



The Prospectus Directive and Transparency Directive Equivalence Directions 2019

1. The Treasury, in exercise of the powers conferred by regulation 2(1) of and paragraph 9 of Schedule 1 to the Equivalence Determinations for Financial Services and Miscellaneous Provisions (Amendment etc) (EU Exit) Regulations 2019, make the following directions.

Citation and commencement

2. These directions may be cited as the Prospectus Directive and Transparency Directive Equivalence Directions 2019 and come into force on exit day.

Determination of equivalence

3. The Treasury determine for the purposes of rules made by the Financial Conduct Authority that are prospectus rules as defined by section 73A(4) of the Financial Services and Markets Act 2000 (“prospectus rules”), that the law of each EEA state ensures the equivalence of prospectuses drawn up in that country with prospectuses drawn up under the law of the United Kingdom which was relied on by the United Kingdom immediately before exit day to implement Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC.

4. The Treasury determine that International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of International Accounting Standards, as it applies in the European Union, are the Generally Accepted Accounting Principles of a third country and are to be considered as equivalent to UK-adopted international accounting standards within the meaning given by section 474(1) of the Companies Act 2006 for the purposes of—

- (a) rules made by the Financial Conduct Authority that are prospectus rules or transparency rules as defined by section 89A(5) of the Financial Services and Markets Act 2000; and
- (b) Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

5. The Treasury determine that the legal and supervisory framework of each EEA state ensures that regulated markets in that country comply with legally binding requirements which are subject to effective supervision and enforcement and which are, for the purpose of the application of the exemption under paragraph 5 of rule 1.2.2 of the Financial Conduct Authority prospectus rules, equivalent to the requirements resulting from—

- (a) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;
- (b) the law of the United Kingdom which was relied on by the United Kingdom immediately before exit day to implement Title III of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC; and
- (c) the law of the United Kingdom which was relied on by the United Kingdom immediately before exit day to implement Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC.

David Rutley

Jeremy Quin

11th April 2019

Two of the Lords Commissioners of Her Majesty's Treasury

Laid before Parliament pursuant to regulation 2(3) of the Equivalence Determinations for Financial Services and Miscellaneous Provisions (Amendment etc) (EU Exit) Regulations 2019