

# Financial Regulation: Weekly Update

Matías Cabrera and Inés Criado  
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## Highlights

1. ECB publishes the options and discretions guide on banking supervision
2. ECB publishes revised guide to internal models
3. ECB modifies its collateral framework to better manage climate financial risks
4. BdE updates the list of OSIs and sets their macroprudential capital buffer rates for 2026
5. PRA consults on the treatment of residential mortgage exposures under IRB approach

## Europe

### **ECB publishes the options and discretions guide on banking supervision**

It [updates](#) the policies on how the ECB grants permissions to banks concerning how they calculate capital requirements, in this review mostly focused on operational and market risks.

### **ECB publishes revised guide to internal models**

It [incorporates](#) updates to the framework. The main changes in the revised guide are included in the following sections: machine learning, credit risk, market risk and counterparty credit risk.

### **ECB modifies its collateral framework to better manage climate financial risks**

A [climate factor](#) will be introduced in H2 2026 to reduce the collateral value of marketable assets issued by non-financial entities, based on climate risk uncertainties.

### **EBA publishes opinion on ML/TF risks affecting the EU's financial sector**

It [states](#) that in a context of important digital developments, a careless use of innovative compliance products can lead to money laundering and terrorism financing risks.

### **EBA publishes date and guidance ahead of the publication of the 2025 stress test results**

It [includes](#) the metadata, the data dictionary, and the guide for data exploitation in order to assist users in automating the analysis of the stress test data, which will be released on 1 August at 6 pm.

### **ESMA updates the volume cap system for equity and equity-like instruments**

It will switch to a [single volume cap](#) in Oct 2025, limiting at 7% the trading volume under the reference price waiver, compared to the total aggregated trading volume over the last 12 months.

**ESRB publishes letters to EP and Council on amendments to the Securitisation Regulation**

It [expresses](#) concerns [arguing](#) that: i) some findings of the ESRB have not been sufficiently reflected in the proposal and; ii) legislators should ensure that the ESRB can fulfil its mandate effectively.

**EIOPA publishes report on its 2022 peer review on outsourcing under the Solvency II**

It [evaluates](#) if NCAs have implemented the 77 recommended actions to enhance consistency in the supervision of outsourced activities and concludes they have made substantial progress.

## Spain

**BdE updates the list of OSIs and sets their macroprudential capital buffer rates for 2026**

Based on year-end data for 2024, BdE has [designated](#) four Spanish banks as OEISs for 2026, on a consolidated basis. There are no changes from the 2025 list.

**AMCESFI publishes opinion on the macroprudential measure adopted by BdE on OSIs**

It views [favourably](#) the list of institutions identified as O-SIs for 2026 and their corresponding macroprudential buffers determined by BdE in accordance with current ECB guidelines.

## United Kingdom

**PRA consults on the treatment of residential mortgage exposures under IRB approach**

It [sets out](#) preliminary considerations on a range of possible policy changes to the treatment of residential mortgage exposures under the IRB approach to credit risk. Deadline: October 31, 2025.

**PRA consults on the revocation of the remaining provisions of the CRR**

It [proposes](#) to restate the majority of the CRR definitions without changes in substance but it also suggests targeted changes to enhance the clarity of a few definitions. Deadline: October 30, 2025.

**BoE consults on a proposal to extend payment platforms settlement hours**

It [proposes](#) to extend the settlement hours of RT2 (the renewed RTGS payment system, with the technical capability of operating near 24x7) and CHAPS (the UK's high-value payment system). Deadline: Oct 21, 2025.

**PRA reissues the 2024 O-SII buffer rates for ring-fenced banks and large building societies**

To [reflect](#) its updated OSIs framework whose thresholds are regularly reviewed (at least every three years) to update them in line with nominal GDP growth, as appropriate.

**PRA issues policy statement on the UK Insurance Special Purpose Vehicle framework**

It seeks to enhance safety and [soundness](#), and boost the UK's role in the global Insurance Linked Security market by simplifying and accelerating the establishment and authorization of UK ISPV.

## United States

### **CFTC issues no action letter on SEF Order Book**

It does not recommend [enforcement](#) action against a swap execution facility (SEF) for not providing a central limit order book, clarifying minimum trading functionality requirements for SEFs.

### **SEC permits in-kind creations and redemptions for crypto exchange-traded products (ETPs)**

It [approves](#) orders to permit in-kind creations and redemptions by participants for crypto asset ETP shares and other orders that advance a merit-neutral approach to crypto-based products.

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

- [Press Article](#). *Financial conglomerates: It really depends*. May 2025
- [Press Article](#). *Launch of the European Savings and Investment Union*. May 2025
- [Press Article](#). *Achievements and challenges following a decade of European resolution*. February 2025
- [Press Article](#). *What we ask from Von der Leyen's Omnibus initiative*. February 2025

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

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