

Weekly Regulation Update

Financial Systems and Regulation

EUROPE

- **Council adopts measures to stimulate long-term financing**
The **communication** covers a broad sweep of measures, some involving legislative changes requiring the approval of Parliament and Council.
- **Council confirms agreement on Single Resolution Mechanism**
Member States **approved** the agreement reached last week with Parliament on the SRM. Final voting in Parliament is due on 15/04/14.
- **Council adopts new rules on the taxation of savings income**
Council gives the green light to its publication in the BOUE. The text revises Directive 2003/48/EC to clamp down on fraud and tax evasion from January 2016.
- **EBA publishes recommendations on variable remuneration**
The **guidelines** specify how to calculate the discount rate and apply it to variable income, in order to calculate the cap on the latter over the fixed component (100%, max. 200%).
- **EBA finalises technical standards on own funds**
The **technical standards (Part IV)** lay down the criteria to be met by capital instruments with preferential and multiple distribution.
- **EBA consults on norms for supervisory reporting**
It is **consulting** on a revised version of the harmonised format used, in order to introduce the additional information requested from institutions. The consultation period runs to 14/04/14.
- **ESMA publishes guidelines and best practices on a range of subjects**
(i) Guidelines on **cooperation and information exchange** agreements; (ii) final report on the revision of **ETFs and UCITS** guidelines; (iii) opinion on good practices for **structured retail product governance**.
- **Other important ESMA publications**
(i) **Consultation** on major shareholders disclosures (runs to 30/05/14); (ii) **Q&A and technical advice on the AIFMD**; (iii) **Q&A on regulating** European venture capital funds (**EuVECA**) and European Social Entrepreneurship Funds (**EuSEF**).
- **Commission launches public consultation on investor protection in TTIP**
As part of the Transatlantic Trade and Investment Partnership (TTIP) with the US, the EC wants **to strike a balance** between US and European financial regulation (**Q&A**).
- **Commission publishes Q&A on crowdfunding**
Explaining **what it is**: risks, benefits and current legislation in the EU.

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UNITED KINGDOM

- **The Prudential Regulation Authority reviews its leverage ratio**

The Financial Policy Committee (FPC) **published the calendar** for the review which will end in 11/14, as well as its scope and aims.

USA

- **Fed publishes results of its banking stress and CCAR tests**

On 24/03 it published its update on the **methodology and results** for the supervisory stress tests (2013) and on 26/03 it passed 25 of the 30 plans presented in the **CCAR** framework.

- **SEC proposes rules for systemically important clearing houses**

The **proposal** reinforces supervision of designated systemically clearing houses designated as systemically by the Financial Stability Oversight Council (FSOC). Runs to 27/05/14.

- **Authorities approve additional regulation for AMCs**

This involves **minimum requirements for registration and supervision** for appraisal management companies (AMC). Consultation runs for 60 days.

Recently publications of interest (in English): **Regulation Outlook** March 2014

Earlier editions of our Weekly Regulation Update (in Spanish only).