

---

## Press release

### AFME supports next steps for FPC review of bank capital requirements

7 July 2026

---

The Association for Financial Markets in Europe (AFME) welcomes the Financial Policy Committee's update on its review of UK bank capital requirements and plans for reforms.

**Jeanie Watson, Director, Capital & Risk Management**, said: *"AFME strongly supports the FPC's review of the UK capital framework and welcomes the commitment from the FPC and PRA to pursue meaningful reform. We encourage international engagement and alignment, but this should not delay measures that can already be taken forward domestically."*

*AFME welcomes the recognition that changes are required to the leverage ratio framework. The leverage ratio was intended to work as a backstop measure, yet the framework incorporates significant gold-plating and has become increasingly binding. Addressing these issues requires more than incremental adjustment so we are pleased to see that the FPC and PRA will consult on a package of measures and that this incorporates AFME's recommendation to remove the Countercyclical Leverage Buffer.*

*We encourage the FPC and PRA to take a holistic approach to reviewing the leverage ratio to deliver meaningful simplification and closer alignment with international standards, while avoiding competitive distortions. Further consideration should also be given to areas where the leverage ratio may be over-calibrated including ensuring that the central bank exemption works for broker dealers based in the UK.*

*We also welcome the FPC and PRA's intention to enhance buffer useability and further consideration being given to industry requests for greater clarity on the use of the PRA buffer.*

*We will review the measures announced today in detail to assess their impact across different business models. Overall, a well-calibrated reform package has the potential to reinforce the UK's attractiveness for international business, supporting the efficient provision of finance to households and businesses, in line with the UK government's objectives for economic growth. We look forward to continuing to engage constructively, including through the upcoming consultations announced today."*

– Ends –

#### AFME Contacts

Rebecca Hansford  
Head of Communications and Marketing  
[Rebecca.Hansford@afme.eu](mailto:Rebecca.Hansford@afme.eu)

+44 (0)20 3828 2693

#### Notes:

1. The Association for Financial Markets in Europe (AFME) is the voice of the leading banks in Europe's financial markets, providing expertise across a broad range of regulatory and capital markets issues. We represent over 150 leading global and European banks and other significant market players. Our members play a vital role in Europe's financial ecosystem, underwriting around 90% of European corporate and sovereign debt, and 85% of European listed equity capital issuances. Importantly, AFME members are market makers, providing liquidity, which is essential for ensuring financial markets can function efficiently. We also represent law firms and other associate members which advise market participants and support AFME's legal and regulatory initiatives. For more information please visit the AFME website: [www.afme.eu](http://www.afme.eu)

#### Association for Financial Markets in Europe

**London Office:** Level 10, 20 Churchill Place, London E14 5HJ, United Kingdom T: +44 (0)20 3828 2700

**Brussels Office:** Rue de la Loi 82, 1040 Brussels, Belgium T: +32 (0)2 883 5540

**Frankfurt Office:** c/o SPACES – Regus, First Floor Reception, Große Gallusstraße 16-18, 60312, Frankfurt am Main, Germany  
T: +49 (0)69 710 456 660

[www.afme.eu](http://www.afme.eu)

2. Follow us on X, formerly Twitter [@AFME\\_EU](https://twitter.com/AFME_EU)

**Association for Financial Markets in Europe**

**London Office:** Level 10, 20 Churchill Place, London E14 5HJ, United Kingdom T: +44 (0)20 3828 2700

**Brussels Office:** Rue de la Loi 82, 1040 Brussels, Belgium T: +32 (0)2 883 5540

**Frankfurt Office:** c/o SPACES – Regus, First Floor Reception, Große Gallusstraße 16-18, 60312, Frankfurt am Main, Germany  
T:+ 49 (0)69 710 456 660

[www.afme.eu](http://www.afme.eu)