



# FCA's Strategy for 2025-2030: growth, risks and trustworthiness

June 2025

In March 2025, the United Kingdom's Financial Conduct Authority (FCA) presented its latest quinquennial strategy (2025-2030), aimed at reinforcing trust in financial services, fostering sustainable economic growth and delivering better results for consumers and markets. This new strategic framework is based on four main interconnected priorities: (i) become a smarter regulator, (ii) support economic growth, (iii) help consumers in their financial decision making, and (iv) fight financial crime more firmly.

With its new strategy, the FCA presents a shift in its approach regarding the balance between protecting consumers from the most relevant risks affecting financial markets and promoting innovation and competition (which facilitate further economic growth). In said document, the FCA states that the regulation should allow facing fully informed risks rather than eliminating risk altogether.

In developing this strategy, the FCA has collaborated with industry entities and consumer groups to ensure the decisions related to this strategy cater to the needs of supervised markets and their participants. Under this strategy, the industry (wholesale markets, in particular) strives, among other objectives, to improve its competitiveness, with the support of technological developments, as well as to grow more efficiently.

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**How to become a smarter regulator?**

Respuesta

The keys to the idea are efficiency and effectiveness. To such effects, the FCA aims to act as a more efficient, predictable and proportionate regulator. The digitisation of processes, improvement of data quality and a cultural transformation of supervision are core pillars of this approach. The goal is to reduce unnecessary administrative burdens, simplify authorisation procedures and focus supervision on areas of higher risk, adopting a more flexible and outcome-focused approach.

Among the main measures is the revision of the supervisory model, with a differentiated approach that rewards institutions showing good conduct and alignment with regulatory objectives. This shift towards less strict supervision for 'compliers' aims at saving up resources for more effective intervention in sectors where risk to consumers or market integrity is higher.

In addition, a modernisation of authorisation processes is envisaged, incorporating digital tools and Artificial Intelligence (AI) systems that allow faster and more informed decisions, accelerating the process and reducing follow-up requests. As proof of the latter is, for example, the creation of a single counter for businesses, called 'My FCA', which will make the management of regulatory obligations (such as providing data or paying fees) in a single place easier.

In terms of territorial scope, the FCA intends to expand its resources across the UK (since 2021, the size of the Edinburgh office has doubled, and a new office in Leeds was opened).

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### **How to support economic growth and financial innovation?**

Respuesta

One of the core pillars of the strategy is providing strong support to economic growth by promoting innovation, investment and competitiveness of the UK's financial sector. To this end, amendments to the UK's financial services focus on key initiatives that seek to optimise access to capital, foster technology-driven productivity and create a more dynamic payment ecosystem.

As a starting point, changes in disclosure rules (such as the regime for prospectuses<sup>1</sup>) will simplify capital acquisition for companies, with the aim of boosting market liquidity and offering higher returns to investors. This includes facilitating retailers' access to investment opportunities.

On the other hand, the FCA will extend its support to AI, machine learning and asset tokenisation. In fact, the FCA has helped more than 200 entities in their AI and machine learning tests so far. In addition, the intention to carry out their functions in this regard by relying on existing standards rather than issuing new prescriptive rules is highlighted.

The integration of the Payment Systems Regulator<sup>2</sup> to the FCA, along with the National Payments Vision<sup>3</sup>, will prioritise secure and innovative payment systems that embrace technological change in order to provide a better service for people and companies. Also in this modernisation line are the progress made in Open Banking<sup>4</sup> and the launch of Open Finance<sup>5</sup> to facilitate data-based product innovation, cost reduction and more consumer choices.

Lastly, regarding competitiveness and regulatory efficiency, eliminating redundant requirements in key sectors, such as insurance and asset management, is foreseen, as well as reviewing the complaints regime with the aim of addressing uncertainties that could hamper investment and innovation while maintaining consumer protection.

<sup>1</sup> [Consultation on the new Public Offers and Admission to Trading Regulations regime \(POATRs\)](#) and [Further Changes to the Public Offers and Admissions to Trading Regime and the UK Listing Rules](#).

<sup>2</sup> The United Kingdom's Payment Systems Regulator (PSR) is the independent authority responsible for payment system regulation.

<sup>3</sup> The National Payments Vision is a strategic plan from the government to modernise and strengthen the UK's payment ecosystem, with the aim of making it a global leader and promoting economic growth. This plan focuses on improving the efficiency, innovation and security of payment systems, as well as fostering competition and the adoption of new technologies.

<sup>4</sup> In the UK, Open Banking is a system that allows banks to share their account details with authorised third parties, subject to the customer's consent. This system aims to increase competition in the market, boost innovation and facilitate access to financial services for consumers.

<sup>5</sup> Open Finance is an evolution of the 'Open Banking' concept and refers to the expansion of financial data access and sharing outside traditional bank accounts, including products such as mortgages, loans, pensions, savings, insurance, investments, etc.

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### **What is the approach to support consumers?**

Respuesta

As the third priority of the strategy, the FCA aims to strengthen consumers' ability to confidently navigate their financial activity towards building a more transparent relationship between consumers and institutions. As a result, financial products and services will fully cater to people's real needs, and the information provided will

be clear, understandable and useful for decision making.

To this end, strengthening trust in financial products, especially in pension funds and insurance instruments, is deemed crucial. Optimising value for money<sup>6</sup> in said products will be promoted, and individual savings and economic growth will be boosted through regulatory changes that incentivise long-term investments. Consumers acquiring insurance products will be ensured to receive fair treatment and benefit from competitors.

Existing regulations will also be revised to encourage product innovation and widespread access.

In addition, a new regulatory regime that allows for the provision of custom support to those unable to access financial advice will be implemented, helping them to make informed and confident pension and investment decisions, while reducing information overload.

In this context, the application of Consumer Duty<sup>7</sup> will be strengthened as a core principle of financial institutions' treatment towards their customers, increasing confidence in the products available.

Lastly, the FCA expresses its support to the government in creating a financial inclusion strategy of which it will be part of to help people in difficult situations have access to financial services. In this regard, boundaries between regulated financial advice and financial guidance will be assessed to ensure consumers' full benefit.

<sup>6</sup> It refers to the efficiency with which money is used in a purchase or investment, with the aim of obtaining the best possible result with the resources invested.

<sup>7</sup> Regulatory framework introduced in the UK by the FCA for the financial protection of consumers. Its main objective is to make sure financial institutions prioritise clients' needs and expectations in order to deliver positive results.

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**What should the approach against financial fraud look like?**

Respuesta

The fight against financial crime is another core pillar of the 2025-2030 strategy, and the most effective way to tackle this problem, according to the FCA is through strong and rigorous enforcement and a preventive approach to deter illicit behaviour.

As a result, the FCA plans to strengthen its capacities in order to detect, prevent and sanction criminal conduct within the regulated jurisdiction, prioritising those cases where the regulatory framework is used as a shield to legitimise fraudulent activities. This means the FCA will focus on those who attempt to use FCA's authorisation as a cover for criminal activity (either before or after accessing the regulated financial system).

According to the FCA, financial institutions under its regulation are a key defence line against the illicit use of financial services. Along with those committed, the FCA will pursue entities enabling illicit money flow. In addition, the FCA will support the adoption of new technologies to improve its own controls and reduce costs.

Additionally, this new strategy considers closer cooperation with other national and international authorities for the purpose of exchanging information and coordinating actions in their crime-fighting duties.

Likewise, the FCA will continue to raise awareness of investment fraud and illicit transactions (APP<sup>8</sup>) by increasing the number of alerts and developing new ways of informing the public so that they can better protect themselves. To this end, the FCA will focus on the early identification of warning signs, the use of advanced analytics and the continuous improvement of institutions' internal controls.

<sup>8</sup> Authorised Push Payment

**Links of interest:**

[Press Release - FCA launches 5-year strategy to support growth and improve lives](#)

[FCA Strategy 2025-2030](#)