

Insights

THE NEW UK PROSPECTUS RULES: WHAT DCM ISSUERS NEED TO KNOW IN 2026

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SUMMARY

With much anticipation, the reforms to the prospectus requirements for public offers of bonds in the UK came into force on 19 January 2026 when the UK Prospectus Regulation was revoked and replaced by the new regulatory regime enabled via the Public Offers and Admissions to Trading Regulations 2024 ("**POATRs**").

Whilst the new regime doesn't fundamentally rip up the playbook for UK debt capital markets (for an overview of the changes from an ECM perspective, see our article [here](#)), it represents a significant restructuring of how companies raise capital in the UK and removes yet another tranche of retained EU law. As we start 2026, and with the new regime in effect, now is the time for issuers to take stock and familiarise themselves with the key regulatory and process changes that will govern primary debt capital market transactions going forward.

BACKGROUND

The FCA published its final rules implementing the POATRs regime in July 2025 under [Policy Statement PS25/9](#). These are now set out in a new Sourcebook – the Prospectus Rules: Admission to Trading on a Regulated Market ("**PRM**") – which replaced the previous Prospectus Regulation Rules ("**PRR**").

A transitional regime will apply to allow issuers to familiarise themselves with the new rules:

- From 1 December 2025, issuers were able to submit to the FCA draft prospectuses which had been prepared in readiness for seeking approval after 19 January 2026 under the new regime (prospectuses submitted before that date were still able to be prepared under the previous UK Prospectus Regulations regime); and
- Prospectuses which were approved by the FCA prior to 19 January 2026, and which remain valid after that date for the 12-month period, will continue to be governed by the previous UK

Prospectus Regulation regime. Issuers which submit supplements for approval after this date will need to confirm if they are seeking approval under the old regime or the new POATRs regime.

KEY CHANGES UNDER THE NEW REGIME

A lot of the requirements under the new POATRs regime reflect what the market is already accustomed to. However, the regulatory structure as a whole has changed and there are a number of key areas that depart from the current regime, including:

1. **New general prohibition on public offers:** Under the POATRs regime, there is a general prohibition on public offers of securities in the UK unless made under a valid exemption. This marks a significant shift from the previous regime, where an offer of securities to the public in the UK could be made by publishing an approved prospectus (although in practice, that remains one of the exemptions where it is required as part of admission of securities to a regulated market or MTF). The key exemptions include:
 - i. offers to qualified investors;
 - ii. offers made to fewer than 150 persons (other than qualified investors);
 - iii. offerings of securities admitted to a UK-regulated market or primary MTF;
 - iv. offerings via a regulated public offer platform (POP);
 - v. offerings below £5 million (reduced from €8 million); and
 - vi. “wholesale” offerings with a minimum denomination of £50,000 or an equivalent amount - although investors in wholesale bonds will not have the benefit of withdrawal rights and the EU equivalent wholesale threshold remains higher at €100,000, and so selling restrictions and legends for cross-border issuances will have to be carefully considered.
2. **Plain Vanilla Listed Bonds:** The PRM introduces a new concept of “plain vanilla listed bonds” (“PVLB”) which are senior unsecured, plain vanilla bond issued by issuers with equity listed on a UK regulated market (or an issuer which is a whole-owned subsidiary of a listed company, where that listed company has provided an unconditional and irrevocable guarantee in respect of it). PVLB benefit from reduced product governance requirements and the existing exemption on annual and bi-annual financial reporting requirements available for bonds with a minimum denomination of €100,000 (or its equivalent) has been expanded to also apply to PVLB.
3. **Disclosure regime:** The PRM provide for a single disclosure standard for debt securities, based on the existing regime's wholesale disclosure standards, and removes the requirement to include a summary in any debt prospectus. This streamlined approach eliminates the previous distinction between “retail” and “wholesale” bonds, reducing complexity and preparation costs

whilst improving retail access to bond markets.

Further changes have also been made for ESG labelled bonds – any green, social, sustainability-linked or sustainable bonds which are marketed as such, must include a specific statement to that effect in the prospectus, where a prospectus is required. The new regime also provides for a voluntary opt-in disclosure structure for issuers of sustainability-labelled debt securities, in which issuers may include additional disclosure information in the prospectus in relation to its marketing as an ESG labelled bond. Whilst voluntary, the FCA has indicated that it expects issuers to consider whether this information should be disclosed in order to meet the "necessary information test", and so in practice we expect many issuers will likely include relevant disclosures as a matter of best practice.

4. **Increased threshold for further issuances:** The general threshold for requiring a prospectus for tap issuances has been increased from 20% of existing fungible securities to 75% of existing fungible securities – by contrast, the EU has raised the threshold to only 30% under the EU Listing Act.

Whilst issuers don't currently tend to rely on the 20% exemption, it will be interesting to see whether more issuers look to take advantage of the significantly higher exemption threshold under the new regime. This change provides issuers with substantially greater flexibility to undertake tap issuances without the time and cost implications of preparing a new FCA-approved prospectus for the tap issuance.

5. **Forward incorporation of financial statements:** Issuers may incorporate future annual and interim financial statements in base prospectuses without needing to issue a supplement. This practical improvement will reduce administrative burden and allows for more efficient updating of base prospectuses during their validity period.
6. **Expanded options for using supplementary prospectuses:** The PRM expand the circumstances in which a supplementary prospectus can be issued by issuers. Subject to certain conditions, a supplementary prospectus can be issued to update a base prospectus with new non-material information and in order to issue new securities where those securities remain fungible with the previously issued securities or so long as they otherwise aren't asset backed or linked to an underlying asset. The changes could, for example, allow issuers to issue a supplementary prospectus to enable ESG bonds to be issued under a programme where they weren't originally contemplated in the initial base prospectus.
7. **Protected forward-looking statements:** The FCA has introduced a new framework for protected forward-looking statements, with a lower liability standard under which an issuer will only be liable for any such statement if they were dishonest or reckless about whether or not it was untrue or misleading. The burden of proof has also been shifted onto claims for proving that an issuer was reckless or dishonest when making any such statement. This change should

encourage issuers to include more useful forward-looking disclosures in prospectuses, particularly benefiting growth companies and those in innovative sectors where forward-looking information is especially valuable to investors.

8. **Primary Multilateral Trading Facilities (MTFs):** The new regime introduces specific requirements for primary MTFs (such as the International Securities Market), and provides for MTF operators (rather than the FCA) to determine the detailed content requirements and review/approval processes. Importantly, under POATRs, a primary issuer publishing an MTF admission prospectus can offer securities to the public without producing an FCA-approved prospectus, which should encourage issuers to allow retail investors to participate in their offerings
9. **Public Offer Platforms (POPs):** A new regulated activity has been created for operating electronic systems for public offers. Private companies seeking to raise more than £5 million can do so through an FCA-regulated POP without publishing a prospectus. The final rules governing the regulatory regime for POP operators, which also took effect on 19 January 2026, have been published by the FCA in [Policy Statement PS25/10](#).

POP operators will act as "gatekeepers" with regulatory responsibilities, including conducting due diligence on issuers and providing risk warnings to retail investors. This innovation creates a new pathway for private companies to access capital from retail investors in a regulated environment.

IMPLEMENTATION AND PRACTICAL GUIDANCE

The FCA has already made available on its website updated checklists and guidance for issuers including [updated PRM forms and checklists](#), and issued [Primary Market Bulletin 58](#), which contains guidance for issuers on the implementation and interpretation of the new rules, as well as proposed technical notes.

With all of the new changes being introduced, it is well worth potential issuers familiarising themselves with the new rules and associated guidance.

LOOKING AHEAD: WHAT TO EXPECT IN 2026

The new regime has been designed to make it easier and less costly for issuers to raise debt in the UK and help streamline the issuance process. With the greater flexibility that it introduces compared to similar measures in the EU's Listing Act, 2026 will be an interesting year for debt capital markets in the UK.

We will continue to see this going forward with the eventual repeal and replacement of the UK PRIIPs with the new domestic Consumer Composite Investments ("CCIs") regime, which is due to take effect from June 2027 but with early adoption available from 6 April 2026 – yet another

change which has been designed to provide a more flexible system tailored to the UK capital markets.

In particular, we anticipate seeing several key developments this year:

- **Increased tap issuances:** The 75% threshold may encourage more frequent use of tap issuances, particularly for seasoned issuers where issuers can benefit from reduced disclosure requirements.
- **Enhanced competitiveness:** The UK's more flexible approach compared to the EU regime may attract issuers seeking efficient access to debt, particularly for ESG labelled bonds and innovative financing structures.
- **Evolution of market practice:** As the market adapts to the new regime, we expect to see the development of new market standards, particularly around sustainability disclosures and the use of protected forward-looking statements.
- **Greater retail participation:** The simplified disclosure regime for debt securities and the introduction of POPs should facilitate broader retail investor access to bond markets.

If you have any questions about how these changes may affect your bond financing plans in 2026 and beyond, please do not hesitate to contact us.

RELATED CAPABILITIES

- Financial Services
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