Wake up to Brussels

EU Financial Services Regulation: an update

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Building a better working world

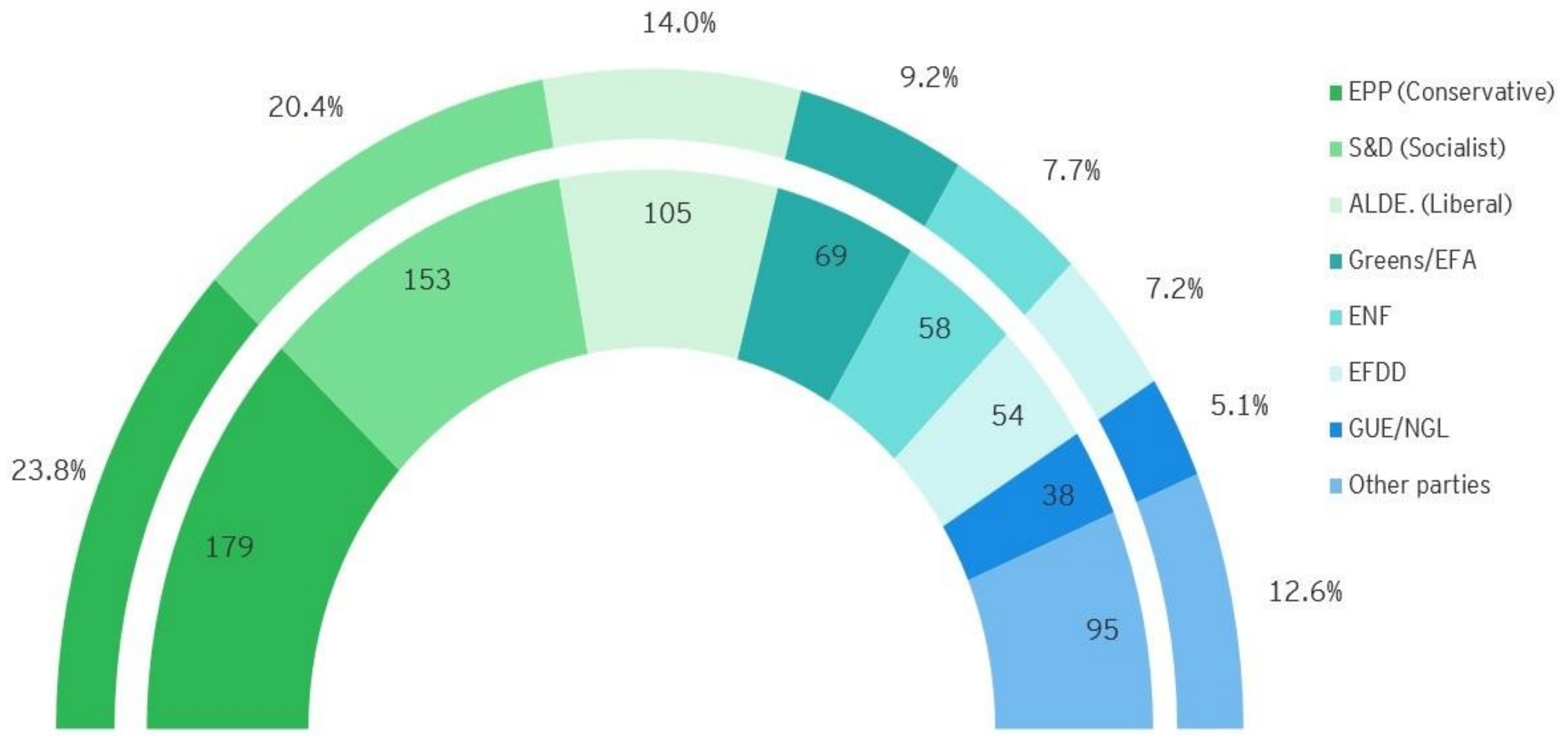
Useful acronyms

- ABCP — Asset-Backed Commercial Papers
- ABS — Asset-Backed Securities
- AIFs — Alternative Investment Funds
- AIFMD — Alternative Investment Fund Managers Directive
- AMs — Asset Managers
- AML – Anti-Money Laundering
- AQR — Asset Quality Review
- ASF — Available Stable Funding
- BCBS — Basel Committee on Banking Standards
- BEPS — Base Erosion and Profit Shifting
- BIS — Bank of International Settlements
- BRRD — Bank Recovery and Resolution Directive
- BSR — Banking Structural Reform
- CCCTB — Common Consolidated Corporate Tax Base
- CCP — Central Counterparty
- CFTC — Commodity Futures Trading Commission
- CMU — Capital Markets Union
- CNAV — Constant Net Asset Value
- COP21 — The 21st session of the Conference of the Parties
- CRR/CRD — Capital Requirements Regulation/Directive
- CVA — Credit Valuation Adjustments
- DG — Directorate General
- DGS — Deposit Guarantee Scheme
- DTA — Deferred Tax Assets
- DPO — Data Protection Officer
- EBA — European Banking Authority
- EC — European Commission
- ECB — European Central Bank
- ECJ — European Court of Justice
- ECON — Economic and Monetary Affairs Committee
- ECPs — Eligible Counterparties
- EDIS — European Deposit Insurance Scheme
- EEA — European Economic Area
- EFSF — European Financial Stability Facility
- ESM - European Stability Mechanism
- EIOPA — European Insurance and Occupational Pensions Authority
- ESG — Environmental, Social and Governance
- ETF — Exchange Traded Funds
- FATF — Financial Action Task Force
- FSB — Financial Stability Board
- FTAs — Free Trade Accounts
- ELTIF — European Long Term Investment Funds
- EMIR — European Market Infrastructure Regulation
- EOI – Exchange of Information (Tax)
- EP — European Parliament
- ESAs — European Supervisory Authorities
- ESFI — European Fund for Strategic Investment
- ESMA — European Securities and Markets Authority
- ESM — European Stability Mechanism
- ESRB — European Systemic Risk Board
- EU — European Union
- FX — Foreign Exchange
- FMIs - Financial Market Infrastructures
- GATS — General Agreement on Trade in Services
- GDP — Gross Domestic Product
- G-SIBs — Global Systemically Important Banks
- G-SIIFIs — Systemically Important Financial Institution
- G-SIIs — Global Systemically Important Insurers
- HFT — High-Frequency Trading
- IBIP — Insurance Based Investment Products
- IDD — Insurance Distribution Directive
- IHC - Intermediate Holding Company

Useful acronyms (contd.)

- IFA — Independent Financial Advisor
- IFRS — International Financial Reporting Standards
- IORP — Institutions for Occupational Retirement Provision
- IOSCO — International Organisation of Securities Commissions
- IRB — Internal Ratings Base
- IRS — Interest Rate Swap
- ITS — Implementing Technical Standards
- JST — Joint Supervisory Teams
- KID — Key Information Document
- LCR — Liquidity Coverage Ratio
- LNAV — Low Volatility Net Asset Value
- LR — Leverage Ratio
- MEP — Member of European Parliament
- MiFID II — Markets in Financial Instruments Directive
- MiFIR — Markets in Financial Instruments Regulation
- MMF — Money Market Funds
- MPE — Multiple Point of Entry
- MREL — Minimum Required Eligible Liabilities
- MTFs — Multilateral Trading facilities
- MDA — Maximum Distributable Amount
- NAV — Net Asset Value
- NCA — National Competent Authorities
- NFEs — Non-financial Entities
- NPLs — Non-Performing Loans
- NSA — National Supervisory Authorities
- NSFR — Net Stable Funding Ratio
- OECD — Organisation for Economic Cooperation and Development
- OFT — Organised Trading Facilities
- O-SIIS — Other Systemically Important Institutions
- OTC — Over-The-Counter
- PID — Process Identification Number
- POG — Product Oversight and Governance
- P/L — Profit/Loss
- PRIIPs — Packaged Retail and Insurance-based Investment Products
- QCCP — Qualifying Central Counterparty Clearing
- QE — Quantitative Easing
- RSF — Required Stable Funding
- RTSs — Regulatory Technical Standards
- RWA — Risk-Weighted Assets
- SCR — Solvency Capital Requirements
- SFT — Securities Financing Transactions
- SLAs — Securities Lending Activities
- SME — Small and Medium-sized Enterprise
- SPE — Single Point of Entry
- SRB — Single Resolution Board
- SREP — Supervisory Review and Evaluation Process
- SRF — Single Resolution Fund
- SRM — Single Resolution Mechanism
- SRRF — Single Resolution Regime Fund
- SSI — Systemically Important Institutions
- SSM — Single Supervisory Mechanism
- STS — Standardised and Transparent Securitisation
- S&P — Standard & Poors
- UCITS — Undertakings for Collective Investments in Transferable Securities
- UFR — Ultimate Forward Rate
- TCFD — Task Force on Climate-related Financial Disclosures
- TLAC — Total Loss-Absorbing Capacity
- VNAVs — Variable Net Asset Values
- WAL — Weighted Average Life
- WAM — Weighted Average Maturity
- WTO — World Trade Organisation

European Parliament elections outcome:
Fragmentation, more ideologically diverse, challenging for EU financial services



- Dilution of dominant centre-left/centre-right, pro-integration political groups
- Presence of populist, anti-immigration, 'Sovereigntist' parties, with anti-finance flavour: 25% of total seats
- Increased seats for Greens pushing sustainability agenda: +40% hike
- Challenges in passing new legislation

Completing the regulatory agenda
An important transitional EU Presidency under Finland (July-December 2019)

Safeguarding financial stability in banking and non-banking

Legislation ratified during Romanian Presidency

- **Capital requirements (CRDV/CRR2) applying to banks**
  - **Non-performing loans (NPLs) measures**
  - **Amended bank recovery and resolution directive**
  - **Intermediate holding company** – for all foreign banks in the EU
- **Capital Markets Union (CMU)** – prospectuses, covered bonds, Crowdfunding & Securitisation packages
- **Prudential regime for investment firms** – capital, liquidity, reporting rules
- **EMIR 2.1** – clearing exemptions for small NFC's, pension funds
- **EMIR 2.2** – authorisation of CCPs and recognition regime for third-country CCPs
- **UCITS:** Amended Directive on cross-border distribution of collective investment funds

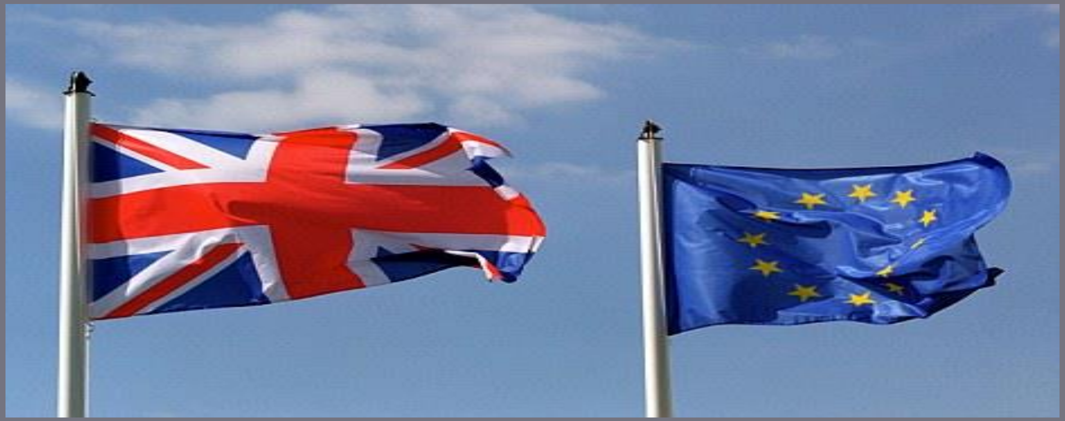
Future regulatory and monetary issues - banks

- **ECB:** Discontinued QE (€15b/month) end-2018 – created excess liquidity in banks to lend? 'Tiering' to exempt certain banks' deposits from 0.4% levy?
- **ECB:** Record low interest rate until mid-2020, perhaps beyond – impact on banks' profitability
- **Climate change/ESG risks:** Integrate sustainability factors into investment decisions, lending decisions, retail investor protection (MiFID, PRIIPS)
- Review of CRD/CRR regime (by June 2020) extending extra capital buffer to O-SIIs and other financial entities, i.e., settlement houses
- Introducing regulatory treatment of sovereign exposures, including concentration charges
- Examine incentives to enable banks off-load credit risks, i.e., syndicated loans, securitisation, loan sales, credit insurance
- Create centralized AML supervisor and transform AMLD into a Regulation

BREXIT: still facing a no-deal scenario
"The UK will not just become a normal third country" (Verena Ross, ESMA, May 2019)

Cleared Derivatives Temporary Equivalence decision

- 'Time limited (one year) and strictly conditional' EC equivalence decision – UK CCPs granted temporary recognition by ESMA: immediate implementation by end of October 2019
- Central Securities Depositories: conditional equivalence decision for 24 months
- For OTC contracts: 12-month transition period to allow UK counterparties to be replaced without triggering the clearing requirement



ESMA/UK Memoranda of Understanding

- ESMA and National Competent Authorities, incld. BOE, agree to Memorandum of Understanding (MOU): on exchange of information in relation to the supervision of credit rating agencies (CRAs) and trade repositories (TRs)
- ESMA and FCA MOU: 'will allow certain activities, such as fund manager outsourcing and delegation, to continue to be carried out by UK-based entities on behalf of EEA counterparties'

Dual-listed equities under MiFID II Share Trading Obligation

- ESMA abandons plan to ban EU fund managers and banks from trading 14 dual-listed stocks in London, post-Brexit (29 May).
- Battle to come: ESMA insisting on remaining 27EU dual-listed stocks be traded on EU venues.
- MiFIDII/MFIR exemptions allowed if the trades are:
  - Non-systematic, ad-hoc, irregular and infrequent.
  - Carried out between eligible and professional counterparties
  - Do not contribute to the price-discovery process

No matter what happens the revised EU Equivalency regime applies to all third countries

The only route to the Single Market for third countries, but Brexit heavily shaping the future EU regime

Political Declaration on future EU/UK relations (November, 2018)

- Freezes current arrangements, i.e., passporting until end 2020 transition
- Equivalence: EU/UK to conduct assessments of each other's rulebooks after UK withdrawal, to conclude before the end of June 2020
- Outcome to include 'adoption, suspension and withdrawal of equivalence decisions, information exchange and consultation on regulatory initiatives'

EC expectations on revised equivalence regime

- Post-monitoring of enforcement and compliance
- On-site assessments
- Dual coverage: financial stability and market integrity risks, regulatory and supervisory equivalence
- Importance of size of the relevant third country market
- Interconnectedness between the markets and actors in the third country
- Risks of circumvention of EU rules
- Tax and anti-money laundering considerations assessment
- EP to have scrutiny role in approving equivalence decisions
- ESAs to be more involved in preparing equivalence decisions and monitoring/reviewing regulatory (with EC) and supervisory developments in third countries

In the absence of centralised ESMA vetting powers
Guidance to 27 EU NCAs on non-EU branches providing investment services/activities

No letter box entities please!

Areas for NCA scrutiny (February 2019):

- How the non-EU branch will contribute to the investment firm's or group's strategy?
- The activities and the functions to be performed by the non-EU branch (including any activity provided to the firm's HQ or other EU entities of the group) and their geographical distribution.
- The expected number and the geographical distribution of the clients linked to the non-EU branch.
- A description of the type of clients or counterparties associated with the branch and of how the investment firm will establish the contractual relationships and deal with those clients and counterparties
- A description of how the firm ensures that any local legal requirements in the non-EU jurisdiction do not interfere with the compliance by the EU firm with EU legal requirements

esma European Securities and Markets Authority

Upcoming Brexit-related review of MiFID/MiFIR (2020)

- Clearing 'Open Access' rules – choice to clients where they clear ETD's, and not only in the UK!
- Calibration of MiFID rules when UK no longer included in calculation of EU metrics collected by ESMA
- Direct reporting obligation of all Third-country entities and actors not subject to MiFIR

Revised Capital Requirements Regime (May 2019)
But not the end of the Basel saga for banks

Capital Requirements Directive V
Capital Requirements Regulation 2

- Leverage ratio requirement of 3% for all institutions and leverage ratio buffer for all global systemically important institutions
- Net stable funding requirement
- New proportionate market risk framework for reporting purposes, i.e., reducing reporting and disclosure requirements and simplifying market risk and liquidity rules for small, non-complex banks
- Requirement for Third country G-SIB-type banks and €40bn with significant activities in the EU to have an EU intermediate parent undertaking
- New total loss absorbing capacity (TLAC) requirement for G-SIIS
- Enhanced Minimum Requirement for own funds and Eligible Liabilities (MREL) subordination rules for G-SII's and other large banks
- New moratorium power for the resolution authority
- Targeted measures to cater for EU specificities
  - Incentives for investments **in public infrastructures**
  - **SME Factor**, lower capital charges + €2.5mn loans
  - Credit risk framework facilitating the disposal of **non-performing loans**

Outstanding issues

- Capital output floor vs. IRBA for credit risk
- New standardised measurement approach/operational risk
- Credit Valuation Adjustments

Green Factor

- CRDV/CRR2 integrates ESG/sustainability via additional disclosures
- **European Banking Authority** mandated to:
  a. Develop guidelines for inclusion of ESG risks in SREP and stress testing framework
  b. Develop possible regime for prudential regime of as sets linked to environmental/climate change

CRDV/CRR2 timeframe for implementation/ application

- **CRR2** – application 2 years after entry into force
- **CRDV** – implementation 18 months after EiF
- **TLAC** – application with immediate effect after EiF
- **Single Resolution Regulation** – application 18 months after EiF

Looking beyond Solvency II

Evolving insurance regulatory agenda into the future

Introducing proportionality for SCR calculations for immaterial sub-modules

Delegated Regulation to calculate SCR for Standardised Securitisations

EIOPA priorities 2019

- Review travel insurance rules and EU motor insurance directive
- Review SII remuneration rules
- Monitor emerging risks, i.e., IT-related/cyber risks

Strengthen cyber risk assessment, resilience and coverage

Review Solvency II 2020

Consider part/full transformation into a Regulation, with updates

Applying SII outsourcing rules to Cloud Solutions

The ECB/SSM
The new sheriff in town focuses on third country transactions, branches and investment arms

ECB: banking licences only granted if banks meet minimum criteria on staff and capital located in 27EU

- **Robust governance and risk management framework:** sufficiently knowledgeable staff, capabilities and robust IT systems to manage both existing and relocated business and risks. Exceptional usage of dual hatting or secondments of managers
- **No heavy reliance on third country risk hubs:** notably on intragroup back-to-back hedging strategies with third country entities
- **Sufficient independence:** local decision making capacities safeguarded; SSM entities retain control over the balance sheet. EU products/transactions with EU clients booked **onshore** and related risk management also located **onshore**

Frustrating ECB role – third country systemic investment firms and bank branches

- Limited to prudential supervision of 'systemic' firms + €30bn assets
- ECB/SSM framework does not cover third country branches or services provided directly from third countries – even if they are material – or services to professional clients and eligible counterparties
- ECB/SSM framework does not cover 'broker-dealer' areas of Banking Union supervised entities – even if they conduct 'bank-type' activities
- Third country banks can 'circumvent' ECB rules via 'empty shells', i.e., shift activities to third country or provide services from third country arm

Priorities

- FinTechs performing banking tasks outside regulatory parameter: 'same business, same risks, same rules' (Sabine Lautenschläger, ECB)
- Focus on key drivers of banking sector risks:
  - Stock of non-performing loans (NPLs) and potential for a build-up of future NPLs
  - Cybercrime and IT disruptions
  - Potential repricing in financial market
  - Low interest rate environment
  - Banks' reaction to new and existing regulations
  - Cases of misconduct (excluding AML)
  - Developments in real estate markets
  - Non-bank competition
  - Climate-related risks

Prudential rules for investment firms
'Remain financially viable and do not cause undue economic harm to their customers'

Tailored regime for smaller firms with stratified capital, liquidity and reporting rules

Categories	Criteria	MEP amendments
Class one investment firms	Total assets above **€15bn** (EU Council compromises: January 2019) ▶ Providing underwriting services of significant scale across EU ▶ Trading on own account ▶ Conduct 'bank-like' activities ▶ Systemic, highly inter-connected firms	▶ Full application of CRDIV/CRR and updates: ▶ Capital: focus on 'risk to customer' ▶ Liquidity: hold liquid assets equal to 33% of fixed overhead requirements ▶ **Third country branch mandatory** ▶ Subject of European Central Bank (ECB)/Single Supervisory Board (SSB) supervision under Banking Union rules
Class two investment firms	Firms in excess of the following size thresholds: ▶ Assets under management (AUM) above €1.2bn ▶ Client orders handled – €100mn/day for cash trades and/or and €1bn/day for derivatives ▶ Balance sheet total above €100mn ▶ Total gross revenues above €30mn	▶ Capital requirements pegged to 'k-factors' to measure risks: risk-to-customer, risk-to-market, risk-to-firm ▶ Risks linked to advisory tasks under AUM removed from scope ▶ Client money held at (custodian) bank under K-CMH removed from scope ▶ Need to have common definition of 'segregated accounts' (EC) ▶ Apply CRDIV governance rules and remuneration, but no bonus cap
Class three investment firms (small and non-interconnected)	Firms below the class two thresholds, and below four thresholds: ▶ €1.2bn AUM ▶ €1bn daily derivatives trades or less than €100mn p/day of client orders in cash trades ▶ Balance sheet total €100mn ▶ Total gross revenues €30mn from investment services	▶ Use of different instruments for own funds (deviate from CRR) ▶ Wider scope: cannot trade on own account, limited client assets/money under management, but can hold assets under non-discretionary (advisory) arrangements ▶ Remove single maximum ratio variable/fixed remuneration ▶ Remove country-by-country disclosures ▶ NCA's to determine on case-by-case basis appropriateness of applying banking requirements

Third-country establishment conditions
Rigorous pre- and post-establishment controls introduced

Incontestable conditions

- Third country Investment Firm branch imposed if total assets above **€15bn**
- Investment firms would also be monitored by the European Central Bank (but only at €30bn level)
- Respect conditions under Article 39 are fulfilled – prevents investment firms from avoiding the K-CON (concentration risk) capital requirement
- Investment firms prohibited from temporarily transferring the exposures exceeding a certain limit to another company, whether within the same group or not, or by:
- Undertaking artificial transactions to close out the exposure during the 10-day period and creating a new exposure, i.e., the limit to concentration risk remains at 25% of the investment firms' own funds

Annual reporting requirements to ESMA by third country firms providing services/performing activities to 27EU

- The scale and scope of the services and activities carried out by the firms in the EU, including the geographical distribution across Member States.
- The turnover and the aggregated value of the assets corresponding to the services and activities
- Whether investor protection arrangements have been taken, and a detailed description thereof
- The risk management policy and arrangements applied by the firm to the carrying out of the services and activities
- The governance arrangements, including key function holders for the activities of the firm in the EU

Intermediate EU-parent undertaking (IPU) Scrutinising foreign banks more closely

Capturing capital adequacy and resolvability of foreign banks in the EU

Scope

- G-SIIs: not automatically in scope
- EU subsidiaries and EU branches that collectively hold **€40bn** of assets
- Includes investment firms (authorised under MiFID II)
- Excludes fund managers, some asset managers, payment services providers, insurance companies and unregulated entities
- Does not require subsidiarisation of third-country branches

Third country branches reporting requirements

- Total assets linked the activities of the branch authorised in that member state
- Information on the liquid assets available to the branch, esp. availability of liquid assets in EU currencies
- Own funds at the disposal of the branch
- Deposit protection arrangements available to depositors in the branch
- Current risk management arrangements
- Governance arrangements, including key function holders for the activities of the branch
- The recovery plans covering the branch

Key characteristics

- Derogation allowing two IPUs in the case where only one IPU would:
  1. Conflict with non-EU legal and regulatory rules require separation of activities in third country where the parent has its headquarters
  2. Render resolvability less efficient or impinge on financial stability of host country
- Application transition period – **three years** after application of CRDV
- Internal TLAC fixed at **90%** of own funds and eligible liabilities – if not resolution entities, set by host-state resolution agency
- Inclusion of third country branches in calculation of assets, but not supervised under IPU.
- Separately, EBA to examine:
  1. Extent of differentiation of national laws to foreign branches: result in regulatory arbitrage?
  2. If harmonisation of national regimes for third country branches are necessary and appropriate, especially for significant branches?

Putting final touches to EMIR
Some less burdensome clearing for smaller entities, but tougher rules for Third-country CCPs

EMIR 2.2 for Third country CCPs

- Two-tier system for Third county CCPs:
  - **Tier 1** = systematically important CCPs
  - **Tier 2** = non-systematically important CCPs
- ESMA designated exclusive supervisory oversight of third country Tier 2 CCPs + enhanced 'advisory' role by central banks of issue
- ESMA to determine if Third-country CCP is systemically important or likely to become systemically important for the financial stability of the EU/Member State, with criteria (delegated act):
  - Volumes of instruments cleared: complexity, price volatility, maturity, Euro/non-Euro
  - Amounts of collateral, default funds and liquidity held
  - Recovery and resolution arrangements in place.
  - Membership and business structure.
  - Availability of substitutes to take up the contracts in case of disruption.
- Also, 'minimum elements', i.e., structure & executive-pay policies, safety buffers (margin requirements and liquidity), plus stress testing and reviews of risk models every 5-years

EMIR 2.1 simplification measures (EMIR Refit)

- **Small financial counterparties (SFCs)** exempted from clearing obligation when the volume of OTC derivatives too low to present an important systemic risk or is uneconomically viable – but still subject to EMIR's margin rules
- **Clearing thresholds (gross notional value):**
  - €1bn OTC credit and equity derivatives
  - €3bn OTC interest rate, foreign exchange, commodity and other derivatives
  - **Non-financial counterparties (NFCs) -** if thresholds exceeded in only one class of OTC derivative – subject to the clearing obligation for that one asset class – but comply with transaction reporting, timely confirmations, portfolio compression, reconciliation.

and...

EY

The EU Sustainability disclosure regime
The ‘E’ factor in ESG leaps to prominence in Brussels

EC package of measures

- Establishing a unified EU classification system of sustainable economic activities (taxonomy) = Eco labels
- Improving disclosure requirements on how institutional investors integrate environmental, social and governance (ESG) factors in their risk processes
- Creating a new category of benchmarks which will help investors compare the carbon footprint of their investments.
- Integration sustainability risks and factors into MiFIDII, UCITS and AIFMD - disclosures to retail

	Key regulatory initiatives
Taxonomy classification system	▶ Uniform criteria to determine whether an economic activity is environmentally sustainable ▶ Must contribute to 1) climate change mitigation; 2) climate change adaptation; 3) sustainable use and protection of water and marine resources; 4) transition to a circular economy, waste prevention and recycling; 5) pollution prevention and control; and 6) protection of healthy ecosystems ▶ EU Parliament wants fossil fuels, nuclear energy, gas infrastructure excluded
ESG Disclosures Regulation	▶ Applicable to UCITS management companies, AIFMs, MiFID investment firms, insurers, institutional investors and pension funds ▶ Requires disclosure of: a. The procedures financial actors have in place to integrate ESG risks into their investment and advisory process b. The extent to which ESG risks are expected to have an impact on the returns of the product or service provided, irrespective of whether or not sustainable investment objectives are pursued ▶ Product specific disclosure – how products fulfil/meet ESG sustainable investment objectives
Low-carbon Benchmarks	▶ A climate-transition benchmark – aligning benchmark portfolio with decarbonisation ▶ An EU/Paris-aligned benchmark – linked COP21 limit of global temperature increases to 1.5° above pre-industrial levels ▶ All EU benchmarks to disclose whether they pursue ESG objectives and if aligned with COP21 (except FOREX and interest rate benchmarks)

Integrating ESG, Climate Change risks into the investment and advisory process
Amending MiFID II and IDD

When providing portfolio management services, investment firms must satisfy the following criteria

- Meets the investment objectives of the client, the client’s risk tolerance and any preferences, including ESG preferences
- Information provision on length of time the client wishes to hold the investment, preferences regarding risk taking, risk profile, the purpose of the investment and ESG preferences
- Proof of adequate policies and procedures to ensure that clients understand the nature, features, costs, risks of investment services, and financial instruments selected for their clients, including ESG considerations
- Test client's knowledge, experience, attitude to risk, capacity to sustain losses and whether the client's investment objectives achieved by taking into account clients ESG preferences expressed

Scope

- Asset managers
- Insurance companies
- Pension funds
- Investment advisors

European Commission

EC updated non-binding guidelines in Non-Financial & Diversity Reporting Directive

Disclosing not only how the climate affects your entity, but also how you affect the climate - the 'double materiality' factor
How climate change may affect the entity's business model
The entity's due diligence, governance, and control policies relating to climate-related issues, including involvement of the board and management
Climate-related policies and an assessment of the entity's development, position, performance, and climate impact as a result of its policies
Climate-related risk factors that the entity has identified and a description of its risk determination and risk-management processes
Supporting key performance indicators (KPIs), to be defined in the updated guidelines, including specific KPIs for the insurance and banking sectors

EC FinTech Action Plan
market developments overtaking pace of EU policy

Opportunities and challenges for financial institutions, but a cautious approach pursued by EU regulators …

Action Points 2018-2019

- Guidelines for sandboxes and hubs
- Fitness of regulation for new technology – common EU standards and interoperable solutions
- EC comprehensive strategy on distributed ledger technology and blockchain addressing all sectors of the economy
- Review barriers limiting information-sharing between industry actors on cyber threats
- Develop EU legislative framework for CRYPTO ASSETS: transparency rules on primary markets/ICOs, security, investor protection – based on FSB/EBA work
- Create EU Financial Sector Cyber-security Initiative/Act

- **Crowdfunding platforms regulation**

European Commission

- EU-wide authorisation with EU passport
- Covers investment and loan-based business models
- Investment protection disclosures: risks and charges, i.e., insolvency risk to services and platforms
- Scope: Crowd Funding offers up to €8bn
- Immediate application

Going into the new EU mandate and beyond
Coming down the pipeline

- Revised EU depositories' rules: segregated records and safekeeping of clients funds, reconciliations, third country custodians
- Investment firms liquidity tests – ESMA guidelines
- EC review of MiFID regime
- EC review of EU Market Abuse Regime – common rules on administrative sanctions
- Harmonised disclosure standards for investment products – UCITS, PRIIPS KID
- Review of AIFMD – extend UCITs rule for retail AIF investors
- Develop Single Listing Rules + oversight for significant mid-caps, i.e., exceeding €1bn

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Thank You

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