

REGULATION

Weekly Regulation Update

Financial Systems and Regulation Area / Recovery and Resolution Policies Unit / Regulation and Public Policies Unit

SPAIN

- CNMV publishes first annual report on board members' remuneration at IBEX 35 firms

It summarises information about payment packages in 2013, and classifies the main remuneration practices applied.

EUROPE

- EBA publishes six consultation documents on resolution in the context of the BRRD

(i) criteria on which an institution should go into resolution (point of non-viability), (ii) criteria for using early intervention measures, (iii) implementation of two resolution tools: separation of assets and sale of business, (iv) minimum services to be maintained after a separation of assets or sale of business, (v) guidelines and implementing technical standards as to the eligibility of institutions for simplified obligations for information, (vi) guidelines on payment commitments to deposit guarantee schemes. Open to: (i) to (iv) 12/22; (v) 01/03/2015; and (vi) 01/02/2015.

- EBA publishes guidelines on stress tests within the BRRD

After consultation in 08/2014, EBA published final guidelines defining conditions under which an institution would not enter resolution in the event of capital shortfall, public assistance and/or bail-in.

- ECB publishes decision on the separation of monetary policy and supervisory roles

Decision on the need to maintain professional secrecy and setting up information exchange so as to guarantee total independence between the two ECB roles.

- European Supervisory Authorities (ESAs) inform about risks of the European financial system

Risks: (i) fragile economic recovery; (ii) high indebtedness; (iii) intensified search for yield in prolonged low interest rate environment; and (iv) uncertainties in emerging market economies.

- ESRB paper on securities financing transactions (SFTs) and (re)use of collateral

The macroprudential authority's analysis will serve for COM proposal on SFTs reporting. It highlights the intensive use of these operations (SFTs) and near-total re-use of collateral.

UNITED KINGDOM

- British government consultation on review of benchmark indexes

It wants to establish the requirements to which a benchmark index should be subject within the regulatory framework. Open to: 10/23.

- FCA and PRA consult about banking remuneration and reporting to authorities

They launched a consultation about new information requirements for remuneration benchmarking and high earners. Target: to align these with EBA's recommendations. Open to:10/17.

- FCA consultation paper on implementing mortgage credit directive (MCD) and second charge mortgages

It proposes that the regulation should also affect second mortgages. The aim is to provide greater protection to the consumer. It debates whether to introduce the EU directive before 03/21/2016. Open to: 12/29.

GLOBAL

- FSB encourages to complete the financial reform and looking ahead

The reform is practically finished. Objectives still pending: ending too-big-to-fail, (includes *T-LAC* proposal), progress towards greater regulatory consistency and cooperation and tackle new risks outside the system's core.

- Supervisors and central bankers analyse the progress of BCBS reforms post-crisis

Main points: systemically important banks (G-SIBs), endorsement of the net stable funding ratio (NSFR), revising corporate governance guidance, finalising securitisation standards and improving consistency in capital ratios.

- FSB, BIS and IMF consider how to plug data gaps

FSB and IMF publish their fifth progress report on G-20 initiative and include next action plan. In a joint letter, IMF, FSB and BIS urge that as much progress as possible be made in initiatives to assess cross-

border risk.

- [Recent publications](#) [Banking](#) [in English](#) [and Spanish](#) [a virtue out of a necessity](#)
- [Regulation Flash: US adopts a leverage ratio definition aligned with Basel standards](#)

Earlier editions of our *Weekly Regulation Update* in [Spanish](#) and [English](#).

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