Proskauer

FinReg Timeline 2026

Regulatory & Compliance on **January 14, 2026**

As 2026 begins, our Regulatory team has mapped the key legal and regulatory developments affecting managers of investment funds (including private equity, private credit, hedge and other alternative funds), insurers and other financial institutions operating in the UK, U.S. and EU. We have distilled the main dates into an easy-to-read timeline with brief commentary on what each milestone means in practice.

[January 2026]
[March 2026]
[April 2026]
[May 2026]
[June 2026]
[July 2026]
[October 2026]
[December 2026]

January 2026

Early 2026

UK – FCA Work in the Motor Finance Market

FCA to finalise the motor finance discretionary commission redress scheme and associated supervisory work in 2026.

The FCA’s motor-finance work will move from information-gathering to resolution in 2026. Following its review of historic discretionary-commission models, the FCA is expected to set out a remediation framework, potentially including an industry-wide redress scheme. Lenders and intermediaries should prepare for data-heavy exercises, customer-contact strategies and provisioning and expect the findings to inform wider retail-credit supervision.

2026

UK – The FCA’s Pure Protection Market Study: Interim Report

The FCA will publish an interim report in the beginning of 2026 setting out its initial findings and proposed next steps in relation to its market study into pure protection products.

The FCA intends to publish an interim report on its findings from ‘Market Study (*MS24/1.2*) into the distribution of pure protection products to consumers’ in the beginning of 2026.

The FCA is aware that pure protection insurance is primarily distributed through intermediaries, and it therefore initiated the Market Study to better understand whether the way these products are distributed meets its operational objectives. In particular, the FCA’s investigation covers: (i) whether there is effective competition in the pure protection insurance market; (ii) the commission paid to intermediaries; and (iii) customers’ ability to purchase products that both meet their needs and provide fair value.

2026

UK – New FCA Cryptoassets Regulatory Framework

A comprehensive regime will bring key cryptoasset activities into full UK financial regulation from 2026.

From 2026, a comprehensive regime will apply to a wide range of cryptoasset activities, moving beyond the current registration-only model. Authorised firms will face familiar expectations on governance, conduct, prudential standards, disclosure and market abuse controls, calibrated to crypto business models. Asset managers should track whether key service providers seek authorisation and how the FCA’s rules affect trading, custody and stablecoin exposures.

2026

EU – Member States’ Implementation of Solvency II Directive Changes

EU Member States will prepare updates to their respective domestic legislation and regulation throughout 2026 to reflect recent amendments to Solvency II.

During 2026, EU Member States will transpose new rules into their respective domestic legislation and regulation to reflect Directive (EU) 2025/2 (the **Amending Directive**), which updates, adds to and amends existing prudential insurance regulation in the Solvency II Directive (2009/138/EC) (**Solvency II**). Member states are required to implement this new regulation by 29 January 2027 (to take effect from 30 January 2027).

The Amending Directive, which was published in the *Official Journal of the European Union* in January 2025, is intended to make the EU insurance sector more resilient and efficient, and boost EU insurers' ability to make long-term investments across the EU bloc.

The Amending Directive introduces various changes to Solvency II, which include: (i) increasing the size thresholds below which firms are excluded from Solvency II requirements; (ii) introducing the concepts of 'small and non-complex undertakings' and 'small and non-complex groups', which will benefit from lighter and more proportionate regulation; (iii) modifications to the structure of the Solvency and Financial Condition Report, an annual disclosure published by EU insurers; (iv) amendments to the risk margin calculation to decrease the regulatory burden on firms and its sensitivity to interest rate movements; and (v) the introduction of new regulatory tools that EU supervisory authorities can use to address systemic risks in the insurance sector.

In connection with the above, on 29 October 2025, the European Commission adopted corresponding amendments to the supplementary Solvency II Delegated Regulation (2015/35), which it submitted to the European Parliament and Council for review. A finalised version of these rule changes will directly apply to EU insurers (*i.e.*, no domestic transposition is required) from 30 January 2027.

2026

EU – Member States' Implementation of the new Insurance Recovery and Resolution Directive (IRRD)

EU Member States will implement the IRRD into their domestic regulation during 2026.

The European Union adopted the finalised IRRD text simultaneously with the Amending Directive (see above), and Member States will transpose the rules contained within it during 2026 to apply from 30 January 2027.

The IRRD introduces a harmonised legislative framework for the resolution and recovery of EU insurers and reinsurers. Under IRRD rules, each EU Member State must ensure that at least 60% of national insurance markets (life and GI) are subject to either group or individual pre-emptive recovery plans. Each Member State must also designate its central bank or other public administrative authority as a ‘resolution authority’ to both draw up resolution plans for certain critical (re)insurers / (re)insurance groups and exercise resolution tools prescribed in the IRRD.

Resolution authorities also have certain resolution powers, which will apply temporarily to achieve an orderly resolution. Such powers include suspending termination rights, payment obligations and delivery obligations under contracts to which the (re)insurer is a party, as well as the ability to restrict secured creditors from enforcing their security interests against a (re)insurer’s assets.

The extent to which EU Member States are required to update, or supplement, their existing legislation will depend upon whether comparable recovery and resolution rules already exist within their domestic legislative framework.

2026

EU – Digital Operational Resilience Act (DORA)
Active supervisory oversight begins in 2026 as DORA shifts from implementation to full operational enforcement across the EU financial sector.

With DORA applying from January 2025, 2026 will be the first full year of active supervisory use. EU regulators will begin testing ICT risk management, incident reporting, resilience testing and critical third-party oversight in practice. In-scope firms, including EU AIFMs and UCITS managers, should be ready to evidence that operational-resilience frameworks, mappings and contracts are fully embedded and functioning.

2026

UK – Provisional Authorisation Regime

UK government intends to establish a *Provisional Licences Authorisation Regime* for early-stage financial services firms seeking FCA authorisation.

HM Treasury published a policy update on 4 December 2025, setting out plans for a new Provisional Licences Authorisation Regime for early-stage firms seeking FCA authorisation. The regime would allow firms to undertake limited regulated activities under time-limited permissions with close FCA oversight while progressing toward full authorisation. It is intended for firms not yet authorised and unable to meet all threshold conditions immediately. Provisional licences would last up to 18 months with restrictions on the scope and volume of permitted business. The regime requires primary legislation, which the government plans to introduce when Parliamentary time allows, so implementation is not expected before 2026.

2026

UK – COBS Client Classification and Conflict of Interest

FCA consulting on reforms to client categorisation rules and a simplified conflicts-of-interest framework.

On 8 December 2025, the FCA published CP25/36, consulting on reforms to the COBS client categorisation rules and a simplification of the conflicts of interest framework. The proposals introduce a new £10 million investable assets threshold for elective professional clients, remove the existing quantitative test and enhance the qualitative assessment firms must perform. The FCA also proposes simplifying the definition of per se professional clients and rationalising the SYSC 10 conflicts of interest rules without changing the underlying obligations. These changes aim to reduce complexity, modernise MiFID-derived provisions and ensure clients are only opted up where appropriate. The consultation closes on 2 February 2026, with final rules expected later in 2026.

For further information, please see our article **here**.

2026

EU – European Commission's Market Integration Package

Targeted amendments proposed to AIFMD to streamline cross-border marketing and reduce Member State gold-plating.

The European Commission published its Market Integration Package (MIP), which includes significant amendments to AIFMD, the UCITS Directive and the Cross-Border Distribution of Funds Regulation (CBDR). The proposals aim to streamline cross-border marketing, including a new "passporting upon authorisation" regime that would give AIFs and UCITS immediate access to selected host Member States, and more harmonised marketing notification and de-notification procedures. The MIP also seeks to reduce national "gold-plating", clarify responsibilities where marketing is delegated and introduce more consistent rules on marketing communications and fees. These changes form part of the EU's broader Savings and Investments Union strategy to improve market integration and reduce fragmentation. The proposals will now go through the EU co-legislative process, with implementation expected 12–24 months after entry into force.

2026

UK – Appointed Representative Reform

HM Treasury to consult on reforms to the appointed representatives regime.

HM Treasury announced plans to consult on targeted reforms to the Appointed Representatives regime in 2026. The government intends to keep the overall structure of the regime but address concerns about insufficient oversight and gaps in consumer protection. Key proposals include requiring firms to obtain a specific FCA permission to act as principal and extending UK Financial Ombudsman Service ("**FOS**") coverage to more AR activities. HM Treasury will consult on the detailed reforms in due course.

2026

EU – ESMA Supervisory Review of Compliance and Internal Audit (UCITS/AIFMs)

Results of ESMA's 2025 common supervisory action on compliance and internal audit at UCITS managers and AIFMs due in 2026.

ESMA's 2025 common supervisory action on compliance and internal audit at UCITS managers and AIFMs will result in a 2026 report. The findings will benchmark governance, independence, resourcing and effectiveness of second- and third-line functions. Managers should expect follow-up from home regulators where weaknesses are identified and should review whether compliance and internal audit are adequately staffed and empowered.

2026

EU – SFDR 2.0

The EU Commission's SFDR reform proposal is expected to advance through the EU legislative process throughout 2026.

The Commission's SFDR 2.0 proposal is expected to move through the legislative process during 2026. It will, based on the draft legislation, replace the current Article 6/8/9 categorisation with more prescribed fund labels, remove entity-level obligations and implement exclusion and threshold expectations for labelled funds. Firms should track its progress and consider whether it will impact future fundraising approaches.

For more information on the proposed changes to SFDR, please see our note **here.**

2026

U.S. – Potential Changes to CFTC Rule 4.13(a)(3)-(4)

The CFTC is expected to propose to reinstate former Rule 4.13(a)(4), and may also propose to rescind or amend Rule 4.13(a)(3).

The CFTC's Reg Flex Agenda indicates that it may propose changes to the registration exemption framework for operators of private funds. In general, a 'commodity pool operator' is required to be registered with the CFTC unless it can rely on an exemption. A non-U.S. fund manager would be caught by the CFTC regime to the extent that it enters into certain derivative transactions, in any amount, whether with U.S. or non-U.S. counterparties and whether through a U.S. or non-U.S. domiciled fund.

The exemption from commodity pool operator registration under CFTC Rule 4.13(a)(3) (the "de minimis" exemption) is often relied on by fund managers. Rule 4.13(a)(4), which previously permitted most operators of private funds not to register, was repealed in 2012.

In December 2025, the staff of the CFTC issued a no-action letter confirming that the CFTC intended to reinstate a version of Rule 4.13(a)(4). The no-action letter also exempted SEC-registered investment advisers from the need to register with the CFTC or comply with the terms of an exemption while the rulemaking process proceeds, subject to certain conditions. The no-action letter was limited to SEC-registered investment advisers, but the changes made through the rulemaking process may benefit additional advisers.

January 2026

UK – AI: Future Developments in Financial Services Regulation

UK Regulators are strengthening AI oversight within the existing framework, with growing expectations on governance, model risk and safe innovation.

UK regulators are expected to continue supervising AI in financial services through existing FCA, PRA and BoE frameworks rather than a single AI law. 2026 should bring clearer expectations on governance, model risk, data and third-party oversight. Firms deploying AI in investment, risk or customer processes should use 2026 to tighten controls, documentation and skills, not just to experiment.

1 January 2026

UK – Stewardship Code 2026

UK Stewardship Code 2026 becomes applicable from 1 January 2026.

The 2026 Stewardship Code will refresh the 2020 framework with a sharper focus on outcomes and evidence. Asset managers and asset owners will need to show how engagement and voting strategies deliver tangible results — having policies and processes alone will not be sufficient. Firms should consider how Code reporting interacts with SFDR, CSRD, UK SDR and client-mandate disclosures.

1 January 2026

EU – Taxonomy Regulation Simplification

Revised delegated legislation under the EU Taxonomy Regulation applies from 1 January 2026, streamlining the core EU green-classification framework.

Planned 2026 changes to the EU Taxonomy aim to make the regime more usable. The European Commission intends to simplify technical screening criteria, reduce reporting for entities making limited green claims and align Taxonomy disclosures more closely with CSRD and ESRS. Firms will need to update methodologies, data sources and disclosures once the new delegated acts are finalised.

5 January 2026

EU – EMIR 3

EMIR 3 clearing and reporting reforms continue to be implemented through 2025–26, with key legislative and RTS milestones in 2026.

EMIR 3 introduces an active-account requirement for certain EU counterparties clearing through non-EU CCPs, enhanced reporting and a more interventionist supervisory model. Through 2025–26, ESMA will finalise level-2 standards. 2026 will be a key year for adjusting clearing arrangements, collateral management and reporting. Firms should plan for potential increases in EU clearing and ensure governance and documentation are updated.

7 January 2026

U.S. – Updates to “Small Entity” Definition

The SEC is reviewing the “small entity” definition and proposed to adjust thresholds used for cost-benefit analysis and certain regulatory accommodations.

On January 7, the SEC proposed adjustments to the definition of "small entity", which affects thresholds used by the SEC for statutorily-mandated "regulatory flexibility analysis". This analysis can result in regulatory accomodations for certain firms and influence the framing of future rulemaking. The SEC's proposal would raise the "small entity" threshold to be $1 billion under management for registered investment advisers (up from $25 million) and net assets of $10 billion for registered companies (up from $50 million). In addition, the proposal would provide for automatic inflation adjustments once per decade. The SEC will be accepting comments on its proposal until March 2026.

11 January 2026

EU – ELTIF 2.0 Regime in Force Under Revised ELTIF Regulation

Revised ELTIF 2.0 regime applies, broadening eligible assets and investment limits, and allowing more flexible redemptions, with a 2026 review scheduled.

A scheduled 2026 review will focus on sustainability-related enhancements, including the potential for a dedicated green-ELTIF label. Sponsors should monitor the review, particularly where they target retail investors or use ELTIFs for private-markets access.

16 January 2026

UK – EMIR Intragroup Exemption Consultation

Deadline for responding to HM Treasury consultation on draft Regulations amending the intragroup exemption under UK EMIR.

This is the deadline for responses to HM Treasury's consultation on draft Regulations amending the intragroup exemption under UK EMIR. Firms using the intragroup clearing exemption should consider responding and assess how the proposals may affect group structures and risk transfers.

19 January 2026

UK – Regulated Activities Order: Evolving Perimeter and Upcoming Changes

Significant extensions to the RAO are now in train, shaping the future scope of FCA and PRA authorisation.

RAO changes over 2026 will reshape the UK regulatory perimeter, including new activities for public offers, BNPL and certain cryptoassets, alongside targeted support and future ESG-ratings oversight. A Swiss-firms exclusion is also expected. Firms should reassess group structures, booking models and distribution chains to identify where permissions, governance and capital may need to change.

26 January 2026

UK – EMIR Trade-Reporting: Strengthened Obligations and Post-Refit Expectations

Trade-reporting remains a universal requirement for all derivative counterparties, now under an enhanced data and quality framework.

The post-Refit UK EMIR reporting regime significantly raises expectations on data quality. Firms must use ISO 20022 messages, expanded data fields and tighter reconciliation and error-notification processes. Amendments taking effect from January 2026 complete the technical package. Regulators will increasingly treat poor reporting and weak governance around EMIR data as a supervisory issue in its own right.

28 January 2026

UK – Financial Sanctions: Expanding Enforcement, Tougher Expectations for Firms

FCA to increase supervisory focus and enforcement activity on financial-sanctions compliance through 2026.

OFSI is moving to a more assertive enforcement posture, supported by higher resourcing, analytics and closer co-ordination with the FCA and law-enforcement agencies. 2026 will also see the migration to a single consolidated sanctions list, requiring systems changes. Firms should expect more thematic reviews and testing of screening systems, particularly for complex ownership structures and higher-risk jurisdictions.

March 2026

Q1 2026

UK – MiFID Regime for Investment Firms: 2026 Reform Milestones

Key 2026 milestones reshape the UK MiFID framework for commodities and ancillary activity ahead of the new regime taking effect from 2027.

The FCA intends to publish a policy statement on changes to the MiFID ancillary activities exemption in Q4 2025/Q1 2026, with the new ancillary activities regime scheduled to come into force on 1 January 2027.

Q1 2026

UK – COBS 9A Suitability Requirements

The suitability framework remains stable, but 2026 will see important perimeter and policy shifts.

The restated COBS 9A retains the core suitability framework but consolidates and clarifies requirements. In 2026, focus will shift to how suitability interacts with the advice/guidance boundary, targeted support and the consumer duty. Firms should streamline policies, documentation and outcome testing and be ready to adjust once the FCA finalises boundary reforms.

Q1 2026

UK – Cryptoassets Regulatory Framework

The FCA is expected to publish a consultation paper with specific rules for cryptoassets.

The FCA is expected to consult on detailed rules for cryptoasset activities under the new regime, including regulation of trading venues, lending, staking and prudential standards. The consultation will indicate how the FCA expects firms to manage consumer-protection, market-abuse and disclosure risks in practice. Authorised firms with crypto exposure should engage with the proposals and assess the impact on systems and controls.

April 2026

April 2026

U.S. – SEC Spring Reg Flex Agenda

The SEC is expected to publish its spring Regulatory Flexibility Agenda setting out priority rulemakings for the next 12 months.

Twice per year, each Federal agency, including the SEC, is required to publish an agenda identifying rules that the agency expects to consider in the next 12 months that are likely to have a significant economic impact on a substantial number of small entities. This publication is known as the Regulatory Flexibility (or “Reg Flex”) Agenda. The Reg Flex Agenda provides important insight on what matters the agency intends to prioritize over the coming year, which gives regulated entities time to prepare.

The Regulatory Flexibility Act, which is the statute mandating publication, requires that the agenda be published twice a year, in April and October. Notwithstanding the statutory requirement, the Reg Flex Agenda is sometimes delayed. For example, the SEC published the Spring 2025 Reg Flex Agenda in September 2025, more than four months later than the law requires, and has not yet published the Fall 2025 Reg Flex Agenda.

The below discussion of rules the SEC is expected to propose is based on the Spring 2025 Reg Flex Agenda. Though it reflects the SEC’s priorities as of the date it was completed, the SEC is not precluded from considering items that were not included. In addition, the SEC is required to indicate the likely date by which it will act, but generally, it only chooses either April or October, and this is not a commitment by the agency to act at any particular time but instead an indication of its relative priorities as of the date the agenda was completed.

Please see our dedicated article about the SEC’s most recent Reg Flex Agenda here.

April 2026

U.S. – Updating the Exempt Offering Pathways

The SEC may propose amendments to “facilitate capital formation and simplify the pathways for raising capital for, and investor access to, private businesses”.

The SEC may propose rule amendments to “facilitate capital formation and simplify the pathways for raising capital for, and investor access to, private businesses”. While there is not much more information on this at present, the reference to “investor access” may mean a potential expansion of the “accredited investor” definition or to an expansion of Regulation A.

April 2026

U.S. – Amendments to the Custody Rule

The SEC may propose amendments to the Custody Rule, including changes to facilitate custody of crypto assets.

The SEC may propose amendments to the Custody Rule. While the Spring 2025 Reg Flex Agenda only discusses amendments to facilitate custody of crypto assets, industry trade groups have sought more fundamental changes, noting it “presents an excellent opportunity to thoroughly reassess the Custody Rule and related guidance”.

April 2026

U.S. – Definition of Dealer

The SEC may propose rule amendments clarifying the definition of “dealer” under the Exchange Act, following withdrawal of its 2024 proposal.

The SEC may propose rule amendments that would clarify the definition of “dealer” under the Exchange Act. In February 2024, the SEC proposed a rule that would have drastically expanded the definition. While that proposal has now been withdrawn, the SEC also brought several precedent setting enforcement actions in recent years, which could be effectively undone via rulemaking establishing safe harbours.

April 2026

U.S. – Crypto Assets Rules

The SEC may propose rules on the offer and sale of crypto assets, including further clarity on when a crypto asset meets the definition of “security”.

The SEC may propose certain rules related to the offer and sale of crypto assets. While limited information is available at this stage about the scope of what the SEC intends to propose, public statements from SEC personnel indicate that the rules may include additional clarity about when a crypto asset meets the definition of “security”.

April 2026

U.S. – Amendments to Form N-PORT

The SEC may propose amendments to Form N-PORT to address identified disclosure burdens on covered registered investment companies.

The SEC may propose amendments to Form N-PORT. The form was previously amended to change the reporting cadence to monthly (among other matters), which some in the industry felt was too frequent given the volume of information required to be reported. The Spring 2025 Reg Flex Agenda discusses that the amendments would address identified disclosure burdens on covered registered investment companies.

April 2026

U.S. – Amendments to Rule 17a-7 under the Investment Company Act

The SEC may propose amendments to Rule 17a-7 under the Investment Company Act to modernise conditions for, and expand the availability of, the cross trading exemption.

The SEC may propose amendments to Rule 17a-7 under the Investment Company Act. Rule 17a-7 permits cross trades between registered investment companies under certain conditions, but the requirement to have a “readily available market quotation” has in practice limited the ability of many funds holding less liquid assets to rely on the rule, instead being required to comply with much more cumbersome requirements. The Spring 2025 Reg Flex Agenda discusses potential amendments to modernize the conditions for and expand the availability of the exemption of certain purchase or sale transactions between an investment company and certain affiliated persons.

April 2026

EU – ESMA to Finalise Integrated Funds Data Reporting Framework in 2026

ESMA's mandated report will set out proposals for a unified, streamlined EU fund reporting regime.

ESMA's integrated funds-data reporting project will culminate in a 2026 report proposing harmonised templates for AIFs, UCITS and MMFs. The aim is to reduce overlapping data requests and improve consistency of supervision. Managers should expect changes to Annex IV and UCITS reporting in due course and plan for system changes ahead of national implementation.

6 April 2026

UK – New CCI Disclosure Regime Replaces PRIIPs from 6 April 2026

The new CCI framework replacing PRIIPs retail disclosure regime takes effect.

The UK PRIIPs regime will be revoked and replaced by the FCA's new consumer composite investment disclosure framework. The CCI rules create a single, more flexible disclosure regime built around a product summary and core-information set. Firms can continue using PRIIPs KIDs and UCITS KIIDs until 1 January 2027 but should plan their transition to CCI templates and digital-first disclosures during 2026.

16 April 2026

EU – AIFMD II Member State Implementation

AIFMD II will start to apply in EEA Member States

Key reforms include enhanced delegation and substance requirements, new disclosures, a standardised liquidity-management toolkit and a dedicated regime for loan-originating AIFs, with grandfathering to 2029. Supervisory reporting changes are expected from 2027.

For further information, please refer to our AIFMD 2.0 Digest series here.

Spring 2026

UK – AIFMD Replacement Regime to Take Shape in 2026

FCA consultation on detailed rules for a new UK AIFM regime and HM Treasury draft legislation are expected in 2026.

Draft legislation and FCA consultation on the new UK AIFM regime are expected in spring 2026. The framework is likely to use NAV-based categories with more proportionate requirements and to move many obligations from statute into FCA rules. Focus areas include leverage oversight, depositary models, valuation, liquidity and marketing. UK managers should compare the evolving regime with AIFMD II and consider where to align or differentiate.

May 2026

May 2026

UK – Commencement of the PRA's 2026 Dynamic General Insurance Stress Test (DyGIST)

The PRA has invited insurers representing around 80% of the general insurance market (as measured by GWP) to participate in the 2026 DyGIST.

The PRA has announced that it will conduct a 2026 DyGIST, which will inform the PRA in performing the following tasks: (i) assess the UK general insurance sector's solvency and liquidity resilience to certain adverse scenarios; (ii) assess the effectiveness of insurers' risk management actions following the occurrence of each adverse scenario; and (iii) determine how, as a regulator, it should respond to the occurrence of a market wide adverse scenario.

The 2026 DyGIST will form three phases: (i) the 'live exercise' (May 2026), in which firms will be asked how they would respond to a sequential set of adverse scenarios; (ii) firms will submit qualitative and quantitative information to the PRA on the estimated impact of the adverse scenarios to their operations (deadline expected to be July 2026); and (iii) the PRA will publish its findings on the 2026 DyGIST (expected Q4 2026).

June 2026

June 2026

EU – CSRD Revised Directive Implementation

By June 2026, EU and EEA member states are expected to transpose the revised CSRD into national law, following the 2025 agreement to narrow scope and simplify reporting standards.

Member States are expected to transpose the revised CSRD by June 2026, following agreement to narrow scope and simplify the reporting standards (ESRS). Many mid-sized and small companies will fall out of scope, while remaining issuers will report against a streamlined set of standards. Asset managers should track which portfolio companies are caught and how CSRD data feeds into SFDR, Taxonomy and client reporting.

Q2 2026

UK – Consumer Duty Clarification

The FCA consultation on consumer duty application along distribution chains and to business with non UK customers.

The FCA plans to clarify how the consumer duty applies along distribution chains and to business with non-UK customers. The consultation is expected to focus on allocation of responsibilities between manufacturers and distributors, information-sharing and the boundaries of the duty for cross-border services. Firms with complex chains or offshore clients should be ready to respond and adjust contractual frameworks.

Q2 2026

UK – Fund Liquidity and AIFM Remuneration

FCA is expected to provide further guidance on fund liquidity and AIFM remuneration.

The FCA is expected to provide further guidance on fund-liquidity risk management and AIFM/UCITS remuneration, building on international work and the UK AIFM reforms. 2026 could bring more detailed expectations around stress-testing, anti-dilution tools and the interaction between remuneration, risk and investor outcomes. Managers should review liquidity frameworks and remuneration policies ahead of any further consultations.

Q2 2026

EU – Updated Taxonomy Regulation Technical Screening Criteria

Further delegated acts will refine and simplify the criteria to improve usability and support smoother reporting.

The European Commission plans to update Taxonomy technical screening criteria during 2026 to close gaps and simplify application. Changes will seek better alignment with CSRD, ESRS and SFDR, and may streamline DNSH tests for lower-risk activities. Firms will need to refresh Taxonomy-alignment calculations, product disclosures and supporting data once criteria are final.

H1 2026

UK – FOS Reforms

FOS reforms move into implementation in 2026, including changes to governance, jurisdiction and redress processes.

FOS reforms moving into implementation in 2026 are expected to clarify jurisdiction, time limits and redress powers and align outcomes with the consumer duty. Likely themes include updated criteria for what is “fair and reasonable” and process changes for mass-claims. Firms should review how FOS outcomes feed into product governance, complaints processes and conduct-risk reporting.

H1 2026

UK – FCA Fund Tokenisation

FCA expects to publish a policy statement on detailed rules on fund tokenisation.

The FCA’s fund-tokenisation policy statement following CP25/28 will move from high-level principles to detailed rules. It will clarify operating models for tokenised units, direct-to-fund dealing and the interaction with existing authorised-fund rules. Managers exploring tokenised funds should map their structures and service-provider roles against the FCA’s expectations and be ready to address operational-resilience and safeguarding points.

H1 2026

UK – National Security and Investment Act Review

During 2026, the UK government is expected to progress revisions to the NSI Act, following its 2025 consultation on streamlining notifications and updating the sensitive sectors regime.

Following its 2025 consultation, the government is expected to progress targeted changes to the NSI regime in 2026. Likely areas include exemptions for low-risk intra-group restructurings, refinements to mandatory-notification triggers and an updated list of sensitive sectors. Sponsors and portfolio companies should track the outcome closely, given NSI's growing relevance to private-equity and technology-focused investments.

H1 2026

UK – PRA Policy Statement on Insurance Third Country Branches

The PRA is expected to release a Policy Statement setting out finalised changes to the regulation of third country branches.

The PRA is expected to publish a Policy Statement setting out a limited number of finalised changes to its current regulation governing insurance third country branches.

The PRA's proposed rule changes, which were published in Consultation Paper (CP 20/25) dated 16 September 2025, are supplementary to the PRA's substantive reforms to insurance third country branch regulation implemented in 2024. The PRA's latest proposals include: (i) addressing identified inconsistencies in the 2024 reforms; (ii) further streamlining the framework for regulating third country branches; and (iii) further clarifying the PRA's expectations of third country branches.

Additionally, the PRA proposes to increase its indicative 'subsidiarisation threshold'; the threshold above which the PRA expects firms to establish (and seek authorisation) as a UK subsidiary (i.e., rather than as a UK branch). The PRA's current threshold is £500 million of projected insurance liabilities covered by the Financial Services Compensation Scheme, and the PRA intends to increase it to £600 million.

The intended implementation date for most of the PRA's proposed rule changes is 31 December 2026.

July 2026

1 July 2026

EU – MiCA Grandfathering Period Ends

Latest date by which cryptoasset entities benefiting from MiCA transitional measures must be authorised under the new regime.

By 1 July 2026, cryptoasset service providers benefiting from MiCA transitional measures must obtain authorisation or cease activities. Firms operating in or into the EU should ensure their MiCA implementation programmes are on track, including governance, safeguarding, disclosure and prudential arrangements.

2 July 2026

EU – ESG Ratings Regulation to Apply from July 2026

New mandatory regime for ESG rating providers begins on 2 July 2026.

From 2 July 2026, in scope ESG rating providers will be subject to the new EU ESG Ratings Regulation, with transitional deadlines in August and November 2026 for existing providers to notify ESMA and obtain authorisation or recognition. Providers that miss these steps will have to cease offering ESG ratings in the EU, so users should monitor which ESG rating providers become authorised and any changes to their methodologies and coverage.

10 July 2026

EU – New AML/CTF Framework to Take Full Effect by 2028

AMLA launch and a harmonised Single Rulebook reshape obligations for financial institutions.

The new EU AML package will take full effect by 2028, combining a directly applicable AML Regulation, a revised Directive and the Wire & Cryptoasset Transfer Regulation, alongside AMLA. From 2026, firms will need to align with a more detailed and harmonised Single Rulebook, with expanded scope to cryptoasset providers and certain consumer-credit firms. Institutions should begin upgrading CDD, beneficial-ownership, SAR and travel-rule processes ahead of full application.

October 2026

October 2026

U.S. – SEC Fall Reg Flex Agenda

The SEC is expected to publish its fall regulatory agenda.

As noted above, the SEC is required to publish its Reg Flex Agenda in April and October. As of the date of publication, the SEC has not complied with this statutory requirement.

1 October 2026

U.S. – Form PF Amendments

Form PF amendments adopted in February 2024 begin to apply from October 2026, requiring more detailed, disaggregated fund level reporting.

In February 2024, the SEC and the Commodity Futures Trading Commission adopted amendments to Form PF. The amendments will have the effect of requiring increased disaggregated, detailed fund level reporting (such as expanded disclosures on fund structures, exposures, performance, borrowing, counterparty risk and liquidity). The SEC has previously approved three extensions to the compliance date.

We discussed the last extension to the related compliance deadline here.

December 2026

2 December 2026

UK SDR – Entity Level Disclosure Deadline for Large Asset Managers

Entity level SDR disclosure rules apply from 2 December 2026 for UK asset managers with AUM above £5 billion.

Under the FCA's SDR, UK asset managers with more than £5bn AUM on a three-year rolling average must publish their first entity-level sustainability report by 2 December 2026. The report must cover governance, strategy, risk management, metrics and targets and explain how these support any labelled or sustainability-linked products, where applicable. Firms close to the threshold should assess whether they are in scope and begin designing reporting processes sooner rather than later, as if the reporting expectations are broader than those under TCFD.

31 December 2026

U.S. – Treasury Clearing Rules

From 31 December 2026, certain secondary market cash and repurchase transactions in U.S. Treasury securities must be centrally cleared under SEC rules

In December 2023, the SEC adopted rules requiring certain secondary market transactions in U.S. Treasury securities to be cleared through a clearing agency. The rules will have the effect of requiring central clearing of many types of cash transactions and repurchase transactions in U.S. treasury securities. In February 2025, the compliance date for this rule was extended to 31 December 2026.

Q4 2026

EU – ESMA Guidance on Greenwashing Risk

ESMA to publish supervisory material on greenwashing risks in EU sustainable investment funds.

In Q4 2026, ESMA is expected to publish supervisory material on greenwashing in the sustainable-fund market. The guidance will provide concrete examples of misleading names, objectives, marketing and disclosures and clarify how SFDR, the Taxonomy and AIFMD/UCITS rules should interact. Managers should review ESG strategies, fund names and communications for potential greenwashing risk ahead of publication.

H2 2026

UK – Operational Incident, Outsourcing and Third-Party Reporting Rules

FCA, PRA and BoE expected to publish policy statements, final rules and guidance on operational incident, outsourcing and third party reporting.

By H2 2026, firms are expected to have implemented new rules on operational-incident and outsourcing reporting, subject to final FCA and PRA timetables. Firms should continue strengthening incident-management, third-party oversight and reporting processes so that they can meet tighter requirements once application dates are confirmed.

H2 2026

UK – FCA and PRA Proposed Regulation of Captive Insurers

The FCA and the PRA intend to launch consultations on their proposed rules for captive insurers. The new captive insurance framework is intended to be implemented by mid 2027.

A UK insurance captives regime is expected to be developed during 2026, ahead of a target implementation date of mid 2027. The UK Government intends that a new, streamlined regulatory regime will boost the international competitiveness of the UK insurance industry by encouraging corporate groups to establish UK captives.

The Government first introduced the new regulatory framework for UK captive insurance companies in its Consultation Paper dated November 2024. Following receipt of positive industry feedback, the Government announced in its Consultation Response (dated 15 July 2025) that it will proceed to prepare the statutory framework for the new captives regime “at pace”.

The Government’s legislative changes will form the framework for the new captives regime to be built into FCA and PRA regulation, and it is understood that both regulators have already commenced work on their respective bodies of rules. The PRA intends to consult on its regulatory proposals in summer 2026, and the FCA’s proposals will be developed and consulted on in parallel.

H2 2026

UK – FCA & PRA to Publish Final SM&CR Reform Rules in Mid-2026

Phase one reforms will streamline approvals, certification processes and governance documentation.

Phase-one SM&CR reforms due in mid-2026 will focus on streamlining approvals, extending the 12-week rule and clarifying SMF role descriptions and conduct-rules guidance. Legislative changes consulted on by HM Treasury will follow later. Firms should simplify governance documentation, responsibilities maps and certification controls and be ready for further reforms in phase two.

H2 2026

EU – Securitisation Regulation Reforms to Take Full Effect in 2027 and Beyond.

A comprehensive package of reforms of the EU securitisation regulatory regime with the aim of reviving the European securitisation market, including changes to prudential requirements applicable to banks and insurers investing in securitisations.

The EU securitisation reform package released in June 2025 consisted of proposals to amend the Securitisation Regulation (EU) 2017/2402, among other things, simplifying due diligence and transparency obligations; proposed changes to the Capital Requirements Regulation and Liquidity Coverage Ratio Delegated Regulation, which addressed prudential treatment of banks with securitisation exposures, including eligibility of securitised assets in liquid asset buffers; and Solvency II Delegated Regulation, which covered prudential treatment of insurers investing in securitisations. Formal adoption and publication in the Official Journal is expected by late 2026 or early 2027 with phased implementation to follow.

The information in this timeline is current as of December 2025. For more information on any of the topics, please reach out to the Proskauer Regulatory team at UKReg@proskauer.com and USReg@proskauer.com.

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