

Bracing for Brexit: Luxembourg updates notification procedures for UK firms, UCIs and their managers in the event of a hard Brexit



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On 15 July 2019, the CSSF published two press releases (19/33¹ and 19/34²) directed at (i) UK firms and (ii) UCITS management companies and AIFMs³, clarifying the actions to be taken by UK entities in anticipation of a hard Brexit which were based on the assumption that a hard Brexit would occur on 31 October 2019 (our alert dated 26 July 2019⁴): mandatory notification and subsequent application.

Following the decision of the European Council of 30 October 2019 extending the period under Article 50(3) relating to the United Kingdom's withdrawal from the European Union, the CSSF announced on 7 November 2019 that the reference date for a potential hard Brexit in all of its previously published communications should now be read as **31 January 2020**⁵.

With respect to the mandatory notification for UK firms, UCIs and/or their managers wishing to continue to provide services in Luxembourg after a no-deal Brexit, that have not yet done so shall now apply for the transitional regime by introducing a Brexit notification via the dedicated eDesk portal (<https://edesk.apps.cssf.lu/edesk-brexit/notification/uci>).

The subsequent application for authorisation, or, as the case may be, notification, or other information on any action taken otherwise (notably as per CSSF press release 19/48⁶) shall be submitted by UCIs and/or their managers to the CSSF no later than by 15 January 2020.

Conclusion – Brace for impact This statement has confirmed that UK financial services firms still benefit from short-term temporary measures. However, as the scenario of a hard Brexit is still a high risk, impacted entities should continue to take all necessary steps to prepare for and anticipate the consequences of a possible hard Brexit. Only a careful and level-headed handling of authorisation procedures may afford businesses some relief from a potentially catastrophic scenario.

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https://www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2019/PR1933_mandatory_r

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https://www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2019/PR1934_mandatory_Bers_150719.pdf

³ Firms licensed in the UK under CRD IV, MiFID II, PSD 2, EMD and UCIs and their managers, firms and investment funds that wish to benefit from the 12-month transitional regime set up by the CSSF.

⁴<https://www.atoz.lu/media/bracing-brexit-luxembourg-sets-notification-procedures-uk-firms-ucis-and-their-managers-event>

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http://www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2019/PR1954_Brexit_notifica

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https://www.cssf.lu/fileadmin/files/Publications/Communiques/Communiques_2019/CP1948_mandatory_r