HOUSE OF LORDS

Secondary Legislation Scrutiny Committee

1st Report of Session 2021–22

Drawn to the special attention of the House:

Draft Carbon Budget Order 2021

Includes information paragraphs on:

2 instruments relating to COVID-19

Draft Ecodesign for Energy-Related Products and Energy Information Regulations 2021

Draft Immigration (Collection, Use and Retention of Biometric Information and Related Amendments) Regulations 2021

Draft Justice and Security (Northern Ireland) Act 2007 (Extension of Duration of Non-jury Trial Provisions) Order 2021

Draft Payment and Electronic Money Institution Insolvency Regulations 2021

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Secondary Legislation Scrutiny Committee

The Committee's terms of reference, as amended on 22 February 2021, are set out on the website but are, broadly:

To report on draft instruments and memoranda laid before Parliament under sections 8 and 23(1) of the European Union (Withdrawal) Act 2018 and section 31 of the European Union (Future Relationship) Act 2020.

And, to scrutinise –

> (a) every instrument (whether or not a statutory instrument), or draft of an instrument, which is laid before each House of Parliament and upon which proceedings may be, or might have been, taken in either House of Parliament under an Act of Parliament;
>
> (b) every proposal which is in the form of a draft of such an instrument and is laid before each House of Parliament under an Act of Parliament,

with a view to determining whether or not the special attention of the House should be drawn to it on any of the grounds specified in the terms of reference.

The Committee may also consider such other general matters relating to the effective scrutiny of secondary legislation as the Committee considers appropriate, except matters within the orders of reference of the Joint Committee on Statutory Instruments.

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Registered interests

Information about interests of Committee Members can be found in the last Appendix to this report.

Publications

The Committee's Reports are published on the internet at https://committees.parliament.uk/committee/255/secondary-legislation-scrutiny-committee/publications/

Committee Staff

The staff of the Committee are Christine Salmon Percival (Clerk), Philipp Mende (Adviser), Jane White (Adviser) and Ben Dunleavy (Committee Operations Officer).

Further Information

Further information about the Committee is available at https://committees.parliament.uk/committee/255/secondary-legislation-scrutiny-committee/

The progress of statutory instruments can be followed at https://statutoryinstruments.parliament.uk/

The National Archives publish statutory instruments with a plain English explanatory memorandum on the internet at http://www.legislation.gov.uk/uksi

Contacts

Any query about the Committee or its work, or opinions on any new item of secondary legislation, should be directed to the Clerk to the Secondary Legislation Scrutiny Committee, Legislation Office, House of Lords, London SW1A 0PW. The telephone number is 020 7219 8821 and the email address is hlseclegscrutiny@parliament.uk.

First Report

INSTRUMENTS DRAWN TO THE SPECIAL ATTENTION OF THE HOUSE

Draft Carbon Budget Order 2021

Date laid: 21 April 2021

Parliamentary procedure: affirmative

This draft Order proposes to set the carbon budget for the sixth budgetary period (2033 to 2037) at 965 million tonnes of carbon dioxide equivalent, in line with the recommendation of the Climate Change Committee. The sixth carbon budget is a key element of the Government's commitment to meeting the net zero carbon emissions target by 2050. While the Government intend to publish proposals and policies for meeting the sixth carbon budget in a Net Zero Strategy before the next UN Climate Change Conference of the Parties (COP 26) in November, the House may wish to consider the significant challenges that the Government have identified in relation to achieving the sixth carbon budget and net zero target.

The draft Order is drawn to the special attention of the House on the ground that it is politically or legally important and gives rise to issues of public policy likely to be of interest to the House.

1. This draft Order has been laid by the Department for Business, Enterprise and Industrial Strategy (BEIS) with an Explanatory Memorandum (EM) and Impact Assessment (IA). The Order proposes to set the carbon budget for the sixth budgetary period (2033 to 2037) at 965 million tonnes of carbon dioxide equivalent (MtCO2e).

Background

2. BEIS explains that the Climate Change Act 2008 ("the Act") requires the Secretary of State to ensure that the net UK carbon account for 2050 is at least 100% lower than the 1990 baseline ("net zero").[1] With a view to meeting this 2050 target, the Secretary of State must set five-year carbon budgets which provide the maximum level of the net UK carbon account for these budgetary periods. The Act requires the sixth carbon budget, covering the five-year period 2033 to 2037, to be set by 30 June 2021. The previous, fifth carbon budget for the period 2028 to 2032 was set by the Carbon Budgets Order 2016,[2] this was before the 2050 target for greenhouse gas (GHG) emissions was changed to net zero in 2019.

3. In setting the carbon budget, the Government must consider the advice of the Climate Change Committee (CCC). The CCC recommended that the sixth carbon budget should be set at 965 MtCO2e,[3] implying that carbon emissions will be reduced by 78% in the period 1990 to 2035, compared to a 58% reduction under the fifth carbon budget.

1 The net UK carbon account is the amount of net UK emissions of targeted greenhouse gases for a period reduced by the amount of carbon units credited to the net UK carbon account and increased by the amount of carbon units debited from the net UK carbon account for that period.

2 Carbon Budget Order 2016 (SI 2016/785).

3 CCC, Sixth Carbon Budget (9 December 2020): https://www.theccc.org.uk/publication/sixth-carbon-budget/ [accessed 6 May 2021].

Sixth carbon budget

4. This draft Order proposes to set the sixth carbon budget at 965 MtCO2e, the level recommended by the CCC. BEIS says that, as required by the Act, the Devolved Administrations were consulted, and that they agree with the proposal. The detailed analytical evidence that has informed the sixth carbon budget is provided in the IA which concludes that the CCC's recommendation "best supports the UK's policy objective to substantially reduce GHG emissions and brings significant benefits for society".

International aviation and shipping

5. For the first time, the carbon budget will include emissions from international aviation and shipping. The CCC has welcomed this decision, saying that it will be "in line with the CCC's long-held view that all UK carbon budgets should account for emissions from both sources".[4] Further regulations are needed to include international aviation and shipping formally which, according to BEIS, will be brought forward "in due course".

Future policies and strategy

6. The draft Order does not provide for any of the policies that will be needed to implement the sixth carbon budget. The Act requires the Government to publish a report setting out proposals and policies for meeting the carbon budget "as soon as is reasonably practicable" after the carbon budget has been set. According to Defra, the Government intend to publish a Net Zero Strategy before the next UN Climate Change Conference of the Parties (COP 26) in November. This will set out the Government's vision for transitioning to a net zero economy and will aim to demonstrate "how we will meet our emissions targets, including the proposed sixth carbon budget".

Challenges

7. The IA identifies significant challenges, stating, for example, that meeting the sixth carbon budget will require "at least doubling current electricity generation by 2050" and "substantial hydrogen production and biomass use, although the final energy mix is highly sensitive to modelling assumptions". The IA explains that if the UK were "to keep options open on the path to net zero by 2050, then by 2035 any option for the sixth carbon budget" would need to include:

- A significant electrification of sectors such as transport, heating and industry, and continued decarbonisation of the power grid;
- substantially improved energy efficiency in all sectors;
- large-scale deployment of low-carbon hydrogen, Carbon Capture and Storage and GHG removal technologies;
- increased switching to low-carbon fuels, such as hydrogen or biomass, in sectors that are hard to electrify, such as industry, heavy transport, aviation and shipping; and

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4 CCC, Press Release: *CCC lauds historic milestone on path to Net Zero UK* on 20 April 2021: https://www.theccc.org.uk/2021/04/20/sixth-carbon-budget-ccc-lauds-historic-milestone-on-path-to-net-zero-uk/.

- implementation of available abatement options across all sectors that deal with natural resources, for example through afforestation and low carbon farming practices.

8. The IA further states that "substantial additional effort" across the economy will be required "beyond existing government plans", including consumers and producers having to change the technologies they use. According to BEIS, "in many cases the up-front costs of low carbon technologies, such as heat pumps, are currently higher than the technologies they replace", so that "[s]upply chains for low carbon technologies will need to be significantly scaled up" and "Government intervention will be needed to overcome a broad range of barriers, including technical, market, behavioural and socio-political", adding that "strengthening regulation is likely to be necessary in some cases".

Conclusion

9. The sixth carbon budget proposed by this draft Order is a key element of the Government's commitment to meeting the net zero carbon emissions target by 2050. While the Government intend to set out proposals and policies for meeting the carbon budget in a Net Zero Strategy ahead of COP 26 in November, the House may wish to consider the significant challenges that the Government have identified in relation to meeting the sixth carbon budget and net zero target. **The draft Order is drawn to the special attention of the House on the ground that it is politically or legally important and gives rise to issues of public policy likely to be of interest to the House**.

CORRESPONDENCE

Equivalence in financial services

10. In December 2020 we wrote to HM Treasury (HMT) to ask for an overview of the equivalence decisions taken by the UK Government and the EU in the area of financial services. We published our letter and HMT's response in our 41st Report in January 2021.[5] Having asked for a further update, HMT has provided us with an overview of all equivalence decisions taken by the UK Government and the EU as of 12 April 2021. HMT's letter and overview are set out at Appendix 1.

5 *41st Report* (Session 2019-21, HL Paper 210).

INSTRUMENTS RELATING TO COVID-19

Travel

Health Protection (Coronavirus, International Travel) (England) (Amendment) (No. 13) Regulations 2021 (SI 2021/498)

11. This instrument amends the International Travel Regulations[6] to add India to the list of countries from which arrivals must quarantine in a hotel for 10 days. In addition, it:

- gives immigration officers the power to require someone to take a day 0 test if they have failed to present valid notification of a negative pre-departure test or tried to evade immigration control;
- provides exemptions from managed quarantine for trained nurses coming to the UK for NHS employment. (We note that the independent and social care sectors (for example nursing homes) are not included in this exemption even though their resources are also stretched by the pandemic.);
- provides exemption from managed quarantine for people transporting human blood, organs, and tissues
- provides a diplomatic exemption from self-isolation, managed quarantine, day 2 and day 8 testing requirements and the Passenger Locator Form for all persons attending or facilitating the G7 Presidency events hosted by the UK;
- adds Bristol Airport as a designated Managed Quarantine Service port; and
- makes various corrections and amendments to the testing regime, including removing approval in Schedule 2C for private providers to supply tests to arrivals from red list countries in the Managed Quarantine System. The Department for Health and Social Care states that these changes have proved operationally and digitally complex and further time is required to review them.

Delayed or revoked legislation

Draft Coronavirus Act 2020 (Early Expiry) Regulations 2021

12. As part of the one-year review of the Coronavirus Act 2020 (“the Act”), the proposal to terminate these 12 temporary provisions in advance of the rest of the Act was debated in both Houses on 25 March 2021.[7] Nine of the provisions are devolved, for which the Secretary of State has obtained the necessary consent from Wales, Scotland and Northern Ireland. The provisions to be removed are:

- Sections 8–9: Provided for emergency volunteering leave and compensation for additional staff from other parts of the workforce to support the NHS (not commenced);

6 Health Protection (Coronavirus, International Travel) (England) Regulations 2020 (SI 2020/568).
7 HL Deb, 25 March 2021, cols 984–1048.

- Part 1 of Schedule 12 (section 15): Enabled local authorities to divert resources to care and support from other duties (used eight times and not since 29 June 2020);
- Section 24: Extended retention of fingerprints and DNA profiles to allow more time for security reviews to be done (applied for two consecutive six month periods);
- Sections 25-29: Provided for power to require information relating to food supply chains (not required as information was volunteered where necessary);
- Section 71: Allowed legal instruments to be signed by only one Treasury Commissioner;
- Section 79: Postponement of Business Improvement Districts (BIDs) ballots, allowed for the extension of BIDs if required, but all necessary ballots were held;
- Section 84: Allowed postponement of General Synod elections to 31 July 2021 and allowed relevant Church officials to remain in office until successors are elected.[8]

8 The Government has published a table setting out the status of each measure in the Act which will be amended if these Regulations are approved. DHSC, 'Coronavirus Act 2020: status' (7 May 2020): https://www.gov.uk/government/publications/coronavirus-act-2020-status [accessed 10 May 2021].

INSTRUMENTS OF INTEREST

Draft Ecodesign for Energy-Related Products and Energy Information Regulations 2021

13. These draft Regulations propose new ecodesign and energy labelling requirements for certain energy-related products that are placed on the market in Great Britain (GB). This includes an update to existing ecodesign requirements to increase the minimum energy performance and resource efficiency standards for household washing machines/washer-dryers, dishwashers and refrigerators as well as electronic displays; new ecodesign requirements which, for the first time, set minimum energy performance and resource efficiency standards for welding equipment and commercial refrigerators; and new energy labelling requirements for commercial refrigerators.

14. The Department for Business, Energy and Industrial Strategy (BEIS) says that the proposals mirror EU regulations which the UK supported while a Member State and which continue to apply in Northern Ireland (NI) under the NI Protocol. According to BEIS, the changes protect the GB market from the risk of 'dumping' of less efficient products which do not meet the standards that apply in the EU/NI, and ensure that suppliers do not need to have two separate product lines for GB and the EU/NI respectively.

15. The Department also says that the changes avoid suppliers having to undertake two separate conformity assessments for their products. From 1 January 2022, the EU's CE conformity mark will no longer be recognised in GB and manufacturers will have to declare the conformity of their products with the relevant GB legislation instead and use the new UKCA conformity mark. BEIS says that this instrument ensures that the testing of relevant products in GB will be done using the same test standards as in the EU/NI, removing "a significant cost burden" for manufacturers.

Draft Immigration (Collection, Use and Retention of Biometric Information and Related Amendments) Regulations 2021

16. This draft affirmative instrument provides that the immigration services can take photographs (facial images) of foreign nationals who claim asylum, arrive at the border undocumented, are detained or granted bail under immigration powers, or are subject to removal and deportation. Photographs may also be taken of the dependants of individuals in these categories. The Regulations extend the period of retention for fingerprints from 10 to 15 years from either the date they are taken or from date of the person's latest application. Biometric immigration documents may be in physical or digital form; these Regulations state that, where they differ, the information on the digital version takes precedence. The Regulations also enable access to the digital biometric immigration document to be cancelled where the holder's leave has been varied, cancelled or invalidated.

17. The Home Office states that these Regulations build on the Statement of Intent that was provided to Parliament during the passage of the Immigration Act 2014,[9] and are intended to support the development of a border and immigration system that is digital by default for all applicants.

9 Home Office, Immigration Bill: Statement of Intent: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/254848/SoI_Biometrics.pdf [accessed 6 May 2021].

Draft Justice and Security (Northern Ireland) Act 2007 (Extension of Duration of Non-Jury Trial Provisions) Order 2021

18. This instrument provides for a seventh two-year extension of the provision that temporarily allows trial without jury for certain cases in Northern Ireland. Current provision will run out on 31 July 2021. The use of such courts is dependent on the Director of Public Prosecutions in Northern Ireland issuing a certificate stating that certain conditions, set out in the Justice and Security (Northern Ireland) Act 2007, are met, such as potential prejudice or witness intimidation. Concerns expressed in relation to previous renewal instruments have led to greater public consultation and to regular independent review of the operation of these provisions. Use of the provision remains low: the Explanatory Memorandum states that there were 14 non-jury trial cases in the Crown Court in 2019 (out of a total of 1,295). The Northern Ireland Office advises, however, that due to the recent increase in violence and paramilitary and sectarian intimidation, the option of trial without jury should remain available to the courts. Whilst acknowledging the reasons for trial without jury, we have concerns about their potential impact on trust in the judicial system and expect this option to be used only sparingly.

Draft Payment and Electronic Money Institution Insolvency Regulations 2021

19. This instrument proposes a new special administration regime for payment and electronic money institutions (pSAR). According to HM Treasury (HMT), the new regime will give insolvency practitioners an "expanded toolkit", enabling them to keep an insolvent institution operational, with the aim of ensuring continuity for consumers and prioritising the return of their funds. The pSAR will be based on the existing Special Administration Regime for Investment Banks. HMT says while the use of cards, mobile phones and electronic wallets to make transactions has increased over recent years, the current insolvency process for payment and electronic money institutions is "suboptimal" for consumers, with some recent administration cases having taken years to resolve and customers having been left without access to their money for prolonged periods and having received reduced funds. The instrument also proposes to provide the Financial Conduct Authority (FCA) with specific powers to intervene and protect consumers in the event of an insolvency of a payment or electronic money institution, as it does for other FCA supervised firms. Separate regulations will be brought forward later this year to implement a set of rules for the new pSAR.

INSTRUMENTS NOT DRAWN TO THE SPECIAL ATTENTION OF THE HOUSE

Draft instruments subject to affirmative approval

	British Nationality Act 1981 (Immigration Rules Appendix EU) (Amendment) Regulations 2021
	Coronavirus Act 2020 (Early Expiry) Regulations 2021
	Ecodesign for Energy-Related Products and Energy Information Regulations 2021
	Immigration (Collection, Use and Retention of Biometric Information and Related Amendments) Regulations 2021
	Immigration and Nationality (Fees) (Amendment) Order 2021
	Justice and Security (Northern Ireland) Act 2007 (Extension of Duration of Non-jury Trial Provisions) Order 2021
	Payment and Electronic Money Institution Insolvency Regulations 2021

Made instruments subject to affirmative approval

SI 2021/488	Global Anti-Corruption Sanctions Regulations 202
SI 2021/496	Myanmar (Sanctions) Regulations 2021

Instruments subject to annulment

SI 2021/497	Criminal Legal Aid (Remuneration) (Amendment) (No. 2) Regulations 2021
SI 2021/498	Health Protection (Coronavirus, International Travel) (England) (Amendment) (No. 13) Regulations 2021
SI 2021/505	Family Court (Composition and Distribution of Business) (Amendment) Rules 2021
SI 2021/508	Vaccine Damage Payments (Specified Disease) (Amendment) Order 2021
SI 2021/509	Antarctic (Amendment) Regulations 2021
SI 2021/510	Electricity (Individual Exemption from the Requirement for a Generation Licence) (Kype Muir Extension Wind Farm) Order 2021
SI 2021/519	Climate and Energy (Revocation) (EU Exit) Regulations 2021
SI 2021/521	G7 Presidency (Immunities and Privileges) Order 2021
SI 2021/531	Nursing and Midwifery (European Qualifications) (Amendment) Regulations 2021

APPENDIX 1: CORRESPONDENCE: EQUIVALENCE IN FINANCIAL SERVICES

Letter from John Glen MP, Economic Secretary HM Treasury, to Lord Hodgson, Chair of the Secondary Legislation Scrutiny Committee

Equivalence in Financial Services

Thank you for your letter of 20 January requesting an update on the equivalence decisions made and an overview of all equivalence decisions in place week on commencing 12 April.

I understand that in the Grand Committee Debate on Financial Services Bill on Monday 8 March you raised similar questions regarding the UK's existing equivalence arrangements with the EU. I also understand that on 22 March my Right Honourable Friend Earl Howe wrote to you setting out details of the existing equivalence arrangements with the EU.

I am therefore writing to provide you with the most recent information and hereby confirm that since the date of that letter there has been no change to the equivalence arrangements between the UK and the EU. To assist the Committee, Annex A provides a list of the equivalence regimes that exist in UK and EU law and are relevant to financial services, and notes which ones the EU has made a decision for in respect of the UK, and which ones the UK has made a decision for in respect of the EEA states. I hope that this adequately covers the information that you requested.

Annex B provides a summary of these equivalence regimes, for information. The references provided are to the relevant EU legislation.

12 April 2021

Annex A

Table 1: Table setting out where UK and EU have made equivalence decisions

Equivalence Regimes (References are to EU and onshored UK legislation)		
Article	Decision made by the EU for the UK	Decision made by the UK for the EU1
Capital Requirements Directive and Regulation (CRD IV/CRR) (No. 575/2013)		
Art. 107	No Decision	Full Decision
Art. 114, 115, 116	No Decision	Full Decision
Art. 132	No Decision	Full Decision
Art. 142	No Decision	Full Decision
Art. 391	No Decision	Full Decision
Solvency II (Commission Delegated Regulation No.2015/35 supplementing Directive No. 2009/138)		
Art. 378	No Decision	Full Decision

Art. 379	No Decision	Full Decision
Art. 380	No Decision	Full Decision
European Markets Infrastructure Regulation (EMIR) (No 648/2012)		
Art. 2A	No Decision	Full Decision
Art. 13	No Decision	Partial decision recognising clearing and margining rules for the purpose of intragroup transactions between UK and EEA subsidiaries
Art. 25	EU have granted UK a time-limited decision which applies from 01/01/2021 to 30/06/2022	Full Decision
Art. 75, 77	No Decision	No Decision
Credit Rating Agencies Regulation (No. 1060/2009, 462/2013)		
Art. 5 (6)	No Decision	Full Decision
Benchmarks Regulation (No. 2016/1011)		
Art. 30	No Decision	Full Decision
Regulation on Central Securities Depositories (CSDR) (No. 909/2014)		
Art 25	EU have granted UK, a time-limited decision which applies from 01/01/2021 to 30/06/2021	Full Decision
Short Selling Regulation (No. 236/2012)		
Art 17 (2)	No Decision	Full Decision
Markets in Financial Instruments Directive II and Regulation (MiFID/ MiFIR)		
Art. 23 MIFIR MIFID (STO)	No Decision	No Decision
Art 28(4) MIFIR (DTO)	No Decision	No Decision
Art 33 (2) MIFIR	No Decision	No Decision
Art. 38 MIFIR	No Decision	No Decision
Art. 47 MIFIR	No Decision	No Decision
Regulation on Transparency of Securities Financing Transactions (SFTR) (No. 2015/2365)		
Art. 19	No Decision	No Decision
Art. 21(1)	No Decision	No Decision
Prospectus Regulation (No. 2017/1129)		
Art. 29	No Decision	Full Decision

Annexes of delegated regulation 2019/980	No Decision	Full Decision
Transparency Directive (No. 2004/109)		
Art. 23(4)	No Decision	Full Decision
Central Bank Exemptions		
EMIR Art. 1	Full Decision	Full Decision
Market Abuse Regulation Art. 6	Full Decision	Full Decision
SFTR Art. 2	Full Decision	Full Decision
MiFIR Art. 1	Full Decision	Full Decision
Statutory Audit Directive (No. 2014/56, 2006/43)		
Art 46(2)	No Decision	Full Decision
Art 47(3)	No Decision	Full Decision
Accounting Directive (No. 2013/34)		
Art. 46	No Decision	No Decision

Annex B

Table 2: Short Summary of Equivalence Regimes

Equivalence Regimes	
Article	Description
Markets in Financial Instruments Directive II and Regulation (MiFID/MiFIR)	
Art. 23 and 28 (4) MIFIR	Allows firms to fulfil share trading obligation and/or the derivative trading obligation by executing trades on third country trading venues
Art 33 (2) MIFIR	Firms can meet derivatives trading obligation by following equivalent rules in a third country.
Art. 38 MIFIR	Third country trading venues and central counterparties (“CCPs”) recognised under EMIR may request access on non-discriminatory basis to CCPs and trading venues
Art. 46 (1) MIFIR	Allows third country firms to provide cross-border investment services to professional clients
Capital requirements directive and regulation (CRD IV/CRR) (No. 575/2013)	
Art. 107(4) CRR	Allows institutions to treat exposures to third country investment firms, credit institutions and exchanges as exposures to similar domestic financial institutions.

Art. 114, 115, 116 CRR	The specific risk weights applicable to exposures to central governments, central banks, regional governments, local authorities, and public sector entities may apply to similar entities located in third countries for the purpose of calculation of the capital ratio of domestic financial institutions
Art. 132 CRR	Allows the application of CRR look-through provisions to CIUs managed by companies subject to equivalent supervision
Art. 142 CRR	A subsidiary located in a third country can be taken into account for the definition of 'large financial sector entity'
Art. 391 CRR	Permits small firms to have higher large exposures limits for exposures to third-country banks.
Solvency II (Commission Delegated Regulation No.2015/35 supplementing Directive No. 2009/138)	
Art. 378	Reinsurers from third-country can be recognised as equivalent as domestic reinsurers. Includes a temporary equivalence provision.
Art. 379	Third-countries solvency rules can be considered equivalent for the calculation of the consolidated capital requirements of domestic insurance groups present in third countries. Includes a temporary equivalence provision.
Art. 380	The jurisdiction granting equivalence can recognise the equivalence of group supervision exercised by a third-country. Includes a temporary equivalence provision.
European Markets Infrastructure Regulation (EMIR) (No 648/2012)	
Art. 2A	Enables derivatives traded on third country markets to be treated as exchange-traded rather than OTC
Art. 13	Third-country regimes can be considered as equivalent to avoid complicating or conflicting rules on OTC derivative transactions, including margining, intragroup transactions, the clearing and reporting obligations.

Art. 25	Recognition of central counterparties established in third countries
Art. 75, 77	Recognition of third country trade repositories
Prospectus Regulation (No. 2017/1129)	
Art. 29	Equivalence of prospectus information: third country prospectus information requirements may be deemed to be equivalent to domestic prospectus requirements,
Annexes of delegated regulation 2019/980	3rd country GAAP with IFRS: An equivalence determination will allow third country issues in the domestic markets to prepare their consolidated accounts for use in a prospectus to use the accounting standards deemed relevant instead of using domestically-adopted IFRS
Transparency Directive (No. 2004/109)	
Art. 23(4)	3rd country GAAP with IFRS: Equivalence of accounting standards
Accounting Directive (No. 2013/34)	
Art. 46	Equivalence of third-country reporting requirements for payments to governments country-by-country reporting
Credit Rating Agencies Regulation (No. 1060/2009, 462/2013)	
Art. 5(6), 5(7)	Credit rating agencies authorised or registered in third country comply with legally binding requirements which are equivalent to the requirements of this Regulation
Statutory Audit Directive (No. 2014/56, 2006/43)	
Art 46 (2)	Allows the jurisdiction granting equivalence to derogate from the requirements of Art. 45 to register and oversee third country auditors where the third country has been recognised as equivalent. Also includes transitional equivalence.
Art 47(3)	Allows domestic audit authorities to agree working arrangements with third country competent authorities for the transfer of audit working papers and investigation reports where the third country competent authority has been approved as adequate.

Regulation on Central Securities Depositories (CSDR) (No. 909/2014)	
Art. 25	Recognition of third country CSDs to provide issuance and maintenance services for domestic law securities.
Regulation on Transparency of Securities Financing Transactions (SFTR) (No. 2015/2365)	
Art. 19	Recognition of third country trade repositories
Art. 21(1)	Equivalence of legal, supervisory and enforcement arrangements of a third country ensuring protection of professional secrecy
Benchmarks Regulation (No. 2016/1011)	
Art. 30 (2), 30(3)	Administrators authorised or registered in third country can be recognized as equivalent to the requirements under this Regulation in order to be used in the jurisdiction granting equivalence.
Short Selling Regulation (No. 236/2012)	
Art. 17(2)	The legal and supervisory framework of a third country market may be considered as equivalent so it can be exempted for market making activities and primary market operations
Market Abuse Regulation (MAR) (No. 596/2014)	
Art 6(5)	Exemption for monetary and public debt management activities: This Regulation may not apply to certain equivalent public bodies and central banks of third countries

APPENDIX 2: INTERESTS AND ATTENDANCE

Committee Members' registered interests may be examined in the online Register of Lords' Interests at http://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests. The Register may also be inspected in the Parliamentary Archives.

For the business taken at the meeting on 11 May 2021, Members declared no interests.

Attendance:

The meeting was attended by Baroness Bakewell of Hardington Mandeville, Lord Chartres, Lord Cunningham of Felling, Lord German, Viscount Hanworth, Lord Hodgson of Astley Abbotts, the Earl of Lindsay, Lord Lisvane, Lord Sherbourne of Didsbury and Baroness Watkins of Tavistock.