

A BILL**entitled**

AN ACT to amend various financial services laws

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same as follows:-

Short title and commencement.

1. (1) The short title of this Act is the Various Financial Services Laws (DORA Amendment) Act, 2023.

PART I**BANKING ACT****Cap. 371**

Amendments to the Banking Act

Cap. 371

2. This Part amends and shall be read and construed as one with the Banking Act, hereinafter in this Part referred to as "the principal Act".

Amendments to article 2 of the principal Act.

3. Article 2 of the principal Act shall be amended as follows:

(a) immediately after the definition "Directive (EU) 2019/2034", there shall be added the following new definition:

" "the DORA Regulation" means Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector, and amending Regulation (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011 as may be amended from time to time, and includes any binding legal instruments, guidelines and other measures that have been or may be issued thereunder;" .

Amendments to article 17B of the principal Act.

4. Article 17B of the principal Act shall be amended as follows:

(a) in the sub-article (1) first sub-paragraph thereof, immediately after the words "administrative and accounting procedures, " and immediately before the words "and remuneration policies and practices", there shall be added the words "network and information systems that are set up and managed in accordance with the DORA Regulation, ”.

Amendment of article 19C of the principal Act.

Cap. 371

4. Article 19C of the principal Act shall be amended as follows:

(a) In sub-article (1) thereof, the words “Credit institutions shall establish a framework”, shall be substituted with the words “Without prejudice to the application of Chapter 2 of the DORA Regulation, credit institutions shall establish a framework”.

Amendment of article 19D of the principal Act.

Cap. 371

5. Sub-articles (1) to (5) of Article 19D of the principal Act shall be repealed.

PART II

FINANCIAL INSTITUTIONS ACT

Cap. 376

Amendments to the Financial Institutions Act

Cap. 376

5. This Part amends and shall be read and construed as one with the Financial Institutions Act, hereinafter in this Part referred to as "the principal Act".

Amendments to article 2 of the principal Act.

6. In Article 2 of the principal Act, immediately after the definition “Regulation (EU) 1093/2010” there shall be added the following new definition:

““DORA Regulation” means Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) no 909/2014 and (EU) 2016/1011;”.

Amendments to article 3 of the principal Act.

7. In sub-article (2A) of article 3 of the principal Act, in sub-paragraph (j) thereof, for the words “information technology (IT)”, there shall be substituted the words “information and communication technology (ICT)”.

Amendments to article 8B of the principal Act.

8. In the proviso of sub-article (1) of article 8B of the principal Act, for the words “IT systems”; there shall be substituted the words “ICT systems”.

Amendments to article 11A of the principal Act.

9. In sub-article (1) of article 11A of the principal Act, for the words “Payment institutions, electronic money institutions and account information service providers”, there shall be substituted the words “Without prejudice to the application of Chapter 2 of the DORA Regulation, payment institutions, electronic money institutions and account information service providers”.

Amendments to article 11A of the principal Act.

10. Sub-articles (1) to (5) of Article 11B of the principal Act shall be repealed.

PART III

FINANCIAL MARKETS ACT

Cap. 345

Amendments to the Financial Markets Act

Cap. 345

11. This Part amends and shall be read and construed as one with the Financial Markets Act, hereinafter in this Part referred to as “the principal Act”.

Amendments to article 2 of the principal Act.

12. Sub-article (1) of article 2 of the principal Act shall be amended as follows:

(a) immediately after the definition “Directives”, there shall be added the following new definition:

“DORA Regulation” means Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on digital operational resilience for the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011, as amended from time to time, and includes any implementing measures that have been or may be issued thereunder;

Amendments to article 4F of the principal act

13. Sub-article (1) of article 4F of the principal Act shall be substituted by the following:

“(1) A regulated market shall have in place effective systems, procedures and arrangements in accordance with the requirements laid down in Chapter II of DORA Regulation to ensure its trading systems are resilient, have sufficient capacity to deal with peak order and message volumes, are able to ensure orderly trading under conditions of severe market stress, are fully tested to ensure such conditions are met and are subject to effective business continuity arrangements, including ICT business continuity policy and plans and ICT response and recovery plans established in accordance with Article 11 of DORA Regulation, to ensure continuity of its services if there is any failure of its trading systems;”;

14. Sub-article (9) of article 4F of the principal Act shall be substituted by the following:

“(9) A regulated market shall have in place effective systems, procedures and arrangements, including requiring members or participants to carryout appropriate testing of algorithms and providing environments to facilitate such testing in accordance with the requirements laid down in Chapters II and IV of DORA Regulation, to ensure that algorithmic trading systems cannot create or contribute to disorderly trading conditions on the market and to manage any disorderly trading conditions which do arise from such algorithmic trading systems, including systems to limit the ratio of unexecuted orders to transactions that may be entered into the system by a member or participant, to be able to slow down the flow of orders if there is a risk of its system capacity being reached and to limit and enforce the minimum tick size that may be executed on the market;”;

Objects and Reasons

The objects and reasons of this Bill are to transpose the relevant provisions of Directive (EU) 2022/2556 of the European Parliament and of the Council of 14 December 2022 amending Directives 2009/65/EC, 2009/138/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU, 2014/65/EU, (EU) 2015/2366 and (EU) 2016/2341 as regards digital operational resilience for the financial sector, and to provide for other matters ancillary or consequential thereto.