Foreword

The regulatory reforms triggered by the financial crisis of 2008 have left nearly no part of the financial system untouched. The public and administrative regulations that have emerged over the past decade or two have however not replaced the private law sources in the financial markets. As a result, financial law has become a field characterized by an intricate interplay of private and public law. While contractual freedom and private law principles remain central, the financial sector is also shaped by numerous public regulations aimed at ensuring stability, transparency, and investor protection. The many layers of EU financial law, from capital requirements and market abuse regulations to sustainability disclosure rules, also present continuous implementation challenges for EU member states.

This interplay between private and public law is further complicated by the dual nature of financial transactions, which must balance commercial efficiency with consumer and investor protection. Businesses seek flexible financing solutions, while regulators impose increasingly detailed requirements to mitigate systemic risks and ensure fair treatment of market participants. At the same time, the growing role of global capital flows and multinational financial institutions challenges the effectiveness of national regulatory approaches.

Adding to this complexity, the financial market is undergoing rapid transformation driven by globalization, digitalization, and sustainability concerns. The rise of fintech, blockchain-based transactions, and decentralized finance is pushing legal frameworks into new territory, raising questions about inter alia jurisdiction and enforcement. Meanwhile, sustainability-related financial regulation, such as the EU's Sustainable Finance Disclosure Regulation (SFDR) and Corporate Sustainability Reporting Directive (CSRD), places the financial sector at the heart of the green transition. The need to integrate environmental, social, and governance (ESG) factors into financial decision-making represents a considerable shift in how financial markets are regulated.

These overlapping and sometimes conflicting dynamics place financial law among the many legal fields that must be fundamentally reconsidered and adapted to new legal and societal realities. The interplay between private interests, public regulations, national legal traditions, requirements of EU harmonization, as well as rapid technological and societal shifts, continuously reshapes the field, making its study challenging and essential.

This volume takes a closer look at some current issues in the Nordic financial markets, ranging from syndicated loans, break costs, market abuse, and investor protection to the role of path dependency in EU financial regulation, anti-money laundering, and sustainable finance. It covers both regulatory and market perspectives, as well as how today's financial markets are increasingly shaped by European and international legal sources. The matters are examined and discussed from Scandinavian, European, and comparative perspectives. The authors have not shied away from complex and, at times, controversial issues in the financial market, resulting in intriguing and, in some cases, rather provocative debates.

The aim of this volume is to contribute to the field of financial law with practical, theoretical, and policy-oriented insights, making it relevant to scholars,

practitioners, and policymakers alike. We seek to share the challenges and potential solutions within the Scandinavian legal systems with an international readership. It is our sincere hope that the questions raised and conclusions drawn in this volume will be useful to readers already familiar with Nordic financial law, as well as engage those who have yet to discover the particular characteristics of Scandinavian law.

This volume brings together contributions that explore key legal issues in financial markets and corporate governance in the Nordic region and EU. Lars Gorton examines the legal structure of syndicated lending, covering both the contractual and organizational framework. Sara Göthlin explores the concept of "matched funding". Matti Engelberg discusses the need for legal mechanisms to protect majority shareholders from abuse of rights by minority shareholders in Nordic capital markets. Jesper Lau Hansen argues for criminal enforcement in market abuse cases, comparing EU approaches and defending Denmark's reliance on criminal sanctions to uphold legal certainty.

Investor protection in in the event of an intermediary's insolvency is analyzed by Teemu Juutilainen and Janne Kaisto, with a specific focus on the Finnish regulatory framework. Andri Fannar Bergþórsson examines the application of MiFID II's general duty of loyalty in Iceland, discussing its role in investor protection and how it has been interpreted in Icelandic law. Rebecca Söderström takes a closer look at de-risking in Sweden, highlighting the tension between the right to bank accounts and anti-money laundering regulations while discussing recent court cases and regulatory challenges. The contribution by Ida Ayu Agung Faradynawati, Inga-lill Söderberg, Annina H. Persson focuses on financial consumers, investigating how sustainable mutual fund consumers interpret disclosed information, emphasizing financial literacy and sustainability awareness.

Sjur Swensen Elllingsæter suggests two means to ensure consistent decision-making in EU's decentralized administration of financial regulation, using the countercyclical capital buffer rates in Denmark, Norway and Sweden as a case in point. Sideek M. Seyad evaluates the EU's reform package to combat money laundering and terrorist financing, examining the effectiveness of anti-money laundering directives (AMLD). Thomas Ordeberg analyzes how EU banking law has evolved through path dependence, exploring the regulatory complexity created by the shift from directives to regulations and the role of expert agencies in EU financial rulemaking. Ingrid Barlund explores the growing reliance on soft law in EU financial supervision, questioning its legal nature and how it creates binding obligations despite its formally non-binding status.

Niels Skovmand Rasmussen and Nina Dietz Legind focus on remuneration rules in corporate governance and financial regulation, in particular how the proliferation of EU remuneration rules across various legal fields has challenged the consistency in EU financial regulation. Tanja Jørgensen examines the EU "fit and proper" rules for management bodies in financial institutions, discussing their implementation in Denmark. Finally, Erik Lidman analyzes the differences in sustainable corporate governance between Sweden and the EU, contrasting market-driven and regulatory approaches to the green transition.

Together, these contributions provide a deeper understanding of current legal challenges and developments in financial and corporate law across the Nordic region and the EU. To all the authors, it has been a true pleasure working on this volume with you. Thank you sincerely for your timely and valuable collaboration!

Stockholm, 20 February 2025

Elisabeth Ahlinder and *Kelly Chen, Volume Editors*

Lydia Lundstedt, General Editor

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The series Scandinavian Studies in Law is published by a non-profit trust. The first volume was presented in 1957 and to date nearly 1,000 articles have been made available in the series. The overall objective of the series is to present Scandinavian law and legal theory to a wide English-language readership.

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