Financial Regulation: Weekly Update
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Highlights
1. BCBS consults on digital fraud and banking
2. IOSCO publishes policy recommendations for crypto and digital asset markets
3. EC consults on the supervision of crypto-assets
4. EC issues statement on political agreement on euro instant payments
5. BdE consults Circular on payment service providers information reporting requirements

Global

- **BCBS consults on digital fraud and banking**
  It explores the supervisory and financial stability implications of digital fraud in banking, including existing data availability and measures to mitigate such risks. Deadline: Feb 16, 2024.

- **IOSCO publishes policy recommendations for crypto and digital asset markets**
  They cover: i) conflict of interests; ii) market manipulation; iii) custody and client asset protection; iv) cross-border risks and regulatory cooperation; v) operational and technological risks and vi) retail distribution.

- **FSB issues report on the identification of critical functions for insurers**
  It presents the approaches followed by several jurisdictions to identify critical functions for the purpose of resolution planning (commonalities and differences in background, scope, methodology and review process).

- **FATF publishes report on cyber-enabled fraud**
  It identifies three priority areas: enhancing domestic co-ordination across the public and private sectors, supporting multi-lateral international collaboration, and facilitating reporting of such crimes.

- **IAIS signs MMOU with the International Financial Services Centres Authority in India**
  It provides a global framework of compliance and confidentiality to allow for open cooperation and information exchange between insurance supervisors.

Europe

- **EC consults on the supervision of crypto-assets**
  It specifies the criteria for asset-referenced token or e-money token to be classified as significant, introduces supervisory measures on product intervention powers and lays down procedural rules for the EBA to impose fines. Deadline: Dec 6.
• EC issues statement on political agreement on euro instant payments
  It welcomes the agreement between the EP and the Council which will make instant payments in euro available to all citizens and businesses holding a bank account in the EU.

• ESAs publish amended technical standards on the mapping of ECAs
  The two amended ITS reflect the outcome of a monitoring exercise on the adequacy of existing mappings of External Credit Assessment Institutions, and the deregistration of three credit rating agencies (CRAs).

• EBA publishes timing for publication of 2023 EU transparency exercise and Risk Assessment Report
  It complements banks’ own Pillar 3 disclosures, as laid down in the CRD. It will release bank by bank data as of Dec 12, 2023.

Spain

• BdE consults Circular on payment service providers information reporting requirements
  It clarifies certain obligations regarding operational issues of payment service providers and the information they must submit to BdE. Deadline: Nov 27, 2023.

United Kingdom

• PRA consults on funded reinsurance
  It sets out PRA expectations in respect of life insurance firms entering into or holding funded reinsurance arrangements as cedants, to protect policyholders. Deadline: Feb 16, 2024.

• PRA publishes statement on the non-performing exposures capital deduction
  It provides feedback to responses to the consultation paper on this topic. It contains PRAs final policy on: i) own fund and eligible liabilities; ii) disclosure; iii) regulatory reporting; & iv) reporting.

• PRA publishes statement on the recalculation of the TMTP as at year-end 2023
  It highlights the PRA’s recent invitation to insurance firms to recalculate the Transitional Measure on Technical Provisions.

• FCA reviews its approach to secondary brokers
  It reviews its interpretation of the consumer credit legislation and how the legislation applies to credit broking firms whose main business activity is the supply of non-financial services.

United States

• Agencies issue statement on thresholds for applicability of requirements under Regulation Z and M
  The 2024 limit for applying regulations Z and M to consumer credit transactions and leases will be $69,500. Private education loans and loans secured by real property are always subject to regulation Z.

• Agencies issue statement on thresholds for exemptions from appraisal requirements
  The 2024 threshold for whether higher-priced mortgage loans are subject to special appraisal requirements will increase from $31,000 to $32,400. Effective date: Jan 1, 2024.
Recent publications of interest (in English and Spanish):

- **Press Article. Lessons from the latest financial turmoil** (Spanish only). September 2023.
- **Press Article. That’s how investments under ESG criteria look like** (Spanish only). May 2023.
- **Press Article. Europe leads the way in regulating crypto markets** (Spanish only). Apr 2023.

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