

Legal and Regulatory Updates

29/03/2021 – 02/04/2021

Key Highlights

- This Legal & Regulatory Update covers the week commencing **29/03/2021**.
- [PRA](#) publishes its Regulatory Digest February 2021.
- [UK Government](#) consults on mandatory climate disclosures for publicly quoted companies, large private companies and LLPs.
- [EBA](#) publishes its Risk Dashboard for the last quarter of 2020.
- [EBA](#) launches public consultation on regulatory technical standards on disclosure of investment policy by investment firms.
- [EU financial regulators](#) warn of an expected deterioration of asset quality.
- [European Commission](#) disburses further €13 billion under SURE to six Member States
- [CSSF](#) publishes its Newsletter No. 242, March 2021.
- [CSSF](#) publishes information on global situation of undertakings for collective investment at end of February 2021.
- [Basel Committee](#) issues principles for operational resilience and risk.
- [IOSCO](#) issues statement on going concern assessments and disclosures during the COVID-19 pandemic.
- [IOSCO's](#) Technical Expert Group to undertake an assessment of technical recommendations to be developed as part of IFRS Foundation's sustainability project.
- [ICMA](#) submits feedback on European Commission's Roadmap for CSDR Review.
- In this update, we also cover some of the most important [news on leveraged finance](#) published by the [Financial Times](#) and [Thomson Reuters](#) during the week.

Bank of England (BoE)

29 March – 02 April 2021: Speeches, Letters & Publications

During the week, the Bank of England's (BoE) released the following speeches, announcements and publications that might be of interest to our readers:

- [PRA publishes its Regulatory Digest March 2021](#) – the PRA Regulatory Digest is for people working in the UK financial services industry and highlights key regulatory news and publications delivered for the month
- [Bank of England publishes its policy on Operational Resilience of FMI](#)s – the Bank's operational resilience policy is designed to improve the operational resilience of FMI and protect the wider financial sector and UK economy from the impact of operational disruptions
- [Bank of England publishes its Supervisory Statement \(SS\) 2/21 on outsourcing and third party risk management](#) – this PRA statement sets out expectations of how PRA-regulated firms should comply with regulatory requirements and expectations relating to outsourcing and third party risk management
- [Bank of England Weekly Report 31 March 2021](#)
- [Effective interest rates February 2021](#)
- [Monthly Decision Maker Panel data March 2021](#) – the Decision Maker Panel (DMP) is a survey of Chief Financial Officers from small, medium and large UK businesses. The BoE uses it to monitor developments in the economy and to track businesses' views

Financial Conduct Authority (FCA)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the Financial Conduct Authority (FCA) released the following speeches, announcements and publications that might be of interest to our readers:

- [FCA publishes its Primary Market Bulletin 33](#) – this edition features Brexit-related changes for EEA audit firms, information on Short Selling Regulation notification compliance, the FCA's recent Enforcement outcome against Asia Research and Capital Management Limited, and details of the FCA's new online portal for submitting major shareholdings notifications (TR-1 Form) which went live on 22 March 2021, amongst other things
- [The FCA and the Bank of England encourage market participants in a switch to SONIA in the sterling non-linear derivatives market from 11 May](#) – following close engagement with market participants, the FCA and Bank of England support and encourage liquidity providers in the sterling non-linear derivatives market to adopt new quoting conventions for inter-dealer trading based on SONIA instead of LIBOR from 11 May this year. This is to facilitate a further shift in market liquidity toward SONIA, bringing benefits for a wide range of users as they move away from LIBOR
- [FCA confirms that it will publish a consultation in the near future on strengthening investor protections in Special Purpose Acquisition Companies \(SPACs\)](#) – the consultation

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will consider the structural features and enhanced disclosure, including a minimum market capitalisation and a redemption option for investors, required to provide appropriate investor protection

- [The importance of purposeful anti-money laundering controls](#) – Speech by Mark Steward, Executive Director of Enforcement and Market Oversight, delivered at the AML & ABC Forum 2021

UK Government

24 March 2021: UK government consults on mandatory climate disclosures for publicly quoted companies, large private companies and LLPs

The Department for Business, Energy & Industrial Strategy (BEIS) [launched its consultation](#) to seek views on proposals to mandate climate-related financial disclosures by publicly quoted companies, large private companies and Limited Liability Partnerships (LLPs). These proposals build on the expectation set out in the government's 2019 [Green Finance Strategy](#), that all listed companies and large asset owners should disclose in line with the Task Force on Climate-related Financial Disclosure (TCFD) recommendations by 2022. The proposals have been developed in cooperation with the HM Treasury-led TCFD, which has considered an approach to economy-wide mandatory climate-related financial disclosure, as set out in the [2020 Roadmap and Interim Report](#). The proposals are an important step towards the UK's intention to become the first G20 country to make TCFD-aligned disclosures mandatory across the economy as set out by the Chancellor on 9 November 2020.

The Government considers it important to ensure that companies with a material economic or environmental impact or exposure assess, disclose and ultimately take actions against climate-related risks and opportunities. Accordingly, the proposals set out in [this consultation document](#) aim to significantly increase the proportion of companies taking such actions. This will in turn provide investors with more of the information they need to adequately understand and manage climate-related financial risks and provide other stakeholders with a greater level of information on climate-related matters. The Government is consulting to test the scope of requirements, the depth of requirements, the appropriate guidance, and an appropriate monitoring and enforcement regime. This consultation closes at 11:45pm on 5 May 2021.

Financial Reporting Council (FRC)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the Financial Reporting Council (FRC) released the following speeches, announcements and publications that might be of interest to our readers:

- [Podcast: In Conversation with Jen Sisson and BEIS mandatory TCFD climate-related financial disclosures](#) – the FRC's Deputy Director of Stakeholder Engagement and Corporate Affairs speaks to Amy Jenkins, Head of Clean Growth at the Department for Business, Energy and Industrial Strategy (BEIS), on the Government's consultation to require mandatory TCFD reporting
- [Business Combinations Under Common Control Discussion Paper video with IASB and UKE](#) – the UK Endorsement Board (UKEB) launched a video guide on IASB DP/2020/2 Business Combinations Under Common Control

European Securities and Markets Authority (ESMA)

31 March 2021: ESMA clarifies corporate disclosures obligations for UK issuers after Brexit

The European Securities and Markets Authority (ESMA) [published a statement](#) concerning the application of transparency requirements by UK issuers with securities admitted to trading on regulated markets in the European Union (EU), now third country issuers, under the Transparency Directive (TD). The statement highlights that, from 1 January 2021, UK issuers may use the International Financial Reporting Standards (IFRS), as endorsed by the EU, or as issued by the International Accounting Standards Board (IASB), amongst other accounting standards, when complying with their TD obligations for consolidated financial statements and individual financial statements of single entities.

UK group issuers may also use UK GAAP when complying with their obligations for parent individual financial statements, when providing information on dividends computation and, where applicable, minimum capital requirements.

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the ESMA released the following speeches, announcements, letters and publications that might be of interest to our readers:

- [ESMA updates CSDR Q&A](#) – ESMA updated its Questions and Answers (Q&As) on the Central Securities Depositories Regulation (CSDR). The latest Q&As on the CSDR contain answers provided by the EC that relate to: the provision of CSD services in other Member States, and the exemption from the application of cash penalties and the buy-in requirements for settlement fails relating to transactions involving CCPs

European Banking Authority (EBA)

31 March 2021: EBA publishes its Risk Dashboard for the last quarter of 2020

The European Banking Authority (EBA) [published](#) its Risk Dashboard for the last quarter of 2020. The data show a rise in capital ratios, a contraction of the NPL ratio and a return on equity (RoE) significantly below banks' cost of equity. Besides asset quality and profitability, operational risks remain a key concern going forward.

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the European Banking Authority (EBA) released the following speeches, announcements, letters and publications that might be of interest to our readers:

- [EBA launches public consultation on regulatory technical standards on disclosure of investment policy by investment firms](#) – the EBA published a consultation paper on draft regulatory technical standards (RTS) on disclosure of investment policy by investment firms. The draft RTS put forward comparable disclosures that should help stakeholders understand investment firms' influence over the companies in which they have voting rights and the impact of investment firms' policies on aspects such as the governance or management of those companies. Please note that the deadline for the submission of comments is 01 July 2021
- [EBA reviews final Q&As against revised legislation](#) – the EBA reviewed Q&As published in its Single Rulebook Q&A tool against the revised Capital Requirements Regulation (CRR),

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Capital Requirements Directive (CRD) and Bank Recovery and Resolution Directive (BRRD). The published Q&As were updated in line with the revised legal acts, and the outcome has been reflected in the Q&A tool

European Supervisory Authorities (ESAs)

31 March 2021: EU financial regulators warn of an expected deterioration of asset quality

The European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) [issued](#) their first [joint risk assessment report of 2021](#). The report highlights how the COVID-19 pandemic continues to weigh heavily on short-term recovery prospects. It also highlights a number of vulnerabilities in the financial markets and warns of possible further market corrections. According to the report, macroeconomic uncertainty was generally not reflected in asset valuations and market volatility which have recovered to pre-crisis levels, highlighting a continued risk of decoupling of valuations from economic fundamentals.

In light of these risks and uncertainties, the ESAs advise, national competent authorities, financial institutions and market participants to take the following policy actions:

- prepare for an expected deterioration of asset quality: banks should adjust provisioning models to adequately address the impact of the economic shock of the pandemic and to ensure a timely recognition of adequate levels of provisions. They should engage to restructure over indebted but viable exposure efficiently;
- continue to develop further actions to accommodate a “low-for-long” interest rate environment and its risks;
- ensure sound lending practices and adequate pricing of risks;
- follow conservative policies on dividends and share buy-backs; and
- investment funds should further enhance their preparedness in the face of potential increases in redemptions and valuation shocks: to this end the alignment of fund investment strategy, liquidity profile and redemption policy should be supervised, as well as funds’ liquidity risk assessment and valuation processes in a context of valuation uncertainty.

European Central Bank (ECB)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the European Central Bank (ECB) released the following speeches, announcements, letters and publications that might be of interest to our readers:

- [Euro area bank interest rate statistics: February 2021](#)
- [Consolidated financial statement of the Eurosystem](#)
- [Inflation dynamics during a pandemic](#) – Blog post by Philip R. Lane, Member of the Executive Board of the ECB
- [What are targeted longer-term refinancing operations \(TLTROs\)?](#) – ECB Explainers

European Systemic Risk Board (ESRB)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the European Systemic Risk Board (ESRB) released the following speeches, announcements and publications that might be of interest to our readers:

- [The importance of technology in banking during a crisis](#) – Working Paper Series No 117 / March 2021

European Commission (EC)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the European Commission (EC) released the following speeches, announcements and publications that might be of interest to our readers:

- [Commission disburses further €13 billion under SURE to six Member States](#) – the European Commission has disbursed €13 billion to six EU Member States in the sixth instalment of financial support under the SURE instrument. This is the third disbursement in 2021. The bonds issued by the EU under SURE benefit from a social bond label. This provides investors in these bonds with confidence that the funds mobilised will serve a truly social objective
- [Commission proposes additional €3.7 billion under SURE to six Member States to protect jobs and incomes](#) – the Commission has proposed to the Council to grant an additional €3.7 billion of financial assistance to six Member States under SURE, the €100 billion instrument designed to protect jobs and incomes affected by the COVID-19 pandemic
- [Joint Statement on the U.S.-EU Joint Financial Regulatory Forum](#) – U.S. and EU participants in the U.S.-EU Joint Financial Regulatory Forum met virtually on March 24 and 25, 2021, to exchange views on topics of mutual interest as part of their ongoing financial regulatory dialogue. The Forum focused on six themes: (1) next steps in the COVID-19 recovery and mitigating financial stability risks, (2) sustainable finance, (3) multilateral and bilateral engagement in banking and insurance, (4) regulatory and supervisory cooperation in capital markets (including the transition away from LIBOR), (5) regulatory and supervisory developments regarding financial innovation, and (6) anti-money laundering and countering the financing of terrorism (AML/CFT) issues
- [European Commission and IEA pull together for net-zero](#) – both organisations call on the world’s leading economies to pave the way for net-zero greenhouse gas emissions within a generation, with the energy sector playing a crucial role
- [INEA officially replaced by the European Climate, Infrastructure and Environment Executive Agency \(CINEA\) on 1 April 2021](#) – the new Agency will have a key role in supporting the European Green Deal, with a focus on creating synergies to support a sustainable, connected, and decarbonised Europe. CINEA will continue to manage existing projects, including those taken over from the EASME agency, and start implementing new 2021-2027 programmes delivering on the necessary actions to achieve climate neutrality in Europe by 2050

Central Bank of Ireland (CBI)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the Central Bank of Ireland (CBI) released the following speeches, announcements and publications that might be of interest to our readers:

- [CBI publishes Consumer Protection Outlook Report for 2021](#) – the Report sets out the Central Bank’s consumer and investor protection priorities for 2021, and the risks that pose the greatest potential for consumer and investor harm. The CBI’s priorities are to: 1) deliver intrusive risk-based supervision where the CBI will intensify its targeted assessment of those firms and sectors that pose the greatest potential harm to consumers and investors; 2) enhance and strengthen the consumer protection framework; 3) drive firms to take responsibility for embedding consumer-focused cultures; 4) influence and shape key policies; 5) Ensure borrowers in financial distress are treated fairly; and 6) enhance the CBI’s gatekeeping process

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- [Climate Change: Towards Action](#) – Blog by Gabriel Makhoul, CBI Governor
- [“Beyond the Aggregates: The Diverse Effects of COVID-19 on Employment, Income & Savings”](#) – Speech by Deputy Governor Sharon Donnery

Autorité des Marchés Financiers (AMF) of France

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the Autorité des Marchés Financiers (AMF) released the following speeches, announcements and publications that might be of interest to our readers:

- [AMF issues proposals for the review of the regulation on European long-term investment funds \(ELTIF\)](#) – in the context of the review of the ELTIF regulation, the AMF is making proposals to enhance the attractiveness of this type of European fund for many investors while maintaining a protective framework for retail investors

Commission de Surveillance du Secteur Financier (CSSF)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the Commission de Surveillance du Secteur Financier (CSSF) released the following circulars, speeches, announcements and publications that might be of interest to our readers:

- [CSSF publishes its Newsletter No 242 March 2021](#) – discover the latest publications of the CSSF and the statistics relating to the financial sector
- [CSSF publishes information on the global situation of undertakings for collective investment at the end of February 2021](#) – As at 28 February 2021, the total net assets of undertakings for collective investment, comprising UCIs subject to the 2010 Law, specialised investment funds and SICARs, amounted to EUR 5,090.775 billion compared to EUR 5,050.132 billion as at 31 January 2021, i.e. an increase of 0.80% over one month. Over the last twelve months, the volume of net assets rose by 9.04%. The Luxembourg UCI industry thus registered a positive variation amounting to EUR 40.643 billion in February. This increase represents the sum of positive net capital investments of EUR 24.025 billion (+0.47%) and of the positive development of financial markets amounting to EUR 16.618 billion (+0.33%)
- [Claude Marx, Director General of the CSSF, looks back on his first mandate as head of the supervisory authority and on the challenges faced by the CSSF and the financial sector](#) – Interview

Basel Committee on Banking Supervision (BCBS)

31 March 2021: Basel Committee issues principles for operational resilience and risk

The Basel Committee on Banking Supervision (BCBS) [published](#) its Principles for operational resilience, which aim to make banks better able to withstand, adapt to and recover from severe adverse events. The operational resilience principles focus on governance; operational risk management; business continuity planning and testing; mapping interconnections and interdependencies; third-party dependency management; incident management; and resilient cyber security and ICT. In addition to the principles for operational resilience, the Committee also issued revisions to its Principles for the sound management of operational risk

(PSMOR) reflecting the natural relationship between operational resilience and operational risk. This follows a consultation on both documents in August 2020.

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the BCBS released the following speeches, announcements and publications that might be of interest to our readers:

- [Governors and Heads of Supervision meet to endorse strategic priorities and work programme of Basel Committee and discuss global initiatives on non-bank financial intermediation](#) – the Group of Central Bank Governors and Heads of Supervision (GHOS), the oversight body of the Basel Committee on Banking Supervision, endorsed the strategic priorities and work programme of the Committee for 2021–22. The new work programme places high priority on the implementation and evaluation of previously agreed reforms, on assessing emerging risks and vulnerabilities, and increasing supervisory cooperation. The Committee will also keep monitoring the resilience of the global banking system as the Covid-19 pandemic continues to unfold, ensuring that banks contribute to the subsequent recovery sustainably. The work programme will be published in April

Financial Stability Board (FSB)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the Financial Stability Board (FSB) released the following speeches, announcements and publications that might be of interest to our readers:

- [FSB publishes final report of the evaluation of too-big-to-fail reforms for banks](#) – the evaluation examines the extent to which the reforms have reduced the systemic and moral hazard risks associated with SIBs, as well as their broader effects on the financial system
- [The FSB in 2021: Addressing Financial Stability Challenges in an Age of Interconnectedness, Innovation and Change](#) – Remarks by FSB Chair Randal K. Quarles on the FSB's work programme for 2021 and some of its priority areas

International Organization of Securities Commissions (IOSCO)

24 March 2021: IOSCO issues statement on going concern assessments and disclosures during the COVID-19 pandemic

The International Organization of Securities Commissions (IOSCO) [issued](#) a statement on going concern assessments and disclosures during the COVID-19 pandemic. Key highlights from IOSCO's statement include:

- It is important for investors to receive high-quality information about the existence of material uncertainties that may cast significant doubt on an entity's ability to continue as a going concern;
- When management has determined that material uncertainties do not cast significant doubt on the ability of an entity adversely affected by COVID-19 conditions to continue as a going concern, it is important for investors to receive complete information about the significant judgements that may have been exercised in arriving at management's determination;
- Auditors are reminded of their responsibilities to report on Key Audit Matters (KAMs), those matters that require significant auditor attention in performing the audit. The current economic environment may result in the inclusion of

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KAMs regarding going concern, material uncertainties and significant judgments, including a description of how the auditor addressed these matters;

- In other cases, there may be circumstances for which the auditor concludes that the auditor's report should contain a separate section under the heading Material Uncertainty Relating to Going Concern; and
- IOSCO reminds issuers, audit committees and/or those charged with governance (TCWG), and external auditors of the important role each plays in providing investors with high quality, reliable, timely, and transparent financial information, especially in times of heightened uncertainty. It also remains the responsibility of the external auditor to perform high-quality assurance services in accordance with professional standards on the financial information with which they are associated.

30 March 2021: IOSCO's Technical Expert Group to undertake an assessment of the technical recommendations to be developed as part of the IFRS Foundation's sustainability project

IOSCO [announced](#) that it welcomes the [press release](#) issued by the Trustees of the IFRS Foundation (the Trustees) on 22 March 2021 announcing the formation of a working group chaired by the IFRS Foundation to undertake technical preparation for a potential international Sustainability Standards Board (SSB) under the governance of the IFRS Foundation. IOSCO also explained that it welcomes the invitation to join this group as an observer. IOSCO looks forward to collaborating with the working group as it develops its technical recommendations, including planned work to further refine the prototype climate-related disclosure standard (the prototype) as a basis for the SSB to build on existing initiatives in its standards development.

To this end, IOSCO announced the establishment of a new Technical Expert Group (TEG) under its Sustainable Finance Task Force (STF). The TEG will work closely with the IFRS Foundation's working group and will be tasked with reviewing and assessing its technical recommendations focused on enterprise value creation. As part of this, the TEG will assess refinements to the prototype and its content, including industry-specific metrics. The TEG will consider whether the refined prototype could be a sound basis for the development of an international reporting standard under the SSB, with a focus on enterprise value. This preparatory work will inform IOSCO's views on its potential endorsement of the SSB as the global standard-setter for sustainability-related corporate reporting. Subject to the outcome of its assessment, IOSCO views the proposed SSB and its future standards as a promising solution for achieving consistent, comparable, and reliable cross-border sustainability-related reporting requirements.

International Capital Market Association (ICMA)

29 March – 02 April 2021: Speeches, Letters & Other Publications

During the week, the International Capital Market Association (ICMA) released the following speeches, announcements and publications that might be of interest to our readers:

- [ICMA submits feedback on the European Commission's Roadmap for the CSDR Review](#) – once again, ICMA has posited that the mandatory buy-in framework, as currently drafted, requires significant revisions before attempting implementation. Furthermore, there are compelling arguments for not imposing a mandatory buy-in regime on the European bond markets, and that this could undermine market liquidity and stability
- [ICMA updates repo best practices to support post-trade efficiency](#) – ICMA's European Repo and Collateral Council (ERCC) published an updated version of the ERCC's Guide to Best Practice in the European Repo Market. The targeted updates were prepared jointly by the ERCC Operations Group and the ERCC's Guide Working Group and specifically aim at improving processes related to intraday liquidity management and settlement efficiency. Over the past months, the ERCC Operations Group has undertaken a detailed analysis of the various drivers and challenges around firms' intraday liquidity management and, closely related, the implications for settlement efficiency
- [ICMA Podcast: A buyside view, bond pricing distribution today](#) – ICMA's Liz Callaghan talks to Ricky Goddard, Head of trading at Schroders, about current bond pricing and axe distribution practices in the EU bond markets and the challenges that the market faces today. They discuss the importance of standardising axe information, which is the term commonly used to advertise buy or sell bond interests, the role of electronic & technology solutions in its distribution and the obstacles in achieving good quality and accurate bond pricing/axe data
- [ICMA Podcast: Monthly Market update, ICMA Asset Management & Investors Council](#) – Robert Parker, Chair of ICMA's Asset Management and Investors Council, reviews the market events of the past weeks, including the sharp increase of the 10-year US treasury yield, inflation expectations and the portfolio rotation this has triggered among investors
- [Sustainability-Linked Bonds: update on new guidance and market practice](#) – Webinar

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In the News

During the week, the Financial Times and Thomson Reuters published the following news that might be of interest to our readers.

Financial Times

- [Why are fossil fuel investors in the green for 2021?](#)

“So we have a consensus that there has to be a global transition to net zero carbon emissions by 2050, if not sooner. Supranational bodies, national governments, major corporations, NGOs and financial institutions have their differences in timing or the mix of solutions. So why have fossil fuel equities prices, broadly, been rising since the beginning of the year, and why are many clean energy equities performing weakly, or even declining in price?”

- [The fintechs trying to turn retail investors green](#)

“There are also still serious questions over the validity of data provided by so-called ESG funds, with no standardised measurement across the investment sector. What ESG even means remains utterly mysterious for most everyday investors looking to make their money do good while generating hefty returns. However, green fintech is beginning to catch up”

- [Webinar: Finding ESG value in real assets](#)

“Assets can be rated positively for one environmental, social and corporate governance (ESG) value, and negatively for another. So how can investors balance one attribute over another — and avoid falling for so-called greenwashing? Also, how difficult is it to measure ESG value and impact for real assets? What is the best way to start? How does real-asset investing fit in with the net-zero carbon emissions goals set by asset managers, to ensure that they are prioritising climate change? In this hour-long discussion, Attracta Mooney, investment correspondent, addresses these questions with a panel of experts at an event hosted by the Financial Times”

- [Hedge funds hit out at William Hill over disclosure around takeover](#)

“Two hedge funds have accused the board of William Hill of failing to disclose information about the bookmaker’s takeover by the casino group Caesars as they push for shareholders to have a second vote on the deal. GWM Asset Management and HBK Capital Management have written to the bookmaker’s board ahead of a court hearing to approve the deal on Wednesday. They argued that shareholders did not have enough information to approve William Hill’s £2.9bn takeover by Caesars when it was voted on in November”

- [Car repair specialist Belron borrows €2.2bn for dividend splurge](#)

“A global car windscreen repair company that sacked workers as it suffered from a sharp decline in business early in the pandemic borrowed just over €2.2bn across US and European loan markets this week to fund a bumper dividend to its owners. Belron, which owns repair companies around the world including Autoglass in the UK, will use slightly more than €850m of the proceeds from the split jurisdiction deal, along with €614m of cash on its balance sheet, to fund a €1.5bn payday for its owners: publicly traded D’Ieteren Group and private equity company Clayton, Dubilier & Rice. The rest of the loan will go towards refinancing the company’s existing debts”

- [PE groups raise more than \\$20bn from loan investors to fund dividends](#)

“Private equity groups including Ares and Golden Gate Capital have raised more than \$20bn in the US leveraged loan market through the companies they own to award themselves a bumper payday. The deals come as fears over rising inflation pushing interest rates higher have increased the allure of leveraged loans for investors”

- [Airlines raise debt at near-record pace at start of 2021](#)

“Airlines tapped a wave of investor enthusiasm to raise more than \$16bn from bond markets in the first quarter, shoring up their finances as travel disruption stretches into a second year. The figures highlight how the world’s biggest carriers have been able to raise a wall of money to help them through a period of unprecedented turmoil, with a third of the world’s fleet of commercial aircraft still in storage as passenger numbers collapse”

- [Europe’s ‘green and just’ transition starts with its recovery fund](#)

“In Europe, the first steps towards a sustainable future can start now. EU countries must submit their plans to access the union’s €673bn recovery and resilience facility — part of its Covid-19 fund — by the end of April. The European Commission will grade these plans based on their sustainability and environmental criteria and distribute funds accordingly. But these submissions to the commission represent only a portion of member states’ spending plans, the rest being covered by domestic budgeting. The full plans of three major economies — Germany, France and Spain — fall well short of what they should be aiming for: economic and social resilience against climate change, financial crashes and other calamities”

- [German court challenge to EU recovery fund could last months](#)

“Germany’s highest court is once again on a collision course with the EU. This time, Europe’s flagship economic policy response to the pandemic is at stake and legal experts say it could be tricky to find a quick solution”

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- [Spac boom fuels strongest start for global mergers and acquisitions since 1980](#)

“Global dealmaking activity had its strongest start to the year in four decades, fuelled by a flurry of US acquisitions and Spac mergers, even as the global economy reels from the impact of lockdowns and coronavirus restrictions. Deals worth \$1.3tn were agreed in the three months to March 30, more than any first quarter since at least 1980 and topping even the heady levels of the dotcom boom at the turn of the millennium”

- [The echoes of Enron in Greensill saga](#)

“It is 20 years since Enron collapsed. Yet the nature of the energy giant’s boom and bust has some striking echoes in the rise and fall of Lex Greensill”

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Thomson Reuters

- [UK launches loan scheme to help companies recover](#)
“Britain will on Tuesday launch a government-backed loan scheme to help companies access finance as the economy reopens from a strict lockdown, offering maximum loans of 10 million pounds (\$14 million). Finance minister Rishi Sunak said the loans, ranging from 25,001 pounds to 10 million, would replace existing COVID-19 programmes and be on top of a grant scheme that has been launched to help companies restart trading”
- [Greensill insurance mystery turns up the heat on Credit Suisse](#)
“Credit Suisse told investors the debt in its \$7.3 billion finance fund was low risk because it was insured but the bank failed to ensure the policies would pay out, two sources told Reuters”
- [France cuts economic growth forecast to 5% amid lockdown](#)
“The French economy will expand by 5% in 2021, Economy Minister Bruno Le Maire said in a newspaper interview, as a third lockdown to tackle the coronavirus pandemic has prompted a downward revision in the previous government forecast for 6% growth”
- [France, Brussels have agreed on Air France-KLM refinancing – minister](#)
“The French government has reached the outline of a deal with the European Commission on a state-backed refinancing package to help strengthen Air France-KLM’s balance sheet, Finance Minister Bruno Le Maire said”
- [BlackRock taps former Obama aide to lead sustainable investing](#)
“Top asset manager BlackRock Inc on Tuesday will name Paul Bodnar as Global Head of Sustainable Investing, a company spokesman said, bringing in an outsider to develop new products and to integrate environmental, social and governance factors into its investment process”
- [Archegos fallout wipes over \\$9 billion from market value of Credit Suisse, Nomura](#)
“Investors on Wednesday tallied the fallout from Archegos Capital’s dramatic meltdown, with Nomura and Credit Suisse shares losing a collective \$9 billion while heightened scrutiny of the hedge fund industry loomed”
- [American Airlines cuts debt by \\$2.8 billion](#)
“American Airlines said on Wednesday it had reduced its outstanding debt by \$2.8 billion after repaying loans under various revolving credit facilities”
- [Hitachi to buy U.S. software developer GlobalLogic for \\$9.6 billion](#)
“Hitachi Ltd said on Wednesday it will buy U.S. software company GlobalLogic Inc for \$9.6 billion, including repayment of debt, as the Japanese industrial conglomerate pivots from electronics hardware to digital services”
- [IMF to boost global outlook again, warns financial conditions uncertain](#)
“The International Monetary Fund will raise its forecast for global economic growth in 2021 and 2022 after last year’s 3.5% contraction, but financial conditions remain highly uncertain, IMF Managing Director Kristalina Georgieva said”

Regulators and Associations Monitored

1. FCA
2. BoE
3. The Pensions Regulator
4. FRC
5. ESMA
6. EBA
7. EIOPA
8. ESRB
9. ECB
10. European Commission
11. BCBS
12. Autorité des Marchés Financiers (AMF) of France
13. CSSF
14. FINMA
15. CBI
16. ICMA
17. IOSCO
18. FSB

Important Information:

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