

Legal Update

New Central Bank UCITS deal with HK

The Central Bank of Ireland (the “Central Bank”) has announced on 14th May 2025 a new memorandum of understanding on mutual recognition (“MOU”) which has been agreed with the Securities and Future Commission (“SFC”) of Hong Kong. The MOU provides for permitting the distribution of eligible Hong Kong and Irish public funds (UCITS) in each other’s respective market through a more streamlined process.

Background

The Central Bank has entered into MOUs with over 40 overseas non-EU regulators. Several MOUs have also been entered into by the Central Bank with various Irish governmental institutions for the similar purpose of enhancing cooperation and clarifying roles in financial regulation and oversight. These include with the Office of the Financial Services and Pensions Ombudsman, the Central Statistics Office (CSO) and the Minister for Finance and the Registrar of Credit Unions.

The new MOU with the SFC serves as an updated cooperation framework to a previously existing MOU between the parties dated 1997 on the supervision of cross-border investment management activities and contemplates a mutual recognition framework (“MRF”).

The New Framework

The updated framework of the MOU provides for the cross-border offering of eligible Hong Kong public collective investment schemes in Ireland for the first time as well as Irish UCITS that meet specific criteria to be authorised by the SFC for sale in Hong Kong under an expedited approval process.

Eligible simple funds domiciled and regulated in Ireland may now be processed under the SFC’s FastTrack (Fund Authorisation Simple Track) approach whereby the SFC undertakes to complete authorisation within 15 business days.

Central Bank authorised UCITS seeking to market to the public in Hong Kong via the MRF should have regard to the SFC Circular setting out the criteria required to use the MRF. A UCITS and its management company must engage directly with the SFC to achieve marketing approval, however as an initial step the MRF Application Form must be completed and submitted to the Central Bank at HongKongMRF@centralbank.ie. A contact mail for queries not addressed by the circular has also been created.

A similar process is required for inward sales of public Hong Kong funds into Ireland.

How Clerkin Lynch Can Help

Clerkin Lynch’s asset management team can advise on fund distribution issues for Irish funds seeking international investors as well as international funds wishing to be sold in Ireland.

Contact us for more information.



Mark Browne
Partner
email:
markbrowne@clerkinlynch.com
Phone: 01 611 4400



