

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers in section 8 of, and paragraph 1 of Schedule 4 to, the European Union (Withdrawal) Act 2018 in order to address failures of retained EU law to operate effectively and other deficiencies arising from the withdrawal of the United Kingdom from the European Union. Part 2 of the Regulations delegates the Treasury's powers under section 8 of the European Union (Withdrawal) Act 2018 to the Financial Conduct Authority, the Prudential Regulation Authority, the Bank of England and the Payment Systems Regulator ("the regulators") to enable the regulators to remove deficiencies in those binding technical standards identified in the Schedule to the Regulations. The delegation is subject to the restrictions set out in regulation 3(4).

Part 3 of the Regulations amends the Financial Services and Markets Act 2000 and the Financial Services (Banking Reform) Act 2013 to provide for the way in which the regulators are to exercise legislative functions of EU bodies which may be transferred to them under the European Union (Withdrawal) Act 2018. It also makes consequential amendments to the Payment Card Interchange Fee Regulations 2015.

An impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector will be available from HM Treasury, 1 Horse Guards Road, London SW1A 2HQ and published alongside this instrument at www.legislation.gov.uk.