

Financial Regulation: Weekly Update

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Highlights

1. EBA publishes the annual EU-wide Transparency Exercise and Risk Assessment Report
2. FSB issues statement on global resolution regimes
3. SRB publishes consultation on operational guidance for banks on resolvability self-assessment
4. EBA amends the supervisory reporting framework for investment firms
5. Agencies consult on interagency efforts to reduce regulatory burden

Global

- **FSB issues statement on global resolution regimes**
Presents: i) [list of insurers](#) subject to resolution planning standards, ii) list of CCPs systemically important, and iii) report outlining work to address lessons for the resolution framework from the 2023 bank failures.
- **IAIS publishes Global Insurance Market Report (GIMAR)**
The [outcomes](#) of the 2024 Global Monitoring Exercise highlight that Insurers' solvency and profitability positions remained stable, supported by strong underwriting performance and robust investment income.
- **IAIS adopts Insurance Capital Standard and other enhancements to its global standards**
It [adopted](#) the first comprehensive global capital standard for insurance supervision, providing a risk-based measure of capital adequacy for internationally active insurance groups.
- **FSI and IAIS publish joint note on parametric insurance**
It [explores](#) how key design elements such as index selection, trigger mechanisms and payout structures can enhance the adoption of parametric insurance against natural catastrophe.

Europe

- **EBA publishes the annual EU-wide Transparency Exercise and Risk Assessment Report**
It [highlights](#) that banks continue to operate in an environment of slow economic growth and macroeconomic uncertainty due to geopolitical risk and that climate and physical risks should not be underestimated.
- **SRB publishes consultation on operational guidance for banks on resolvability self-assessment**
It focuses on a [self-assessment](#) template that banks have to complete each year, providing more clarity on how resolvability is assessed, fostering consistency and a level playing field. Deadline: Feb 7, 2025.
- **EBA amends the supervisory reporting framework for investment firms**

The [amendments](#) cover supervisory reporting requirements on counterparty credit risk, market risk (K-NPR) and credit valuation adjustment (CVA) risk.

- **EBA issues consultation on RTS on Central Contact Point for crypto-asset service providers (CAPSs)**
It [consults](#) on its RTS specifying the criteria for CAPSs to appoint a central contact point to ensure compliance with local AML/CFT obligations of the host Member States. Deadline: Feb 4, 2025.
- **EBA and ESMA issue guide on suitability of members of the management body crypto providers**
It [provides](#) that members shall be of sufficiently good repute, have appropriate knowledge, skills and experience and capable of committing sufficient time to effectively perform their duties.
- **Council reaches agreement for proposed framework for Financial Data Access (FIDA)**
It [aims](#) to open the access of financial institutions to each other's customer data, by harmonising rules on what data to share and how to share it, fostering transparency and comparability.
- **ECB announces changes to the Eurosystem collateral framework to foster greater harmonisation**
They [aim](#) to preserve a broad collateral framework and enhance its singleness by integrating some temporary measures into the general framework and by continuing with the phasing out of the temporary measures.
- **ECB publishes second progress report on the digital euro preparation phase**
It [updates](#) its digital euro scheme rulebook, aimed at harmonising digital euro payments across the euro area, following joint review with consumers, retailers and payment service providers.
- **EIOPA publishes six consultations on legal instruments after Solvency II review**
They [cover](#) biodiversity risk, sustainability risks and plans, diversity in insurers' administrative, management or supervisory bodies, and updates to guidelines and technical standards. Deadline: Feb 26, 2025.

Spain

- **CNMV adheres to IOSCO's enhanced Memorandum of Understanding**
It will be able to [cooperate](#) with other signatories to obtain and exchange audit documents, to compel physical attendance for testimony, and to cooperate on the freezing of assets.

United Kingdom

- **PRA publishes policy statement on the definition of an Interim Capital Regime (ICR)**
It [sets out](#) the final definition of an ICR firm and how firms can join it. Joining the ICR will enable firms to preserve their current capital requirements from the implementation date of the Basel 3.1 standards (i.e. Jan 2026), until the Small Domestic Deposit Taker capital regime is implemented.
- **BoE publishes final report on wide exploratory scenario exercise**
It [aims](#) to enhance understanding of the behaviour of NBFIs and banks in stress and investigate how these market dynamics can amplify shocks in markets and potentially pose risks to UK financial stability.
- **BoE consults on revocation of the on-shored UK Technical Standard on Simplified Obligations (SO)**
It [proposes](#) to reduce the resource burden of the prescriptive process upon the Bank, while preserving the application of SO's and retaining the proportionality benefits for firms and authorities afforded by SO.
- **FCA sets out next steps for establishing a bond consolidated tape**

It [ensures](#) data is accessible in a cost-effective way, as it collates data on transactions, such as prices and volumes, bringing together data on trades executed on trading venues and those arranged over-the-counter.

United States

- **Agencies consult on interagency efforts to reduce regulatory burden**
Follows the requirement to [review regulations](#) at least once every 10 years to identify outdated requirements. Focus on: rules of procedure, safety and soundness, and securities. Deadline: 90 days from publication in the Federal Register.
- **OCC updates handbook booklet and rescissions**
It contains information for examiners regarding [supervision](#) of a bank's practices related to the prohibition from engaging in unfair or deceptive acts or practices.
- **Agencies issue statement on elder financial exploitation**
It seeks to provide supervised institutions with examples of [risk management](#) and other practices that may be effective in combatting elder financial exploitation.
- **CFPB consults on rule to stop data brokers from selling sensitive personal data**
It seeks to limit the sale of [personal identifiers](#) collected by certain companies, and make sure that financial data such as income is only shared for legitimate purposes. Deadline: Mar 3, 2025.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *How should banks integrate climate in their risk management* (only in Spanish). August 2024
- [Press Article](#). *Basel III: good news for the prudent financial 'drivers'* (only in Spanish). June 2024
- [Press Article](#). *Lessons and reforms one year after the financial turmoil* (only in Spanish). May 2024
- [Press Article](#). *Will the European Artificial Intelligence Regulation favor the development of this technology?* (Spanish only). March 2024.

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

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