

**Question 1:** *Do you agree with the proposed approach to the regulation of benchmarks in the UK, in particular:*

- *A narrower regime with only benchmarks and administrators, which may have an impact on the integrity of the financial system and consumers, required to be regulated;*
- *A designation regime based on qualitative criteria to determine which benchmarks are regulated;*
- *Not having an opt-in regime;*
- *Administrators of designated benchmarks and designated benchmark administrators to be regulated by the FCA as authorised firms?*

Whilst we agree in general with the simplification engendered throughout the proposed approach; we would still urge the UK to maintain some form of Voluntary Opt-in as discussed in paragraphs 2.25 and 2.26. Overall the proposals constitute a fundamental simplification of a regime that offers only small benefits, is generally costly and suffers widespread cross-border complications.

We highlight four particular issues:

- i. We noted previously that possibly the most acute failing lies with the inability for a benchmark administrator to either know the nominal usage of any indices, nor for any nominal usage to be translated into a risk-metric. The widespread use of vendors, enterprise licences, free licences and bundling of market data means that there is no simple or even convoluted route to assign such metrics from licencing approaches as widely supposed in the BMR. It makes sense to abandon that regime.
- ii. Considering the rationale for a voluntary 'opt-in' regime, we consider three core arguments for this, predicated-on simplicity and competitiveness:
  - a. Considering only the UK-EU relationship and the approach following the expiry of the current exemptive measures at the end of 2030. Where UK administrated benchmarks may not be under designation, they may be significant under tighter EU threshold metrics and therefore required to either cease any client contracts or data related activities undertaken in the EU (such as contributors); unless they gain authorisation by ESMA or one of the access channels. Given the currently known approaches to direct supervision, should prove particularly difficult where firms would want to continue to carry out those activities in the UK. A mitigation to this "gap" could be to opt-up in the UK on the assumption that a recognition regime is the likely outcome between these two approaches.
  - b. Considering both the size and scale of the global swaps market together with the rate of growth since the advent of BMR<sup>1</sup>; it constitutes a distinct and unique national advantage to offer well-regulated benchmarks, as "kitemarks" to a global user base keen to ingest these. Therefore for those products such as swap spreads and total return indices which empower either liability management such as new issues, or asset management such as alternatives,

<sup>1</sup> [Note; BIS WP; Goodbye Libor, Hello Basis Traders; Unpacking the Surge in IRD Turnover; 24Jan2026](#)  
[Note; ISDA report examines key findings from the 2025 BIS triennial survey; 21Nov2025](#)  
[Key-trends-in-the-size-and-composition-of-OTC-derivatives-markets-in-the-first-half-of-2025.pdf](#)

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- ETFs and index-funds would greatly benefit from a national voluntary ‘opt-in’ regime
- c. The final perspective concerns how challengers and innovation in the UK could challenge incumbents when those “Critical Benchmarks” enjoy their own privileged kite-marks by way of ongoing supervision and licencing. In other words the approach proposed resembles the old national flag carrier approach to airlines as it appears predicated on removing competition to national champions.
  - iii. Given the absence of similar third country regimes other than the EU, together with the dominance of USD denominated wholesale financial indices, the proposal to deploy the Overseas Recognition Regime (ORR) for overseas benchmarks is both deeply flawed, and fails to address any observable systemic risks<sup>2</sup>. Relatedly, from experience, all of the routes embedded into the current BMR, equivalence, endorsement and recognition are also deeply flawed and untenable. Even as acting as a wholesale global financial centre, the UK should not attempt to regulate the usage of third country benchmarks but confer the mitigation of any such risks where observed to disclosures and supervision.
  - iv. We note that benchmark users who are “MiFID Firms” [IFs] may obtain a finite benefit from the application of a regulated benchmark over any other despite this not being specified in the UK Capital Requirements Regulation nor the concomitant PRA Rulebook. The primary area we could envision such a use-case could be the prudential risk treatment of term balance-sheets such as trading book risk [“FRTB”] or liquidity coverage [“LCR”] in the case of interest rate benchmarks. This may likely become increasing important under the Basel 3.i rewrite where many more banks intend to migrate away from standard models and would therefore be interested to insert licensed benchmarks into proprietary risk models. The question remains whether benchmark administrators who consider opting-up for commercial status reasons or to challenge incumbents could otherwise rely solely on their organisational procedures, methodological procedures and audits to evidence the same degree of worth as then disclosed as IOSCO compliance statements. It may therefore be helpful, in order to mitigate “crowding into designations,” under this revised approach, to set out high-level legislative guidance that such outcomes should not be the case.

Regarding administrators of designated benchmarks and designated benchmark administrators to be regulated by the FCA as authorised firms; we have a single reservation. We consider that a principle of conduct regulation to be such that it’s on an activity basis rather than an object basis. This approach, long held in the UK of, “playing the man and not the ball,” should mean that only the activity of administrating (publishing) one or more designated benchmarks should be regulated and not the designated benchmark itself, nor any other activity.

**Question 2:** *Do you have any comments on the criteria for designation? Do the proposed criteria capture the right risks? If not, what would you change?*

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<sup>2</sup> Overall the UK proposed approach appears to remain overly redolent of the LiBOR / RFR genesis of the UK regime rather than a forward-looking agenda, a matter worth recalling currently following the recent UK High court and related FCA reversals of longstanding LiBOR related judgements and enforcements respectively.

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We concur that the scope and the intent if two specified limbs are clear, but that the language could be more succinct and purposeful:

- i. *Impact on the integrity of the UK financial system and consumers*
- ii. *Impact on the market that the benchmark seeks to measure.*

Whilst we would not change this approach, we would remove any reference to the term “consumer” which has been close to disastrous in its uptake by the FCA over the past decade. The generally accepted term is a “user” of a benchmark.

We would also remove the term “market” since the logic here is back to front. Usually a benchmark is the underpinning settlement or reference to any market, rather than a measure of it. The benchmark itself is usually a representation of actions and outcomes such as a fixing or a shipping price. Leg (ii) should better be phrased: “Impact on the outcomes that the benchmark seeks to represent”

**Question 3:** *In reference to the designation criteria, do you have views on what is the appropriate notice period for an authorised firm to transition to a new benchmark should a designated benchmark it uses cease to be provided?*

We concur that 12 months’ notice constitutes an adequate notice period and is likely the upper bound for wind-down planning and capital to be efficient.

It may be worth noting that whilst an exception or “one-off” in terms of scale, and whilst the overall process was global and very drawn out; the actual transition from LiBOR via the imposition of the “ISDA Fallback” as a spread over a final averaged rate, was in fact a very quick segment of the transition procedure and replicable in this timeframe.

**Question 4:** *Do you agree that HMT should have the option to designate benchmark administrators at an entity-level as well as individual benchmarks?*

We believe that any designation should hold some capacity to act at an entity-level simply because the licence permission turns on an activity basis. Whether that activity relates to the administering of one or more designated benchmarks may be immaterial.

However, in practice, the cessation of any approach which creates a related family of benchmarks should mean that the proper effect of the regulation should only concern specific benchmarks becoming designated since there is no evidence that the simultaneous cessation of numerous unrelated small benchmarks could generate relevant systemic risk.

Clearly the designation process should hold clear accountability for commercial outcomes and competition considerations. It may be that nomination of one, amongst a number of competing benchmarks bestows and facilitates an advantage on that obtaining a kitemark, or it could raise the costs on its users to the detriment of the UK market segment. Impacts may be opposite and obverse, therefore specific case-by-case considerations should be required.

**Question 5:** *Do you have any views on this approach to ESG benchmarks?*

We agree with the proposed approach to ESG benchmarks. Nothing in these proposals would appear to prevent the kite-mark approach without necessarily being a designated benchmark. Where matters such as indices with PAB and CTB labels become relevant than provision should be made under the UK ISSB-aligned Sustainability Reporting Standards (UK SRS) to cater for these rather than under the SABR.

**Question 6:** *Do you have any views on whether the UK should maintain the PAB and CTB labels and regulate the use of the labels?*

We note that whilst there is no UK law that directly transposes CSRD or ESRS into domestic legislation. Where matters such as indices with PAB and CTB labels become relevant than provision should be made under the UK ISSB-aligned Sustainability Reporting Standards (UK SRS) to cater for these rather than under the SABR.

**Question 7:** *Do you agree that commodity benchmarks should be designated under the same criteria as other benchmarks (set out in Chapter 2)?*

Yes, we agree so long as the approach is set out as an activity basis rather than seeking to make any benchmark figure or index the object of the regulatory nomination. We further agree that there should no longer be a separate regime in legislation for designated commodity benchmarks.

We would underscore that the “Annex II” approach has never been fit for purpose as a parallel regime to non-significant benchmarks under BMR, and was carved out of journalistic objections by PRAs. Furthermore the interaction between PRAs and exchange settlement pricing for commodity futures has always constituted a series of trade-offs and cross-border or extra-territorial reliance’s which have made the BMR application complex, opaque and ineffective.

In this manner it is unhelpful to nominate any exchange future settlement price to be a benchmark. Rather such an outcome should only be the case where a benchmark by designation is subsequently used to settle futures contracts with unidirectional causality to the designation.

**Question 8:** *Do you agree that there should no longer be a separate regime in legislation for designated commodity benchmarks?*

Yes. See answer to Question 7.

**Question 9:** *Do you have views on the proposed approach for contributors to designated benchmarks?*

We agree with the proposed approach under SABR to remove non-authorized benchmark contributors. In essence the revised approach supposes that any contributors to the remaining narrow scope of designated benchmarks need to be authorized where not currently so. Likely this makes for a much more straightforward approach, since many of the underlying issues here also related to overseas contributions, most especially in the sphere of commodity benchmarks. Evidently the reach of the FCA powers in these cases was always severely compromised; so the SABR approach removes the “grey zone.”

**Question 10:** *Do you agree that the FCA needs powers over non-price contributors?*

We note the comments in respect of contributors of non-price data, but we would suppose it difficult to create any benchmark under the current and proposed definitions that are not expressed in price terms. Consequently the suppositions around non-price data are fundamentally no different to those data quality measures in any methodology.

Under the “*keep it simple*” principle, we would not support any measures in this regard, rather deferring either to any relevant ISO standards, or to the *benchmark statement* and to the *benchmark methodology* and related controls of the specified benchmark administrator.

## Chapter 4; Users of benchmarks

**Question 11:** *Do you agree with the proposed approach for users to benchmarks?*

We support the proposed change in approach for users of benchmarks to be free to use regulated and non-regulated benchmarks under SABR with the appropriate interaction of benchmarks with other regimes. Clearly, the existing prohibition was largely founded in the LIBOR/RFR transition and has little utility looking forwards to a world not only of richer data sets per se, but one of smart and agile semantic data points. That is, the preservation of such a requirement may likely hold unintended consequences of limitations and basis-risks.

It follows from the above, that whilst tertiary FCA guidance could play a role for informing authorised firms’ approach to using non-regulated benchmarks; a better approach might be couched in joint FCA and PRA thematic work couched within systemic risks and the use of trading book risk models under FRTB, which may seek to outsource risk measurements via the statements of any benchmarks adopted for measurements, notably interest-rate, swap-spread and credit-spread markers.

Such thematic work may also build on good and bad practices where certain market participants have adopted innovative or tailored approaches using the panoply of rich data

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tools now widely available via agentic AI or specialised data resource services such as geo-mapping.

As alluded to previously, data related matters underpinning ESG benchmarks is one area where the interaction with other regimes would appear most apparent, whereby sustainability metrics<sup>3</sup> or voluntary carbon standards<sup>4</sup> would be better placed to form a basis for firms activities because they are extensive, global, richly developed, and would otherwise make the SABR complex and unwieldy if directly included.

**Question 12:** *Do you have views on how references to financial benchmarks should be approached in practice in other regulatory regimes?*

We refer to comments in answer to Question 11 above in the context of the use of interest-rate, swap-spread and credit-spread markers by PRA regulated investment firms, especially where moving off standard models for FRTB and Banking Book risk measurement. This legislation should be clear whether use of specified benchmarks confers a beneficial risk and netting outcome over the use of other benchmarks since that may inform competition aspects and the concomitant interests to “opt-Up”.

In the cases of UK MAR and UK MiFIR.

Art 3.1(29) of UK MAR simply restates the definition of a benchmark and should be replaced by a cross reference to SABR. Recital 44 of UK MAR, together with Article 12 (Market manipulation) intend to deal with any outcomes under the scope of the MAR consequent to manipulation of benchmarks.

It would appear that these aspects of MAR are duplicative where a cross-reference could suffice, but otherwise the change of scope under SABR could simply be carried through the ongoing application of MAR.

UK MiFIR Article 37 addresses the Non-discriminatory access to and obligation to licence benchmarks.

We are not sure this provision serves any purpose. There should be, and is, a wider non-discriminatory access provision with reference to the monopoly pricing concerns beyond solely the narrow interaction between benchmarks with trading venues and FMI's. We note the EU

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<sup>3</sup> *These metrics are explicitly required or strongly expected under: ESRS E2–E5; UK SECR; ISSB S1 (where financially material) where UK regulators explicitly expect transition plan disclosures aligned with TPT guidance.*

<sup>4</sup> *GHG Protocol alignment is the backbone for: CSRD (ESRS E1); ISSB / UK SRS; SBTi; CDP. So credit quality where offsets or removals are used rely on standards such as: VCS – Verra; the Gold Standard for the Global Goals; the American Carbon Registry (ACR) & Climate Action Reserve (CAR). These are underpinned by further integrity & quality meta-standards such as those for Integrity Council for the Voluntary Carbon Market (ICVCM) via disclosure & reporting frameworks using carbon metrics such as CDP (formerly the Carbon Disclosure Project); ESRS (EU); ISSB & UK SRS.*

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MiFIR revisions now also deal with this under the revised RTS for data supply to consolidated tapes.

**Question 13:** *Do you have views on what FCA guidance may be helpful for informing authorised firms' approach to using non-regulated benchmarks?*

Recalling the Association's own the experience of authorisation and acting as the Benchmark Administrator for SONIA and RONIA, which were the first two benchmarks to be specified under the initial UK framework, and were then made critical under the first iteration, only to be either removed in the first instance under BOE administration; or progressively dropped down to "non-significant-regulated-data" and then to "non-benchmark" in the second instance.

As an index widely viewed, but not used under the scope of the definition, we sought to maintain a proportional level of governance in tandem with IOSCO disclosures in order to preserve integrity and commercial viability. This may not be as straightforward for other indices which are altogether more subjective or are more global in scope of product, contributors and usage.

Again, it appears less likely that FCA guidance per-se could be useful, and we would rather advocate more thematic work which could be addressed to specific types of index and more especially towards innovations in data content, analysis and semantic processing.

## Chapter 5: Overseas benchmarks

**Question 14:** *Do you consider that an Overseas Recognition Regime and FCA's approach to international firms are sufficient to ensure continued access for UK users to designated overseas benchmarks?*

We refer to our general comment #3 above in answer to question 1. We do not see a rationale for the UK to attempt to regulate the usage of third country benchmarks through the ORR. Overall we would prefer to see the scope of SABR to not include the usage of third country benchmarks.

We do concur with the views set out in the consultation and reiterate prior views that none of the three access routes for overseas benchmarks: equivalence, recognition and endorsement have proven fit for purpose; indeed, all have demonstrated complexity and costliness. We note that discussions still continue with the European Commission around the scope of overseas benchmarks, indices and settlement prices that require further scope exemptions at level 1 in order to provide basic market access to EU market participants<sup>5</sup>. Simplification is required.

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<sup>5</sup> Whilst specified third country FX NDF exemptions were provided for, the same issue arises for interest rate fixings where not published by an exempt national authority body. Its therefore likely further similar use-cases will be identified.

Evidently the scope of third country benchmarks is dramatically reduced under these SABR proposals, and so the nature of the proposals concerning designated overseas benchmarks need not be predicated on the prior BMR, and by the same token, need not be a significant issue on a top-down basis.

We flag the complications that have arisen regarding whether an overseas settlement price, index or benchmark is published by a national competent authority or whether it is issued by another body excluded from the exemptive scope such as a government agency, an industry body or an FMI. The UK SABR approach should explicitly not rely on the overseas characterisation of the publishing body, as it is at once complex, transient, and moreover speaks little to the underlying methodologies and processes behind the publishing entity.

In regards to the proposals for an approach where an Overseas Recognition Regime (ORR) applies where it can under the [Overseas Recognition Regimes Guidance Document](#). We would be interested to understand how the application of this approach to the G20 recognised regimes which do not have a benchmarks regulation, which clearly is most of them, provides for simplification and cost reduction. Overall, the approach appears to tend towards gold-plating and inappropriate to the risks envisaged. We reiterate that where such risks are identified, they could be mitigated under a firm-level user supervisory approach rather than at the supply of the UK SABR.

For jurisdictions which do not have an ORR designation, we would be concerned at the requirement to set up either a UK branch or a national legal representative. The likelihood of national agencies, private companies or industry bodies doing so in the UK, and perhaps all around the world under similar circumstances appears to be far-fetched. So we disagree with the proposed approaches in paragraphs 5.10 & 5.11. Rather, such firms can receive UK based enquiries in their home jurisdiction as a type of reverse solicitation.

Likely use and access in these cases should be restricted to authorised UK firms and appropriate public disclosures required. This could facilitate the application of either capital add-ons or voluntary regulatory measures as the FCA may require.

**Question 15:** *If not, what specifically would the endorsement and recognition routes add, and why is this needed?*

We also refer to our general comment #3 above in answer to question 1. The conceptual framework of equivalence, endorsement and recognition should be removed.

We do not support the endorsement and recognition routes. Furthermore the “equivalence route,” appears entirely without merit given that only the EU has a similar regime and this concept has not been on-shored.

We note that firms have not undertaken this approach where feasible under the BMR to date, whether as an overseas firm to the UK / EU or as a potential endorsing or sponsoring entity as permitted within those regimes. Indeed where feasibility may occur, we do not believe that these routes achieve the requisite simplicity and universality to be considered for a revised regime.

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## Chapter 6; Intervention and wind-down powers

**Question 16:** *Do you agree the FCA should continue to have powers similar to the wind-down powers that FCA currently has over critical benchmarks for designated benchmarks? Do you agree that such powers should be adapted so that they are appropriate for the wind-down of any designated benchmark?*

Yes we agree. Given that these powers currently exist for critical benchmarks, so their continued application to the far narrower scope of designated benchmarks appears sensible, in particular for the initial period under the new SABR regime, mindful that periodic reviews will anyway occur.

We agree that these powers should apply to any designated benchmark, which again highlights our concerns as to the proposed SABR application to non-designated but multiple benchmark administrators. This would not be a straightforward approach.

**Question 17:** *Do you agree that the FCA should be able to direct authorised firms to restrict some or all use of a benchmark in certain circumstances, for example, where it is being wound down in the UK or abroad?*

We agree with the FCA powers of direction, but note that these likely already apply on authorised firms under the broader scope of supervisory measures. Adding these to the SABR regime appears to be duplicative.

**Question 18:** *Do you have views on whether the FCA should have powers to intervene where a designated administrator gives notice of cessation, for example to mandate continued publication of all its benchmarks?*

We agree with the FCA powers of intervention, but note that these should be constrained to the 12-month maximum period.

**Question 19:** *Do you think any other changes could be made to the FCA's existing wind-down powers to make them more effective under the proposed regime?*

No.

We would like to add that under SABR to the FCA approach to fees should be more explicitly revised given the reduced scope and the reduced depth of supervision required. Therefore the magnitude of the fee block and the cost to the remaining designated administrators should both be reduced.



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11 March 2026  
*EVIA Response to HMT a new Specified Authorised  
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Ends.

[UK consults on future benchmarks regulation; 19Dec2025](#)

[Future\\_regulatory\\_regime\\_for\\_benchmarks\\_and\\_benchmark\\_administrators\\_consultation.pdf](#)