Proskauer

Regulation Round Up

Regulatory & Compliance on **November 2022**

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

Key developments in November 2022:

30 November

The Financial Services and Markets Act 2000 (Qualifying Provisions) (Amendment) Order 2022 (SI 2022/1252) was published together with an explanatory memorandum. The amendments allow for the use of regulators' powers to enforce certain retained direct EU legislation.

The Central Counterparties (Transitional Provision) (Extension and Amendment) Regulations 2022 (SI 2022/1244) were published together with an explanatory memorandum. The amendments extend the temporary recognition regime for overseas central counterparties by 12 months, so that the expiry date is pushed back until 31 December 2024.

The Financial Conduct Authority ("FCA") published a statement on liability driven investment and risk management.

HM Treasury published a consultation paper on the implementation of the Basel 3.1 standards. The Prudential Regulation Authority ("PRA") published a consultation paper (CP16/22) on the same topic.

The European Securities and Markets Authority ("ESMA") published a final report on guidelines on stress test scenarios under Article 28 of the Regulation on money market funds ((EU) 2017/1131) (ESMA50-164-6583).

The European Commission adopted an Implementing Regulation amending the implementing technical standards ("**ITS**") laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of ESG risks under Article 449a of the Capital Requirements Regulation ((EU) 575/2013) ("**CRR**").

29 November

The PRA published a policy statement (PS9/22) on amending its approach to identifying other systemically important institutions.

The FCA published a consultation paper (CP22/23) on its policy proposals for its regulatory fees and levies for 2023/24.

28 November

The Council of the EU announced that it adopted the Regulation on digital operational resilience for the financial sector (2020/0266(COD)) ("DORA") and the related amending Directive (2020/0268(COD)).

The EU Platform on Sustainable Finance published a supplementary report on the methodology and technical screening criteria for the climate and environmental objectives of the Taxonomy Regulation (EU/2020/852) ("Taxonomy Regulation").

ESMA published a final report (ESMA81-393-599) on amendments to Commission Delegated Regulation (EU) 2018/1645 supplementing the Benchmarks Regulation ((EU) 2016/1011) ("BMR") with regard to regulatory technical standards ("RTS") on the form and content of applications for recognition by third country administrators.

25 November

The FCA published Handbook Notice 104, which sets out changes to the FCA Handbook made by the FCA board.

HM Treasury published a joint statement with the Monetary Authority of Singapore, committing to deepening collaboration in FinTech and strengthen financial cooperation.

ESMA published an updated version of its Q&As (ESMA70-145-111, Version 17) on the Market Abuse Regulation ((EU) 596/2014) ("MAR").

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

24 November

The European Commission adopted a Delegated Regulation (C(2022)8377) on RTS on the calculation of risk-weighted exposure amounts of collective investment undertakings under Article 132a(4) of the CRR.

The Basel Committee on Banking Supervision published a newsletter on bank exposures to non-bank financial intermediaries.

Andrew Griffith, Financial Secretary, HM Treasury, sent a letter to the Treasury Select Committee reporting that the UK Government no longer intends to proceed with a proposal to provide HM Treasury with a public interest intervention power in respect of financial services regulators.

23 November

The FCA published a consultation paper (CP22/21) on synthetic USD LIBOR.

The FCA published a speech on driving change in diversity and inclusion.

The Financial Services (Miscellaneous Amendments) Regulations 2022 (SI 2022/1223) were published together with an explanatory memorandum.

22 November

The FCA published a new webpage on raising standards in new firms and financial promotions.

The FCA published a press release announcing the formation of a new working group to develop a voluntary Code of Conduct for ESG data and ratings providers and published the terms of reference of the group.

21 November

The BoE published a speech by Sir Jon Cunliffe, BoE Deputy Governor, Financial Stability. In this, Sir Jon reflects on the collapse of cryptocurrency exchange, FTX, and discusses the authorities' ongoing work on the regulation of stablecoins and the potential central bank digital currency.

18 November

ESMA published a consultation paper (ESMA34-472-373) on guidelines on funds' names using ESG or sustainability-related terms.

Commission Delegated Regulation (EU) 2022/2257 on RTS relating to the alternative standardised approach for market risk under the CRR was published in the Official Journal of the European Union.

17 November

ESMA published a consultation paper (ESMA35-36-2640) on a review of the technical standards under Article 34 of the MiFID II Directive (EU/2014/65) ("MiFID II") relating to the provision of investment services across the EU.

The Joint Committee of the European Supervisory Authorities ("ESAs") published a new set of Q&As (JC 2022 62) on the RTS to the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) ("SFDR").

HM Treasury published a letter from Jeremy Hunt, Chancellor of the Exchequer, to Andrew Bailey, BoE Governor, setting out the remit and recommendations for the Financial Policy Committee for 2022/23.

The FCA published a speech given by Nikhil Rathi, FCA Chief Executive, on issues relating to the new consumer duty.

16 November

The Financial Stability Board ("FSB") published its 2022 annual report on promoting global financial stability.

The G20 published the leaders' declaration adopted following the summit held in Bali.

The European Parliament updated its procedure file (2021/0377(COD)) on the proposed regulation amending the Regulation on European long-term investment funds ((EU) 2015/760) ("ELTIF Regulation").

15 November

The ESAs published a call for evidence on better understanding greenwashing.

The European Banking Authority (“EBA”) published a consultation paper (EBA/CP2022/12) on amendments to its guidelines on improving resolvability under the Bank Recovery and Resolution Directive (2014/59/EU).

The FSB and the Network for Greening the Financial System published a report on initial findings and lessons concerning climate scenario analysis by jurisdictions.

14 November

ESMA published a letter sent by the ESAs to the European Commission concerning the status of the development of amendments to the SFDR RTS.

ICE Benchmark Administration published a statement on its decision to cease the publication of ICE Swap Rate settings based on USD LIBOR.

The EBA published a final report on draft regulatory technical standards on specific liquidity measurement under the Investment Firms Directive ((EU) 2019/2034).

The FSB published a report on financial policies in the wake of COVID-19.

The ESAs published an updated version of its Q&As (JC 2017 49) on the key information document (“KID”) requirements for packaged retail and insurance-based investment products (“PRIIPs”), as laid down in Commission Delegated Regulation (EU) 2017/653.

11 November

The Investment Association published its Principles of Remuneration for 2023.

9 November

The FSB published a progress report setting out policy proposals to address systemic risk in non-bank financial intermediation.

The Financial Services (Gibraltar) (Amendment) (EU Exit) Regulations 2022 (SI 2022/1157) were published together with an explanatory memorandum. The amendments extend the temporary arrangements for market access rights between Gibraltar and the UK until 31 December 2023.

8 November

The UK Transition Plan Taskforce published for consultation its proposed disclosure framework for private sector climate transition plans and accompanying implementation guidance.

7 November

The EBA published a press release on its methodology and draft templates for the 2023 EU-wide stress test.

The BoE published a speech, by Sarah Breeden, BoE Executive Director for Financial Stability Strategy and Risk, on the risks of leverage.

The FSB published a report reviewing progress made by standard-setting bodies, national and regional authorities and market participants towards meeting the G20 commitments for reforms to global OTC derivatives markets.

4 November

The Financial Services and Markets Bill 2022-23 completed its committee stage in the House of Commons.

The Task Force on Nature-related Financial Disclosures published the third beta version of its disclosure framework for consultation and accompanying press release.

2 November

The European Central Bank ("ECB") published a report setting out the results of its 2022 thematic review on climate-related and environmental risks. The ECB also published a compendium of good practices in C&E risks that were observed in some banks during the thematic review.

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