

# GENERAL DEVELOPMENTS

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## August 2016

### [AMICE expresses concerns over Commission Delegated Regulation supplementing PRIIPs Regulation](#)

The Association of Mutual Insurers and Insurance Cooperatives in Europe (AMICE) has published a [letter](#) sent to the European Parliament expressing concerns in relation to the European Commission Delegated Regulation supplementing the Regulation on key information documents (KIDs) for packaged retail and insurance-based investment products (PRIIPs). AMICE highlight that the delegated regulation needs to address a number of issues including risk categorisation of insurance products and the calculation of credit risk.

*AMICE, 1 August 2016*

### [ECB crisis communication exercise for euro area financial market infrastructures report](#)

The ECB has published a [report](#) on the crisis communication exercise for euro area financial market infrastructures. The ECB reports that overall the TITUS exercise was successful and the crisis communication arrangements worked well during the exercise.

*ECB, 1 August 2016*

### [FCA Handbook Notice No 35 and response to CP16/8](#)

The FCA has [published](#) a handbook notice setting out the responses it received to Quarterly Consultation No 12 and the relevant final instrument. The instrument amends the definition of reverse takeovers, prescribes reporting formats for reports on payments to the government and amends the Prospectus Rules to reflect ESMA opinions. It comes into force on 29 July 2016.

*FCA, 29 July 2016*

### [FX remediation programme: new webpage from FCA](#)

A new webpage [published](#) by the FCA has set out next steps for its foreign exchange (FX) remediation programme. The programme was launched in November 2014 to address failings and improve standards across the market with participating firms undertaking extensive reviews. Further steps now include firms who were not involved in the original programme to consider implementing some of the plans for their FX business; firms should continue building on improvements taking into account publication of the FX global code of conduct; and managers should ensure staff satisfy market standards of practice.

*FCA, 28 July 2016*

### [Annuity-related complaints handled by FOS fall](#)

Annuity [complaints](#) have fallen to lower levels than before pension freedoms were introduced. From April to June this year, the Financial Ombudsman Service (FOS) received 128 new cases compared to 150 in the same quarter prior to the introduction of the pension reforms in April 2014. Personal pension complaints rose by 57% in the first quarter of this financial year, with 461 complaints received in the first quarter of the financial year compared to 294 in the same period the previous year.

*Professional Adviser, 26 July 2016*

### [FMSB publishes comment on draft binary options standard](#)

The FICC Markets Standards Board (FMSB) has [published](#) for comment a draft binary options standard for the commodities markets. The standard aims to improve conduct in the FICC (fixed income, currency and commodities) markets and sets out expected behaviours for FMSB member firms. Comments must be received by 14 October 2016 and the FMSB expects to publish a final version of the standard when responses have been evaluated.

*FICC Markets Standards Board, July 2016*

## Dark pools and broker crossing networks report from FCA

The FCA has [published](#) findings of a thematic review into dark pools and broker crossing networks which looked at promotional activity, conflict of interest and governance, and suggests areas for improvement. Suggested areas for improvement included providing clearer detail about the design and operation of dark pools to users.

*FCA, 21 July 2016*

## PRA issues "Dear CEO" letter on firm engagement and insurance firms in run-off

The PRA has [published](#) a "Dear CEO" letter to remind insurance firms of their continuing responsibilities in relation to run-off of their notification obligations. The PRA point out that there have been a number of instances where they have had to send out this letter to firms where the process was not engaged with by firms at a sufficiently early stage.

*Bank of England, 18 July 2016*

## Council of EU decision on position on incorporation of financial services legislation into EEA Agreement

Published in the Official Journal (OJ), the [Council Decision](#) of 12 July 2016 sets out the position to be adopted on behalf of the EU, within the EEA Joint Committee concerning amendments to Annex IX (Financial Services) to the EEA Agreement. The next step will be for the EEA Joint Committee to adapt a joint committee decision on the amendments to Annex IX.

*Official Journal of the EU, 19 July 2016*

## FSB: second interim progress report on reforming major interest rate benchmarks

The Financial Stability Board (FSB) has [published](#) an interim report examining progress towards implementing the FSB's recommendations for reforming major interest rate benchmarks. The FSB found that since July 2015 the administrators of three major interbank offered rates have all made good progress towards implementing the recommendations. However, more progress needs to be made to identify risk-free interest rate benchmarks.

*FSB, 19 July 2016*

## ESMA Q&As on prospectuses published

ESMA [published](#) version 25 of its questions and answers on prospectuses on 15 July 2016 which updates the previous version with additions including two new questions around requirements of information provided at a roadshow.

*ESMA, 15 July 2016*

## APFA annual survey of the advice industry

The Association of Professional Financial Advisers (APFA) has [launched](#) its third annual survey of the advice industry ahead of compiling the 'Cost of Regulation Index' which allows it to monitor the costs of regulation and compliance for the sector.

Advisers can take part by going to the [survey](#) online. The deadline to respond by is 8 August 2016.

*APFA, 14 July 2016*

## Terms of reference for retirement outcomes review published by FCA

The FCA has [published](#) the terms of reference for its retirement outcomes review (MS16/1), which is intended to assess the development of competition in the retirement income market and the response of firms and consumers to the pension freedoms introduced in April 2015. Key topics explored include shopping around, switching, the non-advised consumer journey, business models and the impact of regulation on retirement outcomes. The FCA is seeking responses on a series of questions set out in the terms of reference by 31 August 2016.

*FCA, 14 July 2016*

## Revised financial services offer in context of TTIP negotiations released by EC

The European Commission (EC) has [published](#) a document setting out the EU's revised financial services offer with a schedule of commitments and reservations, made in the context of the Transatlantic Trade and Investment Partnership negotiations. A further [press release](#) explains there are nine such documents setting out the EU's negotiating position on regulatory co-operations in a number of areas and sectors. The documents are intended to simplify technical regulations without lowering standards, and to set global rules of trade.

*European Commission, 14 July 2016*

## ROC policy document on including data on international/foreign branches in the LEI System

The Regulatory Oversight Committee (ROC) of the Global Legal Entity Identifier (LEI) System has [published](#) a document on including data on international/foreign branches in the Global LEI System. The ROC state that the reasoning behind this is for both public sector and private sector needs.

*ROC, 11 July 2016*

## ESMA publishes responses to its consultation on technical advice on benchmarks regulation

ESMA has [published](#) the responses received to the Consultation Paper on technical advice on Benchmarks Regulation. ESMA intends to submit a final report containing the final technical advice to the EC in October 2016.

*ESMA, 7 July 2016*

## Call for further technical advice on prudential requirements

The EBA has received a [call for advice](#) from the EC relating to the prudential regime for investment firms under the Capital Requirements Regulation and CRD IV Directive. The EC is seeking further technical advice from the EBA on the basis that the current prudential regime for investment firms is not fit for purpose.

*European Commission, 06 July 2016*

## Updated final standard on revisions to Basel III securitisation framework

The Basel Committee on Banking Supervision (BCBS) has issued an updated [final standard](#) on revisions to the Basel III securitisation framework (BCBS374). This is part of the BCBS' continued work relating to securitisation in the Basel framework and follows a consultation on the proposed treatment of STC (simple, transparent and comparable) securitisations in November 2015. The standard sets out additional criteria for differentiating the capital treatment of STC securitisations from other securitisation transactions.

*Bank for International Settlements, 11 July 2016*

## EIOPA advice on development of EU single market for PPP

The European Insurance and Occupational Pensions Authority (EIOPA) have [published](#) final advice given to the EC on developing a single market for personal pension products (PPP). This assesses the opportunities to improve personal pensions that a standardised pan-European personal pensions product (PEPP) would bring. The advice does not cover conventional public pensions systems or occupational pensions systems.

*European Insurance and Occupational Pensions Authority, 04 July 2016*

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