

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.