

private equity funds' focus towards infrastructure, there are also real estate funds that are "looking for an advantage and who see Portugal as good for their portfolio". He adds that there has been an increase in interest from Australian and Canadian investors, and there have also been opportunities to advise "African-focused" private equity funds on deals. "There is also M&A work related to the financial and industrial sector in the pipeline," says Sousa Monteiro.

Benefits of global uncertainty

Caiado Guerreiro senior associate Jorge Ribeiro Mendonça says transactions in the real estate sector have been the "engine of the recovery". He adds: "Political stability is helping international investors, while Portugal's tax regime is also proving attractive." Meanwhile, CCA Ontier partner Domingos Cruz says deal flow has increased with technology sector deals with a value of €10m to €15m being a particular trend. He also says Portugal is benefitting from global uncertainty related to Brexit, US president Donald Trump, and the political situation in Catalonia. "Portugal is seen as a safe harbour, there is stability, and Portuguese bonds are no longer seen as garbage," says Cruz.

According to Antas da Cunha Ecija managing partner Fernando Antas da Cunha, hedge funds are targeting Portugal, while sale and leaseback deals are common in the real estate sector. In addition, Antas da Cunha says there are new players in the technology, media and telecommunications (TMT) sector. "Companies want to come to Portugal," he says.

The Portuguese market is evolving and there is an increasing number of 'secondary deals' – in which private equity firms buy assets from other private equity firms, says De Sousa Monteiro. "These tend to be quicker deals, where there is less pressure on fees – given the complexity, it can be quite stressful," he explains. Another partner remarks that clients are now prepared to pay higher fees, and that, two years ago, it would not have been

possible to charge the fees that are charged today.

Given that there are lots of bidders for some of the bigger assets in Portugal, there is a growing trend for clients to ask law firms to agree to 'abort fees', says Vieira de Almeida partner Paulo Trindade Costa. Another partner remarks that the legal fees charged by Portuguese firms are among the lowest in Europe. "Some clients talk to us as if our fees are high, but our fees are at the level of those in Poland, for example," he says. Lawyers also say that the billable hour is an increasingly outdated concept and that clients now require a range of different fee structures, including capped fees. However, in general, foreign clients are willing to pay

more for M&A advice.

Generally speaking, clients demand less day-to-day corporate legal advice compared to before the global crisis, though there are perhaps more clients now than there were two or three years ago, says Santos Vitor. He adds that technology is becoming more important for law firms. "Law firms are trying to use more technology, technology companies are increasingly approaching law firms to offer technology for due diligence and other purposes, though a lot of this technology is developed in English and the problem is that a very important part of our work is in Portuguese," says Santos Vitor. The issue with a lot of legal technology is that it needs to be adapted to the

What are the biggest challenges corporate/M&A lawyers currently face?

"Artificial Intelligence – it may impact on the M&A sector, particularly, on due diligence work where processes can be automated to increase time and cost efficiency. However, Artificial Intelligence cannot provide, so far at least, the added value and personal commitment that clients require." **Alberto Frasquet, partner, Herbert Smith Freehills**

"Clients see that the multidisciplinary approach to legal M&A (that is regulatory compliance, employment, M&A and tax) is not enough – clients demand that law firms understand their business and provide teams that include lawyers, data and tech experts, financial advisors and consultants." **Francisco Aldavero, partner, EY Abogados**

"Being familiar with the sector and, even better, having an in-depth knowledge of the client. As well as technical skills, having soft skills such as negotiation skills and sound judgement to advise the client." **Jordi Casas, partner, Osborne Clarke**

"Obviously, the unfortunate situation in Catalonia is having, and will continue to have, an impact on our work – there are also some potential foreign threats caused by political instability." **Carlos Llorente Gómez de Segura, partner, Lener**

"One is the current political situation in Catalonia. It is reasonable to think that foreign investment will have decreased significantly during October and that part of it won't be diverted to any other parts of Spain." **Álvaro Marco, corporate & M&A director, BDO Abogados**

"Digital disruption is and will be a challenge for every M&A lawyer, who must be ready for the changes that such disruption will bring. Tools to manage big volumes of information in an efficient and quick manner, and to increase lawyer profitability are gradually being implemented in our sector." **Joaquín Giráldez, senior lawyer, Broseta**

"Brexit continues to be a top worry and concern for companies that are waiting to see how it will affect markets and the global economy. In this context, legal advisers must propose strategies that are in the best interests of our clients." **Adolf Rousaud, managing partner, RCD – Rousaud Costas Duran**

