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Payments: EU Council and Parliament reach provisional agreement on PSD3 and PSR

The EU Council and Parliament have [reached a provisional political agreement](#) on the proposed new Payment Services Directive (PSD3) and Payment Services Regulation (PSR).

The proposals consist of a package of measures which aim to:

- combat and mitigate payment fraud;
- improve consumer rights;

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- further level the playing field between banks and non-banks;
- improve the functioning of open banking;
- improve the availability of cash in shops and via ATMs; and
- strengthen harmonisation and enforcement.

The Council and the Parliament will continue working on the technical elements of the package before they adopt the final texts.

MiFIR: EU Commission adopts Delegated Regulation on equity transparency

The EU Commission has adopted a [Delegated Regulation](#) amending Delegated Regulation (EU) 2017/567 following the MiFIR Review.

The adopted Regulation amends Delegated Regulation (EU) 2017/567 to reflect and implement the changes made to MiFIR and MiFID2 by the MiFIR Review. Specifically, the adopted Regulation:

- amends provisions relating to the determination of what constitutes a liquid market;
- deletes provisions on what constitutes a reasonable commercial basis;
- deletes the provision specifying the size specific to the financial instrument for the purposes of the requirements applicable to systematic internalisers in respect of non-equity instruments;
- specifies what constitutes post-trade risk reduction (PTRR) services; and
- deletes publication requirements for portfolio compression services.

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

CRR: ITS on joint decision processes for internal model authorisation published in Official Journal

[Commission Implementing Regulation \(EU\) 2025/2338](#) of 20 November 2025 amending Implementing Regulation (EU) 2016/100 laying down implementing technical standards (ITS) specifying the joint decision process with regard to the application for certain prudential permissions has been published in the Official Journal.

The amending ITS are part of the first phase of the roadmap for implementing the EU Banking Package and set out the joint decision process for internal model authorisation under the Capital Requirements Regulation (CRR).

The key amendments include:

- a revised scope for the use of internal models for regulatory purposes under CRR3, where the possibility of applying these models for operational risk has been removed; and
- updated references to the ITS and regulatory technical standards (RTS) on the functioning of supervisory colleges, reflecting changes in the revised supervisory colleges regulatory framework.

The Implementing Regulation will enter into force on 11 December 2025.

EU Parliament adopts resolution on AI use in financial sector

The EU Parliament has adopted a [resolution](#) setting out its priorities for the use of artificial intelligence (AI) in the financial sector.

The resolution recognises potential of AI to improve efficiency, enhance consumer services, and support fraud detection, personalised advice, transaction monitoring, and ESG data analysis. It also highlights risks such as data bias, model opacity, reliance on a few technology providers, cybersecurity threats, and governance challenges. To address these, the resolution calls for human oversight, strong data governance, and updates to EU supervisory tools.

The resolution calls on the EU Commission and supervisors to provide clearer, proportionate guidance and improve cooperation among supervisory authorities through consistent interpretations and cross-border coordination. It also recommends promoting investment in AI, increasing AI literacy and reskilling, researching the environmental footprint of AI, creating regulatory sandboxes, and reducing barriers for AI-driven financial firm.

SRB publishes work programme for 2026

The Single Resolution Board (SRB) has published its [work programme](#) for 2026. The annual work programme sets out the SRB's objectives and priorities for the year ahead.

In 2026 the SRB intends to implement a revised resolvability assessment and a newly developed multi-annual testing framework. It will work with national resolution authorities to simplify resolution planning, enabling increased testing. The SRB will gradually increase its on-site inspections and carry out related training to maintain crisis readiness. It also intends to monitor and contribute to regulatory initiatives at EU and international level; priorities include the CMDI implementation, digitalisation, and the implementation of the Insurance Recovery and Resolution Directive (IRRD) and Anti-Money Laundering Directive (AMLD6).

FSB publishes 2025 G-SIB list

The Financial Stability Board (FSB) has published the 2025 [list](#) of global systemically important banks (G-SIBs) using end-2024 data and applying the assessment methodology designed by the Basel Committee on Banking Supervision (BCBS).

The list for 2025 includes 29 G-SIBs, the same banks as in the 2024 list but with a different allocation of the banks to buckets. The changes in the allocation of the banks to buckets largely reflect the effects of changes in the underlying activity of banks, with the complexity category being the largest contributor to score movements. The higher loss absorbency requirement established with the list will be effective beginning 1 January 2027 if there is a bucket increase.

The BCBS has also [published](#) further information relating to its 2025 assessment of G-SIBs, with additional details to improve understanding of the scoring methodology. This includes:

- the denominators of the high-level indicators used to calculate banks' scores;

- the high-level indicators for each bank in the sample used to calculate these denominators; and
- the cut-off score used to identify the G-SIBs in the updated list and the thresholds used to allocate G-SIBs to buckets for calculating the higher loss-absorbency requirements.

A new list of G-SIBs will be published in November 2026.

PRA and FCA issue policy statement on margin requirements for non-centrally cleared derivatives

The Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) have issued a policy statement ([PS23/25](#)) following their March 2025 consultation on margin requirements for non-centrally cleared derivatives.

PS23/25 provides feedback to the consultation and sets out the regulators' final policy in the form of amendments to the UK version of the RTS for risk-mitigation techniques for over-the-counter (OTC) derivative contracts not cleared by a central counterparty (BTS 2016/2251).

The amendments include:

- an indefinite exemption from the UK bilateral margining requirements in Article 38 of BTS 2016/2251 for single-stock equity options and index options;
- removing the obligation to exchange initial margin (IM) on outstanding legacy contracts, where a firm subsequently falls below the in-scope thresholds; and
- allowing UK firms, when transacting with a counterparty subject to margin requirements in another jurisdiction, to use that jurisdiction's threshold assessment calculation periods and entry into scope of IM dates to determine whether those transactions are subject to IM requirements.

The amendments to the BTS will be effective on 27 November 2025.

FCA issues policy statement on SI regime for bonds and derivatives

The FCA has issued a policy statement ([PS25/17](#)) providing feedback on its July 2025 consultation (CP25/20) on the systematic internaliser (SI) regime for bonds and derivatives and other changes intended to improve the functioning of UK markets.

PS25/17 also sets out the FCA's final policy, which removes the SI regime for bonds, derivatives, structured finance products and emission allowances from 1 December 2025.

From 30 March 2026, the FCA will also remove:

- the prohibition on matched principal trading by appropriately permitted investment firms operating an MTF;
- the prohibition on an investment firm that is an SI from operating an OTF; and
- the reference price waiver (RPW) to allow trading venues to source prices from a broader set of venues.

The FCA is still considering responses to the discussion paper on equity markets (chapter 4 of CP25/20) and is planning to publish a consultation paper on equity markets in the first half of 2026.

UK MiFIR: FCA consults on restating UK transaction reporting regime

The FCA has launched a consultation ([CP25/32](#)) on its proposed changes to the UK transaction reporting regime.

The proposed new rules would replace and restate assimilated EU law derived from the Markets in Financial Instruments Regulation. Specifically, the changes would affect UK technical standards Commission Delegated Regulation (EU) 2017/590 (RTS 22), Commission Delegated Regulation (EU) 2017/585 (RTS 23) and Commission Delegated Regulation (EU) 2017/580 (RTS 24). The FCA will replace the technical standards with new rules in the Market Conduct Sourcebook (MAR).

Among other things, the FCA is proposing to:

- remove foreign exchange (FX) derivatives from reporting requirements;
- remove reporting requirements for six million financial instruments that are only traded on EU trading venues;
- reduce the period for correcting historic reporting errors from five to three years;
- reduce the number of transaction reporting fields and instrument reference data fields;
- require trading venues to populate fewer fields in their transaction reports; and
- remove the obligation on systematic internalisers to submit instrument reference data.

In the consultation paper, the FCA has also outlined a long-term approach to streamlining transaction reporting requirements across different regimes including requirements in UK EMIR and the UK Securities Financing Transactions Regulation (SFTR).

Comments are due by 20 February 2026.

FCA consults on regulated fees and levies for 2026/27

The FCA has published a consultation paper ([CP25/33](#)) containing proposed changes to its regulatory fees and levies for 2026/27. Changes proposed in CP25/33 include new periodic fees for PISCES market operators and application fees for cryptoasset firms. CP25/33 also outlines joint proposals with the PRA to amend invoice due dates for firms paying GBP 50,000 or more in FCA/PRA fees in a year.

Comments on targeted support proposals are due by 9 January 2026, with all other comments due by 16 January 2026.

FOS consults on 2026/27 plans and budget

The Financial Ombudsman Service (FOS) has published a [consultation paper](#) on its 2026/27 plans and budget.

The consultation paper outlines the changes that the FOS has made to its services, including the simplification of the billing process, increased case fees

and its financial budget. The FOS also expects a decrease in the volume of complaints it receives due to receiving fewer cases about motor finance commission and its consultation with the FCA on reforms to the redress system to help firms identify and resolve issues before complaints escalate, intended to bring consistency and predictability for businesses and consumers.

The FOS is also seeking feedback on:

- projected demand;
- projected service standards;
- projected costs; and
- its draft budget.

Comments are due by 21 January 2026.

PFSA consults on changes to long-term financing ratio

The Polish Financial Supervision Authority (PFSA) has launched [public consultations](#) regarding changes to the long-term financing ratio.

The Recommendation on the Long-Term Financing Ratio was adopted by the PFSA in July 2024.

The purpose of the long-term financing ratio is to reduce the risk associated with the financing of mortgage loans in Poland, and it will be calculated as the ratio of sources of long-term financing (such as bonds) to a specified value of the mortgage loan portfolio.

Among the PFSA's proposals are lowering the target level of the ratio from 40% to 20% and allowing deposits with a maturity of at least two years to be included.

The consultations will run until 12 December 2025, and the planned changes are scheduled to take effect in April 2026.

HKMA issues guidance on risk-based AML/CFT controls for politically exposed persons

The Hong Kong Monetary Authority (HKMA) has issued a [circular](#) to provide guidance on its expectations regarding anti-money laundering and counter-financing of terrorism (AML/CFT) requirements for politically exposed persons (PEPs).

In its review of the implementation of PEP-related AML/CFT controls, the HKMA found that authorised institutions (AIs) and stored value facility (SVF) licensees generally understand and apply the relevant requirements effectively. However, the HKMA also observed cases where AIs and SVF licensees have applied overly cautious or non-proportionate AML/CFT controls, deviating from the risk-based approach. Specifically, some AIs and SVF licensees have requested excessive information on source of wealth that may not be proportionate to the risks associated with the public function concerned. In other cases, the definition of PEP has been interpreted too broadly, resulting in an unmanageably large number of PEPs, which is not justified on the basis of money laundering and terrorist financing (ML/TF) risks and can lead to misallocation of resources.

To provide more practical guidance on the effective implementation of a risk-based approach in AML/CFT controls, the HKMA has developed tips to

provide clarification and additional guidance in a number of key areas including:

- definitions of PEPs, family members and close associates;
- identification of PEPs, their family members and close associates;
- application of enhanced due diligence measures; and
- treatment of former PEPs.

Als and SVF licensees are advised to study the guidance in conjunction with the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Guideline on AML/CFT and other relevant guidance issued by the HKMA and competent authorities. The HKMA expects Als and SVF licensees to consider adopting the practices described in the guidance to improve their risk-based AML/CFT policies, procedures, and controls.

The HKMA has indicated that it will monitor the implementation of the standards contained in the guidance by Als and SVF licensees as part of its AML/CFT supervision.

MAS revises and reissues guide on digital token offerings as guide on tokenisation of capital markets products

The Monetary Authority of Singapore (MAS) has revised its Guide on Digital Token Offerings (DTO Guide) and re-issued it as a [Guide on the Tokenisation of Capital Markets Products](#) (CMPs).

The DTO Guide was first published in 2017 and updated in 2020 to provide guidance on the application of the relevant laws administered by the MAS, particularly in relation to issuances or offerings of digital tokens in Singapore. The MAS notes that, since the last update, new arrangements and activities relating to such tokens have emerged. In particular, the MAS has observed increasing interest in the issuance and offering of CMPs in the form of digital tokens via the process of tokenisation (tokenised CMPs).

To support the development of a responsible digital asset ecosystem in Singapore, the MAS has revised the DTO Guide focusing on the application of the Securities and Futures Act 2001 (SFA), the Financial Advisers Act 2001 (FAA) and relevant subsidiary legislation (collectively, securities law) to: (a) issuances and offerings of tokenised CMPs; and (b) entities that facilitate activities in relation to such tokenised CMPs.

The updated guide also includes case studies to provide more clarity about the regulatory treatment of tokenised CMPs. It further addresses the extra-territorial application of securities law and the application of sandbox criteria to activities regulated by the MAS in relation to tokenised CMPs.

The MAS's technology-neutral approach, as set out in the DTO Guide, remains applicable in the updated guide. The MAS has indicated that it will continue to focus on the economic substance of tokenised CMPs and the associated activities that entities are facilitating *vis-à-vis* tokenised CMPs when determining the applicability of regulatory requirements under the securities law.

While the updated guide focuses on tokenised CMPs, it also references digital tokens that fall within the regulatory scope of other Acts administered by the MAS, such as the Payment Services Act 2019, where relevant.

Singapore Exchange and Nasdaq Inc. to establish dual listing bridge

The Singapore Exchange (SGX) and Nasdaq, Inc. have [announced](#) a partnership to establish a dual listing bridge (the Global Listing Board) that will allow for a concurrent listing on both markets. The initiative, which is scheduled to launch in mid-2026, will introduce a harmonised cross-border listing framework, enabling companies with a market capitalisation of SGD 2 billion (USD 1.5 billion) and above to simultaneously access capital and investors in both markets.

The MAS will work with SGX to consult on a regulatory framework intended to simplify and reduce the cost and complexity of dual listings by streamlining regulatory obligations and fundraising processes across both jurisdictions. This includes prospectus disclosure requirements in Singapore comparable to those in the United States, with the expectation that issuers will be able to use a single set of offering documents for the dual listing. The framework is subject to the finalisation of the implementation details and regulatory approvals in both the United States and Singapore.

The Global Listing Board is intended to align with the broader efforts by the Singapore Government's Equities Market Review Group to strengthen the attractiveness of Singapore's stock market to investors and companies seeking to list and access growth capital.

RECENT CLIFFORD CHANCE BRIEFINGS

EU Directive Harmonising Insolvency Law – An Investment Opportunity

The Council of the EU and the European Parliament have reached a provisional [agreement](#) on a new EU Directive that will harmonise key aspects of insolvency law across Member States. This development is part of the EU Capital Markets Union Plan and represents a significant step toward reducing the fragmentation of insolvency regimes in Europe, which has historically posed challenges for investors assessing cross-border risks in navigating up to 27 different insolvency regimes. This Directive once enacted is designed to help investors by providing greater legal certainty, comparability, and transparency across Europe's insolvency regimes, making it easier to assess and manage cross-border investment risks.

This briefing paper considers why this matters for investors, the key harmonised elements, and next steps.

<https://www.cliffordchance.com/briefings/2025/11/eu-directive-harmonising-insolvency-law--an-investment-opportunity.html>

All aboard the Digital Omnibus? An overview of the EU's Digital Simplification Package

On 19 November 2025 the EU Commission published the much-anticipated EU Digital Simplification Package. Also referred to as the 'Digital Omnibus', the package is made up of two proposed omnibus laws:

- a Regulation on the simplification of the implementation of harmonised rules on artificial intelligence (the Digital Omnibus on AI); and

- a Regulation simplifying and consolidating parts of the EU's digital acquis, making targeted amendments to data, privacy and cyber laws (Digital Legislation Omnibus).

The Digital Omnibus package is a pivotal step in the EU's push towards harmonising and streamlining its digital regulatory framework, including for AI, data access, privacy, and cybersecurity.

This briefing paper provides an overview of the main proposals of the package and their practical implications.

<https://www.cliffordchance.com/briefings/2025/11/overview-of-the-eu-digital-simplification-package.html>

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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