

RegWatch newsletter – February 2021

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This month's News

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CRR/CRD

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16/02/2021 The EBA publishes final guidelines specifying the conditions for the application of the alternative treatment of institutions' exposures related to 'tri-party repurchase agreements' for large exposure purposes.

See [the related EBA press release](#)

17/02/2021 The EBA publishes a consultation paper on the criteria that NCAs should use to assess a breach of the large exposure limits. The paper also details the criteria to determine the period of time and the measures for institutions to return to compliance with those limits. The consultation runs until 17 May 2021.

See [the EBA press release about this public consultation](#)

18/02/2021 The EBA publishes final draft ITS on the disclosure of indicators of G-SIIs. These standards help to identify which banks are G-SIIs and specify the formats and instructions in accordance with which G-SIIs must disclose the information required under CRR.

See [the EBA press release on the final draft ITS on G-SIIs disclosures](#)

19/02/2021 The EBA publishes final draft RTS on the determination of indirect exposures to underlying clients of derivative and credit derivative contracts under Article 390(9) of CRR. The draft RTS propose a methodology for the calculation of these exposures for different categories of (credit) derivative contracts with a single underlying debt or equity instrument.

See [the EBA final report on indirect exposures arising from derivatives](#)

MiFIR/MiFID

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11/02/2021 The EBA consults on its draft ITS on the information concerning the new prudential requirements that NCAs will be required to disclose annually for all types of investment firms authorised under MiFID. The first disclosure date under these draft ITS is set by 30 June 2022. The consultation runs until 11 May 2021.

See [the related EBA press release](#)

Climate Risk

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25/02/2021 The ESAs publish a joint supervisory statement on the effective and consistent application and national supervision of the Regulation on sustainability-related disclosures in the financial services sector (SFDR). The ESAs recommend the draft RTS be used as a reference when applying the provisions of the SFDR in the interim period between the application of SFDR (as of 10 March 2021) and the application of the RTS at a later date.

See [the EBA press release on recommendations on SFDR application](#)

01/03/2021 The EBA publishes an Opinion on disclosures by credit institutions and investment firms of their environmentally-sustainable activities. A set of KPIs are proposed, notably a Green Asset Ratio (GAR) based on the EU taxonomy. Proportionality measures are also foreseen, including transitional periods where the disclosure of estimates and proxies is allowed.

See [the EBA press release about this Opinion](#)

01/03/2021 The EBA consults on draft ITS on Pillar 3 disclosures of ESG risks. The draft ITS propose comparable disclosures highlighting how climate change may exacerbate other risks within institutions' balance sheets and how institutions are mitigating those risks. The Green Asset Ratio (GAR) is also put forward, consistently with the related Opinion on KPIs for ESG disclosures under the EU taxonomy. The consultation runs until 1 June 2021.

See [the EBA press release about this consultation](#)

IFRS

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03/02/2021 Recordings of webinars held by the IFRS Foundation in January 2021, aimed at academics to stimulate research into IFRS 9 and IFRS 16 are now available. Research evidence will inform the IASB's post-implementation reviews (PIRs) of these Standards.

See [the related IASB press release and get access to the recorded webinar](#)

05/02/2021 Recordings of the live webinar on Discussion Paper Business Combinations under Common Control held by IASB, which includes a Q&A session at the end, and the accompanying slide deck are now available. The comment period on this consultation paper runs until 1 September 2021.

See [the related IASB press release and get access to the recorded webinar](#)

09/02/2021 Recording of the webinar held by the IFRS Foundation in February 2021, aimed at academics to stimulate research into IFRS 15 is now available. Research evidence will inform IASB's post-implementation reviews (PIRs) of this Standard.

See [the related IASB press release and get access to the recorded webinar](#)

10/02/2021 Recording of the virtual research workshop held on 29 January 2021 about the Discussion Paper Business Combinations under Common Control by IASB, in conjunction with EAA and EFRAG, is now available.

See [the related IASB press release and get access to the recorded webinar](#)

12/02/2021 IASB amends IAS 1 and IAS 8 standards to improve accounting policy disclosures and clarify distinction between accounting policies and accounting estimates. These amendments will be effective for annual reporting periods beginning on or after 1 January 2023, with early application permitted.

See [the related IASB press release](#)

Others

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12/02/2021 The EIOPA publishes a staff paper on measures to improve the insurability of business interruption in light of pandemics. Stakeholders are invited to provide feedback until 31 March 2021.

See [the related EIOPA press release](#)

List of acronyms used in this issue

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CRD	Directive 2013/36/EU (Capital Requirements Directive)
CRR	Regulation 2013/575/EU (Capital Requirements Regulation), amended by Regulation 2019/876/EU (CRR 2)
EAA	European Accounting Association
EBA	European Banking Authority
EFRAG	European Financial Reporting Advisory Group
EIOPA	European Insurance and Occupational Pensions Authority
ESA	European Supervisory Authorities
ESG	Environmental, social and governance
EU	European Union
GAR	Green Asset Ratio (see SFDR)
G-SII	Globally Systemically Important Institution
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standard
ITS	Implementing Technical Standards
KPI	Key performance indicators
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
NCA	National Competent Authority
PIR	Post-Implementation Review
RTS	Regulatory Technical Standards
SFDR	Sustainability-related Financial Disclosure Regulation

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