

## International Regulatory Update: 13 – 17 April 2026



*Clifford Chance's International Regulatory Update is a weekly digest of significant regulatory developments, drawing on our daily content from our Alerter: Finance Industry service.*

To request a subscription to our Alerter: Finance Industry service, please [subscribe to our Client Portal](#), where you can also request access to the Financial Markets Toolkit and subscribe to publications, insights and events.

If you would like to know more about the subjects covered in this publication or our services, please contact:

### International Regulatory Group Contacts

[Marc Benzler](#) +49 69 7199 3304

[Caroline Dawson](#) +44 207006 4355

[Steven Gatti](#) +1 202 912 5095

[Rocky Mui](#) +852 2826 3481

[Lena Ng](#) +65 6410 2215

[Gareth Old](#) +1 212 878 8539

### International Regulatory Update Editor

[Joachim Richter](#) +44 (0)20 7006 2503

To email one of the above, please use [firstname.lastname@cliffordchance.com](mailto:firstname.lastname@cliffordchance.com)

Clifford Chance LLP,  
10 Upper Bank Street,  
London, E14 5JJ, UK  
[www.cliffordchance.com](http://www.cliffordchance.com)

- **ECB publishes proposals to increase banks' competitiveness**
- **ESMA consults on restricted subscription and private credit ratings**
- **AMLA consults on group-wide requirements and business-wide risk assessment**
- **MiFID2: EU Commission adopts RTS on firms' order execution policies**
- **CRR: EU Commission adopts RTS on equivalent legal mechanism for unfinished property**
- **EMIR3: ESMA publishes AAR reporting templates**
- **BoE publishes new and updated guidance on resolution**
- **FCA sets out open finance roadmap**
- **FCA consults on cryptoasset perimeter guidance**
- **FCA finalises changes to UK short selling regime**
- **CPMI-IOSCO report on UK's implementation of Principles for Financial Markets Infrastructure**
- **OFSI publishes 2026-2029 strategy**
- **PRA publishes business plan and consults on regulated fees and levies for 2026/27**
- **CRD6: Transposition Ordinance published in France**
- **Japanese Cabinet approves bill to amend Financial Instruments and Exchange Act to tighten insider trading and market misconduct rules**

### **ECB publishes proposals to increase banks' competitiveness**

The European Central Bank (ECB) has published a set of [proposals](#) in response to the EU Commission's targeted consultation on the competitiveness of the EU banking sector.

The proposals are endorsed by all euro area central banks and aim to make banks, and the financial infrastructure in which they operate, better able to support the economy. The proposals should be read together with the ECB Governing Council's proposals to simplify the EU banking rules, published in December 2025.

In its response to the targeted consultation, the ECB argues that:

- financial and regulatory fragmentation of the single market, including the incomplete Banking Union, constrain the competitiveness of banks and measures to solve these constraints would significantly enhance the efficiency of the single market and increase their competitiveness;
- the resilience of euro area banks is a key prerequisite for economic growth and competitiveness; and
- undue complexity in regulatory frameworks should be tackled while maintaining a level playing field to ensure fair competition while supporting innovation and containing risks.

The main policy proposals set out by the ECB include, among other things:

- for the purpose of financial regulation, regarding the Banking Union as a single European jurisdiction by all relevant and competent designated authorities;
- calling for concrete steps towards the finalisation of the European Deposit Insurance Scheme (EDIS) with a clear implementation timetable;
- allowing capital and liquidity to flow freely within a cross-border banking group in the Banking Union;
- increasing coordination by taking a holistic view of the overall level of capital demand within and across the Banking Union;
- further harmonising the regulatory framework and reducing non-prudential barriers;
- avoiding deviation from the Basel standards and restating that regulatory backstops, including the output floor and the non-performing exposures (NPE) backstop remain key to ensuring that risks are not underestimated;
- simplifying the macro prudential framework by reducing the number of macro prudential elements while preserving current competencies;
- guiding the calibration of all macro prudential elements through clear common principles and methodologies, including a single exercise;
- aligning the MREL and TLAC frameworks more closely while reviewing their interactions with the going-concern framework;
- expanding the degree of proportionality in the EU under the existing small and non-complex institutions (SNCI) regime in a prudential manner; and
- enhancing efficiency both for banks and supervisory authorities by achieving a more integrated and streamlined reporting framework.

## **ESMA consults on restricted subscription and private credit ratings**

The European Securities and Markets Authority (ESMA) has launched a [call for evidence](#) on the purposes, market practices, needs and risks associated with restricted subscription credit ratings and private credit ratings.

ESMA considers restricted subscription credit ratings as any credit rating that may be issued by credit rating agencies (CRA) registered or certified under the CRA Regulation, which are intended for distribution on a selective basis to a limited number of subscribers with an economic interest in the rated entity, instrument or exposure, rather than being disseminated publicly. Private credit ratings are credit ratings produced pursuant to an individual order and provided exclusively to the person who placed the order and which are not intended for public disclosure or distribution by subscription.

ESMA is inviting evidence-based responses and concrete examples drawn from market practice relating to:

- the characteristics and use cases of restricted subscription and private credit ratings, including their benefits compared with publicly disclosed ratings;
- the characteristics of the parties who are contracting for restricted subscription and private credit ratings and those to whom they are disclosed or distributed; and
- evidence on whether, and to what extent, the analytical processes, governance arrangements, and internal controls applied to restricted subscription and private credit ratings are comparable to those applied to public credit ratings.

Comments are due by 31 May 2026.

## **AMLA consults on group-wide requirements and business-wide risk assessment**

The Anti-Money Laundering Authority (AMLA) has launched two public consultations on [draft RTS](#) and [guidelines](#) that set out how obliged entities should identify, assess, and manage money laundering and terrorist financing (ML/TF) risks.

The draft RTS set out further guidance on the design and implementation of group-wide anti-money laundering and counter-terrorist financing (AML/CFT) frameworks under Articles 16 and 17 of the Anti-Money Laundering Regulation (AMLR). Specifically, the draft RTS clarify organisational aspects relating to group-wide AML/CFT requirements, define provisions relating to intra-group information sharing, extend certain requirements to structures other than groups, and provide criteria for identifying EU parent undertakings in those cases, as well as in cases where two or more obliged entities in the EU belong to a head office in a third country.

The draft guidelines are intended to assist obliged entities in conducting their business-wide risk assessments (BWRA). They propose four minimum requirements for the content of the BWRA: business and operational overview; identification, assessment and classification of the obliged entity's inherent risks; assessment of the quality of AML/CFT/non-implementation and evasion of targeted financial sanctions controls; and assessment and classification of residual risks. They also provide a list of

additional sources of information that obliged entities can take into account when conducting their BWRAs, in addition to those already listed in Article 10(1) of the AMLR.

Comments are due on both consultations by 15 June 2026.

### **MiFID2: EU Commission adopts RTS on firms' order execution policies**

The EU Commission has adopted a [Delegated Regulation](#) setting out regulatory technical standards (RTS) on how investment firms should establish their order execution policies and assess their effectiveness under MiFID2.

In particular, the RTS include requirements on:

- the establishment of an investment firm's order execution policy - this includes the classification of financial instruments in which firms execute client orders and the selection of venues for the order execution policy;
- the investment firm's procedures and criteria to monitor and regularly assess the effectiveness of its order execution arrangements and order execution policy;
- the investment firm's execution of client orders through own account dealing; and
- how an investment firm should deal with specific client instructions.

### **CRR: EU Commission adopts RTS on equivalent legal mechanism for unfinished property**

The EU Commission has adopted a [Delegated Regulation](#) setting out RTS on what constitutes an equivalent legal mechanism to ensure the completion of a residential property under construction within a reasonable timeframe, as outlined in the Capital Requirements Regulation (CRR).

CRR Article 124 contains requirements for the assignment of risk weights for exposures secured by mortgages on immovable property and, among other things, sets out the conditions under which retail immovable property that is still under construction can be eligible for preferential risk weight treatment.

The RTS:

- define the requirements applicable to the protection provider, including regarding its creditworthiness and status as a regulated institution or insurance undertaking;
- set out the operational and legal features of a qualifying completion guarantee, including the obligation to cover all remaining construction costs or, where completion is not possible, to repay the credit institution an amount equivalent to the outstanding exposure;
- clarify that completion guarantees must be comprehensive, legally binding and enforceable, and must not contain clauses that allow the provider to unilaterally reduce or cancel its obligations; and

- confirm that, where the protection provider and the credit institution belong to the same group, the treatment of the property as completed may not be recognised at the consolidated level.

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

### **EMIR3: ESMA publishes AAR reporting templates**

ESMA has [published](#) reporting templates and instructions for active account requirement (AAR) reporting under the European Market Infrastructure Regulation (EMIR3).

The templates set out how organisations should report the information required by the AAR to the relevant competent authorities. According to ESMA, the templates should ensure a harmonised and consistent approach to AAR reporting and supervision across the EU.

The first AAR reporting submission is currently expected on 31 July 2026 and will cover the period from 25 June 2025 to 30 June 2026. Subsequent submissions will be due on 31 January and 31 July each year, covering a reference period of twelve months.

### **BoE publishes new and updated guidance on resolution**

The Bank of England (BoE) has [published](#) new and updated guidance on how it might implement the UK's resolution regime in the event of a bank failure.

In particular, the guidance comprises:

- a new operational guide to transfer resolution, which provides practical information on how the BoE might execute a transfer of shares or the business of a failed firm to either a private sector purchaser (PSP) or a bridge bank using its resolution powers. The guide focuses on the operational processes and arrangements that may be involved in each scenario; and
- an updated version of its operational guide to bail-in resolution, reflecting lessons learned from the failures of Silicon Valley Bank and Credit Suisse, as well as continued international work to enhance the credibility and effectiveness of bail-in. The key addition is the introduction of an alternate approach to bail-in where affected creditors receive non-transferable contingent beneficial interests.

Alongside these changes, the BoE requested and was granted a No-Action Letter from the US Securities and Exchange Commission (SEC). This confirmation is intended to provide additional assurance regarding the cross-border operability of bail-in.

### **FCA sets out open finance roadmap**

The Financial Conduct Authority (FCA) has published its [open finance roadmap](#), setting out its vision for a smart data future.

Open finance aims to unlock the potential for people and businesses to share their financial data securely with a range of financial services providers, helping them access mortgages, investments, savings and pensions. This is also intended to give financial services firms a more complete picture of consumers' and businesses' finances, enabling more

personalised and inclusive services, alongside more competitive pricing and stronger fraud protection.

The FCA intends to engage with industry, consumer groups and fellow regulators in 2026 to develop a range of practical open finance use cases. This will be done through the FCA's Smart Data Accelerator and PRISM (Prioritisation and Real-world Insights Selection Matrix) Taskforce. The FCA will work with HM Treasury on options for a regulatory framework for open finance by the end of 2027. Finally, the roadmap sets out the FCA's longer-term activities up to 2030, intended to support scaling up and delivery.

### **FCA consults on cryptoasset perimeter guidance**

The FCA has published a [consultation paper](#) (CP26/13) on its proposed perimeter guidance for the UK's future crypto regime.

The proposed guidance is intended to help firms understand how they might be affected by the new regulatory regime for cryptoassets, which is coming into force in October 2027. In particular, the FCA is seeking feedback on its interpretation of the following regulated cryptoasset activities:

- issuing qualifying stablecoin;
- operating trading platforms;
- dealing and arranging deals in qualifying cryptoassets;
- safeguarding cryptoassets; and
- staking.

Comments are due by 3 June 2026.

### **FCA finalises changes to UK short selling regime**

The FCA has published a [policy statement](#) (PS26/5) on changes to the UK short selling regime. The PS follows the FCA's consultation (CP25/29) on its proposed changes and use of its emergency powers under the Short Selling Regulation (SSR) 2025.

Changes outlined in the PS include:

- extending the deadline for firms submitting position reports;
- creating a new model for aggregated net short position (ANSP) disclosures;
- streamlining and automating reporting and exemption notification systems to make submissions easier, including by allowing bulk submissions; and
- simplifying notification requirements for the market maker exemption.

The new rules will come into force on 13 July 2026. Implementation will be in two phases: phase 1 will take effect on 13 July 2026 and will include the implementation of the short selling rules, changes to systems to facilitate the disclosure of new ANSPs, and the reportable shares list. Phase 2 will take effect on 30 November 2026 and includes a system update to facilitate bulk position reporting submissions.

## **CPMI-IOSCO report on UK's implementation of Principles for Financial Markets Infrastructure**

The Bank for International Settlements' Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) have published a [report](#) on the UK's implementation of the Principles for Financial Market Infrastructures (PFMI).

The report highlights that the UK's framework for systematically important payment systems (PSs) and central securities depositories (CSDs)/securities settlement systems (SSSs) is complete and consistent with the CPMI-IOSCO Principles, adding that the legal, regulatory and oversight framework for CSDs/SSSs is also largely consistent with the Principles.

However, the report notes some areas for improvement, particularly in relation to risk and governance principles, where implementation was broadly, partly, or inconsistently applied.

## **OFSI publishes 2026-2029 strategy**

The Office of Financial Sanctions Implementation (OFSI) has published a [document](#) setting out its strategy for 2026-2029.

The strategy is aimed at delivering:

- an enhanced understanding of threats grounded in data;
- high quality licensing, enforcement and compliance support; and
- strong partnerships with industry across government and internationally.

The document sets out key performance indicators (KPIs) which are to be met through the OFSI's Promote, Enable, Respond and Change (PERC) framework. Delivering the strategy under the PERC framework will involve:

- continuously making sanctions rules, risk and expectations clearer so that compliance is the best option and noncompliance is visibly costly;
- removing friction for legitimate activity and ensuring firms can comply at pace, first time;
- protecting the system through visible, proportionate and timely enforcement and early disruption of harm; and
- moving beyond one-off fixes to sustained compliance cultures in firms and sectors.

## **PRA publishes business plan and consults on regulated fees and levies for 2026/27**

The Prudential Regulation Authority (PRA) has published its [business plan](#) for 2026/27. The business plan sets out the workplan for each of the PRA's strategic priorities for 2026/27, which comprise:

- ensuring the continuing safety, soundness and resilience of the banking and insurance sectors;
- continuing to identify and monitor emerging risks and contributing to international policy in this area;

- supporting competition, dynamism and innovation in financial markets, ensuring the UK remains an attractive international financial centre; and
- increasing its efficiency and productivity as a regulator.

The PRA has also published a [consultation paper](#) (CP7/26) setting out proposals for its fees for 2026/27, including:

- the fee rates to meet the PRA's 2025/26 Annual Funding Requirement (AFR);
- lowering the new firm authorisation fee charged to Type 1 applications from prospective friendly societies and credit unions to GBP 0;
- increases in the internal model application fees, model maintenance fees and special project fees for restructuring;
- setting out how the PRA intends to allocate the surplus from the 2025/26 AFR (Chapter 3); and
- the retained penalties for 2025/26 (Chapter 4).

Comments are due by 15 May 2026.

### **CRD6: Transposition Ordinance published in France**

An [Ordinance](#) (French) transposing the sixth Capital Requirements Directive (EU) 2024/1619 (CRD6) into French law has been published in the Official Journal. CRD6 is part of the European banking package and implements the final elements of the Basel III framework.

The Ordinance amends the conditions under which third-country banks may provide services in France through branches, incorporates ESG risks into the banking supervisory framework through the requirement for banks to draw up transition plans and strengthens the independence and supervisory powers of regulators, in particular regarding the oversight of appointments within banks and their financial transactions.

### **Japanese Cabinet approves bill to amend Financial Instruments and Exchange Act to tighten insider trading and market misconduct rules**

The Japanese Government has [submitted](#) (Japanese) to the Diet a bill approved by the Cabinet to amend the Financial Instruments and Exchange Act (FIEA), which is intended to strengthen deterrence against unfair securities trading and address gaps in the existing enforcement framework. The amendments focus on expanding the scope of persons subject to insider trading regulation, recalibrating penalty levels, and enhancing the investigatory and enforcement powers of the regulators.

Key aspects of the bill include an expansion of insider trading regulations, particularly in the context of tender offers. Advisors and other parties engaged in contractual negotiations with a tender offer target will now fall within the scope of insider trading regulation, aligning treatment more closely with the 'bidder side'. Administrative monetary penalties will also be increased across a range of violations, including insider trading connected with tender offers, large shareholding report breaches (with penalties rising significantly), and market manipulation using high-frequency trading strategies. In addition, penalties will be imposed on

those who provide accounts or otherwise assist unfair trading, and a new cooperation-based penalty reduction system will apply even after investigations commence.

The reforms further strengthen enforcement by expanding criminal penalties for unregistered financial business, granting additional investigatory powers to the Securities and Exchange Surveillance Commission, and digitalising criminal investigation procedures.

Although the bill remains subject to Diet deliberation and further detail will be prescribed through subordinate regulations and guidelines, most provisions are expected to come into force within one year of promulgation, with certain amendments to criminal and procedural measures taking effect earlier.

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.

[www.cliffordchance.com](http://www.cliffordchance.com)

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

© Clifford Chance 2025

Clifford Chance LLP is a limited liability partnership registered in England and Wales under number OC323571

Registered office: 10 Upper Bank Street, London, E14 5JJ

We use the word 'partner' to refer to a member of Clifford Chance LLP, or an employee or consultant with equivalent standing and qualifications

If you do not wish to receive further information from Clifford Chance about events or legal developments which we believe may be of interest to you, please either send an email to [nomorecontact@cliffordchance.com](mailto:nomorecontact@cliffordchance.com) or by post at Clifford Chance LLP, 10 Upper Bank Street, Canary Wharf, London E14 5JJ

Abu Dhabi • Amsterdam • Bangkok • Barcelona • Beijing • Brussels • Bucharest • Casablanca • Doha • Dubai • Düsseldorf • Frankfurt • Hong Kong • Istanbul • Jakarta\* • London • Luxembourg • Madrid • Milan • Moscow • Munich • New York • Paris • Perth • Prague • Rome • São Paulo • Seoul • Shanghai • Singapore • Sydney • Tokyo • Warsaw • Washington, D.C.

\*Linda Widyati & Partners in association with Clifford Chance.

Clifford Chance has a co-operation agreement with Abuhimed Alsheikh Alhagbani Law Firm in Riyadh.

Clifford Chance has a best friends relationship with Redcliffe Partners in Ukraine.