



Paris, 22 January 2021

Brexit: continuity of intermediation activities

As of 1 January 2021, European law is no longer applicable in the United Kingdom. Overall, the transition to date has proceeded smoothly, with the vast majority of UK institutions making arrangements to continue to provide services in the European Economic Area through local offices.

Nevertheless, following questions from some industry participants, the AMF and ACPR remind that, as of 1 January 2021, European regulations no longer allow the provision of an investment service in the European Economic Area through brokers in the United Kingdom and acting on behalf of a UK entity.

The AMF and the ACPR state, that as of 1 January 2021, with the loss of European passporting rights, entities based in the United Kingdom are no longer authorised to provide investment services in the European Economic Area, unless they have set up an authorised branch or subsidiary in the European Economic Area. The AMF and ACPR also wish to stress that entities that have relocated to the European Economic Area must have sufficient personnel to ensure prudent risk management and effective supervision of their activities.

In this respect, entities must complete on-going relocation plans as soon as possible and finalise the transfer of any persons yet to be relocated.

Furthermore, the two supervisory authorities stress that entities that provide investment services in the European Economic Area without the appropriate authorisation or that do not comply with the limited exceptions provided for in national law may face administrative or criminal proceedings under the laws of each Member State.