

# Financial Regulation: Weekly Update

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## Highlights

1. EC proposes to accelerate the rollout of instant payments in euro
2. EBA sets examination program priorities for prudential supervisors and resolution for 2023
3. EBA consults on ESAs guidelines to prevent the abuse of fund transfers for ML/TF purposes
4. EBA publishes report on the integration of ESG risks in the supervision of investment firms
5. EP and Council reach an agreement on the regulation of European long-term investment funds

## Global

- **FATF consults on the guidance on beneficial ownership and its transparency**  
It updates the guidance paper to [Recommendation 24](#) and [25](#) on the transparency and beneficial ownership of legal persons to provide more clarity regarding legal arrangements. Deadline: Dec 6, 2022.
- **IOSCO and IVSC collaborate to explore valuation approaches and financial information for investors**  
They aim to [develop](#) a better understanding of the quality and consistency of valuations to mitigate risks to the quality of financial information.

## Europe

- **EC proposes to accelerate the rollout of instant payments in euro**  
The [legislative proposal](#) to make instant payments in euro, available to all citizens and businesses holding a bank account in the EU and in EEA countries and aims to ensure instant payments across the EU.
- **EBA sets examination program priorities for prudential supervisors for 2023**  
The [key topics](#) for supervisory attention include: i) macroeconomic and geopolitical risks; ii) operational and financial resilience; iii) transition risks towards sustainability and digitalization and iv) AML/TF risks.
- **EBA publish the European Resolution Examination Program priorities for 2023**  
Key [priorities](#) for authorities: i) how to address MREL shortfalls, ii) development of MIS for valuation in resolution, iii) preparations to manage liquidity needs in resolution, and iv) operationalize bail-in strategy.
- **EBA consults on ESAs guidelines to prevent the abuse of fund transfers for ML/TF purposes**  
It [issues](#) a call for input on the Joint Guidelines to prevent the abuse of fund transfers for ML/TF purposes issued in 2017 by the European Supervisory Authorities (ESAs). Deadline: Nov 15, 2022.

- **EBA publishes report on the integration of ESG risks in the supervision of investment firms**  
It [sets out](#) the foundations for further considerations of the ESG aspects in the SREP process for investment firms and an initial assessment of how ESG factors and risks could be included in its supervisory assessment.
- **EP and Council reach an agreement on the regulation of European long-term investment funds**  
It will [increase](#) the attractiveness of ELTIFs for investors and their role as a complementary source of financing for EU companies. This is a success for a flagship Capital Markets Union CMU initiative.
- **ESMA includes ESG disclosures as a new Union Strategic Supervisory Priority**  
It [will foster](#) transparency of ESG disclosures across key segments of the sustainable finance value chain such as issuers, investment managers or investment firms and, thus tackle greenwashing.
- **ESMA issues opinion on product intervention measure on futures taken by Germany**  
It [encourages](#) NCAs to monitor futures with additional payment obligations in their respective markets to assess whether similar risks for retail investors as those identified by BaFin could arise there.

## Spain

- **CNMV consults on the accounting standards and financial statements of market infrastructures**  
The [new Circular](#) will replace Circular 9/2008 and aims to simplify and update the obligations, eliminating redundancies and adapting all this to the new reality of the Spanish infrastructures. Deadline: Nov 18, 2022.
- **CNMV issues statement on investment recommendations**  
This activity is regulated. [Recommendations](#) must be clearly, accurately and objectively presented, and conflicts of interest of the person issuing it on the financial instruments to which it refers must be disclosed.

## United Kingdom

- **PRA publishes statement on the regulatory treatment of certain retail residential mortgage loans**  
Treatment of retail residential [mortgage loans](#) under insurance schemes with similar features to the Mortgage Guarantee Scheme. Entities will need to seek independent advice to ensure the requirements are met.
- **FCA consults on competition impacts of Big Tech on financial services industry**  
It [seeks](#) views on the potential competition benefits and harms from Big Tech firms' entry into a range of retail financial services sectors. Deadline: Jan 15, 2023.
- **FCA proposes new rules to tackle greenwashing**  
It [proposes](#) measures on sustainability labels and restrictions on how terms like 'ESG' or 'sustainable' can be used, to ensure that the sustainability characteristics products claim to have, can be trusted.

## United States

- **FDIC adopts final rule on deposit insurance assessment rates**  
It adopts the rule without changes, [increasing](#) the initial base deposit insurance assessment rates scheduled by 2 bp beginning in the first quarterly assessment of 2023.

- **CFPB issues guidance on fee practices**  
It seeks to [help banks](#) avoid practices that are likely unfair and illegal regarding `surprise overdraft` and `surprise deposit` fees on deposit accounts.
- **SEC adopts compensation recovery listing standards and disclosure rules**  
It requires [securities exchanges](#) to adopt standards requiring issuers to have policies providing for the recovery of erroneously awarded incentive-based compensation received by current or former executives.
- **SEC proposes new oversight requirements for certain services outsourced by investment advisers**  
[New rules](#) to prohibit registered investment advisers from outsourcing certain services and functions without conducting due diligence and monitoring of the service providers.

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

- [Press Article](#). *Basilea III en Europa: Ajuste a la realidad* (only in Spanish). Aug 2022.
- [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.

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

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