

Regulatory reforms in Financial Services

News story

Details on the UK's continued commitment to high regulatory standards for the financial services sector post-EU withdrawal have been published today.



The UK has set out how it intends to approach a range of important regulatory reforms in the process of being implemented at the international and European level. Now the UK has left the EU, the UK will make its own decisions about the rules governing its world-leading financial sector, and the plans confirmed today ensure that the UK financial sector will continue to be underpinned by a commitment to the highest international standards.

These include reforms to update UK prudential requirements, maintain the soundness of UK capital markets, and manage future risks. In particular, the government is announcing how it intends to legislate for updated prudential rules to reflect international Basel standards and a new regime for investment firms, publishing a consultation on the transposition of the Bank Recovery and Resolution Directive II (BRRDII), and announcing a review to improve the prudential rules for insurers.

The details published today will provide clarity to financial services firms and demonstrate the UK's continued commitment to the same high standards of regulation in the context of ongoing equivalence discussions with the EU.

The Economic Secretary to the Treasury & City Minister, John Glen, said:

The financial services sector plays a crucial role in supporting the wider economy, creating jobs across the UK, supporting SMEs, contributing taxes, driving regional growth and investment, tackling climate change and embracing technology and innovation. It has also been at the forefront of our response to the economic impact of Coronavirus.

Now we have left the EU the UK is making its own decisions about

regulation. There will be changes to some of the details, but our values as an open, global, responsible financial centre are staying the same. The best rules for Britain are those that maintain or enhance the world-leading standard of regulation that has underpinned our success to date.

A series of written statements, a policy paper, and a consultation have been published today, detailing these changes:

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