

Toronto Centre Publications Monitoring Report

August 2020

A synopsis of recently issued supervisory guidance, news releases, working papers and related documents from over 50 global and regional standard setting bodies, national regulators, international organizations and industry groups as well as the latest TC Notes. This report is prepared monthly for the TC Community. With the exception of the TC Notes, the summaries are taken from the organizations' web sites. Toronto Centre does not hold the copyright to these abstracts.

TC Notes

Date	Organization	Title & Abstract
August 2020	Toronto Centre	Recovery Planning Toronto Centre Note describes the standards for recovery planning, discusses how supervisors can monitor whether financial institutions are meeting these standards, and outlines the supervisory actions that can be taken by supervisors to improve a financial institution's recovery planning.
August 2020	Toronto Centre	Resolution: Implications for Supervisors Toronto Centre Note describes the main features of the FSB's approach to resolution and draws out some key implications for financial sector supervisors.

Standard Setting Bodies

Date	Organization	Title & Abstract
August 6, 2020	BCBS	Principles for Operational Resilience The BCBS is proposing a limited number of updates to: i) align the principles with the recently finalized Basel III operational risk framework; ii) update the guidance where needed in the areas of change management and information and communication technologies; and iii) enhance the overall clarity of the principles.

Date	Organization	Title & Abstract
August 12, 2020	EBA	<p><u>EBA Consults on the Use of RegTech Solutions and Ways to Support the Uptake of RegTech Across the EU</u></p> <p>The EBA launched a RegTech industry survey to invite all relevant stakeholders, such as financial institutions and ICT third party providers, to share their views and experience on the use of RegTech solutions, on a best effort basis. The aim of the survey is to better understand the ongoing activity in this area, raise awareness on RegTech within the regulatory and supervisory community, and inform any relevant future policy discussion. The EBA is also seeking ways to facilitate the adoption and scale up of RegTech solutions across the EU whilst acknowledging and looking to address the underlying risks.</p>
August 11, 2020	EBA	<p><u>EBA Publishes Guidance on Impact of CRR Adjustments in Response to the COVID-19 Pandemic on Supervisory Reporting and Disclosure</u></p> <p>The EBA published a revised version of its Implementing Technical Standards (ITS) on supervisory reporting v3.0 and two sets of guidelines on disclosures and supervisory reporting requirements. These products provide clarifications on the application of certain adjustments (“quick fix”) on institutions’ disclosures and supervisory reporting introduced in the <i>Capital Requirements Regulation</i> (CRR) in response to the COVID-19.</p>
August 3, 2020	EBA	<p><u>EBA Publishes Final Draft Technical Standards on Disclosure and Reporting on MREL and TLAC</u></p> <p>The EBA published its final draft Implementing Technical Standards (ITS) on disclosure and reporting on the G-SII requirement for own funds and eligible liabilities (TLAC) and the minimum requirements for own funds and eligible liabilities (MREL).</p>
August 27, 2020	ECB	<p><u>ESCB/European Banking Supervision Response to the European Commission’s Public Consultation on a New Digital Finance Strategy for Europe/FinTech Action Plan</u></p> <p>ECB response focuses on its response on the questions falling within its central banking and banking supervision tasks and does not express views on aspects which do not relate to its mandate (e.g. consumer protection).</p>
August 2020	ECB	<p><u>ECB Report on Banks’ ICAAP Practices</u></p> <p>This report summarizes the results of its structured analysis of ICAAP practices, describing the range of ICAAP practices observed in a sample of 37 banks. Furthermore, the analysis underlines areas where banks’ practices appear to be further developed, as well as those where the ECB is of the opinion that additional work is warranted across banks.</p>
August 25, 2020	FSB	<p><u>FSB Publishes Key Attributes Assessment Methodology for the Insurance Sector</u></p> <p>The FSB published a <i>Key Attributes Assessment Methodology for the Insurance Sector</i>. The methodology sets out essential criteria to guide the assessment of the compliance of a jurisdiction’s insurance resolution framework with the FSB’s <i>Key Attributes of Effective Resolution Regimes for Financial Institutions</i>.</p>
August 11, 2020	IOSCO	<p><u>IOSCO Examines the Evolution of Liquidity Provision in Equity Securities Markets</u></p> <p>IOSCO published a report, <i>Liquidity Provision in the Secondary Markets for Equity Securities</i>, that explores how liquidity provision has evolved in equity securities markets in recent years. The report identifies some of the key elements of market making programs that may help promote the provision of liquidity, strengthen investor confidence and foster fair and efficient markets.</p>

National Regulators

Date	Organization	Title & Abstract
August 26, 2020	PRA	<u>PRA Statement on Covid-19: IFRS 9 and Capital Requirements – Guidance as Covid-19 Specific Payment Deferrals Come to an End</u> This statement clarifies the PRA’s approach to IFRS 9 and capital requirements in response to updated FCA guidance on retail mortgage payment deferrals.
August 21, 2020	HKMA	<u>Report on “Artificial Intelligence in Banking: The Changing Landscape in Compliance and Supervision”</u> The Hong Kong Institute for Monetary and Financial Research (HKIMR), released its second Applied Research report, titled <i>Artificial Intelligence in Banking: The Changing Landscape in Compliance and Supervision</i> .

International Organizations

Date	Organization	Title & Abstract
August 2020	CGAP	<u>Four Ways Microfinance Institutions Are Responding to COVID-19</u> The CGAP <i>Global Pulse Survey of Microfinance Institutions</i> has helped to shed some light on the impact of COVID-19 on microfinance institutions (MFIs) and their clients by showing the deterioration of loan portfolios, the liquidity levels of MFIs and other indicators as well as how the MFIs have responded to the crisis.
August 2020	FSI	<u>Central Banks and Financial Stability: A Reflection After the Covid-19 Outbreak</u> This paper reviews the debate on central banks’ involvement with financial oversight in the light of recent developments and the evolution of policy frameworks worldwide. The focus is on the interplay between objectives and instruments across different policy domains.
August 2020	FSI	<u>Internal TLAC: Executive Summary</u> FSI executive summary sets out the basics of TLAC.
August 2020	FSI	<u>Prudential Response to Debt Under Covid-19: the Supervisory Challenges</u> This brief examines the credit risk-related regulatory relief measures introduced by the BCBS and prudential authorities and outlines their supervisory implications.
July 2020	FinDev Gateway	<u>Advancing Women’s Digital Financial Inclusion</u> Paper presents 10 policy options to improve women's economic participation.
August 2020	World Bank CGAP Gates Foundation WWB	<u>Digital Cash Transfers in Times of COVID-19: Opportunities and Considerations for Women's Inclusion and Empowerment</u> The Bill & Melinda Gates Foundation, the World Bank Group, CGAP, and Women’s World Banking, has developed a joint white paper on gender intentional digital cash transfers in the time of COVID-19, offering guidance and considerations for policymakers to support women’s inclusion and empowerment.