



The YEAR IN REVIEW

AN ANNUAL SURVEY OF INTERNATIONAL LEGAL DEVELOPMENTS AND
PUBLICATION OF THE ABA INTERNATIONAL LAW SECTION

VOLUME 55 | 2021

International Legal Developments Year in Review: 2020

Introduction

JASON S. PALMER AND KIMBERLY Y. W. HOLST

Americas

Canada

Mexico

Asia/Pacific

China

South Asia/Oceania & India

Contracts, Transportation, Energy & Environment

Cross-Border Real Estate

International Contracts

International Energy and Natural
Resources

International M&A and Joint Ventures
International Transportation

Corporate & Supply Chain

International Anti-Money Laundering

International Antitrust

International Tax

Cyber, Art & Technology

International Art and Cultural Heritage

Life Sciences & Health Law

Dispute Resolution

International Arbitration

International Courts & Judicial Affairs

International Criminal Law

International Litigation

Diversity & Inclusion

Sexual Orientation and Gender Identity

Women's Interest Network

Europe/Eurasia/Middle East/Africa

Africa

Europe

Middle East

Finance

International Finance & Securities
Committee

Private International Law

Human Rights & Corporate Social Responsibility

Immigration and Naturalization

International Employment Law

International Family Law

International Human Rights

International Refugee Law

Legal Practice, Ethics & Delivery of Legal Services

International Section Ethics Committee

Trade, International Organizations & Regulatory Practices

Customs Law

Export Controls and Economic
Sanctions

International Animal Law

International Trade

National Security

**PUBLISHED IN COOPERATION WITH
SMU DEDMAN SCHOOL OF LAW**

Published in Cooperation with SMU Dedman School of Law

International M&A And Joint Ventures

RENATA ANTIQUERA, JASON SALTZMAN, SELENA LUCIEN,
FRANCISCO UGARTE, ALEJANDRA DAROCH, YU ZHENG,
YUEYUE LIAO, LU JIA, XIAO WANG, LUIGI PAVANELLO,
ANTON DZHUPLIN, ALEXANDER KLESCHEV, ANNA KUZNETSOVA,
ALBERT GARROFÉ, IDOYA FERNÁNDEZ, LOLA TEJERO,
TIMUR BONDARYEV, ANNA ZORYA, EDEM MENSITOV,
MARK HOWARD, AND GEOFFREY GOODALE*

This article summarizes important developments during 2020 in international mergers and acquisitions and joint ventures in Brazil, Canada, Chile, China, Italy, Russia, Spain, Ukraine, the United Kingdom, and the United States.

* Committee Editor — Anton Dzhuplin, a Partner at ALRUD Law Firm. Brazil — Renata Antiquera is a Partner at Pereira Pulici Sociedade de Advogados. Canada — Jason Saltzman is a Partner at Borden Ladner Gervais, where Selena Lucien is a Lawyer. Chile — Francisco Ugarte is a Partner at Carey, where Alejandra Daroch is an Associate. China — Yu ZHENG is a Partner at JunHe, where Yueyue LIAO is a Counsel, Lu JIA and Xiao WANG are Associates. Italy — Luigi Pavanello is a Partner at PLLC Legal. Russia — Alexander Kleshev is a Senior Associate at ALRUD and Anna Kuznetsova is a Senior Attorney. Spain — Albert Garrofé is a Partner at Cuatrecasas, where Idoya Fernández is a Counsel and Lola Tejero is a Senior Associate. Ukraine — Timur Bondaryev is a Managing Partner at Arzinger, where Anna Zorya is a Partner and Edem Mensitov is an Associate. United Kingdom — Mark Howard is a Partner at Charles Russell Speechlys. United States — Geoffrey Goodale is a Partner at Duane Morris.

III. Chile

Global pandemic and domestic political context have impacted M&A activity in Chile during 2020. M&A deals disclosed during January 1 and October 13 total one-hundred-fifty-three, a 25.37 percent decrease relative to the same period in 2019. The total aggregate value of USD \$3.1 billion represents a sixty-eight percent reduction relative to the same ten-month period last year.²⁵ But despite global and domestic challenges, during the first eight months of 2020, Chile received more than USD \$10 million in

24. See Dave McNary, *Cineworld Backs Away from \$2.1 Billion Deal for Canada's Cineplex*, VARIETY (June 12, 2020), <https://variety.com/2020/film/news/cineworld-calls-off-canada-cineplex-1234633543/>.

25. *Transactional Impact Monitor Special Report*, Transactional Track Record (October 15, 2020), <https://www.ttrecord.com/en/publications/market-reports/monthly-report-latin-america/Andean-Region-Transactional-Impact-Monitor-Vol-3/1994/>.

foreign direct investment, an eleven percent increase relative to the same period in 2019.²⁶

Government efforts and the legislative agenda in Chile during 2020 mainly focused on implementing emergency and support measures for small and medium enterprises (SMEs), protecting employment, raising investment, and facilitating credit.

A. TAX MEASURES

Law No. 21,225 exempted loans from stamp tax between April 1 and September 30, 2020,²⁷ while Law No. 21,256 approved the (1) temporary reduction of the Corporate Tax rate for taxpayers under the SME Regime of the Income Tax Law from twenty-five percent to ten percent, (2) refund of the excess of value-added tax (VAT) credit on the acquisition of goods or use of services in certain cases, and (3) extension of the instant depreciation mechanism for investments in fixed assets until December 31, 2022.²⁸

B. ECONOMIC STIMULUS MEASURES

The government increased the amount of the Guarantee Fund for SME (FOGAPE, its Spanish acronym) up to USD \$3 billion, enabling banks and financial institutions to grant leveraged loans in an amount of USD \$25 billion, which eased the conditions for SMEs to apply for these credits to finance working capital.²⁹

The Financial Market Commission (CMF, its Spanish acronym) adopted several interim measures to mitigate adverse economic effects and allow more flexibility in the financial system. Some of these measures include regulatory exceptions for bank provisions for consumer loans granted to SMEs and individuals related to (i) deferrals of up to three installments of mortgage loans and (ii) extensions of maturity dates for up to six months.

Further, to expedite the issuance of public debt, the CMF issued General Rule No. 443, which streamlines the registration of public offerings of bonds and notes by temporarily exempting issuers from filing certain financial and corporate documentation.³⁰

26. Press Release, October 8, 2020, *Agencia de Promoción de la Inversión Extranjera*, available at <https://investchile.gob.cl/foreign-investment-in-chile-up-by-11-in-first-eight-months-of-the-year/>.

27. Law No. 21,225, Apr. 2, 2020, D.O. (Chile).

28. Law No. 21,256, Sept. 2, 2020, D.O. (Chile).

29. Press Release, October 8, 2020, *Agencia de Promoción de la Inversión Extranjera*, available at <https://investchile.gob.cl/foreign-investment-in-chile-up-by-11-in-first-eight-months-of-the-year/>.

30. General Rule No. 443, June 15, 2020, *Comisión para el Mercado Financiero*, http://www.cmfchile.cl/normativa/ncg_443_2020.pdf.

Law No. 21, 276, published on October 19, 2020,³¹ introduced several changes to the financial market regulatory regime. Among other amendments, it (1) authorized insurance companies to invest in securities not registered with the CMF or securities with a rating below that previously required by the law, (2) established an automatic registration system for debt securities, and (3) reduced the advance notice period for announcing shareholders' meetings.³²

C. ANTITRUST MEASURES

In April 2020, the National Economic Prosecutor's Office (FNE, its Spanish acronym) issued a public statement regarding cooperation agreements between competitors.³³ Although the FNE stated that the pandemic situation does not exempt the compliance of the competition law, the FNE acknowledged that such agreements would be—in certain cases—an efficient tool to facilitate the supply of goods and provision of services to national consumers.³⁴ In connection with the above, the Competition Court published Decree No. 21/2020,³⁵ pursuant to which the Court ruled that during the state of catastrophe and in qualified cases, certain acts or agreements subject to a non-contentious consultation procedure—other than concentration operations—may be implemented by the parties while the Court's review is still pending. Such authorization specifically applies to acts or agreements that seek efficiencies that exceed anti-competitive risks and relate to goods or services that are indispensable to maintain the supply chain, the continuity of transportation services, or the delivery of medicines or medical supplies, among others.³⁶

31. Law No. 21,276, October 19, 2020, *Diario Oficial*, <https://www.bcn.cl/leychile/navegar?idNorma=1150716&idVersion=2020-10->.

32. *Id.*

33. Public Statement, *Fiscalía Nacional Económica*, available at <https://www.fne.gob.cl/wp-content/uploads/2020/04/Declaraci%C3%B3n-P%C3%BAblica-FNE-030420.pdf>.

34. Public Statement, *Fiscalía Nacional Económica*, available at <https://www.fne.gob.cl/wp-content/uploads/2020/04/Declaraci%C3%B3n-P%C3%BAblica-FNE-030420.pdf>.

35. Decree No. 21/2020, *Tribunal de Defensa de la Libre Competencia*, https://www.tdlc.cl/nuevo_tdlc/wp-content/uploads/2020/04/Auto-Acordado-21-2020.pdf.

36. *Id.*

THE INTERNATIONAL LAWYER
A TRIANNUAL PUBLICATION OF THE ABA/SECTION OF INTERNATIONAL LAW



AMERICAN **BAR** ASSOCIATION

International Law Section

AMERICAN BAR ASSOCIATION
321 N. CLARK STREET
CHICAGO, IL 60610

PUBLISHED IN COOPERATION WITH
SMU DEDMAN SCHOOL OF LAW