Proskauer

Regulation Round Up

March 2019

1 March

The European Banking Authority ("**EBA**") published an opinion on deposit protection resulting from the United Kingdom's ("**UK**") withdrawal from the European Union ("**EU**").

The Financial Conduct Authority ("**FCA**") published Handbook Notice 63, setting out changes made to the FCA's Handbook of rules and guidance.

4 March

The FCA published a document containing statements of policy on how it intends to operate the transparency regime under the retained EU law version of the Markets in Financial Instruments Regulation (600/2014/EU) ("**MiFIR**") if the UK leaves the EU without an implementation period.

The FCA published a report setting out the final findings from its review of the motor finance sector.

The Financial guidance and Claims Act 2018 (Naming and Consequential Amendments) Regulations 2019 were published.

5 March

The Bank of England ("**BoE**") published the key elements of the 2019 annual cyclical scenario for stress testing the UK banking system.

The EBA published a consultation paper on updating its guidelines on harmonised definitions and templates for the reporting of funding plans by credit institutions.

The European Central Bank ("**ECB**") published a letter, sent to "significant institutions", on validation reporting on internal models for credit risk.

The FCA and Prudential Regulation Authority ("**PRA**") published a joint press release announcing they have agreed memoranda of understanding ("MoUs") with the European Insurance and Occupational Pensions Authority ("**EIOPA**") and EU and EEA national insurance supervisors.

The FCA published a policy statement (PS19/6) in which it confirms the introduction of a price cap to protect customers in the rent-to-own sector.

The PRA published a policy statement (PS6/19) on responses to Chapters 3 to 7 of its October 2018 occasional consultation paper.

The PRA published a consultation paper on liquidity risk management for insurers (CP4/19).

6 March

The FCA published a Dear CEO letter, sent to firms providing high-cost-lending products, on the "portfolio" strategy.

The FCA published a letter (dated 5 March 2019) that it sent to credit card firms setting out feedback following its review of credit charge fees and charges.

The PRA published a policy statement (PS7/19) on credit risk and the definition of default.

7 March

The ECB published a speech on supervising banks under the single supervisory mechanism.

The European Securities and Markets Authority ("**ESMA**") published a statement outlining its approach, in the event of a no-deal Brexit, to the application of key provisions in Directive 2014/65/EU ("**MiFID II**"), MIFIR and Regulation 2016/11/EU (the "**Benchmarks Regulation**").

The FCA published a Dear CEO letter, sent to loan-based peer-to-peer crowdfunding platforms, in relation to their wind-down arrangements. The FCA is asking such firms to review their wind-down arrangements as these are important safeguards should a platform decide to exit the sector or face any other threat to its viability.

The Council of the EU published a press release relating to its agreement with European Parliament with regard to the proposed Regulation on disclosures relating to sustainable investments and sustainability risks (2018/0179).

The FCA published two qualitative research reports on consumer attitudes and awareness of cryptoassets to help it better understand the potential harms of cryptoassets.

The Department for Business Energy & Industrial Strategy launched a call for evidence on its review of the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013.

8 March

The FCA published a report setting out industry insights on cyber security.

The FCA published a policy statement (PS19/7) on a new directory of financial services workers.

The FCA published its finalised guidance (FG19/2) on statements of responsibilities and responsibilities maps for FCA firms under the senior managers and certification regime ("**SM&CR**").

The Joint Committee of the European Supervisory Authorities ("**ESAs**") published a letter proposing draft regulatory technical standards to clarify the application of the key information document to investment funds.

The European Commission published Delegated Regulation (C(2019) 1900 final) it has adopted amending the Solvency II Delegated Regulation (2015/35).

The FCA published a joint policy statement (PS19/8) with the Financial Ombudsman Service ("**FOS**") on increasing FOS's award limit from 1 April 2019.

11 March

The EBA published its 2017 report on high earners in EU banks.

The FCA published a consultation paper (CP19/11) on changes to its Handbook of rules and guidance to reflect the application of the Securitisation (Amendment) (EU Exit) Regulations 2019 and Securitisation Regulation 2018.

The FCA published a statement on derivatives reporting under the UK EMIR regime in the event of a no-deal Brexit.

12 March

The Equivalence Determinations for Financial Services and Miscllaneous Provisions (Amendment etc) (EU Exit) Regulations 2019 were published.

The Transparency of Securities Financing Transactions and of Reuse (Amendment) (EU Exit) Regulations 2019 were published.

Council Decision 2019/389 of the EEA Joint Committee was published in the Official Journal of the European Union in relation to incorporating MiFID II and MiFIR into Annex IX of the EEA Agreement.

13 March

The Basel Committee on Banking Supervision published a statement on cryptoassets.

The FCA published a statement setting out its position on certain obligations under MiFID II, MiFIR and the Benchmarks Regulation in the event of a no deal Brexit.

The PRA published a consultation paper (CP5/19) on updating the Pillar 2 capital framework.

The PRA published a policy statement and final rules on credit risk mitigation (PS8/19).

14 March

The Counter-Terrorism (International Sanctions) (EU Exit) Regulations (SI2019/573) were made.

15 March

The FCA published its second thematic review on the debt management sector (TR19/01).

The Financial Services (Gibraltar) (Amendment) (EU Exit) Regulations 2019 were published.

18 March

EIOPA published a request that insurance undertakings in the EEA and subject to the Solvency II Directive (2009/138/EC) ("**Solvency II**") provide certain information for its fourth long-term guarantees report and review.

The EBA published a press release announcing the launch of a central electronic register under the second Payment Services Directive (EU/2015/2366) ("**PSD2**").

19 March

The Basel Committee on Banking Supervision published a report on proportionality in bank regulation and supervision.

The FCA published a technical communication on the operation of the transparency regime under the retained EU law version of MiFIR.

ESMA published a statement outlining its approach in a no-deal Brexit, to the application of the trading obligation for shares under MiFIR in the absence of an equivalence decision relating to the UK.

ESMA published a statement setting out its data operational plan in the event of a no-deal Brexit.

The FCA published a statement on share trading obligations under MiFID II.

The FCA published an updated version of its guide on SM&CR for insurers.

20 March

The FCA published a press release announcing it (and the PRA) have agreed a template for a no-deal Brexit memorandum of understanding with the EBA, on supervisory co-operation and information-exchange.

The Basel Committee on Banking Supervision published a report summarising the aggregate results of the latest Basel III monitoring exercise, based on data as of 30 June 2018.

The EBA published a report on the latest Basel III monitoring exercise, using data as of 30 June 2018.

Commission Delegated Regulation 2019/443 amending the MiFID II tick size regime was published in the Official Journal of the EU.

Commission Delegated Regulation 2019/442 under MiFID relating to systematic internalisers' quote obligations was published in the Official Journal of the EU.

21 March

The ECB published its annual report on supervisory activities for 2018, which sets out the ECB's key achievements during 2018 under the single supervisory mechanism.

The FCA published a speech on Brexit, in which the FCA explained its activity which has been aimed at reducing the impact of Brexit on firms, but noted a number of residual risks.

The FCA published a speech on what the consumer credit sector can expect from the FCA.

The Office of Financial Sanctions Implementation published the Treasury Minister's guidance on the Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019 (SI/2019/577).

The BoE published a speech given in relation to a global approach to sustainable finance.

22 March

The FCA published a press release setting out details of a new benchmarks register it has developed as part of its planning for a no-deal Brexit.

The PRA published a direction in relation to notifications made by EEA firms under the temporary permissions regime. The direction clarifies the position where an EEA firm that has submitted a notification to enter the temporary permissions regime wishes to withdraw its notification prior to the UK's exit from the EU.

The FCA published a Dear CEO letter on managing the risks of defined benefits to defined contribution pension scheme transfers.

The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 were published.

25 March

The Mortgage Credit (Amendment) (EU Exit) Regulations 2019 were published.

The FCA published its final report following its review of the retained provisions of the Consumer Credit Act 1974. The FCA carried out its review by identifying three themes:

- ???rights and protections;
- ???information requirements; and
- ???sanctions.

The International Organisation of Securities Commissions published its first annual work programme. The aim of the programme is to enhance the effectiveness of IOSCO and the impact of its policy work on global securities markets.

The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 were published.

The Insurance Distribution (Amendment) (EU Exit) Regulations 2019 were published.

The Investment Exchanges, Clearing Houses and Central Securities Depositories (Amendment) (EU Exit) Regulations 2019 were published.

The Payment Accounts (Amendment) (EU Exit) Regulations 2019 were published.

The Securitisation (Amendment) (EU Exit) Regulations 2019 were published.

The FCA updated its webpage on the temporary permissions regime to announce that it intends to extend the notification window for firms wishing to enter the TPR to the end of 11 April 2019.

26 March

The Gibraltar (Miscellaneous Amendments) (EU Exit) Regulations 2019 were published.

The Public Record, Disclosure of Information and Co-operation (Financial Services) (Amendment) (EU Exit) Regulations 2019 were published.

The Uncertificated Securities (Amendment and EU Exit) Regulations 2019 were published.

The FCA published its regulation round up for March 2019. As part of this, among other things, the FCA reminds general insurance firms that they must handle complaints in line with its rules and principles.

The FCA published a consultation paper (CP19/14) on proposed changes to its responsible lending rules and guidance, which will enable mortgage lenders to make more proportionate affordability assessments.

The FCA published its final report (MS16/2.3) on the mortgages market study. This market study, launched in December 2016, has focused on consumers' ability to make an effective choice of mortgage.

27 March

EIOPA published a report on best practices on licensing requirements, peer-to-peer insurance and the principle of proportionality in an InsurTech context.

EIOPA published a report on outsourcing to cloud service providers.

The Payment Systems Regulator published its annual plan and budget for 2019/2020.

ESMA published a press release announcing that it is renewing the restriction on the marketing, distribution or sale of contracts for differences to retail clients, in effect since 1 August 2018, from 1 May 2019 for a further three-month period.

ESMA published an updated version of its Q&As on commodity derivatives topics under MiFID II and MiFIR.

28 March

The Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019 were published.

The Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019 were published.

ESMA published an updated version of its Q&As on investor protection and intermediaries topics under MiFID II and MiFIR.

29 March

The FCA published a press release announcing that it had published its final instruments and guidance that will apply if there is a no-deal Brexit.

The FCA published a press release announcing that it has signed two updated memoranda of understanding with the US Securities and Exchange Commission.

The FCA published a policy statement (PS19/10) on recovering the costs of regulating credit rating agencies, trade repositories and securitisation repositories after the UK leaves the EU and the FCA becomes their regulatory authority in the UK.

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