

Financial Regulation: Weekly Update. 30 October 2015

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GLOBAL

- FSB will hold an on-the-record briefing session in advance of the Antalya G20 Summit

Will provide an update on: i) first report on implementation and effects of the G20 financial reforms; ii) the final term sheet for TLAC, and iii) annual Resolution progress report.

EUROPE

- EC approves Work Programme 2016 in line with the 2015 strategy points

Highlights the importance of the Digital Single Market. Includes: [23 new](#) initiatives, priorities pending, withdrawals or modifications of [20 proposals](#) and legislation that is [adaptable](#) to new objectives. Additionally, adopts comprehensive strategy to deepen the [Single Market](#).

- ECB publishes report on financial structures

Highlights: i) the decrease in the number of credit institutions; ii) the increase in solvency and reduction of leverage ratios, and iii) the rise of shadow banking.

- EBA consults on how confidential information collected under the BRRD should be disclosed

Guidelines to promote convergence in the disclosure of confidential information on an aggregate basis and anonymously. Deadline: 27 Jan.

- EC consults on remuneration in the banking industry

Review of the application and the impact of remuneration policy established in prudential rules, with a view to submitting a report to the EP/Council on 30 Jun. Deadline: 14 Jan.

- EC on capital requirements for covered bonds

Reports to the EP and Council on the suitability of maintaining preferential prudential treatment for covered bonds.

- PE approves regulation on transparency of Securities Financing Transactions Regulation

To improve [transparency](#) in shadow banking. Next steps: approval by the Council and publication in the OJEU.

- FINMA publishes Total Loss-Absorbing Capacity (TLAC) requirements

Swiss G-SIBs [will be required](#) to have a TLAC corresponding to a 10% leverage ratio and a ratio of 28.6% of RWAs (includes buffers, except the counter-cyclical one). Phased in up to 2019.

- ECB issues opinion on BRRD transposition in Hungary

[Highlights](#) that the resolution authority provides transparency and certainty on criteria to implement the resolution, and clarifies that dialogue with the supervisory authority is required.

- 11th round of TTIP talks

Substantial [progress](#) on the three main areas regarding market access for EU and US companies: tariffs, services and public procurement.

- EBA with regard to defining default and cooperation with other supervisory authorities

i) [Publishes final templates](#) for the Quantitative Impact Study on the definition of default under CRR. Deadline: 10 Dec. ii) Signs a [memorandum of cooperation](#) with six South-Eastern European supervisory authorities.

- National Bank of Belgium adopts macroprudential decisions at its fifth meeting

i) [Extends](#) for one year the application of an add-on of 5% to the risk weight applied to mortgage loan exposures under the IRB approach, and ii) publishes a list of other systemically important institutions with their phase-in periods and required buffers, in line with CRD IV.

- ESMA sets priorities for financial statements

[Identifies](#) three key focus areas in examining the financial statements of listed companies, and [urges](#) companies to improve the quality and scale of disclosures in financial statements.

- Decisions taken by the Governing Council of the ECB

Publishes [decisions](#) regarding: i) market operations; ii) financial stability; iii) payment systems and market infrastructure, and iv) banking supervision, among others.

- EIOPA publishes two revisions within Solvency II

Regarding: i) the financial [reporting](#) and disclosure package, and ii) the [methodology for calculating](#) the relevant risk-free interest rate term structures.

- EP approves its position regarding agreement with Switzerland on ending bank secrecy

Agreement between the EU and Switzerland to [automatically exchange](#) information on the bank accounts of each other's residents from 2018. Pending ratification in the Swiss parliament.

SPAIN

- [Government approves Royal Decree to facilitate the transposition of the MiFID rules](#)

[Includes](#) rules which have modified the Securities Market Act and provisions on the securities markets which facilitate their understanding and interpretation.

- [Bank of Spain informs on financial regulation in 3Q15 in its Economic Bulletin](#)

[Key aspects](#): Circular on transparency in official securities markets, the Law on regulation, supervision and solvency of insurance and reinsurance companies; the second-chance mechanism, and anti-money laundering measures.

UNITED KINGDOM

- [PRA consults on the new fee structure](#)

[To](#) adapt it to the new Rulebook. Will maintain rates and methodology for the current period and consult later on rates for 2016-17. Deadline: 29 Dec.

- [Treasury consults on legislative changes for implementation of the UCITS V Directive](#)

[Seeks](#) opinions on [Level 1 measures](#) (to be transposed before 18 Mar 2016), and the impacts and costs of complying with the implemented measures. Deadline: 17 Dec.

- [PRA publishes on Payment Systems Regulator \(PSR\) fees](#)

Final [decision](#) on how regulatory fees will be calculated and collected from participants in regulated payment systems. The fees will fund the setting up of the PSR and its activities.

Recent publications of interest (in English and Spanish)

- [Financial Regulation Outlook](#) October 2015
- [Press article](#). Europe with high beams
- [Regulation Flash](#): Commission presses ahead with the plan to complete the EMU
- [Regulation Watch](#). BRRD: Overview of the EBA's level 2 regulation
- [Digital Economy Outlook](#). October 2015
- [Banking Outlook](#). September 2015

Previous editions of our Weekly Regulation Update in [Spanish](#) and [English](#)

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