

Financial Regulation: Weekly Update

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Highlights

1. ECB private sector working group issues a report on Euribor fallbacks
2. ESMA consults on its MiFID II/MiFIR annual review report
3. EBA updates its reporting framework
4. EBA publishes a report on the convergence of supervisory practices in 2020
5. European Commission consults on EU strategy for retail investors

EUROPE

- **ECB private sector working group issues report on Euribor fallbacks**
[Recommendations](#) address events that would trigger fallbacks in Euribor-related contracts and €STR-based Euribor fallback rates that market participants need to include in their contracts and financial instruments.
- **ESMA consults on its MiFID II/MiFIR annual review report**
[Proposals](#) are designed to increase the transparency available to market participants in the bond market. RTS is expected to be submitted to the EU Commission for its endorsement in Jul, 2021. Deadline: Jun 11, 2021.
- **EBA updates its reporting framework**
It [provides](#) standard specifications, validation rules, the data point model and the XBRL taxonomy for the reporting framework v3.1. In particular, it covers the new reporting requirements for investment firms.
- **EBA publishes a report on the convergence of supervisory practices in 2020**
Notwithstanding a refocusing of [supervisory](#) practices due to the COVID-19 crisis, the report finds supervisory convergence with increased attention to profitability and selected areas of ICT risks and operational resilience.
- **European Commission consults on an EU strategy for retail investors**
Seeks to [ensure](#) a legal framework for retail investments, adapted to the profile and needs of consumers, improve market outcomes, empower retail investors and enhance their participation. Deadline: Aug 03, 2021.
- **OJEU publishes ITS on MREL/TLAC reporting and disclosure**
It includes, among other things, [templates](#) and their corresponding instructions, the reporting reference dates, and the remittance dates. Entry into force: 20 days after its publication in the OJEU.
- **ECB updates MoUs with several authorities**
It updates [the list](#) of MoUs signed by ECB with authorities from the EU (e.g. [BaFin](#) and [CONSOB](#)), and from third countries (e.g. [USA](#), [Mexico](#) and [Brazil](#)).
- **EBA updates data on Deposit Guarantee Schemes across the EEA**
It includes data from 2020 relating to two [key indicators](#): i) available financial means, and ii) covered deposits. Nearly all DGSs have increased their available financial means in the period.

- **ESMA updates double volume capital data under MiFID II**
[Includes](#) DVC data and calculations for the “Apr 1-Mar 31, 2021” period and updates to already published periods. They highlight that no previously identified suspensions of trading under the waivers had to be lifted.
- **EIOPA issues its 2021 insurance stress test**
Aims to [assess](#) the economic impact of pandemic, affecting confidence worldwide and prolonging the economic contraction. It will evaluate both the impact on the capital and the liquidity position of the undertakings in scope.

SPAIN

- **CNMV issues Q&A on collective investment vehicles and venture capital entities**
[Clarifies](#) the criteria for the application of regulation on Collective Investment Institutions, venture capital entities, other closed-ended collective investment entities and management companies.
- **BdE issues its annual report 2020**
[Reviews](#) economic and financial developments in Spain and the main risks and vulnerabilities it faces in the short and long term. Particularly focused on international environment, the euro area and economic policies.

UNITED KINGDOM

- **FCA consults on new fund to support long-term investment assets**
[Proposals](#) for a new long-term asset fund to provide a fund structure through which investors can invest with confidence in less liquid assets because they accommodate relatively illiquid assets. Deadline: Jun 25, 2021.
- **FCA consults on a new authorised fund regime for investing in long-term assets**
Proposes a flexible [regime](#) to offer an appropriate level of investor protection and to address the specific risks of investing in long-term illiquid assets. Deadline: Jun 5, 2021. This is part of the FCA's work on [liquidity mismatch](#) on open-ended property funds.

UNITED STATES

- **FRB consults on Regulation II and issues biennial report on credit card transactions 2019**
Aims to clarify the changes on Regulation II regarding network availability for card-not-present debit card transactions. They also [publish](#) a report containing summary information on debit card transactions in 2019.
- **FDIC issues its 2021 risk review**
It [summarizes](#) conditions in the U.S. economy, financial markets, and banking sector, and presents key credit and market risks to banks.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *Public aid, level playing field and the role of banks*. April 2021.
- [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.

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

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