

RegWatch newsletter – July 2024

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This month's News

Go to | [\[CRR/CRD\]](#) | [\[SII\]](#) | [\[BRRD\]](#) | [\[MiFIR/MiFID\]](#) | [\[CSDR\]](#) | [\[MiCAR\]](#) | [\[IFRS\]](#) | [\[Others\]](#) | [\[Acronyms List\]](#)

CRR/CRD

[\[Go to top\]](#)

19/06/2024 The Official Journal of the EU publishes Regulation (EU) 2024/1623 (CRR III) amending Regulation (EU) 2013/575 (CRR) and Directive (EU) 2024/1619 (CRD VI) amending Directive (EU) 2013/36 (CRD). Both texts enter into force on the twentieth day following their publication (9 July 2024).

See [the related Regulation](#).

See [the related Directive](#).

08/07/2024 The EBA consults on draft RTS to specify the conditions and the criteria to assess whether the CVA risk exposures arising from fair-valued securities financing transactions are material, as well as the frequency of that assessment. The consultation runs until 8 October 2024.

See [the related EBA press release](#).

09/07/2024 The EBA publishes its final draft ITS on supervisory reporting requirements implementing the changes necessary to keep the supervisory reporting framework relevant and meaningful and aligned with the amending CRR III.

See [the related EBA press release](#).

09/07/2024 The Basel Committee consults on principles for the sound management of third-party risk. The proposed principles provide guidance on effective third-party risk management, aiming to enhance banks' ability to withstand operational disruptions and mitigate the impact of severe disruptive events. The consultation runs until 9 October 2024.

See [the related BCBS press release](#).

16/07/2024 The EBA consults on amending its technical standards on the joint decision process for internal model authorisation under the CRR. The revised ITS incorporate changes to the EU legal framework, including the reduced scope of application for internal models under CRR III and the updated framework on the general functioning of supervisory colleges. The consultation runs until 16 October 2024.

See [the related EBA press release](#).

16/07/2024 The Basel Committee has finalised targeted adjustments to its standard on IRRBB regarding the specified interest rate shocks, consistent with commitments in the standard to periodically update their calibration. It has also incorporated targeted adjustments to the current methodology used to calculate the shocks.

See [the related BCBS press release](#).

Solvency II

[\[Go to top\]](#)

02/07/2024 The NBB publishes Commission Implementing Regulation (EU) 2024/1820 of 1 July 2024 amending the implementing technical standards laid down in Implementing Regulation (EU) 2016/1800 as regards the mapping tables specifying the allocation of credit assessments of ECAs to an objective scale of CQS in accordance with Solvency II.

See [the related Commission Implementing Regulation](#).

16/07/2024 The NBB publishes Circular NBB_2024_11 on liquidity risk reporting which sets the collection of the data used to monitor the liquidity risk incurred by (re-)insurance companies.

See [the related NBB Circular](#).

31/07/2024 The EIOPA launches a public consultation on the capital requirement treatment of insurers' direct exposure to qualified CCPs within the standard formula. Stakeholders are invited to provide their comments by 23 October 2024.

See [the related EIOPA press release](#).

BRRD

[\[Go to top\]](#)

19/07/2024 The EBA consults on the draft Handbook on independent valuers for resolution purposes. The EBA has developed this Handbook with the view of improving the process of selecting independent valuers and facilitating its implementation by resolution authorities. The consultation runs until 19 September 2024.

See [the related EBA press release](#).

30/07/2024 The EBA launched a public consultation on its draft ITS overhauling the EBA resolution planning reporting framework. The consultation runs until 30 October 2024.

See [the related EBA press release](#).

MiFIR/MiFID

[\[Go to top\]](#)

10/07/2024 The ESMA consults in the framework of the MiFIR review with the objective of increasing transparency and system resilience in financial markets, reducing reporting burden and promoting convergence in the supervisory approach. The consultation runs until 15 September 2024 or 15 October 2024, depending on the technical standard.

See [the related ESMA press release](#).

16/07/2024 The ESMA consults on draft technical standards specifying the criteria for how investment firms establish and assess the effectiveness of their order execution policies under MiFID II. The consultation runs until 16 October 2024.

See [the related ESMA press release](#).

CSDR

[\[Go to top\]](#)

09/07/2024 The ESMA consults on different aspects of the CSDR Refit. The proposed rules relate to the information to be provided by European CSDs to their NCAs for the review and evaluation, the information to be notified to ESMA by third-country CSDs, and the scope of settlement discipline. The consultation runs until 9 September 2024.

See [the related ESMA press release](#).

MiCAR

[\[Go to top\]](#)

04/07/2024 The ESMA publishes the second Final Report under the MiCAR covering 8 draft technical standards that aim to provide more transparency for retail investors, clarity for providers on the technical aspects of disclosure and record-keeping requirements, and data standards to facilitate supervision by the NCAs.

See [the related ESMA press release](#).

12/07/2024 The ESAs consult on Guidelines under MiCAR, establishing templates for explanations and legal opinions regarding the classification of crypto-assets along with a standardised test to foster a common approach to classification. The consultation runs until 12 October 2024.

See [the related EBA press release](#).

15/07/2024 The EBA consults on draft Guidelines on reporting requirements to assist competent authorities and the EBA in performing their duties under the MiCAR. The consultation runs until 15 October 2024.

See [the related EBA press release](#).

IFRS Accounting

[\[Go to top\]](#)

04/07/2024 The IASB publishes its review of impairment requirements in IFRS 9 Financial Instruments – Impairment.

See [the related IFRS press release](#).

18/07/2024 The IASB issues narrow amendments to IFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. The amended Standards are IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The amendments are effective for annual periods beginning on or after 1 January 2026.

See [the related IFRS press release](#).

25/07/2024 The IASB publishes proposals in an Exposure Draft with narrow-scope amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates for translating financial information into hyperinflationary currencies. The Exposure Draft is open for comment until 22 November 2024.

See [the related IFRS press release](#).

30/07/2024 The IASB publishes an Exposure Draft proposing amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures. The IASB is inviting feedback on these proposals until 27 November 2024.

See [the related IFRS press release](#).

31/07/2024 The IASB publishes a consultation document, proposing eight examples to illustrate how companies apply IFRS Accounting Standards when reporting the effects of climate-related and other uncertainties in their financial statements. The IASB invites all stakeholders to provide feedback on the proposed illustrative examples before 28 November 2024.

See [the related IFRS press release](#).

Others

[\[Go to top\]](#)

02/07/2024 The FSB consults on interim findings of its evaluation of the effects of the G20 financial regulatory reforms on securitisation. The consultation runs until 2 September 2024.

See [the related FSB press release](#).

08/07/2024 The ESMA consults on reporting requirements and governance expectations for some supervised entities (benchmark administrators, CRAs, Securitisation Repositories, Trade Repositories and DRSPs). The consultation runs until 18 October 2024.

See [the related ESMA press release](#).

08/07/2024 The ESMA consults on draft guidelines and technical standards on liquidity management tools under the AIFMD and the UCITS Directive. The consultation runs until 8 October 2024.

See [the related ESMA press release](#).

16/07/2024 The FSB consults on recommendations related to data flows and regulation and supervision in cross-border payments. The consultation runs until 9 September 2024.

See [the related FSB press release](#).

17/07/2024 The ESAs publish the second batch of policy products under the DORA. This batch consists of four final draft RTS, one set of ITS and two Guidelines, all of which aim at enhancing the digital operational resilience of the EU's financial sector.

See [the related EBA press release](#).

17/07/2024 The Basel Committee publishes its final disclosure framework for banks' crypto-asset exposures and targeted amendments to its crypto-asset standard.

See [the related BCBS press release](#).

26/07/2024 The ESAs publish their joint final Report on the draft RTS specifying how to determine and assess the conditions for subcontracting ICT services that support critical or important functions under the DORA.

See [the related EIOPA press release](#).

List of acronyms used in this issue

[\[Go to top\]](#)

AIFMD	Alternative Investment Fund Manager Directive
BCBS	Basel Committee on Banking Supervision
BRRD	Directive 2014/59/EU (Bank Recovery and Resolution Directive)
CCP	Central Clearing Counterparty
CQS	Credit Quality Steps
CRA	Credit Rating Agency
CRD	Directive 2013/36/EU (Capital Requirements Directive), amended by Directive 2024/1619/EU (CRD VI)
CRR	Regulation 2013/575/EU (Capital Requirements Regulation), amended by Regulation 2024/1623/EU (CRR III)
CSD	Central Securities Depository
CSDR	Regulation EU 909/2014 (Settlement and Central Securities Depositories)
CVA	Credit Valuation Adjustment
DORA	Digital Operational Resilience Act
DRSP	Data Reporting Service Providers
EBA	European Banking Authority
ECAI	External Credit Assessment Institution
EIOPA	European Insurance and Occupational Pensions Authority
ESA	European Supervisory Authorities
ESMA	European Securities and Markets Authority
EU	European Union
FSB	Financial Stability Board
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standard
IRRBB	Interest Rate Risk in The Banking Book
ITS	Implementing Technical Standards
MiCAR	Markets in Crypto-Assets Regulation
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
NBB	National Bank of Belgium
NCA	National Competent Authority
RTS	Regulatory Technical Standards
UCITS	Undertakings for the Collective Investment in Transferable Securities

About Reacfin

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