

Financial Regulation: Weekly Update

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Highlights

1. IAIS issues criteria on comparability of the Aggregation Method and the Insurance Capital Standard
2. EC gives mandate to ESAs to undertake 2024 Climate Risk ST exercise
3. EBA publishes annual assessment of banks' internal approaches for capital requirements' calculation
4. Council adopts revised framework for European long-term investment funds
5. Spanish Parliament approves the new Securities Markets Act

Global

- **IAIS issues criteria on comparability of the Aggregation Method and the Insurance Capital Standard**
The [comparability criteria](#), built on the definition of comparable outcomes and six high-level principles, will be used to determine if the AM (developed by the US) provides comparable outcomes to the ICS.

Europe

- **EC gives mandate to ESAs to undertake 2024 Climate Risk ST exercise**
It has mandated all three ESAs to test the resilience of the financial sector against the EU's goals to cut greenhouse gas emissions by at least 55 percent by 2030 in a [letter](#) to the three ESA chairs.
- **EBA publishes annual assessment of banks' internal approaches for capital requirements' calculation**
It [includes](#) market and credit risk benchmarking exercises conducted in 2022, aimed at monitoring the consistency of RWAs across all EU institutions using internal approaches to calculate capital requirements.
- **Council adopts revised framework for European long-term investment funds**
The [objective](#) is to make these funds more attractive as they are the only type of funds dedicated to long-term investment which can be distributed on a cross-border basis for professional and retail investors.
- **ESMA and ACER update MoU to strengthen cooperation**
ESMA and the EU Agency for the Cooperation of Energy Regulators will incorporate [new cooperation areas](#) under the market correction mechanism (MCM) Regulation and benchmarks related to the energy sector.
- **ESMA publishes guidelines on permissions for DLT market infrastructures**
They apply to competent authorities and applicants. They seek to establish [standard forms](#), formats and templates to apply for specific permissions to operate DLT market infrastructures.

- **EIOPA consults on technical advice for the review of the IORP II Directive**
It [aims](#) to ensure that the regulatory framework embraces the defined contributions and the challenges of climate change and addresses topics like risk assessment and liquidity risks. Deadline: May 25, 2023.
- **EIOPA launches new survey to map financial innovation in insurance**
It will [gather](#) information on the use of innovation in the insurance sector, including the spread of new business models and communication channels as well as insurers' partnerships with start-ups and big techs.
- **EIOPA publishes monthly technical information for Solvency II**
It includes technical information with reference to the end of February 2023 on: i) the relevant [risk-free interest rate](#) term structures, and ii) the symmetric [adjustment of the equity capital charge](#) for Solvency II.

Spain

- **Spanish Parliament approves the new Securities Markets Act**
The [legislative package](#) will reorganize and refine Spanish securities market rules, implement various EU directives and amend related regulations. It will be published in Spain's official journal soon.
- **CNMV evaluates the impact of the financial transaction tax on the Spanish equity markets**
It [concludes](#) that the effects of the tax on the trading of Spanish shares has been perceptible, although limited in absolute terms and having a relatively short term impact.

United Kingdom

- **BoE releases letter on Resolvability Assessment Framework**
Letter to CFOs of major UK banks ahead of the second [RAF assessment](#), providing information to support banks' planning and ongoing work to maintain and enhance resolvability.
- **BoE, PRA, FCA and PSR review MoU in relation to payment systems in the UK**
It [sets out](#) the high-level framework the Authorities use to cooperate and focus on effective cross-authority coordination concerning reforms to legislation and further enhancing the sharing of information and data.

United States

- **CFPB issues supervisory highlights report on fees**
It focuses on recent supervisory work related to [violations of law](#) in connection with fees, in order to identify illegal practices that harm families, market competition, and law-abiding businesses.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *Regulatory authorities' roadmaps: green transition and digital revolution* (Spanish only). Feb 2023.
- [Press Article](#). *Future challenges in digital regulation* (Spanish only). Jan 2023.
- [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.

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

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