

# Financial Regulation: Weekly Update

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## Highlights

1. EC publishes call for evidence on Net Stable Funding Ratio (NSFR)
2. EC proposes to shorten settlement cycle for EU securities from two days to one
3. ESMA issues consultations on several topics: CCPs, settlement discipline and securitizations
4. ESMA contributes to simplification and burden reduction
5. OCC publishes its withdrawal from NGFS

## Europe

- **EC publishes call for evidence on Net Stable Funding Ratio (NSFR)**  
It seeks to amend the CRR to [render permanent](#) the currently transitory treatment of short-term securities financing with financial customers for the calculation of the NSFR. Deadline: Mar 10, 2025.
- **EC proposes to shorten settlement cycle for EU securities from two days to one**  
It will shorten the [settlement cycle](#) on shares or bonds executed at EU trading venues. This is vital for a well-functioning Savings and Investments Union. It will enter into force on October 11, 2027.
- **ECB publishes clarification on ICAAPs and ILAAPs and respective package submission**  
It [outlines](#) some clarifications that mostly refer to capital risk and management to improve readability, however, similar considerations apply to liquidity risk and management.
- **EBA publishes final draft technical standards to implement a centralized EBA Pillar 3 data hub**  
It [details](#) the IT solutions and processes for large and other institutions when submitting their respective Pillar 3 disclosures. This also includes the data exchange formats and the technical validations.
- **EBA amends its guidelines on ICT and security risk management measures under DORA**  
It [narrows down](#) the entity scope to only those covered by DORA and the scope to the requirements on the relationship management of payment service users in relation to the provision of payment services.
- **EBA publishes report on the short/medium term objectives of its IRRBB heatmap**  
It [addresses](#) the main areas of scrutiny identified by the short to medium term objectives of this heatmap and provides tools to support the assessment of IRRBB risks, without setting any new requirements or thresholds.
- **EBA publishes peer review on supervisory convergence on tax integrity and dividend schemes**  
Most supervisors [followed](#) its action plan to clarify that supervisors are not responsible for investigating tax crimes but have to ensure that financial institutions have systems in place to manage tax crime risks.

- **ESMA consults on amendments to settlement discipline**  
[Proposals](#) include reduced timeframes for allocations and confirmations, the use of electronic allocations and confirmations, and the implementation of hold & release and partial settlement by all central securities depositories. Deadline: Apr 14, 2025.
- **ESMA issues consultations on CCP following EMIR 3**  
[Consultations on:](#) i) conditions for extensions of authorization and required information for initial authorizations and, ii) conditions and information required for validations of changes in models and parameters. Deadlines: Apr 7, 2025.
- **ESMA contributes to simplification and burden reduction**  
ESMA will be [supporting](#) the EU Commission's objective to simplify and reduce the reporting burden in the financial sector. It has introduced changes to some rules related to transparency and disclosure.
- **ESMA publishes first risk monitoring report of 2025**  
It [provides](#) an update on the status of key sectors of financial markets, during the second half of 2024. Geopolitical and macroeconomic developments remain uncertain, which gives rise to key risk drivers.
- **ESMA publishes a consultation on the revision of the disclosure framework for private securitization**  
It is a simplified [template](#) for private securitization aiming to streamline information-sharing processes while ensuring authorities have access to the essential data needed for effective oversight. Deadline: Mar 31, 2025.
- **SRB issues statement regarding SRF contributions**  
It confirms that no [contributions](#) are needed during 2025, given the fund amounts to €80 bn, which is above the 1% target level. This target will be verified again at the beginning of 2026.
- **EIOPA consults on its opinion on Artificial Intelligence governance and risk management**  
It [provides](#) further clarity on the main principles and requirements foreseen in insurance sectoral legislation that should be considered in relation to the use of AI systems. Deadline: May 12, 2025.
- **EIOPA publishes report on occupational pension funds**  
It [reveals](#) ongoing consolidation, a continued shift towards defined contribution plans and a noticeable recovery in terms of assets under management.

## United Kingdom

- **PRA publishes policy statement on final policy to streamline firm-specific capital communications**  
It [simplifies](#) the content and process of communications used to set Pillar 2A, the systemic buffers and the Additional Leverage Ratio Buffer (ALRB). These changes have no impact on firms' capital requirements.

## United States

- **OCC publishes its withdrawal from NGFS**  
It [explains](#) that its participation in the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) does not align with their regulatory mandate.
- **OCC publishes Dodd-Frank Act Stress Test Scenarios for 2025**  
It has released economic and financial market [scenarios](#), including baseline and severely adverse scenarios, for use in the upcoming stress tests for covered institutions.

- **SEC publishes exemption to report certain personal information to the consolidated audit trail (CAT)**  
It [provides](#) an exemption from the requirement to report certain personally identifiable information –names, addresses, and years of birth– to the CAT for natural persons. It will help mitigate potential security risks.

### **Recent publications of interest (in English and Spanish):**

- [Press Article](#). *Less bureaucracy and regulation to boost European sustainability* (Spanish only). January 2025
- [Press Article](#). *The role of tokenization in the financial system of the future* (Spanish only). January 2025
- [Press Article](#). *How should banks integrate climate in their risk management* (Spanish only). August 2024
- [Press Article](#). *Basel III: good news for the prudent financial 'drivers'* (Spanish only). June 2024

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

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