



UK-based investment firms and credit institutions should apply for special permit before 15 October 2020 to continue its cross-border operations in Denmark next year



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As part of the Brexit agreement between the EU and the UK, UK-based credit institutions and investment firms could continue their cross-border activities in Denmark until 31 December 2020. With the transition agreement soon to expire, the Danish Financial Supervisory Authorities (“DFSA”) has put forward its recommendation that UK-based credit institutions and investment companies apply for a special permit before 15 October 2020 in order to maintain access to the Danish market.

According to Article 33 of the Danish Financial Business Act, non-EU based credit institutions and investment firms need a special permit to provide cross-border investment services in Denmark. With the non-member

status of UK and the absence an “equivalence decision” by the Commission according to Article 47 of Regulation 600/2014 (MiFIR), UK-based entities will be comprised by the obligation to obtain said special permit.

The permit will encompass services provided for eligible counterparties and professional clients, as the Danish Financial Business Act prescribes that third-country businesses must establish a Danish branch to provide services for retail clients.

The DFSA has informed that the designated application form will be available on 14 September 2020 and, more importantly, that applications should be filed before 15 October 2020.

We recommend that the affected businesses take swift action and initiate the procedure to ensure their continued presence on the Danish financial markets.

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