

# Financial Regulation: Weekly Update

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## Highlights

1. BIS consults on prudential treatment of cryptoasset banking exposures
2. EBA makes recommendations to reduce supervisory reporting costs
3. EBA updates list of risk indicators and analysis tools
4. EBA publishes revised guidelines on reporting under PSD2
5. EC issues Capital Markets Union (CMU) toolkit of indicators

## GLOBAL

- **BIS consults on prudential treatment of cryptoasset exposures**  
[Seeks](#) a preliminary proposal for prudential treatment of banking cryptoassets splitting them in two groups: i) eligible under current Basel framework; and ii) subject to a new prudential treatment. Deadline: Sep 10, 2021.

## EUROPE

- **EBA makes recommendations to reduce supervisory reporting costs**  
Identifies 25 [actions](#) that could reduce reporting costs by 15-24%. Most of them will be implemented as part of the ongoing work on proportionality of the EU reporting framework.
- **EBA updates the list of risk indicators and analysis tools**  
The [guidance](#) describes how EBA computes risk indicators in its publications and includes additional indicators on COVID-19, funding plans, resolution and remunerations.
- **EBA publishes revised guidelines on reporting under PSD2**  
The revised [guidelines](#) optimize and simplify the reporting process and templates with focus on incidents with significant impact on payment services providers. They are also intended to reduce the reporting burden.
- **EC publishes CMU toolkit of indicators**  
Introduces and explains the set of [indicators](#) that the Commission will use to monitor the progress towards the Key CMU objectives and that will complement evaluations and impact assessments of individual measures.
- **ESMA issues an opinion on intervention measures on turbos**  
[Concludes](#) that proposed measures are justified and proportionate and encourages NCAs to monitor turbos in their respective markets to assess whether similar risks for retail investors could arise there.
- **ESAs issues amendments on ITS to map External Credit Assessment Institutions (ECAIS)**  
[Amendments](#) reflect: i) an update on the list of credit rating agencies (CRAs); and ii) the outcome of a monitoring exercise on the adequacy of existing mappings. They issued individual draft mapping reports too.

- **EBA consults on RTS on thresholds for investment firms and crowdfunding service providers**  
i) Seeks to address level playing field concerns and to ensure a more proportionate methodology for the calculation of the [thresholds](#); and ii) information that [crowdfunding](#) service providers shall provide to investors. Deadlines: Jul 17, 2021 and Sep 4, 2021 respectively.
- **ESMA issues the framework for its 2021 Central Counterparties stress test**  
[Addresses](#) credit and concentration risks and assess the combination of concentration costs and credit losses when liquidating defaulting portfolios or including an intraday exercise for credit.
- **EIOPA issues its guidelines on Pan-European Personal Pension Product (PEPP)**  
It [seeks](#) to ensure the common, uniform and consistent application of the PEPP Regulation's reporting requirement and the definitions for PEPP supervisory report. Effective date: Mar 22, 2021.
- **OJEU publishes two delegated regulations on remuneration and SA-CCR**  
i) [Sets out](#) the criteria for identifying staff members whose professional activities have an impact on the institution's risk profile. Effective from: Jun 14, 2021 and ii) on the [identification](#) of derivative transactions and calculation of the supervisory delta under SA-CCR. Effective from: Jun 30, 2021.

## UNITED KINGDOM

- **BoE releases key elements of its Biennial Exploratory Scenario on financial risks from climate change**  
It's an exploratory [exercise](#) and will not be used to set capital requirements. It aims at: i) sizing financial exposures, ii) understanding business model challenges and iii) improving firms' risk management.
- **BoE issues a discussion paper on digital money**  
The [objective](#) is to broaden the debate, focusing on: i) role of money in the economy; ii) public policy objectives; iii) setting illustrative scenarios; iv) macroeconomic implications; and v) regulatory environment.

## UNITED STATES

- **OCC and FDIC issues CRA evaluations**  
[OCC](#) issues its list of national banks, federal savings associations and insured federal branches of foreign banks evaluated from Mar 1 to 31, 2021. [FDIC's](#) list includes state nonmember banks with a rating assigned last Mar 2021.

### 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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