

FINANCIAL SERVICES ACT 2012

EXPLANATORY NOTES

COMMENTARY

Part 2 - Amendments of Financial Services and Markets Act 2000

Regulated activities

Section 8: Orders under section 22 of FSMA 2000

183. Section 22 of FSMA provides that an activity is a regulated activity for the purposes of FSMA if it is an activity of a kind specified by order made by the Treasury which is carried on by way of business and relates to an investment of a kind specified by order made by the Treasury, or, in the case of an activity of a kind which is also specified by order made by the Treasury, is carried on in relation to property of any kind. Schedule 2 to FSMA makes further provision in relation to regulated activities.
184. *Section 8* replaces paragraph 26 of Schedule 2 to FSMA, which provides for the Parliamentary control of orders under section 22. The *new paragraph 26* provides that such an order which contains a statement by the Treasury that in their opinion the effect of the proposed order would be to expand the scope of regulation must be laid before Parliament in draft and approved by each House of Parliament before being made unless the order contains a statement by the Treasury as to its urgency whereupon the order may be laid before Parliament after being made but ceases to have effect unless approved by each House of Parliament within 28 sitting days (see *sub-paragraphs (2) to (5)*). (Paragraph 26 currently provides for the 28 day procedure to apply to all such orders, even where there is no urgency.)