

Financial Regulation: Weekly Update. 24 July 2015

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SPAIN

- Bank of Spain publishes report on banking supervision in Spain in 2014

[Describes](#) supervisory functions, new rules, work carried out in international forums and financial and statistical information regarding supervised entities.

EUROPE

- EC amends regulation on the European financial stabilisation mechanism (EFSM)

[Proposes](#) a permanent guarantee system to protect non-euro area Member States from potential losses arising from the loan to Greece

- Greek Parliament passes the transposition of the BRRD

[Greece](#) completes its existing resolution framework for credit institutions, including bail-in.

- ESRB and EBA on macro-prudential supervisory policy

ESRB launches fourth [annual report](#) and [updates](#) measures notified by national authorities. EBA publishes [report](#) on measures notified since implementation of CDR IV and CRR.

- EC approves final measures required to launch the Juncker Plan in the autumn

[Approved](#) regulation on the functioning of the European Fund for Strategic Investments (EFSI), role of national promotional banks and informative platforms. Appointed members of the Steering Board. Members of the Investment Committee and Managing and Deputy Managing Director will be appointed in Sep 2015.

- EBA on internal models for compliance with solvency regulation

Publishes two reports on consistency of risk weighted assets: i) [counterparty](#) risk, and ii) [large corporate, sovereign and credit institution](#) risk.

- EBA publishes report on assessment of members of the management body

[Warns](#) of insufficient convergence among competent national authorities in the definition and criteria to assess the suitability of members, key function holders and the notion of independence.

- Good progress in round 10 of the TTIP negotiations

Emphasis was laid on the strong political backing for the negotiations and having reached an important milestone as revised services offers have been exchanged.

- Council confirms agreement with EP on the insurance distribution directive

Council's Permanent Representatives Committee (COREPER) has backed agreement reached on 30 Jun. Pending formal approval by EP and publication in OJEU.

UNITED KINGDOM

- Treasury consults on proposed reform of Bank of England (BoE)

To centralise financial regulation at the BoE. Seeks to incorporate the PRA into the BoE and expand the remit of the FPC in financial stability strategy. Deadline: 11 Sep

- PRA publishes supervisory statement regarding the liquidity coverage ratio (LCR)

Establishes specific LCR reporting mechanism to be followed provisionally by firms from 1 Oct until the introduction of mandatory reporting of the new LCR.

- FCA consults on new measures for cash savings accounts

For swifter and more straightforward account switching. Obliges firms to provide easy-to-follow information and to advise consumers about interest rate changes. Deadline: 12 Oct.

UNITED STATES

- Fed proposes revisions of bank stress testing regulation

Postpones the entry into effect of the supplementary leverage ratio for banks until 2017, and the use of advanced approaches for RWAs will be delayed indefinitely. Removes the requirement to calculate a Tier 1 common ratio. Comments before: 24 Sep.

- Fed approves final rule on capital requirements for systemically important US banks (G-SIBs)

Establishes capital surcharges of between 1% and 4.5% of risk-weighted assets. Phase-in will commence on 1 January 2016 and it will be fully effective on 1 January 2019.

- Volcker rule now applicable in the United States

Volcker is mandatory for banks from [21 Jul 2015](#), after the conformance period was be extended for one year. Rule effective from 1 Apr 2014.

- Fed appoints steering committees for Faster Payments and Secure Payments Task Forces

In Jan 2015, it published [strategies](#) to improve the US payments system. The [committees](#) will advise on the scope, priority and development of agendas.

GLOBAL

- BCBS/IOSCO on simple, transparent and comparable securitisations

Publish [criteria](#) to identify them and [announce](#) that BCBS is studying how to incorporate them into the securitisations solvency framework which was revised in 2014.

- BCBS consults on opening bank accounts

Updates the [general guide](#) published in 2003 to comply with the rules on anti-money laundering and counter-financing of terrorism. Deadline: 22 Oct.

Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook](#) June 2015
- [Digital Economy Outlook](#). June 2015
- [Regulation Flash](#): The leverage ratio as a macroprudential tool
- [Regulation Watch](#): EU loss-absorbing capacity requirement
- [Situación Banca](#). Segundo Trimestre 2015

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

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