

Financial Regulation: Weekly Update

Matías Cabrera and Inés Criado

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Highlights

1. EBA publishes its peer review on authorization processes under the Payment Services Directive
2. EBA publishes its quarterly risk dashboard
3. EBA publishes its report on liquidity measures
4. ESAs publish joint report on financial education and initiatives on digitalization
5. US Agencies publish joint statement on crypto-asset risks to banking organizations

Global

- **IAIS publishes its 2023-2024 roadmap to address key risks and trends in the insurance sector**
It [focuses](#) on finalizing the development of global standards, assessing trends and risks in the sector, promoting effective supervisory practices and supporting the implementation of agreed global standards.

Europe

- **EBA publishes its peer review on authorization processes under the Payment Services Directive**
It finds increased [transparency](#) and consistency in the process, but also identifies divergences in the assessment and the degree of scrutiny of applications and proposes a series of measures to address them.
- **EBA publishes its quarterly risk dashboard**
It [shows](#) that banks maintain robust capital and liquidity ratios, CET1 ratio declined slightly, NPL ratio declined slightly and average return on equity remains stable. Analysts remain optimistic about profitability prospects.
- **EBA publishes its report on liquidity measures**
It [shows](#) that the liquidity coverage ratio of EU banks declined in the first half of 2022 but is still well above the minimum requirement.
- **ESAs publish joint report on financial education and initiatives on digitalization**
It identifies [good practices](#) that national competent authorities can follow when designing and implementing their financial education initiatives on digitalization, with a focus on cybersecurity, scams, and fraud.
- **ESMA publishes 2022 European Single Electronic Format (ESEF) XBRL taxonomy files**
It [aims](#) to facilitate preparations by software vendors and issuers on the 2022 IFRS consolidated financial statements with the latest version of the ESEF format.

- **EIOPA publishes monthly technical information for Solvency II**
Technical information with reference to the end of December 2022 on the [relevant risk-free interest rate](#) term structures and on the symmetric adjustment of the [equity capital charge](#) for Solvency II.

Spain

- **BdE consults on Circular 2/2016 for credit institutions and Circular 1/2022 for financial credit establishments**
It will [modify](#) the remuneration report and will prohibit the taking of deposits or other reimbursable funds by credit institutions based in non-EU member states. Deadline: Jan 11, 2023.
- **CNMV publishes new Circular on accounting standards for market infrastructures**
It [simplifies](#) the obligations, standards and statements contained in it, eliminating unnecessary redundancies and adapting the information requirements to the new reality of the market. It came into force on Jan 1, 2023.

United Kingdom

- **PRA and FCA consult on the financial services compensation scheme**
It [sets out](#) proposals for the Management Expenses Levy Limit (MELL) for the Financial Services Compensation Scheme (FSCS) for 2023/24. Deadline: Feb 9, 2023.
- **FCA consults on the insurance guidance to support customers in financial difficulty**
It [sets out](#) its proposals to help protect customers of non-investment insurance policies in financial difficulty and to provide clearer expectations of firms in supporting their customers. Deadline: Mar 11, 2023.
- **PRA publishes a statement on the recalculation of the Transitional Measure on Technical Provisions**
It [highlights](#) the PRA's recent invitation to insurance firms to recalculate the Transitional Measure on Technical Provisions and expects firms to be able to demonstrate that a material change in risk profile has occurred.
- **PRA publishes its 2023 priorities on insurance, international banks and deposits supervision**
Priorities to complement the ongoing supervision of (i) life and general [insurers](#), (ii) [international banks](#) active in the UK and (iii) UK [deposit](#) takers.

United States

- **Agencies publish joint statement on crypto-asset risks to banking organizations**
Highlights [risks](#) for banks and the approach of the agencies to ensure that these activities are conducted in a manner that is safe and sound, legally permissible and in compliance with applicable laws and regulations.
- **FDIC releases public resolution plans for 21 large banks**
It corresponds to the [public sections](#) of resolution plans of 21 large insured depository institutions with submission date Dec 1, 2022.
- **OCC publishes its 2022 annual report**
It provides an [overview](#) of the condition of the federal banking system, discussing its strategic priorities and initiatives, and sharing the agency's financial management and condition.

- **CFPB consults on proposal on the establishment of a public registry of terms and conditions**
It seeks to establish a [public registry](#) of supervised nonbanks' terms and conditions in "take it or leave it" form contracts that waive or limit consumer rights. Deadline: 60 days following publication on the website or 30 days following publication in the Federal Register.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *What can we expect from the sustainable regulatory agenda in 2023?* (Spanish only). Jan 2023.
- [Press Article](#). *Regulatory landscape for 2023* (only Spanish). Dec 2022.
- [Press Article](#). *Whither international Banking Regulation?* Nov 2022.
- [Press Article](#). *Basilea III en Europa: Ajuste a la realidad* (Spanish only). Aug 2022.

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

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ENQUIRIES TO:

BBVA Research: Azul Street, 4. La Vela Building – 4th and 5th floor. 28050 Madrid (Spain).
Tel. +34 91 374 60 00 y +34 91 537 70 00 / Fax (+34) 91 374 25
bbvarresearch@bbva.com www.bbvarresearch.com