

# Financial Regulation: Weekly Update

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## Highlights

1. EBA consults on the methodology for granting authorization as a credit institution
2. SRB issues a consultation on the 2021 *ex-ante* contributions to the SRF
3. EBA consults its guidelines on the stress tests under the Deposit Guarantee Schemes Directive
4. EBA issues a public consultation on integrated reporting
5. ESMA consults on two benchmark-related guidelines

## GLOBAL

### ■ IOSCO reviews its recommendations for liquidity risk management

It launches a [thematic review](#) of its 2018 recommendations for collective investment schemes (which seeks to ensure that liquidity risk is managed to safeguard and protect investors). The report is expected for Autumn 2022.

## EUROPE

### ■ EBA consults on methodology for granting authorization as a credit institution

[Complements](#) the RTS on authorization of credit institutions, advocating for a risk-based approach and insisting on the importance of consistency with the supervisory approach in going concern situations. Deadline: Jun 10, 2021.

### ■ SRB issues consultation on the 2021 *ex-ante* contributions to the SRF

It [seeks to](#): i) structure bilateral dialogue, ii) set a clear timeframe and contact channel, iii) ease communications with the SRB, and iv) enhance the transparency and robustness of the process. Deadline: Mar 19, 2021.

### ■ EBA consults its guidelines on the stress tests under the DGSD

Extends the scope of DGS [stress testing](#) to cover aspects of DGS interventions to achieve greater harmonisation and comparability, allowing for a robust peer review in the 2024/25 stress test. Deadline: Jun 11, 2021.

### ■ EBA consults on integrated reporting

Outlines [options](#) around the main building blocks of a possible integrated system including a single data dictionary and reporting system across supervisory, resolution and central bank statistical data. Deadline: Jun 11, 2021.

### ■ ESMA consults on two benchmark-related guidelines

These [guidelines](#) clarify the application of the requirements relating to the use of a methodology for calculating a benchmark in exceptional circumstances. The final report is expected by Q3 2021. Deadline: Apr 30, 2021.

■ **ESMA issues a statement supporting ESAP**

In response to the EU COM consultation on the European Single Access Point (ESAP), it [recommends](#) a phased approach, which should prioritize financial and non-financial information of public companies.

■ **EBA issues ITS on supervisory reporting and disclosure framework for investment firms**

Sets out main aspects of the new [reporting](#) framework in relation to own funds, minimum levels of capital, concentration risk and liquidity risk. It considers the differences in activities, size and complexity of these firms.

■ **EBA publishes its consumer trends report for 2020/2021**

[Highlights](#): i) mortgages still have a significant impact on personal finances; ii) there is an increased volume of consumer credit and deposits; and iii) payment cards are still the most widely used payment instrument in the EU.

■ **ESMA updates double volume cap data (DVC) under MiFID II**

[Includes](#) DVC data and calculations for the period Dec 1, 2019 to Jan 31, 2021. They highlight that no previously identified suspensions of trading under the waivers had to be lifted.

■ **ESMA issues Q&As and updates reporting instructions on securitization regulation**

New Q&As include [instructions](#) on how to report split and merged underlying exposures, as well as income fields for buy-to-let residential real estate mortgages. They also updated XML schemas for the reporting templates.

■ **EBA updates the list of ITS validation rules on supervisory reporting**

[Revises](#) the list of validations included in its Implementing Technical Standards on supervisory reporting and highlights those which have been deactivated either for incorrectness or for triggering IT problems.

■ **OJEU publishes Commission Delegated Regulation on alternative SA for market risk**

Contains the technical details for the reporting of [market risk](#) requirements under the alternative standardized approach for market risk. Effective date: Sep 30, 2021.

## UNITED KINGDOM

■ **PRA and FCA consult on margin requirements of non-centrally cleared derivatives**

They propose to extend or [establish](#) new exemptions for some products subject to bilateral margining requirements. Deadline: May 19, 2021.

## UNITED STATES

■ **Agencies issue rule to enhance capital investments in minority depository institutions**

[Treasury](#) will purchase preferred stock or subordinated debt from qualifying minority depository institutions and community development financial institutions. Effective date: 60 days after its publication in the Federal Register.

■ **FRB clarifies definitions of its guidances for Minority Depository Institutions (MDI)**

Seeking to [promote](#) an inclusive financial system, they expanded the MDI definition to include women-owned financial institutions and highlighted resources available to MDIs through its Partnership for Progress program.

■ **FRB extends the Paycheck Protection Program Liquidity Facility (PPPLF)**

Aims to provide continued support for the flow of credit to small businesses, extending the [PPPLF](#) by three months to Jun 30, 2021. It applies to term credit for financial institutions making or accepting PPP loans as collateral.

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

- [Interview](#). *Post COVID-19 regulation is key for economic recovery*. January 2021.
- [Press Article](#). *Financial regulation in 2020: At key points... regulators face risks*. January 2021.
- [Press Article](#). *Procyclical financial regulation: What can be done?* October 2020.
- [Press Article](#). *Europe | One step closer to the Capital Markets Union*. October 2020

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

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