

**MEMO# 31699**

April 8, 2019

# **ICI Global Joins Letter Urging UK Recognition of EEA Trading Venues in Preparation for Brexit**

[31699]

April 8, 2019 TO: Derivatives Markets Advisory Committee  
ICI Global Trading & Markets Committee RE: ICI Global Joins Letter Urging UK Recognition of EEA Trading Venues in Preparation for Brexit

ICI Global and other trade associations recently submitted the attached letter urging UK authorities to adopt equivalence decisions regarding derivatives trading venues in the European Economic Area (EEA) in the event of a no-deal Brexit.

Part 1 of the letter explains that in the event of a no-deal Brexit, EEA exchange-traded derivatives will be reclassified as over-the-counter derivatives and describes the adverse impact this change in classification would have on market participants, particularly non-financial counterparties and small financial counterparties. Part 2 explains that a no-deal Brexit also would prevent UK counterparties from satisfying the derivatives trading obligation by trading on EEA venues and describes how this change would affect various types of UK entities, including banks, investment firms, and end-users of derivatives. Part 3 urges UK authorities to adopt equivalence decisions with respect to EEA trading venues to reduce uncertainty and to avoid disruption of financial markets.

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[Attachment](#)

abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.