

Regulation Round Up

Regulatory & Compliance on **January 2020**

Key developments in January 2020:

6 January

The Financial Conduct Authority ("**FCA**") published a [letter](#), sent to the CEOs of wholesale general insurance (GI) firms, setting out its expectations for them to be proactive in tackling non-financial misconduct in the sector. This publication demonstrates the FCA's commitment towards corporate culture and individual behaviour as a priority area of focus in 2020.

The European Securities and Markets Authority ("**ESMA**") published a final [report](#) and [guidelines](#) on reporting under Articles 4 and 12 of the Regulation on reporting and transparency of securities financing transactions (EU 2015/2365) ("**SFTR**").

7 January

The Bank of England ("**BoE**") published a [discussion paper](#) on transforming data collection from the UK financial sector.

The FCA published a refreshed [data strategy](#).

The Chancellor, Sajid Javid, confirmed that the 2020 Budget will be held on 11 March 2020. This follows the cancellation of the 2019 Budget.

ESMA published a [final report](#) on central counterparties membership criteria and due diligence.

8 January

The FCA published a [portfolio strategy letter](#) that it has sent to the boards of firms in its personal and commercial lines insurer (PL&CL) portfolio on identifying and remedying harms.

9 January

The FCA published a [consultation paper](#) (CP20/1) on proposals to introduce a single easy access rate for cash savings.

ESMA published its [strategic orientation](#) for 2020-2022 setting out its future focus and objectives.

The Prudential Regulation Authority ("PRA") published a [policy statement](#) titled Solvency II: longevity risk transfers: simplification of pre-notification expectations (PS1/20).

[The Financial Services Duty of Care Bill 2019-20](#) was formally reintroduced into the House of Lords. The Bill requires the FCA to make rules for authorised persons to owe a duty of care to consumers in their regulated activities.

10 January

Member States of the European Economic Area were required to implement the [fifth Money Laundering Directive](#) ("MLD5").

13 January

The European Banking Authority ("EBA") published a [report](#) on big data and advanced analytics in the banking sector.

The FCA published the [Fees \(Cryptoasset Business\) Instrument 2020](#).

The FCA published a [new webpage](#) setting out the findings of its multi-firm review into how firms in the asset management sector select and use risk modelling and other portfolio management tools.

The EBA published a [consultation paper](#) on draft regulatory technical standards on the treatment of non-trading book positions subject to foreign-exchange risk or commodity risk under Article 325(9) of the Capital Requirements Regulation (EU/575/2013) ("CRR"), as amended by the CRR II Regulation (EU/2019/876).

14 January

The FCA updated its dedicated [webpage](#) on its evaluation of the Retail Distribution Review and the Financial Advice Market Review.

15 January

The PRA and FCA jointly published a [consultation paper](#) on the 2020/21 management expenses levy limit for the Financial Services Compensation Scheme (PRA CP1/20 / FCA CP20/2).

The PRA published a [call for feedback](#) on a proposed insurance data release. Comments can be made until 16 March 2020.

16 January

The FCA published its [regulation round-up](#) for January 2020.

The Financial Services Compensation Scheme published its [plan and budget](#) for 2020/21.

The FCA updated its [webpage](#) on strong customer authentication (SCA) under the revised Payment Services Directive ((EU) 2015/2366) (PSD2).

17 January

The PRA updated its [webpage](#) on banks, building societies and investment firms.

The FCA published a new [webpage](#) on understanding "mortgage prisoners", which provides additional data on this population of borrowers.

ESMA published a [consultation paper](#) on draft guidelines on securitisation repository data completeness and consistency thresholds under the Securitisation Regulation (EU/2017/2402).

The Serious Fraud Office published a new chapter in its [SFO Operational Handbook](#), titled "Evaluating a Compliance Programme".

20 January

The European Central Bank ("ECB") published a [consultation](#) on a draft guideline on the materiality threshold for credit obligations past due for less significant institutions.

The Payment Systems Regulator published a [consultation paper](#) (CP20/1) on confirmation of payee and a proposal to vary specific direction 10.

21 January

The ECB published a [letter](#) on the variable remuneration policies of credit institutions in the single supervisory mechanism.

The FCA published a [Dear CEO letter](#) to financial advisers, setting out the FCA's approach to tackling key areas of concern and the actions firms are expected to take.

The FCA published a [statement](#) about its second review of the market for pensions and investment advice.

The BoE published a [press release](#) announcing the launch of a central bank group to assess potential cases for central bank digital currencies.

The ECB published a [recommendation](#) on dividend distribution policies, which relates to credit institutions paying dividends in 2020 for the 2019 financial year.

22 January

The EBA published a [discussion paper](#) on future changes to the EU-wide banking sector stress test.

The FCA published two Dear CEO letters for asset managers, setting out the key risks and its priority areas of focus. Please see our [alert](#) on this.

The EBA published updated [guidelines](#) on fraud reporting, made under PSD2.

23 January

The European Union (Withdrawal Agreement) Bill 2019-20 received Royal Assent, meaning that it became UK law, ahead of the UK's departure from the European Union on 31 January 2020. Please see our [alert](#) on this subject.

The PRA published a [policy statement](#) (PS2/20) on updating the Pillar 2 capital framework.

The HM Treasury published the [response](#) to its April 2019 consultation on implementing the Fifth Money Laundering Directive (EU/2018/843) ("**MLD5**").

24 January

The FCA published a [press release](#) announcing that HM Treasury, following advice from the FCA Board, has appointed Christopher Woolard as Interim Chief Executive of the FCA.

27 January

The UK Government published a [letter](#) from John Glen, Economic Secretary to the Treasury, on equivalence in financial services in the light of the UK's withdrawal from the EU.

28 January

The Financial Services (Consequential Amendments) Regulations 2020 were [published](#).

The FCA published a [letter](#) it has sent to banks asking them to provide, voluntarily, evidence of how they have arrived at their new overdraft pricing decisions.

The FCA published a [Dear CEO letter](#) (dated 24 January 2020) setting out its view of the potential for harm, as well as the underlying drivers, that benchmark administrators could pose to their customers and the markets in which they operate.

30 January

The Financial Services (Consequential Amendments) Regulations 2020 were [published](#).

The FCA published a [Dear CEO letter](#) (dated 24 January 2020) setting out its view of the potential for harm, as well as the underlying drivers, that benchmark administrators could pose to their customers and the markets in which they operate.

The FCA published a [press release](#) providing information for firms during the Brexit implementation period.

31 January

The United Kingdom formally left the European Union (an event known as "Brexit"). A transitional period took effect as of this date and will last until 31 December 2020 (unless extended). Please see our [alert](#) on this topic.

Related Professionals

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

Partner