Proskauer

Regulation Round Up

Regulatory & Compliance on **October 2022**

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

Key developments in October 2022:

31 October

The European Commission adopted a Delegated Regulation and Annex ((C(2022) 7545 final) amending and correcting the regulatory technical standards ("**RTS**") laid down in Delegated Regulation (EU) 2022/1288 (the "**SFDR RTS**") with regard to the content and presentation of information in relation to disclosures in pre-contractual documents and periodic reports for financial products investing in environmentally sustainable economic activities.

The Financial Conduct Authority ("**FCA**") published Handbook Notice 103, which sets out changes to the FCA Handbook made by the FCA board.

28 October

The Prudential Regulation Authority ("**PRA**") published a speech given by Sam Woods, PRA CEO, at Mansion House on growth and competitiveness.

27 October

The European Securities and Markets Authority ("**ESMA**") published a press release announcing that it is updating its Strategy for 2023-2028, to include ESG disclosures alongside market data quality.

A corrigendum to Commission Delegated Regulation (EU) 2022/1299 supplementing the MiFID II Directive (2014/65/EU) ("**MiFID II**") with regard to RTS specifying the content of position management controls by trading venues, was published in the Official Journal of the European Union.

The European Banking Authority ("**EBA**") published its 2023 European Supervisory Examination Programme for prudential supervisors (EBA/REP/2022/28), together with its 2023 European Resolution Examination Programme for resolution authorities (EBA/REP/2022/27).

26 October

The Bank of England ("**BoE**") published an update on the progress of the joint transformation programme led by the BoE and the FCA, which focuses on how to transform data collection from the UK financial sector.

The UK Parliament published a letter (dated 20 October 2022) from Nikhil Rathi, FCA Chief Executive, to the Chairs of the House of Lords Economic Affairs Committee and the Industry and Regulators Committee, responding to questions on the FCA's oversight of liability-driven investment funds and fund managers.

25 October

The European Commission adopted two Delegated Regulations (one and two) setting out RTS to extend the temporary exemptions regime for intra-group contracts for three years under the European Market Infrastructure Regulation (648/2012/EU) ("**EMIR**").

The FCA published a consultation paper (CP22/20) on sustainability disclosure requirements and investment labels.

The Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2022 (SI 2022/1080) were published on together with an explanatory memorandum.

Regulation (EU) 2022/2036, which makes targeted amendments to the Capital Requirements Regulation (575/2013) ("**CRR**") relating to total loss absorbing capacity and the minimum requirement for own funds and eligible liabilities, was published in the Official Journal of the European Union.

24 October

The EBA published a report (EBA/REP/2022/26), addressed to national competent authorities, on incorporating ESG risks in the supervision of investment firms.

21 October

The PRA published a Dear CEO letter setting out thematic feedback on its supervision of climate-related financial risk and the BOE's Climate Biennial Exploratory Scenario exercise.

The FCA published a notice of first decision to the ICE Benchmark Administration Ltd under Article 21(3) of the UK Benchmarks Regulation (EU/2016/1011).

The European Commission adopted a Delegated Regulation (C(2022) 7536 final) and Annex, amending the RTS laid down in Delegated Regulation (EU) 153/2013 relating to temporary emergency measures on collateral requirements under Article 46(3) of EMIR.

20 October

A corrigendum to Commission Implementing Regulation (EU) 2022/389 laying down implementing technical standards ("**ITS**") with regard to the format, structure, contents list and annual publication date of the information to be disclosed by competent authorities in accordance with Article 57(4) of the Investment Firms Directive ((EU) 2019/2034) was published in the Official Journal of the European Union.

The Council of the EU published a cover note (dated 26 September 2022) that includes the text of the EC's amendments to the draft ITS on prudential disclosures relating to ESG risks under Article 449a of the CRR.

ESMA published an updated version of its Q&As (ESMA70-156-4448) on the implementation of the Central Securities Depositories Regulation (909/2014) ("**CSDR**").

19 October

The Council of the EU published a press release announcing that it has reached provisional political agreement with the European Parliament on the proposed Regulation containing amendments to the Regulation on European long-term investment funds ((EU) 2015/760) (COM(2021) 722).

The Law Commission of England and Wales launched a Government commissioned review that aims clarify how private international law rules can apply to emerging technology.

18 October

The European Commission published its 2023 work programme (COM(2022) 548 final), which it has adopted, together with accompanying annexes and factsheets.

UK Finance published a report that outlines industry views on the appropriateness of capital for climate-related financial risks and the options for integrating climate-related risks into the prudential capital framework.

14 October

The European Parliament's Economic and Monetary Affairs Committee published a draft report (PE736.678v01-00) on the EC's legislative proposal for a Regulation amending the CSDR (CON/2022/25).

13 October

The House of Lords European Affairs Committee published the government's response to its report on the UK-EU relationship in financial services.

The Financial Stability Board ("**FSB**") published its final report on supervisory and regulatory approaches to climate-related risks and a progress report on promoting climate-related disclosures.

The Task Force on Climate-related Financial Disclosures ("**TCFD**") published its fifth TCFD status report.

12 October

The BoE published the financial policy summary and record of the meeting of its Financial Policy Committee on 30 September 2022.

The EBA published a press release announcing the repeal of three guidelines relating to disclosure requirements in the CRR.

11 October

The EU Platform on Sustainable Finance published a final report on minimum safeguards under Regulation on the establishment of a framework to facilitate sustainable investment (EU/2020/852) ("**Taxonomy Regulation**").

The European Commission adopted a Delegated Regulation (C(2022)7138) (Amending Regulation) on the prior permission to reduce own funds and the requirements related to eligible liabilities instruments under the CRR.

The FSB launched a consultation on a suggested framework for the regulation and supervision of cryptoasset activities and markets.

The BoE, PRA and FCA published a joint discussion paper (PRA DP5/22 / FCA DP22/4) requesting feedback on how artificial intelligence may impact their goals.

ESMA published a memorandum of understanding it has entered into with the People's Bank of China relating to central counterparties ("**CCPs**") established in the People's Republic of China.

The EU Platform on Sustainable Finance published a report setting out recommendations on data and usability of the Taxonomy Regulation.

10 October

The EU Commission published its report on the implementation and operation of the Securitisation Regulation.

ESMA published its Strategy for 2023-2028 (ESMA22-439-1076) and work programme for 2023 (ESMA22-439-1055).

HM Treasury updated its webpage on the overseas funds regime, to highlight that it has begun its equivalence assessment of the EU and EEA.

7 October

The Green Technical Advisory Group published a report containing its advice on the development of a UK green taxonomy.

The FCA updated its webpage on the retained EU law version of the Regulation on reporting and transparency of securities financing transactions ((EU) 2015/2365) (UK SFTR).

6 October

The European Commission published frequently asked questions (C 385/1) to support disclosures under Article 8 of the EU Taxonomy Regulation ((EU) 2020/852).

5 October

The Council of the EU published information note (13215/22) and information note (13198/22), attaching letters sent to the Chair of the European Parliament Economic and Monetary Affairs Committee, stating that a draft overall compromise package has been agreed on the proposed Regulation on information accompanying transfers of funds and certain cryptoassets (2021/0241(COD)) and proposed Regulation on markets in cryptoassets (2020/0265(COD)).

The EU Commission adopted a Delegated Regulation (C(2022) 6941 final) setting out RTS under Articles 124(4) and 164(8) of the CRR.

The FCA published a new webpage on the consumer duty providing information for firms on the areas it has been receiving queries on that are relevant for the wider market.

3 October

The FCA published a consultation paper (CP22/19) on the creation of a baseline financial resilience regulatory return.

Related Professionals

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- **John Verwey**
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- **Andrew Wingfield**
  Partner
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