

# Financial Regulation: Weekly Update

7 September 2018

Regulation Unit

## Highlights

ECB consults on its guide to internal models. EBA issues QIS templates for Basel III impact assessment. ECB issues opinion on cross-border payments. ESMA issues opinion on amendments to SFTR. BdE consults on changes to information for calculating DGS contributions. Finally US Agencies extend deadline for comments on Volcker Rule amendments.

## EUROPE

- [ECB launches public consultation on its guide to internal models](#)

[Includes](#) the credit risk, market risk and counterparty credit risk chapters of its guide to internal models. It is aimed at ensuring a consistent understanding and implementation of the legal framework. Deadline: 7 Nov.

- [EBA publishes QIS templates for the Basel III impact assessment](#)

Two sets of [templates](#) have been issued: full and reduced, for large and medium/small banks respectively. These templates will be used in the impact assessment for the finalisation of Basel III.

- [ESAs publish report on automation in financial advice](#)

Report shows slow growth of [automation in financial advice](#) with limited number of firms and customers involved. No immediate action is deemed necessary given that identified risks have not materialised.

- [ECB issues opinion on proposal regarding cross-border payments](#)

It [suggests](#) amending the proposed regulation as regards its scope and the possibility of a merchant's providing the currency conversion service independently. It clarifies some definitions and reduces some transitional periods.

- [ESMA issues opinion on proposed amendments to SFTR technical standards](#)

In response to the European Commission's proposed amendments, it publishes an [opinion](#) declining to amend the draft technical standards on reporting under the Securities Financing Transactions Regulation (SFTR).

- [ESMA publishes Trends, Risks, and Vulnerability report \(TRV\) and risk dashboard](#)

[Both](#) reports show that EU securities markets [remain stable](#) but with high levels of risk for most categories. Volatility risk has increased for securities markets, infrastructure and investors.

## Creating Opportunities

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- EIOPA publishes monthly technical information

i) Relevant [risk free rate term](#) structures for the month of August (but information on Danish krone suspended due to technical errors). ii) Updates the symmetric adjustment of the [equity capital charge](#) with end-August data.

## SPAIN

- BdE consults on changes in information for calculating contributions to the Deposit Guarantee Scheme

The public [consultation](#) seeks to receive opinions on the changes in information on depositors comprised in the proposed amendment to Annex II of Circular 8/2015. Deadline: 10 Sep

## UNITED KINGDOM

- PRA issues policy statement on its approach to enforcement

It sets out the final [procedures](#) for the Enforcement Decision Making Committee and amends the PRA's approach to enforcement.

- UK Treasury issues Statutory Instruments for payment services, electronic money and SEPA regulation

In order to [ensure](#) the smooth functioning of the regime following Brexit, it amends retained EU law on payment services and e-money (including the Single Euro Payments Area regulation).

## UNITED STATES

- Agencies extend comment period for amendments to the Volcker Rule

The five agencies with power over the rule agreed to [extend](#) the comment period for the proposed changes in the Volcker Rule. New deadline: 17 Oct.

- FDIC issues list of banks examined for the Community Reinvestment Act

List of state [non-member](#) banks recently evaluated for compliance with the CRA. These banks were assessed in June.

- OCC issues updated booklet regarding real estate

Updated to include some [accounting](#) changes. The booklet provides guidance to examiners regarding banks' acquisitions, reporting, management and disposal of 'other real estate owned' (OREO).

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## Recent publications of interest (in English and Spanish):

- [Press Article](#). La integración de la sostenibilidad en el sistema financiero. July 2018 (only in Spanish)
- [Press Article](#). Completing the Banking Union is a priority. June 2018
- [Regulation Watch](#). How prepared are European banks to comply with MREL? August 2018
- [Regulation Watch](#). From words to action: Recent regulatory reforms in the U.S. June 2018
- [Financial Regulation Outlook](#). June 2018
- [Banking Outlook](#). August 2018

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

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