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# Regulation Round Up

**Regulatory & Compliance** on **August 2023**

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

Key developments in August 2023:

### 31 August

**Wholesale Data:** The Financial Conduct Authority ("**FCA**") published an update report on its wholesale data market study (MS231.4).

**Investment Firms Directive:** Commission Delegated Regulation (EU) 2023/1668 supplementing the Investment Firms Directive ((EU) 2019/2034) ("**IFD**") with regard to regulatory technical standards ("**RTS**") on Pillar 2 add-ons for investment firms was published in the Official Journal of the European Union.

### 29 August

**FSMA 2023:** The explanatory notes to the Financial Services and Markets Act 2023 ("**FSMA 2023**") were published on legislation.gov.uk.

**Regulatory Co-operation:** The FCA published updated terms of reference for the Wider Implications Framework (the new co-operation duty for UK regulators)

### 25 August

**FSMA 2023:** The Financial Services and Markets Act 2023 (Commencement No 3) (Amendment) Regulations 2023 (SI 2023/937) (**"FSMA 2023"**) (Amending Regulations) were published on legislation.gov.uk.

### 23 August

**CCPs:** The Committee on Payments and Market Infrastructures (**"CPMI"**) and the International Organization of Securities Commissions (**"IOSCO"**) published a report on current central counterparty (**"CCP"**) practices to address non-default losses, together with a cover note.

**Investment Firms Directive:** Commission Delegated Regulation (EU) 2023/1651 supplementing the IFD with regard to RTS on specific liquidity measurement was published in the Official Journal of the European Union.

### 22 August

**AML:** The European Commission adopted a Delegated Regulation (C(2023) 5552) to amend the list of high-risk third countries with strategic anti-money laundering (**"AML"**) and counter-terrorist financing (**"CTF"**) deficiencies produced under Article 9(2) of the Fourth Money Laundering Directive ((EU) 2015/849) (**"MLD4"**).

### 21 August

**Intragroup Transactions:** The European Central Bank (**"ECB"**) published for consultation a draft guide on financial conglomerate reporting of significant risk concentrations and intragroup transactions.

### 17 August

**Cryptoassets:** The Financial Conduct Authority (**"FCA"**) published a statement on its expectations for UK cryptoasset businesses complying with the travel rule (which requires cryptoassets businesses to collect, verify and share information about cryptoasset transfers).

### 16 August

**Money Market Funds:** The Financial Stability Board (**"FSB"**) published a request for feedback and summary terms of reference as part of its thematic peer review on money market fund (**"MMF"**) reforms.

### 10 August

**FCA Newsletter:** The FCA has published Primary Market Bulletin 45, which covers the implementation of International Sustainability Standards Board (**"ISSB"**) standards for listed companies and the application of transitional provisions in relation to minimum market capitalisation for shell companies.

**Authorised Fund Managers:** The FCA published a webpage setting out its findings following a multi-firm review of the processes used by different authorised fund managers (**"AFMs"**) when they carry out assessments of value for the funds they operate.

### 7 August

**Securitisation:** The FCA published a consultation paper (CP23/17) on proposed new rules to replace the firm-facing provisions from the UK Securitisation Regulation which are being transferred into the FCA Handbook as part of the repeal and replacement of retained EU law.

**Payments Regulation:** HM Treasury published a consultation response to its consultation on payments regulation and the systemic perimeter.

### 4 August

**Principal Trading Firms:** The FCA published a portfolio letter on its supervisory strategy for principal trading firms.

### 3 August

**ESG:** The Department for Business and Trade published guidance on the UK Government's framework to create UK Sustainability Disclosure Standards.

**Investment Advice:** The FCA published a press release setting out the basis for its joint review, with HM Treasury, of the advice guidance boundary. As a result of this review, the FCA updated its webpage relating to its consultation paper on broadening access to financial advice for mainstream investments (CP22/24).

### 1 August

**Systemic Importance Indicators:** The EBA published a consultation paper (EBA/CP/2023/18) on draft guidelines amending its guidelines on the specification and disclosure of systemic importance indicators.

**CRR:** Commission Delegated Regulation (EU) 2023/1578 supplementing the CRR (as amended by the CRR II) with regard to RTS specifying the requirements for the internal methodology or external sources used under the internal default risk model for estimating default probabilities and losses given default has been published in the Official Journal of the European Union.

**CRR:** Commission Delegated Regulation (EU) 2023/1577 supplementing the CRR regarding RTS on the calculation of the own funds requirements for market risk for non-trading book positions subject to foreign exchange risk or commodity risk and the treatment of those positions for the purposes of the regulatory back-testing requirements and the profit and loss attribution requirement under the alternative internal model approach, was published in the Official Journal of the European Union.

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