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UK Financial Services Regulators Publish Joint Statement Relating to Timing for Implementation of the UK's Investment Firms Prudential Regime

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On 16 November 2020, the United Kingdom Financial Conduct Authority ("**FCA**") published a statement in conjunction with HM Treasury, Prudential Regulation Authority ("**PRA**") providing an update on timelines for introducing the UK's Investment Firms Prudential Regime (the "**IFPR**") and the implementation of the reforms which provide the UK equivalent to the outstanding elements of the second EU Capital Requirements Regulation ("**CRR2**").

The statement by these regulators confirmed that the targeted implementation date for the introduction of the IFPR and CRR2-equivalent regimes will be 1 January 2022. The statement highlighted that the push-back on timing arises as a result of concerns in the financial services industry regarding the general volume of regulatory reform in 2021.

Furthermore, the regulators confirmed that the relevant secondary legislation would be in place in good time and that the regulators would aim to provide as much of the final rules as possible prior to 1 January 2022, so as to provide support for an effective implementation in the UK of these regimes. Firms should, therefore, be alert to further guidance expected to be published in 2021.

Related Professionals

- **John Verwey**
  Partner
- **Michael Singh**
  Associate