

NEW INVESTMENT AGREEMENTS IN BRAZIL CREATING OPPORTUNITIES - WILMERHALE

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CFIAs in Brazil will lead to transactional, compliance and ADR work for law firms – meanwhile, reforms in financial regulation in Mexico are also fuelling demand for legal advice

Brazil's position as the largest recipient of foreign direct investment in Latin America, coupled with the country's recent signing of cooperation and facilitation investment agreements (CFIAs), means there will be interesting opportunities for law firms, according to WilmerHale partner Gary Born. Born adds that the CFIAs will give law firms the opportunity to advise on "transactional work, compliance and alternative dispute resolution mechanisms" that arise as a result of these agreements. Meanwhile, and despite the country's ongoing issues with Petrobras, infrastructure projects, mining, and the development of offshore oil reserves are continuing to attract significant foreign investment, according to the firm's senior associate Victoria Narancio. "The uptick of work in those sectors is noticeable," she says.

At the same time, the Petrobras corruption investigation could result in more work for law firms that specialise in investigations and anti-corruption, according to Narancio. She adds that US public corporations that have dealt with Petrobras might be subject to government investigations under the Foreign Corrupt Practices Act. "These matters are already keeping major law firms busy," she says. The Mexican market also offers a considerable number of opportunities, according to Narancio. Specifically, she highlights recent reforms in financial regulation, taxation, antitrust, energy and telecommunications. Narancio says the reforms are likely to create opportunities in M&A, capital markets, anti-corruption, international arbitration and litigation.

Law firms looking to win business in Latin America need to think carefully about their strategy, according to Born. "It is critical for law firms to understand how they can best assist Latin American clients," he says. "This could be done by focusing in one or two areas – that's a great way to enter the market, as a leader in dispute resolution, or FCPA compliance, for example."