Proskauer

Regulation Round Up

Regulatory & Compliance on **October 2024**

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

Key developments in October 2024:

31 October

ESG: The Transition Plan Taskforce (''**TPT**'') published its final report (*Progress Achieved and the Path Ahead: The Final Report of the Transition Plan Taskforce*) and officially concluded its work.

PRA Rulebook: The Prudential Regulatory Authority (''**PRA**'') published a policy statement (PS17/24) to its occasional consultation paper (CP6/24), setting out its final policy on the changes to the PRA Rulebook.

FSMA 2023: The draft Financial Services and Markets Act 2023 (''**FSMA 2023**'') (Addition of Relevant Enactments) Regulations 2024 were published, together with an explanatory memorandum. The draft legislation empowers HM Treasury to make regulations to establish financial markets infrastructure sandboxes.

Artificial Intelligence: The Bank of England published a speech by Sarah Breeden, Bank of England Deputy Governor, Financial Stability, on AI and financial stability.

30 October

ESG: The European Supervisory Authorities (''**ESAs**'') published a final report (JC 2024 68) on principal adverse impact disclosures under the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) (''**SFDR**'').

Private Markets: The Financial Conduct Authority (''**FCA**'') published a speech, given by Nikhil Rathi, FCA Chief Executive, on the growth of private markets.

Reserved Investor Funds: As part of the Autumn 2024 Budget, HM Treasury confirmed it is proceeding with the introduction of reserved investor funds.

29 October

ELTIF Regulation: Commission Delegated Regulation 2024/2759, containing regulatory technical standards supplementing the Regulation on European Long-Term Investment Funds ((EU) 2015/760) (''**ELTIF Regulation**''), was published in the Official Journal of the European Union.

ESG: The Taskforce on Nature-related Financial Disclosures (''**TNFD**'') published a discussion paper setting out draft guidance on nature transition planning for companies and financial institutions. Please refer to our dedicated article on this topic here.

MiFID II: ESMA published a consultation paper (ESMA35-335435667-5979) on draft technical advice to the European Commission on amendments to the research provisions in the MiFID II Delegated Directive in the context of the Listing Act under the MiFID II Directive (2014/65/EU) (''**MiFID II**'').

28 October

FSMA 2023: The Financial Services and Markets Act 2023 (Commencement No 8) Regulations 2024 (SI 2024/1071) were made and published. The regulations revoke certain pieces of retained EU law and bring into force amendments to retained EU law made by the Financial Services and Markets Act 2023.

25 October

Non-Financial Misconduct: The FCA published a webpage presenting the results of a survey it had sent to 1,028 wholesale banks, brokers and insurance firms examining how firms detect and handle non-financial misconduct incidents. It has also published the survey questions.

Motor Finance: The Court of Appeal ruled on a set of cases addressing undisclosed or partially disclosed commission payments in motor finance agreements, setting new standards for disclosure. Please refer to our dedicated article on this topic here.

24 October

Consumer Duty: The FCA published a speech, given by Graeme Reynolds, FCA Director of Competition, on addressing the issue of vulnerable customers in the wealth management sector.

MiFIR / MiFID II: The Association for Financial Markets in Europe published an implementation guide for firms operating in wholesale secondary markets, providing an overview of the reforms to the Markets in Financial Instruments Regulation (600/2014) (‘‘**MiFIR**’’) and MiFID II in the EU and the UK.

22 October

Tokenisation: The Financial Stability Board published a report on the financial stability implications of tokenisation.

Benchmarks: The Critical Benchmarks Regulations 2024 (SI 2024/1051) were published, together with an explanatory memorandum.

17 October

Economic Growth: The PRA and FCA published speeches (here and here) on economic growth, given at the Annual City Banquet, Mansion House.

16 October

Collective Investment Schemes: A draft version of the Collective Investment Schemes (Temporary Recognition) and Central Counterparties (Transitional Provision) (Amendment) Regulations 2024 was published, together with a draft explanatory memorandum.

UK / Switzerland Collaboration: HM Treasury published a joint statement issued by it and the Swiss State Secretariat for International Finance on the first UK-Switzerland financial dialogue.

MiFID II / MiFIR: ESMA published an updated version of its manual (ESMA74-2134169708-6870) on post-trade transparency under MiFID II and MiFIR.

MiCA: ESMA published an opinion (ESMA35-1872330276-195) on the European Commission’s amendments to draft regulatory technical standards on authorisations and notifications under MiCA.

15 October

Regulatory Initiatives: The Financial Services Regulatory Initiatives Forum published an interim version of the Regulatory Initiatives Grid, covering initiatives affecting firms from October 2024 to March 2025.

14 October

ESG: ESMA published an updated sustainable finance implementation timeline.

Financial Advice Sector: The FCA published a speech given by Nick Hulme, FCA Head of Department (Advisers, Wealth and Pensions), on the FCA's new supervisory strategy for the financial advice sector.

TISFD: The Taskforce on Inequality and Social-related Financial Disclosures ("**TISFD**") launched on 23 September 2024, with the aim of developing guidance for businesses and financial institutions to report on inequality and social-related financial risks, opportunities, impacts and dependencies. Please refer to our dedicated article on this topic here.

Ring-Fencing Reform: The House of Commons published a written statement by Tulip Siddiq, Economic Secretary to HM Treasury, on the status of reforms to the bank ring-fencing regime.

11 October

Sanctions: ESMA published its first annual consolidated report (ESMA43-1527801302-1333) on sanctions and measures imposed by national competent authorities in member states in 2023.

LTAFs: The Productive Finance Working Group published a revised model long-term asset fund ("**LTAF**") instrument of incorporation and a model authorised contractual scheme co-ownership deed (here and here).

10 October

Cryptoassets: The European Commission adopted a Delegated Regulation (C(2024)6766) containing regulatory technical standards on information to be exchanged between competent authorities under MiCA.

ESG: The FCA updated its webpage on the Climate Financial Risk Forum to announce the publication of guides for the financial industry on nature-related risks, short-term scenarios and adaptation finance.

Financial Advice Sector: The FCA published a ‘‘Dear CEO Letter’’ setting out expectations for financial advisers and investment intermediaries. Please refer to our dedicated article on this topic here.

Artificial Intelligence: The Investment Association published a report produced by the technology working group to HM Treasury’s asset management taskforce that considers the current and future usage of AI in investment management.

9 October

Consumer Duty: The FCA published its findings on a webpage following a multi-firm review of 23 payments firms to determine how those firms have implemented the Consumer Duty.

8 October

ESG: The European Parliament published a corrigendum to the proposed Regulation on the transparency and integrity of ESG rating activities (2023/0177 (COD)).

EU Listing Regime: The Council of the EU formally adopted at first reading the Listing Act package, a legislative package adopted by the European Commission on 7 December 2022 to make public capital markets more attractive to EU companies and to facilitate access to capital for SMEs.

Market Volatility: The FCA published a speech given by Nikhil Rathi, FCA Chief Executive, on market volatility.

7 October

ESG: ESMA published its first annual report (ESMA50-43599798-10379) on EU carbon markets.

UK PRIIPS Regulation / Retail Disclosures: A draft version of the Packaged Retail and Insurance-based Investment Products (Retail Disclosure) (Amendment) Regulations 2024 was published, together with an explanatory memorandum.

Financial Advice Sector: The FCA published a portfolio letter setting out its supervisory strategy for financial advisers and investment intermediaries.

4 October

ESG: The European Commission issued FAQs on the Corporate Sustainability Due Diligence Directive. Please refer to our dedicated article on this topic here.

FCA Handbook: the FCA published Handbook Notice 122, which sets out changes to the FCA Handbook made by the FCA board on 18 September and 3 October 2024.

3 October

MiFIR: ESMA published a consultation paper relating to amendments to the requirements on transaction data reporting and order book recordkeeping that were introduced to MiFIR by MiFIR II ((EU) 2024/791).

ESG: The European Commission issued warnings to EU Member States who failed to implement the Corporate Sustainability Reporting Directive. Please refer to our dedicated article on this topic here.

2 October

Financial Policy Committee: The Bank of England published the financial policy summary and record of the meeting of its Financial Policy Committee on 19 September 2024.

1 October

ESMA Annual Work Programme: ESMA published its annual work programme for 2025.

See original.

Related Professionals

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

- **Richard Bull**
  Partner
- **Mary Wilks**
  Partner
- **Oliver R. Howley**
  Partner
- **Rachel E. Lowe**
  Partner
- **Michael Singh**
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- **Sulaiman I. Malik**
  Associate