



Financial Services Act 2012

2012 CHAPTER 21

PART 4

COLLABORATION BETWEEN TREASURY AND BANK OF ENGLAND, FCA OR PRA

66 Memorandum of understanding: international organisations

- (1) The Treasury, the Bank of England, the FCA and the PRA (“the UK authorities”) must prepare and maintain a memorandum describing how they intend to co-ordinate the exercise of their relevant functions so far as they relate to membership of, or relations with, the European Supervisory Authorities, EU institutions and other international organisations.
- (2) The “European Supervisory Authorities” are the European Banking Authority, the European Insurance and Occupational Pensions Authority and the European Securities and Markets Authority.
- (3) “Relevant function”—
 - (a) in relation to the FCA or the PRA, means any of its functions;
 - (b) in relation to the Bank of England, means any of its functions relating to the stability of the UK financial system or the regulation of financial services;
 - (c) in relation to the Treasury, means any of their functions relating to the matters mentioned in paragraph (b).
- (4) The memorandum is to be made with a view to ensuring—
 - (a) that, to the extent that it is appropriate to do so, the UK authorities agree consistent objectives in relation to matters of common interest;
 - (b) that, to the extent that it is appropriate to do so, they exercise their relevant functions in a way that is likely to advance those objectives;
 - (c) that they exercise their relevant functions in a way that is consistent and effective.
- (5) The memorandum must, in particular, make provision—

Status: This is the original version (as it was originally enacted).

- (a) stating, in relation to each of the UK authorities, those international organisations of which it is a member or with which it has relations and which are concerned with matters that are related to its relevant functions;
 - (b) for there to be a committee for the purposes of the co-ordination mentioned in subsection (1);
 - (c) for that committee to include representatives of the UK authorities and to be chaired by a representative of the Treasury;
 - (d) about the procedures to be followed by the UK authorities in agreeing consistent objectives in relation to matters that materially affect 2 or more of them;
 - (e) about how the UK authorities will consult each other about the discharge of their relevant functions relating to international organisations.
- (6) The memorandum need not make provision about co-ordination between the FCA and the PRA in relation to membership of, or relations with, the European Supervisory Authorities (as to which, see section 3E of FSMA 2000).
- (7) The UK authorities may, with the agreement of a body exercising functions relating to the stability of the UK financial system or the regulation of financial services, include in the memorandum provisions relating to co-operation between any of them and that body in relation to membership of, or relations with, the European Supervisory Authorities, EU institutions and other international organisations.
- (8) The Treasury must—
- (a) lay before Parliament a copy of the memorandum and any revised memorandum, and
 - (b) publish the memorandum as currently in force in such manner as they think fit.