

# Financial Regulation: Weekly Update

Matías Cabrera, Inés Criado, Arturo Fraile, Salvador Portillo, Ana Rubio, Victoria Santillana, Pilar Soler, Víctor Tarrías

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## Highlights

1. ECB consults its guidelines to fit and proper assessment
2. EC consults on improving transparency and efficiency in secondary markets for non-performing loans
3. ESMA issue a call for evidence on digital finance
4. ESMA issues its 2020 annual report
5. FCA and BoE issue a joint statement encouraging a switch from LIBOR to SOFR

## GLOBAL

- **ISDA consults on the implementation of fallbacks for certain swap rates**  
[Seeks](#) input on the implementation of fallbacks for the sterling “LIBOR ICE Swap Rate” and for the “US dollar LIBOR ICE Swap Rate”, published by ICE Benchmark Administration (IBA). Deadline: Jul 2, 2021.
- **IOSCO Monitoring Group issues report on International Audit and Ethics Standard-Setting System**  
Following its recommendations on this topic in Jul 2020, this [report](#) provides a periodic overview of the initiatives carried out during recent months, highlighting the publication of a transition plan for their reforms.

## EUROPE

- **ECB consults its guidelines to fit and proper assessment**  
[Replaces](#) former guides and aims to enhance the overall process and explain its approach to diversity and supervisory expectations on climate-related and environmental risks. Deadline: Aug 2, 2021.
- **EC consults on improving transparency and efficiency in secondary markets for NPLs**  
[Seeks](#) to find the remaining obstacles to the proper functioning of secondary markets for NPLs, together with actions to improve the quantity, quality and comparability of NPL data. Deadline: Sep 8, 2021.
- **ESMA issues a call for evidence on digital finance**  
[Gathers](#) information on: i) fragmented/non-integrated value chains; ii) digital platforms and bundling of financial services; and iii) mixed activity groups providing financial and non-financial services. Deadline: Aug 1, 2021.
- **ESMA issues its 2020 annual report**  
Provides an [overview](#) of the initiatives carried out in 2020: i) supervisory convergence; ii) risk assessment; iii) Completion of the Single Rulebook for financial markets; and iv) supervising specific financial entities.
- **EBA issues a report on e-commerce card-based payment transactions**  
Based on data provided by payment service providers, [highlights](#) a significant progress in complying with the requirements for strong customer authentication and a significant reduction of the volume and value of fraud.

## UNITED KINGDOM

- **FCA and BoE issue joint statement encouraging a switch from LIBOR to SOFR**  
[Encourage](#) liquidity providers in US dollar linear interest rate swaps market to adopt new trading conventions for interdealer trading based on SOFR instead of LIBOR. Effective from: Jul 26, 2021.
- **BoE issues its climate related financial disclosures 2020/2021**  
[Covers](#) its climate change strategy, the governance structures and processes around climate-related works, and the measurement and management of climate-related risks across its physical and financial operations.
- **BoE issues a quantitative impact study on Solvency II**  
Provides [feedback](#) to the former consultation on Solvency II and contains PRA's final policy, as an updated Statement of Policy (SoP) 'The PRA's approach to the publication of Solvency II technical information'.

## UNITED STATES

- **FDIC issues policy statement on Minority Depository Institutions (MDI)**  
i) [Describes](#) FDIC's actions to preserve MDIs and enhance their communications; ii) explains the examination standards to assess MDIs performance; and iii) defines the terms for technical assistance and training.

### Recent publications of interest (in English and Spanish):

- [Press Article](#). *What do we expect on European financial regulation for the semester ahead?*. June 2021.
- [Press Article](#). *Public aid, level playing field and the role of banks*. April 2021.
- [Interview](#). *Post COVID-19 regulation is key for economic recovery*. January 2021.
- [Press Article](#). *Financial regulation in 2020: At key points... regulators face risks*. January 2021.

Previous edition of our Weekly Financial Regulation Update in [English](#).

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## This report has been produced by:

### Head of Financial Regulation

Ana Rubio  
arubiog@bbva.com

Arturo Fraile  
arturo.fraile@bbva.com

Matías Daniel Cabrera  
matiasdaniel.cabrera@bbva.com

Víctor Tarrías  
victor.tarrias@bbva.com

Inés Criado  
ines.criado@bbva.com

Victoria Santillana  
mvictoria.santillana@bbva.com

Pilar Soler  
pilar.soler.vaquer@bbva.com

Salvador Portillo  
salvador.portillo@bbva.com

### ENQUIRIES TO:

BBVA Research: Azul Street, 4. La Vela Building – 4th and 5th floor. 28050 Madrid (Spain).  
Tel. +34 91 374 60 00 y +34 91 537 70 00 / Fax (+34) 91 374 25  
bbvaresearch@bbva.com www.bbvaresearch.com

