

Financial Regulation: Weekly Update

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Highlights

1. BCBS publishes Basel III monitoring report
2. SEC adopts rules to enhance and standardize climate-related disclosure for investors
3. BCBS publishes consultation on window-dressing in the GSIB framework
4. EBA consults on off-balance sheet items under the standardized approach of credit risk
5. BdE consults on conduct, information transparency and appropriate treatment of customers

Global

- **BCBS publishes Basel III monitoring report**
Basel III [capital](#) ratios remain stable and above pre-pandemic levels. The impact of Basel III final rules stands at +4.3% on T1 minimum capital requirements. The weighted average LCR has risen to 138.6%.
- **BCBS publishes consultation on window-dressing in the GSIB framework**
In order to address [window-dressing](#), it would require that banks participating in the G-SIB assessment exercise report and disclose G-SIB indicators based on averages taken over the reporting year, rather than the year-end values. Deadline: Jun 7, 2024.

Europe

- **EBA consults on off-balance sheet items under the standardized approach of credit risk**
It provides [criteria](#) to classify off-balance sheet items and specify the factors that may constrain the ability to cancel unconditionally cancellable commitments for CRR 3 implementation. Deadline: June 4, 2024.
- **EBA publishes final guidelines on national lists or registers of credit servicers**
They [specify](#) their content, how they should be made accessible 24x7, the deadlines for updating them and that they should facilitate borrowers' access to information on complaint handling procedures.
- **ESMA publishes guidelines on position calculation under EMIR Refit**
It [applies](#) to trade repositories that are registered or recognized by ESMA in accordance with Articles 55 and 77 of EMIR, respectively.
- **ESMA issues guidelines on stress test scenarios under the MMF Regulation**
The [aim](#) is to establish common reference parameters for the stress test scenarios to be included in the stress tests conducted by MMFs or managers of MMFs in accordance with Article 28 of the MMF Regulation.

- **ESMA publishes results of the annual transparency calculations for equity and equity-like instruments**
It [finds](#) that there are 1,192 liquid shares and 914 liquid equity-like instruments other than shares, subject to MiFIDII and MiFIR transparency requirements.
- **EMMI publishes the results of its consultation on proposed change to Euribor methodology**
It [shows](#) there is industry-wide support for reformulation and eligibility Tests and EMMI has announced its decision to implement the new methodology and associated governance framework in a phased manner.

Spain

- **BdE consults on conduct, information transparency and appropriate treatment of customers**
It [aims](#) to consolidate the transparency regulations into a text, update the banking customer protection provisions and develop the Sustainable Economy Law regarding responsible lending. Deadline: Mar 16, 2024.

United States

- **SEC adopts rules to enhance and standardize climate-related disclosure for investors**
They [respond](#) to investors' demand for more consistent, comparable, and reliable information about the financial effects of climate-related risks and how companies manage those risks.
- **SEC adopts amendments to enhance disclosure of order execution information**
It expands the [scope](#) of subject entities, modifies the categorization and content of information to be reported, and requires reporting entities to produce a summary report.
- **CFPB publishes final rule on credit card penalty fees**
It adopts a late fee [safe harbor](#) threshold of \$8 for issuers with one million or more open credit card accounts, and the annual adjustments to reflect changes in the Consumer Price Index do not apply to this amount.
- **CFTC issues advisory regarding FBOT regulatory filings**
It notifies all [foreign boards](#) of trade (FBOT) registered that as of April 1, 2024, certain regulatory filings should be submitted through the CFTC's online filings portal.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *Basel III, ESG regulation and digital finance... the plans for global regulators for 2024* (Spanish only). February 2024
- [Press Article](#). *Keys to digital and banking regulation for 2024* (Spanish only). January 2024
- [Press Article](#). *Global regulatory standards in a fragmenting financial system*. November 2023
- [Press Article](#). *Lessons from the latest financial turmoil* (Spanish only). September 2023.

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

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