



FedFin Daily Briefing

Monday, April 11, 2022

SEC Sets Comment Deadline for Climate Disclosure Proposal

The *Federal Register* notice for the SEC's controversial climate-risk disclosure proposal now sets the comment deadline as May 20. As we [noted](#) when the proposal was approved, it aims to require Scope 1 and 2 emissions disclosures and includes an initial construct that will gradually lead to Scope 3 disclosures from larger companies. It also seeks to require disclosures on the extent to which companies meet their climate risk reduction goals, their scenario-analysis conclusions, any internal carbon pricing methods, and other matters already subject to regulatory scrutiny such as internal governance and risk management protocols.

Global Supervisor Prioritizes Commodity-Market Risk

As we noted in our weekly [update](#), global regulators are increasingly concerned about commodity-market volatility. In an interview [today](#), FSB Secretary General Dietrich Domanski said that the top supervisory priority now should be monitoring commodity prices and valuations to anticipate margining stress and liquidity shortfalls. For more on what global regulators will do absent a crisis, see Karen Petrou's recent [memo](#) on commodity-market risk and central-bank resources.

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](#).

- [CBDC11](#): Progressive Democrats in the House have introduced an alternative digital-dollar proposal ("e-cash") to the "FedAccount" construct urged by Senate progressives that mandates an electronic currency created by the Treasury Department to devise an electronic substitute for physical fiat currency.
- [GSE-040722](#): FHFA has finalized new [capital rules](#) for the GSEs designed to accelerate the credit-risk transfer the agency now deems essential for a fast-acting conservatorship exit.
- [SANCTION18](#): As [anticipated](#), today's HFSC hearing with Secretary Yellen largely focused on ways to sanction the Russian Federation and its allies and associates.
- [DEFI](#): As [promised](#), this report provides an in-depth analysis of IOSCO's new [paper](#) on decentralized finance, one sure to advance the [FSB's](#) efforts to bring DeFi systems under greater regulatory scrutiny due to the findings we here detail.
- [GSE-032222](#): As detailed in our new in-depth [analysis](#), the CFPB's [exam-manual rewrite](#) dramatically redefines the compliance-, legal-, and reputational-risk terrain for any consumer-financial company and the vendors or counterparties on which it relies.
- [CONSUMER39](#): Reflecting one of its new director's top priorities as well as that of the Biden Administration, the Bureau of Consumer Financial Protection has significantly revised its examination manual when it comes to behavior that might be viewed as discriminatory in a wide range of consumer-financial products, services, underwriting, advertising, marketing, governance, and other arenas.
- [SANCTION17](#): The Senate Banking Committee's hearing today on illicit finance focused as expected

on cryptocurrency and suggests that targeted legislation addressing specific jurisdiction or compliance issues might advance on a bipartisan basis.

- [GSE-031522](#): Although we have done extensive analysis of a U.S. central-bank digital currency (CBDC) in our sister analytical service, we have not viewed as it as an imminent strategic consideration for housing-finance agencies and financial institutions.
- [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.