

Main regulatory actions around the world over the last months

Recent issues

Upcoming issues

GLOBAL

On July 3 FSB published assessment of shadow banking activities.
On July 3 FSB published documents in preparation for G20 Hamburg 2017 Summit
On July 4 BCBS published Basel standards implementation report and RCAP for LCR.
On July 5 FSB, CPMI, IOSCO and BCBS published documents on CCP recovery and resolution.
On July 6 FSB issued resolution planning guidance and report on implementation of reforms
On July 6 BCBS issued two consultations on simple, transparent and comparable securitisation.
On July 14 CPMI & IOSCO published update of implementation monitoring of PFMI
On July 17 FSB welcomed the new insurance accounting standard IFRS 17
On July 27 IOSCO published review of Client Asset Protection Recommendations
On August 14 IOSCO consulted on recommendations to improve transparency of corporate bond markets
On August 31 BCBS consulted on the implications of FinTech for the financial sector
On September 5 BCBS announced cooperation agreement with IFRS Foundation
On September 7 FSB included a new key standard for sound financial systems
On September 12 BCBS published Basel III Monitoring report
On September 18 ISDA issued recommendations for CCP recovery and resolution
On September 18 ISDA published white paper on the harmonization of regulatory regimes for derivatives
On September 21 FSB and IMF published 2nd progress report on G20 Data Gaps Initiative
On September 28 CPMI-IOSCO issued guidance on Harmonisation of the Unique Product Identifier
On September 28 CPMI issued consultation document regarding wholesale payments frauds.

EUROPE

On July 4, EP adopted a resolution on a pan-European covered bonds framework under the CRR
On September 11, ECON approved a five year phase-in period for the IFRS 9
On September 14, ECON has published a report setting out proposed amendments to the EU Commission's proposal for a regulation amending the CRR
On September 14, EP voted to approve the text of the proposed regulation amending the European Venture Capital Funds (EuVECA) Regulation and the European Social Entrepreneurship Funds (EuSEF) Regulation.
On September 27, ECON published a draft report setting out amendments to the proposed regulation on a framework for the recovery and resolution of CCPs
On July 4, EBA updated Risk Dashboard that shows stable capital levels amidst efforts to improve banks asset quality and profitability
On July 6, EBA launched supplementary data collection to support the new prudential framework for investment firms
On July 7, EBA published Final Guidelines on Professional Indemnity Insurance under PSD2
On July 11, EBA enhanced transparency on Deposit Guarantee Schemes in the EU

On July 11, EBA published final Guidelines on authorisation and registration under PSD2
On July 13, EBA updated on the impact of IFRS 9 on banks across the EU and highlights current implementation issues
On July 14, EBA published final standards specifying information requirements for the authorisation of credit institutions
On July 18, EBA amended Decision on the quality of unsolicited credit assessments of certain ECAs for the assignment of risk weights
On July 27, EBA published Final Guidelines on major incident reporting under PSD2
On July 28, ESAs advised on Packaged Retail and Insurance-Based Investment Products with environmental or social objectives
On August 1, EBA issued Opinion on measures to address macroprudential risk
On August 4, EBA published a Discussion Paper on its approach to FinTech
On August 11, EBA updated data used for the identification of G-SIIs
On August 14, EBA updated list of public sector entities for the calculation of capital requirements
On September 5, EBA published final technical standards on MREL reporting by resolution authorities
On September 11, EBA issued revised list of ITS validation rules
On September 22, ESAs provided guidance to prevent terrorist financing and money laundering in electronic fund transfers
On September 26, EBA published guidance to further harmonise EU banks internal governance
On September 26, EBA and ESMA provided guidance to assess the suitability of management body members and key function holders
On July 6, ESMA updated opinion on MiFID II's ancillary test for commodity derivatives
On July 6, ESMA published three Consultation Papers on the Prospectus Regulation
On July 10, ESMA issued final RTS regarding the aggregation and publication of derivatives data by trade repositories
On July 11, ESMA published guidelines regarding the cooperation between authorities under the Central Securities Depositories Regulation (CSDR)
On July 20, ESMA published opinion to the EC, the Council and the Parliament under Article 34 of the ESMA Regulation
On August 8, ESMA updated Guidelines on transaction reporting, order record keeping and clock synchronisation under MiFID II
On August 10, ESMA published three opinions on position limits regarding commodity derivatives under MiFID II/MiFIR
On August 24, ESMA issued final guidelines on data transfer between Trade Repositories authorised under EMIR
On September 11, ESMA updated transitional transparency calculations for non-equity instruments in relation to the implementation of MiFID II/ MiFIR
On September 15, ESMA issued procedure under MiFIR laying out the steps for trading venues to temporarily opt-out from access provisions for ETDs
On September 26, EBA and ESMA published joint Guidelines to assess the suitability of members of management bodies and key function holders
On September 28, ESMA, and national competent authorities, updated work plan for the opinions on pre-trade transparency waivers and position limits that must be issued under MiFID II and MiFIR
On September 28, ESMA published Guidelines for the management body of market operators and data reporting services providers.

On July 21, CNBV amended its Issuer Handbook to adopt OECD and G20 recommendations on gender discrimination. It requires issuers to disclose the gender composition of their boards and directors, and the existence or lack thereof of gender inclusive policies. It eases requirements for subsequent offerings if restricted to institutional and qualified investors.

MEXICO

On August 29, CNBV published rules to combat identity theft, defining accepted identification methods for entering into of contracts, requesting means of payment, and for cash withdrawals and transfers. It establishes verification measures, especially biometric validation and consultation against the National Electoral Institute's database. Provides for the possibility of remote identification (digital onboarding).

On September 19, Fintech law was formally presented for public review. The project is expected to pass through Congress in the current session.

LATAM

Brazil:

On August 16, Central Bank of Brazil issued a public consultation on the simplification of prudential requirements for financial institutions with a lower risk profile.

On August 30, Central Bank of Brazil issued a public consultations on the establishment and the operation of credit fintechs.

On September 19, Central Bank of Brazil issued a public consultations on a resolution about cyber security policies and on the requirements on the processing and storage of data and computing in the cloud.

Colombia:

On September 21, President of the Republic sanctioned Law for the regulation of Financial Conglomerates (Law 1870 of 2017). It seeks to regulate the creation, circulation, acceptance, endorsement and other exchange acts on electronic security. The bill is in the third of four debates.

Peru:

Central Bank raised the limit of private pension funds' holdings in foreign assets from 44% to 46% as of August, 1st.

In August, Central Bank cut reserve requirements in foreign currency (both average and marginal rates) from 42% to 41% (as of September, 1st). In September, it was cut again from 41% to 40% (as of October, 1st).

Argentina, as of January 2018 banks will be required to present and calculate the NSFR

Peru: An influential congressman announces that he will present a bill to fix ceilings on interest rates of the financial system.

USA

On July 19, Federal banking agencies issued notice of proposed rulemaking to exempt commercial real estate transactions of \$400,000 or less from appraisal requirements.

On July 21, Federal regulatory agencies announced coordination of reviews for certain foreign funds under "Volcker Rule"

On July 24, FRB announced guidelines for banking entities seeking an extension to conform certain "seeding" investments in hedge funds or private equity funds to requirements of Volcker Rule

On August 3, FRB invited public comment on two proposals: corporate governance (improved effectiveness of board of directors) and rating system for large financial institutions.

On August 22, Federal banking agencies proposed extension of certain capital rule transitions (mortgage servicing assets, certain deferred tax assets, investments in the capital instruments of unconsolidated financial institutions, and minority interests).

On September 1, OCC and FDIC issued a notice of proposed rulemaking to shorten the standard settlement cycle for securities purchased or sold by national banks, federal savings associations, and FDIC-supervised institutions

On September 6, FRB published "Strategies for Improving the U.S. Payment System: Federal Reserve Next Steps in the Payments Improvement Journey" - steps for payment system improvement.

On September 13, Agencies proposed amending CRA regulations to conform to HMDA regulation changes.

On September 27, FDIC adopted a final rule to enhance the resilience and safety and soundness of state savings associations and banks supervised by the FDIC that are affiliated with systemically important U.S. and foreign banking organizations.

On September 27, Agencies proposed simplifying regulatory capital rules (mortgage servicing assets, certain deferred tax assets, investments in the capital instruments of unconsolidated financial institutions, and minority interests).

TURKEY

BRSA published draft amendment according to which banks will be allowed to book 100% of required reserves as liquid assets. Currently, only 50% are booked as liquid assets. The impact of the draft amendment is expected to be positive on banks' liquidity ratios.

Official Gazette published amendment according to which if a consumer loan is classified as a NPL, other consumer loans belonging to the same customer may be classified as other than the Group I.

Official Gazette published new definition for SME under Banks' LCR regulation: "Entities that have revenue under the amount that has been determined by BRSA".

Interest rates and financing costs of exporters via Turkish Eximbank were reduced. The interest rates of rediscount FX loans lowered by 10 bps. In addition, an additional TL 2.5 Bn loan will be provided for exporter SMEs.

BRSA, allowed state banks to sell NPLs, according to an amendment published in the Official Gazette.

The regulatory changes related to the transition to IFRS9 were published in the Official Gazette and new reporting standards were set. Accordingly, banks will start to report their provisioning burden details with the new concept of "expected loss." IFRS 9 introduces an expected credit loss (ECL) model which requires the making of robust estimates related to customers. Additional disclosure requirements will also be necessary related to bond portfolio and loan risks. The new amendments will be valid starting from 2018.

Medium term Program Decisions: Corporate tax for the finance sector will be increased to 22% from 20% to be effective from January 1, yet 2017 year-end cumulative income will also subject to 22% corporate tax ratio.

ASIA

On July 15, China's authorities held its once-in-five-year central financial working conference and announced the establishment of a financial stability committee to lead and coordinate different regulators.

On September 4, China bans companies from raising money through initial coin offerings (ICO), asking local regulators to inspect 60 major platforms for trading cryptocurrencies.

On September 8, China's central bank removed a 20% reserve requirement for trading foreign currency forwards in a bid to slow the pace of RMB appreciation.

Source: BBVA Research

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