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By email: [POATR@fca.org.uk](mailto:POATR@fca.org.uk)

Dear Sir / Madam,

**Financial Services Consumer Panel response to FCA Engagement Paper on Primary Multilateral Trading Facilities**

The Financial Services Consumer Panel (the Panel) welcomes the opportunity to respond to the FCA's Engagement Paper on primary multilateral trading facilities.

Whilst we take the view that not all of the questions are applicable to the Panel, we welcome the opportunity to respond to this engagement paper on how the FCA may promote broader investor participation and improve the quality of information that investors receive under the new public offers and admission to trading regime.

The Panel are supportive of all multilateral trading facilities (MTFs) publishing an MTF admission prospectus. This would increase consumer understanding and improve the quality of information available to retail investors. The Panel would like the FCA to consider the following:

**Consumer lens**

The Panel would urge the FCA to ensure all policy changes, affecting upstream markets, or activities which nevertheless impact consumers, are considered through the lens of consumers in terms of the impact on consumers and the degree to which the policy changes either increase or reduce the possibility of harm. Whilst some policy changes within the new regime for public offers and admissions to trading may focus on wholesale products and activities, these will invariably end up, in some way, impacting consumers.

The Panel are of the view that any changes to the consumer prospectus needs to be tested with consumers to ensure they genuinely understand the changes and what the prospectus is communicating to them. The Panel look forward to engaging with the FCA on this topic further.

**Consumer behaviour/understanding and communication of policy changes**

The Panel notes that the Consultation Paper provides no analysis of current investor (consumer) behaviour regarding the areas of policy change or evaluation of the importance investors place on these rights. The Panel would expect the FCA to research and understand consumer attitudes and behaviour before progressing to amend any policy.

**Secondary International Competitiveness and Growth Objective (SICGO)**

The Panel would remind the FCA that the SICGO is only a secondary objective. A key primary objective is to ensure an appropriate degree of protection for consumers exists. There should be no trade-off between primary and secondary objectives – that is, the secondary objective should only be pursued once the primary objective has been fully met

and cannot be advanced on its own. The secondary objective might shape but does not dilute the primary objectives (see FCA Guidance<sup>1</sup> and statement by the FCA Chair at the FCA's Annual Public meeting 4.10.23)."

Yours sincerely,

Helen Charlton  
Chair, Financial Services Consumer Panel

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<sup>1</sup> <https://www.fca.org.uk/publication/corporate/secondary-international-competitiveness-growth-objective-statement.pdf>