

# Financial Regulation: Weekly Update

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## Highlights

1. FSB issues documents to support the access to FMI during resolution
2. EBA issues consultation on the role of AML/CFT compliance officers
3. EBA and ECB issue the results of the stress tests exercise
4. EBA issues clarifications on APIs under PSD2
5. EBA issues amended ITS on resolution planning reporting

## Global

- **FSB issues documents to support the access to FMI during resolution**  
i) It updates the [questionnaire](#) for FMI and streamlined information collection. It seeks to reduce the “many-to-one” nature of inquiries from FMI participants and authorities to FMI for resolution planning. ii) [Framework](#) to support firms and authorities gather information from FMI intermediaries to prepare their resolution plans.
- **BCBS issues a report on proportionality in bank regulation and supervision**  
[Provides](#) the results from of a global survey conducted with bank supervisors and regulators. Highlights that challenges remain during the design of a proportionate approach, and after proportionality is implemented.
- **CPMI issues its work program 2021-2022**  
[Focus](#): i) enhancing cross-border payments; ii) addressing policy issues arising from innovations in payments; and iii) evaluating and addressing risks in FMI that emerged or were accentuated during the pandemic.
- **IOSCO issues report on EFT behavior during the Covid stress**  
The [report](#) does not find significant risks in the ETF structure, but a subset of ETFs temporarily experienced unusual trading behaviors that could prove instructive for improvements to ETF regulation.
- **BIS and HKMA issue statement on tokenized green bonds**  
They [joined](#) the tech industry to build a prototype digital infrastructure that enables green investments and helps to meet environmental and sustainability goals. Results will be published in Q4 of 2021.

## Europe

- **EBA issues consultation on the role of AML/CFT compliance officers**  
Seeks [feedback](#) on the guidelines to set the role, tasks and responsibilities of AML/CFT compliance officers and includes provisions on AML/CFT governance set-up. Deadline: Nov 2, 2021.
- **EBA and ECB issue the results of their stress test exercises**  
i) [EBA](#) shows a capital depletion of €265bn, but CET1 ratio remains above 10%. ii) [ECB](#) shows a capital depletion of 5.2 pp, with a final CET1 ratio of 9.9%. The banking system is expected to remain resilient under the adverse scenario.

- **EBA issues amended ITS on resolution planning reporting**  
It seeks to re-align the [standards](#) with the changes to MREL in BRRD2, as well as to remove some identified technical obstacles that hamper compliance.
- **EBA updates data used to identify G-SIBs**  
It [publishes](#) 12 indicators and updates the underlying data from the 31 largest institutions in the EU to identify the global systemically important institutions following the final decision from BCBS and the FSB.
- **EBA issues annual report on resolution colleges for 2020**  
It sets out [observations](#) on the functioning of colleges and the progress achieved in key areas of resolution planning, highlighting areas for improvement to ensure that coordination remains robust.
- **EBA issues clarifications on APIs under PSD2**  
[Clarifies](#) issues on: authentication with electronic signatures, biometrics and mobile apps, prevention of fraud, payment initiation, service provider's refusal of a payer's request, and easing the authentication process.
- **EBA issues report on high earners for 2019**  
It [shows](#) that institutions' preparation for the UK withdrawal from the EU has affected the distribution of high earners across the EU with a number of high earners relocating from the UK to the EU.
- **EBA updates mapping between ITS on Pillar 3 disclosures and supervisory reporting**  
It [aims](#) at facilitating institutions' compliance with disclosure requirements and improving the consistency and quality of the information disclosed.
- **EBA issues peer review on the prudential assessment of qualifying holdings**  
It [highlights](#) that competent authorities have largely applied the ESAs guidelines, which have contributed to the convergence of assessment practices of proposed acquisition or increase of qualifying holdings across the EU.
- **ESMA publishes thresholds for notification of net short position in sovereign debt**  
Table for the purposes of [notification](#) to competent authorities of significant net short positions in sovereign debt under the Short Selling Regulation.
- **ESMA issues consultation on RTS on the management body of DRSPs**  
[Represents](#) the first stage in the development of the draft RTS on the management body of DRSPs and sets out proposals on information, reputation, independence and training requirements. Deadline: Sep 24, 2021.
- **ESMA issues report on the use of fintech by CSDs**  
It contains [suggestions](#) in areas in which targeted amendments to the CSDR and further guidance could help Central Securities Depositories in the deployment of DLT.
- **ESMA issues updated list of third-country recognized CCPs**  
It [presents](#) the list of CCPs established in third countries that have been recognized to offer services and activities in the Union under EMIR.
- **ESMA issues new bond liquidity assessment**  
[Provides](#) new data for bonds subject to the pre- and post-trade requirements of MiFID II and MiFIR through its data register. The transparency requirements for bonds deemed liquid applies from Aug 16 to Nov 15, 2021.
- **ESMA issues data for Systematic Internaliser calculations and makes first CTP data available**  
i) Data on the [quarterly calculations](#) for equity, equity-like instruments, bonds and on other non-equity instruments. ii) First [consolidated](#) tape provider (CTP) data under MiFIR.

- **ESMA updates Q&A on MAR**

It covers [general questions](#), and questions with a focus on different issues (from inside information to emission allowances).

## Spain

- **CNMV issues paper on financial stability for July 2021**

[Highlights](#) that stress levels of the financial system remained low in the last quarter, particularly for financial intermediaries. However, outbreaks of volatility ended up exceeding the risk between low and medium risk.

## United Kingdom

- **BoE issues documents related to banking supervisory disclosures**

[Aims](#) to foster a uniform level of transparency and accountability between supervisory authorities by providing information on rules and guidance, options and discretions, SREP, and aggregate statistical data.

## United States

- **FRB publishes individual capital requirements for large banks**

Following the [stress test results](#), it announces the individual capital requirements for large banks. Effective date: Oct 1, 2021.

- **FDIC consults on its supervisory approach to examinations during the pandemic**

[Requests](#) comment on: i) the processes and technologies leveraged in conducting off-site examinations and ii) what worked well to inform plans for future examinations. Deadline: Oct 12, 2021

- **Agencies release public sections of resolution plans for large banks**

Eight [large domestic](#) banks were required to submit targeted resolution plans by Jul 1, and their corresponding public sections are now being published in order to foster transparency.

- **Agencies issue guide for community banks to evaluate fintech relationships**

It seeks to help [community banks](#) assess risks when considering relationships with fintech companies.

- **OCC issues new "Model Risk Management" booklet**

It presents [concepts](#) and general principles of model risk management, informs and educates examiners about these practices, and provides information needed to plan and coordinate examinations of these models.

- **CFPB confirms the effective date for debt collection final rules**

[Considers](#) that the former proposal to extend the effective date to Jan 19, 2022 to help stakeholders affected by Covid to adapt, would not finally be necessary. The effective date will remain Nov 30, 2021.

- **FFIEC issues guidance on access to financial institution services and systems**

[Provides](#) financial institutions with examples of effective authentication and access risk management principles and practices for customers, employees and third parties accessing digital banking services and systems.

- **OCC and FDIC issues CRA evaluations and list of banks examined for CRA compliance**

OCC [issues](#) CRA evaluations for 14 national banks and federal savings associations, examined from Jul 1 to 31, 2021. Additionally, the [list](#) issued by FDIC covers evaluation ratings assigned to institutions in May 2021, and the list of banks [scheduled](#) for assessment in 4Q 2021 and 1Q 2022.

## Recent publications of interest (in English and Spanish)

- [Press Article](#). *Post-Covid banking regulation*. July 2021.
- [Press Article](#). *The challenge of restructuring sovereign debt*. June 2021.
- [Press Article](#). *What do we expect on European financial regulation for the semester ahead?* June 2021.
- [Press Article](#). *Public aid, level playing field and the role of banks*. April 2021.

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

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