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This publication is a service to our clients and friends. It is designed only to give general information on the developments actually covered. It is not intended to be a comprehensive summary of recent developments in the law, treat exhaustively the subjects covered, provide legal advice, or render a legal opinion.

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

Key developments in March 2022:

31 March

The European Securities and Markets Authority (“**ESMA**”) published a [final report](#) (ESMA35-36-2537) on guidelines on certain aspects of the remuneration requirements under the MiFID II Directive (2014/65/EU).

The International Sustainability Standards Board published the [Exposure Draft IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information \(General Requirements Exposure Draft\)](#), which sets out the overall requirements for an entity to disclose sustainability-related financial information.

The Financial Stability Board (“**FSB**”) has published its [2022 FSB Work Programme](#). The programme lays out key focuses and goals.

30 March

The EU Platform on Sustainable Finance published a [report](#) setting out recommendations to the European Commission on the technical screening criteria for the four remaining environmental objectives under the EU Taxonomy Regulation ((EU) 2020/852).

ESMA published a [press release](#) reporting on the findings of a supervisory engagement with investment funds it has carried out in conjunction with national competent authorities.

ESMA published a [speech](#) on key priorities for the asset management industry in 2022, which focuses on sustainable finance and systemic risk.

The European Commission presented a package of [European Green Deal](#) proposals to make sustainable products the norm in the EU, boost circular business models and empower consumers for the green transition.

ESMA carried out a [supervisory engagement](#) with investment funds together with National Competent Authorities.

29 March

The EU Platform on Sustainable Finance published its final [report](#) on taxonomy extension options supporting a sustainable transition under the EU Taxonomy Regulation ((EU) 2020/852).

The Bank of England (“**BoE**”) published the [Quarterly Bulletin](#) 2022 Q1; "Financial Education in a Digital World."

ESMA published [Draft Regulatory Technical Standards](#) laying out criteria for the correct management of Data Reporting Services Providers and the operational effectiveness under Markets in Financial Instruments Regulation (EU/600/2014) (“**MiFIR**”).

28 March

ESMA published its [final report](#) (ESMA70-445-38) on the trading of European emission allowances and derivatives in the EU carbon market.

25 March

The Financial Conduct Authority (“**FCA**”) published [Handbook Notice 97](#), which sets out changes to the FCA Handbook made by the FCA board on 24 March 2022.

The FCA published a [policy statement](#) on amendments to the UK PRIIPs disclosure regime (PS22/2).

24 March

The European Systemic Risk Board published its [response](#) to the European Commission's legislative proposal for a Directive amending the Alternative Investment Fund Managers Directive (2011/61/EU) (“**AIFMD**”) relating to delegation arrangements, liquidity risk management, supervisory reporting, provision of depositary and custody services and loan origination by alternative investment funds

The EU Commission has adopted a [Delegated Regulation](#) and an [Implementing Regulation](#) developed under Directive (EU) 2021/338 (“**MiFID2 Quick Fix**”), which forms part of the EU's Capital Markets COVID-19 Recovery Package.

The EU Commission has adopted an [Implementing Regulation](#) containing amendments to the ITS on the main indices and recognised exchanges under the Capital Requirements Regulation (“**CRR**”).

The European Central Bank (“**ECB**”) has issued an [opinion](#) on the EU Commission's proposed amendments to the CRR.

The FCA updated its [webpage](#) on operational and cyber reliance in view of the Russian invasion of Ukraine.

The Bank of England's Financial Policy Committee has published a [report](#) setting out its view on the impact of cryptoassets and decentralised finance on financial stability.

The Prudential Regulation Authority (“**PRA**”) has published a [Dear CEO Letter](#) from Sam Woods, Deputy Governor and CEO of the PRA, to the CEOs of banks and designated investment firms on existing or planned exposures to cryptoassets.

23 March

The FCA has published a Dear Chief Executive [Letter](#) outlining its supervisory priorities in relation to the custody and fund services sector.

22 March

The European Systemic Risk Board published its [reply](#) to the European Commission's targeted consultation on the review of the EU central clearing framework.

21 March

The European Banking Authority (“**EBA**”) published its [final draft](#) regulatory technical standards (“**RTS**”) on default probabilities and losses given default for the default risk model for institutions using the new internal model approach under the Fundamental Review of the

Trading Book. The FSB published a [report](#) on the financial stability impact of the COVID-19 pandemic on FinTech and market structure.

18 March

EBA published its [final revised guidelines](#) on common procedures and methodologies for the supervisory review and evaluation process and supervisory stress testing.

17 March

UK Finance published a [report](#) on the impact of UK payments regulation. The report suggests ways for industry and regulators to collaborate to build and improve the UK's payments infrastructure, regulatory and supervisory frameworks, and regulatory and supervisory frameworks.

The European Commission adopted a [Delegated Regulation](#) amending the regulatory technical standards set out in Delegated Regulation 2017/653 ("**PRIIPs KID Delegated Regulation**") in connection with the extension of the transitional arrangements and amending the RTS set out in Delegated Regulation (EU) 2021/2268 regarding the date of application of that regulation.

The [Commission Delegated Regulation \(EU\) 2022/439](#) was published in the Official Journal. The Regulation sets out the RTS on the specification of the assessment methodology competent authorities are to follow when assessing the compliance of credit institutions and investment firms with the requirements of the Internal Ratings Based Approach under the CRR.

The EU financial regulators have issued a [warning statement](#) to consumers on the risks of cryptoassets.

HM Treasury has published an [advisory notice](#) regarding the risks posed by jurisdictions with unsatisfactory money laundering and terrorist financing controls.

The EU Parliament's Economic and Monetary Affairs Committee ("**ECON**") has published a [report](#) containing its negotiating position on the EU Commission's markets in cryptoassets ("**MiCA**") proposal.

16 March

The BoE renewed its [Statement of Commitment](#) to the FX Global Code.

15 March

The PRA published an occasional consultation paper ([CP3/22](#)) setting out minor amendments to its Rulebook, technical standards, supervisory statements and legacy supervisory statements, and a statement of policy.

14 March

The ECON adopted its [negotiating position](#) on the proposed regulation on MiCA.

11 March

The EU Commission has adopted a [Delegated Regulation](#) setting out RTS for the public disclosure of investment policy by investment firms under the Investment Firms Regulation ("**IFR**").

ESMA published a [letter](#) (ESMA70-156-5299) to the European Commission on the legislative proposals for amendments to the MiFIR and MiFID II Directive (EU/2014/65) ("**MiFID II**").

10 March

ESMA published a [peer review report](#) on the supervision of cross-border activities of investment firms.

9 March

The Commission [Implementing Regulation \(EU\) 2022/389](#) was published in the Official Journal. This sets out the implementing technical standards in relation to the requirements for competent authorities who publicly disclose information for all types of authorised MiFID investment firms under the Investment Firms Directive.

ESMA published a [letter](#) which lays out its technical comments on the EU Commission's proposals for a review of MiFIR.

The EU Commission has adopted [Delegated Regulation](#) which amends the Taxonomy Climate Delegated Act ((EU) 2021/2139) in relation to natural gas economic activities and the Taxonomy Disclosures Delegated Act ((EU) 2021/2178) as regards specific public disclosures for those economic activities.

8 March

The EU Commission [extended](#) the deadline for the consultation on proposed measures aimed at enhancing the attractiveness of EU central counterparties and clearing activities.

4 March

The European Commission updated its [webpage](#) on EU labels for benchmarks and benchmarks' ESG disclosures to provide details of a study on the feasibility, minimum standards and transparency requirements of an EU ESG benchmark label.

The FCA has published its latest [Quarterly Consultation Paper](#).

2 March

The EBA published a [report](#) that analyses the recent developments and challenges of introducing sustainability in the EU securitisation market.

1 March

The UK Government introduced the [draft Economic Crime \(Transparency and Enforcement\) Bill](#) that introduces a register of overseas entities.

The HM Treasury laid down [reforms](#) to capital markets regulation and listing rules within the UK, following Brexit.

HM Treasury has published the [The Financial Services Act 2021 \(Prudential Regulation of Credit Institutions and Investment Firms\) \(Consequential Amendments and Miscellaneous Provisions\) Regulations 2022](#).