [Regulation Watch](#). CMU Mid-Term Review Action Plan. June 2017
- [Regulation Watch](#). Reflection paper on the future of the Eurozone. June 2017
- [Press Article](#). Brexit storm clouds. May 2017
- [Financial Regulation Outlook](#). April 2017
- [Digital Economy Outlook](#). April 2017
- [Press Article](#). Creating Green Opportunities. March 2017

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

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