

AFB ROUND-UP

The Association of Foreign Banks: “Building Banking Business”



@foreignbanksuk

AFB UPDATE

MARCH 2021



Dear Members,

I write in the wake of a private budget Q&A session I attended yesterday with the Chancellor of the Exchequer. My question on your behalf? “The 8% banking surcharge, together with the increase in corporation tax to 25%, will make UK tax on banks uncompetitive. When you say you will ensure combined tax on banks' profits will not increase ‘substantially’ & will be ‘competitive’, what does ‘substantial’ mean?” In reply, the Chancellor stressed his commitment to reviewing the banking surcharge and offered dialogue with the industry: so - watch this space! And if you want to hear the view of the Economic Secretary to the Treasury, sign up for one of the last two places on the CEO Programme (see box).

IMPORTANT MEMBER UPDATES

Some important updates for members this month – including details of our **new website and member portal** and an update regarding our business model. **Find out more**

CEO PROGRAMME

There are only 2 places remaining on the 2021 CEO Programme. **To apply for your place**, email **Fiona McBride**

We were encouraged by the UK Prime Minister’s announcement for a cautious roadmap out of lockdown. We continue to hold AFB events virtually, monitoring the situation & taking feedback from members & partners: we will return to holding in-person events as soon as it is safe to do so. As members themselves make plans for returning to the office, you may be wondering about what measures to take, including on vaccine passports. Join the AFB Survey on Return to Work (shared earlier today) & look out for our related seminar.

All of our services can be found in this RoundUp: & I’m particularly delighted this month to highlight that the PRA has requested a meeting with members to discuss the **CP2/21 consultation paper & draft supervisory statement**. A real measure of our growing advocacy! Best, Catherine

LOOKING AT CULTURE THROUGH THE LENS OF CONDUCT

We are delighted to announce a new training course in May 2021.

Find out more

International Women’s Day

To celebrate this day, **we are delighted to partner with the City of London**

and invite members to an event on 5 March **Book now**

ALSO: Look out for a very special AFB Interview to mark the occasion: issued on Monday

PRACTICE, EVENTS & TRAINING UPDATE: *Book your place now!*

JUMP to **AFB EVENTS PROGRAMME** to see a full list of our events - most of which are included as part of your membership subscription.

- **Transactional Reporting Virtual Briefing: MiFIR Transaction Reporting**
- **Risk Management Virtual Briefing: COVID Impact on Credit Risk**
- **Finance Virtual Briefing: Making Tax Digital**
- **Virtual Seminar: Brexit Part 2: Brexit & Accessing the UK Market Post TPR**
- **Virtual Practice Workshop: COVID-19 Pandemic Workplace Issues**
- **Virtual Practice Workshop: Compliance & Risk Management in the 'New Normal'**

JUMP to **AFB TRAINING PROGRAMME** to find out more about Training Courses

POLICY & REGULATORY UPDATE: *Latest updates on AFB Policy work*

On 19 Feb the AFB responded to the HM Treasury **Future Regulatory Framework Review**. Read our **response**.

AFB members interested in joining or providing input to the following two initiatives, please **contact us**:

- A PRA Roundtable on 19 April to discuss queries on Operational Preparedness for negative rates.
- In partnership with Marsh, the AFB is conducting a survey of members, to assist the production of a Report on Cyber Governance Practices.

REVIEW PROGRESS ON ALL **POLICY & REGULATORY PROJECTS** & GET INVOLVED BY **JOINING THE AFB POLICY & REGULATORY NETWORK**

CONTACT US secretariat@foreignbanks.org.uk 0207 283 8300 [Twitter](#) and [LinkedIn](#)

AFB MEMBER ENGAGEMENT

AFB BUSINESS MODEL – AN UPDATE

We are delighted to have received so much positive feedback regarding the new AFB Business Model. Last week, you will have received an email regarding an additional change following the introduction of the new model. The new AFB business model means that all AFB Seminars are now delivered inclusively as part of each Bank's Membership Subscription. Anyone, from any member bank, can attend any Seminar without paying any additional attendance fee. This change has been extremely popular and has resulted in a 40% increase in attendance at seminars.

The change to our business model means that the distinction between 'Briefings' and 'Seminars' is almost entirely diminished, as we seek to make more and more of our content available to more and more of our members. As a result, we have agreed with the AFB Briefings Chairs that all Briefings will be discontinued in their current form. Instead, we will deliver all content via free-to-attend Seminars that are open to all members. Please be assured, however, that any work the Briefings Chairs have undertaken so far this year to identify Briefings topics will not be wasted. In fact, quite the contrary is true, because the topics will be delivered as Seminars instead, meaning that even more members will have the option to attend and benefit from the subject matter.

If you do have any questions or comments, [please email Amy Swain](#), Director of Member & Stakeholder Engagement.

NEW AFB WEBSITE AND PORTAL

At the end of March, the AFB will be launching a new website and member portal. We will be sharing further details with all members in due course, including information to ensure all members are able to log in to the member portal

Members will be able to book and pay for events, download publications and update their contact details on the new portal.

If you do have any questions or comments, [please email Amy Swain](#), Director of Member & Stakeholder Engagement

UPDATING MEMBER INFORMATION

At the end of Q1 2021, we will be contacting members with a new member information form. This form will ensure we hold the correct details on file for each member bank to facilitate maximum engagement and value.

We will also be collecting CONFIDENTIAL member segmentation data. This information helps the AFB to promote and profile the foreign banking sector with key policy and regulatory stakeholders. All information shared will collated, anonymised, and aggregated before sharing with any third party. Providing up to date information enables the AFB to represent the contribution of the sector to the UK economy. We will only collect this information once a year. for each member bank to facilitate maximum engagement and value.

NO SHOWS AT AFB EVENTS

With the introduction of the new Business Model, there has been a significant increase in the number of bookings for our events, there has also been a rise in the number of individuals who book and do not attend on the day. We are delighted that so many member representatives wish to engage with our event programme, however, some online platforms do have a limited attendee numbers so we politely ask members to only book if they are confident, they will be able to join – this will ensure that we are able to offer all members a place.

Please let us know if wish to cancel your place at an event

AFB EVENT PROGRAMME

COVID-19 Update

We were encouraged by the UK Prime Minister's announcement last week for a cautious roadmap for easing England's lockdown. We will continue to hold all AFB events virtually, monitoring the situation carefully as well as taking regular feedback from members and partners - we will return to holding in-person events when it is deemed safe to do so.

Please note that you will be asked to log in to our member portal to complete your event registration, using your username and password. If you cannot remember these details, you can [reset them here](#) or email sara.winter@foreignbanks.org.uk For more information on any even

2021 EVENTS OPEN FOR BOOKING				
5 Mar	Virtual Seminar	AFB ESG Series: International Women's Day	Inclusive	City of London
8 Mar	Internal Audit Expert Panel	What are the work functions that cannot be completed easily due to remote working and how is it affecting Internal Audit?	EP Only	PwC
8 Mar	Operational Risk Expert Panel	Role of Operational Risk in Managing People Risk with HR	EP Only	Marriott Harrison
9 Mar	Rep Offices Briefing	The Future of Trade Post Brexit	Inclusive	Eversheds
10 Mar	Transaction Reporting Virtual Briefing	MiFIR Transaction Reporting	Inclusive	Duff & Phelps
11 Mar	Risk Management Virtual Briefing	COVID Impact on Credit Risk	Inclusive	BDO
15 Mar	Finance Briefing	Making Tax Digital	Inclusive	KPMG
16 Mar	Brexit Seminar	Brexit Part 2: Brexit & Accessing the UK Market Post TPR	Inclusive	PwC
23 Mar	Virtual Workshop	COVID-19 Pandemic Workplace Issues	£220 + VAT	BCLP
25 Mar	Virtual Seminar	Operational Resilience	Inclusive	EY
26 Mar	Virtual Workshop	Compliance & Risk Management in the 'New Normal'	£220 + VAT	Promontory
EVENTS NOT YET OPEN FOR BOOKING – HOLD THE DATE!				
01 Apr	Heads of Legal Expert Panel	EU ESG Taxonomy	EP Only	PwC
20 Apr	Virtual Seminar	HR impact on sustainability/ESG & wellbeing	Inclusive	KPMG
TBC	Virtual Seminar	Operational Resilience	Inclusive	EY
2021 NETWORKING EVENT DATES FOR YOUR DIARY (not yet open for booking)				
TBC	Networking Lunch	Mansion House Lunch	£tbc	Mansion House
4 Nov	Networking Dinner	Annual Banquet	£tbc	Drapers Hall

AFB TRAINING PROGRAMME

CONDUCT AND CULTURE TRAINING - COMING SOON!

In response to demand highlighted in our recent training survey, we are delighted to be able to offer members our new Conduct and Culture training **Looking at Culture through the lens of Conduct**.

With FCA-fines hitting a four year high in 2019 have you ever wondered whether it's just bad apples tainting the trust in financial services firms or have you considered how seemingly positive cultural traits could be leading towards unintentional misconduct in even the healthiest of cultures? To explore this question and help our members understand the conduct risks their firm may be subject to (and how these have evolved during the pandemic), as well as how to measure and address them, we have teamed up with Conduct and Culture experts Wharton Business Consulting to offer a three-session training course to explore this subject. The course will be running throughout May 2021 with further details following next week. To register your interest please contact [James Neill](#)

FINANCIAL CRIME COMPLIANCE DIPLOMA – DON'T FORGET TO BOOK YOUR PLACE

We are excited to announce dates for the **2021/2022 AFB Financial Crime Diploma**.

The benefits of this AFB training course have been clear for all those who have participated. For those who are considering it, you might like to hear from Lee Byrne, our Programme Director, who shared his insight into the course with us [here](#)

Last year's training survey showed that over 80% of respondents were more likely to book a training course if they knew that it would be repeated so that other staff could attend. We have certainly seen this with the AFB Financial Crime (AML) Diploma. Three member firms have booked places at each of the two courses already held. This, along with the continued positive feedback from each module show just how attendees highly rate our Diploma course.

The **AFB Financial Crime Compliance (AML) Diploma** is a **comprehensive** learning programme designed to equip **senior risk professionals** with both the theoretical and practical knowledge required to enhance their knowledge and **develop new skills and awareness** around a topic which continues to be **critical to all banks** - **[BOOK YOUR PLACE](#)**

This AFB Diploma course will be delivered in partnership with Great Chatwell Academy of Learning who have delivered the previous two AFB Diploma courses and who have designed a specific course that is relevant to the business of AFB members.

Course participants can expect to benefit from:

- Ten separate learning modules that have been designed exclusively for AFB members
- Delivery via fully interactive on-line sessions
- Modules that include pre-reading, structured learning, practical-based exercises and case-study analyses
- The opportunity to interact with other risk and compliance professionals
- End of module assessments that will confirm understanding
- CPD credits for all sessions attended, awarded by the CPD Certification Service

On successful completion of all assessments, participants will receive The AFB Financial Crime Diploma awarded in association with the University of Gloucestershire.

[The full schedule including dates and topics can be found here](#)

FURTHER INFORMATION

The course is limited to only 25 participants and is priced at £3,500 + VAT per participant.

Our first two cohorts have included participants based outside of the UK and given that the course is now being delivered virtually, please feel free to pass on details of this course to colleagues in other locations.

[For further information please visit our website](#)

[BOOK YOUR PLACE NOW](#)

COURSE TESTIMONIALS

"the ten modules are directly relevant to my role as the MLRO of a UK regulated bank"

Head of Compliance and MLRO

"the engaging trainer appreciates the financial crime obligations placed on anyone in the regulated sector"

AML Governance Associate

POLICY AND REGULATORY AFFAIRS PROJECTS

Membership of AFB POLICY & REGULATORY NETWORK IS INCLUDED AS PART OF YOUR MEMBERSHIP: [Sign up](#)

The AFB's policy work is continuing using virtual platforms. The AFB acts as a conduit for feedback and dialogue between member banks and regulators in the policy areas listed below. To find out more and/or get involved with these policy workstreams, [Contact Dami Oluwa, AFB Policy Associate](#)

Topic	Key Dates	Process	AFB Activities
Climate Financial Risk PRA/FCA	Climate Financial Risk Forum industry guidance published on 29 June 2020	The AFB working group met with the PRA on 20 Nov to discuss member queries relating to the PRA's guidance on climate financial risk set out in SS3/19. A summary of the meeting can be found here .	Heads of Legal Expert Panel on 1 April - PwC
Redrafting JMLSG Guidance (Part II) on Trade Finance (Sector 15)	Submission of updated version to JMLSG panel on 25 Nov 2020	AFB is leading the update of this sector on behalf of the industry. The JMLSG panel has reviewed the updated version of the Part 2 Sector 15 guidance. The AFB working group is currently reviewing the feedback.	
LIBOR Transition FCA/PRA	Deadline for discontinuation of LIBOR - End 2021	The AFB sent letters to the RFR WG and LMA regarding member queries about the transition process & received responses. The AFB submitted a response to the FCA consultation papers regarding benchmarks regulation.	
Money Laundering Reporting (following implementation of 5MLD) FCA	Meeting with HMT to discuss Money Laundering Regulations 2019 on 22 March	The AFB has gathered information on the prescribed responsibilities of SMFs 16 & 17 within member firms and submitted questions to the FCA. Members are preparing a list of discussion points on the Money Laundering Regulations 2019 for discussion with HMT.	
Financial Services Skills Commission HMT	Ongoing	A summary of the structure and aims of the FSSC can be accessed here . A working group has been formed to provide feedback. If members are interested in joining the working group, please contact us .	
CP20/20: Our approach to international firms FCA	Consultation response submission by 27 Nov 2020	An AFB working group submitted a response to the FCA consultation paper. Feedback from the FCA to the consultation response was published on 3 Feb.	
CP2/21 - International banks: The PRA's approach to branch and subsidiary supervision PRA	Consultation response submission by 11 April 2021	A meeting has been scheduled for 11 March for working group members to meet with the PRA to discuss the consultation paper and the draft supervisory statement .	Brexit Seminar on 16 March - PwC
Review of the UK Overseas Persons Regime HMT	Consultation response submission by 11 March 2021	The AFB is preparing a response to the HMT call for evidence on the UK overseas framework .	Rep Office Briefing on 9 March - Eversheds
EMIR Margin Implementation Requirements FCA/PRA	Delayed due to COVID-19	A roundtable with FCA/PRA for TAs & representative AFB members is being planned for early 2021.	
Cyber Governance Report Marsh	Publication of report in Q2 2021	25 AFB members have volunteered to participate in interviews on their cyber governance practices to assist with the report. Members interested in joining the AFB Cyber Governance working group should please contact us .	
Return to working in the office	Ongoing	The AFB undertook surveys of its members on returning to the office in May and July . A survey requesting an update was sent on 2 September. A further survey was circulated on 04 March in advance of the likely return to the office in June 2021.	