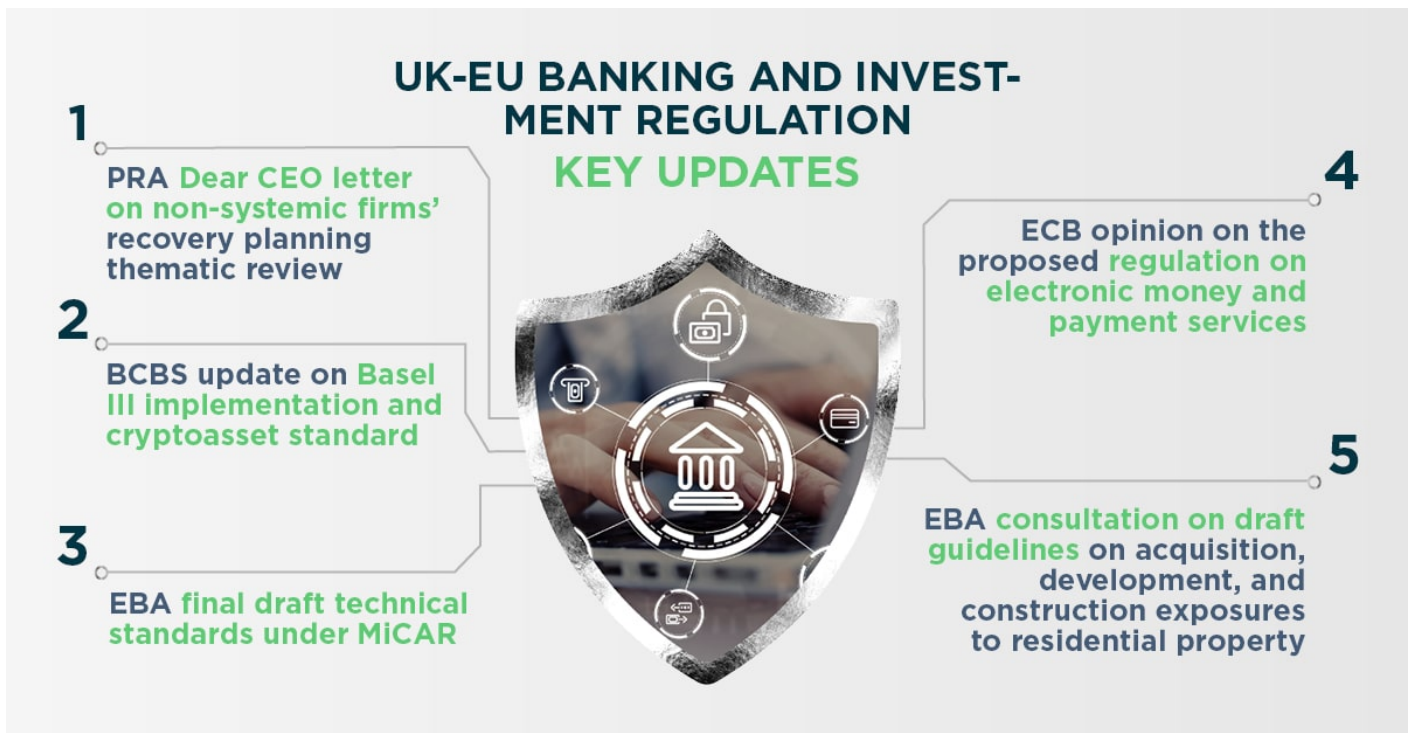


Financial Regulation - In The Know: UK-EU Banking and Investment Regulation

11 June 2024

In this edition, we discuss several hot topics in the UK and EU banking regulation. We provide an update on the UK Prudential Regulation Authority's recent Dear CEO letter giving its feedback following a thematic review of recovery planning requirements for non-systemic banks and building societies, a recent publication from the Basel Committee on Banking Supervision on Basel III implementation, the further technical standards published under the Markets in Crypto-Assets Regulation, and an opinion from the European Central Bank on the proposed regulation and directive on payment and electronic money services. Additionally, we include an update on the European Banking Authority's recently launched consultation in relation to Capital Requirements Regulation (CRR III). These changes impose strict regulatory deadlines and offer new business opportunities.



PRA publishes Dear CEO letter on non-systemic firms' recovery planning thematic review

On 15 May 2024 UK Prudential Regulation Authority (PRA) published a Dear CEO letter giving its feedback following a thematic review of recovery planning requirements for non-systemic banks and building societies. The letter sets out the areas for improvement, planned next steps, and effective

practice examples. Firms are expected to consider the actions outlined in this letter and update their recovery plans to meet the relevant requirements.

[Read here to know further on these requirements](#)

BCBS update on Basel III implementation and cryptoasset standard

On 13 May 2024, the Basel Committee on Banking Supervision (BCBS) published an update on the implementation of Basel-III and the Cryptoasset standard.

[Read more on the BCBS update here](#)

EBA publishes final draft technical standards under MiCAR

On 7 May 2024 the European Banking Authority (EBA) published further technical standards under the Markets in Crypto-Assets Regulation (MiCAR). These technical standards are key to regulate access to the EU market by applicant issuers of asset-referenced tokens (ARTs) and persons intending to exercise significant influence on these undertakings via the acquisition of qualifying holdings.

[Click here to know more about these standards](#)

ECB Opinion on a Regulation on electronic money and payment services

On 30 April 2024 the European Central Bank (ECB) issued its opinion on the proposed regulation and directive on payment and electronic money services. While the ECB strongly supports the proposal for a directive on payment and electronic money services and welcomes the aims of the proposed acts, it highlights several considerations for the EU legislator in progressing the proposals to further develop a Union-wide market for payment services.

[Discover more on these recommendations](#)

EBA Consultation on draft guidelines on acquisition, development, and construction exposures to residential property

On 17 May 2024, the EBA launched a public consultation on its guidelines under the Capital Requirements Regulation (CRR III) on acquisition, development and construction (ADC) exposures to residential property. The guidelines set out credit risk mitigation requirements and address the specificities of institutions that lend to public housing or non-profit entities.

[Read here to see more on this consultation](#)

Next steps

If you would like to get in touch or for more information on any topic in this newsletter, please email us.