



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 1

RING-FENCING

Reviews

9 PRA review of proprietary trading

- (1) The PRA must carry out a review of proprietary trading engaged in (whether or not as a regulated activity) by relevant authorised persons, for the purpose of considering whether further restrictions on any kind of proprietary trading ought to be imposed.
- (2) The review must begin before the end of the 12 months beginning with the first day on which section 142G of FSMA 2000 is fully in force.
- (3) On completion of the review, the PRA must make a written report to the Treasury on—
 - (a) the extent to which relevant authorised persons engage in proprietary trading;
 - (b) whether proprietary trading engaged in by relevant authorised persons gives rise to any risks to their safety and soundness;
 - (c) whether any kinds of proprietary trading are particularly likely to give rise to such risks;
 - (d) anything done by the PRA to minimise risks to the safety and soundness of relevant authorised persons arising from proprietary trading engaged in by them;
 - (e) any difficulties encountered by the PRA in seeking to minimise such risks.
- (4) The report must include an assessment by the PRA of each of the following—
 - (a) whether the PRA's powers under FSMA 2000 are, and might be expected to continue to be, sufficient to enable it to advance its objectives in relation to relevant authorised persons who engage in proprietary trading;

Changes to legislation: There are currently no known outstanding effects for the Financial Services (Banking Reform) Act 2013, Section 9. (See end of Document for details)

- (b) the effectiveness of restrictions imposed in countries or territories outside the United Kingdom on proprietary trading by banks (so far as experience in those countries or territories appears to the PRA to be of relevance to the United Kingdom).
- (5) The report must be made within 9 months of the beginning of the review.
- (6) The Treasury must lay a copy of the report before Parliament.
- (7) The PRA must publish the report in such manner as it thinks fit.
- (8) The functions of the PRA under this section are to be taken for the purposes of FSMA 2000 to be functions under that Act.
- (9) This section is to be read with the interpretative provisions in section 11.

Commencement Information

II [S. 9](#) in force at 1.1.2019 by [S.I. 2018/1306](#), [art. 2\(h\)](#)

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