

Financial Regulation: Weekly Update

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Highlights

1. FSB publishes annual report on non-bank financial intermediation
2. EBA issues consultation regarding EU-wide stress test framework
3. EBA updates guidelines on fraud reporting under PSD2
4. ECB issues consultation on guideline regarding materiality threshold for credit obligations
5. ESMA consults on guidelines regarding the “no data” option in securitization reporting

GLOBAL

■ FSB publishes annual report on non-bank financial intermediation (NBF)

It provides a resource for authorities to [assess](#) trends and risks from NBF for a forward-looking, system-wide oversight framework. It finds that non-banks play an increasingly important role in the financial system.

EUROPE

■ EBA consults on the future of the EU-wide stress test framework

[Aims](#) at making it more informative, flexible, and cost-effective. It envisages approaches by supervisors and banks, considering the costs and benefits of multiple macroeconomic scenarios. Deadline: Apr 30, 2020.

■ EBA updates its guidelines on fraud reporting under PSD2

It [introduces](#) editorial changes and two new data fields for reporting transactions where SCA is not applied, with the aim of ensuring that these transactions are reported in a consistent and correct manner across the EU.

■ ECB consults on guideline on materiality threshold for credit obligations

[Definition](#) will take the form of an ECB Guideline addressed to NCAs to set a single materiality threshold for all LSIs within the SSM, both for retail and non-retail exposures. Deadline: Feb 17, 2020.

■ ESMA consults on guidelines regarding “no data” options in securitization reporting

The proposed [guidelines](#) include an initial calibration of the thresholds to apply to securitization repositories, to verify the consistency and completeness of the submitted templates. Deadline: Mar 16, 2020.

- **EC issues equivalence decision for Serbia and South Korea**

Following EBAs assessment, it [considers](#) the regulatory and supervisory frameworks applicable to institutions in Serbia and South Korea as equivalent to those of the EU under the CRR.

UNITED KINGDOM

- **PRA publishes policy statement on Pillar 2 capital**

It provides feedback to a [previous](#) consultation, containing the final amendments to the Pillar 2 framework: i) methodology for setting Pillar 2 capital, ii) ICAAP and SREP, and iii) the implementation of CRD IV capital buffers.

- **FCA issues statement on Assessing Suitability Review**

It [outlines its intention](#) to review the market for pensions and investment advice for the second time, focusing on the advice that consumers receive around retirement planning.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *Completion of Basel III: The final twist to banking regulation?* December 2019.
- [Press Article](#). *¿Cuáles serán las claves para la regulación financiera global en 2020?* January 2020.
- [Press Article](#). *Las prioridades de la nueva Comisión Europea*. January 2020.
- [Press Article](#). *U.S. banking regulation: a change in the trend*. January 2020.

Previous edition of our Weekly Financial Regulation Update in [English](#)

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