

Financial Regulation: Weekly Update

Matías Cabrera and Salvador Portillo

September 5, 2025

Highlights

1. EBA publishes RTS on operational risk losses
2. EBA publishes final RTS on the transitory prudential treatment of crypto-assets
3. EBA issues a no-action letter on the application of ESG disclosure requirements
4. EBA and ECB publish stress test results for 2025
5. EBA issues consultation on revised guidelines on internal governance

Global

FSB publishes Annual Financial Report 2024–2025

It [contains](#) the financial statements of the FSB from April 1, 2024 to March 31, 2025. It provides details on its governance arrangements as well as its transparency and accountability mechanisms.

FATF launches National Risk Assessment toolkit

It [covers](#) 4 priority areas—corruption, virtual asset and virtual asset service providers, legal persons and legal arrangements, and informal economy—and can be tailored to country-specific needs.

Europe

EBA publishes RTS on operational risk losses

They [provide](#) a new operational risk taxonomy and clarify exemptions for the calculation of the annual operational loss and on the changes to the loss dataset in cases of mergers or acquisitions.

EBA publishes final RTS on the transitory prudential treatment of crypto-assets

They [specify](#) the technical elements necessary for institutions to calculate and aggregate crypto-asset exposures in relation to their prudential treatment.

EBA issues a no-action letter on the application of ESG disclosure requirements

It [aims](#) to address legal and operational uncertainties linked to the evolving ESG disclosure framework, in light of the proposed amendments under the Omnibus legislative package.

EBA publishes 2025 EU-wide stress test results

It [shows](#) resilience in EU banks amidst severe economic downturn scenarios, with banks facing EUR 547bn in losses yet maintaining strong capital positions to support the economy.

ECB publishes 2025 euro area stress test results

The [results](#) indicate euro area banks can endure shocks, emphasizing the need for ongoing capital prudence and resilience improvements.

EBA issues consultation on revised guidelines on internal governance

It [reflects](#) the changes introduced in the CRD framework as well as in other relevant legislations, such as DORA. Deadline: Nov 7, 2025.

EBA issues final RTS on off-balance sheet conversion factors

They [introduce](#) assignment criteria for off-balance sheet items not already assigned to any buckets. These criteria aim at distinguishing between different levels of conversion probability.

SRB issues consultation on its operational guidance on separability

The guidance aligns with their approach to [crisis readiness](#) and introduces an annex on testing and guidance for transfers, aiming to reduce administrative burden. Deadline: Oct 22, 2025.

EBA issues consultation on the RTS regarding resolution plans and resolution colleges

It seeks to simplify, [streamline plans](#) and strengthen cooperation. Main changes: make plans more focused, improve operational readiness, and simplify processes for colleges. Deadline: Nov 5, 2025.

SRB issues operational guidance on resolvability self-assessment

It introduces a [standardized questionnaire](#) to simplify and reduce the administrative burden by reducing required capabilities and shifting to biennial reporting. First report: Jan 31, 2026.

EBA issues final RTS on unfinished property exposures under the Standardized Approach

They [specify](#) the conditions that a legal mechanism should meet in order to recognize a property under construction in the own-funds requirements calculation under the SA for credit risk.

EBA issues consultation on reporting for third-country branches in the EU

It [establishes](#) uniform formats, definitions, and reporting frequencies for third-country branches, ensuring a consistent and comprehensive approach across the EU. Deadline: Oct 31, 2025.

EBA issues semi-annual MREL dashboard

Banks mostly [meet MREL](#), with a small €2.3 billion shortfall (banks in transition). Additionally, €242 billion in instruments will become ineligible by the end of Dec 2025.

EBA issues report on AML/CFT

It [provides](#) an overview of current SupTech use across the EU and outlines examples of effective practices that can contribute to a more risk-based, data-driven, and scalable supervisory model.

EBA publishes updated data for the identification of G-SIIs

It has released [end-2024 data](#) for the 32 largest institutions in the EU. This data will assist competent authorities to identify a subset of banks as G-SIIs.

EBA issues ITS regarding data collection for the 2026 benchmarking exercise

It [proposes](#) changes in data collection for the 2026 credit and market risk exercise. The most significant change affects the area of market risk, restricting the data collection of some banks.

EBA issues its Q1 2025 Risk Dashboard

The [CET1](#) ratio for EU/EEA banks stands at 16.2%, remaining stable. Risk-weighted assets (RWAs) totaled €9.9 trillion. The relevance of operational risk increased to 12.9% of total RWAs.

ESMA and European Environment Agency sign MoU for cooperation on sustainable finance

It [aims](#) to strengthen cooperation in sustainable finance and focuses on environmental factors and their integration in the sustainable finance framework, including the supervision of the framework.

ESMA publishes data for quarterly bond liquidity assessment

It is [based](#) on a quarterly assessment of quantitative liquidity criteria, which include the daily average trading activity and the percentage of days traded per quarter.

EIOPA publishes opinion on AI governance and risk management

It [provides](#) clarity to supervisors on how to interpret provisions in insurance-sector legislation, such as the IDD and Solvency II, in the context of Artificial Intelligence.

EIOPA publishes insurance risk dashboard

It [shows](#) stable risks in the EU insurance sector. However, some areas have a negative outlook marked by geopolitical tension, uncertain trade dynamics, and market volatility.

ESRB publishes NBFIs risk monitor 2025

It [highlights](#) that leverage, liquidity mismatches and interconnectedness remain key vulnerabilities across the NBFIs sector and that its vulnerabilities could amplify cyclical risks to financial stability.

United Kingdom

PRA issues discussion paper on LGD and PD estimation for residential mortgages

Policy changes for residential [mortgage exposures](#), proposing a foundation IRB approach to help mid-sized firms model PD, while using fixed supervisory values for LGD. Deadline: Oct 31, 2025.

PRA publishes its approach to the implementation of the O-SII buffer

It [applies](#) the O-SII buffer to all banking groups containing ring-fenced bodies, and large building societies that hold more than £35 billion in deposits. It reviews the approach every two years.

HM Treasury consults on amendments to the UK's AML Regulation

It [reviews](#) operability, clarity, and effectiveness of AML Regulation, including changes to customer due diligence, pooled client accounts, cryptoassets, and trust registration. Deadline: Sep 30, 2025.

United States

White House issues executive order on debanking

It requires federal [banking regulators](#) to amend existing regulations and remove "reputation risk" from guidance documents, ensuring that banking decisions are based on objective analyses.

FRB issues statement on individual capital requirements for large banks

It [details](#) large banks capital requirements, effective on October 1. They are informed by the FRB stress test results which provide a risk-sensitive and forward-looking assessment of capital needs.

FRB and FDIC publish public sections of resolution plans

Public sections of [resolution plans](#) for the 8 largest and most complex domestic banks, and 56 foreign banking organizations. These were required to submit their plans by July 1, 2025.

SEC issues statement on liquid staking activities

It clarifies how federal [securities laws](#) apply to certain liquid staking activities, stating that, under certain circumstances, these activities do not involve the offer and sale of securities.

FRB issues statement on novel activities supervision

It [announced](#) that it will sunset its novel activities supervision program and return to monitoring banks' novel activities through the normal supervisory process.

FRB issues statement on methods for collecting customer information

It [provides](#) banks the flexibility to use an alternative method for the collection by obtaining a tax identification number from a third party, rather than directly from the customer.

OCC updates bank accounting advisory series

It [revises](#) certain content for general clarity and removes questions that are no longer relevant. The updates do not alter the prior conclusions or interpretations of the OCC.

FDIC issues letter on customer identification program requirements

It [considers](#) that a FDIC-supervised institution can use pre-populated customer information for the purpose of opening an account satisfying the Customer Identification Program (CIP) requirements.

CFTC issues no action letters on swap data error correction and event contracts

It has taken a no-action position with respect to: i) reporting [counterparties](#) that fail to submit a swap data error correction notification and, ii) [swap data](#) reporting and recordkeeping regulations for event contracts.

CFTC issues advisory on foreign board of trade (FBOT) registration framework

It seeks to clarify the existing [framework](#) for FBOT registration, providing legal clarity for non-U.S. exchanges, including those for traditional and digital assets.

CFTC and SEC staff issue joint statement on trading certain of spot crypto assets

It [clarifies](#) that SEC and CFTC-registered exchanges are not prohibited from facilitating the trading of certain spot crypto products, in order to promote trading venue choice for market participants.

Recent publications of interest (in English and Spanish):

- [Press Article](#). *EU financial sector: competitiveness, simplicity, deregulation?* September 2025
- [Press Article](#). *Why do we need simpler rules?* August 2025
- [Press Article](#). *Financial conglomerates: It really depends.* May 2025
- [Press Article](#). *Launch of the European Savings and Investment Union.* May 2025

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

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