

# Financial Regulation: Weekly Update

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## Highlights

1. Council of Ministers approves RDL with the transposition of CRD V, BRRD II and AMLD 5
2. EBA consults on the assessment of RW and LGD values for exposures secured by immovable property
3. EBA consults its draft guidelines on the delineation and reporting on Deposit Guarantee Schemes
4. SRB issues guidance on liquidity and funding in resolution
5. European Parliament issues a draft report on the Banking Union

## EUROPE

- **EBA consults on the assessment of RW and LGD values for exposures secured by immovable property**  
Specifies the [factors](#) and the conditions that the relevant authority should take into account when assessing the appropriateness of RW or of the minimum values of LGD for these exposures. Deadline: Jul 29, 2021.
- **EBA consults its draft guidelines on the delineation and reporting of Deposit Guarantee Schemes**  
Aims to [improve](#) consumer confidence in financial stability by establishing a more harmonized approach to funding DGSs and increasing transparency and comparability of DGS' financial positions. Deadline: Jul 28, 21.
- **SRB issues guidance on liquidity and funding in resolution**  
It focuses on the [estimation of liquidity needs](#), and seeks to enhance resolvability. Banks will be assessed on this element in the 2021 resolution planning cycle.
- **European Parliament issues a draft report on the Banking Union**  
[Shows](#) its position on some issues related to the recent consultation on CMDI. Welcomes the entry of Bulgaria and Croatia into the Banking Union and remarks that EDIS is still lacking.
- **EBA consults its ITS on liquidity reporting**  
It seeks to enhance the [proportionality](#) on the supervisory reporting of Additional Liquidity Monitoring Metrics for small and non-complex institutions. Deadline: Jul 28, 2021.
- **ESRB issues report on the impact of COVID-19 on financial stability**  
It warns of the threat of a wave of [insolvencies](#) unless Member States manage the transition from liquidity to targeted solvency support measures, and a successful debt restructuring for viable firms.
- **EBA issues erratum of the taxonomy package on reporting framework 3.0**  
This [amendment](#) has no impact on reporting framework 3.0 and aims at making the DPM backward compatible with historical framework versions.

- **EIOPA issues two consultations on risk assessment by IORPs**  
[Consults](#) opinions on: i) Supervisory reporting of costs and charges of “Institutions for Occupational Retirement Provisions” (IORPs); and ii) supervision of risk assessment providing DC schemes. Deadlines: Jul 22, 2021.

## SPAIN

- **Council of Ministers approves RDL with the transposition of CRD V, BRRD II and AMLD 5**  
It [updates](#) the national regulation on solvency and resolution for credit institutions to incorporate international accords on capital requirements and loss absorption capacity. The update on AML improves control mechanisms and enhances the transparency and availability of information.

## UNITED KINGDOM

- **PRA consults on the definition of “higher paid material risk taker”**  
Its [purpose](#) is to align the ‘higher paid material risk taker’ definition with the PRA’s intention of continuing the approach outlined in the Supervisory Statement on “remuneration”. Deadline: May 26, 2021.
- **PRA consults on a new regulatory framework for non-systemic banks and building societies**  
Seeks to [develop](#) a simpler but resilient prudential framework for banks and building societies that are neither systemically important nor internationally active. Deadline: Jul 9, 2021.

## UNITED STATES

- **CFPB delays the mandatory compliance date for general qualified mortgage final rule**  
In order to ensure access to responsible and affordable mortgage credit, and preserve flexibility for consumers, the application of the General Qualified Mortgage rule has been [delayed](#) from Jul 1, 2021 to Oct 1, 2022.
- **CFTC staff renews no-action relief for swaps and issues relief for Binary options**  
[Renews](#) temporary no-action relief for entities submitting swaps for clearing with “DCOs acting” under exemptive orders and issues [relief](#) for reporting fully collateralized binary option data to swap data repositories.

### 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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