

Financial Regulation: Weekly Update. 8

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GLOBAL

- [GHOS announce agreement on outstanding elements of Basel III reform package](#)

An [agreement](#) was reached on shortcomings of the pre-crisis regulatory framework with the key objective of reducing excessive variability of risk weighted assets.

- [BCBS publishes cumulative quantitative impact study on reviewed Basel III accord](#)

On [average](#), the minimum required Tier 1 capital at the target level decreases by 0.5% for Group 1 banks and increases by 3.8% for Group 2 banks.

- [BCBS publishes discussion paper on regulatory treatment of sovereign exposures](#)

The Committee has [completed](#) its review and has not reached a consensus to make changes to the treatment of sovereign exposures. Paper is for longer-term discussions.

EUROPE

- [EC updates follow-up to the call for evidence and consults on supervisory reporting](#)

i) Discusses [progress](#) achieved in the different sections of the call for evidence and ii) consults on supervisory [reporting](#) with views to simplifying it in the future, Deadline: 28 Feb

- [SRB publishes its 2018 work plan](#)

SRB publishes its [work programme](#) for 2018 to 2020. Key objectives: completion or refinement of resolution plans and setting MREL for all major banks under its remit.

- [EBA, EIOPA and ESMA published 2017 list of identified financial conglomerates](#)

The Joint Committee of the European Supervisory Authorities published the [2017 list](#) of identified financial conglomerates. Composed of 84 entities in Europe and other jurisdictions.

- [EBA publishes cumulative impact assessment of reviewed Basel III reform package](#)

Analysis [shows](#) that minimum required capital for the EU sample would increase by 12.9% in weighted average terms. The increase is mainly driven by G-SIIs and larger institutions.

SPAIN

- [Bank of Spain approves new accounting rule for credit entities](#)

Adapts existing accounting standard to new IFRS 9 and IFRS 15 accounting regime. The main novelty of the rule is that loan loss provisions will be based on expected losses.

UNITED KINGDOM

- [FCA reveals next round of successful firms in its regulatory sandbox](#)

The FCA [received](#) 61 submissions of which 18 were eligible for testing. The sandbox allows firms to test innovative products, services or business models in a live market environment.

UNITED STATES

- [Federal banking agencies support conclusion of review to international capital standards](#)

Announce [support](#) to the finalization of reforms to Basel III international bank capital standards and agencies will consider how to appropriately apply revisions.

- [FRB maintain the Countercyclical Capital Buffer \(CCyB\) at 0%](#)

Consulted the FDIC and the OCC about this decision and voted to affirm the CCyB at the [current level](#).

- [FRB requests public comment on proposal to amend Regulation A](#)

Proposed [amendments](#) would revise the provisioning regarding the establishment of the primary credit rate at the discount window in financial emergency. Deadline: 30 days

Recent publications of interest (in English and Spanish):

- [Regulation Watch](#). Global | 2017 G-SIBs List. November 2017
- [Regulation Watch](#). Banking Union: Half way there. November 2017
- [Press Article](#). From inspiration to action: COP24
- [Press Article](#). COP23: time to walk the talk. November 2017
- [Financial Regulation Outlook](#). October 2017
- [Regulation Watch](#). European Commission withdraws Banking Structural Reform proposal. October 2017

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