

FINANCIAL REGULATION WEEKLY BULLETIN

Major UK and European regulatory developments of interest to banks
insurers and reinsurers, asset managers and other market participants

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comments or
questions, please
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periodical Insurance
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GENERAL //

1 FINANCIAL STABILITY BOARD

- 1.1 Format for Incident Reporting Exchange - FSB publishes final report - 15 April 2025** - The Financial Stability Board (FSB) has published a final report presenting its Format for Incident Reporting Exchange (FIRE), a standardised yet adaptable set of information items that are aimed at enhancing the efficiency and consistency of cyber and operational incident reporting. FIRE offers a foundation upon which jurisdictions without a standardised reporting framework can build. Where there are existing frameworks in place, FIRE supports a phased implementation approach and is designed to be interoperable with current systems.

The FSB has also released a downloadable taxonomy package to facilitate the global adoption of FIRE, containing a data model that enables machine-readable formats.

[FSB final report: Format for Incident Reporting Exchange \(FIRE\)](#)

[FSB: FIRE taxonomy package](#)

[Webpage](#)

[Press release](#)

2 EUROPEAN COMMISSION

- 2.1 Integration of EU capital markets - European Commission launches targeted consultation - 15 April 2025** - The European Commission has published a targeted consultation on the integration of EU capital markets, as part of the delivery of the Savings and Investment Union strategy (adopted on 19 March 2025), as previously reported in this Bulletin.

The targeted consultation seeks feedback on two main areas, namely: (i) general barriers to the integration and modernisation of trading and post-trading infrastructures, the distribution of funds across the EU and efficient cross-border asset management operations; and (ii) barriers specifically linked to supervision, where respondents are invited to indicate any areas in which regulatory simplification would be desirable.

Stakeholders are invited to respond to the consultation through an online questionnaire (which will be made available from 22 April 2025) by 10 June 2025.

[European Commission: Targeted consultation on Integration of EU capital markets](#)

[Webpage](#)

[Press release](#)

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3 OFFICIAL JOURNAL OF THE EUROPEAN UNION

- 3.1 Omnibus I postponement proposal - published in the Official Journal - 16 April 2025** - The Omnibus I Directive (EU) 2025/794 amending the Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD) and the Corporate Sustainability Due Diligence Directive (EU) 2024/1760 (CSDDD) has been published in the Official Journal of the EU. The Directive concerns the dates from which member states are to apply certain corporate sustainability reporting and due diligence requirements and was adopted on 26 February 2025. It forms part of the Omnibus I Package of measures aimed at legislative simplification to reduce bureaucracy.

The Directive postpones the application of sustainability reporting requirements under the CSRD for two years. It also delays the transposition deadline for the CSDDD to 26 July 2027, as well the first phase of its application to in-scope companies by one year to 26 July 2028.

The Directive enters into force on 17 April 2025.

[Omnibus I Directive \(EU\) 2025/794](#)

[Press release](#)

4 FINANCIAL SERVICES REGULATORY INITIATIVES FORUM

- 4.1 Regulatory Initiatives Grid - 8th edition published - 14 April 2025** - The Financial Services Regulatory Initiatives Forum (the Forum) has published the eighth edition of the Regulatory Initiatives Grid, setting out details of regulatory initiatives relevant to the financial services sector that are planned for the next 24 months. The Forum aims to publish the Grid at least twice a year but a complete grid was not published in 2024 because of the general election. The introduction to the April 2025 Grid notes that this edition "*reflects the significant reprioritisation*" that has taken place with the change of government. With the focus now on supporting the government's growth mission, it shows how regulators' growth plans are forming and taking shape.

Notable initiatives tabled for the remainder of 2025 include final rules for Solvency II liquidity requirements (expected Q2 2025), legislation on the regulation of cryptoassets (expected H2 2025) and final rules relating to prospectus regime reform (expected summer 2025). Other initiatives tabled for 2026 and beyond include bringing 'buy-now pay-later' products within the scope of FCA regulation (expected mid-2026), implementing Basel 3.1 (implementation date planned 1 January 2027) and introducing a T+1 standard settlement cycle for securities trades (with the first day of trading under T+1 expected 11 October 2027).

[Regulatory Initiatives Grid](#)

[Dashboard webpage](#)

[FCA webpage](#)

[Bank of England webpage](#)

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5 HM TREASURY

5.1 Regulatory perimeter - HM Treasury publishes record of meeting with FCA - 11 April 2025 -

HM Treasury has published a record of the fourth annual meeting (on 24 March 2025) between the Economic Secretary to the Treasury and the chief executive of the FCA, summarising a discussion on the regulatory perimeter and aspects of the FCA's December 2024 perimeter report. Among other things, it was agreed that the government and regulators should work together to ensure that consumers understand that spread betting products that are not based on financial indexes (such as sports) are unregulated. In addition, it was noted that HM Treasury will be consulting on reforms to the Consumer Credit Act 1974 shortly and will soon publish its response to the Pensions Investment Review consultation. The record also notes that wider legislative changes may be required to address the poor quality of oversight by some principal firms over their appointed representatives.

[HM Treasury and FCA Regulatory Perimeter Meeting - March 2025](#)

[Webpage](#)

6 FINANCIAL CONDUCT AUTHORITY

6.1 FCA presence in US and APAC - established for the first time - 15 April 2025 -

The FCA has announced that it is establishing a presence in the United States (US) and Asia-Pacific (APAC) for the first time. Tash Miah, who started in April 2025 at the British Embassy in Washington, DC, will oversee operations in the US. Miah will work closely with the Department for Business and Trade to advance UK-US financial services policy and regulatory cooperation, and will also support financial services firms in the US to navigate UK regulation. Meanwhile, in Australia, Camille Blackburn will establish a regional office from July 2025 as the FCA's Asia-Pacific director in Australia. Blackburn will focus on supporting financial services firms to enter the UK market and provide UK firms with support expanding into the APAC region.

[Press release](#)

6.2 Data decommissioning - FCA consults on proposals to reduce reporting and notification requirements - 16 April 2025 -

The FCA has published a consultation paper (CP25/8) on proposals to remove certain data collection requirements that are no longer needed. The FCA has so far identified three returns for decommissioning, namely Form G: The Retail Investment Adviser Complaints Notifications Form, FSA039: Client Money and Assets and Section F RMAR.

This is the first tranche of data collection requirements that the FCA proposes to remove. It intends to consult on removing further returns in 2025. Responses to the consultation are welcomed by 14 May 2025.

[FCA consultation paper: Data Decommissioning: Removing reporting and notification requirements \(CP25/8\)](#)

[Webpage](#)

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BANKING AND FINANCE //

7 EUROPEAN BANKING AUTHORITY

- 7.1 Remuneration and gender pay gap - EBA publishes report - 15 April 2025** - The European Banking Authority (EBA) has published a report on remuneration and gender pay gap benchmarking, based on data from 2021 to 2023. The report shows that the ratio between the variable and fixed remuneration in investment firms increased significantly after the introduction of the Investment Firms Directive (2019/2034/EU). Also, there was a material gender pay gap in 2023, caused mainly by low representation of women in higher paid positions and women being less represented in the group of identified staff.

[EBA report: Benchmarking of remuneration trends and practices and the gender pay gap, 2021-2023 data \(EBA/Rep/2025/15\)](#)

[Press release](#)

8 RECENT CASES

- 8.1 *R (Chapman) and another v Financial Ombudsman Service Ltd* [2025] EWHC 905 (Admin), 15 April 2025**

Judicial review - DISP 1.2.6(f)R - historical time bar

The High Court has dismissed an application for judicial review challenging a decision made by the Financial Ombudsman Service (FOS) on 5 February 2024, in which it determined that it had no jurisdiction in respect of a complaint made against a bank as the complaint was made out of time. Permission to bring this claim was given on the grounds that the decision was incorrect in law, particularly due to the bank's failure to state in its final response to the complainant whether it consented to waive the historic time bar under DISP 1.2.6(f)R.

The Court found that the bank's failure did not invalidate the FOS's determination that it had no jurisdiction, given that the bank "*did not agree voluntarily to the waiver of the historic time bar, nor did it acquiesce*". It also affirmed that questions of fact are primarily for the FOS to decide, subject to judicial review principles. Consequently, the Court upheld the decision made by the Ombudsman, concluding that she "*did not misdirect herself in law*".

[R \(Chapman\) v Financial Ombudsman Service Ltd \[2025\] EWHC 905 \(Admin\)](#)

SECURITIES AND MARKETS //

9 FINANCIAL CONDUCT AUTHORITY

- 9.1 Trading apps and consumer behaviour - FCA publishes findings of multi-firm review - 11 April 2025** - The FCA has published the findings of its multi-firm review of trading apps (commonly known as 'neo-brokers'). The review looked at the business models, product offerings and

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services of 12 trading app firms and identified some positive practices and areas for improvement for firms. It found that trading app firms operate in a range of different ways, some having been set up as introducer firms. Firms that received these introductions were in some instances affiliates. Among other things, the FCA examined how firms applied appropriateness tests for high risk products. Some firms failed to apply robust tests, which enabled some customers to access products or services for which they lacked appropriate knowledge or experience.

The FCA encourages firms to consider these findings when designing trading apps and improving consumer protection practices. The FCA has also published an Occasional Paper examining the relationship between consumer investment outcomes and the use of digital engagement practices.

[FCA multi-firm review of trading apps: high-level observations](#)[FCA Occasional Paper: Playing the market: a behavioural data analysis of digital engagement practices and investment outcomes \(OP66\)](#)[Press release](#)

- 9.2 Bereavement and power of attorney policies - FCA publishes findings of multi-firm review on treatment of customers in vulnerable circumstances - 12 April 2025** - The FCA has published the findings of its multi-firm review of retail banks' treatment of customers in vulnerable circumstances that involve bereavement and powers of attorney. The review feeds into the FCA's wider work on how firms are treating vulnerable consumers, the findings of which were published on 7 March 2025 and reported previously in this Bulletin. The findings highlight good practices and areas of improvement for firms, including in relation to how they identify and respond to customer needs, and conduct outcomes testing and monitoring. The FCA has written to all firms involved in the review, highlighting its findings and expected next steps.

The FCA also recently published a multi-firm review regarding life insurers' bereavement claims processes. Some of the good practices identified in that review could be applied by banks, such as the use of electronic 'verification of death'.

[FCA multi-firm review: Retail banks' treatment of customers in vulnerable circumstances](#)[Press release](#)

- 9.3 Consumer Composite Investments regime - FCA consults on further proposals - 16 April 2025** - The FCA has published a consultation paper (CP25/9) setting out further proposals to support the new regime for consumer composite investments (CCIs). This follows the FCA's December 2024 consultation (CP24/30) on the CCIs regime, which it established to help consumers understand their investment products while giving firms flexibility to innovate and better support their customers. The FCA is now consulting on some remaining issues to support the regime. These include, among others, proposals for a revised approach to the calculation of transaction costs, revisions to the current cost disclosure requirements under the UK Commission Delegated Regulation (EU) 2017/565 (MiFID Organisational Regulation) and transitional provisions to allow firms flexibility to move across to the new regime.

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Comments on the proposals are welcomed by 28 May 2025. The FCA intends to issue a Policy Statement with final rules in late 2025. It will also respond to any feedback to CP24/30 and this consultation together.

[FCA consultation paper: Further proposals on product information for CCIs \(CP25/9\)](#)

[Webpage](#)

[Press release](#)

ASSET MANAGEMENT //

10 EUROPEAN SECURITIES AND MARKETS AUTHORITY

10.1 AIFMD II - ESMA publishes standards on liquidity management tools - 15 April 2025 - The European Securities and Markets Authority (ESMA) has published two final reports containing draft regulatory technical standards (RTS) and guidelines on liquidity management tools (LMTs) under Directive (EU) 2024/927 amending the Alternative Investment Fund Managers Directive (2011/61/EU) (AIFMD) and the Undertakings for Collective Investment in Transferable Securities (UCITS) Directive (2009/65/EC) (otherwise known as AIFMD II). This follows ESMA's July 2024 consultation on proposed draft RTS and guidelines.

In a related press release, ESMA notes that these provisions will make fund managers better equipped to manage the liquidity of funds, particularly in cases of market stress. The draft RTS further clarify aspects of LMTs, such as the use of side pockets, which is a practice that currently varies significantly across the EU.

ESMA has submitted the draft RTS to the European Commission for endorsement, which will have three months to decide whether to adopt them. The guidelines will apply on the date of entry into force of the RTS, and funds existing before then will have 12 months to comply.

[ESMA final report: Draft RTS on LMTs under the AIFMD and UCITS Directive \(ESMA34-1985693317-1259\)](#)

[ESMA final report: Guidelines on LMTs of UCITS and open-ended AIFs \(ESMA34-1985693317-1160\)](#)

[Press release](#)

INSURANCE //

11 INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS

11.1 Supervision of climate-related risk - IAIS publishes application paper - 16 April 2025 - The International Association of Insurance Supervisors (IAIS) has published its application paper on the supervision of climate-related risks in the insurance sector, following four consultations and extensive member and stakeholder engagement. The paper outlines good practices and guidance

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for supervisors on, for example, the role of supervisors in assessing climate-related risks; the impact of those risks on valuation and investment practices; and supervisory reporting, public disclosure and macroprudential supervision. The IAIS intends to host a public background session webinar to discuss the paper on 28 April 2025.

[IAIS: Application paper on the supervision of climate-related risks in the insurance sector](#)

[Press release](#)

FINANCIAL CRIME //

12 FINANCIAL CONDUCT AUTHORITY

12.1 Unauthorised business and misleading investors - FCA charges individual - 15 April 2025 - The FCA has charged an individual for carrying on an unauthorised business and dishonestly misleading investors. The individual was the sole director of Financial Trading Strategies Limited and, through its website, promoted paid subscription services involving the provision of daily trade alerts.

The individual has been charged for allegedly accepting money from over 100 investors and advising and managing investments on their behalf without authorisation between 1 January 2020 and 31 December 2023, contrary to sections 19 and 23(1) of the Financial Services and Markets Act 2000. The FCA is also prosecuting the individual for allegedly misrepresenting the value of the funds and the amount of money they had lost while trading, contrary to section 993(1) of the Companies Act 2006. The individual is suspected of generating over £1 million and will appear before Westminster Magistrates' Court on 23 May 2025.

The press release notes that the case took 23 months from opening to criminal charges, which compares to an average of 42 months for cases closed in 2023/24.

[Press release](#)

ENFORCEMENT //

13 FINANCIAL CONDUCT AUTHORITY

13.1 Enforcement priorities - FCA publishes speech on working relationship with the US - 16 April 2025 - The FCA has published a speech delivered by Therese Chambers, joint executive director of enforcement and market oversight, on the FCA's working relationship with the US in the context of its enforcement priorities. Chambers emphasises that the FCA's approach to enforcement is about deterrence, which needs to be "*timely and visible*". Chambers also refers to economic growth being the government's biggest priority, noting that every regulator in the UK has its part to play - perhaps none greater than the FCA.

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A summary of the FCA's enforcement priorities over the next five years include keeping “*dirty money out of the financial ecosystem*”, cracking down on firms being used as vehicles for fraud, keeping the UK markets clean and developing a safe crypto regime.

[Speech](#)

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This Bulletin is prepared by the Financial Regulation Group of Slaughter and May in London. The Group comprises a team of lawyers with expertise and experience across all sectors in which financial institutions operate.

We advise on regulatory issues affecting firms across the financial services sector, including banks, investment firms, insurers and reinsurers, brokers, asset managers and funds, non-bank lenders, payment service providers, e-money issuers, exchanges and clearing systems. We also advise non-regulated businesses involved in financial regulatory matters. In addition, our leading financial regulatory investigations practice is regularly instructed by financial institutions requiring specialist knowledge of financial services regulation together with experience in high profile and complex investigations and contentious regulatory matters.

Most of the projects that we advise on have an extensive international or cross-border element. We work in seamless integrated teams with leading independent law firms which offer many of the most highly regarded financial institutions lawyers in Europe, the US and Asia, as well as strong and constructive relationships with local regulators.

Our Financial Regulation Group also produces occasional briefing papers and other client publications. The five most recent issues of this Bulletin and our most recent briefing papers and client publications appear on the Slaughter and May website [here](#).

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