

Written evidence submitted by the Investment Association (FRE0095)

The IA represents the UK-based investment management industry. Our 250 members manage £7.7trn of assets for clients across the world. Investment managers sit at the heart of the UK economy, helping three-quarters of households save for their future, through ISAs and pensions, while investing £1.7trn in businesses and projects in need of capital.

The UK's success as one of the world's leading investment management hubs has, to a large extent, been possible thanks to the ability to passport products and services into the EU – a feature that will be lost at the end of the transition period. While certain immutable advantages, such as time-zone, language, and a stable legal system have helped the UK position itself as an attractive location for investment management firms to base themselves, this is no longer sufficient given the increasingly globalised, and competitive nature of our industry.

There are those within the EU who view Brexit as a once-in-a-generation opportunity to 'rebalance' financial services activity away from the UK. Consequently, for the UK to retain its global position as a leading centre for investment management, it is imperative the UK Government takes urgent and substantive action to keep the UK a compelling and attractive place to do business. While the UK Government should be applauded for responding to some industry concerns, such as conducting a wholesale review of the investor disclosure regime known as PRIIPS, it needs to go further in our view:

- The UK should develop, and speedily bringing into legislation, the IA's UK Fund Regime Working Group's proposals for a distinctive range of fund types building on the success of the UCITS regimes. Specifically, this includes making provision for alternative and long term investment products to satisfy future client requirements at home and abroad, which can then be mutually recognised between jurisdictions.
- Clear direction should be given by HM Treasury in favour of a more innovative and business-friendly approach to regulation, including making the consideration of 'international competitiveness' a statutory objective of the FCA. Consideration must also be given to the impact that diverging regulatory practices will have in terms of cost and complexity in UK operations.
- Strengthened cooperation is needed between industry, HM Treasury, and the FCA on promotion of the industry and access to new global markets. The UK should consider following the tripartite approach to branding and promotion of the industry offshore as adopted in other jurisdictions to great success, such as Luxembourg and Singapore.

Throughout the Brexit process the IA has been clear that no off-the-shelf arrangement will fully replicate the benefits of the EU's Single Market passport for financial services. Equivalence would provide only limited market access to UK investment managers and relying

on equivalence alone would mean a significant reduction in the types of services which could be offered and to what kind of client. This is why we called for the UK and EU to secure early and unconditional equivalence determinations across the full suite of third-country regimes.

The investment management industry is disappointed by the Commission's position that it will not consider equivalence for the UK in the short to medium term. As an industry, we believe it is now unlikely that the UK will be found equivalent by the Commission before the end of the transition period, unless there is a breakthrough in the wider negotiations. As things stand, UK firms will now need to rely on the EU's limited third-country passporting regime, apply for specific permission under national licencing regimes, or establish a separate EU-based presence and novate European customers currently served out of the UK to this new entity.

The UK's global leadership in investment management is well-respected and attracts investors from across the world. It is crucial our future relationship gives consumers access to investment products across borders and provides the UK with a strong voice in global regulatory developments. It will also be important for the UK to bolster its competitive advantages in the areas where our industry is already a global leader, such as sustainable and responsible investment, corporate governance and stewardship, and FinTech.

1.0 About the Investment Association

1.1 The Investment Association (IA) represents the UK-based investment management industry. Our 250 members manage £7.7trn of assets for clients across the world. Investment managers sit at the heart of the modern UK economy, helping three-quarters of households save for their future, through ISAs and pensions, while investing £1.7trn in businesses and projects in need of capital, including through shares, infrastructure investment, and increasingly direct lending to small businesses.

1.2 As providers of long-term capital, investment managers play a key role in helping to redistribute the fruits of economic growth, driving up productivity and lifting living standards for all. Contributing 6% of Britain's net service exports, and employing nearly 115,000 people, the investment management industry is a vital part of the UK's world-leading financial services ecosystem.

2.0 What are the characteristics of the UK financial services sector, the relative sizes of the different services provided, and which parts of UK financial services exports rely on market access with (a) the EU and (b) the rest of the world?

2.1 The UK is Europe's largest investment management centre (larger than France, Germany, and Switzerland combined), and second globally only to the US. By the end of 2018/19, total assets managed by IA members totalled a record £7.7trn. Of this, £3.1trn is managed for overseas clients, and over half of this (£1.8trn) comes from those based in the EU.

Europe is the UK's largest, and most mature, market for the provision of investment management services.

2.2 Of this £1.8trn managed for clients in Europe, around £476bn is managed on behalf of institutional clients such as Dutch pension funds and German insurance companies. Much of this is currently managed under a passport, with the UK acting a central hub for marketing, sales, and distribution activity, in addition to portfolio management functions for European clients. The balance of assets under management for European clients is under delegation, or outsourcing, arrangements for UCITS and alternative investment funds (AIF).

3.0 What is the difference between the UK's ability to sell financial services into the EU under the current passporting regime and (a) the equivalence arrangements for financial services and (b) no EU equivalence decisions for financial services for the UK?

3.1 Equivalence would provide only limited market access to UK investment managers and relying on equivalence alone would mean a significant reduction in the types of services which could be offered and to what kind of client. This is why we call for the UK and EU to secure early and unconditional equivalence determinations across the full suite of third-country regimes, including under Article 47 (1) of the Markets in Financial Instruments Regulation (MiFIR) allowing UK-based investment firms to service EU institutional clients, currently valued at approximately £476.4bn.

3.2 Regarding offering UK investment funds to European savers, we have also called for the 'switching on' of the Alternative Investment Fund Managers Directive's (AIFMD) third-country provisions, which would allow UK fund managers to market their products to EU clients, currently estimated to be worth £48bn. Should this not be possible, we advocate retaining the various National Private Placement Regimes in the EEA Member States which would allow UK-domiciled investment funds to be sold in these markets, although these are not available in every jurisdiction, and the approach to operating such regimes varies significantly between member states.

3.3 It should be noted that there are no third-country passport provisions for UCITS funds (retail investment funds). HM Treasury is currently consulting on its proposals to establish a new Overseas Funds Regime to replicate the passporting benefits offered to UCITS funds. Preserving access into the UK for these products is a key priority for the industry, and will ensure UK investors continue to benefit from access to a comprehensive and innovative range of different investment products.

Single Market passport:

3.4 Under the passporting regime, UK-based investment firms can rely on an authorisation by the FCA or PRA to provide investment services into any other EEA Member State, without the need to apply for an additional licence. This ability to 'passport' services throughout

Europe has been a critical enabler for UK-based investment firms wanting to expand their customer base in the EU, or for other international firms utilising the UK as a 'launching point' into the EU market.

3.5 At the end of the transition period, UK-based investment firms will not be able to rely on the passport to provide services to existing European clients, or solicit new business across the EU. Instead, UK firms will need to either rely on the EU's limited third-country passporting regimes, apply for specific permission under national licencing regimes, or establish a separate EU-based presence and novate European customers to this new entity. Each option is sub-optimal for firms wishing to operate from the UK across Europe, and represents a significant reduction in the ability to offer products and services cross-border from UK-based entities, as well as increasing costs.

Third-country passport:

3.6 Article 47 (1) of the Markets in Financial Instruments Regulation (MiFIR) allows investment firms based in non-EU jurisdictions to offer products and services to professional clients and eligible counterparties within the EU, without needing to establish a local presence. The Commission, however, must first determine the non-EU jurisdiction's regulatory regime is equivalent to that of the EU. Firms must then apply to ESMA to be entered onto a third-country register, which has up to 180 days to request additional information or reject the registration, and submit periodic reports on its activities within the EU. Registration does not allow firms to provide products services to retail clients, or to provide other regulated services in the EU.

3.7 To date, no non-EU jurisdiction has been found equivalent by the Commission under Article 47 (1) of MiFIR. It should also be noted on 9 July the Commission specifically ruled out 'in the short to medium term' any consideration of the UK as equivalent per Article 47 (1) of MiFIR. Equivalence, however, even where granted can be revoked, and ESMA may suspend a firm's third-country passport with 30 days' notice. From 21 June 2021, the EU's new prudential regime for investment firms (IFR) will amend the current third-country passport, which could make equivalence determinations even more difficult for the UK. These changes require:

3.7.1 the Commission to make 'detailed and granular' equivalence assessments of systemically important third countries (most likely to include the UK);

3.7.2 registered firms to provide more extensive information to ESMA and to comply with recordkeeping and inspection obligations (most likely to include on global operations).

National licence regimes/local branches:

3.8 Where the Commission has not taken an equivalence decision, member states may operate national licence regimes to allow investment firms from a non-EU jurisdiction to

serve clients in its territory through a branch. However, this authorisation may only be given by the member state's regulator where the investment firm is authorised and supervised in respect of the provision of the relevant services in its home jurisdiction; where cooperation arrangements exist between authorities; where the branch has sufficient initial capital at its free disposal; and where the firm belongs to an EU investor compensation scheme.

3.9 This model is inefficient because branches must comply with organisational, conduct of business, trading, and other MiFID II requirements, and are subject to the supervision of the national authority in the respective member state where the authorisation is granted in addition to their home jurisdiction. Critically, the member state authority may only authorise a branch where the firm concerned is approved by its home state authority to provide all the services for which it is requesting a local licence. In the future, this could restrict the scope of activities that a UK-based firm could perform through a branch should the UK diverge significantly from the EU given the complexity of the definitional scope of services offered in and outside the EU.

4.0 What are your views on the proposals put forward on financial services by both the UK and the EU in their draft legal texts? What other aspects of the UK-EU relationship are relevant to the financial services' ecosystem' and yet to be clarified, in particular (a) related professional and business services, (b) data adequacy, and (c) labour mobility?

4.1 Throughout the Brexit process, we have advocated for a negotiated agreement to be reached which protects investors and savers across Europe, and avoids unnecessary disruption in the provision of investment services and products on a cross-border basis. While negotiations concerning this agreement are ongoing, we continue to advocate for a deal that:

- **Safeguards the ability to offer investment products and services between the UK and EU:** This means securing early and unconditional equivalence determinations across the full range of third-country regimes and introducing new legislation to permit the marketing of EEA UCITS products into the UK. This is necessary to ensure savers and investors can access the most extensive range of choice in investment products and to keep costs for accessing services low.
- **Offers certainty over the process underpinning market access:** This means establishing clear procedures to help depoliticise any decision on equivalence, including through the creation of a Joint Financial Service Committee. Firms need confidence about future access arrangements, which can only be provided if the underlying process is predictable, focuses on the delivery of regulatory outcomes, and is based on structured supervisory cooperation.
- **Provides the UK with a strong voice in the development of regulation:** This means ensuring that the UK remains able to legislate in its interests and in a manner that does

not compromise market access for financial services firms. It is not appropriate for the UK to be subject to rules it has not had a meaningful role in shaping.

- **Protects the UK's position as a leading international financial services hub:** This means taking steps to keep the UK internationally competitive, such as legislating for a more compelling UK funds regime, making international competitiveness a statutory objective of the FCA, and adopting a tripartite approach between Government, the regulator and industry to help promote it in new global markets (more detail on this follows in 6.6).

4.2 In terms of other aspects of the future relationship that have yet to be clarified and will have important implications for the industry, these include data adequacy arrangements, as well as the future of labour mobility and access to talent. While members have taken steps to ensure they can still process personal information such as introducing standard contractual clauses and binding codes of conduct, for example relating to payments and digital transactions, these are inefficient and possibly subject to legal challenge.

4.3 To date, members have faced no restrictions on their ability to move skilled employees within the EU, and this has brought considerable benefits to the industry, both in terms of being able to respond to changing client demands, and the ability to attract and recruit talent. Retaining this ability to move throughout the EU without restrictions will be particularly important for investment managers' sales distribution staff. Currently, around 1 in 5 jobs in the UK industry are filled by international workers, of whom half of these are European nationals.

5.0 What is your view of the Commission's announcement that it is not even considering UK equivalence for a number of sectors, including investment services under MiFIR?

5.1 The Commission's announcement was disappointing. In its statement of 9 July, the Commission makes clear that it will not consider equivalence under Article 47 (1) of MiFIR in the short to medium term, citing the introduction of a new legal framework for equivalence under the new IFR regime in June 2021 as the basis for delay. However, members had expected the UK to be found equivalent, at least temporarily, due to the rigorous and extensive on shoring of the EU acquis over the past 18 months by HM Treasury.

5.2 As an industry, we believe it is now unlikely that the UK will be found equivalent by the Commission before the end of the transition period. Should there be a breakthrough in negotiations later this year, it is not certain that the EU will change its position relating to equivalence for UK-based financial services, although we remain optimistic that equivalence determinations can, and should, still be made before the end of this year. Importantly, two key risks remain:

- a) when will equivalence be granted by the Commission, if at all, will this be soon enough for firms to avoid having to apply for separate permissions to continue servicing

European clients post-Brexit, and what impact the changes to the IFR may have on the ability to find the UK equivalent if there is any divergence in regulatory approach; and

- b) once granted, will this be time-limited or conditional, and will it continue to be subject to politicisation as we saw regarding the recognition of Swiss trading venues, meaning firms are unable to plan for the longer-term or assure their clients about their ability to continue providing investment services vis-à-vis those firms not relying on a third-country passport.

5.3 Of primary concern for members in the coming months is the possibility the range of transitional regimes in the EEA Member States which had helped mitigate against a loss of passporting rights at the end of the first phase of negotiations may not be available at the end of this year. We understand the Commission is asking the EEA Member States to withdraw, or not update, their respective temporary transitional regimes, citing the fact that firms have had nearly four years to prepare for a hard Brexit scenario.

6.0 What would be the economic impact of the UK not obtaining equivalence from the start of 2021? What actions have UK financial services firms taken in anticipation of this possibility?

6.1 It is difficult to provide a specific figure regarding the economic impact of not being judged equivalent at the start of 2021. Since the Brexit referendum in 2016, members have been preparing for every scenario, including a no-deal/non-equivalence outcome. It is unlikely that any larger IA member in the UK is now wholly relying on equivalence as the basis for serving EU clients on 1 January 2021. While some may continue to allow for this contingency and hope for it to be achieved, firms have responded by ensuring they have alternative arrangements in place.

6.2 Specifically, members have sought to maintain a degree of optionality in their Brexit planning to ensure they can continue servicing their European clients without disruption, irrespective of the outcomes of the Brexit negotiations, while also minimising cost and duplication within their business models. This has primarily consisted of establishing a small European licenced presence with limited legal and compliance roles in position, with the ability to novate European clients to the new entity if required swiftly.

6.3 With the Commission now stating that it will not consider equivalence for the UK under Article 47 (1), members have begun speaking to European clients about novating business to their new European hubs, or applying for a national licence in key jurisdictions. While members had waited until now to see the outcome of the negotiations, the statement by the Commission ruling out equivalence in the short to medium term has meant firms have advanced the date for these novations and the shifting of staff to their new European hubs.

6.4 Importantly, the UK's success as one of the world's leading investment management hubs has, to a large extent, been possible thanks to the ability to passport products and services

into the EU – a feature that will be lost. While certain immutable advantages, such as time-zone, language, and stable legal system have helped the UK position itself as an attractive location for investment management firms to base themselves, this is no longer sufficient given the increasingly globalised, and competitive nature of our industry.

6.5 It is clear there are those within the EU who view Brexit as a once-in-a-generation opportunity to 'rebalance' financial services activity away from the UK, with stakeholders frequently expressing concern about the scope and scale of activity outside of EU supervisory oversight and control. 65 of our members have announced plans to move at least part of their European business outside of the UK (22 to Frankfurt, 18 to Paris, 11 to Luxembourg, 8 to Dublin, and 6 to Amsterdam), and the risk of further moves has now increased, both in total number and in the volume of activity, following the non-equivalence statement by the Commission of 9 July.

6.6 For the UK to retain, or enhance, its global position as a leading centre for investment management, it is imperative the UK Government takes urgent and substantive action to keep the UK a compelling and attractive place to do business. While the UK Government should be applauded for responding to some industry concerns through the Chancellor's Written Ministerial Statement of 23 June, such as conducting a wholesale review of the investor disclosure regime known as PRIIPS, it needs to go further in our view:

- The UK should develop, and speedily bringing into legislation, the IA's UK Fund Regime Working Group's proposals for a distinctive range of fund types building on the success of the UCITS regimes. Specifically, this includes making provision for alternative and long term investment products to satisfy future client requirements at home and abroad, which can then be mutually recognised between jurisdictions.
- Clear direction should be given by HM Treasury in favour of a more innovative and business-friendly approach to regulation, including making consideration of 'international competitiveness' a statutory objective of the FCA. Consideration must also be given to the impact that diverging regulatory practices will have in terms of cost and complexity in UK operations.
- Strengthened cooperation is needed between industry, HM Treasury, and the FCA on promotion of the industry and access to new global markets. The UK should consider following the tripartite approach to branding and promotion of the industry offshore as adopted in other jurisdictions to great success, such as Luxembourg and Singapore.

7.0 To what extent would you expect the EU to make equivalence dependent on commitments by the UK on continued regulatory alignment in financial services, and how should the Government address those demands? How should the Government approach equivalence in areas, such as derivatives clearing, in a way that protects the UK's financial ecosystem while maximising the ability of UK financial services to continue to operate in the EU?

7.1 EU stakeholders have made clear that as part of its political considerations on equivalence, it will consider future regulatory alignment of the UK, and stated plans to diverge, in its considerations on equivalence. In addition, we understand that several member states have expressed concern about granting equivalence to the UK, but then potentially having to revoke it at a later date should there be divergence.

7.2 The assessment of equivalence is intended to be outcome-based, so potentially it allows some scope for divergence between the respective regimes of the EU and the third country. However, under the new IFR regime, we expect future equivalence assessments to be challenging, noting the requirement for ESMA to conduct 'a granular and technical assessment' when considering equivalence.

7.3 We believe that where the UK and EU autonomously decide to grant access to their markets on an assessment of the equivalence of their respective regulatory regimes, this should be as determined on a regulatory outcomes basis. These outcomes should be determined by reference to the following shared objectives:

- financial stability
- investor and consumer protection
- fair competition
- market integrity
- the prevention of regulatory arbitrage.

7.4 Assessments should be determined by reference not only to the content of law and regulation but also taking into account the approaches of the respective parties to supervision and enforcement. The focus on regulatory outcomes and supervisory deference, rather than line by line comparison, is an essential feature of this approach and is internationally recognised, including by the International Organisation of Securities Commissions (IOSCO).

8.0 In which aspects of UK financial services should the UK look to increase exports in financial services and to which specific markets? And what are the relevant regulatory structures that govern that trade with the rest of the world?

8.1 The IA and the industry have recently worked with HM Treasury to identify export and inward investment opportunities that the UK industry needs to focus its efforts – particularly those with the highest levels of gross domestic savings and/or private pension assets. Some of the markets identified included Hong Kong, Japan, Singapore, China, Switzerland, the United States, among others. By seeking these new opportunities in international markets, especially those with a growing middle class, the UK can boost the industry's exports earnings and contribution to the wider economy.

8.2 In terms of the regulatory structures and barriers governing trade with many of these international markets, there are few, if any, barriers to providing investment management services to institutional clients on a segregated mandate basis. However, there are

significant obstacles to providing funds to ordinary retail investors. For example, mutual recognition of products standards between the UK and certain markets (e.g. the United States and Japan) would help to facilitate this. In this context, the industry welcomed the Chancellor's announcement concerning negotiations starting on a Mutual Recognition Agreement on Financial Services with Switzerland last month.

9.0 What are the longer-term challenges and opportunities for UK financial services? What is the sector doing to make sure UK financial services are competitive globally?

9.1 We have requested the Government asks the FCA to consider how it could achieve its current regulatory outcomes more efficiently and with a lower overall cost and burden on supervised firms. Sending a clear signal that the UK welcomes and supports international and home-grown financial services businesses which seek to serve UK customers would be of great value. While we want to avoid a 'light-touch' regulatory approach, we support placing a new duty on the FCA to ensure it has regard for the UK's international competitiveness included in its statutory objectives.

9.2 In terms of the opportunities for investment managers, these include forming new links with international markets and creating opportunities for export growth and investment in the process. Before the pandemic, our ambition was to more than double the total assets under management in the UK in ten years, taking it to £15trn. There will also be opportunities for growth for the UK in those areas where we enjoy a competitive advantage, such as FinTech and sustainable investment. The UK's Presidency of the 26th UN Climate Change Conference of the Parties (COP26) next year is an excellent opportunity to provide global leadership on this issue.

9.3 The IA and our industry have already taken several steps to help ensure we can be globally competitive, and much of this work has been developed under the direction of the Treasury's Asset Management Taskforce. The Taskforce is chaired by the Economic Secretary to the Treasury and considers how Government, industry and the FCA can work collaboratively for investment management to stay internationally competitive and effectively deliver for consumers. Through the Taskforce, we have delivered several initiatives, including:

- **Improving the UK funds regime:** We developed proposals to optimise the existing UK regime and develop innovative new UK fund structures. As part of this, we have proposed a Long-Term Asset Fund (LTAF), which would facilitate investment in long-term illiquid assets such as infrastructure and housing. We continue to discuss the LTAF with HM Treasury and the FCA.
- **Promoting the UK's leadership on stewardship and responsible investment:** We will shortly be publishing a report outlining new proposals to enhance stewardship practices in the UK. This will be key to enhancing the UK's reputation for good stewardship, and improve our status as a world leading place to invest and do business. On responsible investment, we continue to work to position the UK as a global leader

and we have been exploring the use of a UK investment fund labels to help savers identify which funds have adopted a sustainable investment approach.

- **Developing FinTech solutions for the industry:** The IA developed plans for a FinTech accelerator, Engine, following discussions at the Taskforce and it was formally launched in October 2018 with the Economic Secretary to the Treasury. With hubs in London and Birmingham, Engine is boosting our industry's adoption of new technologies and helping investment managers to identify new investment opportunities, work more efficiently and cut costs, ultimately benefiting our customers.

August 2020



Committee on the Future Relationship with the European Union

House of Commons, London, SW1A 0AA

Email: freucom@parliament.uk Website: <https://committees.parliament.uk/committee/366/committee-on-the-future-relationship-with-the-european-union/>

23 July 2020

Chris Cummings
Chief Executive
The Investment Association

Dear Mr Cummings,

The House of Commons Committee on the Future Relationship with the European Union is inquiring into the progress of the negotiations between the UK and the EU. Under normal circumstances, the Committee holds regular oral evidence sessions in Westminster. However, measures to prevent the spread of the coronavirus make this difficult.

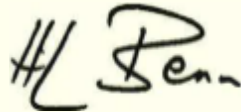
The Committee is keen to gather as much evidence as possible to inform its deliberations so I am writing to you to ask whether you would be willing to help us with our work by making a written submission. We welcome general responses to our [call for evidence](#), which was published on 4 March. We also hope that you would be willing to answer some of the more specific questions set out below on issues that fall within your area of expertise. Submissions need not address every bullet point and can include other matters that you think are relevant to the negotiations and should be drawn to the attention of the Committee.

- What are the characteristics of the UK financial services sector, the relative sizes of the different services provided, and which parts of UK financial services exports rely on market access with (a) the EU and (b) the rest of the world?
- What is the difference between the UK's ability to sell financial services into the EU under the current passporting regime and (a) the equivalence arrangements for financial services and (b) no EU equivalence decisions for financial services for the UK?
- Which aspects of UK financial services are covered, or not covered, by the equivalence proposals? How is the UK seeking to establish new arrangements with the EU for those areas not covered?
- What are your views on the proposals put forward on financial services by both the UK and the EU in their draft legal texts? What other aspects of the UK-EU relationship are relevant to the financial services 'ecosystem' and yet to be clarified, in particular (a) related professional and business services, (b) data adequacy, and (c) labour mobility?
- What is your view of the Commission's announcement that it is not even considering UK equivalence for a number of sectors, including investment services under MiFIR?
- What would be the economic impact of the UK not obtaining equivalence from the start of 2021? What actions have UK financial services firms taken in anticipation of this possibility?
- To what extent would you expect the EU to make equivalence dependent on commitments by the UK on continued regulatory alignment in financial services, and how should the Government address those demands? How should the Government approach equivalence in areas, such as derivatives clearing, in a way that protects the UK's financial ecosystem while maximising the ability of UK financial services to continue to operate in the EU?
- What are your views on the areas of financial services where the EU is considering introducing legislative changes in the near future, such as for Capital Markets Union, Solvency II, and Anti-Money Laundering, and how the UK might respond?
- What structures are in place to facilitate cooperation between the respective regulatory bodies? What is outstanding that needs to be put in place to facilitate regulatory dialogue?

- In which aspects of UK financial services is the UK look to increase exports in financial services and to which specific markets? And what are the relevant regulatory structures that govern that trade with the rest of the world?
- How does the UK financial services industry benefit from trade arrangements between the EU and third countries? How many such relationships have been replicated? And what needs to be negotiated still?
- How does the delay in the EU's decision on equivalence, and the ongoing uncertainty in clarifying what the future EU-UK relationship will look like, impact upon the sector's ability to prepare for the 1 January 2021? What is the final date when clarity is needed if businesses are to get ready for new ways of working?
- What are the longer-term challenges and opportunities for UK financial services? What is the sector doing to make sure UK financial services are competitive globally?

The Committee staff will be happy to discuss the inquiry, any issues raised, or the process for submitting written evidence. You can contact them at freucom@parliament.uk.

Yours,

A handwritten signature in black ink, appearing to read 'H/ Benn'.

Hilary Benn
Chair of the Committee