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## STATUTORY INSTRUMENTS

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# 2018 No. 1320

## The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018

### PART 3

#### Amendment of retained direct EU legislation

**13.** In Article 25—

- (a) in paragraph 1, for “territory of the Union” substitute “ United Kingdom ”;
- (b) for paragraph 2, substitute—

“2. Notwithstanding paragraph 1, a third-country CSD that intends to provide the core services referred to in points (1) and (2) of Section A of the Annex in relation to financial instruments constituted under the law applicable within the United Kingdom or any part of the United Kingdom or to set up a branch in the United Kingdom is subject to the procedure referred to in paragraphs 4 to 11 of this Article.”;

- (c) in paragraph 3, omit “established and authorised in the Union”;
- (d) in paragraph 4—
  - (i) for “ESMA” substitute “ the competent authority ” each time it occurs;
  - (ii) in point (a), for “the Commission has adopted a decision” substitute “ the Treasury has made regulations ”;
  - (iii) for point (d), substitute—
    - “(d) where relevant, the third-country CSD takes the necessary measures to allow its users to comply with the relevant law applicable within the United Kingdom or any part of the United Kingdom and the adequacy of those measures has been confirmed by the competent authority.”;
- (e) in paragraph 5—
  - (i) for “ESMA” substitute “ the competent authority ”;
  - (ii) omit points (a) and (b);
  - (iii) in point (c), before “CSDs” insert “ third-country ”;
- (f) in paragraph 6—
  - (i) for “applicant CSD” substitute “ applicant third-country CSD ” each time it occurs;
  - (ii) for “ESMA”, substitute “ the competent authority ” each time it occurs;
  - (iii) omit the third sub-paragraph;
  - (iv) at the end, insert new sub-paragraphs as follows—

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**Changes to legislation:** The Central Securities Depositories (Amendment) (EU Exit) Regulations 2018, Section 13 is up to date with all changes known to be in force on or before 09 October 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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“Recognition under this Article must be granted only for services listed in the Annex and the decision granting recognition must specify the services which the third-country CSD is recognised to provide or perform.

The applicant third-country CSD must, without undue delay, notify the competent authority of any material changes affecting the condition for recognition in point (b) of paragraph 4.”;

(g) after paragraph 6 insert—

“**6A.** A third-country CSD recognised under paragraph 4 must, without undue delay, notify the competent authority of any material changes affecting the condition for recognition in point (b) of paragraph 4.”;

(h) in paragraph 7—

(i) for the introductory words, substitute:

“Where the third-country CSD, duly recognised under paragraph 4, provides CSD services in the United Kingdom, the competent authority may request the responsible third country authorities to:”;

(ii) in point (a), for “those host Member States” substitute “ the United Kingdom ”;

(iii) in point (b)—

(aa) for “that host Member State”, substitute “ the United Kingdom ”;

(bb) for “the host Member State”, substitute “ the United Kingdom ”;

(i) in paragraph 8—

(i) for “ESMA”, substitute “ The competent authority ” each time it occurs;

(ii) for “that CSD” substitute “ the third-country CSD ” each time it occurs;

(iii) for “Union”, substitute “ United Kingdom ”;

(iv) at the end insert a new sub-paragraph as follows—

“The competent authority may—

(a) limit the withdrawal to a particular service; and

(b) direct that the withdrawal is to have effect subject to such transitional arrangements as the competent authority considers necessary or expedient.”;

(j) in paragraph 9—

(i) for the first sub-paragraph substitute—

“**9.** The Treasury may by regulations specify a third country which, in the opinion of the Treasury, has legal and supervisory arrangements which ensure that third-country CSDs authorised in that third country comply with legally binding requirements which are in effect equivalent to the requirements laid down in this Regulation, that those third-country CSDs are subject to effective supervision, oversight and enforcement in that third country on an ongoing basis and that the legal framework of that third country provides for an effective equivalent system for the recognition of third-country CSDs authorised under third country legal regimes [<sup>F1</sup>and CSDs authorised under the law applicable in the United Kingdom].”;

- (ii) in the second sub-paragraph, for “Commission” substitute “ Treasury ”;
- (k) in paragraph 10—
  - (i) in the introductory words in the first sub-paragraph—
    - (aa) omit “In accordance with Article 33(1) of Regulation (EU) No 1095/2010,”;
    - (bb) for “ESMA” substitute “ The competent authority ”;
  - (ii) in point (a)—
    - (aa) for “ESMA” substitute “ the competent authority ” each time it occurs;
    - (bb) omit “, the competent authorities of the host Member State”;
    - (cc) before “CSDs” insert “ third-country ”;
  - (iii) in point (b)—
    - (aa) for “ESMA”, substitute “ the competent authority ”;
    - (bb) before “CSD” insert “ third-country ”;
  - (iv) in the second sub-paragraph—
    - (aa) for “Member State”, substitute “ public authority of the United Kingdom ”;
    - (bb) for “Directive 95/46/EC” substitute “ data protection legislation ”;
    - (cc) omit “and where a cooperation agreement provides for transfers of personal data by ESMA, such transfers shall comply with the provisions of Regulation (EU) No 45/2001”;
- (l) in paragraph 11 for “territory of the Union”, substitute “ United Kingdom ”;
- (m) in paragraph 12—
  - (i) in the first sub-paragraph—
    - (aa) for the words from the beginning to “develop draft” substitute “ The Bank of England may make ”;
    - (bb) for “applicant CSD” substitute “ applicant third-country CSD ”;
    - (cc) for “ESMA” substitute “ the competent authority ”;
  - (ii) omit the second and third sub-paragraphs.

**F1** Words in reg. 13(j)(i) inserted (30.9.2020) by [The Equivalence Determinations for Financial Services \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1055\)](#), regs. 1(2), **9**

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**Commencement Information**

**I1** Reg. 13 in force at 31.12.2020 on IP completion day (in accordance with [2020 c. 1](#), [Sch. 5 para. 1\(1\)](#)), see [reg. 1\(3\)](#)

**Changes to legislation:**

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**Changes and effects yet to be applied to :**

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)