

Financial Regulation: Weekly Update

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Highlights

1. EBA updates the list of O-SIIs
2. ECB issues its targeted review of internal models (TRIM)
3. European Commission adopts a delegated regulation on stay clauses under BRRD
4. BCBS issues its work program and strategic priorities for 2021-2022
5. BoE and HM Treasury issue a joint statement on Central Bank Digital Currency

GLOBAL

■ BCBS issues its work program and strategic priorities for 2021-2022

[Priorities](#) include ongoing “Covid-19” initiatives, assessing emerging risks, vulnerabilities and structural trends to the global banking system, increasing supervisory cooperation and monitoring the implementation of Basel III.

EUROPA

■ EBA updates the list of O-SIIs

List of banks identified as [systemically important](#) by the relevant authorities following the criteria from the EBA's guidelines. Based on end-2019 data, reflects scores and the corresponding capital buffers that have been set.

■ ECB issues its targeted review of internal models (TRIM)

The [review](#) checks that banks comply with rules and implement internal models consistently, resulting in €275 bn (12%) increase in RWAs over the last three years. TRIM reduced non-risk-based variability of models' output.

■ EC adopts delegated regulation on stay clauses under BRRD

It formally adopts the RTS under [Art 71a BRRD 2](#), on the contractual recognition of stay powers. Entry into force: 20 days after publication in OJEU.

■ EIOPA issues an opinion on the supervision of climate change scenarios in the ORSA

It sets out its [expectations](#) on the supervision of the integration of climate change risk scenarios by insurers in their Own Risk and Solvency Assessment (ORSA).

SPAIN

- **CNMV issues a circular on accounting rules, annual financial statements, ESIs, SGIIC and SGEIC**

Replaces former [Circular](#) and develops the accounting regime of certain entities subject to the supervision of the CNMV as well as the Standards for the formulation of consolidated annual accounts. Effective date: Apr 23, 2021.

UNITED KINGDOM

- **BoE and HM Treasury issue a joint statement on Central Bank Digital Currency (CBDC)**

It announces the creation of a [taskforce](#) to assess the issuance of a digital currency (a decision has not yet been made). It also creates two forums to consult stakeholders on technology and non-technology aspects of a CBDC.

- **BoE issues a policy on omnibus accounts in RTGS**

It seeks to support industry innovation by including [omnibus accounts](#) into its Real-Time Gross Settlement (RTGS) service.

- **BoE issues a statement on the regulatory treatment of retail residential mortgage loans**

Updates former [statement](#) issued in 2013 in order to provide information on capital, notification, disclosure and reporting requirements for loans under the Mortgage Guarantee Scheme, as set out in the relevant UK legislation.

- **BoE issues a document on public disclosure on Solvency II**

[Aims](#) to foster a uniform level of transparency and accountability between supervisors. It focuses on supervisory disclosures and PRA's supervisory approach and insurance regulations applicable in UK year-end 2019.

- **PRA and FCA issue a statement on remuneration Benchmarking and High Earners reporting templates**

Taking into consideration the issues regarding some of the updated reporting [templates](#), they have decided to postpone its implementation and continue using current templates for the submission of 2020 data.

UNITED STATES

- **Agencies consult on a rule for income tax allocation agreements**

The proposed rule [updates](#) and codifies existing guidance on income tax allocation agreements involving depository institutions and their affiliates. Deadline: 60 days after its publication on the Federal Register.

- **CFPB issues an interim final rule on fair debt collection practices act**

[Requires](#) debt collectors to provide written notice to tenants of their rights under the eviction moratorium and prohibits debt collectors from misrepresenting tenants' eligibility for protection from eviction under the moratorium.

- **OCC issues CRA evaluations for national banks and Federal Saving Associations**

The [list](#) became public during the period of Mar 1, 2021 to Mar 31, 2021, and contains only national banks, federal savings associations and insured federal branches of foreign banks that have received ratings.

Recent publications of interest (in English and Spanish):

- [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.
- [Press Article](#). *Procyclical financial regulation: What can be done?* October 2020.

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

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