

APCC Brexit Working Group Minutes
Via Zoom
Monday 3rd September 2018. 14.00pm -15.00pm

Present

Paul Grainger	Complyport/Working Group Chair
Rosemari Astill	Compliance Services
Seonaid Mackenzie	Sturgeon Ventures
John Derry-Collins	I-FACT
Gabby Holloway	APCC Membership Services & Minutes Taker

Apologies

Mazhar Manzoor	ESMA Compliance Consultants
Andrew Smith	Compliance Services
Andrew Jacobs	Moore Stephens
Stephen Burke	Cordium

1. The EU & UK Government Joint Draft Agreement from March 2018 – Click [here](#) to view the paper.

The latest official joint statement from the EU and UK Government is still the joint draft agreement from March 2018. Paul explained that the notifiable features from this agreement are as follows:

- Nothing is agreed until everything is agreed.
- There will be no single financial services market including the EU going forward, the UK would defer a third country status.

Paul confirmed that the latest on delegation is no change. As far as the EU are concerned delegation will be permitted. This mean that EU businesses can delegate (as they currently can) to other investment managers including those based outside of the Union.

Ultimately, we currently still do not have a deal. The deal is supposed to go to the council of ministers in October 2018.

2. The UK Government White Paper of 12th July 2018 – Click [here](#) to view the paper.

Paul explained that this paper rode back on some of the commitments that were given in the March 2018 paper. The White Paper is also referred to as the “Chequers Deal” or the “Chequers Proposals”.

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3. The Lame FCA Call to Action and Lack of Concrete Guidance for Financial Services Firms Regarding Brexit Risk Planning – Click [here](#) for Nausicaa Delfas’ speech on The FCA’s approach to Brexit. Click [here](#) for the FCA Brexit Planning web page and [here](#) for HM Treasury Guidance for Financial Services in the event of No Deal.

The Department for Leaving the EU Guidance paper for financial services reiterates that there will be a 3-year recognition period for passporting firms into the UK to apply for authorisation, and similarly for the supranational bodies. This paper also confirms that passporting will end.

Ultimately, there is no concrete guidance in any of the papers, and furthermore, there is no indication of the direction of travel.

Paul advised that if nothing is agreed by October 2018, it looks as though we are facing a hard Brexit on 29th March 2019.

The approximate passporting breakdown is currently as follows:

- **8,000 EU/EEA firms passporting into the UK**
- **5,000 FCA authorised firms passporting out of the UK into EU/EEA**

Paul advised that because of the lack of detail regarding Brexit, his clients are struggling to start planning for Brexit.

4. What Can the Working Group do?

Paul suggested collating information for APCC members, so they have access to these guidance papers and a summary of the current Brexit state. Paul asked the Working Group members to send any key points or comments that can then be collated to send out to the members.

Gabby confirmed that Sarah Rapson from the FCA will be speaking about EU Withdrawal at the upcoming APCC Autumn Conference.

Next meeting – TBC.