Milliman

Summary of regulatory developments

Updates for October 2025

This memo identifies and summarises any regulatory updates published during October 2025 which may be of relevance to life insurance companies.

Figure 1 summarises the relevant updates identified in October.

FIGURE 1: REGULATORY ITEMS IDENTIFIED IN OCTOBER WHICH MAY BE OF RELEVANCE TO LIFE INSURANCE COMPANIES

DATE	DESCRIPTION
3-Oct	The Financial Conduct Authority (FCA) publishes the findings from its FCA and Practitioner Panel 2024/2025 Survey.
9-Oct	The European Insurance and Occupational Pensions Authority (EIOPA) launches a new set of consultations related to the Solvency II Review.
16-Oct	The Prudential Regulation Authority (PRA) publishes consultation LIAC02/25 – Low Impact Amendments Consultation October 2025.
23-Oct	The PRA publishes policy statement (PS) 17/25 - Matching Adjustment Investment Accelerator.
23-Oct	The FCA's chair delivers a speech on why the UK is the smart bet for sustainable finance.
27-Oct	The FCA publishes a statement in support of the government's legislation to bring Environmental, Social and Governance (ESG) ratings providers into regulation.

Updates for October 2025

This section highlights articles released in October 2025 which are of interest to life insurance companies.

EIOPA

- **EIOPA launches a new set of consultations related to the Solvency II Review.**

  EIOPA has launched six consultations on new and revised legal instruments as part of the Solvency II framework review.

  The set of consultations includes:

  - Revised implementing technical standards (ITS) on disclosure templates for supervisory authorities
  - Revised ITS on the treatment of matching adjustment
  - Revised Guidelines on the valuation of technical provisions
  - Revised Guidelines on ring-fenced funds
  - New regulatory technical standards (RTS) on the simplified calculation of the risk margin
  - Guidelines on supervisory powers on liquidity vulnerabilities

  EIOPA invites feedback via the respective online surveys until 5 January 2026.

FCA

- **The FCA publishes the findings from their FCA and Practitioner Panel 2024/2025 Survey.**

  The FCA and its Practitioner Panel have published the results from their joint 2024/25 survey of FCA-regulated firms**.** The feedback shows that firms continue to have a generally positive view of the FCA's performance, with satisfaction rated at 7 out of 10 and 81%, indicating that their trust in the FCA has remained steady compared to last year.

  Respondents noted the following areas of improvement:

  - Taking further steps to support growth and competitiveness
  - Continuing to reduce unnecessary data requests by asking for only what is needed
  - Streamlining the supervision approach by reducing the amount of correspondence firms receive

  The FCA has already taken steps to address key issues, including launching a new five-year strategy, reforming UK listing and retail disclosure rules, improving pension value and consumer advice, promoting innovation through its AI lab, and reducing data reporting requirements.

- **The FCA's chair delivers a speech on why the UK is the smart bet for sustainable finance.**

  Ashley Alder, Chair of the FCA, addressed the Climate Financial Risk Forum's Symposium, emphasising that climate risk is a real and financially material issue for the financial sector. His speech highlighted the impact of climate change on asset values, insurance, lending and overall market stability, making it crucial for firms to adapt and build resilience.

  Alder outlined some of the key FCA initiatives:

  - Introducing new climate disclosure rules for companies, improving transparency and supporting better investor decision-making
  - Planning to integrate global International Sustainability Standards Board (ISSB) standards into UK regulations
  - Regulating ESG ratings providers to ensure reliability and transparency
  - Supporting international partners in developing sustainable finance frameworks
  - Piloting projects with industry to identify barriers to scaling climate finance

  Alder concluded by encouraging financial institutions and stakeholders to seize opportunities, collaborate and help the UK lead in building a resilient, future-fit financial system.

- **The FCA publishes a statement in support of the government's legislation to bring Environmental, Social and Governance (ESG) ratings providers into regulation.**

  The FCA welcomes new government legislation that brings ESG ratings providers under its regulatory remit—a major step towards transparency and trust in the UK's sustainable finance market.

  With the legislation now in Parliament, the FCA plans to consult on proposed rules by the end of the year. The approach will focus on four areas following the International Organisation of Securities Commissions (IOSCO) recommendations:

  - Transparency
  - Governance
  - Systems and controls
  - Managing conflicts of interest

  Guidance will be provided to help firms determine whether they need FCA authorisation.

PRA

- **The PRA publishes consultation LIAC02/25 – Low Impact Amendments Consultation October 2025.**

  The consultation proposes a series of low impact amendments to its rules and policy.

  Key changes include:

  - Conditional disapplication of the PRA General Provisions to give effect to the deference arrangements under the UK Swiss-Berne Financial Services Agreement
  - Amendments to the Transitional Measure on Technical Provisions (TMTP) part of the PRA Rulebook
  - Amendments to the Insurance Special Purpose Vehicle (ISPV) part of the PRA Rulebook
  - A collection of miscellaneous amendments to the PRA Rulebook

- **The PRA publishes policy statement (PS) 17/25 – Matching Adjustment Investment Accelerator.**

  The statement lays out the feedback to CP7/25 – Matching Adjustment Investment Accelerator (MAIA). The CP proposed introducing a new framework to enable faster, capital efficient investment by UK insurance firms in new assets. It also proposed removing the requirement to obtain prior approval from the PRA before a firm can claim Matching Adjustment (MA) benefit on certain assets, thereby making it easier for insurers to take advantage of investment opportunities more quickly.

  The feedback was generally supportive, except for a few concerns around policy detail as well as requests for further clarification. As a result, the PRA has made the following amendments to the final policy:

  - Extending the deadline for the annual MAIA use report submission from 14 to 18 weeks after year-end
  - Making expectations for MAIA policy less restrictive and more proportionate, shifting to a risk-based approach for assessing asset eligibility
  - Revising contingency planning requirements so firms' plans need not assume an immediate asset sale if an asset becomes ineligible but should address how to manage the asset outside the MA portfolio
  - Allowing recapture of assets into the MA portfolio via MAIA permission in certain intra-group reinsurance scenarios

  The final rules and policy material set out in this PS took effect on 27 October 2025.

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