Review of Legal and Regulatory Context in Asset Recycling

Full Description

Conducting due diligence with respect to the legal and regulatory context requires a review of the laws, regulations and policies affecting the Relevant Authority and the asset.

Areas covered may include:

- identification of relevant sector-based and general laws and regulations, including any regional regulations governing the asset's location.

- summaries of identified laws and regulations.

- identification and summary of any planned legal or regulatory changes (based on engagement with relevant stakeholders).

Legal and regulatory context typically places constraints on how the asset and related asset recycling transaction can be structured and implemented. Legal due diligence should identify these constraints and, in some cases, identify whether a change in regulation is required to facilitate the desired transaction.

The review of legal and regulatory context and legal due diligence should be carried out concurrently.

Note that, in some cases, resources regarding legal and regulatory context may have been prepared prior to the legal due diligence being commenced. This may need to be revisited, however, if significant time has passed since this review of the legal and regulatory context has been prepared, or major changes in law or regulation have occurred.

Useful Links

Legal Framework/ Enabling Environment Assessment for PPPs

Regulation of Sectors and Regulatory Issues Impacting PPPs

Legislation and Laws - General and Sector Specific

Constraints in the Law on Scope of PPP Projects

Related Content

Guidelines for Implementing Asset Recycling Transactions (Download PDF version) - Now Available!

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