



FedFin Daily Briefing

Monday, March 14, 2022

IOSCO Adds Carbon-Market Review to Work Plan

IOSCO today [released](#) a comprehensive sustainability work plan, moving beyond the investor-focused disclosures it [previously espoused](#) set for action next week by the [SEC](#). Going forward, global securities regulators have now prioritized reducing greenwashing and encouraging reliable ESG-impact assessment. IOSCO will thus review both the pending IFRS climate- and general-sustainability disclosure requirements and final standards. Looking more broadly at market structure, IOSCO will also review carbon markets to identify vulnerabilities that pose transparency or structural-integrity concerns, although no timeline for doing so is noted. Finally, IOSCO will step up its engagement with national regulators and market participants to expand its regulatory recommendations to asset management, ESG ratings, and data providers.

Raskin Faces Still Higher Confirmation Odds

Sen. Manchin (D-WV)'s [statement today](#) that he will not support Sarah Bloom Raskin makes her path to confirmation difficult, if not impossible. For her appointment as Fed Supervisory Vice Chair to advance, at least one Republican would need to break ranks on the Senate floor even if Ranking Member Toomey (R-PA) is unable to hold his blockade. This presents Chairman Brown (D-OH) with a difficult choice: await the next Biden nominee for vice chair and hold the Powell nomination until then to maximize leverage over another progressive nomination or concede that Fed governance is fragile under current circumstances and allow voting on Mr. Powell along with Lisa Cook and Philip Jefferson. So far, Sen. Brown is not conceding, signaling via twitter that he plans to push Ms. Raskin's nomination without making clear if doing so will hold up the rest of the White House slate.

Recent Files Available for Downloading

The following reports and analyses have been sent to retainer clients recently. Copies are also available to retainer clients on the Archives section of Federal Financial Analytics' website: www.fedfin.com or clients may obtain the reports/analyses by e-mailing info@fedfin.com giving the requested item name, firm, and e-mail address. To learn more about *GSE Activity Reports*, click [here](#).

- **CRYPTO26:** We follow our initial client alert here with an in-depth analysis of President Biden's long-awaited [executive order](#) laying down steps intended quickly to construct a U.S. digital-asset policy construct.
- **GSE-030722:** A new Urban Institute study suggests that banks are more likely to discriminate when it comes to minority borrowers, heightening concerns at a time with increased political risk related to racial equity and mortgage finance.
- **GSE-030122:** As we noted late [last week](#), FHFA has finalized revisions to its [2020 capital rule](#) that most importantly lighten the GSEs' capital load and reinvigorate credit risk transfer.
- **GSE-022822:** Responding to continuing FSOC complaints about [nonbank servicers](#), FHFA has proposed [new seller-servicer eligibility standards](#) that crack down hard on any nonbank servicer whose size evokes systemic qualms.
- **SANCTION16:** In this report, we address many of the questions we've received about U.S. policy in the wake of Russia's invasion into Ukraine.

- **[GSE-022422](#)**: As noted late [yesterday](#), the CFPB has gotten a jump on FHFA and the banking agencies with the first step towards a long-delayed AVM rule demanded in the [Dodd-Frank Act](#).
- **[CRYPTO25](#)**: Despite fierce partisan fighting over pending Fed nominations, today's Senate Banking hearing on stablecoin regulation was considerably more bipartisan than last week's HFSC session ([see Client Report CRYPTO24](#)).
- **[GSE-021022](#)**: Moving far ahead of the banking agencies [AI](#), FHFA [today](#) released a series of supervisory AI/ML standards for Fannie, Freddie, and CSS, perhaps leaving the FHLBs alone because none so far does much within this arena or nobody cared.
- **[GSE-020922](#)**: Continuing her very different vision of Fannie and Freddie, FHFA Acting Director Thompson [today](#) has released a new strategic plan for the agency emphasizing the importance of both equitable and sustainable housing finance.
- **[CRYPTO24](#)**: Today's HFSC hearing on stablecoins makes it clear that the bipartisan legislation Chairwoman Waters (D-CA) prefers is at best a long way off.
- **[FEDERALRESERVE69](#)**: As this report details, all three Fed nominees before the Senate Banking Committee today emphasized the vital importance of Fed independence and their anti-inflation zeal to quell GOP opposition and cement it among moderate Democrats.
- **[CONSUMER38](#)**: Taking action to advance President Biden's competition order, the CFPB is seeking views on fees which it believes exploit consumers by virtue of unfair competition.
- **[GSE-020122](#)**: Nothing could do as much damage to a business based on fee revenue as a determined CFPB inquiry into fee revenue.
- **[CBDC10](#)**: Months after initially promising to release a discussion draft on central bank digital currency (CBDC), the Federal Reserve is now seeking comment on whether and how it might create one.