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CSDR: EU Commission adopts amending RTS on buy-in regime

The EU Commission has adopted a [Delegated Regulation](#) amending the regulatory technical standards (RTS) on settlement discipline as regards the date of application of the provisions related to the buy-in regime under the Central Securities Depositories Regulation (CSDR).

The Delegated Regulation suspends the application of the provisions in the RTS relating to the mandatory buy-in regime for three years from the Delegated Regulation's entry into force.

The deferral of the application of the existing buy-in requirements follows the European Securities and Markets Authority's (ESMA's) concerns that sufficient time needs to be given to the CSDR review to thoroughly consider the mandatory buy-in framework in order to ensure it remains proportionate and effective.

ESMA also believes that, in light of the deferral of application of the CSDR buy-in regime, it is necessary to maintain the requirement formerly introduced by Article 15 of the Short Selling Regulation (SSR) that required central counterparties (CCPs) clearing transactions in shares to provide in their rules for a buy-in regime in case of settlement fails. Therefore, the Delegated Regulation includes the provisions of Article 15(1) of the SSR to be applied for the duration of the deferral.

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

Investment firms: RTS on disclosure of investment policy published in Official Journal

[Commission Delegated Regulation \(EU\) 2022/1159](#), which sets out regulatory technical standards (RTS) on the public disclosure of investment policy by investment firms under the Investment Firms Regulation (IFR) has been published in the Official Journal.

The RTS, which seek to show investment firms' influence over the companies in which they have voting rights, specify templates and tables for the quantitative and qualitative disclosure of the following information:

- proportion of voting rights attached to shares held;
- voting behaviour;
- use of proxy advisor firms; and
- voting guidelines.

The disclosure requirement applies to all investment firms other than those that are deemed small and non-interconnected.

The Delegated Regulation will enter into force on 26 July 2022.

MiFID2: ESMA publishes findings from CSA and consults on product governance guidelines

ESMA has published a [statement](#) setting out the findings from its common supervisory action (CSA) on the application of MiFID2 product governance

rules. The CSA was undertaken to allow ESMA to assess firms' compliance with various aspects of the rules.

Its key findings were that firms generally define a target market for the products they manufacture and/or distribute, in accordance with the target market categories set out in the ESMA guidelines. However, this categorisation is often done at an insufficiently granular level and with unclearly defined terms. The choice of target market also does not necessarily translate into a compatible distribution strategy and there were areas for improvement in the requirements to:

- perform a scenario analysis and charging structure analysis;
- review products; and
- exchange information between manufacturers and distributors.

Based on the results of the CSA, ESMA has decided to review its MiFID2 product governance guidelines and has [published](#) for consultation various proposed amendments. The proposals are intended to update the guidelines to reflect the issues raised by the 2021 CSA and to reflect other recent regulatory and supervisory developments.

In particular, ESMA is seeking feedback on proposals relating to:

- the specification of any sustainability-related objectives a product is compatible with;
- the practice of identifying a target market per cluster of products instead of per individual product;
- the determination of a compatible distribution strategy where a distributor considers that a more complex product can be distributed under non-advised sales; and
- the periodic review of products, including the application of the proportionality principle.

Comments are due by 7 October 2022.

ESMA issues statement on prospectus supervision in context of EU sanctions against Russia

ESMA has issued a [public statement](#) on prospectus supervision in the context of EU sanctions against Russia in response to the war in Ukraine.

In particular, ESMA highlights to stakeholders the [frequently asked questions](#) (FAQs) recently published by the EU Commission on the impact of EU sanctions on the scrutiny and approval of prospectuses conducted by national competent authorities (NCAs). In the FAQs, the EU Commission confirms that infringements of EU sanctions can constitute sufficient legal basis for an NCA to refuse the approval of a prospectus. Issuers should therefore be prepared to answer additional questions or respond to requests for additional documentation from NCAs concerning the areas and parties identified by EU sanctions at any point during the prospectus scrutiny and approval process.

ESMA releases findings of CCP stress test

ESMA has published the [results](#) of its fourth stress test exercise of CCPs.

The results confirm the overall resilience of EU CCPs, as well as third-country Tier 2 CCPs, to credit, concentration and operational risks, but there are areas

where some CCPs may need to strengthen their risk management frameworks or where further supervisory work should be prioritised.

The key findings of the stress test include that:

- CCPs have sufficient buffers to withstand adverse market developments in combination with the default of the two clearing members with the largest exposures;
- there are gaps between the necessary and available buffers for concentration risks for some CCPs, particularly in commodity derivatives markets;
- CCPs remained overall resilient despite increased market volatility in the wake of Russia's invasion of Ukraine;
- for operational risk, differences in terms of risk sources, exposures and mitigation tools across CCPs need further assessment on an individual basis before potential recommendations are issued; and
- most of the analysed operational events stem from third-party services, whereas a number of critical third-party service providers have the potential to affect the critical functions of multiple CCPs in a correlated manner.

As the assessments have exposed shortcomings in the resilience of one or more CCPs, ESMA intends to issue the necessary recommendations in line with the European Market Infrastructure Regulation (EMIR) mandate.

EBA reports on implementation of opinion on legacy instruments

The European Banking Authority (EBA) has published an [analysis](#) of the implementation of its opinion on the prudential treatment of legacy instruments across the EU.

The EBA has found that both institutions and competent authorities have made significant efforts to implement the opinion in an effective and consistent manner and taken action to mitigate the infection risk related to such legacy instruments.

The EBA's main findings include that:

- institutions have made significant efforts to address issues related to legacy instruments, mainly by calling, redeeming, repurchasing, and buying back such instruments or by amending their terms and conditions;
- in a few jurisdictions, the transposition of Article 48(7) of the Bank Recovery and Resolution Directive (BRRD) helped mitigate the infection risk, by ensuring all claims resulting from own funds items have, in national laws governing normal insolvency proceedings, a lower priority ranking than any claim that does not result from an own funds item;
- for a limited number of instruments, actions are still ongoing or under consideration, with call options planned to be exercised in the course of 2022 or later; and
- a few instruments will be kept in a lower category of own funds or as eligible liabilities or in the balance sheet as non-regulatory capital.

The EBA expects that more actions could be undertaken or announced in the near future. Competent authorities are expected to continue to monitor the residual limited and specific cases and report to the EBA.

Finally, the report highlights the EBA's ongoing expectations and invites institutions and competent authorities to apply the existing guidance consistently in view of the new grandfathering period generated until June 2025 via more recent amendments to the Capital Requirements Regulation (CRR2). The EBA intends to re-assess the need for additional scrutiny on the stock of CRR2 legacy instruments at a later date.

EMMI consults on euro forward-looking term rate EFTERM

The European Money Markets Institute (EMMI) has launched a [consultation](#) on the euro forward-looking term rate (EFTERM).

The draft methodology contained in the consultation is based on the recommendations issued by the Euro Risk Free Rate Working Group.

EFTERM will be designed to measure the average expected €STR rates over the tenors one week, one month, three months, six months and twelve months. ICE Benchmark Administration Limited has been appointed as calculation agent for EFTERM and has begun to apply a waterfall methodology to dealer-to-client bid and offer prices and volumes obtained from Tradeweb's global institutional trading platform or end-of-day settlement prices for ICE 1 month €STR futures contracts.

EMMI will publish sample calculations, or beta EFTERM rates, on its website for an initial testing period, which should help EURIBOR users to evaluate the suitability of the beta EFTERM rates as a fallback to EURIBOR in their own use cases.

Comments are due by 31 August 2022.

Cross-border payments: FSB reports on improving adoption of LEI

The Financial Stability Board (FSB) has published a [report](#) exploring options to improve the adoption of the legal entity identifier (LEI) for use in cross-border payments.

The report, produced in close coordination with the Global LEI Foundation (GLEIF), the LEI Regulatory Oversight Committee (ROC) and national authorities, explores the benefits that could accrue from the use of the LEI in cross-border payment transactions and sets out recommendations and options to promote broader LEI adoption in order to assist in achieving the goals of the G20 roadmap to enhance cross-border payments.

The FSB's report was requested by the G20 as part of its work to examine the scope for a global unique identifier that links to account information in payment transactions. This forms part of the initiatives to reduce frictions in data processes and aims to address data handling issues and improve compliance processes. The G20 believe this could facilitate straight-through processing, reducing costs, enhancing accuracy and increasing speed in transactions, as well as assisting market participants in meeting know-your-customer (KYC) requirements.

The FSB intends to review progress in implementing the recommendations and publish a progress report by end-2024, together with a review of progress in implementing the recommendations of the LEI peer review.

FCA publishes policy statement on side pockets in UK authorised retail funds

The Financial Conduct Authority (FCA) has published a [policy statement](#) (PS22/8) setting out final rules and guidance to allow authorised fund managers (AFMs) of UK authorised retail funds with exposures to Russian, Belarusian and Ukrainian assets to establish separate unit classes for those assets (side pockets) alongside units relating to the fund's other liquid investments.

The final rules are intended as a limited emergency measure in response to the Russian invasion of Ukraine and to allow:

- new investors to enter the fund without getting exposure to affected investments;
- existing investors to redeem their units relating to liquid assets; and
- some funds to end their current suspension of dealing.

The final rules and guidance are broadly as consulted on, with the following main changes:

- a wider definition of 'sanctioned investment';
- enhanced risk warnings;
- a rule and guidance on the exercise of voting rights at unitholder meetings;
- a rule and guidance clarifying the FCA's expectations of the assessment of value;
- clarifications relating to redemptions and transfers of title; and
- guidance on the operational needs of distributors.

AFMs looking to implement side pockets are encouraged to engage with the FCA prior to applying to modify scheme documents, so that the FCA can communicate what specific information will need to be provided as part of the application.

The FCA notes an intention to review the effectiveness of the use of side pockets in the current scenario before deciding a wider future policy position that would allow the use of side pockets more broadly.

The rules came into force on 11 July 2022.

Draft Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2022 published

HM Treasury (HMT) has laid the [draft Financial Services \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2022](#) for sifting.

The draft statutory instrument (SI) is intended to address deficiencies in retained EU law by:

- remedying the territorial application of the Payment Services Regulations to require applicant firms to satisfy the FCA in relation to their 'close links' with non-UK persons;

- expanding the scope of the Temporary Recognition Regime (TRR) to allow overseas CCPs within the TPP to offer new products into the UK;
- clarifying that the FCA has the power to share information obtained under the UK Credit Rating Agencies Regulation (CRAR) with domestic and third country authorities;
- extending the temporary recognition of EU Simple, Transparent, and Standardised (STS) securitisations from 31 December 2022 to 31 December 2024; and
- extending the FCA's Temporary Transitional Power (TTP) for the purposes of modifying the application of the Share Trading Obligation (STO) and Derivatives Trading Obligation (DTO).

If made as drafted, the revised draft SI would come into force on 26 July 2022.

Wholesale Markets Review: FCA consults on equity secondary markets

The FCA has published a [consultation paper](#) (CP22/12) on proposed changes to existing rules and guidance intended to improve the functioning of equity secondary markets.

Forming part of the Wholesale Markets Review (WMR), CP22/12 sets out proposed changes to UK MiFIR and MiFID technical standards that seek to:

- improve the content of post-trade transparency by excluding non-price forming transactions, and simplifying trade flags and other reporting fields;
- simplify the reporting of over the counter (OTC) transactions by adopting a new regime based on designated reporting firms;
- improve choice and competition by allowing UK trading venues to use reference prices from overseas venues, and by removing size thresholds for orders benefiting from the order management facility (OMF) waiver;
- improve the quality of execution by allowing the use of tick sizes from overseas primary markets from any jurisdiction; and
- clarify the FCA's expectations on communications and protocols during market outages on trading venues.

The consultation closes on 16 September 2022.

The FCA intends to consult on other reforms covered in the WMR and which are more closely linked to legislative changes over the course of 2022 and 2023.

Decision on additional temporary measures regarding Banque de France's refinancing operations and eligibility of guarantees published

The Banque de France has published a [decision](#) modifying [Decision No. 2020-02 of 20 April 2020](#) on additional temporary measures regarding the Banque de France's refinancing operations and the eligibility of guarantees.

This decision amends, without purporting to be exhaustive, some of the eligibility criteria applicable to certain additional credit claims, the valuation haircuts applicable in the context of the risk control rules applicable to additional credit claims, including on French state guaranteed loans (PGE),

and some eligibility rules applicable to certain assets denominated in GBP, JPY, and USD.

The decision will enter into force on 8 July 2022, with the exception of certain items which will apply as of 30 June 2022 (paragraphs 1(b), 4 and 5 of Article 1 of the decision).

BaFin publishes new AML/CFT circular on high-risk third countries

The German Federal Financial Supervisory Authority (BaFin) has published its [Circular 05/2022 \(GW\)](#) on third-country jurisdictions which have strategic deficiencies in their regimes for anti-money-laundering and countering the financing of terrorism (AML/CFT) that pose significant threats to the international financial system (high-risk third countries).

The circular is addressed to all obliged entities under the German Money Laundering Act (Geldwäschegesetz - GWG) which are subject to BaFin's supervision and supersedes BaFin's previous circulars in this area.

Circular 05/2022 (GW) reflects:

- Delegated Regulation (EU) 2016/1675 of 14 July 2016 identifying high-risk third countries with strategic deficiencies as last updated by the Delegated Regulation (EU) 2022/229 of 7 January 2022;
- the FATF statement of 17 June 2022 reaffirming the 'high-risk jurisdictions subject to a call for action' declaration of 21 February 2020 relating to the Democratic People's Republic of Korea and the Islamic Republic of Iran; and
- the FATF report of 17 June 2022 on jurisdictions under increased monitoring, where Gibraltar has been added to the list while Malta is no longer subject to increased monitoring.

The circular also specifies the legal consequences and due diligence requirements under the GWG resulting from the respective classifications. BaFin further makes reference to the financial sanctions published on the website of Deutsche Bundesbank (in particular in connection with Russia) and the assessments set out in annex 4 of the National Risk Analysis (Nationale Risikoanalyse) on cross-border threats.

BaFin launches test environment for updated major incident reporting under PSD2

BaFin has [activated](#) a test environment where payment service providers may familiarise themselves with the new procedure for reporting major incidents under PSD2 and the German Payment Services Supervision Act (Zahlungsdienstenaufsichtsgesetz – ZAG). For the purposes of compliance with the revised the EBA guidelines on major incident reporting under PSD2 of 10 June 2021, which BaFin implemented by way of its [Circular 03/2022 \(BA\)](#) of 9 March 2022, BaFin will update the electronic reporting procedure via its [Reporting and Publishing Platform](#) (MVP Portal) as of 1 October 2022.

The respective test procedure on the MVP Portal may be used as of now. Information on registration and access is available on BaFin's website.

CSSF issues communiqué regarding notification template for outsourcing critical or important business process

The Luxembourg financial sector supervisory authority, the Commission de Surveillance du Secteur Financier (CSSF), has issued a [communiqué](#) announcing the publication of a [notification template](#) to be used by in-scope entities, as defined in [Circular CSSF 22/806](#) on outsourcing arrangements, when outsourcing a critical or important business process (BPO) in accordance with points 59 and 60 of Circular CSSF 22/806.

The template has to be used as of 1 July 2022.

Significant credit institutions shall also use this template to notify the European Central Bank (ECB) to the extent that no ECB specific notification template is available yet.

The communiqué defines a BPO as an outsourcing the outcome of which is primarily of a business nature, even in the case where the outsourced service is delivered by the service provider on IT systems used or managed by the same service provider, as opposed to a 'pure' ICT outsourcing where the outcome is exclusively of an ICT nature (e.g., data storage, hosting services, system administration, etc.).

The template shall not be used to notify the following outsourcing arrangements:

- critical or important outsourcing of operational tasks of undertakings for collective investment administration; and
- critical or important ICT outsourcing.

The CSSF notes that for such critical or important outsourcing arrangements, dedicated templates will be made available on the CSSF website or updated soon. In the meantime, in-scope entities shall use the existing templates which are available on the CSSF website and linked for information in the communiqué.

The CSSF has clarified that in-scope entities shall not introduce prior notifications to the CSSF for existing material BPO arrangements that have already been approved under the previous prior authorisation regime.

Where material BPO arrangements have previously been submitted to, and are currently being assessed by, the CSSF, in-scope entities may not implement these arrangements before receiving the prior authorisation from the CSSF.

FINMA revises capital requirements for banks

The Swiss Financial Market Supervisory Authority (FINMA) is [adjusting](#) its implementing regulations on capital requirements for banks. Switzerland is thereby adopting the last improvements to banking regulation foreseen by the international Basel III standards following the last financial crisis.

The Swiss legislative and regulatory authorities have introduced the Basel III package of reforms developed in response to the last financial crisis into Swiss law gradually since 2013. The introduction of the final Basel III standards marks the end of this process.

To introduce the final Basel III standards, the Federal Council is adjusting its Capital Adequacy Ordinance and FINMA is adjusting its associated

implementing regulations in the form of five new FINMA ordinances and the repeal of five out of six relevant FINMA circulars. The consultation on the FINMA ordinances ends on 25 October 2022, at the same time as the consultation by the Federal Department of Finance on the related Federal Council ordinance. The Federal Council's Capital Adequacy Ordinance and the associated FINMA ordinances are scheduled to enter into force on 1 July 2024.

SSE and SZSE publish amendments to Stock Connect Rules

The Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE) have published the [SSE Implementation Measures for Shanghai-Hong Kong Stock Connect \(2022 Amendment\)](#) and the [SZSE Implementation Measures for Shenzhen-Hong Kong Stock Connect \(2022 Amendment\)](#) respectively, amending the relevant implementing rules of SSE and SZSE in respect of the Shanghai/Shenzhen-Hong Kong Stock Connect. These amendments are effective as of 24 June 2022.

The key aspects of the amendments cover including stock ETFs as eligible products under Stock Connect and providing for the inclusion and adjustment mechanism of stock ETFs eligible for Stock Connect, and confirming that 'Mainland investors' may not invest in SSE/SZSE market through the northbound trading link of the Stock Connect after a transitional period of one year, and clarifying the scope of 'Mainland investors' to include the following:

- PRC citizens who hold Mainland China identification documents without holding any permanent residency document issued outside Mainland China (Mainland China identification documents include Mainland China residency household register, PRC resident ID card, PRC passport and Exit-entry Permit for Traveling to and from Hong Kong and Macao (EEP), but exclude Entry Permit for Traveling to Hong Kong and Macao (commonly known as one-way permit), and permanent residency documents include, without limitation, permanent resident cards and permanent resident visas issued by countries and regions outside Mainland China; and
- legal persons and non-legal person organisations registered in Mainland China.

If any investor holding a joint-name account together with any other person is a Mainland investor, the joint account shall be treated as a Mainland investor account.

SFC, PBoC and HKMA announce development of SWAP Connect

The People's Bank of China (PBoC), the Hong Kong Securities and Futures Commission (SFC) and the Hong Kong Monetary Authority (HKMA) have [agreed](#) that China Foreign Exchange Trade System and Shanghai Clearing House (collectively Mainland Infrastructure Institutions), together with OTC Clearing Hong Kong Limited (Hong Kong Infrastructure Institution), will collaborate to develop mutual access between the Hong Kong and Mainland interest rate swap markets (Swap Connect).

Swap Connect refers to an arrangement which enables investors to participate in the financial derivatives markets in Mainland China and Hong Kong through

a connection between Infrastructure Institutions in both places. At the initial stage, Northbound Trading will commence first, allowing investors from Hong Kong and other countries and regions to participate in the Mainland China interbank financial derivatives market through mutual access between Hong Kong and Mainland Infrastructure Institutions in respect of trading, clearing and settlement. Southbound Trading, which allows Mainland China investors to access the Hong Kong financial derivatives market through mutual access between Infrastructure Institutions in both places, will be explored in due course. Initially, interest rate swaps will be eligible, with other products to be included in due course depending on market conditions.

The regulators of the financial derivatives markets in Hong Kong and Mainland China have agreed to take all necessary measures to establish effective mechanisms under Swap Connect to handle any misconduct in a timely manner for the purpose of investor protection on both sides. The regulators of the financial derivatives markets in Hong Kong and Mainland China will enter into a memorandum of understanding on supervisory cooperation to establish regulatory collaboration arrangements and liaison mechanisms so as to maintain the stability, fairness and orderly trading of financial markets.

Japanese Ministry of Environment publishes revised versions of its green and sustainability linked bond and loan guidelines

The Japanese Ministry of the Environment (MoE) has [published revised versions](#) of its green and sustainability linked bond and loan guidelines, the 'Green Bond Guidelines and Sustainability Linked Bond Guidelines 2022' and the 'Green Loan and Sustainability Linked Loan Guidelines 2022'.

The Green Bond Guidelines were originally published in March 2017, and previously revised in 2020. The Green Loan and Sustainability Linked Loan Guidelines were originally published in March 2020. As part of this revision, Sustainability Linked Bond Guidelines have been published for the first time. A study group on green finance was established by the MoE in December 2021 to review the existing guidelines with the aim of further expanding Japan's sustainable finance market, in line with international discussions and developments in this area. Along with the guidelines, the MoE has also published the responses it received from various international organisations (ICMA, LMA, APLMA and CBI) in response to a comment solicitation on the draft guidelines, along with the MoE's answers to those responses.

Subsidiary legislation facilitating implementation of regulatory framework for financial holding companies and their financial groups comes into effect

The Singapore Government has [gazetted](#) the following subsidiary legislation to implement and operationalise the regulatory framework for financial holding companies (FHCs) and their financial groups:

- Financial Holding Companies Act 2013 (Commencement) Notification 2022 – the commencement notification designates 30 June 2022 as the commencement date for the Financial Holding Companies Act 2013 (FHC Act). The FHC Act is intended to: (a) provide clarity on the prudential standards and expectations applicable to financial groups held under FHCs in Singapore; (b) enable the Monetary Authority of Singapore (MAS) to strengthen prudential oversight of a financial group in Singapore, with the

regulations aimed at mitigating intra-group contagion risk, preventing the multiple use of capital within the group, and limiting group concentration risk exposures; and (c) help Singapore meet the international standards on group-wide supervision;

- Monetary Authority of Singapore (Amendment) Act 2017 (Commencement) Notification 2022 – the commencement notification designates 30 June 2022 as the commencement date for section 42 of the Monetary Authority of Singapore (Amendment) Act 2017 (which relates to amendments of provisions regarding inspection in Singapore by a foreign supervisory authority and assistance to foreign regulatory authorities under the FHC Act);
- Payment Services Act 2019 (Commencement) Notification 2022 – the commencement notification designates 30 June 2022 as the commencement date for section 113 of the Payment Services Act 2019 (which relates to the amendment of section 53 of the FHC Act);
- Securities and Futures (Amendment) Act 2017 (Commencement) Notification 2022 – the commencement notification designates 30 June 2022 as the commencement date for section 203 of the Securities and Futures (Amendment) Act 2017 (which relates to the amendment of section 62(1) of the FHC Act);
- Banking (Amendment) Act 2016 (Commencement) Notification 2022 – the commencement notification designates 30 June 2022 as the commencement date for section 12(2)(b) of the Banking (Amendment) Act 2016 (which relates to the amendment of section 15E of the Banking Act);
- Financial Services and Markets Act 2022 (Commencement) Notification 2022 – the commencement notification designates 30 June 2022 as the commencement date for section 202 of the Financial Services and Markets Act 2022 (which relates to the amendment of Income Tax Act 1947); and
- Financial Holding Companies Regulations 2022 – amongst other things, the regulations set out provisions with regard to prescribed limits on equity investments as well as their valuation, limit on interests in or rights over immovable property as well as its valuation, exclusion and computation of major stakes, and limitation of mutual shareholdings.

The following amendment regulations, which are effective from 30 June 2022, have also been gazetted to facilitate the implementation of the FHC Act:

- Banking (Corporate Governance) (Amendment No. 2) Regulations 2022;
- Insurance (Corporate Governance) (Amendment) Regulations 2022;
- Monetary Authority of Singapore (Control of Financial Institutions) (Amendment) Regulations 2022;
- Monetary Authority of Singapore (Prescribed Financial Institutions under Section 40A) (Amendment) Regulations 2022; and
- Monetary Authority of Singapore (Resolution of Financial Institutions) (Amendment) Regulations 2022.

Further, the MAS has also published the below notices:

- [Notice FHC-N601](#) on Capital Funds (MAS Notice FHC-N601), which applies to all designated FHCs in Singapore and sets out the definition of ‘capital funds’; and
- [Notice FHC-N625](#) on Compliance with Section 30 on a Consolidated Basis (MAS Notice FHC-N625), which requires all predominantly banking designated FHCs to comply with section 30 of the FHC Act on a consolidated basis, by aggregating the value of equity investment in a company acquired or held by it with the value of equity investment in the company that is acquired or held by any other company within its FHC group.

The notices are effective from 1 July 2022.

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

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