

5 February 2020

Circular on Market Infrastructure Matters in relation to Brexit

This circular is being addressed to all market participants, particularly entities who fall within the scope of the below securities markets' regulation:

- The Markets in Financial Instruments Directive ('MiFID II') or Markets in Financial Instruments Regulation ('MiFIR');
- The European Market Infrastructure Regulation ('EMIR');
- The Central Securities Depositories Regulation ('CSDR');
- The Alternative Investment Fund Managers Directive ('AIMFD'); and
- The Money Market Funds Regulation ('MMFR').

Updates on governance and reporting obligations following the United Kingdom's withdrawal from the European Union

As you might be aware, the United Kingdom ('UK') has officially withdrawn its European Union ('EU') membership on the 31 of January 2020. In this regard, the European Securities and Markets Authority ('ESMA') has issued a [public statement](#) that clarifies issues relating to governance and reporting obligations applicable to UK entities, as of 1 February 2020.

Inter alia, the Withdrawal Agreement ('WA') stipulates that EU law will continue to apply to the UK, as if it were still a Member State, during the transition period from 1 February 2020 to 31 December 2020. Consequently, entities interacting with UK counterparties are to be notified that the rights and obligations of UK entities under EU law will continue to apply. This refers to, for instance, the reporting obligations emanating from MiFID II / MiFIR, EMIR, CSDR, AIMFD and MMFR.

Moreover, ESMA also stated that they will continue to supervise directly registered Credit Rating Agencies, Trade Repositories and Securitisation Repositories established in the UK during this period.

Contacts

The Malta Financial Services Authority ('MFSA') will follow any new development in relation to Brexit and will forward to the industry any further information issued by ESMA.

In the meantime, should you have any queries on the above, please do not hesitate to contact Securities and Markets Supervision for clarifications.