

International Regulatory Update: 23 – 27 March 2026



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Banking Union: EU Parliament adopts legislation on bank crisis management and deposit insurance

The EU Parliament has [adopted](#) legislation to amend the crisis management and deposit insurance (CMDI) framework in the EU. The legislation consists of:

- a Directive amending the Bank Recovery and Resolution Directive (BRRD) as regards early intervention measures, conditions for resolution and financing of resolution action (BRRD3);

- a Regulation amending the Single Resolution Mechanism (SRM) Regulation as regards early intervention measures, conditions for resolution and funding of resolution action (SRMR3); and
- a Directive amending the Deposit Guarantee Schemes Directive (DGSD) as regards the scope of deposit protection, use of deposit guarantee schemes funds, cross-border co-operation, and transparency (DGSD2).

The EU Council already approved these pieces of legislation on 5 March. They will enter into force on the twentieth day following their publication in the Official Journal and apply from 24 months later.

CRR3: Amendments to ITS on Pillar 3 disclosures published in Official Journal

EU [Commission Implementing Regulation \(EU\) 2026/722](#) amending the implementing technical standards (ITS) on Pillar 3 disclosures laid down in Implementing Regulation (EU) 2024/3172 as regards the implementation and use by institutions, other than small and non-complex institutions, of the European Banking Authority (EBA) single access point for their disclosures, has been published in the Official Journal.

Commission Implementing Regulation (EU) 2026/722 will enter into force on 16 April 2026.

Basel Committee finalises technical amendment and frequently asked questions

The Basel Committee on Banking Supervision (BCBS) has published a [final technical amendment](#) to the Basel Framework, which addresses an inconsistency in the treatment of rental income from investment properties under the standardised approach for operational risk.

The amendment was published for consultation in June 2025 and has been finalised with some adjustments to reflect stakeholder feedback. Basel Committee members have agreed to implement the technical amendment as soon as practical and within three years at the latest.

The document also includes a response to a frequently asked question (FAQ) on the standardised approach to market risk and consequential amendments to related FAQs.

FSB publishes 2025 annual report

The Financial Stability Board (FSB) has published its [annual report](#) outlining the key areas of work undertaken in 2025. The report includes a foreword by FSB Chair Andrew Bailey, who emphasised the importance of the FSB's work to preserve financial stability in an increasingly unpredictable world.

The report highlights vulnerabilities including rising sovereign debt levels, the rapid growth of nonbank financial intermediation (NBFI), volatility in crypto markets and operational weakness across financial firms. The report sets out the FSB's response, including the creation of the Nonbank Data Task Force, a review of the implementation of its global regulatory framework for cryptoassets and advanced work on operational incident reporting and readiness to respond to failures.

The FSB intends to build on policy development initiatives to enhance cross-border payments, with a focus on driving jurisdictional implementation of the policy recommendations to deliver tangible end-user improvements.

UK Government consults on corporate re-domiciliation regime

The Department for Business and Trade has launched a [consultation](#) on the design of an inward corporate re-domiciliation regime that would make it possible for a foreign company to re-domicile to the UK without having to change its legal identity. The proposals are based on recommendations set out in the Independent Expert Panel on Corporate Re-domiciliation's report and follow an initial consultation in 2021. The Government believes that the proposed regime may be particularly attractive to companies within the financial services sector.

The proposed regime is inward only, with the Government concluding that the potential drawbacks of an outward regime (for UK companies wishing to redomicile in other countries) outweigh its potential benefits.

Comments are due by 19 June 2026.

Draft Money Laundering and Terrorist Financing (Amendment) Regulations 2026 laid

The [draft Money Laundering and Terrorist Financing \(Amendment\) Regulations 2026](#) have been laid in Parliament according to the affirmative procedure.

The draft statutory instrument (SI) amends the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017/692) (the MLRs) and related legislation. The SI makes targeted changes intended to improve the effectiveness, proportionality and clarity of the UK's anti-money laundering (AML) and counter-terrorist financing (CTF) regime and ensure maintained compliance with Financial Action Task Force (FATF) standards.

In particular it:

- refines customer due diligence (CDD), enhanced due diligence (EDD) and additional due diligence (ADD) requirements, including for unusually complex or unusually large transactions, high risk jurisdictions and pooled client accounts and cryptoasset correspondent relationships;
- updates currency thresholds from euros to sterling;
- aligns the regime for cryptoasset businesses with the new financial services regulatory regime for cryptoassets established under the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 (SI 2026/102);
- reforms the Trust Registration Service (TRS) requirements to close identified gaps, while introducing a *de minimis* exemption for low-value, low-risk trusts;
- brings the sale of 'off-the-shelf' firms within the scope of regulated trust or company service provider (TCSP) activity;

- clarifies that a firm is excluded from the definition of an ‘insurance undertaking’ to the extent it is carrying out or effecting a contract of reinsurance; and
- enhances information-sharing and cooperation between AML/CTF supervisors and other public bodies.

BoE and PRA finalise reporting and disclosure requirements for bank resolution regime

The Bank of England and Prudential Regulation Authority (PRA) have finalised a package of changes to firms’ resolution reporting and disclosure requirements following a set of consultations launched in July 2025 (CP14/25, CP15/25 and CP16/25).

In particular, the PRA has issued the following policy statements:

- [PS9/26](#), setting out amendments to Minimum Requirement for Own Funds and Eligible Liabilities (MREL) reporting to simplify and clarify existing expectations. The changes are intended to reduce the overall reporting burden on firms while ensuring the Bank and PRA continue to receive the information needed to support effective resolution planning. This will be implemented from 1 January 2027;
- [PS10/26](#), which increases the threshold for firms in scope of Resolution Assessment Framework (RAF) reporting and disclosure requirements from GBP 50 billion to GBP 100 billion in retail deposits. At the same time, Small Domestic Deposit Takers will be required to review their recovery plans every two years rather than annually. This will be implemented from 1 April 2026; and
- [PS11/26](#), on changes to Pillar 3 disclosure intended to improve how firms explain their resolvability resources, any limits on capital distribution, and how they prepare their disclosures. This will be implemented from 1 January 2027.

FCA sets out annual work programme 2026/27 and consults on fees and levies

The Financial Conduct Authority (FCA) has published its [annual work programme 2026/27](#), which includes plans to use AI to speed up authorisations as part of the FCA’s strategic priority of becoming a smarter, more efficient and effective regulator.

Alongside the work programme, the FCA has launched a consultation ([CP26/11](#)) on its fees and levies for the year ahead. It is proposing to increase minimum and flat rate fees, as well as application fees, by 1%. Comments are due by 30 April 2026.

The FCA has also published its [perimeter report](#) for 2026/27, asking for Government action on 15 areas where it believes changes are needed, including:

- exemptions in the Financial Promotion Order – the removal of self-certification and higher thresholds for high net worth/sophisticated investors, to close consumer protection gaps;
- tightening the regime for when trustees require authorisation, to reduce consumer harm and financial crime risks;

- sports and non-financial spread betting – clarity from the Treasury on the regulatory boundary for these products, which the FCA considers better suited to a distinct regulatory framework; and
- changes to modernise the regulatory framework for payments so it is agile enough to mitigate new and existing risks, such as financial crime, and support innovation.

FCA consults on simplification of pensions and investment advice rules

The FCA has issued a consultation paper ([CP26/10](#)) setting out proposals to simplify its pensions and investment advice rules with the intention of enabling consumers to feel more informed and confident when making financial decisions.

Based on feedback from the Financial Lives survey (FLS) and other stakeholder engagement, the FCA reports that only a small proportion of UK adults receive regulated advice about investments, pension savings or retirement plans, with advice firms struggling to design commercially viable simplified advice models because of perceived regulatory risk. The FCA also acknowledges the increasing use of artificial intelligence and the resulting need for firms to adapt to changing customer expectations.

The proposed changes set out in CP26/10 are intended to broaden consumer access to a range of advice services by introducing a streamlined set of rules and reviewing the relevance of existing requirements governing advisers' ongoing services.

Comments are due by 22 May 2026.

PFSA sets out position on AML/CFT procedures

The Polish Financial Supervision Authority (PFSA) has published a [position paper](#) on processes related to counteracting money laundering and terrorist financing, which should be regulated in internal procedures.

The document specifies how obliged institutions subject to the PFSA's supervision should take into account processes related to counteracting money laundering and terrorist financing (AML/CFT) when creating internal regulations in this area, i.e. AML/CFT procedures.

Polish Financial Supervision Authority (PFSA)

Recent Clifford Chance briefings

ISDA and EMTA publish the 2026 FX Definitions — What you need to know now

The new 2026 FX Definitions were published by ISDA and EMTA on 3 March 2026 and will be adopted as the market standard definitions for FX transactions from 22 November 2027. This interval is intended to provide market participants with sufficient time to update their systems and prepare for the transition.

This briefing paper provides a high-level overview of the key features of the new definitions and considers what market participants need to know

now, as they begin to assess the scope and timing of their implementation programmes.

<https://www.cliffordchance.com/briefings/2026/03/isda-and-emta-publish-the-2026-fx-definitions--what-you-need-to-.html>

The EU Inc. Proposal – How far does it really go?

On 18 March 2026, the European Commission proposed a new harmonised corporate legal form, the 'EU Inc.', intended to remove fragmentation in EU company law and make it significantly easier for innovative businesses to start, operate and scale across the European market.

Previous attempts to create an EU-wide company form (most notably the Societas Europaea (SE)) failed to gain broad traction due to their complexity and high entry thresholds. By contrast, the EU Inc. proposal – designed as an optional '28th regime' that sits alongside existing national company forms or the SE – combines fully digital procedures, 48-hour fast-track incorporation, no minimum capital, flexible governance and capital structures, and a pan-European alignment of employee stock option taxation, making it one of the most ambitious corporate law reforms in recent years.

The publication of the EU Inc. proposal starts negotiations between the European Commission, the European Parliament and the Council, and the draft Regulation will be amended as a result of those discussions. The Commission aims to reach an agreement by the end of 2026 (with entry into force in 2027 or 2028), but given the wide-ranging impact it is likely that the new regime will not be available for use before 2029.

This briefing paper outlines what the EU Inc. will look like based on the Commission's proposal and how it may affect legal structures in the European Tech and Private Capital sectors.

<https://www.cliffordchance.com/briefings/2026/03/the-eu-inc-proposal-how-far-does-it-really-go.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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