



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART I

THE REGULATOR

The Authority's general duties

2 The Authority's general duties.

- (1) In discharging its general functions the Authority must, so far as is reasonably possible, act in a way—
 - (a) which is compatible with the regulatory objectives; and
 - (b) which the Authority considers most appropriate for the purpose of meeting those objectives.
- (2) The regulatory objectives are—
 - (a) market confidence;
 - [^{F1}(ab) financial stability;]
 - (b) ^{F2}.....
 - (c) the protection of consumers; and
 - (d) the reduction of financial crime.
- (3) In discharging its general functions the Authority must have regard to—
 - (a) the need to use its resources in the most efficient and economic way;
 - (b) the responsibilities of those who manage the affairs of authorised persons;
 - (c) the principle that a burden or restriction which is imposed on a person, or on the carrying on of an activity, should be proportionate to the benefits, considered in general terms, which are expected to result from the imposition of that burden or restriction;
 - (d) the desirability of facilitating innovation in connection with regulated activities;

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- (e) the international character of financial services and markets and the desirability of maintaining the competitive position of the United Kingdom;
 - (f) the need to minimise the adverse effects on competition that may arise from anything done in the discharge of those functions;
 - (g) the desirability of facilitating competition between those who are subject to any form of regulation by the Authority.
 - [^{F3}(h) the desirability of enhancing the understanding and knowledge of members of the public of financial matters (including the UK financial system).]
- (4) The Authority’s general functions are—
- (a) its function of making rules under this Act (considered as a whole);
 - (b) its function of preparing and issuing codes under this Act (considered as a whole);
 - (c) its functions in relation to the giving of general guidance (considered as a whole); and
 - (d) its function of determining the general policy and principles by reference to which it performs particular functions.
- (5) “General guidance” has the meaning given in section 158(5).

Annotations:

Amendments (Textual)

- F1** S. 2(2)(ab) inserted (8.4.2010) by [Financial Services Act 2010 \(c. 28\)](#), **ss. 1(2)**, 26(1)(a)
- F2** S. 2(2)(b) omitted (12.10.2010) by virtue of [Financial Services Act 2010 \(c. 28\)](#), **ss. 2(2)(a)**, 26(3); S.I. 2010/2480, **art. 2**
- F3** S. 2(3)(h) inserted (12.10.2010) by [Financial Services Act 2010 \(c. 28\)](#), **ss. 2(2)(b)**, 26(3); S.I. 2010/2480, **art. 2**

Modifications etc. (not altering text)

- C1** S. 2(4)(a) restricted (17.8.2001) by S.I. 2001/2617, arts. 2(a), 4(3), Sch. 2 paras. 9, **11**
- C2** S. 2(4)(c) restricted (17.8.2001) by S.I. 2001/2617, arts. 2(a), 4(3), **Sch. 2 paras. 13-16**

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Changes and effects yet to be applied to the whole Act, associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 427A(3) by 2002 c. 40 s. 248 Sch. 17 para. 59 (Amendment not carried through. The Financial Services and Markets Act 2000 does not contain a section 427A.)