

Financial Regulation: Weekly Update

Matías Cabrera, Inés Criado, Arturo Fraile, Hamza Jebari, Salvador Portillo, Ana Rubio, Victoria Santillana, Pilar Soler

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Highlights

1. European Commission issues a legislative proposal with targeted amendments to the CRR
2. BCBS issues report on "Principles for effective risk data aggregation and reporting"
3. FATF extends its assessment and follow-up deadlines in response to COVID-19
4. ESMA releases a no action letter on the ESG disclosure requirements for the Benchmark Regulation
5. FRB issues statements on measures regarding intraday credit and Municipal Liquidity Facility

GLOBAL

■ BCBS issues report on "Principles for effective risk data aggregation and reporting"

Banks' ongoing efforts to implement the [risk data](#) aggregation principles have resulted in tangible progress in several key areas. Banks should continue to closely monitor implementation of the principles.

■ FATF extends its assessment and follow-up deadlines in response to COVID-19

It [decides](#) on a general pause in the review process for the list of high-risk jurisdictions subject to a call for action and jurisdictions subject to increased monitoring, by granting jurisdictions an additional four months for deadlines.

EUROPE

■ EC issues legislative proposal with targeted amendments to Capital Requirements Regulation

It [includes](#): i) extension of IFRS 9 phase-in, ii) advance of the SME and infrastructure supporting factors, iii) amendments to the NPL backstop for loans with public guarantees and, iv) amendments to the leverage ratio.

■ ESMA releases a no action letter on the ESG disclosure requirements for the Benchmark Regulation

It aims at promoting [coordinated](#) action by National Competent Authorities due to the [difficulties](#) faced by administrators in fulfilling the new requirements.

■ ECB grants an extension of deadlines for statistical information reporting in the context of COVID-19

It has decided to [postpone](#) the remittance dates for the following reports: Insurance Corporations statistics, Pension Funds statistics and Payment statistics.

- **ESMA publishes templates for quarterly non-equity Systemic Internaliser (SI) data**

It publishes the template for the publication of the quarterly [non-equity](#) SI data and clarifies that annual non-equity transparency calculations will be available through the Financial Instrument Transparency System on Jul 15, 2020.

UNITED KINGDOM

- **PRA issues statement on regulatory treatment of loan schemes due to COVID-19**

It sets out [observations](#) on whether guarantees provided under the CBILS and CLBILS schemes are eligible for recognition as unfunded credit risk mitigation under the CRR.

- **FCA issues changes to regulatory reporting during COVID-19**

It introduces temporary [flexibility](#) measures on submission deadlines for the regulatory returns, provided firms submit them by deadlines set out. It applies for submissions due up to 30 Jun and the Employer's liability Register.

- **PRA publishes policy statement on Solvency II**

It provides feedback on a previous consultation paper on group availability of [subordinated liabilities](#) and preference shares, and contains final policy on group provisions. It is relevant to all firms under Solvency II Directive.

- **BoE issues extension of the contingent term repo facility (CTRF)**

It will continue to offer 3-month and 1-month term contingent [term repo](#) facility operations on a weekly basis through May. BoE will monitor market conditions carefully and the operation of the CTRF remains under review.

- **FCA and BoE issues statement on the impact of COVID-19 for firms' LIBOR transition plans**

[Recognises](#) that it will not be feasible to complete the transition from LIBOR across all new sterling LIBOR linked loans by Q3 2020 target. There will likely be continued use of LIBOR-referencing loan products into Q4 2020.

UNITED STATES

- **Agencies extend comment period on resolution plan guidance for large foreign banks**

In light of the COVID-19 emergency, the agencies extend by 30 days the [comment period](#) for the proposed guidance for resolution plans submitted by certain large foreign banks. New deadline: Jun 4.

- **FRB issues interim final rule modifying Regulation D (reserve requirements of depository institutions)**

It deletes the [six-per-month limit](#) on convenient transfers from the "savings deposit" definition, allowing customers to make an unlimited number of convenient transfers and withdrawals from their savings deposits.

■ **FRB issues statements on measures regarding intraday credit and Municipal Liquidity Facility**

i) [Temporary actions](#) aimed at increasing the availability of intraday credit extended by Federal Reserve Banks (e.g. suspend uncollateralized intraday credit limits or waive overdraft fees for some institutions); ii) Expands the scope and duration of the MLF (new [population thresholds](#) to allow more entities to borrow).

■ **CFTC provides additional relief to market participants in response to COVID-19**

It issues additional targeted [no-action](#) relief to registrants listing new principals and to applicants for registration as associated persons from the requirement to submit a fingerprint card.

■ **CFPB provides flexibility and outlines mortgage loan transfer due to COVID-19**

It makes it easier and quicker for consumers to access [mortgage credits](#) reducing regulatory uncertainty. It outlines [practices](#) to: provide mortgage servicers clarity, facilitate compliance and prevent harm to consumers.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *The regulatory response to COVID-19*. April 2020.
- [Press Article](#). *Sustainable finance: "I'm late, I'm late, I'm late!"* March 2020.
- [Press Article](#). *Central Bank Digital Currencies: the cross border dimension*. March 2020.
- [Press Article](#). *Europe strengthens its financial supervision authorities*. February 2020.

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

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This report has been produced by

Head of Financial Regulation

Ana Rubio
arubiog@bbva.com

Arturo Fraile
arturo.fraile@bbva.com

Victoria Santillana
mvictoria.santillana@bbva.com

Matías Daniel Cabrera
matiasdaniel.cabrera@bbva.com

Pilar Soler
pilar.soler.vaquer@bbva.com

Hamza Jebari Serroukh
hamza.jebari@bbva.com

Salvador Portillo
salvador.portillo@bbva.com

Inés Criado
ines.criado@bbva.com