

Newsletter

FCA plans

Nikhil Rathi, the Financial Conduct Authority (FCA) chief executive, delivered a speech on its past performance and future plans. Nikhil recalls how crashing out of the Exchange Rate Mechanism led to major upheaval, but reassures that the FCA is now more resilient and better prepared for future disruptions. To combat digital challenges, the FCA is developing its digital field expertise, forming a Digital Regulation Cooperation Forum (DRCF) with the Competition and Market Authority (CMA), the Information Commissioner's Office (ICO) and the Office of Communications (Ofcom). ESG remains a key priority for the FCA, and it will utilise AI to improve data accuracy and slash operational costs. Furthermore, FCA has launched a ScamSmart campaign to tackle screen sharing scams and prevent further victims.

Find out more:
[Nikhil Rathi Speech](#)

PRA's feedback on trading

The Prudential Regulation Authority (PRA) has provided feedback on responses to the 'Trading activity wind-down' consultation paper. Having considered the responses, the PRA has made changes to the final policy to further clarify their expectations. The PRA has clarified the treatment of risk-based loss projection, renamed the non-mandatory templates as Trade Wind-Down (TWD) templates and also provided additional details for TWD firms belonging to third-party groups.

Find out more:
[PRA feedback](#)

EBA updates Implementing Technical Standards

The European Banking Authority (EBA) has updated its Implementing Technical Standards (ITS) in view of its 2023 benchmarking of internal approaches. The updated ITS include all benchmarking portfolios and metrics that will be used for the 2023 exercise. To better account for market risk, data collection will include the collection of new instruments and portfolios. For credit risk, minor changes have been made to the benchmark portfolios while clarifications on how to deal with changes to the definition of default have been provided.

Find out more:
[EBA's updates](#)

Deutsche Bundesbank Executive speaks on CBDCs

In his speech, Mr Burkhard Balz, member of the Executive Board of the Deutsche Bundesbank, highlighted that Central Bank Digital Currencies (CBDC) offer access to a safe, instant and efficient digital means of payment that are a cost-effective cash alternative. They could facilitate the growth of new digital financial eco-system with full pan-European reach. In July 2021, the European Central Bank (ECB) launched a formal project on the digital Euro, focusing on aspects such as (i) cases involving consumers, businesses, government and machines, (ii) functionalities and design choices and (iii) technical infrastructures. Mr Balz stated that ensuring a smartphone wallet for mass adoption remains crucial as is the importance of cyber security.

Find out more:
[Burkhard Balz Speech](#)