

Newsletter

PRA corporate governance letter to banks and insurers

After meeting with 40 regulated banks and insurers last year, the PRA address independent Non-Executive Directors (INEDs) to highlight common issues and risks of firms' board agendas. Key themes raised include the impact of economic downturn on business models and profitability, increased pressure and scrutiny on operational resilience, governance challenges posed by remote working, and the prioritisation of climate-related financial risks.

Find out more:

<https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/letter/2021/february/ineds-virtual-meetings-with-pra-seniors-advisors.pdf>

New prudential regime for MiFID investment firms

The FCA consult on their first phase of proposed rules to introduce the UK Investment Firm Prudential Regime (IFPR). A new prudential regime for UK firms, the IFPR is authorised under the Markets in Financial Instruments Directive (MiFID), and serves to simplify and streamline prudential requirements for solo-regulated investment firms in the UK. Representing a major change for investment firms, it is critical that firms adequately prepare for the FCA's programme of Consultation Papers and Policy Statements, under the directive.

Michael Chambers of Wheelhouse Advisors Limited will cover the IFPR and prudential requirements for hedge funds in our upcoming webinar "Ahead of the Curve: Regulatory Updates for HFMs" on Wednesday 24 February 2021, at 3pm GMT.

Register here: [lnkd.in/dSTreGf](https://www.linkedin.com/company/wheelhouse-advisors)

<https://www.fca.org.uk/publications/consultation-papers/>

FATF plenary: ML/TF, jurisdiction risks and COVID

The Financial Action Task Force (FATF) announce the priorities for their three-day plenary (currently in session), featuring delegates from IMF, the United Nations and the World Bank. They will address AML/CTF measures in New Zealand, the impact of COVID-19 on ongoing assessments in the current cycle, and hear the progress made by certain jurisdictions identified as presenting a risk to the financial system. The FATF will also finalise key reports, including a guidance on the risk-based approach to supervision.

Find out more:

<http://www.fatf-gafi.org/publications/fatfgeneral/documents/plenary-february-2021.html>

ICO launch data analytics toolkit

The Information Commissioner's Office (ICO) urge all organisations handling personal data to consult their new toolkit, designed to support data protection from the outset of any project involving data analytics and/or personal data. The toolkit forms part of ICO's AI priority work, assisting firms to address AI systems challenges on individual rights.

The toolkit can be found here:

ico.org.uk/data-analytics-toolkit

To discuss how Hansuke experts can assist with data privacy compliance, please contact us at info@hansuke.co.uk

Letter to CFOs: IFRS 9 Disclosures

The Bank of England's Prudential Regulation Authority publish a letter addressed to CFOs, requesting updates on progress towards the Taskforce on Disclosures about Expected Credit Losses (ECLs) recommendations, referencing the Taskforce report 'Recommendations on a comprehensive set of IFRS Expected Credit Loss disclosures'. The Authority requests firms offer a voluntary update, with an assessment of progress made against each suggestion.

Find out more:

<https://www.bankofengland.co.uk/prudential-regulation/letter/2021/february/disclosures-ifs9>