

# THINKING BEYOND JUST PORTUGAL - ABREU ADVOGADOS

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## **Portugal has a long history of international trade, which has been particularly pertinent following the EU bailout, says Miguel Castro Pereira, Managing Partner of Abreu Advogados.**

This bailout has forced Portugal to sell stakes in state assets, generating great interest from new sources, he adds. “The privatisation programme attracted investors from places such as Brazil, Colombia, Spain and the UK to buy shares in national energy, telecoms and infrastructure assets.”

But the headline investors in Portugal, at present, have been from China, says Castro Pereira. For example, Three Gorges and the State Grid International of China’s recent purchase of stakes in EDP and REN-Redes Energeticas Nacionais respectively. “There is also a strong trend for Chinese investment in Angola and Mozambique,” he adds.

Macao is the predominant base through which China is promoting this investment, and it is acting as a ‘gateway’ to the Portuguese-speaking markets, says Castro Pereira. Having an influence in Macao, therefore, somewhere few Portuguese firms have looked at, is proving helpful. “Since earlier this year, we have been working in partnership with local law firm C&C Advogados,” he explains, “mainly providing assistance to these Chinese investors into Portugal and Portuguese-speaking countries”.

But the expectation is that this international angle could bring opportunities for Portuguese business investment into mainland China's domestic market. "As Portugal is facing a shortage of cash flow and the internal investment has stopped," says Castro Pereira, "trade with Asia is becoming increasingly important".

As their clients are taking full advantage of the Macao bridge between Asia and Portuguese-speaking countries, law firms will need to ensure they have a presence there to be a part of this new investment trend.