

Bank of England

Statement on the Proposed Extension of the Run-Off Regime for non-UK CCPs

1. The UK CCP run-off regime allows non-UK CCPs that cease to be eligible for the Temporary Recognition Regime (TRR) to continue providing services to UK clearing members for a period determined by the Bank of England (of up to twelve months under current law). This is in order to give those CCPs and their UK clearing members sufficient time to unwind relevant positions. More information on the CCP run-off regime and the TRR, including a list of the non-UK CCPs currently in the TRR and run-off regime, is available on the Bank's website [here](#).
2. On 18 January 2023, the Government tabled an amendment to the Financial Services and Markets Bill to extend the maximum period of run-off for non-UK CCPs from 12 months to 3 years and 6 months from the date the relevant CCP enters the run-off regime.¹ This would permit the Bank to extend the run-off period for non-UK CCPs currently in the regime. In announcing the amendment in the House of Lords, the Government clarified that the purpose of the extension is to grant time for CCPs in the run-off regime that wish to apply for recognition to do so and ensures that the relevant CCPs can continue to offer services to firms during that period.²
3. Any decisions made by the Bank about whether to extend the period of run-off for each CCP currently in the run-off regime will be made taking into account the Bank's financial stability objective and whether the relevant CCP wishes to be recognised by the Bank in order to continue to provide services to UK firms. Subject to this, and to this provision of the Financial Services and Markets Bill being enacted and brought into force as drafted, the Bank's current expectation is that it will extend the run-off period for CCPs currently in the run-off regime in order to allow time for the CCPs that wish to provide clearing services to UK firms to obtain recognition from the Bank.
4. The Bank will communicate with affected CCPs prior to any determination being made as to whether there will be an extension of their run-off period. The Bank will also update the [list](#) of CCPs in the run-off regime to reflect any extensions.

¹ The text of the amendment proposed by the Government is available on pages 4-5 of this [document](#) on Parliament's website.

² The transcript of the discussion of the amendment in the House of Lords is available on Parliament's website [here](#).