

PRESS RELEASE

ESMA has adopted new recognition decisions for the three UK CCPs and the UK CSD in the event of a no-deal Brexit on 12 April

The European Securities and Markets Authority (ESMA) has today announced that it has adopted new recognition decisions for the three central counterparties (CCPs) and the Central Securities Depository (CSD) established in the United Kingdom (UK) to reflect the extension to the Article 50 of the Treaty of the European Union (TEU) period to 12 April 2019.

ESMA announced on [18 February](#) and [1 March](#) 2019 that in the event of a no-deal Brexit, and without an extension to the Article 50 TEU period, it would recognise the three UK CCPs and the UK CSD. This was done on the basis that the conditions stipulated respectively in Article 25 of EMIR and Article 25 CSDR were satisfied. One of these conditions was the respective equivalence decisions on the UK adopted by the European Commission (EC) and announced in its preparedness Communication of 19 December 2018. The extension to the Article 50 TEU period means that the ESMA recognition decisions would not apply on 30 March 2019.

Following the adoption of the amended equivalence decisions in relation to UK CCPs and the CSD by the EC on 3 April 2019, ESMA has accordingly issued new recognition decisions to make sure that UK CCPs and the CSD are recognised in the event a no-deal Brexit occurs on 12 April.

The recognition decisions would take effect on the date following Brexit date, under a no-deal Brexit scenario.

Notes for editors

1. The three CCPs established in the United Kingdom are LCH Limited, ICE Clear Europe Limited and LME Clear Limited. The CSD established in the United Kingdom is Euroclear UK and Ireland Limited.
2. ESMA has previously communicated, in its statements of [23 November](#), [19 December 2018](#) and [4 February 2019](#), that its Board of Supervisors supports continued access to UK CCPs, and on 19 December 2018 and 4 March 2019, that its Board of Supervisors supports continued access to the UK CSD.
3. ESMA and the Bank of England have agreed Memoranda of Understanding (MoUs) for the recognition of CCPs and CSDs established in the United Kingdom (UK), that would take effect should the UK leave EU without a withdrawal agreement.
4. ESMA's mission is to enhance investor protection and promote stable and orderly financial markets.

It achieves these objectives through four activities:

- i. assessing risks to investors, markets and financial stability;
 - ii. completing a single rulebook for EU financial markets;
 - iii. promoting supervisory convergence; and
 - iv. directly supervising specific financial entities.
5. ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).

Further information:

Paul Quinn

Communications Officer

Tel: +33 (0)1 58 36 51 80

Mob: +33 (0)6 07 12 16 45

Email: press@esma.europa.eu