

# Financial Regulatory Update

**August 2019**

Please find below our Financial Regulatory Update for August 2019. With these updates, K law aims to make your life a little easier by flagging relevant regulatory developments per sector. Because we understand that managing regulatory change is a major business issue in itself.

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## Brexit

30.08.2019 FSMA issues newsletter on the **registration duty of (re-)insurance intermediaries** in the event of a no deal Brexit, [NL](#) / [FR](#)

## General interest

21.07.2019 Entry into force of an amendment to the **Transversal Royal Decree** of 25 April 2014 leading to a disapplication of its provisions on the content of advertisements to the commercialization of investment instruments to retail investors (see new article 9 §1/1 and §3), [NL](#) / [FR](#)

06.08.2019 EBA publishes feedback on a review of the use, usefulness and implementation of the **Single Rulebook Q&A**, [ENG](#)

08.08.2019 ECB publishes its **Economic Bulletin** (issue 5/2019) including an article on the **crypto-asset phenomenon**, [ENG](#)

20.08.2019 EBA and ESMA send joint letter to the European Commission in response to the EC's letter of 19 July 2019 on **crypto-assets**, [ENG](#)

21.08.2019 FSMA warns the public against XTB-markets, a **suspicious cryptocurrency trading platform**, [ENG](#)

11.07.2019 EU Official Journal: publication of Directive (EU) 2019/1151 of 20 June 2019 amending Directive (EU) 2017/1132 as regards the use of **digital tools and processes in company law**, [ENG](#)

## Banking

05.08.2019 EBA publishes its **advice** to the European Commission on the implementation of the final **Basel III framework**, [ENG](#)

07.08.2019 ECB publishes **Consolidated Banking Data** for end-March 2019, [ENG](#)

08.08.2019 EBA publishes **opinion** on the eligibility of deposits, coverage level and cooperation between deposit guarantee schemes under the **Deposit Guarantee Schemes Directive**, [ENG](#)

09.08.2019 EBA updates the data used for the identification of **global systemically important institutions** (G-SIIs), [ENG](#)

09.08.2019 EBA updates its **Single Rulebook Q&A** on **CRR 2**, providing clarifications on business combination between banks which decided to apply the **static and dynamic phase** in the **IFRS 9 Transitional Arrangements**, [ENG](#)

14.08.2019 The Bank for International Settlements (BIS) publishes frequently asked questions on the **Basel III standardised approach for operational risk**, [ENG](#)

19.08.2019 The private sector [working group on euro risk-free rates](#) publishes recommendations on the **transition from EONIA to €STR** for cash and derivatives products, [ENG](#)

- 21.08.2019 EBA publishes phase 2 of its technical package on [reporting framework 2.9](#), [ENG](#)
- 28.08.2019 EBA publishes its annual update on **EU banks' funding plans and asset encumbrance**, [ENG](#)

## Lending

- 05.08.2019 Belgian Official Gazette: publication of the Royal decree of 16 July 2019 amending the Royal Decree of 14 September 2017 implementing the articles of Title XVII of Book III of the Civil Code relating to the use of the **national pledge register**, [NL](#) / [FR](#)

## Insurance

### *Belgium*

- 06.08.2019 Chamber of Representatives: draft law introducing a right for consumers to **terminate an insurance agreement free of charge** after the annual renewal date, [NL](#) / [FR](#)

### *EU*

- 06.08.2019 EIOPA publishes technical information on the symmetric adjustment of the **equity capital charge** for Solvency II with reference to the end of July 2019, [ENG](#)
- 06.08.2019 EIOPA publishes technical information on the **Relevant Risk Free Interest Rate Term Structures** for Solvency II with reference to the end of July 2019, [ENG](#)

## MiFID II / MiFIR

### *Belgium*

- 05.08.2019 FSMA implements into its supervisory practices [ESMA's guidelines 2019\\_17](#) on the application of C6 and C7 of Annex I of MiFID II regarding the **definition of (commodity) derivative contracts**, [ENG](#)
- 05.08.2019 FSMA publishes [Communication 2019\\_18](#) on positive and negative **findings** in relation to **product governance**, [NL](#) / [FR](#)
- 05.08.2019 FSMA publishes Circular 2019\_19 on the **report of the effective management** of portfolio management and investment advice companies on the **internal control** and the declaration of the effective management on the **periodic statements**, [NL](#) / [FR](#)
- 14.08.2019 FSMA publishes an update of the **fit and proper questionnaire** for candidates for a regulated function of a portfolio management and investment advice company, [NL](#) / [FR](#)
- 22.08.2019 The NBB publishes on its website a memorandum regarding the application for an **authorisation** as a **stockbroking firm** under Belgian law, [ENG](#)

## EU

- 01.08.2019 ESMA publishes data for the **systemic internaliser calculations** for equity, equity-like instruments and bonds under MiFID II, [ENG](#)
- 01.08.2019 ESMA makes available new **bond liquidity data** under MiFID II, [ENG](#)
- 07.08.2019 ESMA issues latest **double volume cap data** under MiFID II, [ENG](#)

## Asset management

- 30.07.2019 In view of the entry into force of article 7 of [Regulation 2019/1156](#) on the **cross-border distribution of UCIs** on 1 August 2019, the FSMA published:
- [Communication 2019 15](#) on the procedure for submitting **advertisements** relating to UCIs that will be marketed in Belgium, [ENG](#)
  - an update of [Circular 2015 16](#) on the rules that apply to **advertisements** when marketing financial products to retail clients, [ENG](#)
- 05.08.2019 FSMA publishes [Communication 2019\\_18](#) on positive and negative **findings** in relation to **product governance**, [NL](#) / [FR](#)
- 05.08.2019 FSMA publishes Circular 2019\_19 on the **report of the effective management** of UCI **ManCos** on the **internal control** and the declaration of the effective management on the **periodic statements**, [NL](#) / [FR](#)
- 14.08.2019 FSMA publishes an update of the **fit and proper questionnaire** for candidates for a regulated function of a portfolio management and investment advice company, [NL](#) / [FR](#)

## Payments

- 25.07.2019 The Dutch National Bank (DNB) confirms that it will also apply in the context of PSD2 the interpretation of the ECJ (case C-191/17) whether an **online savings account** was in scope of PSD1, [NL](#)
- 09.08.2019 EBA updates its **Single Rulebook Q&A** on **PSD2** regarding **strong customer authentication** and **common and secure communication**, see
- Question [2018 4047](#) (delegation of SCA to a third-party)
  - Question [2018 4057](#) (SCA at vending machines without PIN pad)
  - Question [2018 4230](#) (contactless transactions – SCA)
  - Question [2019 4661](#) (inclusion of time taken for SCA in performance KPI)
  - Question [2019 4681](#) (qualification of dedicated interface)
- 14.08.2019 EBA publishes **clarifications** to the fifth set of issues raised by its working group on **API's under PSD2**, [ENG](#)
- These clarifications respond to issues related to a.o.:
- Machine-readability of the central register of the EBA under PSD2
  - Measurement of response times of the dedicated interface
  - Contingency or “fallback” mechanism wrt the Identification of TPPs

through “guestbooks”

- Contingency or “fallback” mechanism wrt data that can be accessed
- Documentation of the contingency or “fallback” mechanism
- Availability of, and reliance on, eIDAS certificates

14.08.2019 EBF updates its **dedicated PSD2 website** in view of the countdown towards full PSD2 implementation on 14 September 2019, [ENG](#)

27.08.2019 NBB publishes announcement setting out its **expectations** regarding the market implementation of the procedure of **SCA** in the framework of **e-commerce**, [ENG](#)

## Compliance/AML

26.08.2019 The FPS Finance updates its **FAQ on UBOs** confirming that (in)direct subsidiaries which are 100% owned by listed companies do not need to register UBOs (see section 2.1.4), [NL](#)

## Capital markets

09.07.2019 FSMA publishes [Communication 2019 13](#) on the **procedure** for the submission and handling of dossiers relating to **public offers**, [ENG](#)

29.07.2019 ICMA publishes briefing on the importance of **integrated capital markets and CMU**, [ENG](#)

30.07.2019 ICMA publishes its response to ESMA’s [consultation](#) on draft guidelines in relation to **SFTR Reporting Guidelines**, [ENG](#)

## Market Infrastructures

Nothing important to report.

## Agenda

06.09.2019 Deadline approaching to reply to ESMA’s call for evidence on the impact of the **inducements and costs and charges disclosure requirements** under MiFID II, [ENG](#)

16.09.2019 Deadline extended of the European Payment Council’s public consultation on draft **Mobile initiated SEPA Credit Transfers Interoperability Implementation Guidelines**, [ENG](#)

## DISCLAIMER

*Although we aim to provide you with a comprehensive overview of the most recent regulatory developments, we cannot guarantee to provide you with an exhaustive overview of all relevant developments in this newsletter. This newsletter is compiled with the greatest care but the information comprised herein is intended as general information and cannot be regarded as legal advice. K law cannot accept any liability for the consequences of making use of this information without its cooperation.*