

Financial Regulation: Weekly Update

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Highlights

1. FSB issues extensions to the implementation timelines for securities financing transactions
2. EBA publishes its response to EC's call for advice on how to strengthen the EU framework AML/CFT
3. ESMA publishes the date of entry into force of the new regime of the Securitisation Regulation
4. ESMA issues a decision on the annual transparency calculations for non-equity instruments
5. CFTC issues report on Managing Climate Risk in the U.S. Financial System

GLOBAL

■ FSB issues extensions to the implementation timelines for securities financing transactions

It aims to enhance the [resilience](#) of non-bank financial intermediation, ease operational burdens on market participants and authorities, and thereby assist them in focusing on priorities from the impact of COVID-19.

EUROPE

■ EBA publishes its response to EC's call for advice on how to strengthen the EU framework AML/CFT

It sets out how the [legal framework](#) should be effective and efficient in establishing new AML/FT supervisor and how it should be strengthened to tackle vulnerabilities of divergent national and gaps in the AML/FT infrastructures.

■ ESMA publishes the date of entry into force of the new regime of the Securitisation Regulation

On Sep 23, the following will [come into force](#): i) opening of applications for entities to register as Securitisation Repository supervised by ESMA, ii) new disclosure templates to improve information made available to investors.

■ EBA issues revised list of ITS validation rules

It updates the list of [validation rules](#) in its ITS on supervisory reporting, highlighting those that have been deactivated either for incorrectness or for triggering IT problems.

■ ESMA issues a decision on the annual transparency calculations for non-equity instruments

It has decided that trading venues and investment firms may postpone, for operational reasons, the application of the annual transparency calculations for [non-equity instruments](#) other than bonds to Sep 21, 2020.

■ ESMA issues latest Double Volume Cap data

It updates the public register with the [latest DVC](#) data and calculations under MiFID II for the Aug 1, 2019 - Jul 31, 2020 period.

UNITED KINGDOM

■ PRA issues Supervisory Statements on liquidity and funding risks and Solvency II

i) SS explaining the [approach](#) to supervising liquidity and funding risks, and its expectations on: ILAAP, Liquidity SREP, drawing down liquid asset buffers, collateral placed at the BoE, and daily reporting under stress. ii) SS on the reporting (under Solvency II) of sensitivities of [solvency position](#) to various changes in market conditions.

■ PRA issues policy statement on several subjects

It provides [feedback](#) on previous consultations and includes final rules, updated supervisory statements on liquidity, CRR firms, Solvency and non-solvency II insurance firms, PRA-authorized and PRA-supervised non-UK firms.

■ PRA issues guidelines for completing regulatory reports

It aims to set out the PRA's expectations for how firms should complete the data items. It is addressed to all firms regulated by PRA who are required to submit supervisory reports under the [Regulatory Reporting](#) of the Rulebook.

UNITED STATES

■ CFTC issues report on Managing Climate Risk in the U.S. Financial System

It is the first-of-its-kind from a U.S. government entity. It alerts climate change implies significant emerging risks to the US financial system. It also presents [recommendations](#) to mitigate those risks.

■ CFTC issues new guidance on factors used in evaluating Corporate Compliance Programs

The public and staff-level [guidance](#) outlines factors that will be considered when evaluating compliance programs in connection with enforcement matters, highlighting the CFTC's commitment to transparency and clarity.

■ FDIC and OCC issue the results for CRA compliance evaluations

They contain the ratings of banks and savings institutions evaluated under the CRA during June 2020 and August 2020, respectively ([FDIC](#) and [OCC](#)).

Recent publications of interest (in English and Spanish):

- [Press Article](#). *The Banking Union in times of Covid* (page 85). September 2020
- [Press Article](#). *The Coronavirus: an unexpected ally of digitization*. June 2020.
- [Press Article](#). *European action plan AML & FT*. June 2020.
- [Press Article](#). *The sustainable opportunity brought by the Covid-19*. May 2020.

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

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