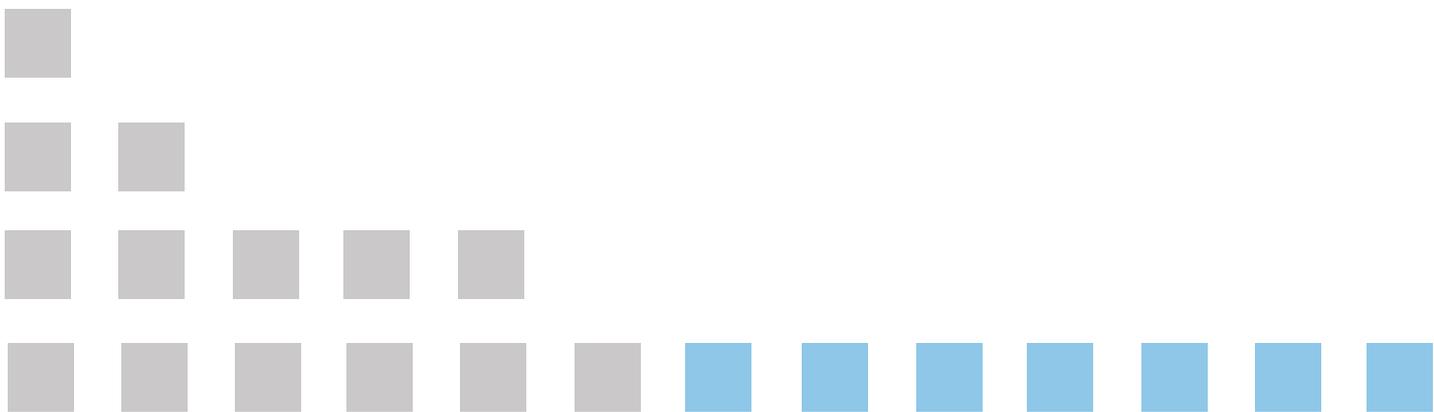


# GFSC Fees Consultation

UK Single Market Levy – December 2019



# Introduction

The purpose of this consultation paper is to set out proposals for a UK Single Market Levy (Levy) payable by regulated firms that passport into the UK, to cover the costs incurred by the GFSC in preparing for the continued relationship with the UK.

## The Consultation

At the end of the consultation period, the GFSC will publish a response paper. This will set out comments received as well as our responses to those comments. These may be published in full unless the respondent requests otherwise and any responses published will be anonymised. Please note that we will not regard a standard confidentiality statement in an email message as a request for non-disclosure.

The Levy will be raised on 20 January 2020. Firms will have 28 days from the invoice date within which to pay the Levy. Amendments to the annual regulatory fees will be reflected under the GFSC fees regulations. Draft fee regulations will be published on our [website](#) shortly. The fee regulations will be effective as from 15 January 2020.

We require responses to the consultation by 17:00 on Friday 10 January

You can send them to us in writing to:  
Gibraltar Financial Services Commission PO Box 940  
Suite 3, Ground Floor  
Atlantic Suites  
Europort Avenue  
Gibraltar

Alternatively, you can respond via email to: [consultation@gfsc.gi](mailto:consultation@gfsc.gi)

## Expenses covered by the Levy

The GFSC has a responsibility to cover its costs by charging fees and is committed to doing this in an open, transparent and accountable way. We have been working to maintain equivalence of regulatory outcomes with the UK.

This includes, but is not limited to:

- Working with the UK authorities on securing future access to the UK market, including assurance working on demonstrating current and ongoing supervisory and regulatory alignment.
- Working with the UK regulators on policy issues relating to inoperable elements of the European Union *acquis communautaire*.
- Onshoring and incorporating the *acquis* into our domestic legislation.
- Working with firms on their contingency plans.

# Proposed Levy

In order to cover the costs mentioned above, we propose to raise a one-off special Levy to recover the costs incurred preparing our regulatory regime and firms for our on-going relationship with the UK.

The Levy will be payable only by regulated entities that passport into the UK, as these are the firms that will be most affected by the new relationship and future access to the UK market. This will include:

- Fee Block A1 Banks
- Fee Block A1 E-money firms
- Fee Block A1 Insurance Companies
- Fee Block B1 Alternative Investment Fund Managers (AIFM)
- Fee Block B1 Insurance Captives
- Fee block B1 MiFID firms
- Fee Block E1 Insurance Intermediary firms

We are proposing to raise the levy at 12% of the annual regulatory fee for the year ended 31 March 2020 (2019/20). This will ensure the Levy payable is proportionate to periodic regulatory fees, and therefore in line with the size and complexity of the regulated entity affected. For example, the Levy payable by a regulated entity that passports their services into the UK and was charged an annual fee of £5,000 on 1 April 2019 will be £600.

If a regulated entity falls under any of the above mentioned Fee Blocks but does not passport into the UK, no Levy will be payable.

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