



## May 2025

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Welcome to the Regulation Round Up, a regular bulletin highlighting the latest developments in UK and EU financial services regulation.

Key developments in May 2025:

### 30 May

**Trade Settlement:** The Financial Conduct Authority ("FCA") [published](#) a press release on the faster settlement of trades in funds.

### 29 May

**FCA Regulation Round-up:** The FCA has [published](#) its regulation round-up for May 2025. Among other things, it covers a future data request for the advisers and intermediaries' sector, and an upcoming webinar on the FCA's recent consultation paper on simplifying its insurance rules.

### 28 May

**Cryptoassets:** The FCA has [published](#) a consultation paper (CP25/14) on proposed prudential rules and guidance for firms carrying on the regulated activities of issuing qualifying stablecoins and safeguarding qualifying cryptoassets.

### 27 May

**Liquidity Risk Management:** The International Organization of Securities Commissions ("IOSCO") has [published](#) its final report on its updated liquidity risk management recommendations for collective investment schemes alongside final guidance for the effective implementation of its revised recommendations.

### 23 May

**FCA Handbook:** The FCA has [published](#) Handbook Notice 130, which sets out changes to the FCA Handbook made by the FCA board on 1 May and 22 May. The changes relate to payment optionality for fund managers, consumer credit regulatory reporting and handbook administration.

### 19 May

**Consumer Credit:** HM Treasury [published](#) a consultation paper on the first phase of its proposed widescale reforms to the Consumer Credit Act 1974.

### 16 May

**Bank Resolution:** The Bank Resolution (Recapitalisation) Act 2025 was [published](#). The Act will amend the Financial Services and Markets Act 2000 and the Banking Act 2009 to introduce a new mechanism allowing the Bank of England to use funds provided by the banking sector to cover certain costs associated with resolution under the special resolution regime.

### 15 May

**UK Sanctions:** The UK Government [published](#) its cross-government review of sanctions implementation and enforcement.

**Artificial Intelligence:** The European Parliament's Committee on Economic and Monetary Affairs [published](#) a draft report on the impact of artificial intelligence ("AI") on the financial sector (PE773.328v01-00). The report provides policy recommendations to enable the use of AI in financial services and outlines concerns of regulatory overlaps / legal uncertainties, indicating potential early tensions with the proposed AI Act. The report also calls on the European Commission to ensure clarity and guidance on how existing financial services regulations apply to the use of AI in financial services.

**PISCES:** The Financial Services and Markets Act 2023 (Private Intermittent Securities and Capital Exchange System Sandbox) Regulations 2025 were [published](#) and laid before parliament. The regulations establish the Private Intermittent Securities and Capital Exchange System ("PISCES") Sandbox, including providing the framework for potential PISCES operators to apply to operate intermittent trading events for participating private companies and investors.

### 14 May

**Insurance:** The FCA [published](#) a consultation paper (CP25/12) on proposals to simplify its insurance rules for insurance firms and funeral plan providers.

### 12 May

**Investment Research:** The FCA has [published](#) a policy statement (PS25/4) on investment research payment optionality for fund managers.

### 8 May

**Solvency II:** The Prudential Regulation Authority ("PRA") has [updated](#) its webpage on Solvency II to note that it will delay the implementation of the updated mapping of external credit rating agency ratings to Credit Quality Steps ("CQSs") for use in the UK Solvency II regime.

**Small Asset Managers:** The FCA has [published](#) a webpage setting out the findings from its review of business models for smaller asset managers and alternatives.

### 7 May

**MAR and MiFID II:** The European Securities and Markets Authority ("ESMA") has [published](#) a final report containing technical advice to the European Commission on the implications of the Listing Act on the Market Abuse Regulation (596/2014) ("MAR") and the Markets in Financial Instruments Directive (2014/65/EU) ("MIFID II").

### 6 May

**ESG:** The European Commission has [published](#) a call for evidence about revising Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR"). Please refer to our dedicated article on this topic [here](#).

### 2 May

**ESG:** ESMA has [published](#) a consultation paper on regulatory technical standards under Regulation (EU) 2024/3005 on the transparency and integrity of ESG rating activities.

**Cryptoassets:** The FCA has [published](#) a discussion paper (DP25/1) seeking views on its future approach to regulating cryptoasset trading platforms, intermediaries, cryptoasset lending and borrowing, staking, decentralised finance, and the use of credit to buy cryptoassets.

**FCA Handbook:** The FCA [published](#) Handbook Notice 129, which sets out changes to the FCA Handbook made by the FCA board on 27 March 2025.