

# EIOPA and its Members agree on No-deal Brexit Memoranda of Understanding with the Bank of England and the Financial Conduct Authority

□The European Insurance and Occupational Pensions Authority (EIOPA) and all National Competent Authorities (NCAs) of the European Economic Area (EEA) with competencies in insurance have agreed Memoranda of Understanding (MoUs) with the Bank of England in its capacity as the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) of the United Kingdom (UK).

The MoUs take effect should the UK leave the European Union (EU) without a withdrawal agreement, the so-called “No-deal” Brexit scenario.

The following MoUs were agreed:

- A Multilateral Memorandum of Understanding (MMoU) on supervisory cooperation, enforcement and information exchange between the EEA NCAs and the UK Authorities
- A Bilateral Memorandum of Understanding (MoU) between EIOPA and the UK Authorities on information exchange and mutual assistance in the field of insurance regulation and supervision

These MoUs ensure cooperation in the fields of insurance prudential and conduct supervision (‘supervisory cooperation’), for mutual assistance and regular exchange of information with the aim:

- To maintain sound prudential and conduct supervision over (re)insurance undertakings and groups based either in the UK or in an EEA member state, with cross-border business activities in the EEA or the UK respectively
- To maintain financial stability of the financial markets within the EEA and/or the UK

The MoUs provide for the reciprocal flow of appropriate and reliable information to ensure risk-based and effective supervision of (a) cross-border (re)insurance establishments incorporated either in the UK or in an EEA member state, (b) cross-border groups, or (c) special purpose vehicles established in the UK or in an EEA member state.

Gabriel Bernardino, Chairman of EIOPA, said: *“These MoUs contribute to meet our primary objective of protecting policyholders and beneficiaries in the EEA member states and the UK, in case of “No-deal” Brexit scenario. They will*

*ensure a continuous strong and close cooperation with our UK colleagues in any scenario.”*

## **Background**

The European Insurance and Occupational Pensions Authority (EIOPA) has issued the following Opinions and Statements linked with the withdrawal of the United Kingdom from the European Union:

The National Competent Authorities (NCAs) of the Member States of the European Economic Area (EEA), i.e. of all 27 European Union Member States including Iceland, Liechtenstein and Norway will sign the Multilateral Memoranda of Understanding (MMoUs).