

Financial Regulation: Weekly Update

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Highlights

1. FSB publishes 2022 resolution report for banks, financial market infrastructures and insurance firms
2. BCBS publishes report to clarify how climate-related financial risks may be captured in Pillar I
3. EC publishes proposals to further develop the EU's Capital Markets Union
4. EBA consults on the effective management of ML/TF risks and on the data collection for the benchmarking exercise in 2024
5. Council and EP reach a provisional agreement on consumer credit directive

Global

- **FSB publishes 2022 resolution report for banks, financial market infrastructures and insurance firms**
It takes stock of progress made in implementing reforms and [enhancing resolvability](#). While a lot of progress has been made in the banking sector, multiple challenges lie ahead, particularly in the non-bank sector.
- **BCBS publishes report to clarify how climate-related financial risks may be captured in Pillar I**
To [facilitate](#) a globally consistent interpretation of existing Pillar 1 standards given the unique features of climate-related financial risks. It should not be interpreted as changes to the standards.

Europe

- **EC publishes proposals to further develop the EU's Capital Markets Union**
[Measures](#) to make clearing services more resilient, to harmonize corporate insolvency rules and to alleviate – through a new Listing Act – the administrative burden for companies to access public funding by listing on stock exchanges. Legislative proposals affect CRR, CRD, EMIR and Insolvency directive regulation.
- **EBA consults on new guidelines on the effective management of ML/TF risks**
It [aims](#) to ensure that customers, particularly vulnerable ones, are not denied access to financial services without valid reasons. Deadline: Feb 6, 2023.
- **EBA consults to amend the data collection for the benchmarking exercise in 2024**
To [amend](#) the implementing regulation on the benchmarking of credit risk, market risk and IFRS9 models for the 2024 exercise.

- **Council and EP reach a provisional agreement on consumer credit directive**
It [modernizes](#) and enhances protection at EU level for consumers applying for credit, promoting responsible and transparent practices by all players involved in consumer credit.
- **ESMA issues report on brexit relocation process**
The Peer Review gives further insight into the [supervisory approaches](#) adopted by NCAs when authorizing relocating firms in the scope of Brexit.
- **ECB reschedules launch of new European Collateral Management System**
The new ECMS, a unified system for managing assets used as collateral in [Eurosystem credit operations](#), will be launched on April 8, 2024.
- **EIOPA consults on the prudential treatment of insurers' sustainable assets and activities**
It [outlines](#) the scope, methodologies and data sources for this assessment and focuses on three areas of analysis: assets and transition risk exposures, underwriting risk and climate change adaptation and social risks and objectives. Deadline: Mar 5, 2023.
- **EIOPA publishes dashboard on insurance protection gap for natural catastrophes**
It presents the drivers of [climate-related](#) insurance protection gaps in order to identify measures that will help to reduce social losses in the event of natural catastrophes in Europe.
- **EIOPA publishes monthly technical information for Solvency II**
On i) the [relevant risk free interest](#) rate term structures (RFR) and ii) the symmetric [adjustment of the equity capital charge](#) with reference to the end of November 2022.

Spain

- **CNMV publishes report on Non Banking Financial Intermediation in Spain for 2021**
The [risk analysis](#) associated with the NBFIs does not point to the existence of relevant vulnerabilities from a financial stability point of view and does not reveal any substantial change from previous years.

United Kingdom

- **FCA consults on the process for firms to apply for the approval of financial promotions**
[Sets out](#) how it plans to operate a new gateway so that firms wanting to continue approving financial promotions for unauthorized persons will need to apply for permission. Deadline: Feb 7, 2023.
- **FCA sets out plans to improve engagement with pensions**
It has published a consultation on [standards](#) for operators of pension dashboards, and sets out requirements for providers of non-workplace pensions. Deadline: Feb 16, 2023.
- **FCA publishes guidance to set out how mortgage firms should be supporting borrowers**
To [set out](#) options firms can use to support their customers to manage their monthly mortgage payments, alongside new information for borrowers affected by rising prices.

United States

- **FRB consults on management of exposures to climate-related financial risks**
It proposes a series of principles with a [high-level framework](#) for the safe and sound management of exposures to climate-related financial risks for large banking organizations. Deadline: 60 days.
- **FRB issues updated policy on the provision of intraday credit**
Technical updates to its policy on the provision of [intraday credit](#) to healthy depository institutions with accounts in Fed Banks. It expands access, providing clarity and streamlining administrative requirements.
- **OCC publishes report on key risks facing the Federal Banking System**
[Banks](#) remain well capitalized and with ample liquidity and sound credit quality, although macroeconomic environment concerns. Key risks themes are the interest rate, operational, compliance and credit risks.
- **SEC reopens comment period on proposal regarding share repurchase disclosure**
Proposed amendments to modernize and improve the [disclosure required](#) about an issuer's repurchases of its equity securities (buybacks). New deadline: 30 days after publication in the Federal Register.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *Whither international Banking Regulation?* Nov 2022.
- [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.

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

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