

Main regulatory actions around the world over the last month

	Recent issues	Upcoming issues
	<p>On 30 Oct FSB Regional Consultative Group for Europe discussed in their ninth meeting on global and regional macroeconomic and financial market developments and update its work plan and policy priorities</p> <p>On 3 Nov FSB published G-SIBs and G-SIIs list for 2015</p> <p>On 3 Nov FSB published a consultation on operational continuity in banking resolution</p> <p>On 3 Nov FSB published a consultation on principles to ensure sufficient liquidity in resolution to maintain critical functions</p> <p>On 4 Nov FSB published tenth progress report on implementing reforms for OTC derivatives</p> <p>On 5 Nov BCBS consulted on incorporating FSB haircut methodology for non-centrally-cleared SFTs into the Basel III framework</p> <p>On 6 Nov FSB published a report on measures to reduce misconduct risk</p> <p>On 9 Nov FSB published second report on shadow banking in the Americas</p> <p>On 9 Nov FSB published a report on the implementation and effects of the G20 financial regulatory reforms</p>	<p>In Sep 2016 China will host the G20 Leaders summit in Hangzhou</p>
GLOBAL	<p>On 9 Nov FSB issued final Total Loss-Absorbing Capacity (TLAC) for global systemically important banks (G-SIBs)</p> <p>On 9 Nov BCBS published a consultation on deduction from regulatory capital of TLAC instrument holding for G-SIBs and non G-SIBs</p> <p>On 9 Nov BCBS published a study report on TLAC Quantitative impact</p> <p>On 10 Nov BCBS published a consultation on preferential treatment with regard to simple, transparent and comparable (STC) securitisations</p> <p>On 10 Nov FSB published fourth progress report on implementation of principles for sound compensation</p> <p>On 10 Nov IOSCO published final report on the custody of Collective Investment Schemes (CIS) assets</p> <p>On 12 Nov FSB published three report on the transformation of shadow banking</p> <p>On 12 Nov ISDA relaunched resolution stay protocol to void clauses in financing transactions contracts which hamper cross-border resolution</p> <p>In Nov the OTC Derivatives Regulators Group (ODGR) published a report to G20 on cross-border implementation regarding OTC derivatives</p>	
EUROPE	<p>On 20 Oct EC published its report to the EU Council and EU Parliament on capital requirements for covered bonds under the Capital Requirements Regulation (CRR)</p> <p>On 21 Oct EC launched the first stage of its implementation of the Five President's Report which set out plans for strengthening the euro area's Economic and Monetary Union (EMU)</p> <p>On 21 Oct EBA published a list of capital instruments that EU competent authorities (CAs) have classified as common equity tier 1 (CET1)</p> <p>On 22 Oct the Court of Justice of the EU ruled that the exchange of traditional currencies and bitcoin is VAT-exempt</p> <p>On 22 Oct ESMA published four new documents intended to promote the implementation of the amended Transparency Directive</p> <p>On 26 Oct EC adopted a Delegated Regulation with regard to regulatory technical standards (RTS) for prudent valuation under the Capital Requirements Regulation (CRR)</p> <p>On 27 Oct EC published its work programme for 2016, setting out the list of actions it will take in the coming twelve months</p> <p>On 27 Oct EBA published draft guidelines on disclosing information in summary and collective form under the Bank Recovery and Resolution Directive (BRRD) for consultation</p> <p>On 29 Oct EP voted to adopt the proposed Regulation on reporting and transparency of securities financing transactions (SFTs)</p> <p>On 5 Nov ESMA published a consultation on indirect clearing arrangements under the European Market Infrastructure Regulation (EMIR) and the Markets in Financial Instruments Regulation (MiFIR)</p> <p>On 5 Nov EBA published its draft methodology for the 2016 EU-wide stress test and list of 53 participating banks, of which 39 are Single Supervisory Mechanism (SSM) banks</p> <p>On 6 Nov EC issued guidance covering the transfer of personal data following the ruling which declared the EU – US Safe Harbour Decision invalid</p> <p>On 6 Nov EBA launched a consultation on its draft guidelines on stress tests of Deposit Guarantee Schemes (DGSs)</p> <p>On 9 Nov EU Council Presidency published the first compromise text of the proposed Regulation on creating a European framework for simple, transparent and standardised securitisation</p>	<p>On 9 Dec EC is expected to launch a public consultation on retail financial services, insurance and consumer policy issues</p> <p>In 2015 EC will publish a proposal on an EU framework for recovery and resolution of systemically important financial infrastructures such as CCPs</p>

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Main regulatory actions around the world over the last month (cont.)

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EUROPE	<p>On 9 Nov EU Council Presidency published the first compromise text of the proposed Regulation on creating a European framework for simple, transparent and standardised securitisation</p> <p>On 10 Nov ECOFIN Council reached a political agreement on financial support for the Single Resolution Fund (SRF) under the Banking Union, which will become operational from 1 January 2016</p> <p>On 10 Nov EBA launched a consultation on its draft ITS on common procedures, forms and templates for the consultation process between the relevant competent authorities under the Capital Requirements Directive (CRD IV)</p> <p>On 11 Nov Joint Committee of the ESAs published two final draft implementing technical standards (ITS) on mapping external credit assessment institutions (ECAIs) under the Capital Requirements Regulation (CRR) and the Solvency II Directive</p> <p>On 13 Nov ESMA submitted its review of the technical standards on reporting obligations under EMIR to the EU Commission</p> <p>On 17 Nov ESMA published a letter and a note on the implementation timeline of MiFID2 and MiFIR</p> <p>On 24 Nov EC proposed a European Deposit Insurance Scheme (EDIS) and has set out further measures to reduce remaining risks in the banking sector</p>	
MEXICO	<p>On 29 Oct National Banking and Securities Commission (CNBV) adjusted its banking capitalisation rules, enabling smaller banks a gradual compliance with the new operational risk requirements, along with several minor changes in the securitisation and counterparty risk treatments, among others</p>	<p>The CNBV is expected to issue its implementation of the D-SIB regime in time for the 2016 international entry date; likewise, it will set its leverage ratio rules (which would be enforceable in 2018, but disclosed by banks during 2016)</p>
LATAM	<p>On 29 Oct, in Brazil, The National Monetary Council (CMN) and the Central Bank of Brazil announced some measures to allow the alignment of the domestic regulatory framework to international standards, including the definition of additional capital for systemically important institutions in the domestic sphere. The implementation schedule will extend until 2019</p> <p>In Nov, in Colombia, the central bank created new measure to assess the FX exposure of the financial system. The new regulation establishes the creation of three new FX exposure indicators and its limits. This regulation will start to apply in May 2016</p> <p>In Nov, in Peru, the central bank announced new limits for the total stock of loans in foreign currency. Banks have been requested to fulfil them no later than December 2016.</p>	<p>Colombia's Ministry of Finance is working on two studies that evaluate the implementation of Basel III's capital buffers in Colombia and the composition of regulatory capital and solvency requirement for pension funds, stockbrokers, fiduciary and insurance companies. Publication expected during 4Q15</p> <p>Colombian Congress is studying a legislative reform that forbids charges for ATM withdrawals for accounts with average monthly transactions lower than three minimum monthly wages</p>
USA	<p>On 28 Oct Fed published a consultation on proposed rule that require US G-SIBs and subsidiaries of foreign G-SIBs to have loss-absorbing capacity instruments</p> <p>On 30 Oct Federal Agencies finalise swap margin rule in accordance with the Dodd-Frank Act that applies minimum requirements for swaps and security-based swaps that are not cleared through a clearing house</p> <p>On 30 Oct SEC adopts final rules on the offer and sale of securities through crowdfunding that allow investment in such securities with limits and establish a regulatory framework to facilitate transactions</p>	<p>Regulators are working to complete some of the pending reforms outlined by the Dodd-Frank Act before the next administration takes office (2017)</p>
TURKEY	<p>In 15 Sep subsidiaries' accounting method has changed to the "Equity Method" in accordance with Turkish Accounting Standards 27 (TAS 27). Transition to TAS27 will help reflect the subsidiaries' contribution to bank-only result; likewise, it has a positive impact on bank-only CAR. As there is no impact on consolidated CAR, the gap with bank-only CAR has widened</p> <p>In 19 Nov FSB published peer review of Turkey: highlight RCAP process has been started in 3Q15 and recommended Turkish authorities to do additional work on the resolution framework</p>	<p>BRSA (Banking Regulation and Supervision Agency) has proposed to increase the number of monthly instalments that can be made on white goods, furniture and tuition payments, raising the limit from 9 to 12</p> <p>Central Bank of Turkey stated that Financial Stability Committee will study regulations in CAR so as to prevent the negative impacts on banks of the new regulation and to conserve FX liquidity reserves</p>
ASIA	<p>On 6 Nov, China Securities Regulation Commission (CSRC) restarted the IPOs of a number of companies, which had previously been halted due to the stock market crash in July</p> <p>On 17 Nov, The Reserve Bank of India allowed Indian corporates to issue rupee-denominated bonds outside India. Also called 'Masala Bonds', such issuances are expected to bridge funding gaps for Indian companies without exposing them to foreign currency risk</p>	

Source: BBVA Research

Abbreviations

AIFMD	Alternative Investment Fund Managers Directive	FROB	Spanish Fund for Orderly Bank Restructuring
AQR	Asset Quality Review	FSAP	Financial Sector Assessment Program
BCBS	Basel Committee on Banking Supervision	FSB	Financial Stability Board
BIS	Bank for International Settlements	FTT	Financial Transactions Tax
BoE	Bank of England	IAIS	International Association of Insurance Supervisors
BoS	Bank of Spain	IASB	International Accounting Standards Board
BRRD	Bank Recovery and Resolution Directive	IHC	Intermediate Holding Company
CCAR	Comprehensive Capital Analysis and Review	IIF	Institute of International Finance
CCP	Central Counterparty	IMF	International Monetary Fund
CET	Common Equity Tier	IOSCO	International Organization of Securities Commissions
CFTC	Commodity Futures Trading Commission	ISDA	International Swaps and Derivatives Association
AMC	Company for the Management of Assets proceeding from Restructuring of the Banking System (Bad bank)	ITS	Implementing Technical Standard
CNMV	Comisión Nacional de Mercados de Valores (Spanish Securities and Exchange Commission)	Joint Forum	International group bringing together IOSCO, BCBS and IAIS
COREPER	Committee of Permanent Representatives to the Council of the European Union	LCR	Liquidity Coverage Ratio
CPSS	Committee on Payment and Settlement Systems	LEI	Legal Entity Identifier
CRA	Credit Rating Agency	MAD	Market Abuse Directive
CRD IV	Capital Requirements Directive IV	MiFID	Markets in Financial Instruments Directive
CRR	Capital Requirements Regulation	MiFIR	Markets in Financial Instruments Regulation
CSD	Central Securities Depository	MMFs	Money Market Funds
DGSD	Deposit Guarantee Schemes Directive	MoU	Memorandum of Understanding
DFA	The Dodd–Frank Wall Street Reform and Consumer Protection Act	MPE	Multiple Point of Entry
EBA	European Bank Authority	MS	Member States
EC	European Commission	NRAs	National Resolution Authorities
ECB	European Central Bank	NSAs	National Supervision Authorities
ECOFIN	Economic and Financial Affairs Council	NSFR	Net Stable Funding Ratio
ECON	Economic and Monetary Affairs Committee of the European Parliament	OJ	Official Journal of the European Union
EFSF	European Financial Stability Facility	OTC	Over-The-Counter (Derivatives)
EIOPA	European Insurance and Occupational Pensions Authority	PRA	Prudential Regulation Authority
EMIR	European Market Infrastructure Regulation	QIS	Quantitative Impact Study
EP	European Parliament	RRPs	Recovery and Resolution Plans
ESA	European Supervisory Authority	RTS	Regulatory Technical Standards
ESFS	European System of Financial Supervisors	SCAP	Supervisory Capital Assessment Program
ESM	European Stability Mechanism	SEC	Securities and Exchange Commission
ESMA	European Securities and Markets Authority	SIB (G-SIB, D-SIB)	Global-Systemically Important Bank, Domestic-Systemically Important Bank
ESRB	European Systemic Risk Board	SIFI (G-SIFI, D-SIFI)	Global-Systemically Important Financial Institution, Domestic-Systemically Important Financial Institution
EU	European Union	SII (G-SII, D-SII)	Systemically Important Insurance
EZ	Eurozone	SPE	Single Point of Entry
FASB	Financial Accounting Standards Board	SRB	Single Resolution Board
FBO	Foreign Bank Organisations	SREP	Supervisory Review and Evaluation Process
FCA	Financial Conduct Authority	SRF	Single Resolution Fund
FDIC	Federal Deposit Insurance Corporation	SRM	Single Resolution Mechanism
Fed	Federal Reserve	SSM	Single Supervisory Mechanism
FPC	Financial Policy Committee	UCITS	Undertakings for Collective Investment in Transferrable Securities Directive

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