
STATUTORY INSTRUMENTS

2023 No. 936

**The Financial Services and Markets Act 2023 (Commencement
No. 2 and Transitional Provisions) Regulations 2023**

Transitional provision for PRA rules implementing Basel 3.1 standards

4.—(1) The amendments made by the provisions of the Act listed in paragraph (2) do not apply where the PRA takes a relevant action in connection with the document entitled “Implementation of the Basel 3.1 standards” published by the PRA on 30th November 2022 (PRA consultation paper 16/22)(**1**).

(2) The provisions of the Act(**2**) are—

- (a) section 25(4) (competitiveness and growth objective);
- (b) section 27 (regulatory principles);
- (c) section 28(4) to (6) (sections 25 and 27: consequential amendments);
- (d) section 31(2) and (4) (matters to consider when making rules);
- (e) section 32 (effect of rules etc. on deference decisions);
- [^{F1}(ea) section 33 (effect of rules etc on international trade obligations);]
- (f) section 36(2) (public consultation requirement);
- (g) section 38(3) (engagement with parliamentary committees);
- (h) section 43(3) (costs benefit analysis panels) so far as it inserts [^{F2}section 138JA(2)(a), (11)] and (12) into FSMA 2000.

(3) For the purposes of paragraph (1), the PRA takes a relevant action—

- (a) by the making of rules;
- (b) by the making of standards instruments;
- (c) by the determination of general policy and principles by reference to which the PRA performs particular functions under FSMA 2000; or
- (d) by the taking of steps for the purposes of sub-paragraphs (a), (b) or (c),

but the taking of a relevant action does not include steps taken by the PRA necessary to amend rules or standards instruments made, or to modify policies determined, in connection with the document described in paragraph (1).

(4) Paragraph (1) applies regardless of whether the PRA makes rules or standards instruments or determines policies that—

- (a) differ from published drafts of proposed rules, standards instruments, or policies; or
- (b) result from further proposals made by the PRA in relation to matters connected with the document described in paragraph (1) (but see paragraph (3)).

(1) The PRA consultation paper can be found at <https://www.bankofengland.co.uk/prudential-regulation/publication/2022/november/implementation-of-the-basel-3-1-standards> (last checked on 14th August 2023) and a copy can be obtained from the Prudential Regulation Authority, 20 Moorgate, London EC2R 6DA.

(2) Provisions mentioned in sub-paragraphs (a) to (h) are to be commenced on 29th August 2023 under regulation 4 of the Financial Services and Markets Act 2023 (Commencement No. 1) Regulations (S.I. 2023/779 (C. 40)).

Changes to legislation: There are currently no known outstanding effects for the The Financial Services and Markets Act 2023 (Commencement No. 2 and Transitional Provisions) Regulations 2023, Section 4. (See end of Document for details)

(5) In this regulation, “standards instrument” means an instrument made by the PRA under Chapter 2A of Part 9A of FSMA 2000(3).

Textual Amendments

- F1** Reg. 4(2)(ea) inserted (13.12.2023) by The Financial Services and Markets Act 2023 (Commencement No. 4 and Transitional and Saving Provisions) (Amendment) Regulations 2023 (S.I. 2023/1382), **reg. 18(a)**
- F2** Words in reg. 4(2)(h) substituted (13.12.2023) by The Financial Services and Markets Act 2023 (Commencement No. 4 and Transitional and Saving Provisions) (Amendment) Regulations 2023 (S.I. 2023/1382), **reg. 18(b)**
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Commencement Information

- II** Reg. 4 in force at made date

(3) Part 9A was inserted by section 24(1) of the Financial Services Act 2012 (c. 24), and Chapter 2A was inserted into Part 9A by Part 1 of Schedule 10 to the Financial Services and Markets Act 2023.

Changes to legislation:

There are currently no known outstanding effects for the The Financial Services and Markets Act 2003 (Commencement No. 2 and Transitional Provisions) Regulations 2023, Section 4.