

## INTERNATIONAL REGULATORY UPDATE: 26 – 30 January 2026



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### **Benchmarks Regulation: Amendments to RTS on third country administrator recognition applications published in Official Journal**

[Commission Delegated Regulation \(EU\) 2026/264](#) amending the regulatory technical standards (RTS) set out in Commission Delegated Regulation (EU)

2018/1645 and Commission Delegated Regulation (EU) 2018/1646 has been published in the Official Journal.

The RTS relate to the form and content of an application by a third country benchmark administrator for recognition with the European Securities and Markets Authority (ESMA) and the information to be provided in an application for authorisation and registration, respectively.

Delegated Regulation (EU) 2026/264 makes amendments to reflect the changes to the Benchmarks Regulation (BMR) recognition regime made in 2019 which transferred some supervisory responsibilities to ESMA, and the changes introduced by Regulation (EU) 2025/914 which reduced the regulatory burden on administrators of smaller benchmarks. Amendments to both Delegated Regulations have been bundled into a single amending Delegated Regulation in light of the high degree of parallelism between both acts.

Delegated Regulation (EU) 2026/264 will enter into force on 19 February 2026.

### **BRRD: EBA updates RTS on resolution plans and resolution colleges**

The European Banking Authority (EBA) has published its [final draft updated RTS](#) on resolution plans and on the functioning of resolution colleges under the Bank Recovery and Resolution Directive (BRRD). The revisions are intended to simplify and refocus resolution planning while improving the effectiveness of cooperation and coordination among authorities.

The final draft RTS will now be submitted to the EU Commission for endorsement.

### **CRD6: EBA consults on amendments to guidelines on systemic risk buffer**

The EBA has launched a public [consultation](#) on draft amendments to its guidelines (EBA/GL/2020/13) on the appropriate subsets of sectoral exposures to which competent or designated authorities may apply a systemic risk buffer under the Capital Requirements Directive (CRD6). The revised guidelines are intended to facilitate a more effective use of the systemic risk buffer to address systemic risks stemming from climate change.

In particular, the draft revised guidelines introduce greater granularity in identifying exposures subject to physical and transition risks related to climate change, through enhanced sectoral and geographical classifications. The amendments also incorporate lessons learned from the implementation of existing systemic risk buffer measures across Member States, with the objective of improving their design, monitoring and reciprocation.

Comments are due by 30 April 2026.

### **ESMA signs MoU on recognition of CCPs with Reserve Bank of India**

ESMA has [signed](#) a memorandum of understanding (MoU) with the Reserve Bank of India (RBI) to support cooperation and information exchange relating to the recognition of Indian central counterparties

(CCPs). The MoU establishes the framework required under the European Market Infrastructure Regulation (EMIR) to facilitate supervisory coordination between the two authorities.

The agreement enables the Clearing Corporation of India Ltd (CCIL), which is supervised by the RBI, to re-apply for recognition under EMIR. ESMA has indicated that it is also engaging with the Securities and Exchange Board of India (SEBI) and the International Financial Services Centres Authority (IFSCA) with the aim of concluding similar cooperation arrangements.

### **ECB announces acceptance of DLT-based assets as Eurosystem collateral**

The European Central Bank (ECB) has [announced](#) that, as of 30 March 2026, the Eurosystem will accept marketable assets issued in central securities depositories (CSDs) using distributed ledger technology (DLT) as eligible collateral for Eurosystem credit operations. The assets must comply with Eurosystem collateral eligibility criteria and collateral management requirements and will be mobilised in line with existing collateral management practices.

The Eurosystem has also launched a work plan to explore the future possibility of mobilising assets that are issued using DLT but not represented in eligible securities settlement systems. It suggests a staggered approach under which subsets of DLT-based assets could gradually become eligible, taking into account market and regulatory developments such as the Central Securities Depositories Regulation (CSDR), the DLT Pilot Regime Regulation, the Markets in Cryptoassets Regulation (MiCA) and the securities laws of individual jurisdictions.

### **FCA consults on further rules for cryptoasset firms**

The Financial Conduct Authority (FCA) has published a consultation paper ([CP26/4](#)) setting out further proposed rules and guidance for firms conducting regulated cryptoasset activities. This follows earlier consultations the FCA launched in December 2025.

In particular, CP26/4 sets out proposals on:

- how the Consumer Duty will apply to cryptoasset firms – the FCA has also published an accompanying guidance consultation ([GC26/2](#)) on this topic;
- the FCA's approach to Redress and Dispute Resolution (DISP);
- applying Conduct of Business Standards (COBS) to cryptoasset activities;
- rules on using credit to buy cryptoassets, to reduce risks of harm from borrowing to invest;
- training and competence, covering standards for staff knowledge and skills;
- the FCA's approach to categorising cryptoasset firms under the Senior Managers and Certification Regime (SM&CR);
- regulatory reporting (SUP 16) requirements to help the FCA monitor risks and supervise effectively;

- applying safeguarding rules to firms conducting multiple regulated cryptoasset activities, and the proposed approach to custody of specified investment cryptoassets;
- how retail consumers' collateral should be treated when they borrow cryptoassets; and
- location policy guidance, clarifying the FCA's expectations on where cryptoasset firms should be based to ensure effective oversight.

Comments on CP26/4 and GC26/2 are due by 12 March 2026.

### **FCA launches Mills Review into how AI will reshape retail financial services**

The FCA has launched a [review](#) into the implications of advanced artificial intelligence (AI) for consumers, retail financial markets and regulators.

The review will be led by FCA Executive Director Sheldon Mills and consider retail financial services, consumer outcomes, consumer protection, and UK financial services competitiveness and growth.

To launch the Mills Review, the FCA has published an engagement paper seeking views on:

- how AI could evolve in the future, including the development of more autonomous and agentic systems;
- how these developments could affect markets and firms, including changes to competition and market structure and UK competitiveness;
- the impact on consumers, including how consumers will be influenced by AI but also influence financial markets through new expectations; and
- how financial regulators may need to evolve to continue ensuring that retail financial markets work well.

Comments are due by 24 February 2026.

The feedback received will shape a set of recommendations to be reported to the FCA Board in summer 2026.

### **FCA consults on aligning listed issuers' sustainability disclosures with international standards**

The FCA has published a consultation paper ([CP26/5](#)) setting out proposals to evolve its rules for listed companies' sustainability disclosures.

In particular, the FCA is proposing to replace its current rules for listed companies' climate disclosures with proportionate rules to:

- align reporting with current international standards, with an implementation approach that reflects the readiness of listed companies;
- make sure investors can access clear, consistent and robust information about sustainability risks and opportunities; and
- support overseas companies to be more transparent about their sustainability reporting, while removing duplication.

The proposed rules to align sustainability reporting to the UK Sustainability Reporting Standards (SRS) apply to companies in the following listing categories, with some variation depending on the category:

- commercial companies (UKLR 6);
- non-equity shares and non-voting equity shares (UKLR 16);
- transition category (UKLR 22);
- secondary listing (UKLR 14); and
- depositary receipts (UKLR 15).

Comments are due by 20 March 2026.

### **UK Accelerated Settlement Taskforce reports on T+1 progress**

The UK Accelerated Settlement Taskforce has published a [report](#) providing an update on the progress made towards the move to T+1 settlement on 11 October 2027. The report considers the readiness of participants, financial market infrastructure and corporate actions, as well as settlement performance, support from UK public authorities, potential areas of concern, and a look forward to coming initiatives in 2026.

### **House of Lords Financial Services Regulation Committee launches inquiry into growth and proposed regulation of stablecoins**

The House of Lords Financial Services Regulation Committee has launched an [inquiry](#) into the growth and proposed regulation of stablecoins in the UK.

The Committee is seeking evidence on the following:

- the development of the global market for stablecoins since 2014;
- the expected development of the sterling denominated stablecoin market in coming years;
- opportunities and risks that the growth of stablecoins pose for the UK's economy and its financial services sector;
- the impact that the growth of stablecoins will have on the Bank of England, Prudential Regulation Authority (PRA) and FCA's statutory objectives;
- the implications of the Bank of England and the FCA's proposed regulatory regimes for the growth of systemic and non-systemic stablecoins in the UK and internationally; and
- the regulation of stablecoins in the US and the EU and what lessons the UK can learn from these.

The Committee has issued a call for evidence, with responses due by 11 March 2026.



## **OFSI publishes consultation response on sanctions enforcement processes**

The Office of Financial Sanctions Implementation (OFSI) has published its [response](#) to its consultation on civil enforcement processes for financial sanctions and the Oil Price Cap.

The response sets out the following changes to how OFSI enforces against breaches of financial sanctions:

- publication of a new case assessment matrix to improve transparency and predictability of penalty processes;
- introduction of a new voluntary disclosure and co-operation discount, available up to 30% of the baseline penalty;
- implementation of a settlement scheme to deliver quicker enforcement action and reduce the resource burden;
- introduction of an Early Account Scheme (EAS) which would allow subjects of an investigation to provide information on breaches earlier, expediting the completion of these investigations;
- introduction of a streamlined enforcement process with set penalties for information, reporting and licensing offences; and
- doubling the maximum penalty amount for a breach of financial sanctions to increase deterrent effect.

The OFSI also notes a significant increase in the volume and complexity of enforcement investigations over the past decade; it intends to reduce the volume by prioritising the cases which it expects to have the greatest deterrent or compliance impacts.

All proposals, except for changes to the statutory maximum penalty amount, will be implemented in early 2026 through updates to OFSI's public enforcement guidance. Statutory changes will be brought forward as parliamentary time allows.

## **BaFin consults on reciprocal application of Austrian sectoral systemic risk buffer**

The German Federal Financial Supervisory Authority (BaFin) has launched a consultation on a [draft general decree](#) (Allgemeinverfügung) to be issued on the basis of section 10e para 9 of the German Banking Act (Kreditwesengesetz – KWG). Through this general decree, BaFin proposes to recognise and reciprocally apply to institutions licensed in Germany a sectoral systemic risk buffer (SyRB) introduced by the Austrian Financial Market Authority. The buffer relates to certain commercial real estate loans in Austria. BaFin is thereby seeking to implement the recommendations of the European Systemic Risk Board (ESRB).

Under the draft general decree, a capital buffer of 1.0% will be required if the exposures to certain non-financial corporations in the construction and real estate sector in Austria – determined pursuant to the statistical classification of economic activities in the European Community (NACE) under Regulation (EC) No 1893/2006 – reach a threshold of EUR 100 million. This threshold applies at the consolidated, sub-consolidated, and single institution level.

Comments are due by 4 February 2026.

## **China consults on draft guidelines on data classification and grading for financial information services**

The Cyberspace Administration of China (CAC) has released a [consultation](#) draft of a set of guidelines on data classification and grading for financial information services. The draft guidelines apply to financial information service providers conducting business within the People's Republic of China and cover data classification, grading as well as identification of important data. State secrets and military data are out of scope.

Amongst other things, under the draft guidelines:

- data classification – financial information service data may be classified into business data, user data and enterprise data, which can be further subdivided into nine secondary categories (including financial market data, macroeconomic data, institutional data, personal user data, institutional user data, operational management data and system operation data) and further 66 tertiary categories. The draft guidelines provide an appendix setting out examples for reference;
- data grading framework – based on the importance and sensitivity of data and the potential impact of data leakage, tampering, destruction or unlawful use, data may be classified into four tiers: core data, important data, sensitive general data and ordinary data;
- grading factors – the determination of data level takes into account multiple factors, including coverage, time span, precision, public availability and geographical attributes, and assesses the potential impact on national security, economic operation, social order, public interest, organisational interests and individual rights; and
- dynamic adjustment – financial information service providers are required to periodically review and update data grading results. Where core data or important data undergo material changes (for example, significant changes in data volume or key content), an update of important data catalogue shall be reported to the competent authorities in a timely manner.

Comments are due by 23 February 2026.

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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