



"We get financial firms to regulatory compliance rapidly and cost-effectively."

European Regulatory Summary - JUNE 2015

Greece has dominated the European Agenda in recent weeks. In response to ongoing market uncertainty ESMA has issued its official opinion agreeing to a seven-day emergency short selling prohibition proposed by the Hellenic Capital Market Commission (HMCM) under the Short Selling Regulation starting on 30 June 2015.

MiFID II

- ESMA Chair delivered an opening statement presenting the work of ESMA on MiFID II at a hearing of Economic and Monetary Affairs Committee, at the European Parliament.

Central Securities Depositories Regulation

- ESMA wrote to the EC informing of its intention to delay its draft Technical Standards (TS) for the Central Securities Depositories Regulation (CSDR) to September 2015. The initial delivery date of the CSDR TS was 18 June 2015.

Economic and Monetary Union

- A report has been published entitled "Completing Europe's Economic and Monetary Union," commissioned by leaders at the Euro Summit last October.
- The report, written by the presidents of the European Council, the European Commission, the European Parliament, the Eurogroup and the European Central Bank, lays out a roadmap for further integration of the euro area.
- [Click here](#) to access the press release.

Advanced Measurement Approaches for operational risk

- EBA published final draft standards on assessment methodologies for Advanced Measurement Approaches for operational risk.
- These specify the criteria that Competent Authorities need to take into account before granting institutions permission to use advanced measurement approaches (AMA) for calculating their capital requirements for operational risk.
- [Click here](#) to access the document.

Packaged retail and insurance-based investment products (PRIIPs)

- The Joint Committee of the European Supervisory Authorities (ESAs) – EBA, EIOPA and ESMA – has published a Technical Discussion Paper on risk, performance scenarios and cost disclosures for Key Information Documents (KIDs) for Packaged Retail and Insurance-based Investment Products (PRIIPs).
- The Joint Committee is looking for feedback from all stakeholders by 17 August 2015.
- This aims to collect views on the possible methodologies to determine and display risks, performance and costs in the KID. The paper is split into a section on risk and reward and a section on costs.
- The DP is available on the websites of EBA, ESMA and EIOPA.
- [Click here](#) to access the discussion paper.

EBA presents advice on criteria and capital treatment for securitisation

- The EBA presents its recommendations on a European Union (EU) framework for qualifying securitisations at a public hearing held in London.
- The European Commission had requested in 2014 the EBA to advise on criteria for identifying a prudentially sound securitisation market and its regulatory treatment.
- Presenting the findings at the hearing, Andrea Enria, Chairperson of the EBA explained that "the EBA fully supports a review of the regulatory securitisation framework, which would also be important in the light of the Commission's effort to create a Capital Markets Union" and added: "We hope and believe that our report will feed into this discussion".
- [Click here](#) to access the document.

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Banking structural reform

- On 19 June 2015, the ECOFIN Council set out its negotiating stance on structural measures to improve the resilience of EU credit institutions.
- The proposal is aimed at strengthening financial stability by protecting the deposit-taking business of the largest and most complex EU banks from potentially risky trading activities.
- The proposed regulation would apply only to banks that are either deemed of global systemic importance or exceed certain thresholds in terms of trading activity or absolute size. Despite recent regulatory reforms in the banking sector, these credit institutions and groups remain too-big-to-fail, too-big-to-save and too complex to manage, supervise and resolve.
- [Click here](#) to access the press release relating to these proposals.

Capital Markets Union – FCA's perspective

- FCAs view on the CMU as laid out in the Speech by David Lawton, Director of Markets, Policy and International, at the FCA, delivered at the Deutsche Borse Group 'Blueprint for a European Capital Markets Union' event on 27 May 2015 at the ETC venues, London.
- FCA is aware that the CMU is going to be a central theme at the EC and the FCA has submitted a response to the EC green paper which will be published shortly.
- [Click here](#) to access the full article.

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