

# CHANGES TO LABOUR AND COMPETITION LAWS IN PORTUGAL ATTRACTING CHINESE INVESTORS - RAPOSO BERNARDO

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**The economic crisis led to a raft of business-friendly economic policies being introduced in Portugal that have created new opportunities for foreign investors, including those from China, according to Joana Andrade Correia, partner at Raposo Bernardo in Lisbon.**

She adds that changes to labour and competition laws, in addition to a drive to increase privatisation, have facilitated the entry of new players and reduced the State's presence in the economy, creating new opportunities that Chinese investors are keen to exploit.

"By acquiring EDP, for example, Chinese investors gained immediate access to a wealth of experience in renewable energy and international business on several continents, while other major Chinese companies, such as Huawei and ZTE, are using Portugal as a platform to other markets," Andrade Correia says, adding that the Chinese banking sector is also very active in Portugal.

"I believe that growth in the Chinese economy may well be fading, but global investments by Chinese companies and investment funds are soaring to record levels year after year. As well as a manufacturer, China has also become one of the world's leading exporters of capital," she says. Andrade Correia attributes Portugal's attractiveness among Chinese investors to the fact that real

estate and company acquisitions are inexpensive and wages are below the EU average and unlikely to increase in the short-term. Meanwhile, high levels of public spending have created some of Europe's best infrastructure.

Chinese investors are eyeing the waste and insurance sectors in Portugal, while Portugal's largest insurer Caixa Seguros has become a potential acquisition target for Chinese conglomerate Fosun, she says.