CLIFFORD
CHANCE

Briefing note

International Regulatory Update

16 – 20 May 2016

IN THIS WEEK'S NEWS

- Benchmarks Regulation: EU Council adopts final text
- MiFID2: EU Council endorses amending texts agreed in trilogue
- Cybersecurity: EU Council adopts rules to increase security of EU's network and information systems
- MAR: EU Commission adopts RTS on market soundings
- MiFIR: EU Commission adopts delegated act on transparency, portfolio compression and product intervention
- MiFID2: EU Commission adopts RTS on ratio of unexecuted orders to transactions for algorithmic trading
- CRD 4: EU Commission adopts amending Delegated Regulation on methodology for identifying G-SIIs
- Transparency Directive: EU Commission adopts RTS on regulated information at EU level
- BRRD: Delegated Regulation on ex-post contributions and definition of critical functions published in Official Journal
- CRR: EBA publishes decision on external credit assessment institutions
- ECB consults on draft addendum to guide on options and discretions available in EU law
- UCITS: FCA consults on changes to Handbook
- BRRD: FCA reports on assessment of recovery plans
- PRA sets out final rules on implementing audit committee requirements
- PSR publishes final policy statement on Payment Accounts Regulations
- PSR consults on second phase of Interchange Fees Regulation
- Market abuse: Royal Decree amending legislative framework published as FSMA updates guidance
- Law implementing Directive 2013/50/EU and amending Luxembourg law on transparency requirements published
- Legislation effecting policy proposals to facilitate bond offerings to retail investors published
- Association of Banks in Singapore enhances due diligence guidelines for listings on SGX

Clifford Chance's International Regulatory Update is a weekly digest of significant regulatory developments, drawing on our daily content from our Alerter: Finance Industry service.

If you would like to continue to receive International Regulatory Update or would like to request a subscription for a colleague, please click here.

To request a subscription to our Alerter: Finance Industry service, please email Online Services.

If you would like to know more about the subjects covered in this publication or our services, please contact:

International Regulatory Group Contacts

Chris Bates +44 (0)20 7006 1041

Nick O'Neill +1 212 878 3119

Marc Benzler +49 69 7199 3304

Steven Gatti +1 202 912 5095

Mark Shipman + 852 2826 8992

Donna Wacker +852 2826 3478

International Regulatory Update Editor

Joachim Richter +44 (0)20 7006 2503

To email one of the above, please use firstname.lastname@cliffordchance.com

Clifford Chance LLP, 10 Upper Bank Street, London, E14 5JJ, UK
www.cliffordchance.com

- SFC and FINRA sign MoU to enhance supervision and oversight of cross-border regulated entities
- Federal agencies invite comment on proposed rule to prohibit incentive-based pay that encourages inappropriate risk-taking in financial institutions
- Recent Clifford Chance briefings: The PSC Register Regime; and more. Follow this link to the briefings section. Follow this link to the briefings section.

Benchmarks Regulation: EU Council adopts final text

The EU Council has formally adopted the Benchmarks Regulation, which will introduce new rules intended to ensure greater accuracy and integrity in relation to indices used as benchmarks in financial instruments and financial contracts. In particular, the objectives of the Regulation are to:

- improve governance and controls;
- improve quality of data input;
- curb conflicts of interest in setting benchmarks; and
- ensure greater transparency and rights of redress for consumers and investors.

Requirements for benchmarks will relate to their size and nature as critical benchmarks, significant benchmarks or non-significant benchmarks and specific regimes will apply to commodity, interest rate and regulated data benchmarks.

Now that the Regulation has been approved by both the Parliament, which endorsed the Regulation in April 2016, and the Council, it will be published in the Official Journal and will enter into force on the day following its publication.

MiFID2: EU Council endorses amending texts agreed in trilogue

The EU Council Permanent Representatives Committee (Coreper) has endorsed the final draft texts of the Directive to amend MiFID2 and Regulation to amend MiFIR agreed between the EU Council, EU Parliament and EU Commission at trilogue negotiations, which were published on 13 May 2016.

Under the revised approach:

- the deadline for Member States to transpose MIFID2 into national law will be 3 July 2017; and
- the date of application of both MIFID2 and MIFIR will be 3 January 2018.

The EU Parliament and EU Council will vote on the final draft texts before publication of the amending Directive and Regulation in the Official Journal.

Cybersecurity: EU Council adopts rules to increase security of EU's network and information systems

The EU Council has formally adopted the Network and Information Security (NIS) Directive, which aims to encourage cooperation between Member States on the issue of cybersecurity. The Directive sets out security obligations for operators of essential services, including those in the banking and financial sectors, and for digital service providers, such as online marketplaces, search engines and cloud services. EU countries will also be required under the directive to designate a national authority for dealing with cyber threats and to develop a national cyber strategy.

The Council position at first reading confirms the agreement reached with the EU Parliament in December 2015 but the Directive must still be approved by the Parliament at second reading. The Directive is expected to enter into force in August 2016. The Netherlands EU Council Presidency and the EU Agency for Network and Information Security (ENISA) have already started preparing for its implementation.

MAR: EU Commission adopts RTS on market soundings

The EU Commission has adopted regulatory technical standards (RTS) under the Market Abuse Regulation (MAR) on appropriate arrangements, systems and procedures for disclosing market participants conducting market soundings. The RTS set out the criteria to comply with in order to benefit from the assumption that inside information is lawfully disclosed and rules for competent authorities to conduct investigations in cases of suspected infringements of MAR.

MiFIR: EU Commission adopts delegated act on transparency, portfolio compression and product intervention

The EU Commission has adopted a Delegated Regulation under MiFIR on definitions, transparency, portfolio compression and supervisory measures on product intervention and positions.

The Delegated Regulation is intended to specify rules relating to:

- determining liquidity for equity instruments;

- the provision of market data on a reasonable commercial basis;
- publication, order execution and transparency obligations for systematic internalisers; and
- supervisory measures on product intervention by the European Securities and Markets Authority (ESMA), European Banking Authority (EBA) and national authorities, as well as on position management powers by ESMA.

The Delegated Regulation will enter into force on the twentieth day following that of its publication in the Official Journal.

MiFID2: EU Commission adopts RTS on ratio of unexecuted orders to transactions for algorithmic trading

The EU Commission has adopted RTS on the ratio of unexecuted orders to transactions in order to prevent disorderly trading conditions under MiFID2.

The RTS relate to requirements for regulated markets to have arrangements to ensure that algorithmic trading systems cannot create or contribute to disorderly trading conditions including systems to limit the ratio of unexecuted orders to transactions in a system. In particular the RTS specify:

- the obligation to calculate the ratio of unexecuted orders to transactions by trading venues; and
- the methodology to be used by trading venues to calculate an order-to-trade-ratio (OTR) for each member or participant and for each financial instrument traded on an electronic continuous order book, a quote-driven or a hybrid trading system.

CRD 4: EU Commission adopts amending Delegated Regulation on methodology for identifying G-SIIs

The EU Commission has adopted a draft Delegated Regulation amending Delegated Regulation (EU) No 1222/2014 specifying the methodology for the identification of global systemically important institutions (G-SIIs) and for the definition of subcategories of G-SIIs.

Under the Capital Requirements Directive (CRD 4), the methodology to identify G-SIIs must take into account internationally agreed standards. The methodology in Commission Delegated Regulation (EU) 1222/2014 closely follows the approach of the Basel Committee on Banking Supervision (BCBS) for identifying global systemically important banks (G-SIBs in BCBS terminology).

The amendment to Commission Delegated Regulation (EU) 1222/2014 aims to ensure consistency between the methodology specified in CRD 4 and the BCBS framework as updated from time to time.

Transparency Directive: EU Commission adopts RTS on regulated information at EU level

The EU Commission has adopted RTS on access to regulated information at EU level under Article 22 of the Transparency Directive.

The delegated act sets out rules on:

- the communication technologies, availability and support level of the European Electronic Access Point (EEAP) and Officially Appointed Mechanisms (OAMs);
- the content of the search function offered by the EEAP;
- the details of facilitation of access through the EEAP and OAMs;
- the use of the legal entity identifiers (LEI);
- the common format of data exchange between the EEAP and the OAMs; and
- the common list and classification of regulated information.

BRRD: Delegated Regulation on ex-post contributions and definition of critical functions published in Official Journal

A Delegated Regulation (2016/778) supplementing the Bank Recovery and Resolution Directive (BRRD) relating to deferrals from paying extraordinary ex-post contributions and criteria for determining critical functions and core business lines has been published in the Official Journal.

The Delegated Regulation is intended to specify the circumstances and conditions under which a payment of extraordinary ex-post contributions may be deferred if it would jeopardise solvency or liquidity of an institution under Article 104(4) BRRD and defines 'critical functions' and 'core business lines' under Article 2(2) BRRD.

The Delegated Regulation will enter into force on 9 June 2016.

CRR: EBA publishes decision on external credit assessment institutions

The European Banking Authority (EBA) has published a decision confirming the use of unsolicited credit assessments assigned by certain External Credit Assessment Institutions (ECAIs) for calculating capital requirements. The decision forms part of the Single

Rulebook in banking, designed to harmonise regulatory practice across the EU regarding the use of unsolicited credit ratings.

The decision only applies to ECAIs the EBA has confirmed can provide unsolicited ratings that are of the same quality as their solicited ratings. The EBA has identified 22 ECAIs who can provide unsolicited ratings which will be permissible under the Capital Requirements Regulation (CRR).

ECB consults on draft addendum to guide on options and discretions available in EU law

The European Central Bank (ECB) has launched a second phase consultation on harmonising options and discretions (O&Ds) in European banking legislation comprising the CRR, CRD 4 and the Delegated Act on the liquidity coverage ratio (LCR). The consultation follows a first phase of the project, which reviewed 122 O&Ds granted to competent authorities under the legislation, which resulted in an ECB Regulation on the exercise of O&Ds available in EU law, which will enter into force on 1 October 2016, and an ECB Guide, which became operational on 24 March 2016. The second consultation is intended result in a consolidated version of the Guide to take into account amendments to the first version from both the second phase consultation and a separate ECB consultation on Institutional Protection Schemes (IPSs), which closed in April 2016. The proposals set out in the second phase consultation do not affect the content of the ECB Regulation.

In the second phase, the ECB is consulting on a draft addendum to the Guide to include provisions of the CRD 4 package where provisions use:

- the wording that competent authorities 'may' decide on a specific prudential treatment;
- a policy criterion to develop policy guidance for cases where the legislative framework is not sufficiently specific and the EBA or EU Commission do not have a legislative mandate to develop RTS or guidelines that would guarantee a harmonisation of supervisory practices; or
- a logical criterion equivalent to the level of discretion of the O&Ds included in the first phase.

The consultation addresses eight O&Ds to complement the existing Guide and Regulation, which deal with 115 O&Ds. Alongside the draft Addendum, the ECB has published an explanatory memorandum.

Comments on the consultation are due by 21 June 2016.

UCITS: FCA consults on changes to Handbook

The Financial Conduct Authority (FCA) has issued a consultation (CP16/14) on proposed changes to the FCA Handbook following the adoption of the Undertakings for Collective Investment in Transferable Securities (UCITS) V Level 2 Regulation. The consultation also proposes changes to reflect certain measures in the Securities Financing Transactions Regulation (SFT Regulation).

The UCITS V Level 2 Regulation published in March 2016 introduces safekeeping requirements for UCITS depositaries, a requirement for the UCITS management company and the depositary to act independently, and steps to protect UCITS assets if a third-party delegated custodian becomes insolvent. While the Regulation does not require transposition into UK law, the FCA is proposing amendments to the CASS, COLL and SYSC sourcebooks to ensure consistency with the Level 2 measures.

Under the SFT Regulation, managers of UCITS and alternative investment funds (AIF) must disclose their use of SFTs and total return swaps in the funds' pre-contractual documents and periodic reports to investors. The FCA proposes copying out the relevant SFT Regulation provisions into the COLL and FUND sourcebooks to help firms comply with the new disclosure requirements. Other provisions under the SFT Regulation that are directly applicable to managers of UCITS and AIFs are not considered in the consultation.

Comments to the consultation close on 19 July 2016. The UCITS V Level 2 Regulation will take effect on 13 October 2016.

BRRD: FCA reports on assessment of recovery plans

The FCA has published a note setting out feedback on some of its observations from a recent assessment of firms' recovery plans submissions and their compliance with the Bank Recovery and Resolution Directive (BRRD). The note is aimed at FCA solo-regulated firms that are IFPRU 730k firms.

Overall, the FCA identified that most recovery plan submissions were timely and reasonably structured although a number of areas for improvement were identified relating to:

- internal and external interconnectedness;
- indicators;
- recovery options;

- scenarios;
- core business lines and critical functions; and
- crisis management and communication arrangements.

In light of its findings, the FCA encourages firms to review and ensure the effectiveness of their underlying governance and risk management arrangements.

PRA sets out final rules on implementing audit committee requirements

The Prudential Regulation Authority (PRA) has published a policy statement (PS16/16) providing feedback to responses to its September 2015 consultation on implementing audit committee requirements under the revised Statutory Audit Directive (CP34/15). The statement also includes the final rules for the implementation of the audit committee requirements of article 39 of the Statutory Audit Directive as amended by Directive 2014/56/EU for PRA-regulated firms. It is relevant to CRD credit institutions, UK Solvency II insurance and reinsurance firms, the Society of Lloyd's and managing agents and PRA-designated investment firms.

Following the consultation, the PRA has made the following amendments to the proposals in CP34/15:

- the smallest firms may apply for a waiver or modification of the rules, as long as they meet the Directive minimum requirements;
- transitional arrangements will be introduced for a period of two years; and
- in significant subsidiaries of parent undertakings both within the European Economic Area (EEA) and outside it, a majority, rather than all as previously, of the members of a subsidiary audit committee, including the chairman, must be independent, provided that the audit committee of the subsidiary's parent is comprised fully of independent non-executive directors.

The statement also offers clarification on the PRA's approach to independence, its expectations regarding competence, aspects of audit committee functions and the operation of the audit committee requirements alongside the Senior Managers Regime (SMR) and Senior Insurance Managers Regime (SIMR).

Subject to the provisions during transition, the policy will apply to financial years commencing on or after 17 June 2016.

Due to the publication of new rules in PS16/16 the PRA has also updated a supervisory statement on internal governance (SS21/15) to remove paragraphs 2.2 and 2.3 on audit committees.

PSR publishes final policy statement on Payment Accounts Regulations

The Payment Systems Regulator (PSR) has published a policy statement on the application of the Payment Accounts Regulations (PARs), which transpose the Payment Accounts Directive (PAD) in the UK.

Among other things, the PSR has set out its approach to the designation of alternative switching schemes, including the application process and evaluating applications and monitoring compliance after designation. The policy statement also describes the PSR's powers and procedures under the PARs.

The PARs will come into force on 18 September 2016.

PSR consults on second phase of Interchange Fees Regulation

The PSR has published a consultation paper (CP 16/3) setting out its draft guidance on the second phase of the EU Interchange Fee Regulation (IFR) which comes into force on 9 June 2016. The guidance is intended to clarify the IFR business rules provisions which make up phase two, namely:

- the separation of payment card scheme and processing entities;
- 'co-badged cards' (cards with two or more payment brands or applications on the same card) and choice of payment brand or payment application;
- the 'honour all cards' rule; and
- the 'unblending' of the merchant service charge (MSC).

Amongst other things, the guidance advises that companies that process card transactions on behalf of merchants must state what costs make up the MSC and that retailers must clearly identify at the shop entrance and point of sale which credit and debit cards they accept.

The guidance also explains the PSR's intended approach to monitoring and enforcing these provisions, including gathering initial compliance reports from relevant parties and investigating complaints about non-compliance with the IFR.

Comments on the proposed guidance are due by 8 July 2016.

Market abuse: Royal Decree amending legislative framework published as FSMA updates guidance

The Royal Decree of 25 April 2016, which amends the provisions of two Royal Decrees in order to give effect to the Market Abuse Regulation (MAR) in Belgium, has been published in the Moniteur Belge.

The Royal Decrees that are being amended by the Royal Decree of 25 April 2016 are:

- the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market; and
- the Royal Decree of 21 August 2008 determining the rules applicable to certain multilateral trading facilities.

The Financial Services and Markets Authority (FSMA) has also announced the publication of new circulars and the update of existing circulars in view of the entry into force of MAR on 3 July 2016. The FSMA has adopted a new circular on practical instructions regarding MAR and a new circular on obligations applicable to issuers listed on the Free Market (Euronext Brussels). It has also updated existing circulars on obligations applicable to issuers listed on a regulated market, obligations applicable to issuers listed on Alternext Brussels, and the acquisition of own shares of certificates by listed companies or companies whose securities are admitted to trading on certain MTFs.

The FSMA has indicated that it will withdraw its existing FAQ on market abuse from its website on the date of entry into force of MAR.

Law implementing Directive 2013/50/EU and amending Luxembourg law on transparency requirements published

A new Law dated 10 May 2016 implementing EU Directive 2013/50/EU, which amends Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and Commission Directive 2007/14/EC laying down detailed rules for the implementation of certain provisions of Directive 2004/109/EC, has been published in the Luxembourg official gazette (Mémorial A).

The Law changes the Luxembourg law of 11 January 2008 on transparency requirements in relation to information to be published by issuers whose securities are admitted to trading on a regulated market.

The main changes brought about relate to:

- the repeal of the issuers' obligation to publish interim management statements or quarterly financial reports;
- the extension of the deadline for the publication of half-yearly financial reports from two to three months following the end of the reporting period;
- the repeal of the requirement for the issuers to disclose new debt issuances; and
- the repeal of the requirement for the issuers to inform the CSSF and the regulated market prior to an amendment to their articles of incorporation.

Further changes concern a new reporting obligation for companies active in the extraction of oil, gas or minerals or logging within primary forest industries to declare in a separate annual report payments to the governments of the countries where they exercise such activities.

Finally, a wider scope has been introduced regarding major holding notifications with respect to specific financial instruments, including new aggregation rules, the introduction of the stabilisation exemption and the indication of the basis for the calculation of voting rights.

Legislation effecting policy proposals to facilitate bond offerings to retail investors published

The Monetary Authority of Singapore (MAS) has introduced two new frameworks to facilitate corporate bond offerings to retail investors, under the following regulations which came into immediate effect:

- Securities and Futures (Offers of Investments) (Exemption for Offers of Straight Debentures) Regulations 2016; and
- Securities and Futures (Offers of Investments) (Exemption for Offers of Post-seasoning Debentures) Regulations 2016.

Under the Bond Seasoning Framework, wholesale bonds issued by issuers that meet eligibility criteria stipulated by the Singapore Exchange (SGX) can be offered to retail investors after the bonds have been listed on the SGX for six months. These 'seasoned' bonds can be re-denominated into smaller lot sizes and offered to retail investors on the secondary market. Eligible issuers can also offer additional bonds to retail investors on the same terms as the 'seasoned' bonds without a prospectus. The SGX has amended its rules to effect the framework, and issued a practice note to provide guidance to issuers on the relevant procedures and processes.

Under the Exempt Bond Issuer Framework, issuers that satisfy specified thresholds that are higher than the eligibility criteria under the Bond Seasoning Framework can offer bonds directly to retail investors at the start of an offer without a prospectus.

The MAS has also published its response to the feedback it received on the second consultation paper which sought feedback on the draft regulations to effect the policy proposals to facilitate bond offerings to retail investors (December 2014). The response also includes a summary of the eligibility criteria under the frameworks, the conditions for the prospectus exemptions and the regulations relating to the new frameworks.

As an additional incentive for eligible issuers under the Bond Seasoning Framework and Exempt Bond Issuer Framework, the Minister for Finance will grant a tax deduction of up to two times to qualifying retail bond issuers for issuance costs attributable to such retail bonds. The tax concession will be available for five years and takes effect immediately. The MAS has also issued a circular with further details of the tax concession.

Association of Banks in Singapore enhances due diligence guidelines for listings on SGX

The Association of Banks in Singapore (ABS) has enhanced its guidelines for due diligence activities its member banks carry out on all companies wishing to list on the SGX. The guidelines generally apply to the due diligence process required of issue managers of Mainboard listings and full sponsors of Catalist listings.

Some of the key changes in the guidelines include:

- where management, directors and controlling shareholders have recently resigned, there should be inquiries into their reasons for doing so and whether they raise questions about the issuer, or the remaining management, directors and controlling shareholders;
- the scope of checks and enquiries should extend beyond on-site visits to material production facilities and properties including material assets, which may include inventory and biological assets such as livestock and crops;
- when reviewing cash deposits, there should be checks on whether there are restrictions on remittances of cash from the issuer's overseas subsidiaries to the relevant holding company and whether there are any charges or encumbrances on such cash deposits;
- the amounts of taxable income and revenue or cost declared in the tax filings should be reviewed for consistency with the issuer's audited financial statements, and whether the amounts of taxes paid may indicate any irregularities; and
- any unnecessarily complex group structures should be questioned as they could raise suspicions regarding the legitimacy of the issuer's activities.

SFC and FINRA sign MoU to enhance supervision and oversight of cross-border regulated entities

The Securities and Futures Commission (SFC) of Hong Kong and the Financial Industry Regulatory Authority of the United States (FINRA) have signed a memorandum of understanding (MoU) concerning mutual assistance in the supervision and oversight of regulated entities that operate on a cross-border basis in Hong Kong and in the United States.

Through the MoU, which covers financial market participants or other entities that are regulated by the SFC or FINRA, the SFC and the FINRA express their willingness to cooperate with each other in the interest of fulfilling their respective regulatory mandates, particularly in the areas of investor protection, promoting the competence and integrity of cross-border regulated entities, fostering market and financial integrity, reducing systemic risk and maintaining financial stability.

The MoU came into effect on 9 May 2016.

Federal agencies invite comment on proposed rule to prohibit incentive-based pay that encourages inappropriate risk-taking in financial institutions

The Federal Reserve Board (FRB), Federal Deposit Insurance Corporation (FDIC), Federal House Finance Agency (FHFA), National Credit Union Administration (NCUA), Office of the Comptroller of the Currency (OCC) and Securities Exchange Commission (SEC), have requested public comment on a proposed rule to restrict incentive-based compensation arrangements that encourage improper risks at covered financial institutions.

Financial institutions with total assets of USD 1 billion or more would be subject to the proposed rules. The requirements are tailored based on assets, and covered institutions would be divided into three categories:

- Level 1: institutions with assets of USD 250 billion and above;
- Level 2: institutions with assets of USD 50 billion to USD 250 billion; and

- Level 3: institutions with assets of USD 1 billion to USD 50 billion.

All institutions that would be covered by the proposed rules would be required to annually document the structure of incentive-based compensation arrangements and retain those records for seven years. Boards of directors of covered institutions would be required to conduct oversight of the arrangements. All covered institutions would be subject to general prohibitions on incentive-based compensation arrangements.

Comments on the proposed rule, which was submitted for publication in the Federal Register, will be accepted up to 22 July 2016.

CLIFFORD CHANCE BRIEFINGS

The PSC Register Regime – Consequences for banking transactions

Since the 6th April 2016, all UK incorporated companies (that are not exempt) and LLPs are required to keep a register of individuals and/or certain legal entities with 'significant control' over them. At first sight, this may appear to be no more than another corporate information requirement like keeping a register of members and a register of directors. However, from a banking perspective, the PSC register regime goes much further than this.

In particular, security may not be able to be taken or enforced over shares in a company with a PSC register if the PSC register regime has not been complied with and a restrictions notice has been issued. Finance parties may also need to be registered on a company's PSC register, as well as actively provide information on their interests in the company, unless they fall within specific exemptions.

This briefing paper provides a high level overview of what those operating in the syndicated loans market need to know about the PSC register regime and outlines the consequences of the regime for banking transactions.

http://www.cliffordchance.com/briefings/2016/05/the_psc_registerregimeconsequencesfo.html

Proposal for a Directive on the protection of trade secrets

On 14 April 2016, the plenary session of the European Parliament approved the Proposal for a Directive on the protection of trade secrets at first reading, introducing some substantial amendments to the version initially published by the Commission that will, in all probability, facilitate the text's transposition in the legal systems of the different Member States.

The proposal seeks to improve the efficiency of the legal protection of trade secrets, by using the logic of a system of protection against unfair trade acts, thereby standardising regulations governing the protection under civil law of trade secrets within the Member States. The amendments to the version approved by the European Parliament have paved the way for Member States such as Spain to be able more easily to transpose the final text, as a result of clarifying issues in the original version that had proved highly contentious.

This briefing paper analyses the basic aspects regulated by the proposal, as well as the main amendments which, according to the version approved by the Parliament, may be necessary to make to the Spanish law in this regard, especially Act 3/1991, of 10 January, on Unfair Competition (Ley de Competencia Desleal) – governing the protection of trade secrets under civil law – and Act 1/2000, of 7 January, i.e. the Spanish Civil Procedure Act (Ley de Enjuiciamiento Civil).

http://www.cliffordchance.com/briefings/2016/05/proposal_for_a_directiveontheprotectiono.html