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Regulation Round Up

Regulatory & Compliance on **September 2022**

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

Key developments in September 2022:

30 September

The European Supervisory Authorities published a joint final report (JC 2022 42) on draft regulatory technical standards ("RTS") on information to be provided in pre-contractual documents, on websites, and in periodic reports about the exposure of financial products to investments in fossil gas and nuclear energy activities.

29 September

The Financial Conduct Authority ("**FCA**") published a speech by Sheldon Mills, FCA Executive Director, Consumers and Competition, on what firms and customers can expect from the consumer duty and other regulatory reforms.

28 September

The Bank of England ("**BoE**") published a speech by Sir Jon Cunliffe on innovation in post-trade services.

27 September

The European Securities and Markets Authority ("**ESMA**") published a report (ESMA70-460-111) following its call for evidence on the Regulation on a pilot regime for market infrastructures based on distributed ledger technology ((EU) 2022/858).

The FCA published a speech by Sarah Pritchard, FCA Executive Director, Markets, on how regulation can prepare the ground for economic growth.

26 September

The Prudential Regulation Authority ("**PRA**") published a policy statement (PS8/22) on updates to its rules and supervisory expectations relating to the definition of capital.

23 September

ESMA published an updated version of its Q&A on the EU Market Abuse Regulation (SMA70-145-111), adding two Q&As relating to the disclosure of inside information.

The UK Chancellor, Kwasi Kwarteng, delivered the 2022 Autumn Statement (Growth Plan) (CP 743), where he stated that the UK Government intends to bring forward a deregulatory package to "unleash the potential of the UK financial services sector".

ESMA published its final report (ESMA35-43-3172) and revised guidelines on certain aspects of the suitability requirements under MiFID II Directive (EU/2014/65) ("MiFID II"). The final guidelines are in Annex IV to the report.

22 September

The Retained EU Law (Revocation and Reform) Bill 2022-23 (the "**Bill**") was published alongside explanatory notes. The Bill provides a mechanism for the repeal of retained EU law by the end of 2023. The text of the Bill, as published, states that it will not apply to retained EU law relating to financial services.

The Economic Crime and Corporate Transparency Bill 2022 was published alongside explanatory notes. This is effectively the second part of a legislative package to prevent the abuse of UK corporate structures and tackle economic crime.

The European Commission published a press release (INF/22/5409) announcing it has sent letters of formal notice to member states that have not transposed certain sustainable finance delegated legislation by the specified deadlines.

The Glasgow Financial Alliance for Net Zero published a report on expectations for real-economy transition plans.

21 September

The Commission Delegated Regulation ((EU) 2022/1622) on RTS on emerging markets and advanced economies, which supplements the Capital Requirements Regulation (575/2013) ("**CRR**"), has been published in the Official Journal of the European Union.

The Council of the EU published the text of the Regulation making targeted amendments to the CRR relating to total loss absorbing capacity ("**TLAC**") and the minimum requirement for own funds and eligible liabilities ("**MREL**") (PE-CONS 23/22) (2021/0343(COD)).

13 September

The Basel Committee on Banking Supervision ("**BCBS**") published a press release in which it reaffirms its expectations on implementation of the Basel III framework and outlines its future priorities relating to climate-related financial risks and cryptoassets.

12 September

The Joint Committee of the European Supervisory Authorities ("**ESAs**") published a report (JC 2022 40) on risks and vulnerabilities within the EU financial system.

08 September

A call for evidence on all aspects of the Financial Services and Markets Bill was issued by the UK Parliament.

The PRA published a discussion paper (DP4/22) setting out its revised policy making approach, following its wider rulemaking responsibilities post-Brexit and reforms identified by the UK Government as part of the Future Regulatory Framework Review.

07 September

The Financial Services and Markets Bill had its second reading in the House of Commons.

The House of Commons Treasury Committee (the "**Committee**") published responses (HC 690) from HM Treasury, the PRA and the FCA to the Committee's report on the future of UK financial services regulation.

The FCA published a speech given by Sarah Pritchard, FCA Executive Director, Markets, on current issues for the financial services industry and the FCA itself in the fight against financial crime.

05 September

The Commission Delegated Regulation ((EU) 2022/1455) supplementing the Investment Firms Regulation ((EU) 2019/2033) ("**IFR**") with regard to RTS on fixed overheads requirements, was published in the Official Journal of the European Union.

The FCA published a portfolio letter on its supervisory strategy for trade repositories and securitisation repositories.

ESMA published an updated version of its Q&As on transparency topics (ESMA70-872942901-35) under the MiFID II and the Markets in Financial Instruments Regulation (EU/600/2014) ("**MiFIR**").

02 September

The FCA published its latest quarterly consultation paper (CP22/17), inviting feedback on various changes to the FCA Handbook.

01 September

The FCA updated its webpage that sets out how to cancel a temporary permission if a firm is in the temporary permissions regime or the supervised run-off regime.

Related Professionals

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