

PRESS RELEASE

ESMA to recognise the UK Central Securities Depository in the event of a no-deal Brexit

The European Securities and Markets Authority (ESMA) has today announced that, in the event of a no-deal Brexit, the Central Securities Depository (CSD) established in the United Kingdom (UK) – Euroclear UK and Ireland Limited – will be recognised as a third country CSD to provide its services in the European Union (EU).

ESMA has adopted this recognition decision in order to allow the UK CSD to serve Irish securities and to avoid any negative impact on the Irish securities market. ESMA has previously communicated that its Board of Supervisors supports continued access to the UK CSD.

Having assessed the application and the information submitted by the UK CSD, and consulted the relevant authorities in accordance with the Central Securities Depositories Regulation (CSDR), ESMA considers that the conditions for recognition under Articles 25 of CSDR are met by the UK CSD in case of a no-deal Brexit. Therefore, it has adopted a decision to recognise the UK CSD as a third-country CSD under the CSDR.

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

Notes for editors

1. On 19 December 2018, ESMA published a public [statement](#) stating that it was ready to review UK CCPs' and the UK CSD's recognition applications for a no-deal Brexit scenario if the four recognition conditions under Article 25 of EMIR and Article 25 of CSDR were met, respectively.
2. On 18 February 2019, ESMA published a [press release](#) stating that it would recognise three central counterparties (CCPs) established in the UK – LCH Limited, ICE Clear Europe Limited and LME Clear Limited – to provide their services in the EU in the event of a no-deal Brexit.
3. 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.
4. 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).

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