

New short selling regime – operational guide

16 April 2026

Contents

Contents.....	2
Overview	3
Removal of UK sovereign debt and UK sovereign CDS from new regime.....	4
Reportable Shares List replacing the Exempted Shares List	4
Aggregate Net Short Position (ANSP) disclosure	6
Position reporting.....	7
Covering requirements.....	8
Market Maker Exemption (MME)	9
Waivers and modifications	10
Emergency powers	10
Next steps	11

Overview

Find out about the key changes as part of the new short selling regime.

On 16 April 2026, we published our [policy statement \(PS26/5\) and final short selling rules](#).

We will implement the new regime in 2 phases to allow sufficient time for firms and the FCA to accommodate operational changes:

- Phase 1 - on the main commencement day, Monday 13 July 2026.
- Phase 2 - on Monday 30 November 2026.

Removal of UK sovereign debt and UK sovereign CDS from new regime

UK sovereign debt and associated credit default swaps (CDS) will not be in scope of the position reporting and covering requirements. As a result, exemptions for market makers and authorised primary dealers relating to sovereign debt and associated CDS will stop applying under the new regime, from 13 July 2026.

Our emergency powers still cover short selling activities in UK sovereign debt and associated CDS (see Statement of Policy in the Policy Statement).

Reportable Shares List replacing the Exempted Shares List

From 13 July 2026, the FCA will publish a Reportable Shares List (RSL) to identify every class of share issued by a company, and admitted to trading on UK trading venues, that are subject to the short selling rules.

It will also show the date those shares are added to the list. It won't identify shares not admitted to trading on UK trading venues or on any trading venues but still included in a company's issued share capital.

Covering

As the covering requirements only apply to shares admitted to trading on UK trading venues, persons can exclusively rely on the RSL to identify the shares in relation to which the covering requirements apply.

Position reporting

Persons can exclusively rely on the RSL to identify the companies in relation to whose issued share capital the position reporting requirements apply.

Persons can also exclusively rely on the list to identify shares issued by a company that are admitted to trading on UK trading venues. However, the RSL will not identify the shares issued by companies that are not admitted to trading on UK trading venues, or any trading venues, but remain part of a company's issued share capital (see our response on maintaining the RSL on page 31 in the Policy Statement).

The RSL will identify the main class of ordinary share for the purpose of position reporting.

Determination of the RSL

We use the following criteria to determine whether to exempt admitted shares from position reporting and covering requirements (see SSR 4.2):

1. The principal country of the admitted share (where it is principally traded).

2. Whether the share is of significant importance to the UK market.
3. Where relevant, whether a third country's rules already achieve a similar outcome.

To determine the principal country of an admitted share we measure the trading volume of that share over the previous 2 years.

Updating the RSL

We will update the RSL as follows:

- Completely every 2 years, on the first working day of April. As the first RSL comes into effect on 13 July 2026, the RSL will next be completely updated on 1 April 2028.
- Monthly, by midday on the first working day of each month to primarily account for shares being admitted to or removed from trading on UK trading venues.
- On an ad hoc basis, in exceptional circumstances, by midday. If we make an ad hoc update, we will proactively notify reporting firms.

Format and publication

We will publish the RSL on our website in 2 formats:

- A machine-readable CSV format, enabling reporting firms to easily ingest the data into their systems.
- An XLSX format including an extra tab to identify all removed shares.

Publication of a test RSL as of 16 April 2026

The FCA has published a test RSL to allow firms to test their systems and introduce operational arrangements ahead of the main commencement day on 13 July 2026.

- [Test Reportable Shares List \[CSV\]](#)
- [Test Reportable Shares List \[XLSX\]](#)

The test RSL is based on the trading volume of shares from 1 January 2024 to 31 December 2025, and the significant importance criteria.

We will update the test RSL on the first working day of May, June and July to account for shares being admitted to and removed from trading on UK trading venues. We will not make any ad hoc changes during this period.

The RSL will come into effect on 13 July 2026 using the same links above.

For any queries related to RSL between now and 13 July, firms should contact pmu@fca.org.uk.

Aggregate Net Short Position (ANSP) disclosure

From 13 July 2026, we will no longer disclose individual net short positions. We will instead begin to disclose anonymised ANSPs by company (see SSR 6).

The ANSP will show the name of the company, the ISIN of the main class of ordinary share issued by the company, the percentage value of the ANSP, and the latest position date of a notification included in the ANSP (see SSR 6 Annex 1 and Annex 2).

How we calculate ANSPs

The ANSPs will be formed of the outstanding individual net short positions reported to us at or above the 0.2% threshold on or before the previous working day. We may exclude notifications received after the position reporting deadline and/or when we are verifying the reliability of a net short position.

For the calculation of ANSPs, we rely on the robustness, timeliness, and accuracy of notifications received from firms and individuals. In exceptional circumstances, we may review notifications and contact firms or individuals to verify positions, particularly if they are large positions or make a significant change to a previous position.

Publication of current and historic ANSPs

We will disclose the ANSPs, for each working day, from 12pm 2 working days after the working day to which the positions relate. The publication will contain:

- A list of current ANSPs, showing the ANSPs by company.
- A list of historic ANSPs, showing changes in ANSPs by company over time.

The ANSPs will be available in 2 downloadable formats on our website:

- An XLSX file.
- A machine-readable CSV format enabling firms to easily ingest the disclosures into their systems.

Transitional arrangements

All outstanding positions notified after 31 December 2020, up until 11:59pm on 10 July 2026, will be included in our calculation of the ANSPs on the main commencement day, as if they had been notified under the new rules.

As a result, the ANSPs disclosed on 13 July 2026 will show the aggregation of all current individual net short positions held at midnight on 9 July 2026.

We will not publish a list of historic ANSPs on the main commencement day. We will only begin to publish historic ANSPs as current ANSPs originally disclosed are updated and become historic following the main commencement day.

Individual net short positions publication to be archived

From the main commencement day, an archived version of the individual net short positions published under the current regime will remain available on our [Notification and disclosure of net short positions webpage](#).

Position reporting

What is not changing

- The position reporting thresholds remain the same: 0.2% of a company's issued share capital and each increment of 0.1% above that threshold (see SSR 2.3.1.R).
- The methodology for calculating net short positions remains the same.

What is changing

Reporting deadline

The reporting deadline has moved from 3:30pm to 11:59pm (UK time) on the working day following the working day when a reporting obligation is triggered (see SSR 2.7.1 R).

To ensure the accuracy of ANSPs, persons must notify us by the reporting deadline.

Timing for calculating net short positions

Persons must continue to calculate their net short positions for each working day as it is held at midnight, accounting for all transactions from that day and using information of a company's issued share capital available at midnight. However, new guidance clarifies that firms do not need to calculate their net short position at midnight itself (see SSR 2.9).

Reporting group positions

We have clarified how and when individual legal entities within a group need to notify their positions, at both entity and group level, to improve the reporting of positions within groups and support the accuracy of the ANSPs (see SSR 2.16).

To facilitate position reporting at group level, an entity within the group will be allowed to register on our Electronic Submission System (ESS) under the name of the group and receive a separate position holder ID to report on behalf of the group.

Persons separately reporting net short positions arising from both management and non-management activities will also be required to report under separate position holder ID.

Updated position reporting notification templates and user guide

The position reporting notification templates have been updated (see SSR 2 Annex 1, 2, 3, and 4) to include a new mandatory field, "group notification status", to facilitate the changes to group reporting.

We will update the **ESS user guide** on **1 June 2026** to account for the changes to the notification templates above.

Identifying Issued Share Capital (ISC)

Persons should act reasonably when sourcing a company's issued share capital, having regard to publicly available information (information which is readily accessible and free of charge). We do not expect firms to spend a disproportionate amount of time sourcing and verifying issued share capital (see SSR 2.11).

Information on issued share capital can be sourced from:

- DTR 5.6.1R or DTR 5.6.1A disclosures on total voting rights and capital.
- Companies House filings such as SH01 and SH06.
- Commercial or market data providers.

When position reporting and covering obligations apply following changes to the RSL

When a company and its admitted shares are added to the RSL, the position reporting and covering requirements will apply from the date they are added to the RSL. For the purpose of position reporting, for positions established in companies prior to their inclusion on the RSL, the position date should be the date on which the company was added to the RSL.

The position reporting and covering requirements will cease to apply from the date on which a company and its admitted shares are removed from the RSL. Persons are not required to send notifications to close their positions as ESS prevents the submission in removed shares.

Bulk reporting and update of user guide

In addition to individual notifications, bulk reporting will be available in Phase 2 on 30 November 2026. This will allow persons to submit multiple notifications for the same position holder at the same time by uploading a CSV file with the prescribed content via the ESS portal.

We will update the **ESS user guide** on **30 September** to explain the bulk reporting changes.

Covering requirements

What is not changing

The covering rules largely remain the same in relation to borrowing and locate requirements.

What is changing

We have formalised the requirement for firms to retain records of arrangements for covering a short sale for at least 5 years.

Market Maker Exemption (MME)

What is not changing

Eligibility criteria

The conditions firms need to meet to use the market maker exemption, remain the same. They still need to be an investment firm, credit institution, or overseas entity, and a member of a UK trading venue or a third country trading venue designated under SSR 2025 (EEA trading venues). Firms need to undertake market making activities as specified under SSR 5.13-5.19 which replicate the previous ESMA Guidelines on the market maker exemption.

Publication of Market Maker Exemption List

The FCA will continue to publish and maintain an updated list of market makers using the exemption.

What is changing

Scope of the MME

The market maker exemption will apply in relation to market making activities in shares and related financial instruments, it will no longer apply in relation to UK sovereign debt and associated CDS.

Change from instrument-based to activity-based exemption

The market maker exemption will be changed to an activity-based exemption which will provide an exemption for all the financial instruments that a market maker is market making in. Information on specific financial instruments will no longer be required in the exemption notifications sent to us.

Exemption notification

Firms wanting to benefit from the market maker exemption will be required to submit a notification to us using the form in SSR 5 Annex 1R. This notification confirms that the firm meets the conditions to use the exemption and must be made 15 calendar days in advance of its use.

Annual attestation

Market makers will be required to submit an annual attestation using the form in SSR 5 Annex 2R, by the first working day of June each year, confirming that they continue to meet the exemption's conditions. Where a market maker does not submit their annual attestation, we will send a written notice to them informing them of our intention to prohibit their use of the exemption, which may result in the removal of the exemption.

Transitional arrangements and re-notification of exemptions

Market makers can continue to use their existing exemptions from 13 July 2026 to the end of the transitional period on 29 January 2027 (see SSR TP 2).

Existing exemptions will expire at the end of the transitional period. To continue to use the exemption market makers will need to renotify by 15

January 2027 (to account for the 15-calendar day notification period) using the form in SSR 5 Annex 1. They will only need to confirm they are a member of a trading venue and will not be required to provide evidence of their membership.

Where a market maker only has an exemption for UK sovereign debt, that exemption will be carried across to the new regime so that they could use that exemption for shares and related financial instruments until the end of the transitional period. These market makers should notify us as soon as practicable after 13 July 2026 if they no longer need such an exemption.

Submission of notifications, attestations, and re-notifications

Notifications, attestations, and re-notifications should be submitted to us by e-mail to SSRMarketMaker@fca.org.uk. The new forms will be available on the short selling exemption webpage on 13 July 2026.

For queries regarding the changes to the market maker exemption, firms should contact us via the SSRMarketMaker@fca.org.uk.

Waivers and modifications

Under the new regime we can temporarily modify or waive our rules as follows:

- Exceptional circumstances (section 71N FSMA): Firms may request a waiver in exceptional circumstances, such as serious systems issues preventing compliance with reporting requirements (see SSR 7).
- General waivers (section 138A FSMA): Persons may also apply for waivers and modifications under section 138A FSMA.

Requests must be submitted by email, as specified on our [Notification and disclosure of net short positions webpage](#) on the main commencement day.

Emergency powers

The FCA has a range of emergency powers which enable us to prohibit, restrict, and request additional information on short selling activity in exceptional circumstances or following a significant fall in price.

We are primarily focused on maintaining open markets which operate with integrity. Given the benefits that short selling provides to the orderly and effective functioning of the UK market, we set a high bar for the use of, and application of any measures using, our emergency powers. As a result, we will only consider using our emergency powers in exceptional circumstances.

Our [Policy Statement](#) includes a Statement of Policy setting out our general approach to our exercise of our emergency powers, including when, and in

what circumstances we may exercise our emergency powers, and how we may communicate and implement any measures.

Next steps

We will implement the new regime in 2 phases to allow time for firms and the FCA to make operational changes.

See the schedule of operational changes and implementation of Phases 1 and 2:

1 June 2026

- Updated Electronic Submission System (ESS) user guide with new position reporting templates for group notifications.

13 July 2026: Phase 1 – new regime implementation

- New FCA rules come into effect.
- Statement of Policy on the use of emergency powers is implemented.
- New position reporting templates are embedded in the ESS.
- Publication of the first RSL.
- Publication of the first ANSPs.
- New market maker exemption arrangements in place, including publication of the updated market maker exemption list.
- Relevant waivers and modifications are available.
- FCA short selling webpages are updated.

30 September 2026

- Updated ESS user guide (ahead of Phase 2 implementation) and a training video explaining how to submit bulk reports, published on the FCA's short selling notification webpage.

30 November 2026: Phase 2 – bulk reporting implementation

- Updated ESS to enable bulk reporting.

29 January 2027

- End of the transitional period for market maker exemptions.

1 June 2027

Deadline for market makers to send annual attestation, subsequently by 1 June every year.