

## ESMA tells market participants to continue preparations for the end of the UK transition period

On 1 January 2021, once the UK's transition period ends, financial market participants whose activity might be impacted should have fully implemented their preparatory measures to mitigate any risks stemming from the end of the transition period. All entities should also have provided appropriate information to their clients on any resulting consequences.

ESMA's previously published Brexit statements, in particular ESMA's general opinion to support supervisory convergence in the context of the UK withdrawing from the EU issued on [31 May 2017](#) and sector-specific opinions issued on [13 July 2017](#), remain relevant and should continue to be followed. ESMA will continue to review its Brexit-related statements, in particular in relation to operational issues, and will further communicate in due course.

On [1 February 2019](#), ESMA and EU national securities regulators announced the agreement of MoUs with the UK's FCA to cover cooperation and exchange of information in the event the UK left the EU without a withdrawal agreement. At midnight (CET) on 31 January 2020, as the Withdrawal Agreement took effect and the UK entered into a transition period, whereby EU law continues to apply in and to the UK, these MoUs were not required to take effect.

ESMA, EU national securities regulators, and the FCA confirm that these MoUs, agreed in 2019, remain relevant and appropriate to ensure continued good cooperation and exchange of information and will come into effect at the end of the transition period, which is set to expire on 31 December 2020.