

# Regulation Round Up

Regulatory & Compliance on June 2022

**Welcome to the Regulation Round Up, a regular bulletin highlighting the latest developments in UK and EU financial services regulation.**

Key developments in June 2022:

## 30 June

The Financial Conduct Authority (“**FCA**”) published a [consultation paper](#) (CP22/11) on winding down synthetic sterling LIBOR and USD LIBOR.

The Bank of England (“**BoE**”) published a [policy statement](#) and a [statement of policy](#) on its approach to tiering incoming central counterparties under Article 25 of UK EMIR (EU/648/2012).

The BoE published a [policy statement](#) and [statement of policy](#) on its approach to comparable compliance under Article 25a of UK EMIR.

The BoE also published the following consultation papers:

- a [consultation paper](#) on the fees regime for incoming central counterparties; and
- a [consultation paper](#) on the fees regime for incoming central securities depositories.

The European Securities and Markets Authority (“**ESMA**”) published a [letter](#) to the European Commission on the prioritisation of its 2022 deliverables.

The European Commission published a [request for input](#) from the European Supervisory Authorities relating to greenwashing risks and the supervision of sustainable finance policies.

The Prudential Regulation Authority (“**PRA**”) (PS5/22) published a [policy statement](#) on its regulated fees and levies for 2022/23.

## 29 June

The Payment Systems Regulator (“**PSR**”) published a [consultation paper](#) setting out its provisional decision on remedies for the card-acquiring market review.

The FCA published [Primary Market Bulletin, 41](#), which sets out guidance for issuers of ESG-labelled use-of-proceeds debt instruments.

## 28 June

The European Banking Authority (“**EBA**”) adopted a [decision](#) on how competent authorities supervising investment firms under Regulation 2019/2033 (Investment Firms Regulation) will transmit supervisory data.

ESMA published a [statement](#) on the publication of data relating to the trade transparency requirements set out in the Markets in Financial Instruments Regulation (600/2014).

The PRA published a [letter](#) setting out the conclusions of its review of the use of the standardised initial margin methodology model by large banks.

The Financial Ombudsman Service published its [annual complaints data](#) for 2021/22.

## 27 June

The Treasury replied to a [written question](#) regarding the progression of the UK as an attractive location for the operation of cryptocurrency companies by confirming that we will see the regulation and aspects of tax treatment of cryptoassets evolve.

The FCA published a [portfolio letter](#) setting out its supervisory strategy for mainstream consumer credit lenders.

The FCA published a [portfolio letter](#) setting out its supervisory strategy for the debt advisory sector.

The FCA published a [portfolio letter](#) setting out its supervisory strategy for lifetime mortgage providers.

The FCA published a [policy statement](#) (PS22/7) on regulated fees and levies rates for 2022/23.

ESMA published a [letter](#) it has sent to the European Commission setting out an overview of the market for ESG rating providers in the EU that reflects the outcome of its call for evidence on the market characteristics of ESG rating providers.

The PRA published a [letter](#) to firms on the timetable for submitting internal model and standardised approach pre-applications relating to its implementation of the Basel 3.1 market risk reforms.

## **24 June**

HM Treasury published a [review](#) of the UK's anti-money laundering and the countering of terrorist financing regime.

## **23 June**

The FCA published an [update](#) to its data strategy, which highlights its progression in improving its use of data and plans to recognise and prevent harm sooner.

The FCA published an [evaluation paper](#) discussing the lessons learned following the conclusion of its digital sandbox sustainability pilot, which was directed at developing technological solutions for enabling transparency in environmental, social and governance disclosure and reporting.

The House of Lords European Affairs Committee published the first [report](#) of session 2022-23 on the UK-EU relationship in financial services.

The House of Commons Treasury Committee published a [report](#) on future parliamentary scrutiny of financial services regulations, following the UK's withdrawal from the EU.

## **22 June**

The Council and European Parliament reached a provisional political [agreement](#) on the proposed corporate sustainability reporting Directive (CSRD).

## **21 June**

EBA published four [draft principles](#) to support supervisory efforts in assessing the representativeness of COVID-19-impacted data for banks using internal ratings based models.

The PRA published a [consultation paper](#) (CP6/22) proposing a set of five principles for banks which the PRA considers to be key in establishing an effective model risk management framework.

## **20 June**

The European Parliament's Economic and Monetary Affairs Committee adopted its [report](#) on the proposed regulation to amend the Regulation on European long-term investment funds ((EU) 2015/760).

## **17 June**

The Council of the EU published its [general approach](#) to the proposed Directive amending the Alternative Investment Fund Managers Directive (2011/61/EU) (AIFMD).

## **16 June**

The House of Commons Treasury Committee published its [first report](#) of session 2022-23 on the future of UK financial services regulation.

## **15 June**

The Basel Committee on Banking Supervision published a [set of principles](#) for the effective management and supervision of climate-related financial risks, following its November 2021 consultation.

## **14 June**

The European Parliament published a [draft motion for a resolution](#) containing details of an objection to a proposal by the European Commission for a Complementary Climate Delegated Act (C(2022) 631) whereby certain nuclear and natural gas energy activities may be included in the list of environmentally sustainable economic activities for the purposes of the EU Taxonomy Regulation ((EU) 2020/852).

The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022 have been laid before the Parliament and [published](#), together with an [explanatory memorandum](#).

The FCA published a [guidance consultation paper](#) (GC22/2) on updated guidance for firms on branch and ATM closures and conversions.

## **13 June**

The House of Commons European Scrutiny Committee launched a [“Regulating after Brexit” inquiry](#) looking at the opportunities and challenges associated with policy and law-making following Brexit.

## **10 June**

The FCA published its [quarterly consultation paper](#) (CP22/10) on various changes to its Handbook of Rules and Guidance.

## **9 June**

The European Commission published a [letter](#) sent to the European Supervisory Authorities regarding amendments to regulatory technical standards under the Sustainable Finance Disclosure Regulation (EU 2019/2088).

## **8 June**

EBA published a [consultation paper](#) (CP/2022/07) relating to draft regulatory technical standards on the identification of a group of connected clients for the purposes of Article 4 of the Capital Requirements Regulation (575/2013/EU).

## **7 June**

The Department for Business, Energy and Industrial Strategy published a [letter](#) on corporate sustainability due diligence from Lord Callanan, Minister for Business, Energy and Corporate Responsibility, to Darren Jones MP, Chair of the BEIS Committee.

## **6 June**

[Regulation \(EU\) 2022/858](#) on a pilot regime for market infrastructures based on distributed ledger technology was published in the EU’s Official Journal.

## **2 June**

Three European Supervisory Authorities (namely, the EBA, the European Insurance and Occupational Pensions Authority and ESMA) published a [statement](#) clarifying aspects of the draft regulatory technical standards issued under the Sustainable Finance Disclosure Regulation (EU/2019/2088).

## 1 June

ESMA published a [speech](#) delivered by Verena Ross, ESMA Chair, at the Convention of the Federation of European Securities Exchanges.

### Related Professionals

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- **Richard Bull**  
Partner
- **John Verwey**  
Partner
- **Andrew Wingfield**  
Partner
- **Michael Singh**  
Associate