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## **Asset Finance Legal Update**

### **March 2026**

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### CLIFFORD CHANCE BRIEFINGS



#### **Clifford Chance Comment: ISDA and EMTA publish the 2026 FX Definitions – what you need to know now**

The new 2026 FX Definitions were published by the International Swaps and Derivatives Association (ISDA) and the Emerging Markets Traders Association (EMTA) on 3 March 2026 and will be adopted as the market standard definitions for FX transactions from 22 November 2027. This interval is intended to provide market participants with sufficient time to update their systems and prepare for the transition.

Clifford Chance has prepared a briefing providing a high-level overview of the key features of the new definitions and considering what market participants need to know now, as they begin to assess the scope and timing of their implementation programmes.

Links:

- [ISDA and EMTA press release](#)
- [Clifford Chance briefing](#)

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#### **The EU Inc. proposal – how far does it really go**

On 18 March 2026, the European Commission proposed a new harmonised corporate legal form, the 'EU Inc.', intended to remove fragmentation in EU company law and make it significantly easier for innovative businesses to start, operate and scale across the European market.

Previous attempts to create an EU-wide company form (most notably the *Societas Europaea* (SE)) failed to gain broad traction due to their complexity and high entry thresholds. By contrast, the EU Inc. proposal – designed as an optional '28th regime' that sits alongside existing national company forms or the SE – combines fully digital procedures, 48-hour fast-track incorporation, no minimum capital, flexible governance and capital structures, and a pan-European alignment of employee stock option taxation, making it one of the most ambitious corporate law reforms in recent years.

The publication of the EU Inc. proposal starts negotiations between the European Commission, the European Parliament and the Council, and the draft Regulation will be amended as a result of those discussions. The Commission aims to reach an agreement

by the end of 2026 (with entry into force in 2027 or 2028) but given the wide-ranging impact it is likely that the new regime will not be available for use before 2029.

Clifford Chance has prepared a briefing outlining what the EU Inc. will look like based on the Commission's proposal and how it may affect legal structures in the European Tech and Private Capital sectors.

Links:

- [European Commission press release](#)
- [Clifford Chance briefing](#)

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### **UK Supreme Court confirms no state immunity from enforcement of ICSID awards**

On 12 March 2026, the UK Supreme Court unanimously held in *The Kingdom of Spain v Infrastructure Services Luxembourg S.À.R.L* and *Republic of Zimbabwe v Border Timbers Ltd* that States party to the ICSID Convention cannot rely on State immunity to resist the registration of ICSID awards in the United Kingdom.

The appeals concerned ICSID awards against Spain and Zimbabwe that had registered in England under the Arbitration (International Investment Disputes) Act 1966. Both States sought to set aside the registration orders on the grounds of State immunity but were unsuccessful before the High Court and, in a combined appeal, the Court of Appeal.

In a unanimous judgement, the UK Supreme Court dismissed the appeals and held that, by consenting to Article 54(1) of the ICSID Convention, each contracting State mutually agrees to the recognition and enforcement of awards against it in other contracting States, thereby waiving reliance on State immunity.

Clifford Chance has published a blog post on our International Arbitration Insights Blog summarising the key takeaways from the Supreme Court's decision.

Links:

- [Judgment](#)
- [Clifford Chance blog post](#)

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### **Reforms to the UK's National Security and Investment screening regime – the UK Government's final proposals**

The UK Government has published its response to the July 2025 consultation on proposed reforms to the National Security and Investment Act 2021 and the scope of the 17 sectors to which it explicitly applies. The Act is the UK's main instrument for

screening foreign direct investment, and includes a notification regime for investments within its ambit.

Clifford Chance has published a blog post on our Antitrust/FDI Insights Blog summarising the key takeaways from the Government's response.

Links:

- [UK Government consultation response](#)
- [Clifford Chance blog post](#)

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## LEGAL AND REGULATORY



### **Case summary: Celestial v UniCredit and Constitution v UniCredit Supreme Court decision**

On 25 March 2026, the Supreme Court handed down its decision in *UniCredit Bank GmbH, London Branch (Respondent) v Celestial Aviation Services Ltd (Appellant)* and *UniCredit Bank GmbH, London Branch (Respondent) v Constitution Aircraft Leasing (Ireland) 3 Ltd and another (Appellants)* [2026] UKSC 10 regarding whether the obligation of the London branch of a German bank to make payment to Irish beneficiary lessors under letters of credit issued in connection with operating leases of aircraft to Russian airlines by those lessors was prohibited by UK sanctions regulations imposed in response to Russia's invasion of Ukraine in February 2022.

Please contact your usual CC contact if you should like to discuss the decision.

Links:

[Supreme Court case summary](#)

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