

Financial Regulation: Weekly Update 05 June 2015

Pilar Soler Vaquer / Arturo Fraile Izquierdo

EUROPE

- [EBA assesses regulatory equivalence of third countries](#)

Publishes [questionnaire](#) to assess regulatory equivalence of countries, to establish whether exposures to entities can be treated in terms of capital requirements in the same way as treatment is applied to exposures of EU Member States.

- [EBA publishes on issuances of hybrid capital instruments \(AT1\)](#)

[Updated report](#) on implementing eligibility criteria laid down under European prudential banking regulations. Provides recommendations for future issues.

- [EBA updates its risk dashboard for the EU banking sector](#)

[Confirms](#) that in 4Q14 the EU banks' capital positions remained strong, with a Common Equity Tier 1 (CET1) ratio of 12.1% (an increase of 50 basis points compared to 2013).

- [EBA consults on passport notifications for mortgage credit intermediaries](#)

The draft [Guidelines](#) under the Mortgage Credit Directive (MCD) ensure that information is exchanged consistently between the national authorities of Member States. Deadline: 4 July.

- [EBA issues final guidelines and opinion on mortgage creditworthiness assessments and arrears and foreclosure](#)

[They](#) support national implementation of the forthcoming Mortgage Credit Directive (MCD) and ensure that consumers are protected consistently. The opinion includes a list of non-binding good practices.

- [EBA publishes interactive version of Implementing Technical Standards on supervisory reporting](#)

Complements the [Interactive](#) Single Rulebook. Designed as a quick tool to help in the implementation of this set of harmonised rules.

- [Commission extends the transitional period related to own funds requirements for banks' exposures to central counterparties \(CCPs\)](#)

Passes [implementing regulation](#) which extends the period for meeting the capital requirement in derivatives transactions with respect to CCPs until [15 December](#).

- ESRB updates table regarding implementation of macro-prudential instruments

Since 30 April 2014, 11 countries have notified regarding the implementation of instruments under CRD IV, three under CRR and four concerning instruments under a national framework.

- Council publishes Delegated Regulation on the countercyclical capital buffer (CCB)

Relates to regulatory technical standards for the disclosure of information on compliance with this by entities.

- ESMA fosters derivatives market transparency via six trade repositories (TRs)

Thanks to the harmonisation of publically available data and weekly update of this it is possible to aggregate and compare data.

- ECB and EIOPA publish separate reports on financial stability

ECB highlights low stress levels in the financial system and price rises of financial assets without leading to overvaluations. EIOPA observes that the risks identified in the previous report remain unchanged.

- Publication of several documents in the Official Journal of the European Union

i) Delegated Regulation on regulatory technical standards for Own Funds requirements for institutions; ii) ECB will conduct a comprehensive assessment of new significant institutions in 2015, and iii) guidance on principles of an Ethics Framework for the Single Supervisory Mechanism.

UNITED KINGDOM

- PRA consults on depositor and policyholder protection

Seeks to confirm and clarify arrangements which give preference to depositors and the power to 'look through' accounts. Deadline: 19 June.

- PRA publishes consultation paper and statement on Solvency II

Asks about internal model reporting codes and components (Deadline: 10 July) and informs on the assessment of applications to use volatility adjustment

- FCA consults on regulated benchmarks

Sets out proposal for fair, reasonable and non-discriminatory access to regulated benchmarks. Deadline: 3 August

UNITED STATES

- [Federal agencies consult on joint efforts to reduce the regulatory burden](#)

To identify outdated or unnecessary regulations applied to insured depository institutions. To seek comment on regulations regarding consumer protection and money-laundering. Deadline: 90 days from publication.

- [Fed regarding stress tests at medium-sized financial companies](#)

Announces requirement for medium-sized companies to disclose the results of stress tests for the first time.

GLOBAL

- [BCBS / IOSCO / IAIS issue report on credit risk management](#)

Provides insight into the current supervisory framework around credit risk, the state of credit risk management at firms and implications for the supervisory and regulatory treatments of credit risk.

Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook May 2015](#)
- [Digital Economy Outlook May 2015](#)
- [Regulation Watch: Liquidez y Resolución: Función de prestamista de última instancia y el marco de resolución](#)
- [Situación Banca. Segundo Trimestre 2015](#)

Previous Weekly Regulation Updates in [Spanish](#) and [English](#).

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