STATUTORY INSTRUMENTS

2025 No. 1147

FINANCIAL SERVICES

The Financial Services (Overseas Recognition Regime Designations) Regulations 2025

Made - - - -	*30th October 2025*
Coming into force - -	*28th November 2025*

The Treasury make these Regulations in exercise of the powers conferred by sections 4, 84(2) and 86(5) of the Financial Services and Markets Act 2023(**1**).

In accordance with section 4(9) of that Act(**2**), a draft of this instrument has been laid before, and approved by resolution of, each House of Parliament.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Financial Services (Overseas Recognition Regime Designations) Regulations 2025.

(2) These Regulations come into force on 28th November 2025.

(3) These Regulations extend to England and Wales, Scotland and Northern Ireland.

Overseas recognition regime designations

2.—(1) For the purposes of these Regulations, an "overseas recognition regime designation" is a designation (however described) by the Treasury made under—

(a) a provision listed in the Schedule, or

(b) any other enactment which provides that the law and practice which applies in another country or territory in relation to a relevant area of law and practice—

(i) is equivalent to, or

(ii) has equivalent effect, taken as a whole, to,

the law and practice of the United Kingdom.

(2) In paragraph (1)—

(**1**) 2023 c. 29. Section 4 was amended by S.I. 2023/1424.

(**2**) Section 4(9) requires instruments made by virtue of section 4 to which section 4(8) does not apply to be subject to the affirmative procedure. This is defined in section 84(3) of the Financial Services and Markets Act 2023.

(a) a reference to a relevant area of law and practice is to any such area that relates to financial services or markets (whether generally or in respect of particular matters);

(b) "territory" includes the European Union and any other international organisation or authority comprising countries or territories.

Overseas recognition regime designations: supplementary provision

3.—(1) A power of the Treasury under any enactment to make an overseas recognition regime designation includes power—

(a) to revoke or vary an overseas recognition regime designation made under the power,

(b) to impose conditions or limitations on the application of the designation.

(2) Paragraph (1) is subject to any contrary intention that appears in the enactment concerned.

Information and advice

4.—(1) The Treasury may by notice require a regulator to provide any information or advice that the Treasury consider is necessary to enable the Treasury to decide whether to make, amend or revoke an overseas recognition regime designation.

(2) The notice must—

(a) specify or describe the information or advice being sought,

(b) specify a reasonable period within which the information or advice must be provided, and

(c) be given in writing.

(3) A regulator may provide information or advice to the Treasury in connection with any—

(a) overseas recognition regime designation, or

(b) proposal for an overseas recognition regime designation,

in the absence of a notice under paragraph (1).

(4) In this regulation, "regulator" means—

(a) the FCA,

(b) the PRA, or

(c) the Bank of England.

Co-ordination of functions

5.—(1) The relevant bodies must co-ordinate the discharge of their respective functions in relation to—

(a) the making, amending or revoking of overseas recognition regime designations, and

(b) the provision of information and advice under regulation 4.

(2) The relevant bodies must prepare and maintain a memorandum describing in general terms how they propose to—

(a) exercise their respective functions in relation to the matters mentioned in paragraph (1), and

(b) comply with the obligation imposed by that paragraph.

(3) In paragraphs (1) and (2) "the relevant bodies" means—

(a) the Treasury,

(b) the FCA,

(c) the PRA, and

(d) the Bank of England.

(4) The Treasury must—

(a) lay before Parliament a copy of the memorandum, and

(b) publish it in a way appearing to the Treasury to be best calculated to bring it to the attention of the public.

Disclosure of information

6. Sections 348 to 350 and 352 of FSMA 2000(**3**) (disclosure of information) apply in relation to information received by the Bank of England for the purposes of, or in discharge of, any of its functions under regulation 4 as if—

(a) in section 348(2), for paragraph (b), there were substituted—

"(b) was received by the primary recipient for the purposes of, or in the discharge of, any of the functions of the Bank of England under regulation 4 of the Financial Services (Overseas Recognition Regime Designations) Regulations 2025;";

(b) in section 349, after subsection (1), there were inserted—

"(1A) Section 348 does not prevent a disclosure of confidential information which is made by the Bank of England to the Treasury for the purposes of, or in discharge of, any of its functions under regulation 4 of the Financial Services (Overseas Recognition Regime Designations) Regulations 2025.";

(c) in section 350—

(i) in subsection (1), after paragraph (a), there were inserted—

"(aa) the Bank of England, if the disclosure is made for the purpose of assisting or enabling the Bank of England to discharge its functions under regulation 4 of the Financial Services (Overseas Recognition Regime Designations) Regulations 2025, or";

(ii) in subsection (5), after paragraph (a), there were inserted—

"(aa) by the Bank of England to the Treasury;".

Amendment to the Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023

7.—(1) The Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023(**4**) are amended as follows.

(2) In Part 4 (overseas insurance regime), in regulation 10 (interpretation), in the definition of "overseas jurisdiction" omit "or Gibraltar".

Amendments to the Short Selling Regulations 2025

8.—(1) The Short Selling Regulations 2025(**5**) are amended as follows.

(2) In Part 1 (general provisions), in regulation 3(1) (interpretation)—

(a) in the definition of "overseas jurisdiction", for "jurisdiction other than" substitute "territory outside";

(**3**) 2000 c. 8. Section 348(2) was amended by paragraph 18(2) of Schedule 12 to the Financial Services Act 2012 (c. 21). There are other amendments to these sections which are not relevant to these Regulations.
(**4**) S.I. 2023/1347. Regulation 10 was inserted by S.I. 2024/1116.
(**5**) S.I. 2025/29.

(b) insert in the appropriate place the following definition—

"“territory” includes the European Union and any other international organisation or authority comprising countries or territories;".

Lilian Greenwood
Stephen Morgan
Two of the Lords Commissioners of His Majesty's Treasury

30th October 2025

Schedule — Regulation 2(1)

Overseas Recognition Regimes

1. The Insurance and Reinsurance Undertakings (Prudential Requirements) Regulations 2023(**6**), regulation 11.

2. The Short Selling Regulations 2025, regulation 11(1).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make supplementary provision in relation to the Treasury's powers under other legislation to designate the law and practice of another country or territory as equivalent to that of the United Kingdom in relation to an area of financial services and markets law and practice or where it is exercising powers specified in the Schedule to the Regulations. These Regulations restate with modifications the Equivalence Determinations for Financial Services and Miscellaneous Provisions (Amendment etc) (EU Exit) Regulations 2019 (S.I. 2019/541), which are revoked by section 1(1) of, and Schedule 1 to, the Financial Services and Markets Act 2023 (c. 29).

Regulation 2 and the Schedule define "overseas recognition regime designation" for the purposes of the Regulations.

Regulation 3 ensures that the Treasury are able to impose conditions or limitations on the application of an overseas recognition regime designation or to revoke or vary it.

Regulation 4 gives the Treasury the power to require the regulators to give the Treasury any advice or information they consider necessary to decide whether to make an overseas recognition regime designation.

Regulation 5 provides for the coordination of the functions of the Treasury and the regulators in relation to their functions under these Regulations.

Regulation 6 ensures that information received by the Bank of England is subject to the same requirements in relation to the disclosure of confidential information as information received by the other regulators.

Regulations 7 and 8 make amendments to other secondary legislation in order to establish uniformity across overseas recognition regimes.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen.

(**6**) Regulation 11 was inserted by S.I. 2024/1116.