UK DIGITAL ASSETS: Q2 2026 UPDATE

From rulebook to gateway: the regulated market is being built

Legislation is now law (SI 2026/102). The major FCA consultations have closed; CP26/13 (perimeter guidance) runs to 3 June. PASS is live. HMT is aligning the tokenised-payments perimeter across PSR and FCA.

30 SEP 2026	25 OCT 2027	31 MAY 2027	£10–20K / £10M
FSMA gateway opens Applications accepted	**Full regime live** MLR → FSMA transition	**First CARF report** Data captured since 1 Jan 2026	**Proposed stablecoin holding caps** Individual / business

RULEBOOK

The legal foundation is set

- **FSMA Reg. 2026:** made 4 Feb (SI 2026/102) · live 25 Oct 2027
- **CP25/40–42:** closed 12 Feb · policy statements due summer
- **CP26/4:** Handbook (Duty, SM&CR, COBS) · closed 12 Mar
- **CP26/13:** perimeter guidance · open until 3 Jun
- **No grandfathering:** MLR doesn't carry over to FSMA

Why it matters:

Final FCA rules are weeks away. There is no soft transition — every MLR firm must re-apply under FSMA.

STABLECOINS

Two-tier system, wired in

- **BoE consultation:** closed 10 Feb · Codes due H2
- **Backing:** ≤60% gilts / 40% BoE reserves
- **Holding limits:** £10–20k retail · £10m business (proposed)
- **HMT amending SI:** UKQS* carve-out closes 22 May
- **Payments:** PSR → FCA perimeter alignment

Why it matters:

BoE supervises systemic sterling coins; FCA covers the rest. HMT is wiring both into one framework. BoE proposals subject to change. *UKQS = UK Qualifying Stablecoin.

GATEWAY & TAX

The supervised on-ramp

- **FCA PASS:** live 11 May · meetings from July
- **FSMA gateway:** 30 Sep 2026 → 28 Feb 2027
- **DSS:** being expanded to accept regulated stablecoins
- **Tokenised collateral:** BoE guidance expected under UK EMIR
- **HMRC CARF:** 31 May 2027 · £300/user penalty

Why it matters:

PASS is live, the DSS is being expanded to accept regulated stablecoins, and CARF data collection is already running.

KEY DATES — Q2/Q3 2026

- **11 May 26** PASS opens
- **22 May 26** HMT SI closes
- **3 Jun 26** CP26/13 closes
- **Summer 26** FCA policy out
- **30 Sep 26** Gateway opens
- **Autumn 26** Perimeter guidance
- **28 Feb 27** Gateway closes
- **25 Oct 27** Full regime live

FOR FIRMS — DO THIS QUARTER

Move from analysis to mobilisation

1. **Map permissions** Identify the regulated activities you need.
2. **Prep CARF** Lock down self-cert & reporting pipes.
3. **Run a gap analysis** Benchmark vs. FSMA.
4. **Pressure-test capital** Model CP25/42 prudential expectations.
5. **Engage PASS** Request a pre-application meeting.
6. **Track CP26/13** File a perimeter consultation response by 3 June.

> *The coming year is going to be fundamental in shaping the UK's digital financial future.*

Sasha Mills
Executive Director,
Financial Market Infrastructure
Bank of England

Prepared 14 May 2026
gbbc.io