

UPDATED AS AT 14 March 2022 (showing updates since 6 December 2022)

## Euroshore

EU (and UK) regulator commentary regarding Ukraine / Russia

### Financial Services Firms

Overview Table							
Key:		Key Topics Covered in Regulator Communication					Links to latest sector-specific commentary
		Sanctions implementation <sup>1</sup>	Valuation & Liquidity Management	Cybersecurity	Inside information and financial reporting	Other <sup>2</sup>	
Y (commentary provided); N (no commentary provided)							
Key Regulators	EU	Y	Y	Y	Y	Y	<a href="#">ESMA public statement on enforcement priorities for 2023 (28 Oct 2022)</a> <sup>3</sup> <a href="#">ESMA statement on prospectus supervision (7 July 2022)</a> <sup>4</sup> <a href="#">ESMA statement on side pockets (16 May 2022)</a> <a href="#">ESMA statement on half yearly reporting (13 May 2022)</a> <a href="#">EBA commentary (27 April 2022)</a> <a href="#">ECB FAQs (26 April 2022)</a> <a href="#">ESMA commentary (14 March 2022)</a>
	Belgium (FSMA and NBB)	Y	X	X	X	X	<a href="#">FSMA commentary (18 March 2022)</a> <a href="#">NBB commentary (28 February 2022)</a>
	France (AMF and ACPR)	Y	Y	Y	Y	Y	<a href="#">ACPR commentary 15 February 2023 (FR)</a> <a href="#">AMF commentary (13 January 2023) (FR)</a> <a href="#">AMF interview (2 November 2022) (FR)</a>

<sup>1</sup> The European Commission has published a list of sanctions adopted by the EU and related FAQs which can be found [here](#).

<sup>2</sup> For example, commentary on business continuity, open engagement with regulators and operations (e.g. acceptability of Ukrainian identification documents by credit institutions).

<sup>3</sup> ESMA, together with national enforcers, will pay particular attention to these priorities when monitoring and assessing the application of the relevant reporting requirements – including reporting on the impact of the Ukraine/Russia crisis.

<sup>4</sup> This confirms that infringements of EU sanctions can constitute sufficient legal basis for national regulators to refuse the approval of a prospectus.

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	Y	Y	Y	Y	Y	<a href="#">AMF commentary (28 Oct 2022) (FR)</a> <a href="#">AMF commentary (16 May 2022) (FR)</a> <a href="#">AMF commentary (5 May 2022) (EN)</a> <a href="#">AMF commentary (27 April 2022) (FR)</a> <a href="#">ACPR Q&amp;A on Ukraine (17 March 2022) (FR)<sup>5</sup></a> <a href="#">AMF commentary (15 March 2022) (FR)</a> <a href="#">AMF commentary (9 March 2022) (ENG)</a> <a href="#">AMF commentary (9 March 2022) (FR)</a>
Germany (BaFin and Bundesbank)	Y <sup>6</sup>	X	Y	X	Y	<a href="#">Federal Ministry of Economics and Climate Protection commentary (17 February 2023)</a> <a href="#">Federal Ministry of Economics and Climate Protection FAQs (updated 25 Nov 2022) (GER)</a> <a href="#">Bundesbank FAQ on sanctions (updated 5 August 2022) (GER)</a> BaFin FAQs (undated) ( <a href="#">ENG version</a> / <a href="#">GER version</a> ) <sup>7</sup> <a href="#">BaFin commentary (31 May 2022) (GERMAN ONLY)</a> <a href="#">BaFin commentary on acceptance by credit institutions of Ukrainian identity cards (7 April 2022) (ENG)</a>

<sup>5</sup> No publicly available commentary has been issued by ACPR for the banking sector as yet, only commentary from the AMF which regulates the asset management sector is currently publicly available. However more general [ACPR Q&As](#) are available.

<sup>6</sup> In addition to the broader sanctions commentary set out in the table, BaFin also issued [a press release on 9 April \(German only\)](#) in relation to a voting rights ban on PJSC VTB Bank, St. Petersburg (parent company of VTB (Europe) SE through its subsidiary, VTB Bank (Europe) SE. Further, on April 19, 2022, BaFin appointed a special representative with managerial powers at VTB Bank (Europe) SE. Together with the sole remaining member of the Executive Board, he will continue the repatriation of the business activities of VTB Bank (Europe) SE.

<sup>7</sup> This webpage contains various FAQs: FAQs about the deposit guarantee ([ENG version](#) / [GER version](#)); FAQs about payment transactions and transfers ([ENG version](#) / [GER version](#)); FAQs about investments ([ENG version](#) / [GER version](#)); Information for refugees from Ukraine ([ENG version](#) / [GER version](#)).

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Y (commentary provided); N (no commentary provided)							<a href="#">BaFin commentary on sanctions (14 March 2022)</a> (GERMAN ONLY) <a href="#">Bundesank FAQ on sanctions (7 March 2022)</a> (ENG)
Key Regulators	Ireland (CBI)	Y	Y	Y	X	Y	<a href="#">CBI commentary (updated 25 February 2023)</a> <a href="#">CBI commentary (updated 16 December 2022)</a> <a href="#">CBI commentary (16 May 2022)</a> <sup>8</sup> <a href="#">CBI commentary (March 2022)</a> <a href="#">CBI commentary (7 March 2022)</a> Direct communication between fund boards and CBI (25 February 2022)
	Italy (CONSOB and Bank of Italy)	Y	Y	Y	Y	Y	<a href="#">CONSOB commentary (undated)</a> (IT)
	Luxembourg (CSSF)	Y	Y	Y	X	Y	<a href="#">CSSF commentary (updated 27 February 2023)</a> (ENG) <a href="#">CSSF commentary (8 April 2022)</a> (ENG) <a href="#">CSSF FAQ commentary (31 March 2022)</a> (FR + ENG) <a href="#">CSSF FAQs on Liquidity Management Tools (31 March 2022)</a> (ENG) <a href="#">CSSF commentary (1 March 2022)</a> (ENG) Direct communication between certain firms and CSSF <sup>9</sup>

<sup>8</sup> The CBI has issued an approval process for UCITS side-pocketing arrangements.

<sup>9</sup> We understand that the CSSF has implemented a specific monitoring and reporting programme for some of the largest investment fund managers ("IFM") in view of the specific circumstances and risks to which these companies are exposed to as a result of the prevailing market conditions relating to the current situation in Ukraine. We understand that the CSSF has been in direct contact with these IFM, and that these IFM are required to notify CSSF of:

(a) events/issues affecting the functioning of the IFM or the investment funds managed by the IFM (e.g. valuation, liquidity), including also the impact of restrictive measures in response to the current situation in Ukraine if applicable; and (b) large redemptions (i.e. daily net redemptions at the level of Luxembourg regulated investment funds managed by the IFM exceeding 5% of NAV, net redemptions over a calendar week exceeding 15% of the NAV and/or application of gates/ deferred redemptions); and (c) certain additional information, if the IFM manages individual (sub-)fund(s) with a combined direct or indirect exposure (including exposure gained through derivatives) exceeding 10%

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Key Regulators	Netherlands (AFM and DNB)	Y	X	Y <sup>10</sup>	X	X	<a href="#">DNB commentary (25 November 2022)</a> (Dutch) <a href="#">DNB commentary (7 October 2022)</a> (ENG) <a href="#">AFM and DNB commentary (7 October 2022)</a> (Dutch) <a href="#">DNB commentary (16 September 2022)</a> (ENG) <a href="#">AFM commentary (1 September 2022)</a> (Dutch) <a href="#">AFM and DNB commentary (1 September 2022)</a> (Dutch) <a href="#">AFM and DNB commentary (1 August 2022)</a> (Dutch) <a href="#">DNB commentary (28 July 2022)</a> (Dutch) <a href="#">DNB commentary (30 June 2022)</a> <sup>11</sup> (Dutch) <a href="#">DNB commentary (7 June 2022)</a> (Dutch) <a href="#">DNB commentary (30 May 2022)</a> (Dutch) <a href="#">AFM and DNB commentary (3 May 2022)</a> (Dutch) <a href="#">DNB commentary (26 April 2022)</a> (ENG) <a href="#">AFM and DNB commentary (26 April 2022)</a> (ENG) <a href="#">AFM and DNB commentary (11 April 2022)</a> (ENG) <a href="#">DNB commentary (30 March 2022)</a> (Dutch) Direct communication between DUFAS members and AFM (17 March) <sup>12</sup> <a href="#">DNB commentary (17 March 2022)</a> (ENG)

of their Total Net Assets (TNA) to Russian and/or Ukrainian issuers. We understand that the CSSF is using this information to assist in its supervision, and as part of its broader discussions with other authorities to identify issues at an early stage.

<sup>10</sup> Commentary from DNB to the banking sector.

<sup>11</sup> Since 1 July 2022 institutions are able to submit their sanctions reports via the DNB's Digital Supervision Portal. In order to be able to use the Digital Supervision Portal, you must be authorised for the web service 'Request supervision'. More information about Digital Supervision And eRecognition can be found [here](#).

<sup>12</sup> We understand that the AFM issued a letter responding to questions from the Dutch Fund and Asset Management Association ("DUFAS") on 17 March. We understand that this letter provides some clarification to firms as to when and to which regulator reporting in relation to sanctioned investments should be made.

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Spain (CNMV and Bank of Spain)	X	X	X	X	X	None publicly available as yet
UK (FCA and PRA) (non-EU)	Y	Y	Y	X	Y	<a href="#">FCA central information webpage</a> (undated) <a href="#">FCA commentary on use of side pockets (6 July 2022)<sup>13</sup></a> <a href="#">FCA commentary (27 July 2022)</a> <a href="#">PRA commentary (28 April 2022)<sup>14</sup></a> <a href="#">Joint FCA and PRA commentary (11 March 2022)<sup>15</sup></a>

<sup>13</sup> The FCA has responded to feedback to CP22/8 (it's consultation on the use of 'side pockets' for retail funds with exposure to sanctioned and suspended Russian assets). It has also published final rules and guidance which allows authorised fund managers to create separate unit classes (side pockets) for retail investment funds affected by the invasion of Ukraine.

<sup>14</sup> This takes the form of a speech by David Bailey, PRA Executive Director, UK Deposit Takers Supervision on operational resilience. Whilst this discusses operational resilience in a broader context, mention is made of the challenges faced by firms in this area due to the Russia/Ukraine crisis – specifically the need to shift to remote working at short notice, address the risk posed by dependencies on services and third party providers (including those located in highly disrupted areas of the world), and highlighted an increasing need to focus on cyber resilience.

<sup>15</sup> Focussing on the use of cryptoassets to evade sanctions.