

Being better informed

FS regulatory bulletin

FS Regulatory Insights

September 2021

In this month's edition:

- General insurance: FCA reveals product governance concerns
- Investment firms: FCA issues final IFPR consultation
- Stress tests: PRA outlines next year's insurance exercise



Executive summary

**Hannah Swain**

Director, FS Regulatory Insights

swain.hannah@pwc.com



Welcome to this edition of ‘Being better informed’, our monthly FS regulatory bulletin, which aims to keep you up to speed with significant developments and their implication across all the financial services sectors.

August was a quieter month for regulatory developments, due to the usual summer slowdown. But it still brought important developments, most notably for investment firms on the IFPR, and for insurers on stress tests and product governance.

Starting with the former, the FCA published its third and final consultation on the IFPR, wrapping up its proposals for the remaining elements of the regime. The consultation covers issues such as pillar 3 disclosures, and defers certain elements including ESG disclosures, which the FCA wants to tackle more broadly. The consultation closely follows the FCA’s second IFPR policy statement, so firms will be digesting both papers. The FCA still anticipates the regime coming into force on 1 January 2022, and while more communications may come during the autumn, firms now have the vast majority of the final rules and need to work on ensuring compliance from 1 January 2022.

In the insurance sector, the PRA issued a Dear CEO letter setting out the high-level scope and timelines for next year’s stress test. The PRA plans to launch the Insurance Stress Test in May 2022, and firms will need to submit their results to the regulator in September. The PRA then plans to publish its feedback to the industry in December. For life insurers, the exercise will primarily focus on economic stresses, while for general insurers, it will focus on natural catastrophe perils and cyber underwriting risk. The PRA plans to share the scenario designs shortly for industry comment.

Meanwhile, general insurers should reflect on the findings of an FCA review into product governance and value. The review looked at how firms design, sell and review their products to ensure they met the needs of their customers. While the FCA identified some good progress, it also found weaknesses in firms’ practices. These include an insufficient focus on customers, outcomes and product value (including when considering value in the context of COVID-19), and shortcomings in

governance and oversight of products. The regulator expresses concern that many firms are unprepared to meet enhanced rules on product governance, which come into force at the beginning of next month, so urgent work is required from some to meet the FCA’s expectations.

In addition to this month’s articles, you can find further regulatory insights on our PwC [webpage](#), including the latest episode of our [LIBOR transition podcast series](#), and our [Reflections](#) article on climate risk reporting for asset managers and owners.

We hope you enjoy this edition of Being better informed.

Hannah Swain

Director, FS Regulatory Insights

M: +44 (0) 7803 590553

E: swain.hannah@pwc.com

Contents

How to read this bulletin?

Review the Table of Contents and the relevant Sector sections to identify the news of interest. We recommend you go directly to the topic/article of interest by clicking in the [active links](#) within the table of contents.

Executive summary	2
Cross sector announcements	4
Banking and capital markets	5
Asset management	6
Insurance	7
Monthly calendar	10
Glossary	11
Contacts	17

Cross sector announcements

In this section:

Conduct

Financial crime

4

4



Hannah Swain

FS Regulatory Insights

swain.hannah@pwc.com

Conduct

Portfolio letter to investment-based crowdfunding

The FCA published a portfolio letter to investment-based crowdfunding firms on 17 August 2021 (which was sent to firms on 2 July 2021). The FCA highlights a number of focus areas which include improved disclosure to customers regarding high-risk investments, cyber controls to reduce instances of fraud, oversight of appointed representatives and orderly wind-down plans. The FCA will be seeking assurances directly from CEOs across these supervisory areas.

FCA highlights remuneration focus areas

The FCA wrote to Remuneration Committee Chairs (dated 3 August 2021) on 17 August 2021, setting out its approach to remuneration for this year and highlighting areas for Committee Chairs to consider. These areas include remuneration policies, accountability, using non-financial measures in score cards, and diversity and inclusion. On the latter, the FCA urges Committee Chairs to review pay data across all protected characteristics and act swiftly to address any disparities.

Financial crime

FCA flags Afghanistan financial crime risks

The FCA issued a statement on 31 August 2021, reminding firms to consider how recent developments in Afghanistan could impact patterns of financial activity when assessing

financial crime risk. The FCA expects firms to consider how these events could impact their anti-money laundering policies and procedures and to take the necessary steps to ensure they continue to meet their legal and regulatory obligations.

Banking and capital markets

In this section:

Mortgages

5

Payments

5



Luke Nelson

FS Regulatory Insights

luke.a.nelson@pwc.com

Mortgages

FCA writes to third-party mortgage administrators

The FCA published a [portfolio letter](#) to third-party mortgage administrators on 10 August 2021 (which was sent to firms on 7 June 2021). The FCA highlights its areas of supervisory focus, which include the fair treatment of vulnerable customers, providing suitable forbearance, operational resilience and prudential soundness. The FCA also reminds firms of their reporting requirements under Principle 11 and SUP 15.

Payments

CPMI shapes the future of payments

The CPMI published its [work programme 2021-22](#) on 5 August 2021. It focuses on shaping the future of payments and addressing risks in FMIs. Priorities include enhancing cross-border payments, addressing policy issues arising from innovations in payments, and evaluating and addressing risks in FMIs uncovered during the pandemic.

Asset management

In this section:

Capital and liquidity

6



Andrew Strange
FS Regulatory Insights

andrew.p.strange@pwc.com

Capital and liquidity

FCA issues final IFPR consultation

The FCA issued [CP21/26: A new UK prudential regime for MiFID investment firms](#) on 6 August 2021. This is the third and final consultation on IFPR implementation and should be considered in conjunction with the previously published PS21/6 and PS21/9.

The FCA sets out its proposals across key requirements under IFPR, including disclosures, own funds, technical standards, depositaries and the UK resolution regime.

The consultation closes on 17 September 2021. The FCA aims to publish a policy statement and final rules for the whole IFPR regime in autumn 2021.

Insurance

In this section:

Capital and liquidity

Conduct

7

8



Melinda Strudwick

Insurance Risk and Regulation Lead

melinda.strudwick@pwc.com



Anirvan Choudhury

FS Regulatory Insights

anirvan.choudhury@pwc.com

Capital and liquidity

PRA launches Solvency II Review questionnaire

The PRA issued a [Dear CFO letter](#) announcing the launch of [Gathering information for the Solvency II Review: Qualitative Questionnaire](#) on 13 August 2021. The questionnaire is designed to gather relevant information that the PRA needs to analyse a wide range of potential policy options, and to understand how these are likely to help achieve the Government's three objectives for the Solvency II review. These objectives are: to spur a vibrant, innovative, and internationally competitive insurance sector; to protect policyholders and ensure the safety and soundness of firms; and to support insurance firms to provide long-term capital to underpin growth.

The questionnaire aims to gather qualitative information to supplement the first part of the [Review of Solvency II: Quantitative Impact Study \(QIS\)](#) launched in July and to support policy development in areas not included in the QIS. The questionnaire aims to gather information for three key purposes.

Firstly, it aims to support the development of reforms to make the Solvency II regime more streamlined and flexible. This includes MA requirements, the internal model approval framework, and the TMTP. Secondly, it aims to understand the business impacts of potential policy design options, particularly how firms

might respond to regulatory changes to the risk margin, MA and internal model approval framework; and how these changes might support the Government's objectives. Thirdly, it is designed to understand the costs of complying with the current regime, as well as the implementation costs of potential policy design options, for example the calculation of the risk margin and the MA. The PRA notes that consistent with its approach to the QIS, the qualitative questions in the questionnaire do not in themselves represent reform proposals or decisions.

The deadline for submitting responses to the questionnaire is 20 October 2021. The PRA will use the data to inform a comprehensive package of reforms, due to be issued for consultation in early 2022.

PRA outlines plans for Insurance Stress Test

PRA issued a [Dear CEO letter](#) on 4 August 2021 setting out the high-level scope and timelines for the 2022 Insurance Stress Test (IST) exercise. The PRA plans to launch the IST in May 2022, and firms will need to submit their results to the regulator in September. The PRA then plans to publish its feedback to the industry in December.

For life insurers, the exercise will primarily focus on economic stresses. In recognition of the difficulty in achieving consistency across life firms in 2019, the PRA intends to share the

scenario design without calibration this month for early industry comment and feedback.

For general insurers, the stress test will focus on natural catastrophe perils and cyber underwriting risk including standalone cyber risk as well as non-affirmative cyber covers. In recognition of the complexity of designing a cyber underwriting scenario, the PRA plans to share the design of the cyber scenarios in September 2021 for early industry feedback.

The PRA also notes that the IST 2022 exercise will help inform its longer-term approach to insurance stress testing – with any identified changes to be included in the PRA's work following the review of Solvency II led by HMT.

Conduct

FCA warns over product governance rules

The FCA published [General insurance product value and coronavirus \(COVID-19\) Guidance – update](#) on 25 August 2021, setting out findings from its multi-firm review. The review assessed how firms have responded to the [general insurance distribution chain Guidance \(FG19/5\)](#) and [COVID-19 value Guidance](#).

The FCA states that firms have made progress in meeting existing rules and guidance on product governance and value as well as against temporary COVID-19 guidance on product value. However, the FCA notes that many firms are not fully meeting its standards, and expresses concern that several firms are likely to be unprepared to meet new enhanced rules on product governance, arising from the [General insurance pricing practices market study \(PS21/5\)](#), which come into force on 1 October 2021. The FCA's review found that

firms often focus on underwriting performance, and therefore profitability, rather than product value and customer outcomes.

The review found weaknesses in five key areas:

- insufficient focus on customers, outcomes and product
- weaknesses in governance and oversight of products
- delays in implementing existing regulatory rules and guidance
- shortcomings in COVID-19 product review approach and methodology
- delays in actions taken to prevent or mitigate COVID-19 related harms.

The FCA notes that certain firms have not implemented FG19/5 fully and that these firms may be subject to regulatory action where breaches or harm have arisen. In addition, the FCA reiterates its expectation that firms must meet the 1 October 2021 deadline for implementing enhanced product governance rules under PS21/5. The regulator warns that it will intervene using the full range of regulatory tools, including requiring firms to remove products from sale where necessary, if firms do not fully meet these rules.

FCA makes changes to pricing practices rules

The FCA published [General insurance pricing practices – Amendments \(PS21/11\)](#) on 18 August 2021, making changes to Policy Statement [General insurance pricing practices market study \(PS21/5\)](#). Alongside this, the FCA published a set of Q&As to address some of

the questions received since the publication of PS21/5.

In PS21/5, the FCA states that firms cannot 'price walk' customers by applying a cash or cash equivalent discount. PS21/11 clarifies that the equivalent new business price must reflect both cash and cash equivalent incentives and discounts that are offered to new customers.

The FCA has set out different reporting requirements for net rated business and gross rated business. In PS21/11 it amends the rules to clarify that, for reporting purposes, commission rebated business counts as gross rated business, where only the insurer is required to report pricing data to the FCA. Under these changes, the FCA is also introducing a requirement for intermediaries to notify the FCA where over 25% of either their home or motor sales include commission rebating.

The FCA states that where an existing customer actively buys a policy with the same firm through a different channel or distribution arrangement, the firm should treat this as new business rather than renewal business. However, where a firm actively moves a customer to another channel, it should be treated as a renewal under the pricing and reporting rules. In addition, in PS21/11, the FCA clarifies that it is not necessary for firms to assess whether a product meets the 'closed book' threshold for each channel through which it is sold and that this assessment should be made at an aggregate level across all channels.

Among other things in the Q&As, the FCA notes that the pricing rules do not prevent firms from using tenure as a risk rating factor when they are setting a new business price.

The implementation timelines remain unchanged with the rules on SYSC, product governance and premium finance taking effect from the end of September 2021 and the pricing, auto-renewal and data reporting remedies due to come into effect on 1 January 2022.

FCA outlines supervision strategy for life insurers

The FCA published a [Dear Board of Directors letter](#) on 5 August 2021 setting out key risks of harm that life insurance firms pose to their customers, and outlining the FCA's supervisory strategy for the next two years. The regulator has extended the scope of its supervisory strategy to include regulated Third-Party Administrators (TPAs) performing servicing, administration and systems functions on an outsourced basis on behalf of insurers. The FCA expects senior managers to be able to demonstrate that they are taking reasonable steps to mitigate risks that may arise due to firms' relationships with TPAs. The letter outlines the following common drivers of customer harm:

- weaknesses in pricing and product governance practices
- weaknesses in the management and execution of migration programmes
- risk of poor customer outcomes arising from a disorderly exit from outsourcing

arrangements between an insurer and a TPA

- risk of markets developing in a way that results in customers not having access to products that suit their needs
- weaknesses in control and oversight arrangements and awareness raising of scams with customers
- weaknesses in the management of operational risks.

The letter states that the FCA expects firms to demonstrate strong governance, control and oversight arrangements throughout their business and in mitigating the key risks of harm outlined above.

The FCA plans to monitor developments in the annuity market and any further issues due to Brexit that may impact UK insurers and their overseas customers. The FCA says that it may undertake targeted work on firms' ESG offerings to ensure these products 'fit consumer demand'. In addition, the FCA reminds insurers to comply with new regulatory requirements such as those related to the fair treatment of vulnerable customers, operational resilience and enhanced product governance rules for protection products.

Finally, the FCA encourages firms to engage with new and evolving policy initiatives on topics such as diversity and inclusion, remuneration, pension retirement journeys and climate-related financial disclosures.

Monthly calendar

Open consultations

Closing date for responses	Paper	Institution
14/09/21	<u>CP21/21: Primary Markets Effectiveness Review</u>	FCA
17/09/21	<u>CP21/25 Issuing statutory notices - a new approach to decision makers</u>	FCA
17/09/21	<u>CP21/26: A new UK prudential regime for MiFID investment firms</u>	FCA
23/09/21	<u>Access to Cash: Consultation</u>	HMT
24/09/21	<u>UK Prospectus Regime Review: a consultation</u>	HMT
24/09/21	<u>Wholesale Markets Review: Consultation</u>	HMT
30/09/21	<u>CP21/23 PRIIPs - Proposed scope rules and amendments to Regulatory Technical Standards</u>	FCA
05/10/21	<u>CP15/21 Designating investment firms</u>	PRA
08/10/21	<u>CP11/21 Review of Solvency II: Reporting (Phase 1)</u>	PRA
22/10/21	<u>SM&CR for Financial Market Infrastructures: consultation</u>	HMT
22/10/21	<u>CP21/24 Diversity and inclusion on company boards</u>	FCA
28/10/21	<u>CP16/21 Insurance business transfers</u>	PRA

Glossary

ABS	Asset Backed Security
AI	Artificial intelligence
AIF	Alternative Investment Fund
AIFM	Alternative Investment Fund Manager
AIFMD	Alternative Investment Fund Managers Directive 2011/61/EU
AML	Anti-Money Laundering
Basel II	Basel II: International Convergence of Capital Measurement and Capital Standards: a Revised Framework
Basel III	Basel III: International Regulatory Framework for Banks
Basel Committee	Basel Committee of Banking Supervision (of the BIS)
BIS	Bank for International Settlements
BoE	Bank of England
BMR	EU Benchmarks Regulation
BRRD	Bank Recovery and Resolution Directive 2014/59/EU
BRRD II	Bank Recovery and Resolution Directive (EU) 2019/879 amending BRRD
CASS	Client Assets sourcebook
CBILS	The UK Coronavirus Business Interruption Loan Scheme
CCA	Consumer Credit Act 1974 (as amended)
CCB	Countercyclical capital buffer
CCD	Consumer Credit Directive 2008/48/EC
CCPs	Central Counterparties
CDS	Credit Default Swaps
CET1	Common Equity Tier 1

CFT	Combating the Financing of Terrorism
CFTC	Commodities Futures Trading Commission (US)
CGFS	Committee on the Global Financial System (of the BIS)
CIS	Collective Investment Schemes
CMA	Competition and Markets Authority
CMU	Capital markets union
COBS	FCA conduct of business sourcebook
COCON	FCA code of conduct sourcebook
CoCos	Contingent convertible securities
ComFrame	The Common Framework
CONC	FCA consumer credit sourcebook
COREP	Standardised European common reporting
Council	Generic term representing all ten configurations of the Council of the European Union
CPMI	Committee on Payments and Market Infrastructures
CRA1	Regulation on Credit Rating Agencies (EC) No 1060/2009
CRA2	Regulation amending the Credit Rating Agencies Regulation (EU) No 513/2011
CRA3	Proposal to amend the Credit Rating Agencies Regulation and directives related to credit rating agencies COM(2011) 746 final
CRD	'Capital Requirements Directive': collectively refers to Directive 2006/48/EC and Directive 2006/49/EC
CRD II	Amending Directive 2009/111/EC
CRD III	Amending Directive 2010/76/EU

CRD IV	Capital Requirements Directive 2013/36/EU
CRD V	Capital Requirements Directive (EU) 2019/878 amending CRD IV
CRR	Capital Requirement Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms
CRR II	Capital Requirements Regulation (EU) 2019/876 amending CRR
CSD	Central Securities Depository
CSDR	Central Securities Depositories Regulation (EU) 909/2014
CSMAD	Criminal Sanctions Market Abuse Directive 2014/57/EU
DEPP	The FCA's Decision Procedure and Penalties Manual
DG FISMA	Directorate-General for Financial Stability, Financial Services and Capital Markets Union
DGS	Deposit Guarantee Scheme
DGSD	Deposit Guarantee Schemes Directive 2014/49/EU
DLT	Distributed ledger technology
D-SIBs	Domestic Systemically Important Banks
EBA	European Banking Authority
EC	European Commission
ECB	European Central Bank
ECJ	European Court of Justice
ECL	Expected credit loss
ECOFIN	Economic and Financial Affairs Council (configuration of the Council of the European Union dealing with financial and fiscal and competition issues)
ECON	Economic and Monetary Affairs Committee of the European Parliament
ECP	Eligible counterparty
EDIS	European Deposit Insurance Scheme

EEA	European Economic Area
EEC	European Economic Community
EIOPA	European Insurance and Occupations Pension Authority
ELTIF	European long-term investment fund
EMIR	Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (EU) No 648/2012
EP	European Parliament
EPC	European Payments Council
ESA	European Supervisory Authority (i.e. generic term for EBA, EIOPA and ESMA)
ESCB	European System of Central Banks
ESG	Environmental, social and governance
ESEF	European Single Electronic Format
ESMA	European Securities and Markets Authority
ESRB	European Systemic Risk Board
€STR	Euro short-term rate
ETC	Exchange-traded commodity
ETN	Exchange-traded note
EU	European Union
EU Securitisation Regulation	Regulation (EU) 2017/2402 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation and amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012
EURIBOR	Euro Interbank Offered Rate
Eurosystem	System of central banks in the euro area, including the ECB
EuSEF	The European social Entrepreneurship Funds Regulation

EuVECA	European Venture Capital Funds Regulation (EU) 345/2013
FAMR	Financial Advice Market Review
FATF	Financial Action Task Force
FC	Financial counterparty under EMIR
FCA	Financial Conduct Authority
Fiat currency	Currency whose value is underpinned by the strength of the issuing government, e.g. USD, GBP, euro and other major world currencies
FICC	Fixed income, currencies and commodities
FiCOD1	Amending Directive 2011/89/EU of 16 November 2011
FiCOD	Financial Conglomerates Directive 2002/87/EC
FMI	Financial Market Infrastructure
FMLC	Financial Markets Law Committee
FMSB	FICC Markets Standard Board
FOS	Financial Ombudsman Service
FPC	Financial Policy Committee
FRC	Financial Reporting Council
FRTB	Basel Committee fundamental review of the trading book market risk capital requirements
FSB	Financial Stability Board
FSCS	Financial Services Compensation Scheme
FSI	Financial Stability Institute (of the BIS)
FSMA	Financial Services and Markets Act 2000
FTT	Financial Transaction Tax
GDPR	General Data Protection Regulation
G-SIBs	Global Systemically Important Banks
G-SIIs	Global Systemically Important Institutions

HCSTC	High Cost Short Term Credit
HMRC	Her Majesty's Revenue and Customs
HMT	Her Majesty's Treasury
IA	Investment Association
IAIS	International Association of Insurance Supervisors
IASB	International Accounting Standards Board
IBA	ICE Benchmark Administration
IBOR	Interbank Offered Rate
ICAAP	Internal Capital Adequacy Assessment Process
ICARA	Internal Capital and Risk Assessment
ICAS	Individual Capital Adequacy Standards
ICO	Initial coin offering
ICOBS	Insurance: Conduct of Business Sourcebook
ICPs	Insurance Core Principles
ICT	Information and Communication Technology
IDD	The Insurance Distribution Directive (EU) 2016/97
IFD	Investment Firms Directive
IFPR	Investment Firm Prudential Regime
IFRS	International Financial Reporting Standards
ILAA	Internal Liquidity Adequacy Assessment
ILAAP	Internal Liquidity Adequacy Assessment Process
ILS	Insurance-Linked Securities
IMAP	Internal Model Approval Process
IMCO	The European Parliament's Committee on Internal Market and Consumer Protection

IMD	Insurance Mediation Directive 2002/92/EC
IMF	International Monetary Fund
IORP	Institutions for Occupational Retirement Provision
IOSCO	International Organisation of Securities Commissions
IRB	Internal Ratings Based
IRRBB	Interest rate risk in the banking book
ISDA	International Swaps and Derivatives Association
ITS	Implementing Technical Standards
JCESA	Joint Committee of the European Supervisory Authorities
JMLSG	Joint Money Laundering Steering Committee
KID	Key Information Document
KIID	Key Investor Information Document
KYC	Know your customer
LCR	Liquidity coverage ratio
LEI	Legal Entity Identifier
LIBOR	London Interbank Offered Rate
MA	Matching Adjustment
MAD	Market Abuse Directive 2003/6/EC
MAR	Market Abuse Regulation (EU) 596/2014
Material Risk Takers Regulation	Commission Delegated Regulation (EU) No 604/2014 of 4 March 2014 supplementing Directive 2013/36/EU of the EP and of the Council with regard to regulatory technical standards with respect to qualitative and appropriate quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile
MCD	Mortgage Credit Directive 2014/17/EU
MCOB	Mortgages and Home Finance: Conduct of Business sourcebook
MCR	Minimum Capital Requirement

Member States	Countries which are members of the European Union
MiFID	Markets in Financial Instruments Directive 2004/39/EC
MiFID II	Markets in Financial Instruments Directive (recast) 2014/65/EU – also used to refer to the regime under both this directive and MiFIR
MiFIR	Markets in Financial Instruments Regulation (EU) No 600/2014
MLRO	Money Laundering Reporting Officer
MMF	Money Market Fund
MoJ	Ministry of Justice
MoU	Memorandum of Understanding
MPC	Monetary Policy Committee
MREL	Minimum requirements for own funds and eligible liabilities
MTF	Multilateral Trading Facility
NBNI G-SIFI	Non-bank non-insurer global systemically important financial institution
NCA	National competent authority
NDF	Non-Directive Firms – firms that do not fall within Solvency II
NFC	Non-financial counterparty under EMIR
NIS Directive	Proposal for a directive of the EP and Council concerning measures to ensure a high common level of network and information security across the EU
NPE	Non-performing exposure
NSFR	Net Stable Funding Ratio
NST	National specific template
NURS	Non-UCITS Retail Scheme
OECD	Organisation for Economic Cooperation and Development
Official Journal	Official Journal of the European Union
OFT	Office of Fair Trading

Omnibus II	Second Directive amending existing legislation to reflect Lisbon Treaty and new supervisory infrastructure (2014/51/EU). Amends the Prospectus Directive (Directive 2003/71/EC) and Solvency II (Directive 2009/138/EC)
ORSA	Own Risk Solvency Assessment
O-SIIs	Other systemically important institutions
OTC	Over-The-Counter
OTF	Organised trading facility
PAD	Payment Accounts Directive 2014/92/EU
PERG	Perimeter Guidance Manual
PPI	Payment Protection Insurance
PRA	Prudential Regulation Authority
Presidency	Member State which takes the leadership for negotiations in the Council: rotates on 6 monthly basis
PRIIPs	Packaged retail and insurance-based investment products
PSD2	The revised Payment Services Directive (EU) 2015/2366
PSP	Payment service provider
PSR	Payment Systems Regulator
P2P	Peer to Peer
QIS	Quantitative Impact Study
QRT	Quantitative Reporting Template
RAO	Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544)
RDR	Retail Distribution Review
REMIT	Regulation on wholesale energy markets integrity and transparency (EU) 1227/2011
RFB	Ring-fenced bank
RFQ	Request for quote

RFRs	Risk-free rates
RFRWG	The Working Group on Sterling Risk-Free Reference Rates
RONIA	Repurchase Overnight Index Average
RRPs	Recovery and Resolution Plans
RTS	Regulatory Technical Standards
RWA	Risk-weighted assets
SARON	Swiss Average Rate Overnight
SCA	Strong Customer Authentication (rules under PSD2)
SCR	Solvency Capital Requirement (under Solvency II)
SCV	Single customer view
SEC	Securities and Exchange Commission (US)
SECR	Securitisation Regulation
SEPA	Single Euro Payments Area
SFP	Structured finance product
SFT	Securities financing transaction
SFTR	Securities Financing Transactions Regulation (EU) 2015/2365
SFO	Serious Fraud Office
SI	Systematic internaliser
SIMF	Senior Insurer Manager Function
SIMR	Senior Insurer Managers Regime
SM&CR	Senior Managers and Certification Regime
SME	Small and Medium sized Enterprises
SMF	Senior Manager Function
SOCA	Serious Organised Crime Agency
SOFR	Secured Overnight Financing Rate

Solvency II	Directive 2009/138/EC
SONIA	Sterling Overnight Index Average
SPV	Special purpose vehicle
SREP	Supervisory Review and Evaluation Process
SRF	Single Resolution Fund
SRM	Single Resolution Mechanism
SRMR	Single Resolution Mechanism Regulation (EU) No 806/2014
SRMR II	Single Resolution Mechanism Regulation (EU) 2019/877 amending SRMR
SSM	Single Supervisory Mechanism
SSR	Short Selling Regulation (EU) 236/2012
STS	Simple Transparent and Standardised (concerning securitisations)
SUP	FCA supervision manual
SYSC	The part of the FCA handbook titled senior management arrangements, systems and controls
T2S	TARGET2-Securities
TSC	Treasury Select Committee
TCFD	The FSB Task Force on Climate-related Financial Disclosures
TLAC	Total Loss Absorbing Capacity
TMTF	Transitional Measure on Technical Provisions
TONA	Tokyo Overnight Average Rate
TPR	The Pensions Regulator
UCITS	Undertakings for Collective Investments in Transferable Securities
UCITS V	UCITS V Directive 2014/91/EU
UKLA	UK Listing Authority
UTI	Unique Trade Identifier

XBRL	extensible Business Reporting Language
------	--

Contacts



Hannah Swain

+44 (0) 7803 590553

swain.hannah@pwc.com

Operational resilience and financial crime



Andrew Strange

+44 (0) 7730 146626

andrew.p.strange@pwc.com

Asset management, retail distribution



Laura Talvitie

+44 (0)78 5090 824

laura.talvitie@pwc.com

LIBOR transition



Luke Nelson

+44 (0) 7808 107043

luke.a.nelson@pwc.com

Climate change and banking regulation



Anirvan Choudhury

+44 (0) 7843 423721

anirvan.choudhury@pwc.com

Insurance prudential



Tessa Norman

+44 (0) 7826 927070

tessa.norman@pwc.com

Publications and vulnerable customers



Lucas Penfold

+44 (0) 7483 407581

lucas.penfold@pwc.com

Wholesale markets and asset management
conduct regulation



Conor MacManus

+44 (0) 7718 979428

conor.macmanus@pwc.com

Cross-sector regulatory affairs, Brexit and
banking prudential



Belinda Baber

+44 (0) 78266 26069

belinda.j.baber@pwc.com

Artificial intelligence

At PwC, our purpose is to build trust in society and solve important problems. PwC is a network of firms in 158 countries with more than 236,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com/UK.

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.

© 2021 PricewaterhouseCoopers LLP. All rights reserved. PwC refers to the UK member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.

RITM6101589