

Corporate & Financial Weekly Digest

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FSA Issues Feedback Statement on Product Intervention

In FS11/3, a feedback statement on product intervention issued on June 14, the UK Financial Services Authority (FSA) announced that it will follow a new product intervention approach. It will actively regulate all aspects of the product life cycle and focus on the design, development and management of products. The FSA will continue its work on the later parts of the product value chain (including point-of-sale standards such as financial promotions, disclosure and advice).

The FSA acknowledges that further thinking and analysis will be required as it takes forward this approach in specific areas, and does not intend to consult on any specific new rules immediately. However, the FSA confirms its intention to move toward a single set of rules and guidance on product governance, building on what is already in place (including the treating customers fairly guidance on responsibilities of product providers and distributors for the fair treatment of customers).

FS11/3 is part of a wider debate about the future of financial regulation in the UK and the regulatory philosophy to be adopted by the Financial Conduct Authority (FCA). The FSA will publish shortly a document on the FCA's philosophy and hold a conference in late June 2011 to encourage further discussion on the FCA and what stakeholders expect from it.

[Read more.](#)

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