



Summary of regulatory developments

Updates for May 2025

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

The following table summarises the relevant updates identified in May.

REGULATORY ITEMS IDENTIFIED IN MAY WHICH MAY BE OF RELEVANCE TO LIFE INSURANCE COMPANIES

Date	Description
8-May	The Prudential Regulation Authority (PRA) delays credit quality steps updates for UK Solvency II .
14-May	The Financial Conduct Authority (FCA) publishes consultation paper (CP) 25/12, 'Simplifying the insurance rules.'
22-May	The FCA publishes CP 25/13, 'Improving the complaints reporting process.'
30-May	The PRA publishes a summary of industry roundtable of CP 7/25, 'Matching adjustment investment accelerator (MAIA).'
NA	The PRA announces webinar on Life Insurance Stress Test (LIST) 2025 .

Updates for May 2025

This section highlights articles released in May 2025 of interest to life companies.

FCA

- **The FCA publishes CP 25/12, 'Simplifying the insurance rules.'**

The proposals in the CP include:

- Redefining which large commercial insurance customers should be excluded from its conduct rules
- Removing requirements to review each product's value every 12 months and, instead, determine review frequency based on risks and characteristics of each product
- Allowing firms to appoint one lead insurer to comply with rules where there is more than one party involved in designing the insurance product
- Disapplying some rules for bespoke products
- Removing redundant requirements in items such as annual reporting and employer's liability notification
- Removing minimum requirements for hours of training and development required for insurance and funeral plan employees

The FCA invites feedback via [online response form](#) by 2 July 2025.

- **The FCA publishes CP 25/13, 'Improving the complaints reporting process.'**

The CP proposes to improve how firms report customer complaints to the FCA and the reporting rules associated with complaints. The FCA plans to do this by consolidating five current returns into one and by standardising the number of times firms are expected to submit their data.

The FCA invites feedback via [online response form](#) by 24 July 2025.

PRA

- **The PRA delays credit quality steps updates for UK Solvency II.**

On 15 October 2025, the PRA published CP 13/24, 'Remainder of CRR: Restatement of assimilated law,' which included proposals to update mappings of external credit rating agency ratings to credit quality steps (CQSs) for UK Solvency II. The PRA initially proposed that insurance-related CQS mapping changes would take effect on 1 July 2025. However, CP 13/24 is affected by Basel 3.1, and this has been postponed.

The PRA plans to publish the CQS mapping proposals with feedback on consultation responses in H2 2025, and the final policy is expected no earlier than 1 January 2026. The PRA notes that the implementation timeline of Basel 3.1 in the UK is independent of the implementation of the CQS mapping.

- **The PRA publishes a summary of industry roundtable of CP 7/25, 'Matching adjustment investment accelerator (MAIA).'**

The [summary](#) of the industry roundtable is in respect of CP 7/25, 'Matching adjustment investment accelerator (MAIA).' The roundtable was held on 13 May 2025 with 20 participants. Key points from the discussion include:

- Defining 'internally restructured'
- Risk management expectations for MAIA assets
- Whether highly predictable assets could be included in the matching adjustment (MA) portfolio using a MAIA permission

The PRA has provided [slides](#) from the roundtable and invites feedback via [email](#) by 4 June 2025.

- **The PRA announces webinar on Life Insurance Stress Test (LIST) 2025.**

The one-hour webinar on 11 June 2025 will provide an overview of the exercise, including the design, objectives, calibration and planned disclosures of LIST 2025. There will be a live Q&A after the presentation.

[Registration](#) closes at 9 a.m. on 9 June 2025.

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