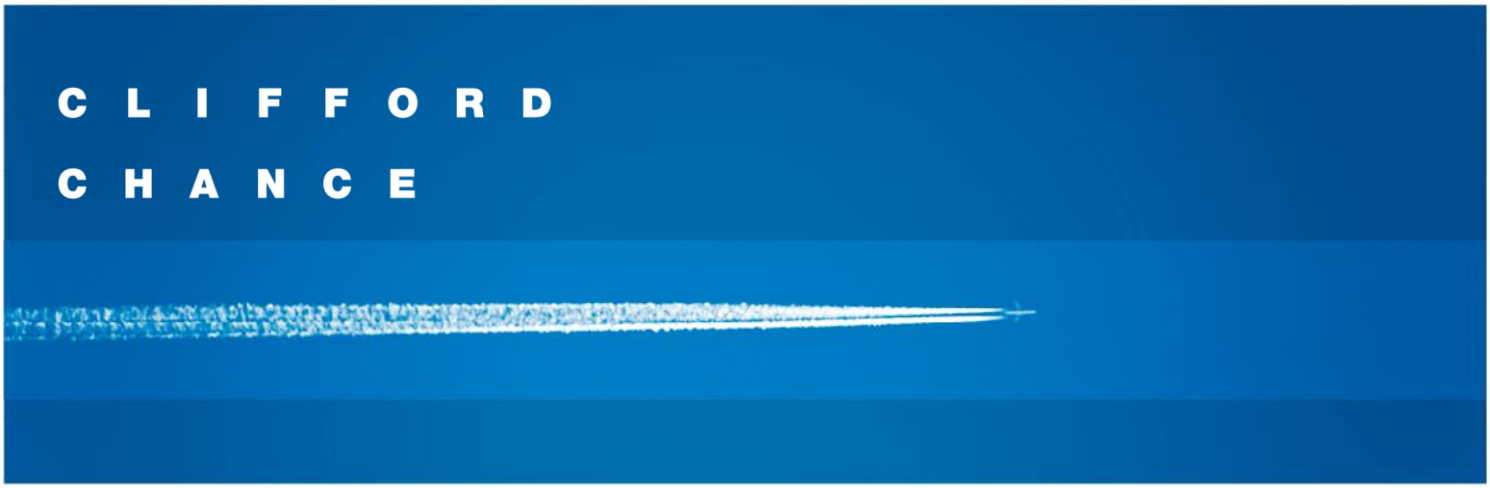

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Banking Union: EU Council Presidency publishes progress report

The Bulgarian Presidency of the EU Council has published a Presidency progress report on work in the Ad Hoc Working Party on the Strengthening of the Banking Union (AWHP), which was established in January 2016. The progress report is intended to set out a written record of progress achieved by the Bulgarian Presidency on the proposal for the establishment of a European Deposit Insurance Scheme (EDIS) and measures to strengthen the Banking Union, as well as to facilitate the work of the incoming Presidency.

Among other things, the document reports on:

- progress relating to the package of risk reduction measures (CRD5, CRR2, BRRD2 and SRMR2);
- progress on measures to tackle non-performing loans (NPLs) in Europe;
- ongoing work on the backstop for the Single Resolution Fund; and
- technical discussions on EDIS ahead of political discussions, which will begin once sufficient progress has been made on the package of risk reduction measures.

Austria will assume the rotating Presidency of the EU Council on 1 July 2018.

Capital Markets Union: EU Council Presidency publishes compromise texts on cross-border distribution of collective investment funds

The EU Council Presidency has published compromise texts on the EU Commission's proposals for a Directive amending the Undertakings for

Collective Investment in Transferable Securities (UCITS) Directive and the Alternative Investment Fund Managers Directive (AIFMD) with regard to cross-border distribution of collective investment funds and a Regulation on facilitating cross-border distribution of collective investment funds.

EU Council agrees negotiating stance on screening third country investments

The EU Council's Permanent Representatives Committee (Coreper) has agreed the Council's negotiating position on the proposed regulation on screening investments, which is intended to establish an EU framework for analysing foreign direct investment (FDI) in strategic sectors.

The regulation would also establish a cooperation mechanism between Member States and the EU Commission on investments likely to affect security. The proposal is intended to enhance transparency and address the potential cross-border impacts of investment flows in relation to key technologies, such as strategic infrastructure assets and EU firms using artificial intelligence, nanotechnologies and robotics.

Coreper has called on the EU Council Presidency to open trilogue negotiations with the EU Parliament as soon as possible.

PSD2: EBA publishes opinion and consults on draft guidelines on SCA and SCS RTS

The European Banking Authority (EBA) has published an opinion and a consultation on draft guidelines in order to clarify the implementation of the regulatory technical standards (RTS) on strong customer authentication and secure communication (SCA and CSC) under the recast Payment Services Directive (PSD2). The RTS will apply from 14 September 2019, but market participants have identified a number of issues for the EBA to clarify in relation to the RTS.

The opinion is addressed to competent authorities and sets out both general and specific comments, focusing on queries from market participants and competent authorities for which clarity is required sooner, to enable the industry to continue in its preparations and facilitate its readiness to comply with the RTS. The issues discussed in the opinion include:

- exemptions to SCA;
- consent;
- the scope of data sharing; and
- requirements for application programming interfaces (APIs) and dedicated interfaces to take into account.

The EBA is also consulting on draft guidelines on the four conditions to be met in order to benefit from an exemption from contingency measures under Article 33(6) of the RTS. The draft guidelines set out what information should be considered to determine whether an account servicing payment service provider (ASPSP) qualifies for the exemption foreseen in the RTS. Comments on the consultation are due by 13 August 2018.

Alongside the publications, the EBA has also announced its intention to include PSD2-related queries in its interactive Single Rulebook and Q&A tool by the end of June 2018.

SSM: ECB sets out guidance for significant institutions on submitting internal model requests

The ECB has published a letter to significant institutions providing guidance on submitting internal model requests, intended to facilitate a consistent approach for requests across the Single Supervisory Mechanism (SSM). In particular, the letter provides details of the set of documents and processes that significant institutions should use when applying to the ECB for:

- initial internal model approvals;
- material model changes and extensions;
- reversions to less sophisticated approaches; and
- modifications to the scope of assets for which permanent partial use of the standardised approach is permitted.

It also covers the documents to be used when communicating to the ECB any non-material model changes or extensions.

Significant institutions are invited to start using the relevant documents as of 1 July 2018.

EMIR: EU Parliament agrees negotiating stance on REFIT proposal

The EU Parliament has adopted its negotiating stance on the proposal for a regulation amending the European Market Infrastructure Regulation as regards the clearing obligation, reporting requirements, risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, and the supervision of trade repositories (EMIR REFIT).

Trilogue negotiations are planned to start in July.

EMIR 2.2: EU Council Presidency publishes compromise text

The EU Council Presidency has published a revised version of the Presidency compromise text on the proposed regulation amending the European Market Infrastructure Regulation (EMIR) as regards the procedures and authorities involved for the authorisation of central counterparties (CCPs) and requirements for the recognition of third-country CCPs.

Money Market Funds Regulations 2018 published

The Money Market Funds Regulations 2018 (SI 2018/698) have been laid before Parliament.

On 21 July 2018 the EU Regulation on Money Market Funds (MMFs) will apply in the UK. SI 2018/698 makes changes to ensure that the Financial Conduct Authority (FCA) is able to authorise MMFs and enforce provisions of the EU Regulation from the day it comes into force.

Specifically, the Regulations amend:

- the Financial Services and Markets Act 2000 to make provision for an authorised unit trust fund or an authorised contractual fund to become a MMF and to enable new funds applying to become an authorised unit trust fund or an authorised contractual scheme to make a simultaneous application to be authorised as a MMF;

- the Open-Ended Investment Companies Regulations 2001 in order to allow funds which are open-ended investment companies (OEICs) to apply to become MMFs or for funds which apply to be authorised as an OEIC to be authorised as a MMF at the same time;
- the Alternative Investment Fund Managers Regulations 2013 to make provision for the FCA to direct the manner in which an application may be made for an alternative investment fund to be authorised as a MMF and the process for intervention by the GCA in respect of such a fund; and
- the Financial Services and Markets Act 2000 (Qualifying European Union Provisions) Order 2013 by inserting the EU Regulation in order to enable the FCA to investigate and bring enforcement action against funds directly for breach of the Regulation.

Some sections of the Regulations will enter into force on 28 June 2018, with the remaining provisions entering into force on 21 July 2018.

BoE and PRA publish policy statements on MREL

The Bank of England (BoE) has published two policy statements on the minimum requirement for own funds and eligible liabilities (MREL) accompanied by its final Statements of Policy (SoP). Alongside these, the Prudential Regulation Authority (PRA) has published its final policy statement on MREL reporting (PS11/18) and updated its supervisory statement on resolution planning (SS19/13).

The BoE's policy statement on its approach to setting MREL discusses feedback the BoE received to its consultation paper published in October 2017 and an overview of the BoE's policy on setting MREL within groups. An updated SoP is included in an appendix to the policy statement, which sets out the BoE's policy for exercising its power to direct firms to maintain MREL and to take other steps for that purpose under s.3A of the Banking Act 2009.

The BoE's policy statement on valuation capabilities to support resolvability outlines feedback received to its August 2017 consultation, key revisions made to the policy following the consultation and its final SoP on the BoE's power of direction under s.3A of the Banking Act 2009 to address inadequate valuation capabilities as a barrier to resolvability.

The PRA's policy statement on MREL reporting sets out the PRA's expectations for reporting, including the level of application, frequency, format and implementation timetable alongside its final update to SS19/13.

PSR publishes discussion paper on data in payment systems

The Payment Systems Regulator (PSR) has published a discussion paper on how data is used in the payments industry. The paper is intended to gather industry and stakeholder views on the use of data, in order to examine how this impacts on the industry and consumers.

The PSR is seeking to identify whether it should consider developing policies or take action, in particular relating to opportunities and potential risks of the changing treatment of data. Among other things, the PSR has identified three areas where data use could directly affect its objectives, and where the PSR may have a role in helping to remove barriers that may otherwise hinder end-user benefits:

- consumer reluctance to share data attached to payments;
- limited access by potential providers of new services to data about transactions across the whole payment system; and
- potential barriers for consumers and businesses getting the benefits from enhanced data attached to transactions.

The PSR is seeking comments by 3 September 2018.

PRA publishes final supervisory statement on algorithmic trading

The PRA has published a policy statement (PS12/18) providing feedback to responses to its consultation on algorithmic trading (CP5/18), and a final supervisory statement (SS5/18).

PS12/18 is relevant to firms that engage in algorithmic trading and are subject to the rules in the Algorithmic Trading Part of the PRA Rulebook and Commission Delegated Regulation (EU) 2017/589.

SS5/18 sets out the PRA's expectations of a firm's risk management and governance of algorithmic trading and should be read alongside:

- Commission Delegated Regulation (EU) 2017/565 on organisational requirements and operating conditions for investment firms (if applicable);
- the General Organisational Requirements Part and Risk Control Part of the PRA Rulebook;
- the European Securities and Markets Authority (ESMA) guidelines on systems and controls in automated trading environment trading platforms;
- the joint ESMA and European Banking Authority (EBA) guidelines on the assessment of suitability of members of the management body and key function holders; and
- the EBA guidelines on internal governance.

In setting these expectations, the PRA considers that a firm's risk controls are critical to ensuring appropriate governance arrangements are in place when engaging in algorithmic trading.

SS5/18 will take effect from 30 June 2018.

FCA consults on technical note on delay in disclosure of inside information under MAR

The Financial Conduct Authority (FCA) has published the 19th edition of its Primary Market Bulletin, which summarises a consultation (GC18/3) on a proposed update to the FCA's technical note on periodic financial information and inside information (UKLA/TN/506.1) on the Knowledge Base. Due to extensive drafting amendments, the FCA has published the proposed amendment as a clean version rather than marking-up the proposed changes.

The proposals follow guidelines published by ESMA on delay in the disclosure of inside information under Article 71(4) of the Market Abuse Regulation (MAR) and included examples of legitimate interests of issuers for delaying publication and situations in which delay of disclosure is likely to mislead the public. The FCA's proposed update to the technical note includes an example of legitimate interest of an issuer which may exist when an issuer is in the

process of preparing a periodic financial report. The FCA notes that issuers should assess the existence or otherwise of legitimate interest on a case-by-case basis and do so on their own responsibility.

Comments on the consultation are due by 23 July 2018.

FCA publishes Dear CEO letter on cryptoassets and financial crime

The FCA has published a Dear CEO letter regarding good practice for how banks handle the financial crime risks posed by cryptoassets.

The letter instructs banks to take reasonable and proportionate measures to lessen the risk of their firm facilitating financial crimes enabled by cryptoassets. It particularly focuses on actions a bank can take when:

- it offers banking services to clients who derive significant business activities or revenues from crypto-related activities; or
- its customers are using cryptoassets.

Prospectus Regulation: German government publishes draft law to exempt certain public offers of securities from requirement to publish a prospectus

The German government has published a draft law intended to make use of the option to exempt certain public offerings of securities from the requirement to publish an approved prospectus in light of the new EU Prospectus Regulation (EU) 2017/1129 (PR3).

Under the draft law, issuers will not be required to publish PR3 compliant prospectuses for securities offerings in an overall equivalent of between EUR 100,000 and EUR 8 million. For such issuances a securities information document (Wertpapier-Informationsblatt) should be provided to investors instead. This document should be three pages long and is intended to be a simple and short description of the essential characteristics of the security and the potential risks of investing in it. Each securities information document will be reviewed by the German Federal Financial Supervisory Authority (BaFin) and its publication will be subject to BaFin's authorisation.

Securities that fall into this new exemption regime and will thus be issued without a prospectus will be subject to an investment threshold for non-qualified investors. This threshold will limit such investments to a maximum of EUR 10,000 and further restrict them based on the financial situation of the (retail) investor.

Furthermore, prospectuses under the new Prospectus Regulation regime may be published in English in order to facilitate securities offerings to non-German investors.

Management of interest rate risks: BaFin publishes new circular

BaFin has published a new circular to credit institutions which provides for revised requirements regarding the calculation of the effects of a sudden and unexpected change in interest rates (supervisory standard shock).

Payment service providers: BaFin issues circular on reporting of material payment or security incidents

BaFin has published a circular concerning the reporting of material payment security incidents. The circular specifies in particular the requirements of section 54 para. 1 of the German Payment Services Supervisory Act (Zahlungsdiensteaufsichtsgesetz), which requires payment service providers to report any material payment or security incidents to BaFin. The circular contains criteria for assessing when an incident is material and must be reported to BaFin.

Amendments to regulation exempting German branches of Japanese credit institutions from provisions of German Banking Act published

Amendments to the regulation exempting German branches of Japanese credit institutions from provisions of the German Banking Act (Kreditwesengesetz) have been published in the German Federal Law Gazette (Bundesgesetzblatt).

The amended regulation will come into force on 12 June 2018.

German Federal Government says crypto currencies are not threatening financial market stability

The German Federal Government has stated that Bitcoins and other crypto instruments pose no threat to financial market stability due to their low market capitalisation. However, it noted that crypto currencies may provide opportunities for money laundering and that they are used by various terrorist organisations for cross-border financial transactions.

Luxembourg law implementing SFTR published

The Law of 6 June 2018 on transparency of securities financing transactions implementing the Securities Financing Transactions Regulation (EU) 2015/2365 (SFTR) has been published in the Luxembourg official journal (Mémorial A).

The Law provides for the power of the Luxembourg financial sector supervisory authorities – the Commission de Surveillance du Secteur Financier (CSSF) for financial counterparties subject to its supervision and non-financial counterparties and the Commissariat aux Assurances (CAA) for financial counterparties subject to its supervision (in particular insurance and reinsurance undertakings) – to impose adequate administrative sanctions and other administrative measures, which have to be efficient, proportionate and dissuasive in case of infringements of the trade repository reporting and the reuse of collateral requirements under Articles 4 and 15 of the SFTR.

Examples of administrative sanctions that may be applied by the CSSF/CAA on both a firm and individual basis (i.e. against the members of the management body of the relevant legal entity) include warnings, withdrawal or suspension of authorisation, placing limitations on responsible persons from exercising management or other functions, pecuniary fines on both natural and legal persons (of up to EUR 5,000,000 or equivalent for natural persons and, in certain cases, of up to 10% of turnover for legal persons), as well as publication of the related decisions on the CSSF and the CAA websites.

The Law further amends the Luxembourg law of 17 December 2010 on undertakings for collective investment (as amended) and the Luxembourg law of 12 July 2013 on alternative investment fund managers (as amended) to include non-compliance with Articles 13 and 14 of the SFTR, which relate to the transparency requirements to be included in the prospectus and periodic reports of UCITS/AIFs, in the list of cases giving rise to the CSSF administrative sanctions against, among others, UCITS management companies/self-managed investment companies and AIFMs.

The Law entered into force on 12 June 2018.

Luxembourg law implementing CSDR published

The Law of 6 June 2018 on central securities depositories implementing the Central Securities Depositories Regulation (EU) No 909/2014 (CSDR), has been published in the Luxembourg official journal (Mémorial A).

The Law is intended to make the CSDR operational in Luxembourg by appointing the Luxembourg financial sector regulator, the Commission de surveillance du secteur financier (CSSF), as competent authority to ensure compliance in Luxembourg with the CSDR. Furthermore, the Law confers control and investigation powers to the CSSF that are necessary for the exercise of its competences within the framework of the CSDR.

The Law also specifies a set of sanctions and penalties that may be imposed by the CSSF for certain breaches of the CSDR, including the withdrawal of a license pursuant to Articles 16 or 54 of the CSDR, temporary or permanent bans from performing regulated functions, pecuniary fines on both natural (of up to EUR 700,000) and legal persons (of up to EUR 20,000,000 or 10% of the annual turnover), and the publication of imposed sanctions.

Finally, the Law foresees whistleblowing notification procedures for (suspected) violations of the CSDR, both within centralised securities depositories and appointed credit institutions, as well as for notifications to the CSSF.

The Law entered into force on 12 June 2018.

New Grand Ducal Regulation establishing a list of the most representative services linked to a payment account published

A new Grand Ducal Regulation (GDR) of 6 June 2018 establishing a list of the most representative services linked to a payment account under the Law of 13 June 2017 on payment accounts has been published in the Luxembourg official journal (Mémorial A).

The GDR specifies ten of the most representative services linked to a payment account and contains terms and definitions for each of the services identified, as required under article 5 of the Law (based on Article 3 of Directive 2014/92/EU on access to payment accounts).

The GDR entered into force on 15 June 2018.

Bank of Spain maintains countercyclical capital buffer at 0%

The Bank of Spain (Banco de España) has decided to maintain the value of the countercyclical capital buffer (CCB) applicable to credit exposures in Spain at 0% in the third quarter of 2018.

This measure has been adopted pursuant to the powers granted to the Bank of Spain by Law 10/2014 on the regulation, supervision and solvency of credit institutions and by Royal Decree 84/2015 and Bank of Spain Circular 2/2016 implementing that Law.

The Bank's analysis of indicators warning of emerging systemic risk associated with excessive credit growth currently advises against setting the CCB above 0%. The Bank also found that other core indicators, along with all the information analysed, support the decision not to activate the CCB at this time.

HKMA publishes circular on implementation of cyber resilience assessment framework

The Hong Kong Monetary Authority (HKMA) has issued a circular to authorised institutions to provide them with additional information regarding the implementation of the Cyber Resilience Assessment Framework (C-RAF) under the Cybersecurity Fortification Initiative (CFI).

The HKMA launched the first phase of C-RAF implementation in December 2016 and requested that 30 authorised institutions, including all the major retail banks, complete the C-RAF Inherent Risk Assessment and Maturity Assessment and the intelligence-led cyber-attack simulation testing (iCAST) by end-September 2017 and end-June 2018 respectively. Based on feedback on the assessments, the HKMA considers it appropriate to implement the C-RAF through two more phases.

The circular reminds authorised institutions, which have already completed the C-RAF assessments, to devote adequate management attention and resources to rectify all the control gaps identified in the C-RAF assessments. Authorised institutions are also advised to put in place proper governance arrangements and processes to monitor the implementation process closely and keep their board of directors and senior management informed. Institutions are expected to evaluate the ongoing adequacy and effectiveness of their cybersecurity controls, having regard to the C-RAF and the latest cyber risk landscape.

Amendment Regulations on proposed changes to regulatory regime on sale and marketing of listed and unlisted investment products gazetted

The Monetary Authority of Singapore (MAS) has published its responses to the feedback it received on its September 2013 consultation paper on proposed amendments to regulations issued pursuant to the Securities and Futures Act and Financial Advisers Act. The proposed amendments are intended to support the legislative amendments arising out of the March 2009 and January 2010 MAS consultations on a review of the regulatory regime governing the sale and marketing of listed and unlisted investment products, and to further enhance and refine its regulatory framework.

Considering the feedback received, the MAS has finalised and gazetted the following Amendment Regulations:

- the Securities and Futures (Offers of Investments) (Shares and Debentures) (Amendment) Regulations 2018;
- the Securities and Futures (Offers of Investments) (Business Trusts) (No. 2) (Amendment) Regulations 2018;
- the Securities and Futures (Offers of Investments) (Collective Investment Schemes) (Amendment) Regulations 2018;
- the Securities and Futures (Licensing and Conduct of Business) (Amendment) Regulations 2018;
- the Financial Advisers (Amendment) Regulations 2018; and
- the Financial Advisers (Amendment No. 2) Regulations 2018.

The MAS has also gazetted the Securities and Futures (Capital Markets Products) Regulations 2018.

Requirements introduced through the Amendment Regulations include:

- form and content of Product Highlights Sheet (PHS) – issuers will be required to use the form of PHS prescribed by the MAS. PHS must, amongst other things, provide a 'fair and balanced view' of capital markets products, conform to prescribed dimensions and font sizes, and must not be 'false or misleading';
- product advertisement requirements – product advertisements will be required to, amongst other things, provide a fair and balanced view of the products to which they relate, not be false or misleading, and be clear and legible;
- non-product advertisement requirements – non-product advertisements must amongst other things, not be 'false or misleading', or contain any exaggerated statement calculated to exploit an individual's lack of experience and knowledge;
- approval of product advertisement – where relevant, capital markets services licence holders and financial advisers will be required to obtain approval from the senior management of such institutions for product advertisements, and retain records of such approval for at least five years; and
- removal of exemption for advising overseas investors – the exemption for financial advisers providing financial advisory services to overseas investors from most of the conduct of business requirements under the Financial Advisers Act (Chapter 110) of Singapore will be removed. Existing relationships that financial advisers have with overseas investors will not be 'grandfathered'.

The MAS has also issued a Practice Note on the PHS and guidelines on maintaining records of approval for advertisements or publications.

The regulations mentioned above (except the Financial Advisers (Amendment No. 2) Regulations 2018 which is scheduled to take effect on 10 December 2018) will take effect on 9 July 2018, but will apply to PHS accompanying prospectuses or profile statements lodged with the MAS and advertisements published, circulated or distributed on or after 10 December 2018.

MAS and IFC sign MOU to accelerate growth of green bond asset class in Asia

The MAS and the International Finance Corporation (IFC), a member of the World Bank Group, have signed a memorandum of understanding (MOU) agreeing to work together to accelerate the growth of green bond markets in Asia. The MOU marks the start of closer collaboration between the MAS and IFC to jointly advance the green finance agenda.

Under the MOU, the MAS and IFC will encourage green bond issuances by financial institutions in Asia by:

- enhancing the awareness and knowledge of professionals working in financial institutions on green finance issues through capacity building programmes; and
- promoting the use of internationally recognised green bond standards and frameworks.

The MAS has indicated that it will also provide funding support through the MAS Green Bond Grant Scheme and various financial training schemes.

FRB approves final rule limiting banks' exposure to single counterparties

In accordance with provisions of the Dodd-Frank Act, the Board of Governors of the Federal Reserve System (FRB) has approved a rule intended to prevent concentrations of risk between large banking organizations and their counterparties from undermining financial stability. The final rule, which was first drafted in 2016, applies to domestic and foreign banks with more than USD 250 billion in assets, including any US intermediate holding company (IHC) of a foreign bank with USD 50 billion or more in assets, and any bank deemed to be a globally systemic important bank (GSIB).

The final rule applies credit limits that increase in stringency as the systemic footprint of a firm increases. A GSIB would be limited to a credit exposure of no more than 15% of the GSIB's tier 1 capital to another systemically important financial firm, reflecting FRB staff's analysis of the increased systemic risk posed when the largest firms have significant exposure to one another.

In response to comments on the earlier draft of the rule, the final rule reduces the regulatory burden by using common accounting definitions to simplify application of the exposure limits. In addition, a foreign bank's combined US operations, though not its US IHC, will be considered in compliance with the final rule if a comparable rule is in effect in the foreign bank's home country.

GSIBs will be required to comply by 1 January 2020, and all other firms are required to comply by 1 July 2020.

ASIC implements financial benchmark regulatory regime

The Australian Securities and Investments Commission (ASIC) has finalised and published benchmarks rules, a significant benchmarks declaration, and a regulatory guide in a further series of measures towards establishing a comprehensive regulatory regime for financial benchmarks. The new measures follow the establishment of a licensing regime for financial benchmarks in March 2018 through the passage of legislation by the Parliament. The measures include:

- declaring certain financial benchmarks to be significant;
- writing rules to support the implementation of a licensing regime for the administrators of significant benchmarks; and
- allowing ASIC to, by written notice, require the continued administration of a significant benchmark or compel submissions to a significant benchmark.

The new measures align financial benchmarks in the Australian economy with the International Organisation of Securities Commissions (IOSCO) Principles for Financial Benchmarks. The measures are also expected to facilitate equivalence assessments under overseas regimes, including the European Benchmarks Regulation.

Australian Government consults on first tranche of Corporate Collective Investment Vehicle Bill

The Australian Government has launched a public consultation on the first tranche of the Corporate Collective Investment Vehicle (CCIV) Bill. The vehicle complements the Asia Region Funds Passport initiative, which the government introduced into Parliament in early 2018.

The CCIV vehicle is intended to offer an internationally recognisable investment vehicle which can be readily marketed to foreign investors, including through the Asia Region Funds Passport.

The first tranche of the CCIV Bill covers:

- a revised draft of the new chapter in the Corporations Act, containing the core provisions establishing how the CCIV and its sub-funds will operate;
- amendments to apply Chapters 2A to 2P of the Corporations Act (such as the meetings rules and members' rights and remedies) to CCIVs; and
- an outline in the explanatory materials of the proposed legislative approach to depositary independence.

The second tranche of consultations will cover the remaining substantive aspects of the regulatory framework for CCIVs, including external administration, consequential amendments to apply the Chapter 7 financial services regime to CCIVs, and penalty provisions.

Comments on the consultation are due by 11 July 2018.

RECENT CLIFFORD CHANCE BRIEFINGS

Cyber security – what regulators are saying around the world

As cyber attacks increase around the globe, regulators are responding with new cyber and data laws. New audit powers and mandatory reporting requirements are putting businesses in the spotlight, and a serious attack could mean significant reputational and financial impact and loss of customers.

Cyber is not just a technology issue. This is now a major legal risk.

In this briefing, our experts discuss the new regulations taking effect globally, and the impact they will have now and in the future.

https://www.cliffordchance.com/briefings/2018/06/cyber_security_-whatregulatorsaresayin.html

Between a Rock and a Hard Place? The EU expands its Blocking Regulation

The European Commission recently published a draft regulation which will expand the scope of Council Regulation (EC) No 2271/96. This measure, which is intended to protect the Iran-related business interests of European companies, is part of the EU's response to the US decision to re-impose US nuclear-related sanctions against Iran that it had suspended as part of the Joint Comprehensive Plan of Action (JCPOA). When implemented, EU persons may find that they face competing compliance obligations and risks under US Iran-related sanctions and the EU regulation when it comes to engaging in business in Iran.

This briefing discusses the draft regulation.

https://www.cliffordchance.com/briefings/2018/06/between_a_rock_andahardplacetheeuexpand.html

The EU's Sustainable Finance legislative proposals — What you need to know

Following the publication of its Sustainable Finance Action Plan in March 2018, the EU Commission has published a series of legislative proposals which aim to embed sustainable finance into the heart of the investment process and harness 'the vast power of capital markets in the fight against climate change and promoting sustainability'.

This briefing reviews the key elements of the three proposals and a number of potential talking points.

https://www.cliffordchance.com/briefings/2018/06/the_eu_s_sustainablefinancelegislativ.html

Hong Kong's SFC gives first major update on progress of Manager-in-Charge regime

Hong Kong's Securities and Futures Commission (SFC) has published its first substantive review of progress in the Manager-in-Charge regime since it was fully implemented in October 2017. The SFC also says it will conduct a thematic review of Licensed Corporations' (LCs) management structure and effectiveness. The update comes shortly after Singapore announced plans to introduce a similar regime, with a consultation underway and guidelines expected to be issued later this year.

This briefing discusses the review.

https://www.cliffordchance.com/briefings/2018/06/hong_kong_s_sfc_givesfirstmajorupdateo.html

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