

Regulatory Services for global corporates

Financial and Treasury Management

International Regulations – In a nutshell

Increased regulatory requirements for derivatives have globally been contributing to a greater compliance and administrative burden for companies and will have an impact on their strategies. For the first time, the non-financial sector is being brought into scope of such regulation.

KPMG offers specialist advice to help clients navigate the changing regulatory landscape. Our international network allows us to provide a fully integrated service benefitting from practical market insights, IT know-how and cross functional knowledge.

Timing



Challenging next steps

1) EMIR

- Identify and aggregate the global derivative portfolio
- Develop an audit trail for using the hedging exemption
- Reporting of derivatives
- Ensure compliant risk mitigation techniques in trading processes

2) REMIT

- Define inside information, market manipulation and scope
- Disclosure of inside information
- Implement trainings, guidelines and processes
- Implement reporting of wholesale energy products

3) MiFID II

- Apply new definition of derivatives through systems and processes
- Ensure the investment firm exemption
- Develop an audit trail (hedging/ringfencing) and perform ancillary calculation
- Monitor position limits

4) MAR

- Define inside information and market manipulation
- Implement trainings, guidelines and processes
- Adjust compliance regime

5) FinfraG

- Develop proof for using the clearing exemption (NFC- status)
- Report derivatives
- Ensure compliance with risk mitigation obligations

6) G20+ monitoring

- Monitor the regulation in the G20+ countries
- Determine clearing and reporting obligations
- Apply for exemptions

KPMG's Corporate Regulatory Services

Ongoing advice

We provide ongoing support in the interpretation of the regulatory requirements as well as practical insight and solutions obtained from our experience with other companies.

Solutions and IT-system implementation support

The implementation of required solutions is very specific to the landscape of the client. Of particular focus is the implementation of guidelines and IT system solutions to gather data relating to the company's global derivative portfolio and to prove hedging purpose. We provide extensive benchmark knowledge of peer and best practice approaches to most efficiently tackle the challenges.

Review of implemented solutions

We offer a review of decisions and solutions that firms have implemented (e.g. in relation to EMIR, REMIT, FinfraG, MAR). Our review will address any gaps identified which will reduce the risk of findings of non-compliance by an external review of authorities as well as provide peace of mind that correct decisions are made.

G20 Monitoring

Global firms face the challenge of monitoring all upcoming financial market regulations. We have set up an international network which constantly monitors the regulations and filters the relevant rules for non-financial entities.

Why KPMG ?

The dedicated KPMG Corporate Regulatory Service team has conducted assurance and implementation projects for more than 150 corporate clients throughout Europe. We are in frequent consultation with competent authorities and have benchmark and leading market practice knowledge and, as such, are well placed to develop solutions and documentation.

Apart from our in-depth expertise in Corporate Regulation, our team consists of experienced Commodity Risk Management, Corporate Treasury and IT experts.

Learn more about Finance and Treasury Management and Financial Market Regulation: www.kpmg.ch/financial-management

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