

BRINGING LEGAL COMFORT TO CLIENTS' INTERNATIONAL OPPORTUNITIES - SÉRVULO

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Lino Torgal

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The delay and cancellation of major Portuguese transport and infrastructure projects is helping to push the country's infrastructure and construction companies towards greater emphasis on projects outside of the country, bringing new challenges as well as opportunities, says Lino Torgal, Partner with leading Portuguese public law firm Sérvulo.

"Perhaps one positive outcome of the downturn is that a greater number of operators are now finding success in new markets, generating an increasing proportion of their revenues outside of Portugal. International expansion is acting as a balance to falling domestic revenues." He notes however that those companies enjoying the most evident success abroad are not engaging in opportunistic bids but taking a very considered approach to international growth, the types of projects they can genuinely capitalise on, and the markets with the prospect of producing

the highest investment returns.

"We see clients winning project tenders in Peru, Chile and Brazil, where there is already a degree of operational comfort, in some African countries, where there is a lot to do but an uncertain regulatory framework, and the US, where in many respects companies need to bring more than mere construction expertise. The leading operators are also bringing the legal mechanisms and project sponsors to actually get things done."

Different markets inevitably present clients with different issues, and require more than the translation of local idiosyncracies, insists Torgal. There is never a "one-size fits all" approach.

"Companies have to adapt to each opportunity and this means understanding the political and economic drivers behind proposals. Long before a bid is submitted clients have to understand the project scope, the risks and hazards that might emerge along the way. Regardless of where the project may be, the fundamentals always have to be understood."