

STRONG PARTNERSHIPS WITH LOCAL LAW FIRMS ARE VITAL FOR SUCCESS OF LATIN AMERICAN DEALS GOVERNED BY US LAW

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Spanish companies and financial institutions are pursuing projects throughout Latin America, with countries in Central America and the Caribbean generating interest despite their smaller size

While large cross-border M&A and finance transactions are often governed by US law, strong partnerships with local firms in the relevant jurisdictions are crucial for the success of deals in Latin America, says **Fernando C. Alonso** (pictured), **partner at Hunton Andrews Kurth LLP**.

Many sophisticated clients insist that cross-border contracts be subject to US law, especially with regard to finance-related matters, says Alonso. "This is because US law provides foreign investors with security," he explains. "If there is a dispute with the local partner but the relationship is governed under US law, you may avoid local risks and being at a disadvantage when a conflict arises in a jurisdiction where you are a foreigner."

Yet, even if US law is the applicable law, this does not mean it is not necessary to work alongside a local firm, says Alonso. "We have years of experience working with firms across Latin America, including both local and Spanish firms with offices in the relevant jurisdiction," he explains.

Hunton & Williams has traditionally had a strong focus on the energy and infrastructure sectors, and its recent merger with Andrews Kurth has strengthened the firm's position in these areas. "We have specialised in energy and infrastructure for many years, and our recent expansion allows us to extend our reach in these areas," says Alonso. "Our Latin America team has both increased in size and in the scope and range of expertise."

Alonso says investors from Spain have been active recently in the US. "Spanish investment is back in the US," he notes, "particularly in the infrastructure, energy and finance sectors." Spanish companies and financial institutions are also active pursuing projects throughout Latin America. Alonso adds: "As of late, countries in Central America and the Caribbean region have been attracting interest in spite of their smaller size, and have generated many opportunities for foreign investors, particularly in the construction and infrastructure development sectors."