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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 July 2022:

29 July

The European Banking Authority (“EBA”) published its [final report](#) on guidelines on the criteria for the exemption of small and non-interconnected investment firms from the liquidity requirements in correspondence with the Investment Firms Regulation.

The Financial Conduct Authority (“FCA”) and Financial Reporting Council published two reports ([one](#) and [two](#)). The reports show that premium listed companies have made substantial progress in the quality of climate-related information in their financial reports, however further improvements are necessary.

28 July

The Joint Committee of the European Supervisory Authorities published a [report](#) on the extent of voluntary disclosure of principal adverse impact (PAI) under Article 18 of the Sustainable Finance Disclosure Regulation ((EU) 2019/2088) (SFDR).

27 July

The FCA published a [policy statement \(PS22/9\)](#) which sets out its final rules and [non-handbook guidance \(FG22/5\)](#) for its new consumer duty.

26 July

HM Treasury published a [policy paper](#) after the sixth meeting of the UK/US Financial Regulatory Working Group on 21 July 2022.

The EU Parliament Committee on Economic and Monetary Affairs published a [draft report](#) on the EU Commission’s proposal to address liquidity and trade execution risk through alterations to MiFIR.

25 July

The [Commission Delegated Regulation \(EU\) 2022/1288](#) was published in the Official Journal. This supplements the Sustainable Finance Disclosure Regulation (EU) 2019/2088 in relation to the regulatory technical standards that specify the content and information of financial market participants’ sustainability disclosures. Please also refer to our separate update [here](#).

22 July

The Financial Services and Markets Act 2000 (Consequential Amendments of References to Rules and Miscellaneous Amendments) Regulations 2022 was published, together with an [explanatory memorandum](#).

21 July

The FCA, The Prudential Regulation Authority (“PRA”) and the Bank of England (“BoE”) published a [discussion paper](#) on the possible ways to manage systemic risks presented by critical third parties to the UK financial sector.

The Treasury and the City of London Corporation published its [annual review](#) on the attractiveness and international competitiveness of the UK financial services sector.

BoE and FCA published a [joint response](#) to the phase one recommendations by the joint transformation programme on data collection.

20 July

The European Securities and Markets Authority (“ESMA”) and EBA issued a [joint final report](#) on common procedures and methodologies for the supervisory review and evaluation process for investment firms under the Investment Firms Directive ((EU) 2019/2034).

ESMA published an updated version of its [Q&As](#) (ESMA34-32-352) on the application of the Alternative Investment Fund Managers Directive (2011/61/EU) (AIFMD).

The Financial Services and Markets Bill was [published](#), together with [explanatory notes](#).

HM Treasury published its [response](#) to the second consultation paper relating to Phase II of its Future Regulatory Framework Review.

The UK Government published a [policy paper](#) that sets out proposals for future recognition of artificial intelligence.

The Financial Markets Standards Board published a [spotlight review](#) on ESG ratings.

19 July

HM Treasury published Nadim Zahawi’s speech at the Mansion House. The speech covered the government’s vision for financial services and the introduction of the Financial Services and Markets Bill.

The FCA published its Annual Report and Accounts for 2021/22.

The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2022 was published, along with explanatory memorandum.

18 July

The FCA published [Handbook Notice 101](#), which sets out changes to the FCA Handbook made by the FCA board on 23 June and 15 July 2022.

15 July

The [Commission Delegated Regulation \(EU\) 2022/1214](#) was published in the Official Journal. This amends 1) the Taxonomy Climate Delegated Act ((EU) 2021/2139) in relation to nuclear energy and natural gas economic activities and 2) the Taxonomy Disclosures Delegated Act ((EU) 2021/2178) in regard to the specific disclosure of these economic activities.

14 July

The [Commission Implementing Regulation \(EU\) 2022/1220](#) was published in the Official Journal. This lays out the implementing technical standard for the format of information that must be reported annually by authorised branches of third-country firms and authorities under the Financial Instruments Directive (MiFID2).

The Financial Stability Board (“FSB”) published a [progress report](#) on its roadmap for addressing climate-related financial risks, which was initially published in July 2021.

The FCA updated its [webpage](#) that summarises the rules that apply to firms in the temporary permissions regime and fund operators in the temporary marketing permissions regime.

The FCA published a [speech](#) by Nikhil Rathi, FCA Chief Executive, on how the UK will regulate for the future.

13 July

The House of Commons Treasury Committee launched a [call for evidence](#) on the role of crypto-assets in the UK.

12 July

ESMA published its [opinion](#) on the classification of third-country counter-parties for the weekly position reports on commodity derivatives and emission allowances derivatives under MiFID2.

11 July

The FSB published a [statement](#) on international regulation and supervision of crypto-asset activities.

The EU Platform on Sustainable Finance invited views on its [draft report](#) on minimum safeguards under the Taxonomy Regulation ((EU) 2020/852) (see [Commission: Call for feedback on the draft report by the Platform on Sustainable finance on minimum safeguards](#)).

8 July

ESMA published a [statement](#) that sets out its findings from the common supervisory action on the application of MiFID2 product governance rules.

7 July

ESMA issued a [statement](#) on prospectus supervision in context of EU sanctions against Russia in the context of Russia’s invasion of Ukraine.

EBA published its [report](#) of the implementation of its opinion on the prudential treatment of legacy instruments.

The International Organization of Securities Commission published a [OR03/22 Crypto-Asset Roadmap for 2022-2023](#) which sets out its regulatory policy agenda and work programme for the next sector.

6 July

The Network for Greening the Financial System published its [final report](#) on bridging climate-related data gaps.

The [Commission Delegated Regulation \(EU\) 2022/1159](#) was published in the Official Journal. This sets out the regulatory technical standards of investment firms public disclosure of investment policy under the Investment Firms Regulation.

The European Parliament [announced](#) that Members of the European Parliament did not object to the inclusion of nuclear and gas activities in the list of environmentally sustainable activities covered by the EU Taxonomy Regulation ((EU) 2020/852).

5 July

HM Treasury has published a draft version of [The Financial Services \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2022 \(the Regulations\)](#), with an [explanatory memorandum](#), under section 8(1) of, and paragraph 21 of Schedule 7 to, the European Union (Withdrawal) Act 2018.

The FCA published the [consultation paper \(CP22/12\)](#) which proposes making changes to existing rules and guidance to improve the functioning of equity secondary markets.

4 July

The FCA updated its [webpage](#) relating to its discussion paper on sustainability disclosure requirements (“SDR”) and investment labels (DP21/4), to indicate that it now intends to consult on its policy proposals in this area in autumn 2022, rather than in Q2 2022, as originally stated.

1 July

The European Parliament's Economic and Monetary Affairs Committee (ECON) published its [report](#) (PE719.930v02-00) on the proposed Regulation containing amendments to the Regulation on European long-term investment funds (ELTIFs) ((EU) 2015/760) (“ELTIF Regulation”).

The European Money Markets Institute launched a [public consultation](#) on the euro forward-looking term rate.

The FCA has updated its [webpage](#) on how to submit a change in control notification.