

A TALE OF TWO MARKETS: REGULATORY DIVERGENCE BETWEEN THE EU AND UK SECURITISATION FRAMEWORKS

10 June 2022 | Insight
Legal Briefings

The UK voted to leave the European Union on 23 June 2016 and then officially ceased to be an EU Member State on 31 December 2020. Nearly five years later, the long drawn-out process of Brexit has still not come to an end, as the UK and EU continue to clash over borders and trade issues. For the financial services industry, all transitional periods are now over, and full compliance with the relevant local regime is a fact of life for those regulated or doing business in the UK or EU. The pain of separation continues to be felt: the capital markets and investment industries are naturally international, but issues of double compliance arise in many transactions, and fully liquid markets cannot be achieved where investors are subject to differing requirements.

That said, are areas beginning to emerge where it may be possible to find an advantage in one regime as compared to another? Inconsistency is to be deplored, and investors may be inclined to lament that certain aspects of the UK regime are not available in the EU, and vice versa, rather than to see this as a positive. However, scrutiny of the regulatory environment by two separate sophisticated authorities may be beneficial in some ways. Broadly speaking, the UK seems inclined towards greater openness and a more pragmatic approach; the EU appears to be more reluctant to clearly tackle some important and practical aspects in regulation, but has been at the same time the author of greater innovation in regulation. It will be interesting to see how these approaches shape the (two) market(s) as divergence increases.

In this article, we review some key aspects of the ways in which the securitisation regulatory regime differs between the UK and the EU, and consider where the two paths may lead in the future.

[Download the full article](#)

SHARE

[Share to Facebook](#) [Share to Twitter](#) [Share to LinkedIn](#) [Email](#) [Print](#)

Show Share Links

Resources

[A tale of two markets - regulatory divergence between the EU and UK securitisation frameworks \(pdf 2.42 MB\)](#)

RELATED TOPICS

[Business Protection & Risk Management](#)

FEATURED INSIGHTS

FEATURED INSIGHTS

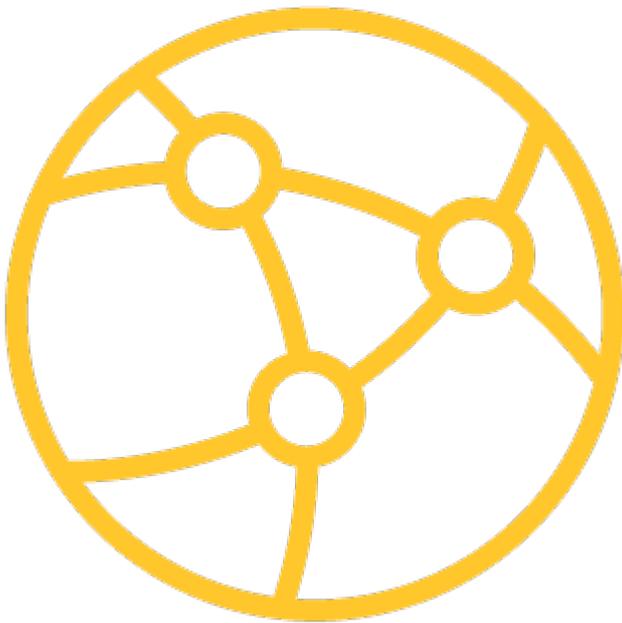
HELPING YOU STAY AHEAD OF THE BIG ISSUES

BROWSE BY:



-

TECH, DIGITAL & DATA



-

GEOPOLITICS AND BUSINESS



[NEW BUSINESS LANDSCAPE](#)

RELATED ARTICLES



The third age looms - Why impact will shape the next generation of sustainable finance



HSF Explains: The Merge - A green crypto revolution or more hype?



Australian Public M&A Report 2022

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



JOY AMIS
PARTNER, LONDON

+44 20 7466 2840
Joy.Amis@hsf.com



VINCENT HATTON
PARTNER, PARIS

+33 1 53 57 70 85
vincent.hatton@hsf.com



VINCENT DANTON
OF COUNSEL, PARIS

+33 1 53 57 74 14
vincent.danton@hsf.com



JAKE JACKAMAN
PARTNER, LONDON

+44 20 7466 2883
Jake.Jackaman@hsf.com



BEATRIZ DEL REY
OF COUNSEL (SPAIN),
LONDON

+44 20 7466 2912
Beatriz.DelRey@hsf.com



MICHAEL POULTON
PARTNER, LONDON

+44 20 7466 2777
michael.poulton@hsf.com



LEOPOLDO GONZÁLEZ-ECHENIQUE
PARTNER, HEAD OF
FINANCIAL SERVICES
REGULATORY,
MADRID

+34 91 423 41 17
Leopoldo.gechenique@hsf.com