

# Financial Services Alerter

JANUARY 2020



## ESMA clarifies SFTR reporting requirements

On 6 January 2020, the European Securities and Markets Authority (ESMA) published a [final report](#), “Guidelines on reporting under Articles 4 and 12 SFTR” and associated guidelines. The final report provides, among other things, an overview of feedback received to proposed changes set out in a May 2019 consultation. The [guidelines](#) provide clarification on the implementation of several different provisions under SFTR.

## ESMA publishes final report on CCPs' membership criteria and due diligence

On 7 January 2020, the European Securities and Markets Authority (ESMA) published a [final report](#), “CCPs' Membership Criteria and Due Diligence”. Following the default of a physical person acting as a Direct Clearing Member on the Nasdaq Commodities clearing segment in September 2018, ESMA initiated a survey on CCPs' Membership Criteria and Due Diligence practices. The final report outlines ESMA's analysis and next steps.

## EBA report on use of big data and advanced analytics in the banking sector

On 13 January 2020, the European Banking Authority (EBA) published a [report](#), “Big Data and Advanced Analytics”, providing a background and overview of the current uses of big data and advanced analytics, and suggesting key pillars and elements of trust that could be incorporated into their use in the banking sector.

## ESMA publishes consultation on use of no data options in reporting under Securitisation Regulation

On 17 January 2020, the European Securities and Markets Authority (ESMA) published a [consultation paper](#), “Guidelines on securitisation repository data completeness and consistency thresholds”. The consultation period closes on 16 March 2020.

## ESMA introduces common supervisory action on supervision of UCITS liquidity risk management

On 30 January 2020, the European Securities and Markets Authority (ESMA) published a [press release](#) announcing that it would launch a Common Supervisory Action (CSA) with national competent authorities on the supervision of UCITS' managers liquidity risk management across the EU. The CSA will be carried out during 2020.

## ESMA publishes consultation on technical standards on MiFID2 third-country firm regime

On 31 January 2020, the European Securities and Markets Authority (ESMA) published a [consultation paper](#), “Draft technical standards on the provision of investment services and activities in the Union by third-country firms under MiFID2 and MiFIR”. The consultation period closes on 31 March 2020. ESMA intends to publish a final report addressed to the European Commission in Q3 2020.

## ESMA publishes statement on post-Brexit governance and reporting obligations

On 31 January 2020, the European Securities and Markets Authority (ESMA) published a [statement](#), "Update on governance and reporting obligations following the UK's withdrawal from the European Union", noting that from 1 February 2019:

- the FCA will no longer be a member of ESMA's Board of Supervisors or take part in ESMA's other governance bodies
- EU law will continue to apply to the UK from 1 February 2020 to 31 December 2020 (the Transition Period). During the Transition Period:
  - rights and obligations for UK entities under EU law will also continue to apply; and
  - ESMA will continue to directly supervise registered Credit Rating Agencies, Trade Repositories and Securitisation Repositories established in the UK.

## ISDA publishes guide to cross-border application of US, EU and Japan non-cleared derivative margin rules

On 7 January 2020, the International Swaps and Derivatives Association (ISDA) published a [report](#), "Guide to cross-border application of US, EU and Japan non-cleared derivative margin rules", examining how cross-border and substituted compliance rules under selected different margin regimes function.

## Central banks to assess cases for central bank digital currencies

On 21 January 2020, the Bank of England/PRA published a [press release](#), "Central Bank group to assess potential cases for central bank digital currencies", announcing that the central banks of Canada, Japan, the EU, Sweden, Switzerland, the UK and the Bank of International Settlements (BIS) have formed a group to assess potential cases for central bank digital currency in their home jurisdictions.

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