Proskauer

Regulation Round Up

November 2018

2 November

The Prudential Regulation Authority ("**PRA**") updated its consultation paper on changes to the PRA Rulebook and onshored binding technical standards.

The Financial Conduct Authority ("**FCA**") published issue 57 of Market Watch, its newsletter on market conduct and transaction reporting issues. This issue focussed on "flying prices" and "printing trades".

The European Banking Authority ("**EBA**") published a report setting out the results of its 2018 EU-wide banking stress test and FAQs.

5 November

The FCA published a speech by Nausicaa Delfas, FCA Executive of International, on Brexit and maintaining market confidence. In the speech, Ms Delfas provides an overview of the FCA's current priorities relating to Brexit, including its work to ensure there is a robust regulatory framework on exit day if the UK leaves the EU without a transition period (that is, a no-deal Brexit).

The European Insurance and Occupational Pensions Authority ("**EIOPA**") published a press release on the continuity of cross-border insurance contracts between the UK and the European Economic Area ("**EEA**") after Brexit.

6 November

A draft version of the Payment Accounts (Amendment) (EU Exit) Regulations 2018 was published. The purpose of these Regulations is to ensure that UK legislation implementing the Payment Accounts Directive (2014/92/EU) operates in an effective way after the UK's withdrawal from the European Union.

A draft version of the Trade Repositaries (Amendment and Transitional Provision) (EU Exit) Regulations 2018 was published.

The FCA published a speech by Christopher Woolard, FCA Executive Director of Strategy and Competition, on the FCA's vision for the mortgage market. Points of interest in the speech include:

- the FCA intends to publish its final report on the mortgages market study (MS16/2) in early 2019; and
- the FCA is concerned about customers of inactive or unregulated lenders who could benefit from switching mortgages. The FCA is leading an industry working group that is examining the issue and is also looking at whether regulation is a barrier to customers switching.

The Bank of England ("**BoE**") published a Dear CEO letter that has been sent to EU systems designated under the Settlement Finality Directive (98/26/EC) concerning the UK settlement finality designation regimes that will apply after Brexit.

7 November

HM Treasury published a draft version of the Bank of England (Amendment) (EU Exit) Regulations 2018. The draft Regulations include provisions on the use of the BoE of its macro-prudential powers, to ensure it functions effectively after Brexit.

HM Treasury published the EEA Passport Rights (Amendment, etc., and Transitional Provisions) (EU Exit) Regulations 2018 (SI 2018/1149). These Regulations are to remove references to the passporting framework and establish the temporary permissions regime after Brexit.

The FCA published a consultation paper (CP18/33) on regular premium protection insurance complaints and recurring non-disclosure of commission.

The FCA published a statement about the launch of the cost transparency initiative, a new group that will implement, promote and encourage the use of cost transparency templates to standardise costs and charges information for institutional investors.

The PRA published a direction, directing EEA firms passporting into the UK to notify the PRA if they intend to obtain a deemed permission or variation under the temporary permissions regime following Brexit.

8 November

The EBA published a final report on recommendations on the equivalence of confidentiality regimes.

The Joint Committee of European Supervisory Authorities ("**ESAs**") published a consultation paper on draft guidelines on co-operation and information exchange between national supervisors under the fourth money laundering directive (EU/2015/849) ("**MLD4**").

The ESAs published a consultation paper on draft amendments to the Commission Delegated Regulation (EU 2017/653) on key information documents ("**KIDs**") relating to package retail and insurance investment products ("**PRIIPs**").

9 November

The FCA published a direction directing EEA firms passporting into the UK to notify the PRA if they intend to obtain a deemed permission or variation under the temporary permissions regime following Brexit.

The PRA published its final policy statement on implementing the extension of the senior managers and certification regime to insurers (PS27/18).

The European Securities and Markets Authority ("**ESMA**") published a call for evidence on periodic auctions for equity instruments under the second markets in financial instruments directive (2014/65/EU) ("**MIFID II**").

ESMA published a statement on the contingency plans of credit agencies and trade repositories in the context of Brexit.

12 November

ESMA published version 13 of its Q&A on the Market Abuse Regulation.

13 November

HM Treasury published a draft version of the Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2018.

Draft versions of the following were published:

- Venture Capital Funds (Amendment) (EU Exit) Regulations 2018; and

- Social Entrepreneurship Funds (Amendment) (EU Exit) Regulations 2018.

The FCA published a report in relation to an analysis of firms' data following its first financial crime survey.

ESMA published a consultation paper on draft guidelines on reporting to national competent authorities under Article 37 of the Money Markets Funds Regulation (EU/2017/1131).

ESMA published an updated version of its supervisory briefing on the suitability requirements under MiFID II.

The European Commission published a statement on regulating virtual currencies and initial coin offerings.

14 November

The FCA published a new webpage setting out its findings from its supervisory review of how retail and wholesale banks have implemented the whistleblowing rules.

The PRA published a consultation paper (CP28/18) on changes to periodic and transaction fees to insurers and designated investment firms.

HM Treasury published a letter from John Glen, Economic Secretary to the Treasury, on the government's approach to mortgage prisoners.

The PRA issued a policy statement finalising its proposals to apply the systemic risk buffer framework in the UK leverage ratio framework (PS28/18).

The UK government published the full text of the draft withdrawal agreement in relation to Brexit, which is now fully agreed at negotiators' level between the UK and EU.

15 November

The Central Counterparties (Amendment, etc. and Transitional Provisions) (EU Exit) Regulations 2018 (SI 2018/1184) was published.

A draft version of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 was published.

The FCA published its regulatory round-up for November 2018.

The FCA published a consultation paper on regulatory fees and levies: policy proposals for 2019/20 (CP18/34).

The Financial Services Compensation Scheme ("**FSCS**") published its strategy outlining its priorities for the 2020s.

The International Organisation of Securities Commissions ("**IOSCO**") published a consultation paper (CR08/2018) on a proposed framework to help assess leverage used by investment funds.

The PRA published a policy statement (PS29/18) on a new EU securitisation framework and significant risk transfer.

The Building Societies Legislation (Amendment) (EU Exit) Regulations 2018 (SI 2018/11187) were published.

16 November

HM Treasury published a draft version of the Interchange Fee (Amendment) (EU Exit) Regulations 2018.

19 November

HM Treasury published a draft version of the Long-term Investment Funds (Amendment) (EU Exit) Regulations 2018.

The Credit Transfers and Direct Debits in Euro (Amendment) (EU Exit) Regulations 2018 (SI 2018/1199).

20 November

The Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 were published.

The FCA published a speech by Rob Gruppetta, FCA Head of Financial Crime Department, on financial crime and artificial intelligence.

21 November

HM Treasury published a draft version of the Insurance Distribution (Amendment) (EU Exit) Regulations 2019.

The European Parliament's Economic and Monetary Affairs Committee ("**ECON**") published its draft report on the proposal for a regulation on the establishment of a framework to facilitate sustainable investment.

22 November

The PRA published a consultation paper (CP29/18) on minor updates to its statement of policy ("**SoP**") on its approach to the systemic risk buffer.

HM Treasury published a draft version of the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019.

HM Treasury published a draft version of the Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019.

HM Treasury published a draft version of the Mortgage Credit (Amendment) (EU Exit) Regulations 2019.

The FCA published a consultation paper setting out proposals on rent-to-own and confirming its policy approach to alternative high cost credit (CP18/35).

The Investment Association published a revised version of its principles for remuneration 2019.

The UK government published a full draft of the political declaration on the framework for the future UK-EU relationship.

A draft version of the Interchange Fee (Amendment) (EU Exit) Regulations 2018 was published.

23 November

The FCA published its second consultation paper on proposed changes to the FCA rules and to binding technical standards as a result of Brexit (CP18/36). The proposed changes include those in relation to the temporary permissions regime.

25 November

The European Council endorsed the draft withdrawal agreement and political declaration in relation to the UK's withdrawal from the EU.

27 November

The FCA published a report on cyber and technology resilience, supporting wider work on operational resilience.

28 November

The Banks and Building Societies (Priorities on Insolvency) Order 2018 was published.

The UK government's Department for Exiting the European Union published a collection of documents that have been laid before parliament to support its assessment of the UK-EU Brexit deal.

The FCA published its FCA Mission: approach to authorisation and a feedback statement, setting out the purpose of authorisation and the FCA's approach relating to the same.

The Financial Services and Markets Act 2000 (Claims Management Activity) Order 2018 (SI 2018/1253) was published.

29 November

The FCA published an EU withdrawal impact assessment which was submitted to the Treasury Committee.

The draft version of the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018 was published.

Related Professionals

- **Andrew Wingfield**
  Partner
- **Richard Bull**
  Partner
- **John Verwey**
  Partner