



## I. ACTIVE PRIORITIES

Brexit			
CMCE priorities	Status / latest developments	Next steps	CMCE action
<b>Transitional arrangements</b>	<p>On 24 July, the FCA announced its <a href="#">approach</a> on the temporary permissions regime for EEA firms passporting into the UK. To provide the legislative basis for this regime, HM Treasury published a series of <a href="#">draft statutory instruments</a> including <a href="#">one</a> that would enable EEA firms operating in the UK to continue to do so for a limited period after 29 March 2019. This draft statutory instrument will be considered by the UK Parliament following the summer recess.</p> <p>HM Treasury is progressing with the <a href="#">publication</a> of draft statutory instruments which would translate EU law into national UK law. With respect to MiFID II, these measures will include obligations regarding position limits, position reporting and the ancillary activities exemption under MiFID II, as well as under Remit, Remit reporting, MAR and other rules applicable to those active in commodity markets. A knock-on effect of this work will be that the FCA will need to amend their Handbook.</p>	<p><b>24 September</b> – Vote in the European Parliament plenary on the resolution of Brian Hayes</p> <p><b>October</b> – Deadline for a compromise on the Withdrawal Agreement</p>	
MiFID II			
CMCE priorities	Status / latest developments	CMCE action	
<b>AA exemption</b>  <b>Position limits</b>	There were no significant developments in the past two weeks.	The first call of the subgroup created under the CMCE MiFID Working Group to discuss certain physical forward contracts and their classification under MiFID II took place on 26 July. A detailed summary of the call was circulated to members. Members	

Reporting Physical forwards		of the group have been asked to send the advisory team sample notification emails of bookout agreements by 10 August.	
EMIR REFIT			
CMCE priorities	Status / latest developments	Next steps	CMCE action
Reporting  Risk mitigation for uncleared trades  Calculation of NFCs positions	There were no significant developments in the past two weeks.	September 27 – Trilogue on EMIR Refit	
Benchmarks			
CMCE priorities	Status / latest developments	Next steps	CMCE action
Commodity benchmarks  Critical benchmarks  Third country equivalence	There were no significant developments in the past two weeks.		A call of the Benchmarks WG has been scheduled for 9 August following the publication of the FCA <a href="#">final handbook notice</a> on the EU BMR and the discussions on the third-country supervision of benchmarks administrators on the debate on ESAs review.

## II. WATCHING BRIEF

IFR		
CMCE priorities	Status / latest developments	Next steps
<b>Commodity dealer IF regime</b>	There were no significant developments in the last two weeks.	<b>Council of the EU:</b> <b>September</b> – meeting of the Council Working Party on the IFR (the precise date has not yet been set).  <b>European Parliament:</b> <b>24 September</b> – Vote in ECON (tentative, subject to the progress of the negotiating team)
MAR		
CMCE priorities	Status / latest developments	Next steps
<b>Insider dealing</b> <b>MM indicators</b>	There were no significant developments in the last two weeks.	
SFTR		
CMCE priorities	Status / latest developments	Next steps
<b>Reporting Obligations</b>	On 23 July, the European Commission <a href="#">announced</a> its intention to adopt the SFTR Level 2 measures with amendments. The Commission has sent the Level 2 measures back to ESMA for re-drafting with the instruction to clarify the wording on the role of ESMA with respect to the endorsement of LEIs and UTIs. The draft RTS referred to “ESMA endorsement” of potentially forthcoming industry standards in this area, but the Commission wishes to clarify that the right to make changes to	<b>September</b> – Adoption of the SFTR Level 2 measures by the Commission

	<p>the reporting standards remains with the Commission, on a proposal from ESMA. The Commission also asks ESMA to submit a proposal to amend the EMIR RTS on reporting to trade repositories similarly as regards endorsement of future industry standards by ESMA.</p> <p>ESMA may now amend the Level 2 measures on the basis of the Commission proposal within 6 weeks and resubmit them to the Commission as a “formal opinion”.</p>	
<b>Other Relevant Developments</b>		
<b>Industry codes of conduct</b>	<p>The FCA published a <a href="#">policy statement</a> on industry codes of conduct and feedback on FCA principle 5 which concerns market conduct standards. This follows the earlier Consultation Paper on Industry Codes of Conduct and Discussion Paper on FCA Principle 5. The statement summarises feedback received to the consultation and outlines the FCA’s final policy and Handbook amendments on its approach to the recognition of codes of conduct in unregulated markets, including the process and criteria for doing so, for the purposes of the Senior Managers &amp; Certification Regime.</p>	