

Not all investors in Portugal deterred by political uncertainty - Vieira de Almeida



Investors that take a long-term, strategic approach to investment are less likely to be put off by potential increases in capital gains tax

While political changes in Portugal could potentially lead to increases in corporate tax that dampen companies' enthusiasm for investing in the country, investors taking a longer-term outlook may not be as nervous, says Vieira de Almeida partner Cláudia da Cruz Almeida.

"If there is instability or political movements that are detrimental to companies and investors – for example, if instability gives rise to an environment in which there might be increases in capital gains tax – that might make Portugal a 'no go' for a certain number of investors," she says.

However, da Cruz Almeida adds: "Investors who are sector players and who are looking for a more strategic and long term opportunities might not be as scared." She says there has been a significant number of foreign investors attracted to Portugal in the last 12 months and highlights the banking, insurance and energy sectors as areas in which there has been notable activity. In addition, there has also been considerable interest in the technology and life science sectors.

Da Cruz Almeida says the challenges faced by law firms in the current climate are no different from those faced by their clients. She continues: "Law firms are a business and a player in the economy. One big evolution is for law firms to regard themselves as a business and be business-minded, that is, to share clients' goals, concerns and expectations."

A major challenge shared by law firms and their clients is the attraction and retention of the best talent, da Cruz Almeida says. "Law firms have as much trouble retaining talent as companies, so law firms have to be as imaginative as companies in their approaches to retaining talent," she adds.

Da Cruz Almeida believes retaining the latest generation of lawyers is difficult because the days of "double-digit" growth have gone and younger lawyers are now "much more focused on having an enjoyable and pleasurable life rather than working long hours".

