On April 30, the Bank of England (BoE) and the UK’s Prudential Regulation Authority (PRA) published a joint statement, and the UK’s Financial Conduct Authority (FCA) published a statement on HM Treasury’s proposed use of the UK financial services regulators’ temporary transitional power (TTP) for up to two years after the end of the Brexit transitional period in December 2020 (the Statements).

The Statements include the following noteworthy measures:

1. The UK regulators will apply the TTP after the transition period in largely the same manner as has been publicly stated to date;

2. The UK regulators intend to grant transitional relief on a broad basis (subject to certain specific carve-outs) for a period of 15 months after the end of the transition period (i.e. until March 31, 2022);

3. The application of the TTP to changes to EU measures due to come into force during the transition period will be considered as part of the UK’s ongoing legislative process;
4. For incoming EEA firms, the TTP does not apply to the FCA and PRA temporary permissions regimes; and

5. Draft transitional directions and guidance will be updated in light of the transition period with more details to be published in due course.


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