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## **Delegated Regulation amending list of high-risk third countries published in Official Journal**

[Delegated Regulation \(EU\) \(EU\) 2025/1184](#) amending Delegated Regulation (EU) 2016/1675 to add Algeria, Angola, Côte d'Ivoire, Kenya, Laos, Lebanon, Monaco, Namibia, Nepal and Venezuela to the list of high-risk third countries which have provided a written high-level political commitment to address the identified deficiencies and have developed an action plan with the Financial Action Task Force (FATF), and to remove Barbados, Gibraltar, Jamaica, Panama, the Philippines, Senegal, Uganda and the United Arab Emirates from that list has been published in the Official Journal.

The Delegated Regulation will enter into force on 5 August 2025.

## **ESAs publish guide on DORA oversight activities**

The European Supervisory Authorities (ESAs) have published a non-binding [guide](#) outlining their oversight approach under the Digital Operational Resilience Act (DORA). The guide describes the procedures followed by Joint Examination Teams (JET) in supervising critical ICT third-party service providers (CTPPs).

It offers an overview of the CTPP oversight framework, including its governance structure, oversight processes, core principles, and available supervisory tools. The ESAs encourage financial institutions, CTPPs, and other stakeholders to consult the guide in preparation for the implementation of DORA-related oversight activities.

## **DORA: ESMA publishes guidelines on outsourcing to cloud service providers**

The European Securities and Markets Authority (ESMA) has published its final report on revised [guidelines](#) on outsourcing to cloud service providers.

The guidelines revise and replace the guidelines on outsourcing to cloud service providers published in December 2020. The revisions update the scope of the guidelines to exclude financial entities now covered DORA. They will apply to competent authorities and to depositaries under the Alternative Investment Fund Managers Directive (AIFMD) and the UCITS Directive that are not subject to DORA.

ESMA is not substantively changing the content of the guidelines and has not conducted a consultation on the amendments.

The guidelines will now be translated into the official EU languages. Competent authorities must notify ESMA whether they comply or intend to comply with the guidelines, or otherwise the reasons for non-compliance, within two months of the publication of the translations.

## **Prospectus Regulation: ESMA publishes final RTS on documents incorporated by reference**

ESMA has published its [final report](#) on regulatory technical standards (RTS) to update the list of documents from which information can be incorporated by reference into prospectuses.

In particular, the RTS add the following document types to the list of documents set out in Article 19(1) of the Prospectus Regulation:

- documents which have been approved by or filed with a competent authority in accordance with the Prospectus Directive; and
- pre-issuance disclosures for issuers of bonds marketed as environmentally sustainable or of sustainability-linked bonds as referred to in Article 20 of the European Green Bond Regulation (EuGB Regulation).

The RTS have been submitted to the EU Commission for adoption.

## **Securitisation Regulation: ESMA publishes feedback statement on proposed revision of disclosure framework for private securitisations**

ESMA has published a [feedback statement](#) summarising the responses it received to its February 2025 consultation on introducing a simplified disclosure template for private securitisations under Article 7 of the Securitisation Regulation.

The consultation proposed a new ‘simplified’ disclosure framework for private securitisations which would replace detailed loan-by-loan reporting with more summary, portfolio-level disclosures.

Feedback from the consultation showed that stakeholders generally supported the objective of simplifying the framework. However, the majority of respondents stated that the proposed amendments to the technical standard should not be pursued at this stage as the proposed template does not fully meet market expectations.

ESMA has indicated that it will not make any amendments to the disclosure technical standards until the key concepts and definitions under Level 1 have been sufficiently clarified.

## **Chancellor announces Leeds Reforms to financial services and unveils Financial Services Growth and Competitiveness Strategy**

The Chancellor of the Exchequer, Rachel Reeves, has [announced](#) the ‘Leeds Reforms’ to financial services and launched the Government’s [Financial Services Growth and Competitiveness Strategy](#), setting out a ten-year plan to drive the growth and competitiveness of financial services in the UK.

Amongst other things, the package of measures includes:

- a [consultation](#) on cross-cutting reforms to ensure that the financial services regulatory environment is effective, proportionate, and in line with the Government’s ambition on regulation – comments are due by 9 September 2025;
- a [consultation](#) on reforms to the Senior Managers & Certification Regime (SM&CR). The Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) have both also launched their own consultations on the reformed regime ([CP25/21](#) and [CP18/25](#)) – comments on all three consultations are due by 7 October 2025;
- a [consultation](#) on proposed reforms to the Financial Ombudsman Service (FOS). An FOS/FCA consultation ([CP25/22](#)) on modernising the redress system has also been published – comments on both consultations are due by 8 October 2025;
- a [policy update](#) on applying the FSMA 2000 model of regulation to the Capital Requirements Regulation (CRR), which confirms the legislative approach for implementing Basel 3.1 and explains how HM Treasury will revoke certain parts of the CRR which the PRA will then replace with rules implementing the new Basel standards. The update also outlines the proposed legislative approach for revoking the remainder of the CRR and for revoking and restating with modifications the Capital Buffers Regulation. HM Treasury has published three pieces of draft legislation alongside the policy update and invited technical comments on the proposed legislative approach by 5 September 2025;
- a [policy note](#) on updating the UK’s regulatory framework for central counterparties (CCPs), alongside the draft [Central Counterparties \(Amendment\) Regulations 2025](#) and the draft [Financial Services and Markets Act 2000 \(Criteria for Determining Systemic Importance of Overseas Central Counterparties\) Regulations 2025](#) – comments are due by 18 November 2025;
- a [consultation](#) to support new risk transfer solutions in the insurance industry – comments are due by 8 October 2025;
- [confirmation](#) that the Government intends to proceed with the introduction of a dedicated framework for captive insurance in the UK. The PRA and FCA have issued a [joint statement](#) welcoming this announcement;
- the Government’s [response](#) to its UK Green Taxonomy consultation, confirming that it no longer intends for this to be a part of the UK sustainable finance framework;
- a [guidance document](#) setting out the principles and processes which govern the UK’s Overseas Recognition Regimes, as well as a

[memorandum of understanding](#) between HM Treasury, the Bank of England, the PRA and the FCA on Overseas Recognition Regimes;

- the [National Payments Vision](#), which responds to the findings of the independent [Future of Payments Review 2023](#), led by Joe Garner;
- a [policy note](#) setting out proposed changes to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 to enable the implementation of the new 'targeted support' regime – comments are due by 29 August 2025;
- a [Wholesale Financial Markets Digital Strategy](#), setting out the Government's approach to digitalising the UK's wholesale financial markets;
- the [Digitisation Taskforce's final report](#), which recommends a staged approach to removing paper share certificates and ultimately moving to a fully intermediated system of shareholding in the UK. The Government has accepted these recommendations;
- an [update](#) on the Digital Gilt Instrument (DIGIT) pilot; and
- a new, permanent [Mortgage Guarantee Scheme](#), which will be available to lenders from July 2025.

## **The Bank Recovery and Resolution (Amendment) Regulations 2025 made and laid**

The Bank Recovery and Resolution (Amendment) Regulations 2025 ([SI 2025/862](#)) have been made and laid before Parliament.

The Regulations amend the Bank Recovery and Resolution (No 2) Order 2014 (SI 2014/3348), which sets out the Bank of England's (BoE) duties in relation to the minimum requirement for own funds and eligible liabilities (MREL), to reflect changes introduced by the Bank Resolution (Recapitalisation) Act 2025.

Among other things, the Regulations:

- allow the BoE to reduce or remove MREL for certain firms where the Financial Services Compensation Scheme (FSCS) can provide an alternative source of recapitalisation funding;
- make provisions to include transitional MREL requirements within the scope of SI 2014/3348; and
- replace references to EU assimilated law with the BoE's Statement of Policy on MREL.

The Regulations come into force on 1 January 2026.

## **The Financial Services and Markets Act 2000 (Markets in Financial Instruments) (Amendment) Regulations 2025 made and laid**

The Financial Services and Markets Act 2000 (Markets in Financial Instruments) (Amendment) Regulations 2025 ([SI 2025/860](#)) have been made and laid before Parliament.

The Regulations amend the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017, to give the FCA fuller powers of direction in relation to commodity derivatives traded in the over-the-counter (OTC) market. Previously, the FCA's powers of direction could only be applied to commodity derivatives falling under the definition of a financial instrument under the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (RAO).

SI 2025/860 extends the FCA's powers to request information and intervene in relation to a wider range of commodity derivatives traded in the OTC market. The Regulations are intended to provide greater transparency on positions held in OTC markets and to allow the FCA, and in turn exchanges, to identify and mitigate potential risks to market integrity before they crystallise. Under the Regulations, the FCA should be able to take a tailored approach to the reporting of OTC positions proportionate to the risks associated with different markets.

The Regulations will come into force immediately after both paragraphs 47 and 48 of Schedule 2 to FSMA 2023 have come into force.

### **Buy-now, pay-later: Statutory Instrument made**

The Financial Services and Markets Act 2000 (Regulated Activities etc.) (Amendment) Order 2025 ([SI 2025/859](#)) has been made.

SI 2025/859 will bring interest-free buy-now, pay-later (BNPL) agreements into regulation under the Regulated Activities Order.

SI 2025/859 entered into force on 15 July 2025 for the purpose of enabling the FCA to make BNPL rules. It will enter fully into force in 12 months.

### **Buy-now, pay-later: FCA consults on proposed approach to regulation**

The FCA has launched a consultation ([CP25/23](#)) on the rules and guidance that it proposes to apply to deferred payment credit (DPC) lending (also known as buy-now, pay-later) following the Government's decision to bring this under FCA regulation.

From 15 July 2026, lenders who offer a DPC agreement to finance the purchase of goods or services from a merchant will come under FCA regulation. Merchants that offer their own DPC agreements directly will not, nor will the broking of DPC agreements.

CP25/23 seeks views on the FCA's proposals for firms to give information to consumers and undertake creditworthiness assessments, and on whether the FCA should apply existing rules for regulated credit activity to this sector.

There will be a temporary permissions regime in place to allow firms to be able to continue to trade before they are fully authorised. The temporary permissions regime will be open for firms to register 2 months before the regime comes into force on 15 July 2026. Firms will then have 6 months (from the date the regime comes into force) to apply for full authorisation.

Comments are due by 26 September 2025.

## **FCA publishes new rules on public offers and admission to trading regime**

The FCA has published two policy statements on new rules for the public offers and admissions to trading regime (POATR) ([PS25/9](#)) and the public offer platform (POP) regime ([PS25/10](#)), marking the final step in replacing the UK prospectus regime.

PS25/9 sets out the FCA's final rules to implement the Public Offers and Admissions to Trading Regulations 2024. They include the new Prospectus Rules: Admissions to Trading on a Regulated Market (PRM) sourcebook, amendments to the Market Conduct (MAR) sourcebook for firms operating primary multilateral trading facilities (MTFs) and amendments to the UK Listing Rules (UKLRs). Among other things, the new rules:

- no longer require companies to publish a prospectus when raising further capital, except in limited circumstances;
- increase the threshold at which a prospectus is required for a listed company to raise more shares from 20% to 75% of its existing share capital;
- reduce the number of days initial public offerings (IPOs) that include the wider public can come to market from 6 working days to 3 working days;
- require a single set of minimum disclosure content for prospectus documents for non-equity securities, to align requirements for lower denomination bonds with those for higher denominations;
- introduce a definition for the types of statements subject to the liability regime for protected forward-looking statements (PFLS); and
- include a new climate-related disclosure rule for certain equity issuers and optional disclosures to improve transparency of sustainability-labelled debt instruments.

PS25/10 sets out rules for POP operators under the new regime which will allow companies to raise capital by offering securities outside a public market to a broad investor base, including retail consumers.

The rules will come into force on 19 January 2026.

## **UK MiFIR: FCA confirms that its direction on the derivatives trading obligation remains in effect**

The FCA has issued an explanatory [statement](#) relating to its direction on the derivatives trading obligation (DTO).

On 31 December 2024, the FCA issued a direction under Article 28a of UK MiFIR to modify the UK DTO, replacing the expiring transitional direction. The direction allows firms subject to the UK DTO, trading with or on behalf of EU clients subject to the EU DTO, to execute those trades on EU trading venues provided certain conditions are met.

Under Article 28a(9), where a direction remains in effect for longer than 6 months, the FCA must publish, as soon as reasonably practicable after each 6-month period, a statement explaining why the conditions under Article 28a(1)(a) and (b) continue to be met to extend it for a further 6 months.

The explanatory statement confirms that the direction remains in effect because in the FCA's view both conditions in Article 28a(1)(a) and (b) continue to be satisfied. A further review will be conducted at the conclusion of the next 6- month period, after which, if the direction is still in force, the FCA will issue a new statement.

## **BoE publishes final and draft policy on FMIs and CCPs**

The Bank of England (BoE) has published a number of policy documents and consultation papers on financial market infrastructures (FMIs) and central counterparties (CCPs).

The BoE has published:

- a [policy statement](#) containing its final policy on fundamental rules for FMIs;
- a [draft statement of policy](#) (SoP) on the approach to comparable compliance permissions;
- a [draft SoP on the approach to supervisory processes](#) including model changes, recognition orders and variations of recognition orders, and margin permissions;
- a [draft SoP on the approach to tiering non-UK CCPs](#);
- a [draft SoP on the approach to permissions](#) in relation to CCP rules;
- a [draft supervisory statement](#) on CCP margin;
- a [consultation paper on the approach to rule permissions and waivers](#); and
- a [consultation paper on ensuring the resilience of CCPs](#).

The final policy comes into effect on 18 July 2025. Comments are due on the consultations by 18 November 2025.

## **BoE publishes final policy on setting MREL and PRA consults on Resolution Assessment threshold and reporting and disclosure requirements**

The BoE and PRA have published a series of updates to the UK's resolution framework, comprising:

- the Bank's [final policy](#) in relation to setting MREL, which has been updated in response to firm and industry feedback following the consultation published in October 2024, including raising the total assets indicative thresholds for a transfer or bail-in preferred resolution strategy from GBP 15-25 billion to GBP 25-40 billion;
- a PRA consultation paper ([CP14/25](#)) proposing to update the Resolution Assessment threshold (from firms with GBP 50 billion in retail deposits to GBP 100 billion in retail deposits), whilst also proposing updates on the frequency of recovery plan reviews;
- a PRA consultation paper ([CP15/25](#)) proposing to amend MREL reporting requirements to reflect the MREL policy changes and resulting in a net reduction in the reporting burden on firms; and
- a PRA consultation paper ([CP16/25](#)) on proposed revisions to MREL disclosure requirements, as part of wider changes to Pillar 3 disclosure.

Comments on all three consultations are due by 31 October 2025.

### **Basel 3.1: PRA consults on adjustments to market risk framework**

The PRA has published a consultation paper ([CP17/25](#)) on adjustments to the Basel 3.1 market risk framework.

In particular, the PRA is proposing to:

- set the date for the introduction of the new Fundamental Review of the Trading Book (FRTB) internal model approach as 1 January 2028, so that firms with internal model permission can continue to use their existing internal models until 31 December 2027;
- allow all other aspects of Basel 3.1 to proceed on 1 January 2027;
- implement operational simplifications to the treatment of collective investment undertakings (CIUs) in the trading book boundary and the Advanced Standardised Approach (ASA);
- introduce a permissions regime for the capitalisation of residual risks in the ASA; and
- update reporting and disclosure obligations to align with the above proposals.

Comments are due by 5 September 2025.

### **PRA publishes policy statement on large exposures framework**

The PRA has published a policy statement ([PS14/25](#)) on amendments to the large exposures framework.

PS14/25 sets out feedback received to Chapter 5 of the PRA's consultation paper on the large exposures framework (CP14/24) and Chapter 4 of the consultation on identification and management of step-in risk, shadow banking entities and groups of connected clients (CP23/23). It also contains the PRA's final policy including:

- amendments to the Large Exposures (CRR) Part of the PRA Rulebook;
- amendments to the Large Exposures Part of the PRA Rulebook;
- amendments to Annex IX – Instructions for reporting on large exposures and concentration risk; and
- the addition of a new supervisory statement (SS3/25) on identification of groups of connected clients for large exposures purposes.

In response to the comments received, the PRA has amended the final policy to:

- remove changes related to the proposals in Chapters 2, 3 and 4 of CP14/24 from the rule instrument, resulting in the retaining of the Large Exposures Part and the removal of the stricter requirements on exposures to certain French counterparties;
- refine the definition of control;

- correct a minor omission and provide clarifications in SS3/25; and
- make various minor technical drafting amendments to the rules to improve legal clarity.

The implementation date for the changes is 1 January 2026.

## **PRA issues policy statement on implementation of Bank Resolution (Recapitalisation) Act**

The PRA has published a policy statement ([PS13/25](#)) providing feedback to the responses it received on the section of its March 2025 consultation paper on depositor protection (CP4/25) relating to the PRA's implementation of the Bank Resolution (Recapitalisation) Act 2025.

The Act, which received Royal Assent on 15 May 2025, introduces a new option to support the continuity of banking services in failure by allowing for the recapitalisation of a failing firm using funds provided by the FSCS and recouped via a levy on firms.

PS13/25 sets out amendments to the Depositor Protection Part (DPP) of the PRA Rulebook to ensure the FSCS has the necessary powers to fulfil its new functions under the Act.

The rule changes were made on 15 July 2025 and came into force on 16 July 2025 to align with commencement of the Act.

## **PRA publishes policy statement on restatement of CRR and Solvency II requirements**

The PRA has published a policy statement ([PS12/25](#)) on the restatement of Capital Requirements Regulation (CRR) and Solvency II requirements in the PRA Rulebook.

PS12/25 sets out feedback received to the PRA's consultation paper 'Definition of Capital: Restatement of CRR requirements in the PRA Rulebook' (CP8/24) and parts of Chapters 3 and 7 of the consultation paper 'Remainder of CRR: Restatement of assimilated law' (CP13/24). CP13/24 set out supervisory expectations related to securitisations and the mapping of external credit rating agency ratings to credit quality steps (ECAI mapping). PS12/25 also contains the PRA's final policy including:

- amendments to the Own Funds and Eligible Liabilities (CRR) Part and the Definition of Capital Part of the PRA Rulebook;
- a new statement of policy on the PRA's approach to waivers and permissions under Own Funds (CRR) Part; and
- amendments to the supervisory statement on the definition of capital for CRR firms (SS7/13);
- the introduction of a new Credit Risk: Standardised Approach (CRR) Part of the PRA Rulebook for CRR firms;
- amendments to the Solvency Capital Requirement – Standard Formula, Matching Adjustment and Glossary Parts of the PRA Rulebook for Solvency II firms;
- a new Securitisation (CRR) Part of the PRA Rulebook for CRR firms;

- amendments to Technical Standard 2016/1799;
- amendments to SS10/18 on the general requirements and capital framework for securitisations;
- amendments to SS3/17 on illiquid unrated assets for Solvency II; and
- amendments to SS9/13 on significant risk transfers in securitisations.

The implementation date for the policy is 1 January 2026.

## **HM Treasury updates special resolution regime code of practice**

HM Treasury has published an [updated version](#) of the Banking Act 2009 special resolution regime (SRR) code of practice.

The code of practice provides guidance as to how and in what circumstances the authorities will use special resolution tools under the SRR. The updates reflect:

- changes to the relevant legislation which removed Financial Conduct Authority (FCA) solo-regulated investment firms from the UK resolution regime, meaning the code will now only apply to investment firms regulated by the Prudential Regulation Authority (PRA);
- the removal of sections related to the resolution regime for central counterparties (CCPs), following the enactment of the Financial Services and Markets Act (FSMA) 2023 and the publication of a separate code of practice for the CCP resolution regime; and
- changes made to the Banking Act 2009 and FSMA 2023 by the Bank Resolution (Recapitalisation) Act 2025, which introduced a new source of funding in certain resolution scenarios.

## **China consults on business rules for Cross-border Interbank Payment System**

The People's Bank of China (PBoC) has released the 'Business Rules for the Cross-border Interbank Payment System (Consultation Draft)' ([Draft CIPS Rules](#)) for consultation.

The Cross-border Interbank Payment System (CIPS) is a wholesale payment system authorised by the PBoC to process cross-border RMB clearing and settlement and a financial market infrastructure of China. The Draft CIPS Rules are intended to improve the participant management of CIPS in light of its expansion in recent years and to better serve the evolving needs of CIPS business.

Among other things, the Draft CIPS Rules cover:

- application scope – the Draft CIPS Rules apply to three types of entities: (i) CIPS operating institution, meaning the corporate entity approved and regulated by the PBoC to provide cross-border RMB clearing and settlement services, which is currently CIPS Co., Ltd.; (ii) CIPS direct participants, meaning institutions that can open a CIPS account, obtain a CIPS code, and conduct transactions directly through CIPS; and (iii) CIPS indirect participants, meaning institutions that have been assigned a CIPS

code, but do not have a CIPS account, and need to rely on a direct participant to process payments via CIPS;

- participant management – the CIPS operating institution is authorised and mandated to formulate participant management rules (covering admission, cessation, reporting, risk management etc.) that are binding on CIPS participants. These rules (including any revision thereof) are subject to filing with the PBoC;
- custodian bank – foreign institutions applying to become direct participants may appoint an eligible direct participant as their custodian bank. The detailed rules are currently pending formulation by the CIPS operating institution;
- account structure – the CIPS operating institution may open settlement accounts with the PBoC but not a commercial bank. This account is used to centrally hold the settlement funds of participants conducting CIPS transactions and is designed
- to result in a zero balance at the end of each day. It is expressly confirmed that money within such account during each day belongs to the respective direct participants and does not form part of the CIPS operating institution's proprietary assets; and
- settlement finality – payments processed by CIPS will be settled either on a real-time gross settlement basis (RTGS) or on a net-basis, depending on the payment type. Settlement finality is expressly confirmed such that (i) a payment settled through RTGS is irrevocable once the payer's account is debited and the payee's account is credited through CIPS; and (ii) a payment settled on a net basis is irrevocable upon completion of netting.

Comments are due by 3 August 2025.

## **Banking amendment rules to implement Basel cryptoassets standard gazette**

The Hong Kong Government has gazetted the following amendment rules:

- [Banking \(Capital\) \(Amendment\) Rules 2025](#), which amend the Banking (Capital) Rules;
- [Banking \(Disclosure\) \(Amendment\) Rules 2025](#), which amend Banking (Disclosure) Rules; and
- [Banking \(Exposure Limits\) \(Amendment\) Rules 2025](#), which amend Banking (Exposure Limits) Rules.

The amendments implement the capital standards and the associated requirements on disclosure and exposure limits issued by the Basel Committee on Banking Supervision (BCBS) in relation to the prudential treatment of cryptoasset exposures. The Government has also taken the opportunity to revise certain provisions, mainly to better align with international practices and to enhance clarity or consistency within Hong Kong's regulatory framework.

The amendment rules will be tabled before the Legislative Council on 16 July 2025 for their negative vetting, subject to which they are expected to come into operation on 1 January 2026, in accordance with the BCBS's implementation timeline.

## **HKEX publishes discussion paper on accelerated settlement for Hong Kong cash market**

The Hong Kong Exchanges and Clearing Limited (HKEX) has published a [discussion paper](#) to examine accelerated settlement for the Hong Kong cash equities market. The discussion paper is intended to facilitate market-wide discussion and build consensus among industry participants regarding the approach and timing for transitioning to a shorter settlement cycle in Hong Kong.

Currently, the HKEX's cash market is operating under a T+2 settlement cycle. The HKEX notes that, by the end of 2027, up to 88% of cash equities globally by trade value will be in T+1 or T+0 markets. The discussion paper outlines the potential benefits and challenges of shortening the current T+2 settlement cycle in Hong Kong, referencing the experience of other jurisdictions during their transition journey.

The HKEX has indicated that the proposed acceleration of the settlement cycle under discussion covers secondary transactions in the Hong Kong Cash Market. Primary transactions, including initial public offerings, are not within the scope of this discussion.

Comments on the discussion are due by 1 September 2025.

## **SFC consults on financial resources rule enhancements**

The Securities and Futures Commission (SFC) has launched a public [consultation](#) on draft amendments to the Securities and Futures (Financial Resources) Rules (FRR) and related guidelines for implementing a set of internationally comparable capital requirements for licensed corporations (LCs) engaging in over-the-counter derivative activities (OTCD capital requirements).

In light of recent changes to Hong Kong's Banking (Capital) Rules and the Basel Framework of the Basel Committee on Banking Supervision, the SFC intends to fine-tune the OTCD capital requirements it proposed in its 2017 Consultation Conclusions and Further Consultation on Proposed Changes to the Securities and Futures (Financial Resources) Rules.

In its new consultation, considering the comments received, the SFC is also proposing to lower the capital requirements for inter-dealer brokers and simplify the transfer pricing treatments for LCs. In addition, the SFC is proposing various FRR changes to support LCs' business development and diversification. These include measures to facilitate LCs' trading of stocks in Mainland China and emerging markets, commodities and carbon products, as well as digital asset futures and options on licensed virtual asset trading platforms. To drive Hong Kong's development as a regional fixed income and currency hub, the SFC is proposing to exempt the capital requirements for centrally-cleared repurchase transactions (repos) to promote their central clearing in Hong Kong and the development of the city's inter-dealer repo market.

Comments are due by 13 October 2025.

## **SFC enhances facilitative measure for visiting professionals**

The SFC has issued a [circular](#) to set out its enhanced measure to facilitate visiting professionals to conduct regulated activities or provide virtual asset services (VA services) in Hong Kong.

Currently visiting professionals from an overseas group company of a licensed corporation or licensed provider can choose to apply for a representative licence to be an itinerant professional (ITP) for providing services in Hong Kong for a short period of time each year to:

- conduct regulated activities under the Securities and Futures Ordinance on behalf of the licensed corporation; or
- provide VA services under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance on behalf of the licensed provider. ITPs are required to be chaperoned by a licensed person at all times unless they only provide these services to professional investors.

ITPs are currently allowed to conduct regulated activities or provide VA services in Hong Kong for no more than 30 days each calendar year and their licences would be imposed with a condition to this effect. To facilitate and provide more flexibility to visiting professionals to conduct these activities in Hong Kong, the SFC is now extending the period to 45 days each calendar year.

The SFC notes that the details of the enhanced ITP arrangements can be found in the Licensing Handbook or the Licensing Handbook for Virtual Asset Trading Platform Operators.

## **Guardian Foreign Exchange Industry Group publishes report on use of tokenised bank liabilities for transaction banking**

The Guardian Foreign Exchange Industry Group has published a [report](#) on the use of tokenised bank liabilities for transaction banking. The report illustrates how tokenised bank liabilities, underpinned by shared ledger infrastructures, can enable 24/7 real-time settlement across borders and help optimise liquidity management in transaction banking. Specifically, the report:

- focuses on two key challenges identified by workstream participants, namely:
  - the implementation of tokenised bank liabilities and shared ledger solutions in cross-border payments and foreign exchange (FX) settlements; and
  - the lack of a generally accepted industry-wide framework facilitating the adoption of tokenised bank liabilities; and
- showcases Project Guardian use cases which have been designed to consider and/or address these challenges. In particular, these use cases illustrate solutions that enable tokenised deposits in different currencies and issued by different deposit takers to be exchanged. Although the use cases remain at the experimental phase, these efforts nevertheless

demonstrate that scalable and interoperable solutions can be developed in anticipation of tokenised assets market growth.

The report also discusses various design, operational, and risk considerations associated with the use of tokenised bank liabilities and shared ledger technology in cross-border payments. It does not, however, take any position on the legal classification or regulatory treatment of tokenised bank liabilities, which may differ across jurisdictions.

## **Singapore Government announces commencement of Protection from Scams Act 2025**

The Singapore Government has gazetted the [Protection from Scams Act 2025 \(Commencement\) Notification 2025](#) to announce 1 July 2025 as the commencement date for the [Protection from Scams Act 2025](#).

The Act was passed by the Singapore Parliament on 7 January 2025 and assented to by the President on 3 February 2025. Amongst other things, the Act:

- empowers the police to issue restriction orders (ROs) to banks to restrict the banking and credit facilities of an individual, if there is a reasonable belief that:
  - the individual will: (a) make money transfers to scammers, (b) withdraw any money with the intention of giving the money to a scammer, or (c) apply for or draw down on any credit facility with the intention of benefitting a scammer; and
  - the RO is necessary for the protection of the individual – the Government has clarified that the RO will be issued only as a last resort, after other options to convince the individual have been exhausted;
- provides that a RO (if issued) will by default be issued to the seven Domestic Systemically Important Banks (D-SIBs) in Singapore. The RO can also be issued to a non-DSIB, should there be a reasonable suspicion that a non-DSIB account is directly involved, i.e. the individual will be effecting transfers from a non-DSIB account to a scammer;
- provides for the duration, cancellation, variation and extension of a RO. In particular, a RO will be in effect for a maximum of 30 days at a time. If more time is required to put in place the necessary intervention measures, the police may extend the RO for up to 30 days at a time, up to a maximum of five extensions. Where the police assess that the individual is no longer at risk of being scammed, the RO can be cancelled ahead of the 30-day limit; and
- provides for an appeal mechanism under which an individual who is the subject of a RO, or any joint account holder of the individual's bank account, can appeal to the Commissioner of Police against a specified officer's decision to issue a RO. The RO will remain active pending the outcome of the appeal. The decision of the Commissioner is final.

The Protection from Scams Regulations 2025 set out details of the appeal procedures. In particular, the regulations:

- set out notification requirements regarding issuance, cancellation, etc., of RO;
- provide that an appeal must be:
  - made in the prescribed form titled ‘Appeal Form — Protection from Scams Act 2025’;
  - accompanied by the following documents or information: (a) the decision appealed against; (b) the reasons for the appeal; and (c) any documentary evidence to support those reasons; and
  - made within ten days after the time of receipt of the notification relating to the decision appealed against;
- specify persons who must be notified of the Commissioner’s decision under section 7(5) of the Act; and
- provide that, when considering an appeal against any decision of a specified officer under the Act in relation to a RO, the Commissioner may request additional documents or information from an appellant, and must decide the appeal within five working days of its submission.

The Protection from Scams Regulations 2025 are effective from 1 July 2025.

*Contributed by Clifford Chance Asia, a Formal Law Alliance in Singapore between Clifford Chance Pte Ltd and Cavenagh Law LLP.*

## **MAS publishes Sustainability Report 2024/2025**

The Monetary Authority of Singapore (MAS) has published its [Sustainability Report 2024/2025](#), which sets out its strategy on climate resilience and environmental sustainability.

Amongst other things, the report notes the following:

- towards strengthening a climate-resilient financial sector, the MAS:
  - has partnered with the Singapore Exchange (SGX) to incorporate the climate-related disclosure requirements of the IFRS Sustainability Disclosure Standards for SGX-listed issuers from fiscal year (FY) 2025;
  - is studying the potential implementation of a voluntary disclosure framework on climate-related financial risks for Singapore;
  - has conducted climate scenario analysis exercises with key financial institutions on climate physical risks compounded by macroeconomic stresses; and
  - has published an information paper on Good Disclosure Practices for Retail ESG Funds setting out good practices such funds may adopt in adherence with the MAS’ Retail ESG Funds Circular;
- towards ensuring a vibrant sustainable finance ecosystem, the MAS:
  - has established a new industrial transformation infrastructure debt programme to provide debt financing to borrowers seeking to decarbonise their businesses. The MAS has also established a

Financing Asia's Transition Partnership (FAST-P) Office to facilitate the deployment of up to USD 500 million of concessional capital from the Singapore Government;

- has jointly published the Multi-Jurisdiction Common Ground Taxonomy, a comparison of the sustainable finance taxonomies of China, the EU and Singapore, to enhance interoperability of taxonomies across these jurisdictions;
  - has published the Transition Credits Coalition interim report, which outlines key learnings on the use of transition credits to accelerate the early retirement of coal-fired power plants; and
  - has published an Information Note setting out how the Singapore-Asia Taxonomy for Sustainable Finance is being used and the progress in its adoption; and
- with respect to building a climate-resilient investment portfolio, the MAS has started to shift its equities portfolio in its Climate Transition Programme (CTP) to active management in FY 2025, and extended the CTP to its corporate bond portfolio.

## **RECENT CLIFFORD CHANCE BRIEFINGS**

### **The new UK prospectus regime – an ECM view**

On 15 July 2025, the FCA [published](#) the final Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRM) with its provisions taking effect on 19 January 2026. The final rules are broadly along the lines indicated by the FCA in its consultation paper 24/12 [published in July 2024](#). In particular, despite mixed feedback, the FCA decided to move forward with the proposal to increase the threshold for a prospectus for further issuances to 75% of the existing securities admitted to trading on a regulated market. These reforms are part of the broader overhaul of the UK listing regime aimed to make London more competitive.

This briefing paper sets out the key changes from an ECM perspective to the UK prospectus regime and a comparison between the key features of the PRM and the changes made to the EU prospectus regime through the EU Listing Act.

<https://www.cliffordchance.com/briefings/2025/07/the-new-uk-prospectus-regime---an-ecm-view.html>

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

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