

Financial Regulation: Weekly Update

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Highlights

1. FSB issues peer review on out-of-court corporate debt workouts
2. ESAs issue joint statement on KID for PRIIPs
3. EBA issues annual report on convergence of supervisory practices
4. PRA issues statement on EBA guidelines regarding NPL
5. FRB issues supervision and regulation report and financial stability report

Global

- **FSB issues peer review on out-of-court corporate debt workouts**
It [finds](#) that FSB jurisdictions have adopted various approaches to complement in-court insolvency proceedings and facilitate restructurings through out-of-court frameworks

Europe

- **ESAs issue joint statement on KID for PRIIPs**
It [aims](#) to improve the quality of descriptions provided by PRIIPs manufacturers, hence contributing to a better protection of retail investors.
- **EBA issues annual report on convergence of supervisory practices**
It [sees](#) progress in the implementation of the SREP and on the 2021 supervisory priorities, but flags some areas for improvement such as cyber risk, digital transformation and the determination of capital add-on.
- **EBA issues template for reporting information on deposits subject to sanctions**
It has designed an efficient [framework](#) for reporting deposits subject to Russian and Belarusian economic sanctions. The template is available for voluntary use by the relevant national competent authorities.

United Kingdom

- **PRA issues statement on EBA guidelines regarding NPL**
It sets out its [approach](#) to EBA GLs which it considers to be “a good credit risk management standard and helpful reference material for firms” management of NPEs and FBEs.

- **FCA issues statement on cryptoassets**
It reminds [consumers](#) of the risks of investing in cryptoassets, stating that there has been no regulatory oversight concerning investments in cryptoassets and NFTs.
- **PRA issues policy statement on trading activity wind-down**
It provides [feedback](#) on the responses to Consultation Paper 20/21 'Trading activity wind-down' (CP20/21) and sets out its final policy.

United States

- **FRB issues supervision and regulation report and financial stability report**
Supervision and [regulation report](#) providing an overview of: i) banking system conditions, ii) regulatory policy work, and iii) supervisory programs and priorities. ii) [Financial stability](#) report focusing on vulnerabilities: i) asset valuations, ii) borrowing by businesses and households, iii) leverage in the financial sector, and iv) funding risk.
- **CFTC issues consultation on swap clearing requirements**
It seeks to modify the [interest rate swap](#) clearing requirement in order to remove certain requirements tied to the LIBOR and other interbank rates and replace them with similar requirements referencing overnight, nearly risk-free reference rates. Deadline: 30 days after publication in the Federal Register.
- **SEC extends and reopens comment periods of several consultations**
It extends [comment period](#) on proposal to enhance and standardize climate-related disclosures for investors. New deadline: Jun 17. It also reopens comment period on proposals to improve private fund investor protection and to include significant Treasury market platforms within Regulation ATS. Deadline: 30 days after publication in the Federal Register.
- **CFPB issues advisory opinion on coverage of fair lending laws**
Guidance that seeks to affirm that the Equal Credit Opportunity Act bars lenders from [discriminating](#) against customers after they have received a loan, and not just during the application process.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *The first climate stress tests for European banks have arrived*. May 2022.
- [Press Article](#). *What is the European Union's social taxonomy for sustainable finance?* April 2022.
- [Press Article](#). *Areas for improvement in the EU crisis management framework (page 124)*. February 2022.
- [Press Article](#). *Seven keys to financial regulation in 2022*. January 2022.

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

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