

Financial Regulation: Weekly Update. 14 July 2017

Matías Daniel Cabrera / Pilar Soler / Alvaro Romero
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EUROPE

- [Council of the EU sets out action plan for NPLs](#)

[Policies](#) to reduce stocks of NPL: i) bank supervision; ii) reform of insolvency and recovery frameworks; iii) development of secondary markets and; iv) restructuring of banking industry.

- [EC consults on secondary markets for NPLs and protection of secured creditors](#)

It seeks to [remove](#) obstacles to develop secondary markets for NPL, and start initiatives to strengthen creditors' ability to recover value from secured loans to corporates. Deadline: 20 Oct.

- [EBA updates impact and consults on guidelines of disclosure IFRS 9](#)

i) Second [impact](#) assessment confirms EBA's observations regarding stage of implementation and estimated impact on regulatory capital, and ii) consultation on uniform disclosure of [IFRS 9](#) transitional agreements. Deadline: 13 Sep.

- [EBA publishes Guidelines on Professional Indemnity Insurance under PSD2](#)

[Criteria](#) to stipulate minimum monetary amount of professional indemnity insurance or other comparable guarantee for payment initiation services and account information services.

- [ESMA consults on internalised settlement reporting and issues guidelines for CSDR](#)

i) It [clarifies](#) the scope of the data to be reported by settlement internalisers and the type of transactions and operations that should, or should not, be included. Deadline: 14 Sept, ii) seeks to [ensure](#) consistent, efficient and effective supervisory practices within the EU in respect of cooperation arrangements between supervisory authorities.

- [ESMA issues final standards for publication of derivatives data](#)

These RTS explains the [standards for aggregation and comparison](#) of aggregate position data across Trade Repositories, which is important for assessing risks.

- [ESMA reviews application of IFRS 13 fair value measurement requirements](#)

Assesses level of [compliance](#) and comparability among entities. IFRS 13 has been well incorporated in general, although there is room for improvement in areas such as disclosure.

- [EBA publishes data on Deposit Guarantee Schemes](#)

It seeks to [enhance](#) transparency on DGS schemes by disclosing information on: available financial means and covered deposits. The data will be updated annually.

- [ESMA issues opinion on sector-specific principles from relocations from the UK](#)

[The opinion](#) focuses on three specific areas: investment firms, investment management and secondary markets. Looks to facilitate supervisory convergence for companies relocating.

- [SRB publishes 2016 annual report](#)

[Highlights](#): progress made in developing resolution plans, establishing the Single Resolution Fund, and fostering cooperation within the Banking Union.

- [ESMA updates Q&A on investor protection and Alternative Performance Measures \(APM\)](#)

i) Updates MiFID II and MiFIR Q&A on [9 topics](#), ii) provides information on the [definition](#) and prominence of APMs and the use of the “compliance by reference” principle.

SPAIN

- [BdE consults on transparency of banking services and accountability in bank lending](#)

Draft [circular](#) aimed at updating certain references to Euribor and its administrator and due to its now being considered a “critical benchmark”. Deadline: 24 Jul.

- [CNMV extends the short-selling ban on Liberbank](#)

[The decision](#) was adopted following the evolution of the market price of their shares under the short selling regulation, and was agreed to by [ESMA](#). The ban is effective until 12 Sept.

UNITED KINGDOM

- [PRA consults on Pillar 2A capital and disclosure, and on Pillar 2 liquidity](#)

i) Seeks views on [proposed](#) adjustments to the Pillar 2A framework regarding ICAAP and SREP. Deadline: 12 Oct; ii) Seeks views on [proposals](#) regarding the cashflow mismatch risk frameworks and other issues regarding liquidity risk assessment. Deadline: 13 Oct.

- [FCA consults on the creation of new premium listing category](#)

It seeks [comments](#) on a proposal to create a new category regime for premium listing, for companies with sovereign countries as controlling shareholder. Deadline: 13 Oct.

Recent publications of interest (in English and Spanish):

- [Financial Regulation Outlook](#). July 2017
- [Press Article](#). The US reviews its banking regulation. July 2017
- [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

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

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