

## CSSF issues a press release on investment management delegation and the temporary permissions regime

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On Friday 25 January, the Luxembourg Supervisory Authority of the Financial Sector (Commission de Surveillance du Secteur Financier, CSSF) issued a press release on delegation of investment management/portfolio management and/or risk management activities to undertakings in the United Kingdom (UK), as well as on the temporary permissions regime in the UK, both in relation to a potential no-deal Brexit scenario.

As the UK might soon be considered as a country outside of the European Union (third country), the CSSF has focussed attention on the existing provisions of relevant Luxembourg legislation which allow delegation of investment management/portfolio management and/or risk management activities to undertakings in third countries, under the following conditions: (i) those undertakings have to be authorised or registered for asset management purposes; (ii) they have to be subject to prudential supervision; and (iii) the cooperation between the supervisory authority in charge of such undertakings and the CSSF has to be ensured.

The CSSF endeavours that the requirement of cooperation stated under (iii) shall be satisfied and the cooperation in place with the UK Financial Conduct Authority (FCA) on the 29 March, in order to prevent possible market disruptions. Therefore UK delegates will be authorised to perform the aforementioned functions, should they fulfil the first two requirements.

Furthermore, the CSSF has reminded Luxembourg investment funds and firms of the temporary permissions regime established by the FCA. Investment funds that want to continue to be marketed in the UK after a potential no-deal Brexit must notify their intent to the FCA by 28 March 2019. The equivalent notification process has also been set up for financial institutions and banks.

You can find more information on the temporary permissions regime in our [previous briefing](#).

Finally, Luxembourg investment funds and firms are required to inform the CSSF of any notifications made to the FCA under the temporary permissions regime, upon submitting the notification and without further delay. This must be done by sending an email to the address [opc@cssf.lu](mailto:opc@cssf.lu). The email needs to contain the name of the firm, fund or sub-fund, services and/or activities for which the notification has been made, as well as the date of the notification.

Should you have any further queries, please contact Ogier in Luxembourg.

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