

21 July 2021

ESMA Publication of Prospectus Related Documentation

Updates to Prospectus Regulation Q&As

On 16 July 2021, the European Securities and Markets Authority (ESMA) has updated the *Questions and Answers on the Prospectus Regulation* with five additional Q&As.

These five new Q&As provide clarifications on the following matters:

1. Updating the information in a tripartite prospectus after an RD or URD has expired;
2. Including information from a new RD or URD in a tripartite prospectus;
3. Application of Article 1(6b) (reverse acquisition);
4. Application of Article 3(2);
5. Application of Level 3 guidance to EU Recovery Prospectuses.

The Q&As have been added to ESMA's [Prospectus Q&A document](#) which was initially published in March 2019 and last updated in May 2021.

Public Statement on Special Purpose Acquisition Companies ("SPACs")

Following a significant increase in SPAC activity in the first half of 2021, ESMA has issued a [Public Statement](#) in an effort to promote coordinated action by National Competent Authorities (NCAs) regarding the scrutiny of the disclosure included in prospectuses relating to SPACs, which are approved in accordance with Regulation (EU) 2017/11291 (Prospectus Regulation).

The Public Statement also draws attention to the importance of the proper application of the Directive 2014/65/EU (MiFID II) product governance requirements by manufacturers and distributors of SPAC shares and warrants given that the sound implementation of the existing rules and careful scrutiny of such products in firms' product approval processes is fundamental to investor protection.

While this Public Statement is addressed to NCAs, its content should be taken into account by issuers when drawing up prospectuses concerning SPACs and by manufacturers and distributors of SPAC shares and warrants.

Contacts

Should you have any queries regarding the above, please do not hesitate to contact us on listings@mfsa.mt.