# UK lifts ban on retail access to crypto ETNs, signalling cautious regulatory liberalisation



Starting October 8, 2025, retail investors in the United Kingdom will once again be permitted to purchase Bitcoin exchange-traded notes (ETNs), marking a significant policy reversal by the country’s Financial Conduct Authority (FCA). This change ends a ban imposed in 2021 that had prohibited the sale, marketing, and distribution of crypto ETNs and derivatives to retail consumers. The FCA’s move reflects a broader shift towards regulated inclusion of digital assets within traditional investment frameworks, with the products required to be traded on recognised and approved UK exchanges such as the London Stock Exchange.

ETNs provide investors with indirect exposure to cryptocurrencies by tracking the performance of an underlying asset, without requiring direct ownership of the digital currency itself. These are unsecured debt instruments issued by financial institutions, designed to mirror returns from specific indices or benchmarks. For UK investors not ready or willing to hold cryptocurrencies directly, ETNs offer a simpler entry point into the market. However, unlike spot bitcoin exchange-traded funds (ETFs), these notes are credit-linked instruments rather than being backed by the underlying crypto asset.

While this development has been welcomed by industry stakeholders as a positive step, experts caution that it is a limited form of access that falls short of permitting retail investors to trade crypto derivatives such as futures and options—which remain banned due to continuing concerns over volatility, complexity, and potential consumer harm. Susie Violet Ward, CEO of Bitcoin Policy UK, told BeInCrypto that although lifting the ETN ban is "a welcome step in the right direction," it is "an odd choice" to reintroduce indirect exposure via a more complex debt instrument instead of enabling direct ownership. She argued that the FCA’s earlier regulatory approach, characterised by overrestriction, stifled innovation and pushed market opportunities offshore without effectively safeguarding consumers.

The FCA has emphasised that the removal of the ban on crypto ETNs will come with strict consumer protection safeguards. Financial promotion rules will apply to ensure that retail investors receive clear risk disclosures and are not subject to inappropriate inducements or unsuitable advice. Additionally, the Consumer Duty framework will govern firms offering these products to retail customers, aiming to promote fair treatment and transparency in this nascent market sector.

This regulatory relaxation aligns with a strategic objective to enhance the UK's competitiveness in the digital assets arena. Since the 2021 prohibition, the UK has lagged behind other global financial hubs in the race to become a dominant centre for crypto innovation and investment. According to Reuters, the FCA now sees regulated retail access to ETNs as a means to support economic growth and better position the UK’s financial services sector in the evolving digital finance ecosystem. However, the FCA has made clear that the ban on retail access to crypto derivatives remains in place, reflecting ongoing caution about consumer risk exposure to complex and highly volatile products.

In summary, the FCA’s restoration of retail access to crypto ETNs represents a cautious but notable liberalisation of UK crypto policy. While it offers retail investors a regulated pathway to gain exposure to leading cryptocurrencies like Bitcoin and Ethereum via traditional investment channels, it stops short of allowing direct crypto ownership or trading in derivatives. Industry voices advocate this should be regarded as a first step, with future policy developments necessary to enable more meaningful participation and innovation in digital assets markets, while maintaining robust consumer protections.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/), [[2]](https://www.fca.org.uk/news/press-releases/fca-lift-ban-crypto-exchange-traded-notes), [[4]](https://www.reuters.com/sustainability/boards-policy-regulation/embargoed-uk-end-ban-retail-investors-buying-crypto-exchange-traded-notes-2025-06-06/), [[6]](https://coinomedia.com/uk-crypto-etns-retail-access/), [[7]](https://uk.investing.com/news/stock-market-news/fca-clears-crypto-etns-for-uk-retail-investors-trading-resumes-october-2025-4197608)
* Paragraph 2 – [[1]](https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/), [[2]](https://www.fca.org.uk/news/press-releases/fca-lift-ban-crypto-exchange-traded-notes), [[3]](https://www.fca.org.uk/news/press-releases/fca-opens-retail-access-crypto-etns), [[6]](https://coinomedia.com/uk-crypto-etns-retail-access/)
* Paragraph 3 – [[1]](https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/), [[6]](https://coinomedia.com/uk-crypto-etns-retail-access/)
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* Paragraph 5 – [[1]](https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/), [[4]](https://www.reuters.com/sustainability/boards-policy-regulation/embargoed-uk-end-ban-retail-investors-buying-crypto-exchange-traded-notes-2025-06-06/), [[5]](https://www.cnbc.com/2025/06/06/uk-fca-to-lift-ban-on-crypto-etns.html), [[7]](https://uk.investing.com/news/stock-market-news/fca-clears-crypto-etns-for-uk-retail-investors-trading-resumes-october-2025-4197608)
* Paragraph 6 – [[1]](https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/), [[4]](https://www.reuters.com/sustainability/boards-policy-regulation/embargoed-uk-end-ban-retail-investors-buying-crypto-exchange-traded-notes-2025-06-06/), [[6]](https://coinomedia.com/uk-crypto-etns-retail-access/)
* Paragraph 7 – [[1]](https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/), [[4]](https://www.reuters.com/sustainability/boards-policy-regulation/embargoed-uk-end-ban-retail-investors-buying-crypto-exchange-traded-notes-2025-06-06/), [[6]](https://coinomedia.com/uk-crypto-etns-retail-access/)

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## Bibliography

1. <https://beincrypto.com/bitcoin-etns-return-to-the-uk-starting-tomorrow-what-you-need-to-know/> - Please view link - unable to able to access data
2. <https://www.fca.org.uk/news/press-releases/fca-lift-ban-crypto-exchange-traded-notes> - The UK's Financial Conduct Authority (FCA) has announced plans to lift its ban on offering crypto exchange-traded notes (cETNs) to retail investors. This change will allow cETNs to be sold to individual consumers, provided they are traded on an FCA-approved investment exchange. The FCA aims to support the growth and competitiveness of the UK's crypto industry while ensuring consumer protection through financial promotion rules and clear risk disclosures. The ban on retail access to cryptoasset derivatives will remain in place. ([fca.org.uk](https://www.fca.org.uk/news/press-releases/fca-lift-ban-crypto-exchange-traded-notes?utm_source=openai))
3. <https://www.fca.org.uk/news/press-releases/fca-opens-retail-access-crypto-etns> - The FCA has announced that firms will soon be able to offer retail consumers access to crypto exchange-traded notes (cETNs). These products must be traded on FCA-approved, UK-based investment exchanges. Financial promotion rules will apply to ensure consumers receive appropriate information and are not offered unsuitable incentives to invest. The Consumer Duty will also apply to firms offering these products to retail investors. ([fca.org.uk](https://www.fca.org.uk/news/press-releases/fca-opens-retail-access-crypto-etns?utm_source=openai))
4. <https://www.reuters.com/sustainability/boards-policy-regulation/embargoed-uk-end-ban-retail-investors-buying-crypto-exchange-traded-notes-2025-06-06/> - The UK's Financial Conduct Authority (FCA) plans to lift its ban on retail investors purchasing crypto exchange-traded notes (ETNs), signaling a shift in its regulatory stance toward digital assets. Previously, the FCA had restricted these high-risk products to professional traders, citing potential harm to inexperienced investors. However, the FCA now believes that allowing retail access could bolster economic growth and enhance the UK's competitiveness in the digital finance sector. The change is subject to public consultation, and any ETNs offered to individual investors must be traded on FCA-approved exchanges. Despite this policy shift, the FCA will continue to prohibit retail trading of cryptoasset derivatives. ([reuters.com](https://www.reuters.com/sustainability/boards-policy-regulation/embargoed-uk-end-ban-retail-investors-buying-crypto-exchange-traded-notes-2025-06-06/?utm_source=openai))
5. <https://www.cnbc.com/2025/06/06/uk-fca-to-lift-ban-on-crypto-etns.html> - The UK's Financial Conduct Authority (FCA) announced plans to lift its ban on offering crypto exchange-traded notes (ETNs) to retail investors. This move aims to support the UK's growth and competitiveness in the crypto industry. The FCA emphasized that while consumers will have more choice, they could still lose all their money, highlighting the high-risk nature of these investments. The change is subject to public consultation, and any ETNs offered to individual investors must be traded on FCA-approved exchanges. ([cnbc.com](https://www.cnbc.com/2025/06/06/uk-fca-to-lift-ban-on-crypto-etns.html?utm_source=openai))
6. <https://coinomedia.com/uk-crypto-etns-retail-access/> - The UK Financial Conduct Authority (FCA) has announced a major policy change, allowing retail investors to access crypto exchange-traded notes (ETNs) starting October 8, 2025. This marks a shift from the FCA’s previous stance, which had banned such products for retail consumers since 2021. Under the updated regulation, retail traders will be able to buy and sell crypto ETNs—provided they are listed on FCA-approved UK exchanges. However, the FCA has made it clear that this change does not include crypto derivatives like futures or options, which remain banned due to high risk and volatility. ([coinomedia.com](https://coinomedia.com/uk-crypto-etns-retail-access/?utm_source=openai))
7. <https://uk.investing.com/news/stock-market-news/fca-clears-crypto-etns-for-uk-retail-investors-trading-resumes-october-2025-4197608> - The Financial Conduct Authority (FCA) has announced that crypto exchange-traded notes (cETNs) will once again be available to retail investors in the UK from 8 October 2025. This reverses the ban that has been in place since January 2021, when the regulator restricted access to these products due to concerns that they were too complex and carried high levels of risk. The decision marks a significant shift in the UK’s crypto policy and is part of a broader framework to tighten investor protections while reopening access to certain digital asset markets. ([uk.investing.com](https://uk.investing.com/news/stock-market-news/fca-clears-crypto-etns-for-uk-retail-investors-trading-resumes-october-2025-4197608?utm_source=openai))