

Newsletter

Under s.166 powers, BoE directs Euroclear to enhance resilience

The Bank of England's ("BoE") ordered Euroclear to improve its technology and operational resilience following the September 2020 outage of CREST settlement system that forced a delay to its regular gilt purchase programme under quantitative easing.

UK Operational Resilience rules and guidance comes into force on 31 March 2022. Firms must have identified their important business services, set impact tolerances for the maximum tolerable disruption and carried out mapping and testing to a level of sophistication necessary to do so.

Find out more:

Contact henryirving@hansuke.co.uk for further details

<https://www.bankofengland.co.uk/news/2021/june/supervisory-action-over-euroclear-uk-and-ireland-september-2020-operational-settlement-outage>

CMA warns banks on banking transaction history breaches

The Competition and Markets Authority ("CMA") has warned four banks on their failure to make transaction histories available to customers within 40 days of account closure. The measure to provide transaction histories is designed to make switching banks easier and to address concerns that customers who switched would lose access to their banking history - a key requirement for lenders offering credit.

Find out more:

<https://www.gov.uk/government/news/cma-warns-monzo-over-banking-transaction-history-breaches>

FCA consults on further climate-related disclosure rules

Following the introduction of climate-related disclosure rules, the Financial Conduct Authority ("FCA") has published further proposals requiring appropriate information on climate-related risks and opportunities to be made available across the financial eco-system. The FCA has invited feedback on proposals by 10 September 2021 and intends to confirm final policy on climate-related disclosures before the end of 2021.

Find out more:

<https://www.fca.org.uk/news/press-releases/fca-consults-further-climate-related-disclosure-rules>

FCA supremo on building a robust regulatory environment for the future

FCA's CEO Rathi stated that Brexit had enabled more targeted regulations, but emphasised the need for mutual equivalence and regulatory/supervisory cooperation. Rathi underscored the commitment to transform the FCA to become a data and technology-led regulator. He warned that FCA will take swift action on preventing financial crime and will continue to take a robust approach in the supervision of firms under its watch.

Find out more:

<https://www.fca.org.uk/news/speeches/building-regulatory-environment-future>

EBA Report on EU branches of third country institutions

The European Banking Authority (EBA) has published its report on the regulation of incoming third country branches (TCB) under the national law of Member States. The Report, prepared in cooperation with the competent authorities, covers current national regulatory laws/regulations and supervisory practices and a mapping of the TCBS established in the Member States. The Report has 14 policy recommendations for further harmonisation of EU laws covering authorisations, prudential requirements (notably capital, liquidity, internal governance including booking arrangements); certain AML/CFT aspects; a uniform minimum reporting framework; and development of satisfactory recovery plans.

Find out more:

https://www.eba.europa.eu/sites/default/documents/files/document_library/Publications/Reports/2021/1015664/Report%20on%20third%20country%20branches.pdf