

Clare Woodman

Chair, MPP

By email

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Dear Clare,

FCA ENGAGEMENT WITH THE MARKETS PRACTITIONER PANEL 2025-26

You will recall that we wrote to you around this time last year to set out the areas the FCA expected to prioritise when engaging with the Markets Practitioner Panel (MPP) during 2024-25. We are extremely grateful for the Panel's input on those topics and others during the past year. In particular, we welcomed your contributions which have helped the Board shape our [new strategy](#) for the next 5 years, which we published on 25 March, and our [work programme](#) for the coming year, which we published on 8 April.

In our work programme and strategy, we recognised the continued pressures on consumers, firms and markets, as well as our commitment to support the government's growth agenda as set out in our recent [letter to the Prime Minister](#). It therefore continues to be vital that we focus our efforts to ensure that we achieve the most benefit we can within broadly stable resource levels.

With this in mind, we have reviewed how and where we might get the most value from our Panels during 2025-26 and are writing to the Chairs of all our representative Statutory Panels¹ to set out how we would like to engage.

Priorities for 2025-26

Reflecting our letter to the Prime Minister, we would particularly value the MPP's input on how the issues we discuss might best support growth in the wider economy as well as UK markets. We would wish to prioritise the following policy and operational areas for our engagement with you, subject to unexpected events:

- Help identify strategic priorities for financial markets, covering the range of asset classes and funding types, including private market

instruments. We would like to focus on areas where the FCA can add value directly, although given the nature of these markets, also invite opportunities where we can work with others to ensure a cohesive UK approach. We would particularly welcome engagement on global developments in relation to stablecoins and digital assets, and feedback on how the UK framework should develop.

- Provide views on the balance between growth, market integrity and investor protection. We welcome your support in articulating these choice sets and building consensus, including your insights into wider stakeholder views.
- Alert the FCA to emerging risks and issues in markets, particularly at this time of unprecedented volatility and a highly fluid global geopolitical, economic and trade backdrop.
- Continue to provide guidance on the benefits and drawbacks of alignment or divergence from regulation in other jurisdictions.
- Continue to support the FCA in our efforts to improve market functioning and market infrastructure. We welcome input in evaluating the impact of the large range of wholesale market reforms in recent years, including by observation of liquidity, depth of markets, transparency, cleanliness and orderliness of markets.
- Help us become a more efficient and effective regulator, making well-informed decisions to deliver the biggest impact with our resources.

In all of this we fully recognise that the Panel has an independent voice and has its own priorities to raise with the FCA, even if there is overlap between the two lists. Where there is capacity to do so, we would also value your input on other relevant issues.

Engaging with the FCA

We ask the Panel to operate, as always, as a “critical friend” to the FCA, providing advice and constructive challenge on current and future reform – whether through regulatory reform or policy development or changes to the ways in which the FCA operates.

We ask the MPP – and will ask our own teams also – to continue to engage at a ‘strategic’ level as well as with occasional deep dives on specific issues. On more sector-specific proposals we would welcome your input from a sub-group of members with more directly relevant expertise, including, where appropriate, from across different Panels. On matters of significant reform, we would welcome your views on how we can best engage with external stakeholders.

We will endeavour to engage with you from an early stage in our work wherever possible, to help inform our thinking before we consult more widely. The Panel Secretariat, together with Simon Walls as MPP sponsor director, will work with the Panel and with relevant FCA teams to plan

agendas and deliver our engagement, as part of the wider support it provides.

The role of ExCo and the Board

We expect that the Panel will continue to have access to and engage regularly with the FCA Chair, Board, Chief Executive and senior executives of the FCA, in line with the terms of reference agreed by the Board. A member of ExCo will always endeavour to attend each of your formal meetings.

We ask that you continue to submit a regular "Report to the Board" (which will also be considered by ExCo), which should focus on the two or three most important strategic themes that you wish to bring to the Board's attention. The Board and ExCo will also welcome sight of your annual report ahead of publication.

We will continue to have periodic Board lunches with the Panel Chairs. We will ensure there is at least an annual meeting between the FCA Chair and each of the Panel Chairs, one-to-one, to discuss the work of the Panel, to reflect on the previous year's interaction.

Concluding remarks

We look forward to continuing the constructive dialogue and close working relationships that we have built up with the Panel over previous years. We have been pleased to see the MPP continue to evolve and to have welcomed a range of new members this year representing an even broader cross-section of the wholesale market. We continue to value the advice and challenge from all of our statutory panels, which help us deliver our objectives more effectively and efficiently.

Yours sincerely

Ashley Alder

FCA Chair

Nikhil Rathi

FCA Chief Executive