Continental Drift: Financial Services Regulation in the EU and UK

Post the UK's formal departure from the European Union (EU) on 31 January 2020, we entered a realm of UK/EU financial services regulation, which has lost a shared harmonised regime that included relying on passporting rights across EU Member States.

UK policy makers were now free to take advantage of their expanded rule making powers (whilst also having to navigate the loss of EU wide market access), while the EU continues to chart its collective path, albeit without its largest financial centre as a partner.

In this article we look at the current approaches to financial services regulation by the EU and UK, noting where divergence is more or less pronounced and also, whether emerging differences are progressing towards similar outcomes or different policy objectives. In doing this, we look at the latest and planned regulatory developments in the EU and UK.

EU sets out its regulatory stall

The EU's newly elected European Commission (the Commission) published on 29 January 2025 its Competitiveness Compass, the first major initiative of the current Commission, providing a strategic and clear framework to steer its work.

In terms of intent, the new Commission has stated that the Competitiveness Compass sets a path for Europe to become the place where future technologies, services, and clean products are invented, manufactured, and put on the market, while being the first continent to become climate neutral.

The Competitiveness Compass's three core areas for action are: closing the innovation gap; a joint roadmap for decarbonisation and competitiveness; and reducing excessive dependencies and increasing security.

These core areas are complemented by five horizontal enablers:

- Simplification;
- Lowering barriers to the Single Market;
- Financing competitiveness;
- Promoting skills and quality jobs; and
- Better coordination of policies at EU and national level.

The Commission also published its 2025 Work Programme on 12 February 2025, which featured the Competitiveness Compass as part of one of the key deliverables (Sustainable Prosperity and Competitiveness) of its Work Programme for 2025.

Along with its new Work Programme, the Commission published Annexes which include a 2025 timeline for its new initiatives (Annex I), as well as existing work in progress (Annex III). This includes several legislative Omnibus packages aimed to meet its simplification policy objective.

In helping to chart the EU's regulatory framework, two days after the publication of the Commission's Work Programme, the European Securities and Markets Authority (ESMA) released its 2026-2028 Programming Document.

Whilst continuing to deliver on the priorities and thematic drivers set out in its 2023-2028 Strategy, ESMA says it will also continue providing technical support to the Commission as it rolls out its priorities for the new legislative cycle.

In its Programming Document, ESMA states it will contribute to the development of a new Savings and Investment Union and to efforts to increase the competitiveness of the European financial sector, including through the simplification of rules and the reduction of compliance costs.

ESMA says it will also contribute through, among other things, the selection, authorisation, and supervision of consolidated tape providers, the establishment of a one-stop shop for financial disclosures in the European Single Access Point (ESAP) and the transition to a shorter settlement cycle (T+1).

In particular, over the next three years, ESMA will also be focused on preparing for and implementing new supervisory mandates, such as those related to the Digital Operational Resilience Act (DORA), the European Green Bond Regulation, and the Regulation on ESG rating providers.

UK regulatory agenda

Following the United Kingdom's (UK) exit from the EU, UK policy makers have been considering how they can take advantage of their expanded rule making powers.

Subsequent to the UK seceding from the EU, successive governments have called for policy makers to prioritise 'growth'.

Under the previous government, the Financial Services and Markets Act 2023 introduced significant changes to the regulatory framework for financial services in the UK. One of these changes was the introduction of a secondary objective for the Financial Conduct Authority (FCA) to facilitate the international competitiveness of the UK economy (including, in particular, the financial services sector), and its medium to long-term growth, subject to aligning with relevant international standards.

This new objective means that the FCA must consider the impact its policy options might have on the key drivers of productivity which support international competitiveness and medium to long-term growth of the UK economy as a whole.

Following the general election in July 2024, the new government took up the mantle and in November 2024 the new Chancellor issued a letter to the FCA with updated recommendations.

While acknowledging that the FCA had already undertaken work to support the government's growth mission and the ongoing review of the FCA Handbook, the Chancellor goes on to state that the FCA has more to do to fully embed its secondary international competitiveness and growth objective. In the letter, the Chancellor states that the FCA's rules should both protect consumers and the integrity of the financial system while enabling "informed and responsible risk-taking."

On 9 December 2024, the FCA issued a response to the recommendations, providing high level details of its work on growth, its strategy for 2025-2030, the UK's international leadership and the FCA's approach to risk.

Finally, on 16 January 2025, the FCA wrote to the UK Prime Minister, Chancellor and Secretary of State for Business and Trade, detailing its work on unlocking capital investment and liquidity, accelerating digital innovation to enhance productivity, reducing the regulatory burden, making it easier for firms to start up and grow, improving exports and inward investment, and certainty and predictability.

In addition to the Strategy 2025-2030, the FCA published its annual work programme 2025/26 on 8 April 2025 and an updated Regulatory Initiatives Grid on 14 April 2025, providing more detail of the FCA's plans.

MiFID II/MiFIR

As a member of the EU, the UK was heavily involved in the drafting of the legislation that made up MiFID II/MiFIR.

The purpose of the revision of the original MiFID was to increase investor protection by creating a more efficient, risk-aware and transparent market for investment services and activities. And to reshape how EU financial markets, products, and services are regulated, affecting traders, investors, and other participants in the financial sector.

Post-covid approaches

To support economic recovery from the COVID-19 crisis both the EU and UK made changes to their respective MiFID II capital market rules.

Under MiFID II, EU changes included agreement to simplify information requirements in a targeted way, for instance on costs and charges disclosure. In addition, a targeted exemption was agreed to allow banks and financial firms to bundle research and execution costs when it came to research on small and mid-cap issuers.

Also, the position limit regime for commodity derivatives was adapted to help European businesses react to market volatility and to support the emergence and growth of euro-denominated commodity derivatives markets.

In the UK, whilst supporting economic recovery from COVID-19 formed part of its broader support of economic growth (both short- and long-term), the UK's proposals, confirmed in Policy Statement 21/20, were part of a wider capital markets review following the onshoring of EU legislation.

As set out in PS21/20, the FCA implemented new inducement rules relating to research. The FCA has proceeded with the removal of the obligation on execution venues to publish a report on a variety of execution quality metrics to enable market participants to compare execution quality at different venues (known as RTS 27 reports).

Also, the obligation on investment firms who execute orders to produce an annual report setting out the top five venues used for executing client orders and a summary of the execution outcomes achieved (known as RTS 28 reports) was removed.

The future? Not another big bang
Currently, in both the EU and UK, there are ongoing reviews of different parts of MiFID II/MiFIR, ranging from equity and non-equity pre-trade obligations; to reference data reporting; transaction reporting; clock synchronisation requirements; changes to definitions of systematic internalisers; post-trade reporting; facilitating the creation of Consolidated Tape Providers (for equities, bonds and derivatives), commodity derivatives provisions; and the list goes on, with implementation dates through 2025 and 2026 and potentially beyond (subject to the finalisation of individual proposals).

Whilst a number of these are very technical, what is clear, beyond the voluminous number of proposed changes to MiFID II/MiFIR, is that unlike the implementation of MiFID (2007) and MiFID II (2018), which were considered big bang, seismic changes, the current changes (agreed/pending/future) can be viewed more as ongoing journeys (so no big bang) in the evolution of the EU's and UK's respective capital markets.

From an EU perspective, ESMA has recently announced that it will be supporting the Commission's objective to simplify and reduce the reporting in the financial sector. Indeed, changes that it has already introduced under its MiFIR Review for transparency and volume cap regimes as well as transaction reporting will help, along with a future initiative, to reduce cost and complexity for companies, saving them time that can be redirected toward other business activities.

In the UK, on the 14 November 2024, HM Treasury (HMT) announced its commitment to make legislative changes to the MiFID framework as part of the government's commitment to reinvigorate the UK's capital markets, building on its Wholesale Markets Review that was launched in 2021.

This was followed on 27 November 2024, by the FCA publishing a consultation paper setting out proposals to transfer the firm-facing requirements of the MiFID Organisational Regulation (MiFID Org Reg) into FCA Handbook rules. This closed for comments on 28 February 2025. The FCA explains that the purpose of the consultation is to provide continuity to firms (and so the overall approach it is proposing is to retain the current substance of the onshored requirements).

The FCA also included a discussion chapter in the consultation about further reform, either now or in the future, "to make the rules better suited to the range of UK authorised firms and clients they provide services to." This closed for comment 28 March 2025.

Optional divergence
Since the 1 August 2024, the FCA has introduced payment optionality for investment research (see Policy Statement PS24/9). This reintroduces for UK MiFID firms the ability to make payments for research to be bundled along with execution and brokerage services.

This optionality sits alongside the existing options of firms paying for research from their own resources or alternatively paying from a research payment account.

To avail themselves of this optionality, firms need to follow a number of guardrails (as set out in PS24/9), and whilst take-up to date has been low, it is interesting to note that the FCA states the additional flexibility now available to firms aims to share common features with other jurisdictions, including the US and the EU.

Following a separate consultation, a policy statement is expected to be published by the end of H1 2025, extending the proposals to managers of UCITS and AIFs.

An innovative approach - PISCES
In December 2024, the FCA issued CP24/29 - Private Intermittent Securities and Capital Exchange System (PISCES): Sandbox Arrangements. Its purpose is to bring together buyers and sellers in the shares of private companies in a single regulated platform that enables intermittent trading of private company shares using market infrastructure. It will use public market features such as multilateral trading, as well as private market features to give companies greater discretion over how and to whom their disclosures are distributed, when trading occurs, and which investors can participate in their trading events.

The FCA says in CP24/29 that it has proposed PISCES with a 'private-plus' mindset. The FCA wants to build on and enhance private market practices and risk tolerances rather than using public market standards as a starting point for designing the regulatory framework. The FCA states that this entails some bold choices, for example in not requiring issuers to disclose inside information.

The FCA adds that PISCES would be a significant innovation in the UK, which is why PISCES is being delivered through a financial markets' infrastructure sandbox. The PISCES sandbox is expected to run for five years.

CP24/29 closed on 17 February 2025, and the FCA says it is keen to hear views on its proposals from all prospective operators, companies, participants, intermediaries and advisers as it works toward the launch of the PISCES sandbox in 2025, working closely with HMT.

PRIIPs vs PRIIPs (though soon to be CCIs in the UK)

Since before the PRIIPs regulation went live on 1 January 2018, there have been concerns raised in both the EU and UK on certain aspects such as how successful comparability between products would be, performance scenarios providing overly optimistic returns and the slippage methodology providing negative (indirect) transaction costs.

Both the EU and UK subsequently made changes, though the UK went further by replacing performance scenarios with the provision of narrative information and preventing negative transaction costs from being disclosed.

One area where the UK was early to exercise its new freedom to act in the interest of its domestic market was in the extension of the exemption of the PRIIPs rules to UCITS (so that the UCITS KIID could continue to be produced).

Whilst the EU's own extension ended on 31 December 2022 (so after that date PRIIPs KIDs needed to be produced), the UK granted a longer extension until 31 December 2026 (which applied equally to EU domiciled funds that are sold in the UK).

The reason for the longer timeframe was to give the UK time to develop a new disclosure regime. As the FCA stated in relation to widely recognised issues with the PRIIPs KID, "in practice these documents were often complex, unclear, and could miss important points. This could put people off investing or lead them to make less informed decisions."

This led the FCA to publish a consultation paper for its Consumer Composite Investments (CCI) regime on 19 December 2024. For an overview of the FCA's proposals please see our recent e-briefing. The consultation closed on the 20 March 2025 and subject to the publication of the final rules, the FCA has proposed 12-and-18 months transitional provisions.

From an EU perspective, it should be noted that the requirement to produce a CCI will apply to overseas firms who wish to sell products to UK retail investors (for example through the Overseas Funds Regime).

And what about changes to EU PRIIPs? Changes were announced in the form of an Amending Regulation as part of the Commission's Retail Investment Package that were announced on 23 May 2023.

Trilogues to finalise the Retail Investment Package (which EU PRIIPs forms a part) are due to begin in March 2025 and whilst it has been proposed that the PRIIPs Amending Regulation would take effect 18 months after entry into force, it is not yet known when the final rules will be published.

EMIR

On 31 January 2025, the Commission announced that it had adopted a decision to extend the equivalence for UK central counterparties (CCPs) for a further three years until 30 June 2028.

The Commission has explained that the purpose of the most recent extension is designed to provide for the implementation of the European Market Infrastructure Regulation (EMIR 3.0), which will help reduce the EU's overreliance on systematically important UK CCPs.

As part of EMIR 3.0, in November 2024, ESMA published a consultation paper on the Conditions of the Active Account Requirement (AAR). The amending regulation introduces a new requirement for EU counterparties active in certain derivatives to hold an operational and representative active account at a CCP authorised to offer services and activities in the EU.

The consultation closed on 27 January 2025 and ESMA aims to submit the final draft Regulatory Technical Standards (RTS) to the Commission shortly. In-scope counterparties will need to open and maintain an active clearing account with at least one EU CCP by 26 June 2025.

From a UK EMIR perspective there are currently no plans to introduce corresponding AARs.

In a recent Bank of England (BoE) speech it was outlined how the BoE is using its new powers to achieve its priorities for Financial Market Intermediaries regulation in 2025. The BoE says that as part of its work with HMT to repeal UK EMIR for CCPs it is also considering with HMT how the BoE could simplify certain processes, such as for approving CCP margin models and authorising new products.

UCITS

Currently the EU UCITS regime is retained in primary legislation and the FCA Handbook as the UK UCITS regime.

Questions remain, however, on how closely the UK UCITS regime will follow the EU original. As at the time of writing, the FCA has not indicated that changes to the UCITS directive made in March 2024, which must be applied by Member States by April 2026, will be carried over to UK UCITS.

With respect to enhancements to fund liquidity management, ESMA published draft RTS and final guidance on the use of liquidity management tools by UCITS and open-ended AIFs on 15 April 2025 whereas, on 14 April 2025, UK authorities stated in the Regulatory Initiative Grid that they would adopt IOSCO and FSB recommendations.

In addition, EU bodies are currently considering amendments to the Eligible Assets Directive (see below), which could significantly change the levels and types of exposures available to EU UCITS.

In addition to UK UCITS, there are currently some 8,000 European UCITS (both standalone funds and sub-funds of umbrellas) for sale in the UK. Upon the UK's exit from the EU, the passporting provisions between the UK and European jurisdictions ceased to apply, with these funds being placed in the temporary marketing permissions regime (TMPR).

In late 2024, the Overseas Funds Regime (OFR) came into force which gives the FCA power to grant permanent permission to market European UCITS in the UK. Between now and December 2026, managers of UCITS currently in the TMPR are being invited to apply for recognition if they wish to continue to market to retail investors in the UK.

To date there is no reciprocal arrangement in the EU for UK UCITS. These funds are treated as third-country AIFs and fall under the relevant provisions of the AIFMD, as applied by each individual member state.

Also, one for EU managers of UCITS and AIFs to watch out for in 2025 (with a final report to be published in 2026) is the recent announcement from ESMA on 14 February 2025 that it has launched a Common Supervisory Action (CSA) with National Competent Authorities on compliance and internal audit functions of UCITS managers and AIFMs.

The CSA will be conducted throughout 2025 and ESMA says it aims to assess to what extent UCITS management companies and AIFMs have established effective compliance and internal audit functions with the adequate staffing, authority, knowledge, and expertise to perform their duties under the AIFM and UCITS Directives.

Eligible Assets Directive
In May 2024, ESMA issued a call for evidence on the review of the UCITS Eligible Assets Directive (EAD) following a request issued by the Commission in June 2023. ESMA asked whether UCITS have gained direct and indirect exposures to certain asset classes that may give rise to divergent interpretations of the current EAD and/or risk for retail investors (e.g., structured/leveraged loans, catastrophe bonds, emission allowances, commodities, crypto assets, unlisted equities).

> "The possible update to the EAD with the introduction of new assets classes would result in the most significant update to UCITS investment powers since UCITS III, resulting in greater choice for EU retail investors and opportunities for asset managers."
>
> Jan-Olov Nord, Head of Fiduciary Services, Netherlands and New Markets, Citi.

The response period closed on 7 August 2024 and ESMA was expected to issue its technical advice to the Commission by 31 October 2024. However, as at the time of writing, no advice had been issued.

If ESMA recommends that new asset classes are made permissible for UCITS, the FCA will have to decide whether to replicate the changes or allow the UK UCITS regime to diverge from its continental progenitor.

It should be noted that in its discussion paper on updating and improving the UK regime for asset management (see below), the FCA asked if it should update or provide guidance on its eligible asset's rules.

MMFs

Money market funds (MMFs) in the EU are subject to extensive requirements and, as with UK UCITS, the UK absorbed the EU regulations into primary legislation. In December 2023 the UK government and FCA put forward proposals to transfer these rules into the FCA Handbook. The proposed Money Market Funds sourcebook would in essence capture all the current rules relating to MMFs contained in the adopted EU Money Market Funds Regulation, but with two significant changes:

1. A significant increase in the minimum proportion of highly liquid assets that all MMF types have to hold. This is intended to help ensure that MMFs have enough liquid assets to withstand large amounts of withdrawals over a short period in severe but plausible market stresses.

2. The removal of an existing regulatory requirement for important types of MMF which 'links' the levels of liquid assets in those MMFs with the need for the MMF manager to impose or consider imposing tools that, if used, would reduce the ability of investors to get their money back without unanticipated delays or losses.

The consultation period closed on 8 March 2024 and, at the time of writing, the FCA and UK Government are in the process of finalising the rules and statutory instrument required to transfer ownership of MMF regulation to the FCA.

It should also be noted that, at the time of writing, EU MMFs are not included in the OFR, even if they are UCITS.

AIFMD

As with UCITS the directive, the AIFMD, regulation, and associated technical standards are retained in primary legislation and have remained largely untouched despite the March 2024 amendments.

However significant work has been done regarding product regulation linked to the AIFMD and we are beginning to see the first signs of divergence.

ELTIF v. LTAF

In May 2021 the FCA issued a consultation paper on a new authorised fund regime for investing on long term assets. Originally aimed at professional investors, the regime was designed to enable investment in illiquid assets, such a real estate, infrastructure projects, etc. and included restrictive rules on redemption policies, primarily focused on notice periods, to mitigate liquidity mismatch.

In the EU, the European Long-Term Investment Fund (ELTIF) has been in existence since 2015 and was included in the UK onshoring of AIFMD-related regulation and the FCA Handbook, losing the E and becoming LTIF. In November 2021 the European Commission proposed updates to its ELTIF regime that would enable them to be sold to retail investors without threshold constraints, and to enable ELTIFs to invest in a wider range of assets. These changes came onto force on 10 January 2024.

Following publication of the final rules for LTAFs in January 2022 the FCA published its own consultation on extending the availability to retail investors in August 2022. These changes came into effect on 3 July 2023.

As a result of the LTAF regime, the LTIF regime was removed from primary legislation and the FCA Handbook in November 2024. As of March 2025, four LTAF umbrellas (12 sub-funds) had been authorised.

Loan Originating AIFs

During December 2024 ESMA issued a consultation paper on draft RTS on open-ended loan originating Alternative Investment Funds (AIFs).

Under the amended AIFMD, loan-originating AIFs should be closed-ended unless their manager can demonstrate to its home national competent authority (NCA) that their liquidity risk management system is compatible with their investment strategy and redemption policy.

The goal of these rules is to provide a common implementing framework for AIFMs and NCAs by determining the elements and factors that AIFMs need to consider when making the demonstration to their NCAs that the loan originated AIFs they manage can be open-ended.

The draft RTS also set out the requirements with which loan-originating AIFs shall comply to maintain an open-ended structure.

The consultation period closed on 12 March 2025 and ESMA says it intends to finalise the draft RTS by Q3/Q4 2025.

Unlike UCITS, the FCA is not under as much pressure to introduce changes to AIFMD-related product regulation. As can be seen with LTAF, the FCA is prepared to create its own product regulation without reference to similar rules in the EU. Non-retail AIFs in the UK have some powers to lend now, and it will be interesting to see if the FCA decides that loan originating fund rules are required for UK investors.

Updating the UK regime for asset management

During February 2023 the FCA published a discussion paper (DP) on updating and improving the UK regime for asset management.

Tied to the Future Regulatory Framework (FRF) Review, part of the UK Government's work on determining the future of the UK's financial services sector, the DP looked at the structure of the asset management regulatory framework, improving the way the regime works, technology and innovation and improving investor engagement through technology.

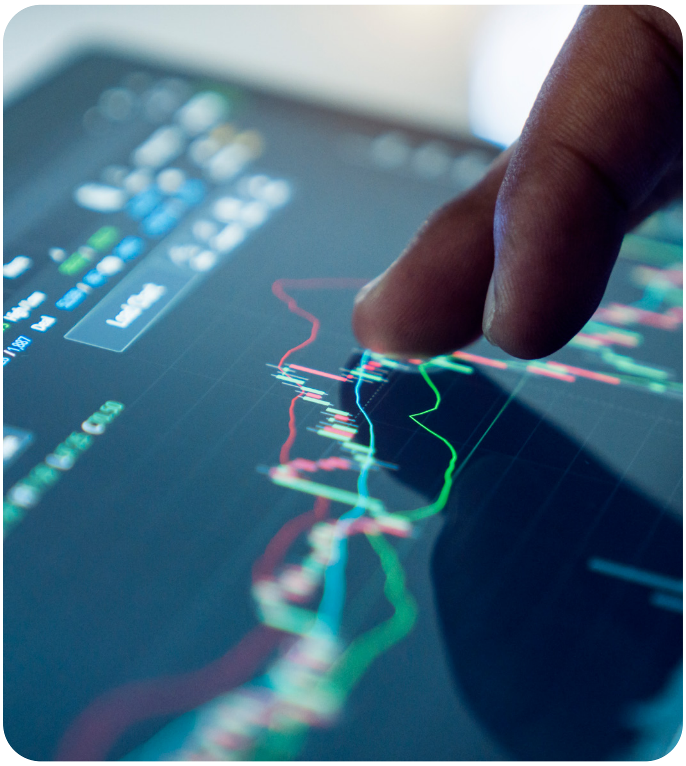
The period for comments closed on 22 May 2023 and, on 7 April 2025, the FCA and HMT published a Call for Input (CfI) and consultation respectively on the future regulation of UK AIFMs.

Included in HMT's consultation are proposals to:

- Move on-shored regulation into the FCA Handbook;
- Remove the current legislative thresholds;
- Simplify the regulation of listed closed-ended investment companies, while keeping them within the UK AIFMD; and
- Removing legal liability for external valuers.

The FCA's CfI expands on the removal of legislative thresholds, proposing a proportionate regime whereby all UK AIFMs are authorised (currently small registered UK AIFMs are not authorised by the FCA), but are subjected to new regulatory process depending in what they do rather than, as is currently the case, their assets under management.

The comment periods for both the CfI and consultation ends on 9 June 2025.



Continental convergence – T+1

While it is to be expected that differences would become manifest over time between the EU's and UK's financial services regimes, indeed even if the UK made no changes to the EU legislation that it onshored, this would still lead to divergence as the EU made changes to its own rules.

But the ability to act independently does not automatically mean that regulatory divergence will occur. The proposed moves to T+1 settlement in the EU and UK by 11 October 2027 serves as a case in point. For more details around this please see our articles "The Sliding Scale for Global Settlements" and "All Aboard the Train Bound for T+1 – Next Stop October 2027".

The importance of international co-ordination is also important, as referenced in a speech by the FCA's interim director of markets sell-side at a recent industry event hosted by the UK Accelerated Settlement Taskforce.

It should also be noted that for the EU and UK, as part of the facilitation to T+1, both will need to make changes to their respective CSDR regimes. As such the Commission published proposed amendments on 12 February 2025, and, on 13 February 2025, ESMA published a consultation on amendments to the Regulatory Technical Standards on Settlement Discipline. In a statement issued on 19 February 2025, the UK government committed to introducing "legislation making this change when Parliamentary time allows."

Selling it short – new UK freedoms in action

The UK's new Short Selling Regulations (UK SSR) came into force on 14 January 2025, replacing the SSR that the UK onshored when it left the EU (with the original EU SSR introduced in 2012).

The UK's SSR contains a number of substantive policy changes to the regulatory regime for short selling. They include a requirement for the FCA to publish anonymised aggregated net short positions based on all individual position notifications it receives (previously firms were required to publish individual net short positions above 0.5% of issued share capital).

Also, the onshored EU SSR contained various provisions related to sovereign debt and sovereign credit default swaps (SCDS). The new UK SSR does not include restrictions on uncovered short selling of sovereign debt and SCDS or sovereign debt notification requirements. However, the new rules do maintain emergency intervention powers for sovereign debt and SCDS in the same way as other financial instruments.

The FCA is expected to publish a consultation paper, draft rules, and a draft policy statement on its emergency intervention powers in Q3 2025. Final rules are expected to be published in H2 2026.

Managed divergence

Having clear lines of communication is important. On 12 February 2025, the third meeting of the Joint EU-UK Financial Regulatory Forum (the Forum) was held. The forum welcomed the continued dialogue on financial services and restated the importance of structured regulatory cooperation where this strengthens shared objectives of preserving financial stability, market integrity, and the protection of investors and consumers.

Participants took stock of the policy priorities in both the UK and the EU to support economic growth and discussed key emerging risks to financial stability.

The agenda from the latest meeting focused on (i) the policy outlook, and macroeconomic and financial stability outlook, (ii) banking regulation, (iii) digital and technology, (iv) markets reform, and (v) sustainable finance.

> "The AIFMD is one area where the EU and UK could diverge significantly, with the FCA actively looking at how it should be effectively brought into its Handbook in a form that is more suitable for UK investors, asset managers, and its own growth objective. At the same time the EU continues to broaden the scope of the Directive from its original focus on alternative fund operators to the regulation of funds themselves."
>
> Shane Baily, Head of Fiduciary Services, UK and Europe, Citi.

EU/UK financial services regulation marches on

Given their respective jurisdictional remits, regulatory divergence between the EU and UK is inevitable and, as we have discussed in this article, in some regulations is already happening and that drift will continue.

Just how far the EU and UK will drift apart remains to be seen but there are important considerations that may limit divergence. Both jurisdictions regulate with the same core principles: to protect investors and protect the financial system. Both jurisdictions also have a mandate for "growth".

On top of these objectives, both jurisdictions are key players in the global regulatory arena through engagement with international bodies such as the FSB and IOSCO, and will likely incorporate their recommendations into domestic regulation.

So, the UK and EU continue to play an important part in each other's financial services industries. This is unlikely to change.

These shared outcomes are important and outcomes-focused regulation is a relatively new regulatory approach that the FCA have adopted.

As we move forward into the second half of the 2020s, it will be interesting to observe whether, in the formation of financial services regulation, the EU follows suit and whether we get to the same destination, just by a different route.

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Contributors:

Shane Baily
Matthew Cherrill
Andrew Newson
Jan-Olov Nord

Please contact for further details:

David Morrison
Global Head of Trustee and Fiduciary Services
david.m.morrison@citi.com
+44 (0) 20 7500 8021

Amanda Hale
Head of Regulatory Services
amanda.jayne.hale@citi.com
+44 (0)20 7508 0178

Kelli O'Brien
Head of Fund Administration Product
United States
kelli.a.obrien@citi.com
+1 617 859 3468

Ramesh Selva
Head of Trustee & Fiduciary Services
North & South Asia (ex-Korea)
ramesh.selva@citi.com
+65 6657 4142

Sung-Wook Han
Head of Trustee & Fiduciary Services
Korea
sungwook.han@citi.com
+82 22004 2162

Shane Baily
Head of Fiduciary Services
UK and Europe
shane.baily@citi.com
+353 1 622 6297

Jan-Olov Nord
Head of Fiduciary Services
Netherlands and New Markets
janolov.nord@citi.com
+31 20 651 4313

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