

Christina Segal-Knowles

Executive Director

Financial Market Infrastructure Directorate

30 November 2020

Dear Chief Executive Officer

1. I am writing regarding access to the UK market for your CSD following the end of the transition period. The transition period, which began when the UK left the EU on Friday 31 January 2020, is due to end at 11pm on 31 December 2020.
2. To enable relevant CSDs to continue providing services into the UK while the recognition process is underway, the UK's Central Securities Depositories Regulation (CSDR) Transitional Regime (TR) for CSD services will be in operation at 11pm on 31 December 2020. The UK's CSDR TR enables eligible non-UK CSDs to continue to provide CSD services in the UK ahead of a decision with respect to their steady-state recognition under the UK CSDR.

What to do now

3. Provided your CSD has already notified the Bank of its intention to enter the UK's CSDR TR, no additional action is required to retain access to the UK market at the end of the transition period. The full list of non-UK CSDs which have already notified the Bank of their intention to enter the UK CSDR TR can be found [here](#). If you are no longer eligible for the UK's CSDR TR, or if your CSD's details are not correctly noted, please inform us as soon as practicable.

During the Transitional Regime

4. While in the CSDR TR CSDs should notify us of any changes to their circumstances that mean they are no longer eligible for inclusion.
5. The Bank will be in touch with you in due course if we require further information about your CSD.

Steady State Recognition

6. Importantly, to remain in the transitional regime, non-UK CSDs must apply for steady state recognition by the later of: 6 months after HM Treasury (HMT) has completed an equivalence assessment of its jurisdiction under the UK CSDR or six months after the end of the transition period.
7. The Bank wrote to non-UK CSDs on 25 October 2018 to outline the conditions for eligibility, the circumstances in which non-UK CSDs would need to be recognised under the UK CSDR, and the process that the Bank expects to follow.

8. HMT have determined each EEA jurisdiction as equivalent on 9 November 2020. CSDs from those jurisdictions must therefore apply for 'steady state' recognition under the UK CSDR no later than six months from the end of the transition period (30 June 2021). Application commences the process as outlined in the CSDR. The application material for recognition of non-UK CSDs under the UK CSDR and an accompanying guidance note are available [here](#).
9. The Bank stands ready to provide assistance if you have any questions. Please direct your enquiries to CSD-Enquiries@bankofengland.co.uk, along with a contact name and details for further discussions.

Yours sincerely,



Christina Segal-Knowles

Executive Director, Financial Market Infrastructure Directorate