

# UK Government finds EEA states, including the EU member states, equivalent under the Overseas Fund Regime

On 30 January, the UK Government provided certainty to fund managers regarding the equivalence assessment for the EEA under the UK's Overseas Fund Regime (OFR). The UK Government has found the EEA, including the EU member states equivalent under the UK's OFR.

## Who does this affect?

This statement means asset managers will continue to be able to sell EU domiciled investment funds including UCITS and UCITS ETFs to UK retail and professional investors under the temporary marketing permissions regime (TMPR).

The OFR came into force in February 2022 as its post Brexit regime, to allow non-UK funds, Irish and Luxembourg domiciled funds included, to continue to market to UK retail and professional investors, post Brexit.

The Financial Conduct Authority (FCA) has announced that from April 2024 assets managers will be able to rely on the OFR to gain access to UK markets, no longer facing the uncertainties of operating under TMPR.

## Timeline

EEA-based funds that availed of the UK's TMPR have been given an additional 12 months, until the end of 2026, to comply with the OFR.

## Summary

This confirmation of equivalence from HM Treasury is a welcome result for the managers of EU funds who market their funds to UK retail and professional clients. It removes the threat of post Brexit disruption in that the UK Government does not intend to further assess investment funds to comply with any additional UK requirements as part of its equivalence determination.

The OFR regime is active from April and we are working with the industry to seek clarification on open points in relation to the OFR application process.

If you have any questions or require assistance in relation to the Overseas Fund Regime and UK Equivalence, please do not hesitate to get in touch.