

Financial Regulation: Weekly Update. 22 September 2017

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GLOBAL

- ISDA issues recommendations for CCP recovery and resolution

[Building](#) on the work by the CPMI, IOSCO and FSB, it set the steps for implementing a robust, unambiguous and predictable recovery and resolution mechanism for CCPs.

- BCBS publishes frequently asked questions (FAQs) on definition of capital

[They](#) correspond to definition of capital and to the loss absorbency capacity at the point of non-viability.

- ISDA publishes white paper on the harmonization of regulatory regimes for derivatives

It sets out a [risk-based](#) framework to enhance cross-border comparability assessments, in order to reduce the risk of failure and fragmentation.

- FSB and IMF publish 2nd progress report on G20 Data Gaps Initiative (DGI)

[They agreed](#) on a new monitoring framework to track the implementation, including twenty new recommendations. DGI-2 recommendations should be fully implemented in 2021.

EUROPE

- EBA issues discussion paper and consults on significant risk transfer in NPL securitisation

[Aims](#) at harmonising supervision of the risk transfer through securitisations, also enhances the regulatory level playing field within the EU market for securitisations. Deadline: 19 Dec.

- EC issues proposal to amend the European Supervisory Authorities

It seeks to [enhance](#) coordination, extend ESMA's supervisory powers for capital markets, improve governance and funding, and promote sustainable finance and FinTechs.

- ESAs publish report highlighting main risks for the EU financial system

In an [uncertain](#) political and economical environment, valuation risk persists and profitability remains as a challenge. Fintech arises opportunities and challenges for entities and users.

- EBA consults on amendments to ITS regarding supervisory disclosure

The ITS [specifies](#) different features of the supervisory information to be disclosed. Focuses on clarify the level of consolidation when aggregating data. Deadline: 22 Dec.

- ESMA issues procedure for ETDs access to CCPs

It lays out the steps [necessary](#) for trading venues to temporarily opt-out from the access provisions for CCPs, with respect to certain exchange-traded derivatives (ETDs).

- EC reports that T2S last migration wave has been successfully completed

Estonia, Latvia, Lithuania and Spain [successfully connected](#) to the Eurosystem's TARGET2-Securities (T2S) securities settlement platform, which is now fully operational.

- FSMA, ESMA, ECB and EC announce new WG on Risk-Free reference rate

[The Working Group](#) is tasked with the identification and adoption of a "risk-free overnight rate" which can serve as a basis for an alternative to current benchmarks.

- OJEU publishes amending Regulation issued by the ECB

It lays down [application](#) date of Regulation (EU) 2017/1538 for reporting of supervisory financial information to less significant entities subject to national accounting frameworks.

UNITED KINGDOM

- FCA publishes its approach to implementing PSD2

The new [EU directive](#) improves consumer protection and makes payments safer. FCA requires firms to be ready for the new regime. Entry into force: 13 Jan 2018

- FCA and Hong Kong Insurance Authority sign Fintech co-operation agreement

[This agreement](#) seeks to develop business and growth opportunities for fintech firms outside their home jurisdictions.

- PRA updates Supervisory Statement on depositor and dormant account protection

It seeks to [provide](#) clarity on the use of the Financial Services Compensation Scheme badge on information sheets.

Recent publications of interest (in English and Spanish):

- [Digital Economy Outlook](#). September 2017
- [Financial Regulation Outlook](#). July 2017
- [Regulation Watch](#). Reflection paper on the future of the Eurozone. June 2017
- [Press Article](#). Quo Vadis, Europe? August 2017
- [Press Article](#). The four "Cs" of the Hamburg G20. July 2017
- [Press Article](#). The US reviews its banking regulation. July 2017

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

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