

REGULATION

Weekly Regulation Update

Financial Systems and Regulation Area

EUROPE

- Italy takes over the six-month Presidency of the Council of the EU

From 1 July, Italy takes over from Greece in presiding over the EU Council.

- Commission opens the hiring process for the Single Resolution Board (SRB)

The SRB will start to operate as an independent entity on 1 January 2015 and will be set up according to the SRM regulation, which will come into force in January 2015.

- ECB to change the voting system in its Governing Council

It will adopt a rotating system for voting because of Lithuania joining the eurozone.

- Consultation on the EC's impact assessment and stakeholder consultation guidelines

The guidelines (i and ii) aim to reinforce some key tools for ensuring appropriate measuring of the legislative process. Runs to 30 September.

- EBA and ESRB publish on countercyclical buffer disclosure (CCB)

EBA is consulting on technical standards for CCB disclosure: runs to 27 September. The ESRB has issued a recommendation on guidance for setting CCB rates and an occasional paper on indicator selection, threshold identification and calibration options.

- EBA opens three consultations on: the IRB approach, colleges of supervisors and prudential requirements

(i) Specifications of conditions of use for the standardised approach by institutions which have received permission to use the IRB; runs to 26 September. (ii) Technical standards on home-host cooperation and the functioning of the colleges of supervisors; runs to March. (iii) Joint decisions on prudential requirements (for the approval of internal models); runs to 3 October 2014.

- Other EBA publications

(i) Advice to the Commission on prudential treatment of banks' own credit risk of [derivatives](#); (ii) recommendations on disclosure of [encumbered and unencumbered assets](#); (iii) [report](#) on the European framework and [opinion](#) on the preferential capital treatment of covered bonds; (iv) [lists](#) for the calculation of capital requirements for credit risk; and (v) reporting guidelines for [funding plans](#).

- Other publications from European Supervisory Authorities (ESAs)

ESMA publishes a short [guide](#) to MiFID II for retail investors; its decisions about [financial regulation](#) and [implementing rules](#) thereof. [EOIPA](#) consults on the guidelines on the use of the Legal Entity Identifier (LEI); runs to 29 August.

- Council publishes proposal on Payment Services Directive (PSD)

In order to continue progress on the [integration](#) of retail payments in the EU, bearing in mind the technological innovations in electronic payments and through mobiles. [Legislative status](#): awaiting committee decision.

- Parliament publishes systematic overview on economic and financial legislation

The [mapping](#) covers the areas which are the responsibility of the Economic and Monetary Affairs Committee. It shows current legislation, proposals and other relevant provisions.

- The EU's Court of Auditors publishes a report on banking supervision

It [emphasises](#) that European supervision is starting to [take shape](#) and that the EBA will play a crucial role. It points out shortcomings in cross-border banking supervision, the assessment of the resilience of banks and in the promotion of consumer protection. [Link](#) to the full document.

- Publications in the Official Journal of the EU (OJEU)

Regulation on the conditions of application of the joint decision process for [specific prudential requirements](#) for institutions and the regulation on [supervisory reporting of information](#) by institutions.

UNITED KINGDOM

- PRA consults on certain aspects of the CRD IV

It [proposes](#) changes in the areas of credit risk, credit risk mitigation, market risk and governance. Runs to 8 August and 30 September.

- BoE notifies the ESRB that the UK CCB has been set at 0%

The notification forms part of the macro-prudential measures recommended by the FPC covered in our weekly regulation update from last week.

UNITED STATES

- The Fed and FDIC release public sections of the resolution plans of 17 financial firms

Each plan describes the strategy for an orderly resolution in the event of material financial distress or failure. Each has a public section and a confidential one, and they have to be updated regularly.

GLOBAL

- BCBS/IOSCO conduct a survey on securitisation markets

They have started an investigation to identify possible obstacles and develop criteria to assist in the development of simple and transparent structures. Due date for questionnaire: 25 July.

- IOSCO publishes report on securities markets regulators

Methods and tools which IOSCO and the regulators have developed to identify and assess systemic risks.

- FSB creates the Global Legal Entity Identifier Foundation (GLEIF)

The purpose of the GLEI system is to provide a unique identification of parties to financial transactions across the globe to underpin financial stability objectives.

Recent publications of interest:

- Regulation Outlook for June 2014

Back copies of our *Weekly Regulation Update* in Spanish and in English.

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