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# LEGAL MATTERS

IN-DEPTH ANALYSIS OF THE NEWS AND NEWSMAKERS THAT SHAPE  
EUROPE'S EMERGING LEGAL MARKETS



Guest Editorial: Re-Shaping the Legal Landscape to Clients' Needs – Truth or Fantasy? ■ Across the Wire: Deals And Cases  
New Homes and Friends: On the Move ■ The Buzz ■ The Debrief: August, 2024 ■ The Digital Euro: A Look at CBDCs in Europe  
Looking In: Marc van Campen of Van Campen Liem ■ The Corner Office: Legal Tech (to the Rescue)

Bridging Academia and Practice: Summer Internship Programs ■ Inside Track: Summer Recharge ■ Market Spotlight: Greece  
Charting Greece's Comeback Story ■ Inside Insight: Stathis Mihos of Pfizer ■ Market Snapshot: Greece

Know Your Lawyer: George Zohios of AKL Law Firm ■ Market Spotlight: Slovenia ■ Slovenia's Investment Hotspot: The Western Balkans  
SLO(w) to Expand: Slovenian Firms' Regional Footprint ■ Inside Insight: Mojca Logar of Petrol Group ■ Market Snapshot: Slovenia  
Experts Review: Life Sciences

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**Letters to the Editors:**

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# GUEST EDITORIAL: RE-SHAPING THE LEGAL LANDSCAPE TO CLIENTS' NEEDS – TRUTH OR FANTASY?

By Petr Zatopek, Managing Director, Alpekr



Over the past five years, I have had the privilege of serving as a legal manager for clients across diverse industries, providing me with a unique perspective on the evolution of legal technology and the broader digital transformation within the legal sector. While it is true that the legal profession tends to be a late adopter of new technologies due to its inherent conservatism, I see a significant and positive shift in recent years.

## Adoption of Legal Project Management

Legal Project Management (LPM) is gaining traction as law firms and bigger corporations with legal departments in CEE seek to improve the delivery of legal services. LPM involves the application of project management principles to legal cases, ensuring that projects are completed on time, within budget, and to the satisfaction of clients (including internal ones).

## Outsourcing Routine Legal Tasks and Nearshoring to CEE

Legal Process Outsourcing (LPO) is becoming a common practice in CEE. Routine legal tasks such as document review, legal research, and compliance monitoring are being outsourced to specialized service providers. This helps firms reduce costs, improve efficiency, and focus on high-value tasks.

The CEE region itself is emerging as a hub for nearshoring legal services. Western European and North American law firms are increasingly outsourcing legal work to CEE countries due to their skilled workforce, cost advantages, and geographical proximity. This trend is driving growth in the legal services market and fostering the development of specialized LPO firms in the region. It is not uncommon for European headquarters to utilize, for instance, a Czech law firm to streamline and distribute their legal requests across various countries in Europe.

## Focus on Client-Centric Services

Law firms are increasingly adopting client-centric approaches, emphasizing the importance of understanding client needs and providing tailored solutions. This shift is driven by the competitive legal market and the demand for high-quality, responsive legal services. Firms are leveraging technology to enhance client communication, offer real-time updates, and deliver value-added services. This approach goes hand in hand with LPM and LPO.

## Remote Work Technologies, AI, and Document Automation

The COVID-19 pandemic has accelerated the adoption of remote work technologies within the legal sector. Law firms in CEE have embraced video conferencing, cloud-based document management systems, and collaborative tools to facilitate seamless remote work. This transition also led to the emergence of virtual law firms operating exclusively online, offering flexible and cost-effective legal services. I wonder if clients will eventually shift to using legal services online, much like they have transitioned to buying clothes, groceries, or even cars online. This change could potentially challenge current giants in the legal market by significantly reducing costs.

AI and machine learning technologies are being increasingly integrated into legal practice. Legal tech startups in CEE are developing AI-driven tools for contract analysis, legal research, and predictive analytics that help law firms and corporate legal departments automate routine tasks and make data-driven decisions. These technologies significantly enhance efficiency, accuracy, and cost-effectiveness. AI tools streamline contract review, expedite data mining, and predict litigation outcomes, enabling data-driven decision-making but challenges like data privacy, security, and integration with existing systems need careful management.

Document automation tools are changing the drafting and management of legal documents. By automating repetitive and time-consuming tasks, these tools enable lawyers to focus on more complex and strategic aspects of their work. This trend is particularly noticeable in transactional law, where standardized documents can be generated quickly and accurately. It is encouraging that law firms are embracing this trend, actively investing in this area, and developing or supporting such legal platforms and solutions.

## GDPR and Cybersecurity

In the aftermath of the *General Data Protection Regulation* (GDPR), data protection has emerged as a paramount concern among legal professionals throughout CEE. Law firms and enterprises are committing substantial resources to implement strict cybersecurity measures, ensuring GDPR compliance and safeguarding confidential client data. This proactive strategy includes adopting state-of-the-art encryption technologies, secure communication channels, and conducting regular audits of data protection practices. On the other hand, the GDPR and the stringent data protection legislation in CEE are currently hindering the rapid integration of new technologies and posing significant challenges for technology startups aiming to penetrate the market.

Cyber-attacks are a persistent threat annually impacting businesses. It is no wonder that companies invest significant resources in training their personnel and carefully selecting vendors who meet high cybersecurity standards. I personally appreciate the growing collaboration between legal departments and IT within corporations to establish robust policies aimed at preventing cyber-attacks as a positive outcome. Such close cooperation is increasingly essential across various business areas within corporations.

## Conclusion

The legal technological and management trends in CEE are driving significant improvements in the delivery and management of legal services. The adoption of digital technologies, the rise of legal tech startups, the emphasis on cybersecurity, and the implementation of modern management practices are reshaping the legal landscape. These trends are enhancing efficiency, reducing costs, and improving access to government, positioning CEE as a dynamic and innovative legal market. As these trends continue to evolve, they will undoubtedly play a crucial role in the ongoing transformation of the legal sector in CEE. ●



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# TABLE OF CONTENTS

<b>3</b>	<b>Guest Editorial: Re-Shaping the Legal Landscape to Clients' Needs – Truth or Fantasy?</b>
<b>6</b>	<b>Across the Wire: Deals And Cases</b>
<b>12</b>	<b>New Homes and Friends: On the Move</b>
<b>16</b>	<b>The Buzz</b>
16	Picking the Right Pill in Romania: A Buzz Interview with Dan Minoiu of Musat & Asociatii
18	Slovenia's Digitalizing, Striking, and Powering Through: A Buzz Interview with Maja Subic of Senica & Partners
19	A Pivotal EU Point for Montenegro: A Buzz Interview with Luka Popovic of BDK Advokati
20	The Struggles and the Opportunities in Austria: A Buzz Interview with Florian Kranebitter of Fellner Wratzfeld & Partner
21	North Macedonia Is Slowly Waking Up from Post-Election Haze: A Buzz Interview with Ivan Mishev of Papazoski and Mishev Law Firm
22	Bosnia and Herzegovina Rides the Crypto Wave: A Buzz Interview with Sanja Djukic of Sajic
23	Poland is Looking Forward to a Busy Autumn: A Buzz Interview with Marcin Schulz of Linklaters
<b>24</b>	<b>The Debrief: August, 2024</b>
<b>26</b>	<b>The Digital Euro: A Look at CBDCs in Europe</b>
<b>28</b>	<b>Looking In: Marc van Campen of Van Campen Liem</b>
<b>30</b>	<b>The Corner Office: Legal Tech (to the Rescue)</b>
<b>32</b>	<b>Bridging Academia and Practice: Summer Internship Programs</b>
<b>33</b>	<b>Inside Track: Summer Recharge</b>
<b>34</b>	<b>Market Spotlight: Greece</b>
<b>36</b>	<b>Charting Greece's Comeback Story</b>
<b>38</b>	<b>Inside Insight: Stathis Mihos of Pfizer</b>
<b>40</b>	<b>Market Snapshot: Greece</b>
40	Navigating the Corporate and M&A Landscape in Greece: ESG Due Diligence in Focus for Sustainable Deal-Making
41	The Energy Market in Greece: Legislative Developments and Challenges
43	Navigating the Revival: The New Era of Real Estate Law in Greece
<b>44</b>	<b>Know Your Lawyer: George Zohios of AKL Law Firm</b>
<b>46</b>	<b>Market Spotlight: Slovenia</b>
<b>48</b>	<b>Slovenia's Investment Hotspot: The Western Balkans</b>
<b>50</b>	<b>SLO(w) to Expand: Slovenian Firms' Regional Footprint</b>
<b>52</b>	<b>Inside Insight: Mojca Logar of Petrol Group</b>
<b>55</b>	<b>Market Snapshot: Slovenia</b>
55	A Promising Future for PE and VC Funding in Slovenia
56	Current Trends and Challenges in Slovenia's Real Estate Market
57	Will New Slovenian Legislation Finally Provide Effective Judicial Protection to Former Holders of Qualified Liabilities of Banks?
<b>58</b>	<b>Experts Review: Life Sciences</b>

# ACROSS THE WIRE: DEALS AND CASES

Date	Firms Involved	Deal/Litigation	Deal Value	Country
17-Jun	Herbst Kinsky; Legance; Schoenherr; Ypog	Schoenherr, working with Legance and Ypog, advised Verdane on its investment in Fiskaly. Herbst Kinsky advised Fiskaly.	N/A	Austria
18-Jun	CCA Law Firm; Herbst Kinsky; Schoenherr; Wenger Vieli	Schoenherr, working with Wenger Vieli and CCA Law Firm, advised Ascent Group on the acquisition of Parkside Informationstechnologie, with subsidiaries in Switzerland and Portugal. Herbst Kinsky advised the sellers.	N/A	Austria
19-Jun	Cerha Hempel; Linklaters; Taylor Wessing	Cerha Hempel, working with Linklaters, advised Hamburger Hafen und Logistik on its acquisition of Roland Spedition. Taylor Wessing reportedly advised the sellers.	N/A	Austria
21-Jun	Freshfields; Schoenherr	Schoenherr advised the B&C Group on the sale of a 15% stake in Lenzing to Suzano and on the establishment of a long-term shareholder syndicate. Freshfields advised Suzano.	EUR 230 million	Austria
21-Jun	Schoenherr	Schoenherr, working with Ashurst, advised Ergo Vorsorge Lebensversicherung and DKV Deutsche Krankenversicherung on the EUR 90 million refinancing for Vantage Group's rental housing portfolio in Poland.	EUR 90 million	Austria
24-Jun	EY Law	EY Law advised Rohto on its acquisition of the Austrian Sigmapharm/MoNo chem-pharm group.	EUR 30 million	Austria
26-Jun	BPV Huegel; Thurnher Wittwer Pfefferkorn & Partner	BPV Huegel advised Zentrasport Austria on the sale of its operating business to ANWR Sports. Thurnher Wittwer Pfefferkorn & Partner reportedly advised the sellers.	N/A	Austria
26-Jun	CMS; Noerr	CMS advised Alpa Group on its acquisition of Heinlein Plastik-Technik. Noerr reportedly advised Heinlein Plastik-Technik.	N/A	Austria
27-Jun	Wolf Theiss	Wolf Theiss advised Bulgarian-American Credit Bank on its issuance and listing of EUR 15 million 8.00% 2024-2034 subordinated tier 2 notes.	EUR 15 million	Austria
27-Jun	Brandl Talos	Brandl Talos, working with Cooley, advised Tipico Group on the sale of its U.S. sportsbook and online casino platform to the LeoVegas Group. Wilson Sonsini Goodrich & Rosati reportedly advised the sellers.	N/A	Austria
02-Jul	CMS; Schoenherr	Schoenherr advised the Schwarzmuller Group on a partnership with the Krone Group. CMS advised the Krone Group.	N/A	Austria
02-Jul	AWZ; Eisenberger & Herzog; Latham & Watkins	E+H, working with Latham & Watkins, advised Nexspace on entering the Austrian market via the acquisition of data centers from COOLtec. AWZ advised COOLtec.	N/A	Austria
10-Jul	Binder Groesswang; Chiomenti Studio Legale; Gernandt & Danielsson	Binder Groesswang, working with Gernandt & Danielsson and Chiomenti, advised Nordstjernan and Etac on its acquisition of Klaxon Mobility.	N/A	Austria
10-Jul	Binder Groesswang; Schoenherr	Schoenherr advised Liechtensteinische Landesbank on the acquisition of Zuercher Kantonalbank Oesterreich with offices in Vienna and Salzburg. Binder Groesswang advised Zuercher Kantonalbank.	N/A	Austria
10-Jul	Cerha Hempel	Cerha Hempel advised the RWTUV Group on its investment in ISN – Innovation Network Service.	N/A	Austria
10-Jul	CMS; Eisenberger & Herzog	CMS advised Neveon on a joint venture with Brantner Green Solutions. E+H reportedly advised Brantner.	N/A	Austria
11-Jul	Puschner Spornbauer Rosenauer; Wolf Theiss	Wolf Theiss advised Bob W on its entry into the Austrian market via a long-term lease agreement with Viennese developer Peter Pilz & Partner Projektentwicklungs, reportedly advised by Puschner Spornbauer Rosenauer.	N/A	Austria
18-Jun	Eisenberger & Herzog; Grant Thornton; Wardynski & Partners	Wardynski & Partners, working alongside E+H, advised Coveris Group, backed by Sun Capital Partners on the acquisition of HadePol Flexo. Grant Thornton reportedly advised the sellers.	N/A	Austria; Poland
15-Jul	CMS	CMS advised Austria-based Rail Cargo Group on creating a joint venture with Serbia-based Transfera.	N/A	Austria; Poland; Serbia
26-Jun	Dorda; Heuking Kuhn Luer Wojtek; Nestor Nestor Diculescu Kingston Petersen; Wenger Vieli	Nestor Nestor Diculescu Kingston Petersen and Dorda, working with Heuking and Wenger Vieli, advised Inner Mongolia Mengtai Group on the acquisition of the Alu Menziken Group from Montana Aerospace.	N/A	Austria; Romania
10-Jul	Fellner Wratzfeld & Partner; Gecic Law; Giliberti Triscornia e Associati; Pedersoli Studio Legale; Von Wobeser y Sierra	Gecic Law, working with Fellner Wratzfeld & Partner, Von Wobeser y Sierra, and Pedersoli Gattai, advised Remus Holding on the acquisition of a controlling stake in GLM from Star Capital Sgr. Giliberti Triscornia e Associati reportedly advised Star Capital.	N/A	Austria; Serbia

Date	Firms Involved	Deal/Litigation	Deal Value	Country
27-Jun	Eversheds Sutherland	Eversheds Sutherland Bulgarian member firm Tsvetkova Bebov & Partners advised on TBI Bank's EUR 20 million issuance of MREL notes.	EUR 20 million	Bulgaria
27-Jun	Dimitrov Petrov & Co.; Schoenherr	Dimitrov, Petrov & Co advised Electrawinds Bulgaria on the sale of a 70-megawatt photovoltaic project near the town of Montana, Bulgaria, to an SPV of Mytilineos. Schoenherr reportedly advised Mytilineos.	N/A	Bulgaria
27-Jun	Schoenherr	Schoenherr advised CloudM Software Limited on its acquisition of Bulgarian software development company BeLean from Nikolay Radoslavov Mitev.	N/A	Bulgaria
04-Jul	Djingov, Gouginski, Kyutchukov & Velichkov; Karastoyanov, Mitkov & Associates; PwC Legal; Shopova, Kolarova & Partners	Djingov Gouginski Kyutchukov & Velichkov advised Bianor Holding on its acquisition of Digital Lights and Prime Holding. Karastoyanov, Mitkov & Associates advised the seller of Digital Lights Dimitar Dimitrov. Shopova, Kolarova & Partners advised Prime Holding's sellers Noratex and minority shareholders.	N/A	Bulgaria
09-Jul	Novel Law; Schoenherr; Yankulov & Associates	Yankulov & Associates advised Stanislav Gochev on an investment from Adarna Invest for WPP Gorichane that also saw the exit of Valentin Ivanov. Reportedly, Schoenherr advised Adarna Invest and Novel Law advised Valentin Ivanov.	N/A	Bulgaria
19-Jun	Vukmir & Associates	Vukmir & Associates advised the Croatian National Bank on the project to design and build its new Moneterra informational-educational center in Zagreb.	N/A	Croatia
27-Jun	White & Case	White & Case advised Energean on its divestment of its Egypt, Italy, and Croatia exploration and production assets to an entity controlled by Carlyle International Energy Partners for an enterprise value of up to USD 945 million.	USD 945 million	Croatia
28-Jun	Lovric Novokmet & Partners; Schoenherr	Lovric, Novokmet & Partners advised Entrio on a EUR 9 Million investment from Invera Equity Partners. Schoenherr advised the fund.	N/A	Croatia
10-Jul	Allen Overy Shearman Sterling; BDK Advokati; Divjak Topic Bahtijarevic & Krka; RTPR; Rutgers & Posch; Schoenherr; Selih & Partners	Schoenherr, working with Rutgers & Posch, advised the shareholders of Resalta on the disposal of a controlling stake in Resalta BV Netherlands, including its Slovenian, Croatian, Serbian, Romanian, and Czech Republic subsidiaries, to Aggreko. A&O Shearman reportedly advised Aggreko.	N/A	Croatia; Czech Republic; Romania; Serbia; Slovenia
18-Jun	Kocian Solc Balastik	Kocian Solc Balastik successfully represented REMA before the European Commission regarding a complaint to investigate whether the Czech Republic, acting through the Ministry of the Environment, violated its obligations under EU law by creating an anti-competitive environment in the packaging sector in favor of EKO-KOM.	N/A	Czech Republic
18-Jun	BBH	BBH, working with Seitz, advised 11teamsports on buying out its joint venture partner and obtaining full ownership of Top4Sport.	N/A	Czech Republic
19-Jun	Advant Beiten; BPV Braun Partners; Kellerhals Carrard	BPV Braun Partners, working with Kellerhals Carrard and Advant Beiten, advised Helanis on its acquisition of the Schaltag Group – including Schaltag in Switzerland and the Czech Republic – and Pavis Engineering in Germany and Spain.	N/A	Czech Republic
21-Jun	Dentons	Dentons advised a syndicate of banks that included Bank of China, Deutsche Bank, Erste Group, HSBC, Raiffeisen Bank International, and UniCredit as joint bookrunners in CEZ's EUR 750 million sustainability-linked bond issue.	EUR 750 million	Czech Republic
27-Jun	Allen Overy Shearman Sterling; White & Case	A&O Shearman advised joint lead managers Ceska Sportelna, Komerčni Banka, and UniCredit Bank Czech Republic and Slovakia on Ceske Drahy's issuance of senior unsecured notes. White & Case advised Ceske Drahy.	CZK 8 billion	Czech Republic
27-Jun	Clifford Chance	Clifford Chance advised Finep on the divestment of a part of Nova Elektra to AFI Europe.	N/A	Czech Republic
27-Jun	Allen Overy Shearman Sterling; Clifford Chance	Clifford Chance advised KKCG on a commercial bond issuance totaling up to CZK 10 billion for retail investors. A&O Shearman advised the banks: J&T, PPF Banka, Ceska Sportelna, and Komerčni Banka.	CZK 10 billion	Czech Republic
02-Jul	Clifford Chance	Clifford Chance advised PPF Banka on financing Crestyl's development of Zamecke Zahrady III and 33 residential homes.	N/A	Czech Republic
02-Jul	Kinstellar	Kinstellar advised Edwards Lifesciences on data protection legal matters via a secondment arrangement.	N/A	Czech Republic
02-Jul	Dunovska & Partners; Kocian Solc Balastik	Kocian Solc Balastik advised Dagmar Havlova on the entry of BTL Healthcare Technologies as a new investor into Lucerna Palace. Dunovska & Partners reportedly advised BTL.	N/A	Czech Republic
02-Jul	Havel & Partners; Wilsons	Havel & Partners advised the Sekyra Group on its sale of land plots in the Smichov city district of Prague to an SPV of Ceska Sportelna. Wilsons reportedly advised Ceska Sportelna.	N/A	Czech Republic
05-Jul	Havel & Partners	Havel & Partners advised MTX Group on the development and construction of a solar and wind power project in Andalusia, Spain, developed by Aquila Capital.	N/A	Czech Republic
09-Jul	Clifford Chance; Havel & Partners	Clifford Chance advised the real estate investor Patria investicni Spolecnost on its acquisition of shares in part of the Panattoni Park Chomutov North production hub from RSJ Investments investicni Spolecnost. Havel & Partners reportedly advised RSJ.	N/A	Czech Republic
09-Jul	Eversheds Sutherland	Eversheds Sutherland advised Plath Corporation on the acquisition of a minority interest in Primoco.	N/A	Czech Republic

Date	Firms Involved	Deal/Litigation	Deal Value	Country
09-Jul	CMS; Horakova Legal; KLB Legal; Perkins Cole; Pierstone; Schoenherr	CMS advised the EBRD, Partech, and Quadrille Capital on Rohlik Group's USD 170 million Series D1 round that also saw Sofina, Vitavest, Index Ventures, Waltman, EMEH, DTSG, All-Star Holding, and Rohlik.cz Investment participate. Pierstone advised Index Ventures. KLB Legal advised All-Star Holding. Reportedly, Perkins Cole advised the Rohlik Group, Horakova Legal advised EMEH, and Schoenherr advised DTSG.	USD 170 million	Czech Republic
10-Jul	Kinstellar	Kinstellar advised CSOB on financing a portfolio of rooftop solar power plants for CPI Property Group in the Czech Republic via a green loan.	N/A	Czech Republic
10-Jul	DLA Piper	DLA Piper advised Komerční Banka on the sale of its subsidiary which owns the building at Vaclavske Namesti 42 to the City of Prague for more than CZK 3.3 billion (approximately EUR 131 million).	EUR 131 million	Czech Republic
15-Jul	Allen Overy Shearman Sterling; Dentons; DLA Piper; Milbank	Dentons advised CPI Property Group and its subsidiaries CPI FIM SA and Czech Property Investments on a partnership agreement to sell a 49% common equity stake in CPI Project Invest and Finance to funds managed by Sona Asset Management for EUR 250 million. A&O Sherman and, reportedly, Milbank advised Sona Asset Management. DLA Piper reportedly advised Aareal Bank on the deal.	EUR 250 million	Czech Republic; Hungary; Poland
17-Jun	Cobalt	Cobalt advised Balti Autoosad on its acquisition of Automeister.	N/A	Estonia
26-Jun	Ellex (Raidla)	Ellex advised Specialist VC as the lead investor on the EUR 1.75 million seed round for Estonian medtech company Nanordica Medical, with Superangel and Amalfi also participating.	EUR 1.75 Million	Estonia
26-Jun	TGS Baltic	TGS Baltic successfully represented the subsidiaries of Port of Tallinn before the Supreme Court in a case involving alleged use of business secrets.	EUR 23.8 million	Estonia
28-Jun	TGS Baltic	TGS Baltic successfully represented Tallinn University of Technology before the Supreme Court of Estonia in a dispute against AS Tallinna Vesi concerning water prices.	N/A	Estonia
02-Jul	Cobalt	Cobalt advised C.D Holding Internationale on its acquisition of Stebby from Livonia Partners.	N/A	Estonia
02-Jul	Walless	Walless advised Harju KEK on the divestment of its subsidiary's AS Entek district heating network in Keila Toostuspark to Utilitas Eesti.	N/A	Estonia
04-Jul	TGS Baltic; Widen	TGS Baltic advised Rulonas on its acquisition of IMS Baltic companies from Metal Service Group Holding. Widen Legal reportedly advised the sellers.	N/A	Estonia; Latvia; Lithuania
18-Jun	Lambadarios Law Firm	Lambadarios advised Hines on the submission and successful approval of the EUR 200 million Apollo Hills project in the Athens Riviera as a strategic investment.	EUR 200 million	Greece
19-Jun	Dryllarakis & Associates; Lambadarios Law Firm	Lambadarios advised Brook Lane Capital on their joint venture with Hellinikon, a Lamda Development subsidiary, to develop a mixed-use tower in the Hellinikon region. Dryllarakis & Associates advised Lamda.	EUR 200 million	Greece
24-Jun	Bernitsas; Latham & Watkins; Potamitis Vekris; Reed Smith; Simmons & Simmons	Bernitsas, working with Simmons & Simmons and Latham & Watkins, advised Abu Dhabi Future Energy Company (Masdar) on an agreement with Gek Terna and other shareholders to acquire Terna Energy. Reed Smith and Potamitis Vekris advised Gek Terna Group.	EUR 2.4 billion	Greece
24-Jun	Papapolitis & Papapolitis	Papapolitis & Papapolitis advised Dukes Education on its expansion into the Greek Market with the acquisition of the International School of Athens.	N/A	Greece
26-Jun	Your Legal Partners	Your Legal Partners advised Autohellas on its partnership with XPeng.	N/A	Greece
27-Jun	Koutalidis	Koutalidis advised Alpha Services and Holdings on its EUR 500 million issuance of tier 2 notes due 2034 under its EUR 15 billion medium-term note program.	EUR 500 million	Greece
10-Jul	Bernitsas	Bernitsas advised BMW Hellas Trade of Cars SA on the successful spin-off of its vehicles leasing sector.	N/A	Greece
10-Jul	Bernitsas; Linklaters	Bernitsas, working with Linklaters, advised Cerberus on the acquisition and financing of a EUR 1 billion asset from Intrum.	EUR 1 billion	Greece
10-Jul	Zepos & Yannopoulos	Zepos & Yannopoulos advised UCI Greece Credit and Loans Receivables Servicing Company on the renewal of the company's operating license by the Bank of Greece.	N/A	Greece
09-Jul	Oppenheim	Oppenheim advised Audi Hungaria on the tendering procedures, negotiations, and EPC and PPA agreements related to its photovoltaic power sources.	N/A	Hungary
12-Jul	Jalsovsky; Wolf Theiss	Wolf Theiss advised the owners of Kecskemeti Konzerv on the sale of the company to Granit Group's subsidiary Agrar-Finance. Jalsovsky advised Granit Group.	N/A	Hungary
02-Jul	DLA Piper; Ellex (Klavins); TGS Baltic	Ellex, working with DLA Piper, advised NORD/LB on the construction bridge financing for a Baltic Biorefinery Group-developed PV project in Latvia with Green Genius as the sponsor. TGS Baltic advised Green Genius and Baltic Biorefinery.	N/A	Latvia
10-Jul	TGS Baltic	TGS Baltic advised Orac Holding on its acquisition of SIA Agency More Than from Dzintars Pauzers.	N/A	Latvia
21-Jun	Cobalt	Cobalt advised IISUTIB Raft Capital Baltic Equity Fund on raising EUR 50 million in investments.	EUR 50 million	Lithuania
10-Jul	Walless	Walless successfully represented Elektrum Lietuva before the Supreme Court of Lithuania.	EUR 3 million	Lithuania
27-Jun	JPM & Partners	JPM Partners successfully represented photographer Stevo Vasiljevic before the Court of Appeals of Montenegro in a case against NGO Radio Skala concerning a violation of copyright rights.	N/A	Montenegro
17-Jun	Dentons; Hogan Lovells	Dentons and Hogan Lovells advised Patrizia on the sale of the R34 office building in Warsaw to A&A Majsterek Holding.	N/A	Poland
17-Jun	CK Legal	CK Legal Chabaszewicz Kowalska advised PCC Exol on the issuance of series D1 bonds with a total nominal value of PLN 20 million.	PLN 20 million	Poland



Date	Firms Involved	Deal/Litigation	Deal Value	Country
17-Jun	Wolf Theiss	Wolf Theiss advised the German bank NORD/LB on financing [the purchase of the Format office building in Gdansk by Greenstone Format](https://ceelegalmatters.com/poland/26573-greenberg-traurig-and-legalkraft-advise-on-torus-sale-of-format-office-building).	EUR 46 million	Poland
17-Jun	Houthoff; Slazak, Zapior i Partnerzy; Soltysinski Kawecki & Szlezak	Soltysinski, Kawecki & Szlezak, working with Houthoff, advised DataExpert on the acquisition of Polish companies Media and Safesqr. Slazak, Zapior and Partners reportedly advised the sellers: Sebastian Malych, Przemyslaw Krejza, Tomasz Tatar, Pawel Kulpa, and Grzegorz Kowalczyk.	N/A	Poland
17-Jun	Gessel	Gessel advised Inplus on its sale of Smart Factor to Cyclomedia.	N/A	Poland
17-Jun	Dentons; Greenberg Traurig	Greenberg Traurig advised Eastnine on the acquisition of the Nowy Rynek E office and service building in Poznan from Skanska. Dentons advised the seller.	EUR 79 million	Poland
18-Jun	Norton Rose Fulbright	Norton Rose Fulbright advised Santander Bank Polska on financing to 7R for the construction of a warehouse in Gdansk.	N/A	Poland
18-Jun	Jones Day; Latham & Watkins; Schoenherr; Wardynski & Partners	Schoenherr, working with Jones Day, advised HES International on its EUR 1 billion debt capital raise. Wardynski and Partners, working with Latham & Watkins, advised the National Westminster Bank and Kroll Trustee Services Limited on the raise.	N/A	Poland
19-Jun	Mcdermott Will & Emery; Soltysinski Kawecki & Szlezak	Soltysinski, Kawecki & Szlezak, working with McDermott Will & Emery, advised Vallen Distribution on the acquisition of Wesco Integrated Supply, including the sale of shares in a Polish subsidiary – Wesco Integrated Supply Polska.	N/A	Poland
19-Jun	Gessel; Kochanski & Partners	Gessel advised Lux Med on its acquisition of the Ortopedicum hospital in Krakow. Kochanski & Partners reportedly advised the sellers.	N/A	Poland
19-Jun	Chabowska Chmielewski; Wardynski & Partners	Wardynski & Partners advised the Alten Group on its acquisition of Primaris Services. CC Legal advised the sellers.	N/A	Poland
20-Jun	Penteris	Penteris advised Immofinanz on its sale of three office buildings in Warsaw's Mokotow Business District to ECHO Investment Group.	EUR 28.5 million	Poland
21-Jun	Crido Legal	Crido advised Electra M&E Polska on the acquisition of GEO-KAT.	N/A	Poland
24-Jun	Greenberg Traurig; Rymarz Zdort Maruta	Greenberg Traurig advised Agora on purchasing the remaining shares of Eurozet from SFS Ventures. Rymarz Zdort Maruta advised the seller.	N/A	Poland
24-Jun	Allen Overy Shearman Sterling	A&O Shearman advised Millennium Bank Hipoteczny on its inaugural issuance of three-year covered bonds with a total principal amount of PLN 300 million.	PLN 300 million	Poland
24-Jun	Cytowski & Partners	Cytowski & Partners advised Polish startup Proofs on its USD 2.6 million pre-seed round.	USD 2.6 million	Poland
24-Jun	Dentons; Gras i Wspolnicy; Greenberg Traurig; KG Legal Kieltyka Gladkowski	Greenberg Traurig advised AT Capital on the sale of a real estate property in Warsaw to the Dantex and Cavatina development group companies acting in a consortium. Dentons advised Cavatina. KG Legal Kieltyka Gladkowski and Gras and Partners reportedly advised Dantex.	N/A	Poland
24-Jun	Allen Overy Shearman Sterling; Rymarz Zdort Maruta	A&O Shearman advised International Schools Partnership Limited on its acquisition of Nasza Szkola. Rymarz Zdort Maruta advised the sellers.	N/A	Poland
26-Jun	SRC	SRC advised Golden Star Estate, as the landlord, on several leases, covering over 1,600 square meters in the DOT Park complex in Krakow and almost 1,100 square meters in the Oxygen Park complex in Warsaw, to entities including Webcon, Toshiba, and LSI Software.	N/A	Poland
26-Jun	Freshfields; Rymarz Zdort Maruta	Rymarz Zdort Maruta, working with Freshfields Bruckhaus Deringer, advised Arabelle Solutions on its acquisition of Power Solutions Poland from GE Power.	N/A	Poland
27-Jun	Allen Overy Shearman Sterling; White & Case	White & Case advised global coordinator and joint bookrunner Erste Group Bank and joint bookrunners BNP Paribas, J.P. Morgan, Powszechna Kasa Oszczednosci Bank Polski, and UniCredit Bank on PKO Bank Polski's issuance of series 3 EUR 500 million 4.5% senior non-preferred notes due 2029. A&O Shearman reportedly advised PKO Bank Polski.	EUR 500 million	Poland
27-Jun	Clifford Chance	Clifford Chance advised Ipopema as the offering agent on Echo's PLN 100 million bond issuance.	PLN 100 million	Poland
27-Jun	Czabanski & Galuszynski; Soltysinski Kawecki & Szlezak	Czabanski & Galuszynski advised Green Capital on a loan agreement with Bank Polska Kasa Opieki. Soltysinski Kawecki & Szlezak reportedly advised Bank Polska Kasa Opieki.	N/A	Poland
27-Jun	Dentons; Hogan Lovells; Sadkowski i Wspolnicy	Hogan Lovells and Dentons advised Patrizia on the sale of the AN69 building, also known as Metron or BTC Office Center, to Alides Polska and AYA Properties Fund. Sadkowski i Wspolnicy advised the buyers.	N/A	Poland
28-Jun	Gide Loyrette Nouel	Gide advised KGHM Polska Miedz on establishing a PLN 4 billion bond program and the corresponding first issuance of seven-year bonds worth PLN 1 billion to qualified investors.	PLN 1 billion	Poland
02-Jul	JDP	JDP advised Nextbike on an agreement with its minority shareholder LARQ under which it sold all its shares to majority shareholder Tier Mobility. White & Case reportedly advised Tier Mobility.	N/A	Poland
04-Jul	Czabanski & Galuszynski	Czabanski & Galuszynski advised Kompania Gornicza on a grant agreement with St. Louis-based Washington University.	N/A	Poland
04-Jul	Gessel	Gessel advised eFaktor on a mezzanine investment from ACP.	N/A	Poland
05-Jul	Cadwalader, Wickersham & Taft; Gide Loyrette Nouel; Linklaters	Gide, working with Cadwalader, Wickersham & Taft, advised Goldman Sachs Bank on financing for Cerberus Capital Management affiliates' acquisition of over 10,000 Intrum loan portfolios with a nominal value of EUR 33 billion and a book value of EUR 1 billion across 13 European jurisdictions. Linklaters advised Cerberus Capital Management.	N/A	Poland

Date	Firms Involved	Deal/Litigation	Deal Value	Country
08-Jul	Gessel	Gessel advised Gaz-System on the merger clearance of its acquisition of Gas Storage Poland from Orlen.	N/A	Poland
09-Jul	Wolf Theiss	Wolf Theiss, working with Wiersholm, advised the Schibsted group on the separation of its business into two companies – Schibsted Media and Schibsted Marketplaces.	N/A	Poland
09-Jul	Dentons; Greenberg Traurig	Greenberg Traurig advised Ze Pak and Pak-Polska Czysta Energia on their joint acquisition of two SPVs developing a wind power project from Goalscreen Holdings Limited. Dentons advised the seller.	N/A	Poland
09-Jul	Domanski Zakrzewski Palinka; Orrick Herrington & Sutcliffe	DZP, working with Orrick, advised Rubicon Partners on its USD 2.5 million investment in StaffHealth.	USD 2.5 million	Poland
10-Jul	DWF; Wardynski & Partners	DWF advised Leoff Capital on its acquisition of a Carrefour hypermarket in Krakow. Wardynski & Partners reportedly advised the sellers.	N/A	Poland
10-Jul	CK Legal	CK Legal Chabasiewicz Kowalska advised PragmaGO on the issue of series C4 bonds with a total nominal value of PLN 30 million with a 67.56% subscription reduction.	PLN 30 million	Poland
10-Jul	Dittmayer And Partners; Greenberg Traurig	Greenberg Traurig advised PIB Group on the acquisition of Nord Group companies including Nord Partner, Nord Re, and Nord Serwis. Dittmayer i Wspolnicy reportedly advised the founders of the Nord Group on the sale side.	N/A	Poland
10-Jul	Allen Overy Shearman Sterling; DWF; LWW	LWW advised CGH Group shareholders on its sale to H.I.G. Capital. DWF advised H.I.G. Capital. A&O Shearman advised minority shareholder Burgerlijke Maatschap Carpentier – Beernaert.	N/A	Poland
10-Jul	Domanski Zakrzewski Palinka; JP Weber	DZP advised Axopar Group on its investment in Markos. JP Weber advised Markos.	N/A	Poland
11-Jul	Clifford Chance; GT Legal	Clifford Chance advised Ceska Sportelna on the financing of Oriens Group's acquisition of Znojemske Strojirny. GT Legal advised Oriens Group.	N/A	Poland
12-Jul	Deloitte Legal; Taylor Wessing	Taylor Wessing advised PKO Bank Polski on the financing provided to Panattoni for the development of Panattoni Park Zgierz. Deloitte Legal reportedly advised Panattoni.	EUR 23.3 million	Poland
15-Jul	Allen Overy Shearman Sterling; Kycia	A&O Shearman advised Polenergia on the PLN 116.5 million financing of the 47-megawatt Szprotawa 1 photovoltaic farm from mBank and Bank Pekao. KLBF Kycia Legal reportedly advised the banks.	PLN 116.5 million	Poland
15-Jul	Schoenherr	Schoenherr advised Vehis Finanse on two public offerings of debt securities.	N/A	Poland
15-Jul	Gide Loyrette Nouel; MFW Fialek	MFW Fialek advised Langmedia and Tutore Poland on PLN 61.2 million financing from mBank for the buyout of minority shareholders of LangMedia. Gide advised mBank.	PLN 61.2 million	Poland
27-Jun	CMS	CMS advised Alior Bank, via its branch in Romania, on the sale of a portfolio of approximately 4,000 retail clients, to Romanian bank Patria Bank.	RON 97 million	Poland; Romania
27-Jun	Dentons (BASEAK); SSK&W	SSK&W advised bValue and 500 Emerging Europe on their investment in Vidoc Security Lab. Dentons' Turkish affiliate BASEAK advised 500 Emerging Europe. Sole practitioner Aleksandra Szymczak reportedly advised Vidoc Security Lab.	N/A	Poland; Turkiye
17-Jun	Kinstellar	Kinstellar advised Canadian Nuclear Partners on the framework agreement for the refurbishment of Unit 1 at the Cernavoda nuclear power plant.	N/A	Romania
19-Jun	Pelipartners	PeliPartners advised Mitiska REIM on a EUR 19 million loan from Erste Group Bank for the financing of a retail park in Pitesti.	EUR 19 million	Romania
20-Jun	Clifford Chance	Clifford Chance advised Greek-based Motor Oil Renewable Energy Single Member on its entry into the Romanian renewable energy market via the acquisition of two photovoltaic projects in Buzau County with Premier Energy Group.	N/A	Romania
21-Jun	Tuca Zbarcea & Asociatii	Tuca, Zbarcea & Asociatii advised America House on its recent lease agreements with VSR and Ebury.	N/A	Romania
02-Jul	CMS	CMS advised Alcedo on its acquisition of Naturevo Romania.	N/A	Romania
02-Jul	Filip & Company	Filip & Company advised BayWa on its acquisition of the White Gate Photovoltaic Park.	N/A	Romania
08-Jul	CMS	CMS advised Entek Elektrik Uretim on the acquisition of two Romanian companies owning the rights to a 214.26-megawatt solar power project under development from UK-based Econergy International.	N/A	Romania
10-Jul	BPV Grigorescu Stefanica	BPV Grigorescu Stefanica advised Omnia Capital on its investment in Cargo Buddy.	N/A	Romania
10-Jul	Popovici Nitu Stoica & Asociatii	Popovici, Nitu, Stoica & Asociatii advised Malherbe Transports on its acquisition of Contralog Europa.	N/A	Romania
10-Jul	Filip & Company; White & Case	Filip & Company advised Banca Transilvania on its synthetic securitization deal with the European Investment Bank and the European Investment Fund. White & Case advised EIB and EIF.	N/A	Romania
10-Jul	Kinstellar; Popovici Nitu Stoica & Asociatii	Kinstellar advised the majority shareholders of Agrotex on the sale of a significant stake to Promat Comimpex. PNSA reportedly advised Promat Comimpex.	N/A	Romania
10-Jul	CMS; Nyerges & Partners	Nyerges & Partners advised Shikun & Binui Energy on a EUR 49 million loan from Raiffeisen Bank International AG for their second Romanian investment – a 101-megawatt photovoltaic facility located in Simleu Silvaniei. CMS reportedly advised Raiffeisen Bank.	EUR 49 million	Romania
10-Jul	Stratulat Albulescu	Stratulat Albulescu advised Vienna Insurance Group member Asigurarea Romaneasca – Asiom Vienna Insurance Group on its acquisition of the entire insurance portfolio of the Romanian branch of Aegon Towarzystwo Ubezpieczen.	N/A	Romania

Date	Firms Involved	Deal/Litigation	Deal Value	Country
12-Jul	DLA Piper; RTPR	DLA Piper advised Believe on a partnership with Global Records. RTPR advised Global Records.	N/A	Romania
24-Jun	CMS	CMS advised Agir Global on the acquisition of Steel Service Center Sidma Romania.	N/A	Romania; Turkiye
26-Jun	Dentons; Glodeanu & Partners	Dentons advised DRI on the acquisition of a 126-megawatt solar park project in Vacaresti Dambovita county, Romania from local developers. Glodeanu & Partners reportedly advised the sellers.	N/A	Romania; Ukraine
18-Jun	AP Legal	AP Legal advised Banka Postanska Stedionica Belgrade on the sale of a EUR 150 million corporate NPL portfolio to KBM ASCO Belgrade.	N/A	Serbia
18-Jun	AP Legal; Karanovic & Partners; Wolf Theiss	AP Legal advised Raiffeisen Banka Belgrade on its issuance of MREL-eligible bonds on the Serbian market and their listing on the Belgrade Stock Exchange. Karanovic & Partners advised the European Fund for Southeast Europe on its acquisition of the bonds. Wolf Theiss advised the IFC on the subscription to the bonds.	RSD 6 billion	Serbia
09-Jul	Cytowski & Partners	Cytowski & Partners advised Lupa Technology on its USD 1.8 million series seed with South Central Ventures. The same firm also advised South Central Ventures.	USD 1.8 million	Serbia
15-Jul	Karanovic & Partners; LEF Attorneys	Karanovic & Partners advised BIG CEE on its acquisition of Promenada Novi Sad from NE Property. LEF Attorneys advised NE Property.	N/A	Serbia
10-Jul	Schoenherr	Schoenherr advised OMOV Slovakia on the acquisition of a network of 27 filling stations from the Benzinol Group.	N/A	Slovakia
19-Jun	Aksan	Aksan advised Simya VC on its investment in Robolaunch.	N/A	Turkiye
21-Jun	Turunc	Turunc advised Bogazici Ventures on its investment in Mukellef. Gokce reportedly advised Mukellef.	N/A	Turkiye
01-Jul	Baker McKenzie (Esin Attorney Partnership); Cakmak	Cakmak advised the EBRD on its EUR 25 million financing to Sabanici Holding subsidiary Cimsa. Baker McKenzie's Turkish affiliate Esin Attorney Partnership advised Cimsa.	EUR 25 million	Turkiye
02-Jul	Allen & Overy (Gedik Eraksoy); Allen Overy Shearman Sterling; Baker McKenzie; Baker McKenzie (Esin Attorney Partnership)	Baker McKenzie and its Turkish affiliate Esin Attorney Partnership advised Akbank on the issuance of USD 500 million senior unsecured sustainability notes due in 2030. A&O Shearman and its Turkish affiliate Gedik & Eraksoy advised the joint bookrunners.	USD 500 million	Turkiye
02-Jul	Paksoy	Paksoy advised BlaBlaCar on its acquisition of Obilet.	N/A	Turkiye
02-Jul	Aksan	Aksan advised Horoz Logistics on its IPO.	N/A	Turkiye
10-Jul	Turunc	Turunc advised ComposeVC on the formation of its inaugural venture capital fund, ComposeVC Built-World Fund.	N/A	Turkiye
12-Jul	Kinstellar; Kinstellar (KST Law); Seor Law	Kinstellar and its Turkish affiliate KST Law advised Grupo Antolin on the sale of a 45% stake in the Turkish joint venture Ototrim to its JV partner Diniz Holding. SEOR Law reportedly advised Diniz Holding.	N/A	Turkiye
15-Jul	Gunduz & Gunduz; Keco Legal; Turunc	Turunc advised Bogazici Ventures on its follow-on investment in Hiwell in a round that also saw Eksim Ventures, Unlu & Co, and Kinesis Teknoloji Yatirimlari join. Keco advised Hiwell. Gunduz & Gunduz reportedly advised Kinesis.	N/A	Turkiye
19-Jun	Sayenko Kharenko	Sayenko Kharenko advised the European Bank for Reconstruction and Development on a EUR 20 million equivalent loan to Bank Lviv, signed at the Ukraine Recovery Conference in Berlin.	EUR 20 million	Ukraine
24-Jun	CMS; Squire Patton Boggs	Squire Patton Boggs advised the European Bank for Reconstruction and Development on establishing a renewable energy joint venture company with Goldbeck Solar Investment – Goldbeck Solar Investment Ukraine. CMS advised Goldbeck Solar.	N/A	Ukraine
24-Jun	Sayenko Kharenko	Sayenko Kharenko advised the European Bank for Reconstruction and Development on a EUR 60 million loan to Lan-Oil for the construction of a greenfield and privately-owned biofuels project in Ukraine.	EUR 60 million	Ukraine
24-Jun	Ukraine	Sayenko Kharenko advised the European Bank for Reconstruction and Development on a EUR 25 million finance package to City Communal Enterprise Mykolayivvodokanal.	EUR 25 million	Ukraine



## Deals and Cases

■ Full information available at:

[www.ceelegalmatters.com](http://www.ceelegalmatters.com)

■ Period covered:

June 16, 2024 - July 15, 2024

## Did We Miss Something?

We're not perfect; we admit it. If something slipped past us, and if your firm has a deal, hire, promotion, or other piece of news you think we should cover, let us know. Write to us at: [press@ceelm.com](mailto:press@ceelm.com)

# NEW HOMES AND FRIENDS: ON THE MOVE

## Turkiye: PAE Splits Into AECO and PKS

Pelister Atayılmaz Enkur Law Office in Turkiye split into AECO Law and Pelister Keki Sarac & Co.

Former PAE Named Partners Emre Atayılmaz and Gokhan Enkur were joined by Cagri Cetinkaya and Yafes Oner to establish AECO Law.

Specializing in employment and real estate matters, Atayılmaz co-founded PAE in 2010. Before that, he was an Associate with Dentons.

Specializing in M&A and private equity, Enkur joined PAE in 2011, also moving from Dentons where he was an Associate.

Cetinkaya focuses on data and technology, corporate law, commercial agreements, and competition law. He joins from Cetinkaya Pehlivan Barlak, where he has been a Partner since 2016. Before that, he was a Senior Associate with Kinstellar between 2013 and 2016. Earlier still, he was an Associate with Dentons between 2010 and 2012 and with Paksoy between 2006 and 2009.

Focusing on corporate law, M&A, energy, and banking and finance, Yafes Oner joins from the former White & Case-affiliated firm Cakmac Attorney Partnership, where he was an

Associate between 2021 and 2024. He started his career with PAE as a Trainee Associate in 2017 and became an Associate in 2018.

Former PAE Named Partner Kerim Pelister is joined by Emre Keki and Senem Sarac as Named Partners of Pelister Keki Sarac & Co. together with Partners Cafer Akbayram, Seden Haskarabag, Gokce Turkoglu, and Nazli Macun.

Specializing in banking and finance and corporate/M&A, Pelister co-founded PAE in 2010. His previous experience includes working as a General Manager of LBT Varlik Yonetim between 2008 and 2009, as a Director/Vice President of Lehman Brothers between 2006 and 2009, and as a Senior Lawyer with Dentons between 2002 and 2006.

Keki focuses on corporate/M&A, real estate, banking and finance, and energy. He joined PAE in 2012. Before that, he was an Associate with Herguner Bilgen Ozeke between 2006 and 2012 and with Dentons legacy firm Salans between 2004 and 2006.

Focusing on corporate law, labor, IP/TMT, and dispute resolution, Sarac joined PAE as a Senior Associate in 2017 and made Partner in January 2022. Before that, she was a Senior Specialist with Ergo Sigorta in 2017, a Senior Associate with



Arikan Partners between 2015 and 2017, and an Associate with Aydin & Aydin between 2011 and 2015. ●

### **Turkiye: Gen Temizer Goes Independent and Local Kinstellar Rebrands in Turkiye**

Turkish firm Gen Temizer announced it ended its cooperation with Kinstellar.

The decision, according to the firm, was a strategic one “to better serve its clients in cross-border transactions by diversifying its international network.”

The Gen Temizer team is led by Partners Baran Gen, Ebru Temizer, Omer Erdogan, Bulut Girgin, and Dila Topuz, with Topuz recently being promoted (as reported by CEE Legal Matters on May 22, 2024).

Following Gen Temizer’s announcement, Kinstellar announced the appointment of Mert Elcin to Partner and leader of its new Turkish law practice – KST Law.

“For compliance with local bar requirements, Turkish law services will be provided by KST Law in cooperation with our foreign attorney partnership in Turkey, Kinstellar Foreign At-

torney Partnership, headed by Edmund Emre Ozer,” the firm explained.

Focused on corporate, M&A, banking and finance, and dispute resolution, Elcin first joined the Kinstellar team in Turkiye in 2017 as an Attorney at Law. Before that, he worked for Guner Law Office as a Senior Associate between 2014 and 2017 and as a Managing Associate in 2017. Earlier, he was an Associate with Curtis, Mallet-Prevost, Colt & Mosle between 2012 and 2014 and a Legal Trainee with Herguner Bilgen Ozeke between 2006 and 2007.

“Turkiye is a strategic location for our clients and the leading international law firms with whom we have strong referral relationships,” Kinstellar Managing Partner Kristof Ferenczi commented. “I am pleased to welcome to our partnership Mert Elcin who will add further strength to our team. We are committed to further building out our offering in Istanbul and we look forward to working with our Istanbul office’s group of talented lawyers. With our expanded capabilities, we are confident in our ability to leverage substantial opportunities for both our clients and our Istanbul team.” ●

### **Poland: Noerr Warsaw Too Becomes Independent Firm**

Noerr announced that its Warsaw office has become independent as of June 28, 2024, with former Associated Partner Karol Kicun to lead the new firm.

The announcement follows Noerr’s announcement in April that its Czech, Hungarian, Romanian, and Slovak offices will be transferred to Kinstellar (as reported by CEE Legal Matters on April 3, 2024). At the time, the Polish office was not included in the announcement but, when asked if the office there is staying with the regional firm, a Noerr spokesperson told CEE Legal Matters: “We are exploring other options for our Warsaw office.”

The Warsaw team was the last Noerr office in CEE with Noerr Co-Managing Partner Alexander Ritvay commenting in April: “As part of our regular review of the firm’s positioning, we have concluded that forming a strategic partnership in the Central and Eastern European markets is the best approach for enhancing the quality of our advisory services moving forward.”

Since the original news, the Noerr Budapest office announced in May that it would continue as an independent firm from June 1, 2024, and ultimately joined WTS Legal Hungary (as reported by CEE Legal Matters on June 28, 2024). ●

## PARTNER APPOINTMENTS

Date	Name	Practice(s)	Firm	Country
2-Jul	Claudia Fochtmann-Tischler	Corporate/M&A	Baker McKenzie	Austria
2-Jul	Desiree Prantl	Litigation/Disputes	Baker McKenzie	Austria
2-Jul	Robert Wippel	Banking/Finance	Baker McKenzie	Austria
2-Jul	Veronika Bocanova	Employment	Havel & Partners	Czech Republic
2-Jul	Ivan Houfek	Litigation/Disputes	Havel & Partners	Czech Republic
4-Jul	Vaclav Manek	Corporate/M&A; Banking/Finance	Dunovska & Partners	Czech Republic
19-Jun	Peter Ruff	Corporate/M&A; Private Equity	Pontes Budapest	Hungary
2-Jul	Daniel Orosz	Corporate/M&A; Energy/Natural Resources	Baker McKenzie	Hungary
10-Jul	Peter Berethalmi	Corporate/M&A	Lakatos Kovacs and Partners	Hungary
4-Jul	Beata Cieszyńska	Energy/Natural Resources; Infrastructure/PPP/Public Procurement	DZP	Poland
4-Jul	Anna Okla-Wozniak	Real Estate	DZP	Poland
4-Jul	Jaroslav Przybylski	Corporate/M&A	DZP	Poland
4-Jul	Krzysztof Stecyk	Litigation/Disputes	DZP	Poland
4-Jul	Maciej Zajda	Banking/Finance; Capital Markets	DZP	Poland
15-Jul	Andra Soare-Filatov	Corporate/M&A	Leaua Damcali Deaconu Paunescu	Romania
26-Jun	Simon Hudak	Real Estate; Litigation/Disputes	Polacek & Partners	Slovakia
21-Jun	Mert Elcin	Corporate/M&A; Banking/Finance; Litigation/Disputes	Kinstellar (KST Law)	Türkiye

## OTHER APPOINTMENTS

Date	Name	Firm	Appointed to	Country
2-Jul	Jiri Kunasek	Havel & Partners	Equity Partner	Czech Republic
10-Jul	Jan Juroška	Kinstellar Prague	Managing Partner	Czech Republic
10-Jul	Viliam Mysicka	Kinstellar Bratislava	Managing Partner	Slovakia
12-Jul	Annamaria Tothova	Eversheds Sutherland Bratislava	Equity Partner	Slovakia
12-Jul	Jana Sapakova	Eversheds Sutherland Bratislava	Equity Partner	Slovakia
12-Jul	Petra Hager	Eversheds Sutherland Bratislava	Equity Partner	Slovakia

## IN-HOUSE MOVES

Date	Name	Moving from	New Company/Firm	Country
12-Jul	Lucie Smrkovska	CTP	CTP	Czech Republic
27-Jun	Dora Czeglédi	Fever	Fever	Hungary
27-Jun	Monica-Ileana Paraschiv	PPC Romania	PPC Romania	Romania
28-Jun	Alexandra Ivancia	Prime Kapital Development	CTP Romania	Romania
12-Jul	Ozge Ayoç	Procter & Gamble	Procter & Gamble	Türkiye

## PARTNER MOVES

Date	Name	Practice(s)	Moving from	Moving to	Country
2-Jul	Sabine Prossinger	Litigation/Disputes	Freshfields Bruckhaus Deringer	E+H	Austria
19-Jun	Zita Albert	Corporate/M&A	Cerha Hempel Budapest	Erdos Partners	Hungary
19-Jun	Mate Hajas	Corporate/M&A	DLA Piper	Kapolyi Law Firm	Hungary
28-Jun	Zoltan Nadasy	Corporate/M&A	Noerr	WTS Legal Hungary	Hungary
28-Jun	Viktor Fuzi	Labor	Noerr	WTS Legal Hungary	Hungary
28-Jun	Eszter Hegedus	Corporate/M&A	Noerr	WTS Legal Hungary	Hungary
26-Jun	Monika Szczotkowska	Corporate/M&A	CMS	SSW Pragmatic Solutions	Poland
10-Jul	Natalia Nader	TMT/IP; Data Protection	Everberg Law Firm	Just Law	Poland
19-Jun	Cristina Daianu	Corporate/M&A	Dentons	BPV Grigorescu Stefanica	Romania
27-Jun	Jelena Živkovic	Litigation/Disputes; Labor	SOG Law Firm	NCR Lawyers	Serbia
28-Jun	Emre Atayilmaz	Real Estate; Labor	Pelister Atayilmaz Enkur Law Office	AECO Law	Turkiye
28-Jun	Gokhan Enkur	Corporate/M&A; Private Equity	Pelister Atayilmaz Enkur Law Office	AECO Law	Turkiye
28-Jun	Cagri Cetinkaya	TMT/IP; Data Protection	Pelister Atayilmaz Enkur Law Office	AECO Law	Turkiye
28-Jun	Yafes Oner	Corporate/M&A; Banking/Finance; Energy/Natural Resources	Pelister Atayilmaz Enkur Law Office	AECO Law	Turkiye
28-Jun	Kerim Pelister	Corporate/M&A; Banking/Finance	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye
28-Jun	Emre Keki	Corporate/M&A; Real Estate; Banking/Finance; Corporate/M&A; Banking/Finance	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye
28-Jun	Senem Sarac	Labor; TMT/IP; Litigation/Disputes	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye
28-Jun	Cafer Akbayram	Litigation/Disputes	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye
28-Jun	Seden Haskarabag	Litigation/Disputes	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye
28-Jun	Gokce Turkoglu	Corporate/M&A	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye
28-Jun	Nazli Macun	Corporate/M&A	Pelister Atayilmaz Enkur Law Office	Pelister Keki Sarac & Co	Turkiye



## On the Move

■ Full information available at:  
[www.ceelegalmatters.com](http://www.ceelegalmatters.com)  
 ■ Period covered:  
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## Did We Miss Something?

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## THE BUZZ

In **The Buzz** we check in on experts on the legal industry across CEE for updates about developments of significance. Because the interviews are carried out and published on the CEE Legal Matters website on a rolling basis, we've marked the dates on which the interviews were originally published.

### Picking the Right Pill in Romania: A Buzz Interview with Dan Minoiu of Musat & Asociatii

By Teona Gelashvili (July 4, 2024)



The Romanian legal landscape is buzzing with changes in the life sciences sectors. With the presence of global pharmaceutical companies and a push for innovative therapies, the country is solidifying its position as a key market, while advancing toward economic stability, according to Musat & Asociatii Deputy Managing Partner Dan Minoiu.

“As Romania grapples with unprecedented high temperature levels, its legal landscape is also heated with significant developments in life sciences,” Minoiu points out. “These days the pharmaceutical and healthcare industry in Romania is robustly represented in the market. Many of the top 100 global pharmaceutical companies have a presence here, engaging in various projects – some have even established factories. Romania is considered a key market due to its sizable population and growing healthcare market.”

Minoiu highlights that the Romanian healthcare system is quite unique. “Consider the scenario where individuals are suffering from certain diseases that are currently treatable with new medicines and medical devices. Sometimes these treatments are available globally, yet their market access path can be lengthy. In Romania, bureaucratic hurdles often slow this down, and the inclusion of new therapies for patients in the national health insurance system depends on limited state funding.” Consequently, Minoiu says, “significant delays can occur before these new therapies benefit communities or specific patient groups.”

“Although we have transposed EU pharmaceutical legislation, there are certain pricing and reimbursement issues specific to the Romanian market,” Minoiu continues. “Innovations are

anticipated across the pharmaceutical sector and the broader market, including involvement from financial institutions. These advancements could greatly benefit both the state budget and mitigate financial risks while promoting access to advanced therapies.”

In terms of legislation, “a pressing topic that’s gaining significant attention in other jurisdictions is the implementation of new financial instruments to enhance patients’ access to treatment while maintaining a sustainable state budget,” Minoiu adds. “These instruments, referred to as ‘managed entry agreements’ are already regulated across most EU countries. They serve two main purposes: balancing budgetary constraints and promoting innovation. Depending on the situation, they might involve cost-reduction mechanisms, discounts or rebates, or performance-based agreements where the reimbursement levels are tied to achieving specific clinical outcomes.”

Additionally, Minoiu comments on the current state of the Romanian economy. “According to data published by Romanian institutions, the economy is performing well, particularly in certain sectors,” he notes. “While there is still significant progress to be made to catch up with other EU countries, the current economic environment in Romania is benefiting from an increase in the confidence in Romania as a rather exceptional island of stability in the region. With the expected efforts to lower the inflation rate and to increase revenues to the state budget, the economy is likely to be on a promising trajectory.”

Finally, another recurring theme, according to Minoiu, is how to integrate new technologies into the legal profession and keep pace with increasingly sophisticated client demands. “The key question we’re grappling with is how to quickly adapt to the evolving legal landscape and make effective use of the latest tools,” he stresses. “While some of these technologies prove highly beneficial for certain aspects of our work, others may be less so. Nonetheless, they provide a valuable starting point for navigating these changes.” ●



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## Slovenia's Digitalizing, Striking, and Powering Through: A Buzz Interview with Maja Subic of Senica & Partners

By Andrija Djonovic (July 5, 2024)



The Slovenian justice system has been abuzz in recent months with talks of digitalization, according to Senica & Partners Partner Maja Subic, who also reports on the ongoing administrative strike in the country. Despite the latter and other grounds for initial concern, the year is shaping up well for the Slovenian market.

“One of the most significant advancements when it comes to the digitalization of the justice system is the ability to file a motion for admission of revision electronically with the Supreme Court,” Subic begins. “This is a crucial step because one of the Ministry of Justice’s key priorities is to fully digitalize the justice system.” As Subic reports, the goal is to make it possible to file all motions and access all files electronically, including electronic service of documents.

Furthermore, and in line with the digitalization trend, Subic reports that “lawyers are eagerly anticipating the introduction of video conferencing for main hearings. While our legislation already supports this, the courts are not yet well-equipped, and judges are somewhat hesitant to adopt these technologies.” Unequivocally though, Subic feels that video conferencing would be incredibly beneficial, “especially for cross-border matters involving witnesses from abroad. I am hopeful that we will see this digital tool become commonplace soon.”

Continuing, Subic reports of an ongoing strike of administrative units in Slovenia. “The strike has significantly impacted both clients and lawyers. There are 60 administrative units responsible for issuing various permits, from work permissions

to building permits.” As Subic reports, the strike has caused procedures to slow down considerably, leading to long lines and delays. “This situation has particularly affected transactions, as we are now waiting much longer for approvals. The catalyst for the strike is the demand for higher salaries in the public sector, which the government has been hesitant to approve.” Although the number of striking units is gradually decreasing and there is pressure from the ministry to perform at least basic and urgent work, the overall process has slowed down, Subic says.

Still, despite all of these challenges, the Slovenian market appears to be doing just fine. “Surprisingly, the market for M&A deals is improving,” Subic goes on to say. “We are seeing a return to the number of deals we had before COVID-19, indicating that the market is slowly recovering. This is encouraging, especially given the geopolitical context.” In particular, real estate transactions seem to have top billing. “Real estate investment remains very popular in Slovenia, especially residential properties,” Subic says. “During the COVID-19 era, the number of deals increased significantly, but now it has slowed to a more normal level compared to those peak times. Regarding commercial real estate, there is still a huge demand for logistics and hotels, although availability is limited – investors are cautious due to high interest rates and construction costs, but overall, the sector is looking up,” Subic explains.

Finally, assessing the year so far, Subic says that while 2024 started with an air of slight worry, things are now running smoothly. “We started the year with some worries, particularly because Slovenia’s economy is closely tied to Germany’s, and there were concerns about potential impacts. However, for now, lawyers are busy with a lot of work and transactions.” Ultimately, Subic concludes by saying that “it seems that the market is resilient, and things are steadily improving despite the initial concerns.” ●



*We are seeing a return to the number of deals we had before COVID-19, indicating that the market is slowly recovering. This is encouraging, especially given the geopolitical context. Real estate investment remains very popular in Slovenia, especially residential properties.*

## A Pivotal EU Point for Montenegro: A Buzz Interview with Luka Popovic of BDK Advokati

By Andrija Djonovic (July 8, 2024)



Montenegro is making significant strides towards European Union membership by satisfying interim benchmarks in negotiation chapters 23 and 24, essentially aimed at strengthening the rule of law, according to BDK Partner Luka Popovic who shares a number of updates on important legislative changes in the country.

“Satisfaction of interim benchmarks under Chapters 23 and 24 in negotiations with the EU have been the key topics these days,” Popovic begins. “These chapters focus on judiciary and fundamental rights, as well as justice, freedom, and security. A few years ago, the EU revised its negotiation model, requiring candidate countries to satisfy criteria on the most critical chapters before progressing with other negotiations.” As Popovic reports, obtaining a positive report on satisfying these criteria represents “significant progress for Montenegro, offering a realistic perspective of joining the EU by 2028. Given the current geopolitical situation, the EU might expedite the process to send a strong message in the Western Balkans. I must say, this optimism is already influencing investors, as some are eyeing Montenegro as a future EU member state.”

Focusing on specific legislative measures that Montenegro took to align with these EU requirements, Popovic reports heightened legislative activity in the past few months. “We’ve adopted around ten laws related to the court system, the state prosecutor and the special prosecutor for organized crime and corruption, fight against corruption, media. Although these laws were passed somewhat hastily and may require fine-tuning later, they meet the preliminary EU criteria.” Additionally, he reports there have been updates to labor and company laws, focusing on refinements rather than revolutionary changes.

Highlighting a few upcoming legislative updates that businesses should be aware of, Popovic shares that a new company law is being prepared and is currently under public debate. “There’s also a draft for a new labor law, open for business

comments. We expect a new competition protection law later during the year, and a set of energy laws in July.” Crucially, Popovic stresses that the expected amendments of the energy law are “particularly significant, as they will enable more flexible terms for connecting new generators to the grid, despite current limitations.”

Continuing, Popovic places a focus on the challenges the energy sector faces. “The energy sector is crucial for Montenegro, especially with numerous renewable projects in the pipeline. However, the existing grid infrastructure cannot accommodate new projects without significant investment.” The solution, as Popovic reports it, has been to amend the energy law to allow operational limitations, meaning generators can connect to the grid but must assume the risk if the grid cannot intake their energy. “This flexibility has been welcomed by investors who are ready to invest but were hindered by the connection rules.”

Popovic goes on to report that the Montenegro government has recently “terminated a concession agreement for the Brskovo mine, the largest concession project in Montenegro. This decision followed local activist concerns and a government review that found the investor allegedly in breach of certain obligations. Popovic feels that the termination was not justified and says that it could impact “Montenegro’s reputation as an investment destination and potentially lead to arbitration.”

Finally, Popovic reports there are general reforms underway, focusing on “tax collection and the organization of the registry of commercial entities.” Although there are obvious staff issues in the registry of commercial entities, the government seems aware of the issue, and it seems to be seeking solutions. “Additionally, last year, we amended the anti-money laundering law, and the focus afterward has been put on making the *Ultimate Beneficial Owner* registry functional. The registry still faces technical challenges but is expected to be fully operational by the end of the year.” In conclusion, Popovic shares that he feels Montenegro to be at a pivotal point. “The legislative changes and EU accession prospects are promising, but it’s crucial to maintain momentum and address existing challenges. If we continue on this path, Montenegro could see substantial economic growth and stronger integration into the European community.” ●

## The Struggles and the Opportunities in Austria: A Buzz Interview with Florian Kranebitter of Fellner Wratzfeld & Partner

By Teona Gelashvili (July 9, 2024)



In Austria, economic challenges confronting businesses keep lawyers busy, according to Fellner Wratzfeld & Partner Partner Florian Kranebitter. Financial difficulties, compounded by post-COVID-19 financial strains and challenges in the supply chain are at the top of the agenda alongside a drive to nurture startups and an increasing emphasis on sustainability.

“What is keeping lawyers in Austria particularly busy at the moment are the economic challenges faced by companies,” Kranebitter says. “The activity is primarily in M&A, finance, and restructuring, also driven by the abundance of distressed assets. Companies in trouble or those looking to capitalize on others’ difficulties are generating a significant workload for legal professionals.”

A prominent case, according to Kranebitter, is the collapse of the Signa real estate group, “one of the largest cases ever seen in the real estate market. Signa’s situation is expected to introduce numerous acquisition opportunities over the coming months.” Simultaneously, he notes, “it is reminiscent of past cases like Alpine over 11 years ago, where insolvency claims are still being traded.”

“In terms of M&A activity, we’ve seen an increase in cross-border transactions compared to previous years,” Kranebitter continues. “This trend is also driven by companies’ efforts to consolidate their private capital, especially as traditional financing options have become expensive as well as to overcome supply chain issues. There’s significant consolidation happening across Europe, fueled by a desire for optimization. On the other hand, many companies seek also diversification to leverage business opportunities and minimize their risk profile.”

According to Kranebitter, post-COVID-19 challenges persist even now. “Many companies are struggling now that COVID-19 subsidies and tax exemptions have ended, creating sig-

nificant financial difficulties,” he stresses. “Government-led financing efforts have been above average in Austria compared to many other countries which now leads to major refinancing needs, such as major bond issuances by the Austrian government and we anticipate more such issues in the near future.”

Sustainability and ESG generally also continue to be the areas of focus, Kranebitter adds. “This trend is particularly strong in Europe and notably in Austria, where I believe we’re significantly ahead of many other areas of the world in integrating these principles, which also will bring competitive advantages in the long run if we continue to put efforts into it. We anticipate that uncertainties surrounding ESG in supply chains will continue to diminish as demand grows and pressures increase. Customers are driving the push for sustainability, expecting companies to meet standards above mandatory law which puts additional challenges to the legal profession in advising clients.”

In terms of legislation, “Austria, like many countries, is working to become more appealing to start-ups,” Kranebitter points out. “A notable example is the introduction of a new corporate form, the ‘Flexible Company,’ starting January 2024. One key advantage is the ability to issue enterprise shares, which are non-voting and designed to be tax-efficient.” However, he notes that “despite these efforts, many start-ups leave Austria once they grow beyond a certain size. Additionally, there is a reluctance to be the first to adopt this new structure. Out of approximately 2,000 new foundations since January, only 100 have opted for the new form, but we expect this might change in the near future.”

Looking ahead, “we have elections at the federal level upcoming end of September in Austria, and we anticipate that the trend we’ve seen in Europe might negatively impact Austria as well,” Kranebitter notes. Addressing some key concerns for enabling transactions and promoting Austria as an attractive location, Kranebitter highlights that “the government should focus on ensuring optimal framework conditions, especially in the area of compliance. Length of proceedings and predictability in the area of compliance are deal promoters or deal killers.” ●

## North Macedonia Is Slowly Waking Up from Post-Election Haze: A Buzz Interview with Ivan Mishev of Papazoski and Mishev Law Firm

By Andrija Djonovic (July 10, 2024)



In the wake of a recently concluded election cycle in North Macedonia, businesses and investors are closely monitoring the new government's policy directions, according to Papazoski and Mishev Law Firm's Attorney at Law Ivan Mishev.

"The most crucial issue following the recent elections is what will be the first steps after the change in government," Mishev begins. "With the new structure coming into power, we expect significant changes in policy and personnel." According to him, "one of the primary focus points is attracting foreign direct investments and the overall business climate." The business community is keenly observing whether the new policies will be positive or negative for investment and growth and Mishev shares that "the overall M&A market has been relatively slow, with many investors possibly waiting to see the post-election landscape before making significant moves."

As for the most dynamic sectors in North Macedonia right now, Mishev underlines energy and IT. "In the energy sector, foreign investors are particularly active, with many acquiring ready-to-build energy construction projects, especially renewables, such as solar panels and wind farms. In the IT sector, there is a trend of local IT companies being acquired by foreign entities," he reports. "We also anticipate some acquisitions in the finance sector, particularly with minor banks, though nothing has materialized yet."

Additionally, Mishev reports that there hasn't been much leg-

islative activity lately either, on account of the wake of the election cycle. "The parliament wasn't functioning fully, and the new government was only established a couple of weeks ago. However, there was a significant development last year with the introduction of new legislation in the e-payments sector, allowing non-bank entities to provide payment services," Mishev says. "This could potentially lead to more companies entering the market this year."

Moreover, Mishev reports that there was a recent "announcement about potentially allowing a third telecom operator to enter the market, which currently has only two major players." According to him, this move is aimed at increasing competition in the sector.

Furthermore, Mishev reports the establishment of a dedicated Ministry of Energy and Mining, a major organizational development for the government of North Macedonia. "The establishment of a dedicated Ministry of Energy and Mining, separate from the larger Ministry of Economy, is a noteworthy development indeed. The new minister is a non-partisan expert who has been vocal about implementing reforms in the energy sector," Mishev reports. "While it's too early to see an impact, the separation and the appointment of an expert figure suggest a focused and potentially more effective approach to energy policy," he says.

Ultimately, Mishev's immediate outlook for the business climate of the country is one of cautious optimism. "Much depends on the new government's policies and their ability to create a favorable environment for FDIs. The sectors of energy and IT are poised for growth, and if reforms are implemented effectively, we could see significant advancements," he says in conclusion. ●



*With the new structure coming into power, we expect significant changes in policy and personnel. One of the primary focus points is attracting foreign direct investments and the overall business climate.*

## Bosnia and Herzegovina Rides the Crypto Wave: A Buzz Interview with Sanja Djukic of Sajic

By Teona Gelashvili (July 10, 2024)



Recently, there has been a surge in interest in establishing cryptocurrency companies in Bosnia and Herzegovina – spurred by favorable tax conditions – accompanied by increasing investments from the EU and China in renewable energy and infrastructure projects, according to Sajic Law Firm Senior Partner Sanja Djukic.

“Bosnia and Herzegovina is currently seeing a notable uptick in interest from international investors,” Djukic begins. “One of the most significant trends we’ve observed is the increasing number of clients looking to establish cryptocurrency companies, especially in the Republic of Srpska and Federation of Bosnia and Herzegovina. This surge in inquiries reflects a broader growing interest in the region’s potential for cryptocurrency business ventures.”

“Establishing such companies involves navigating several steps and understanding specific requirements,” Djukic continues, highlighting different procedures and necessary documentation for different entities. “Unfortunately, electronic registration isn’t available, and we must prepare all documents manually, go through a notary, and complete several registration steps. While the procedures in the Federation are somewhat similar to those in Srpska, there are some differences in the documentation required,” she adds.

According to Djukic, the trend is mainly driven by the country’s favorable tax legislation and investment climate. “We have numerous clients from EU countries who are considering investing in cryptocurrency businesses here. This emerging trend is driven by the perception of promising returns and the favorable tax environment. With a profit tax rate of just 10%, which is lower than many EU countries, the financial incentives are compelling.” Additionally, she highlights that “the regulatory and operational requirements for firms here are relatively straightforward and less burdensome, making this region an attractive destination for establishing their companies.”

“We are also seeing significant interest from clients in the EU and China who are keen to invest in hydro, wind, solar, and renewable energy projects in Bosnia and Herzegovina,” Djukic continues. “With the country’s abundant natural resources – hydro, wind, solar, and more – there is considerable potential for developing these energy sectors. Many investors are eager to capitalize on this opportunity.” In addition to energy, Djukic highlights that Chinese investors are increasingly active in “Bosnia and Herzegovina’s infrastructure, including railway and roadway projects.”

“I believe these projects can be successfully realized here, as Bosnia and Herzegovina is welcoming to foreign investments,” Djukic states. “This influx is beneficial for both our economy and the country. The establishment of new companies will not only bring fresh capital but also create new employment opportunities. Although the timeline for these projects is uncertain, their implementation will be a significant boost for our country. These large-scale, costly projects will require substantial resources and capacities, further stimulating local development.” ●

## Poland is Looking Forward to a Busy Autumn: A Buzz Interview with Marcin Schulz of Linklaters

By Teona Gelashvili (July 25, 2024)



Despite the holiday season traditionally being slow, this year has been unusually busy, according to Linklaters National Managing Partner Marcin Schulz, both with notable deals underway and a strong pipeline of anticipated M&A work post-summer.

“The holiday period, which is usually a slow time, hasn’t been that way for years – we’ve been very busy,” Schulz points out. “However, the situation is a bit tricky and unusual, with many transactions being put on hold by sellers waiting for better valuations.”

Schulz observes that “in the post-COVID era, concerns about global uncertainty – regarding the US, Taiwan, and Ukraine – have made things challenging.” Still, he notes that a lot of transactions are still progressing. “From our perspective, the busiest sectors have been financial services, logistics, renewables (including offshore), IT/Tech, and industrials. A transaction that stands out in the financial services space is the acquisition by Cerberus of VeloBank in Poland. Not less attention has been attracted by the pioneering non-recourse green financing of the Baltic Power offshore wind farm, which is the first offshore wind farm to reach financial close in Poland.”

Schulz adds that “the TMT sector seems to be doing pretty well, too, with the successful completion of the investment by APG in the FTTH business of Orange being followed by the InfraVia Capital Partners’ investment in the FTTH business of UPC/Play or the discussions around the tower businesses in Poland and the wider region. There’s a lot of activity in the telecoms sector.”

Schulz believes that the autumn season will be particularly busy: “We anticipate new M&A work to commence after the summer vacations, particularly in offshore. We expect the permit holders for offshore projects in the Baltics to be seeking

co-investors, likely attracting a strong group of bidders. Additionally, there’s significant activity in the renewables sector, especially in Poland and Romania, where we have been heavily involved. The focus is shifting from wind farms to photovoltaic projects, with discussions on innovative solutions like rooftop installations.” He adds that “the key players in the financial services space haven’t had their last word yet, either. Consolidation is anticipated in the banking sector currently fragmented to an extent higher than seen in other jurisdictions.”

Another interesting sector, according to Schulz, is real estate. “Although real estate activity across Europe is down slightly, we’re staying busy. There are still transactions in this space and the level of business is picking up again. One notable transaction worth mentioning in this context is Signal Capital Partners, Griffin Capital Partners, and Echo Investment’s joint venture to develop a student housing platform in Poland. Also, the demand for real estate financing is increasing, and financiers are showing renewed interest in the sector.”

Additionally, “after a brief slowdown following the elections last October, state treasury companies now seem to have resumed their investment activities, following recent appointments to their governing bodies,” Schulz stresses. He also draws attention to the increased interest of authorities in consumer rights protection in Poland, reporting on “a growing number of inquiries from the Polish antitrust watchdog regarding consumer rights.”

“In terms of legislation, we’re receiving numerous inquiries about whistleblowing regulations,” Schulz continues. “Additionally, the *AI Act*, which has been in development for many months, will enter into force on August 1, 2024. This is a significant development for companies across all sectors, and we expect this regulation will have a similar impact to how GDPR has revolutionized data protection.”

“Overall, I’m really optimistic about the outlook,” he says in conclusion. “While we don’t know exactly what will happen, I’m genuinely looking forward to what’s next.” ●

## THE DEBRIEF: AUGUST, 2024

In **The Debrief**, our Practice Leaders across CEE share updates on recent and upcoming legislation, consider the impact of recent court decisions, showcase landmark projects, and keep our readers apprised of the latest developments impacting their respective practice areas.



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Partner,  
Peterka & Partners



Dragomir Stefanov,  
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Hristov & Partners



Jasmina Ilieva Jovanovik,  
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Wolf Theiss Poland

### This House – Implemented Legislation

“As of July 1, 2024, Czech employers will be subject to a number of changes to employment regulations,” Peterka & Partners Partner Adela Krbcova notes. Some of these changes, according to her, introduce “new administrative obligation for employers who have not given up employing staff on flexible contracts, while other changes are aimed at simplifying procedures and giving a slight boost to the labor market still suffering from a shortage of labor in various sectors.”

Krbcova says that “the Czech Social Security Administration launched a new register of all employees employed under agreements on work performance. Employers are obliged to notify, electronically, of their employees working under such agreements, including their remuneration, by the 20th of the following calendar month and using a prescribed form.” This applies “to all employees with concluded agreements, regardless of whether they actually receive any remuneration or not.” She highlights that employers will have to submit notifications for the first time no later than August 20, 2024.

Krbcova adds that the regulations for the posting of workers from another EU member state to the Czech Republic for the purpose of providing services have been simplified and conditions for notification of job vacancies changed. Additionally, she says, “citizens of the following countries will no longer need to obtain a work permit to work in the Czech Republic: Australia, Canada, Israel, Japan, New Zealand, Singapore, South Korea, Taiwan, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. However, such persons still need to have a valid residency permit, unless they also have free entry into the territory of the Czech Republic.”

### This House – Reached an Accord

Hristov & Partners Partner Dragomir Stefanov reports that the introduction of the Variable Capital Company (VCC) was postponed to 2025 in Bulgaria. “Initially expected to be available in the second half of 2024, it will not be possible until March 31, 2025, according to an amendment to the *Ordinance No. 1 of 2007 on the maintenance, storage, and access to the Commercial Register and the Register of Non-Profit Legal Entities*, adopted on July 5, 2024.”

“A public tender for the development of the register’s electronic capabilities was announced earlier this year, but a contractor was selected only on July 8. The tender documentation suggests that the selected bidder will have up to 12 months to complete the work, meaning that an additional postponement beyond March 31, 2025 is possible,” Stefanov continues.

“The VCC is an entirely new type of legal entity introduced in 2023,” Stefanov explains. “It is designed to give more flexibility to start-ups by both combining elements from traditional corporate forms (limited liability company and joint-stock company) and introducing novelties, including no minimum capital and capital registration requirements and share transfer rules allowing for, among others, easier setup of equity incentive plans for key personnel.”

### This House – The Latest Draft

Wolf Theiss Poland Associate Sonia Kurpiel draws attention to the recent draft amendment to the *Polish Labor Code*. “The Ministry of Family, Labor, and Social Policy has published a draft amendment to the *Labor Code*, which introduces changes to the method of calculating the length of service. The new regulations aim to level the playing field for accessing certain employee benefits,” she says. “The planned changes are set to



come into force on January 1, 2026.”

The amendment, according to Kurpiel, “includes the following periods in the length of service: conducting non-agricultural business activities and collaborating with a person conducting such activities, provided that social insurance contributions such as a pension, disability, or accident insurance were paid for these periods; performing contracts of mandate, service contracts, agency agreements, and membership in agricultural production cooperatives and agricultural circle cooperatives, provided that pension and disability insurance were applicable; professional activities that constitute a basis for social insurance, even if the person was not subject to pension and disability insurance due to exemptions or reliefs, such as those resulting from the COVID-19 pandemic, start-up reliefs, or exceeding the annual contribution assessment base; and documented gainful activities abroad.”

### In the Works

The oil & gas sector in Bulgaria saw some significant developments, according to CMS Sofia Managing Partner Kostadin Sirlishtov, “with the successful 2-year extension of the exploration agreement awarded to OMV Petrom for the Han Asparuh block offshore Bulgaria and with the new tender for the adjacent Han Tervel block.” Sirlishtov further reports that “the Bulgarian Black Sea oil & gas blocks are becoming of major interest to international investors following the start of production from the neighboring Sakariya block in Turkey and the final investment decision made by OMV Petrom for the Neptun Deep block in Romania.”

“Bulgaria also initiated the *RESTORE* project, which aims to provide funding for the construction and putting into operation of at least 3000 megawatt-hour battery storage capacity,” he continues. “The total amount of EU grant that can be provided under the whole project is BGN 1.1 billion. Each undertaking can bid for up to BGN 148 million of grant support. The maximum grant intensity is 50% of the allowed costs but not more than BGN 371,000 per 1 megawatt-hour. The deadline for the grid connection of these batteries should not be later than March 31, 2026. The *RESTORE* project is very needed by the Bulgarian electricity sector, which saw a major disturbance in May 2024 with the balancing costs sky-rocketing to unprecedented levels.”

Finally, Sirlishtov says, “Hyundai, the Korean company that the Bulgarian Parliament selected to construct Units 7 and 8 of the Kozloduy Nuclear Power Plant, presented its management and credentials to the Bulgarian authorities and promised delivery of the first unit by 2032.”

As for Serbia, JPM & Partners Senior Partner Jelena Gazivoda says that in May 2024, the Krivaca wind farm commenced production, “marking a milestone as one of the largest wind farms in the Republic of Serbia and the first in its eastern

region, spanning the municipalities of Golubac, Kucevo, and Veliko Gradiste. Featuring 22 turbines with a total capacity of 105.6 megawatts, the farm generates 310 gigawatt-hours annually, powering approximately 75,000 households.” Gazivoda highlights that the project was “constructed over two years at a cost of EUR 155 million,” and “received backing from banking groups including Erste, Raiffeisen, NLB, and OeEB. Notably, it represents Serbia’s inaugural renewable energy project with a commercial power purchase agreement signed with Swiss firm Axpo.”

Additionally, Gazivoda says, “in June 2024, the EPS transformation plan was adopted, introducing organizational changes aimed at enhancing operational, managerial, and financial processes. These measures focus significantly on digitalization to bolster system security and overall management efficiency.” She adds that “concurrently, Serbia initiated a feasibility study to explore the potential introduction of nuclear energy into its energy mix. Since 1989, Serbia has maintained a moratorium on nuclear energy, prohibiting plant construction and fuel production. The Ministry of Mining and Energy has launched a public procurement process for a preliminary technical study to assess the viability of nuclear energy within the country.”

### Regulators Weigh In

Debarliev Dameski & Kelesoska Partner Jasmina Ilieva Jovanovik draws attention to a recent case by North Macedonia’s competition commission, stating that “this in fact is a unique case, the first of its kind handled so far by the commission in its overall practice.”

According to Ilieva Jovanovik, “in its recent web publications, following an in-depth analysis of the effect of the merger on the competition in the relevant market (Phase II investigation), the Commission for Protection of the Competition of Republic of North Macedonia has published its decision by which it approved the concentration between Kappa Star Recycling d.o.o. Umka (Serbia) and Nutrivet Doo Skopje (North Macedonia), resulting from their intention to merge their businesses of collection, transport, and storing of non-hazard waste in North Macedonia, subject to the fulfillment of certain structural remedies proposed by the parties, which the commission has accepted as sufficient to ultimately result with the proposed concentration being in the line with local competition law.”

“The commission has opened a Phase II investigation in only a few other merger cases, which were cleared subject to behavioral remedies undertaken by the parties, however, in the present case, the commission has for the first time accepted proposed structural remedies and obligations, resulting in the divestiture of business, as a condition for approval of the proposed concentration by the commission,” Jovanovik adds. ●

## THE DIGITAL EURO: A LOOK AT CBDCS IN EUROPE

By Teona Gelashvili

CMS Hungary Partner Katalin Horvath and CMS Austria Partner Stefan Paulmayer discuss the implications of central bank digital currencies (CBDCs) and the evolving landscape of digital payments in Europe.



**CEELM:** To start, what is a central bank digital currency and how does it differ from other virtual currencies?

**Paulmayer:** The general idea is that the countries' central banks – or the ECB in the eurozone – are contemplating the introduction of a substitute for cash – in the EU the Digital Euro – allowing the transfer of funds from a bank account to a CBDC wallet or account through, e.g., an app. Such digital cash can be used to make payments for things like coffee, sales of goods, and other expenses.

**CEELM:** How close are we to making this a reality?

**Paulmayer:** In the EU, the project has been in the preparatory phase since November 2023. This stage involves evaluating the technical implementation and regulatory aspects. Ultimately, Member States will need to decide to implement the Digital Euro. If everything proceeds smoothly, the earliest we can expect it is around 2028.

**Horvath:** Some countries outside the EU are already using CBDCs. The first – the Sand Dollar – was launched in the Bahamas in 2019. Several countries are in the testing phase, such as the US, Canada, and Switzerland. In fact, 11 countries have already implemented them. Many others are in the research or testing phase, including nations in the Asia-Pacific region like Japan, Malaysia, and Australia, each at varying stages of development. In the EU, based on the draft regulation on the establishment of the Digital Euro, the Digital Euro will be a retail, indirect, account-based CBDC with the status of legal tender.

**CEELM:** Considering the case studies, why is this topic important, and what would be its selling point?

**Horvath:** It depends on whether it's a retail or wholesale

CBDC. Retail CBDCs are designed for the public and are used for daily transactions, such as C2C, B2B, B2C, or C2B payments. Wholesale CBDCs, on the other hand, are used for interbank transactions or securities transactions, similar to the existing processes banks have been using for years. In both cases, I believe it can enhance financial inclusion, improve the safety of cross-border payments, and ensure financial stability. This is particularly beneficial for countries where online payment methods are not widely used or where the population has limited access to such methods.

**Paulmayer:** In the Euro area, there was growing concern about digital currencies, their deregulation, and the volatility of cryptocurrencies like Bitcoin, which are seen more as investment instruments than actual currencies or currency substitutes. The EU also aims to become more independent from the financial markets of other countries. For instance, if the US government sanctions a country, it can suddenly become impossible for other parts of the world to process payments with that country because payment institutions are influenced by the US government.

Additionally, there is an issue of fees. In the case of bankcard payments, for customers, there doesn't appear to be any cost involved, but for merchants, there is always a fee to pay to the international card schemes, especially for cross-border transactions, which can become expensive. Using a CBDC wallet for transactions could reduce or eliminate these fees, making it cheaper. However, it is still unclear if merchants would effectively pass on these savings to the consumers.

**Horvath:** I think there will be a cost associated with storing CBDC, such as digital euros, it won't be free. Consumers will need to have an account with a payment service provider to use digital euros, and merchants will also need to open such



Katalin Horvath,  
Partner,  
CMS Hungary



Stefan Paulmayer,  
Partner,  
CMS Austria

accounts. Both consumers and merchants will incur fees, not for transactions, but for maintaining these accounts. While the Digital Euro draft regulation includes provisions on fees, they cannot be higher than those for existing bank accounts.

**CEELM:** What do you believe public opinion will be regarding the adoption of the Digital Euro?

**Horvath:** I see the retail Digital Euro as just another electronic payment method. There are several types of electronic payments, such as online bankcard payments, POS, softPOS, and the euro instant payment method. For example, in Hungary, the majority of the public is not very well-educated about digital payments, and trust in digital wallets and digital payments is limited. Additionally, paying with cash has historically been associated with anonymity, and creating a CBDC even if it is account-based or token-based, indirect or direct, can't guarantee the same level of anonymity.

**Paulmayer:** I agree that public acceptance will be a major challenge. We already have digital wallet solutions and other smartphone payment options, and I wouldn't want to go through the hassle of opening a CBDC/Digital Euro wallet or account, manually transferring funds, and then making payments. I also think there will be resistance. This concern is often based on misconceptions about data protection, but there's still significant opposition among the general public, which is likely to be just one of many hurdles.

**CEELM:** Looking ahead, what do you expect to be the main hurdles in terms of adopting CBDCs?

**Paulmayer:** There are numerous technical challenges to address, including who will operate the wallets, how they will be structured, and how we will integrate them with smartphones. These are significant tasks for the central banks to resolve. Following that, if a roadmap is established, eurozone governments will need to decide whether to adopt the Digital Euro, which may pose an even bigger hurdle than the technical issues. It's also essential to gain government support, especially given the potential for substantial public backlash.

**Horvath:** There are also cybersecurity concerns, as we can't rule out potential attacks on the entire CBDC system. Additionally, there may be challenges related to AML in the context of the Digital Euro and CBDCs. I'm curious to see how they will address these issues in practice, especially together with the European digital identity wallet *eIDAS 2.0* regulation which must be able to store the Digital Euro. Another issue is that a few member states are developing their own digital identity wallets, like in Hungary. This could lead to multiple wallets operating in parallel and competing for storage of CBDC. If an EU member state wants to develop its own wallet, it must align with the technical solutions of the Digital Euro.

**CEELM:** Speaking of identity wallets, are those closer to being implemented?

**Horvath:** The development of the Hungarian digital identity wallet has already been finished. The Hungarian government opted not to engage with the broader European digital identity wallet concept when creating its own wallet solution. While we are not part of the eurozone, I can envision a scenario where the government decides to join the eurozone while maintaining its own independent wallet. It will be interesting to see what happens when a non-eurozone country seeks to join.

**Paulmayer:** In Austria, we already have a digital app provided by the Austrian government that includes a digital ID and driver's license. I believe this is preparatory work for the broader implementation of the EU ID wallet project. While it currently functions on a national level in Austria and isn't yet recognized by foreign authorities, the long-term goal is to achieve synchronization and recognition across the EU.

Similar to that, I believe, CBDCs are going to be adopted, it's just a matter of when, as this will influence adoption rates. If we implement it effectively and conveniently, it might stand a chance of being embraced by consumers. ●

## LOOKING IN: MARC VAN CAMPEN OF VAN CAMPEN LIEM

By Teona Gelashvili

In our **Looking In** series, we talk to Partners from outside CEE who are keeping an eye on the region (and often pop up in our deal ticker) to learn how they perceive CEE markets and their evolution. For this issue, we sat down with Marc van Campen, Partner at Van Campen Liem in Amsterdam.

**CEELM:** What was your first interaction with the CEE region?

**Van Campen:** My journey in CEE began in 1997. When I joined Baker McKenzie in Amsterdam that year, we were just starting our practice focused on private equity and venture capital in CEE. Back then, we had a few funds like Barings Communications Equity (Emerging Europe), Poland Partners (predecessor of Innova), and Enterprise Investors with early activities centered on Poland, the Czech Republic, and Hungary. The projects were primarily in telecoms, cable TV, and fiber, as well as early-stage tech sectors. By the early 2000s, we expanded southward to Slovenia and Romania with Studio Moderna being an early client, our focus broadened to include the Balkans and ex-Yugoslavia, particularly the northern parts, and we gradually moved into Bulgaria.

In 2005, at a CEE Private Equity conference, I suggested to a client that we discuss Turkiye. It was a new market for us, with Turkven being a notable first mover in that market. This marked our entry into Turkiye, where we saw significant activity until the political events of 2015. After the attempted coup in 2016, Turkiye's market slowed.

**CEELM:** What was the main focus for you throughout these years?

**Van Campen:** From 1997 to now, our work has revolved around two main areas: establishing funds in the CEE region and structuring deals and investments for funds. CEE has been a significant market for us, and although we also worked in countries such as the UK, Spain, and Italy, over 60% of our funds were focused on CEE. We set up Dutch and Luxembourg structures, primarily from our Amsterdam office, coordinating with Baker McKenzie teams or local lawyers across Warsaw, Prague, Vienna, Kyiv, Moscow, and more.

In 2012, we left Baker McKenzie, taking a team of about 30 people as we wanted to establish a law firm with a strong focus on PE and VC in CEE. It was a rather "pleasant divorce" – we maintained our client base and relationships, making for a

smooth transition. After less than a year, we decided to establish a Luxembourg office to offer our clients a choice between Luxembourg and Amsterdam models for the structuring and formation of VC and PE funds, as we wanted to give them an unbiased recommendation of which jurisdiction would work best.

**CEELM:** As for the current pipeline, what has been keeping you busy in the last 12 months?

**Van Campen:** Over the past 12 months, deal activity has been relatively modest, mirroring global trends. There have been a few exits and new venture rounds, but these have not been straightforward. Most of the transactions have involved private equity firms selling to international buyers, and new deals have been scarce.

Over the years, CEE companies have shown remarkable robustness, able to withstand and navigate difficulties effectively. This persistence has allowed them to continue expanding. We are seeing a trend where local managers, who have matured and grown, are shifting from local structures to international ones. For start-ups, this often means moving from a local entity to a holding company outside the region. This strategy simplifies subsequent rounds of venture capital or private equity funding, as investing terms are typically easier to implement and enforce in jurisdictions like the Netherlands.

**CEELM:** What was the evolution of the CEE region and how would you describe the changing dynamics of the market?

**Van Campen:** In the early days in the CEE region, we handled many large deals. Over time, however, the focus has shifted more toward mid-market transactions. While we still engage in big deals, the average size has decreased. We now often work on deals with the value of the tens of millions rather than hundreds of millions of euros. This shift seems to be a natural evolution in the market. Regarding funds, we deal with a variety, but regional CEE funds typically aren't massive. Most are between EUR 25 million and EUR 500 million, with few



exceeding EUR 500 million.

In terms of specific markets, over the past decade, Hungary has seen a gradual, but consistent decline in deal activity. Conversely, Poland remains strong, and Romania has a robust presence, though finding deals there can be challenging. We've observed a significant increase in venture capital activity in Romania, and Bulgaria, thanks to a pool of talent and opportunities. Recently, there's been a surge in activity in Croatia, Serbia, and Slovenia.

As I mentioned earlier, Turkiye's market started picking up around 2003-2005, with an initial focus on a few funds. Between 2005 and 2015, there was a boom in venture capital, especially in early-stage funds. However, post-2016, international interest waned due to political issues, and local private equity companies began focusing on smaller, venture-type deals. Turkiye has seen a rise in new venture funds, notably in gaming, with less emphasis on large acquisitions. The local stock market and IPO scene are relatively healthy but not overwhelmed with activity. Additionally, Turkish investors and managers, who excel in their field, often expand their investments across Europe. These ventures often involve the Turkish diaspora – successful entrepreneurs and investors who reside in the US, UK, and other countries and are actively engaging in deals outside their home countries.

**CEELM:** As for the local specifics, which markets in the CEE region do you find more promising or challenging?

**Van Campen:** In terms of challenging markets, Ukraine, for example, is very difficult right now. We had projects in Moldova, but they were put on hold when the war started. Technical-

ly, we could proceed, and there is interest in setting up ventures in Ukraine, but progress is slow. There is potential for rebuilding, though Western European funds are hesitant due to the proximity to Russia, affecting interest in nearby countries like Romania, Poland, and the Baltics. Of course, despite global hesitation, institutions like the EIF and the EBRD continue to support these regions, making it easier to stimulate smaller deals and venture capital activity, even if large-scale deals are less frequent.

On the promising side, Poland remains most attractive for investors due to its maturity and ease of doing business. The Czech Republic is also investor-friendly but small with limited activity. Turkiye is appealing primarily for venture and gaming sectors, less so for other areas. Additionally, interest in Croatia is growing, especially with its integration into the Eurozone and Schengen area, attracting dedicated investment funds. Slovenia, though historically good, is not an easy market but remains relevant alongside Croatia.

In the Baltics, we don't see much activity, which could be a blind spot for us. It might be that they have effective local structures and don't need external frameworks like those in Amsterdam or Luxembourg.

**CEELM:** Finally, what is your perspective on internationals in CEE – how will their presence evolve?

**Van Campen:** Over my 27 years in the CEE region, I've witnessed significant changes among international law firms. Firms like Linklaters, White & Case, and Weil, Gotshal & Manges have established and then closed offices in various jurisdictions. My former firm, Baker McKenzie, maintained key offices in Warsaw, Budapest, and Vienna, covering much of their CEE operations from these locations. Many large firms have withdrawn to focus on more lucrative markets in the UK and Germany. Dentons and CMS have remained strong in the region, but the trend for larger firms is to consolidate rather than expand, due to higher potential earnings elsewhere. This has left room for smaller firms to enter the market, especially as clients in CEE are more cost-conscious and seek value for money.

I don't foresee major international firms opening new offices in the CEE. Instead, we might see more closures unless these firms have a solid foothold. Smaller firms have more opportunities to thrive. Looking forward, there could be potential for increased regional cooperation among Southeast European law firms. However, the diverse legal systems and small economies, such as in the former Yugoslav countries, pose challenges for unified operations. ●

## THE CORNER OFFICE: LEGAL TECH (TO THE RESCUE)

In **The Corner Office**, we ask Managing Partners at law firms across Central and Eastern Europe about their backgrounds, strategies, and responsibilities. With industry-specific software emerging left and right, the legal industry was not left behind. To explore some of the trends in this regard, we asked: **What are some of the specific legal tech platforms you use?**



**Vaclav Bily, PRK Partners:** In our office, we use mainly two legal tech solutions – Single-Case and Legito.

SingleCase is used as a data management system and for the general management of clients and legal cases. Legito is a smart contract solution in which we internally keep templates of often-used legal documents to allow us to both centralize our know-how and to be more efficient in our work due to automation within the platform (e.g., its connection to the *Czech Commercial Register*). We of course also use legal information systems such as ASPI or Beck for legal research in laws, court decisions, and legal literature.

In addition, we currently use many other digital tools albeit not being a specific legal tech solution. This namely includes access to LLMs currently through ChatGPT, AI-assisted translations through Deepl (which our attorneys can quickly and easily access through an internally developed client connected to Deepl API), or Signi, a Czech platform for electronic signatures.

Finally, we are also currently testing several legal tech solutions such as SingleDraft (an AI-powered MS Word plugin) or Advomate (an AI-assisted legal research tool). We are also in discussion with Semantee.ai on the development of an AI-as-

sisted document search namely to be used in due diligence processes.



**Josef Donat, Rowan Legal:** At Rowan Legal, we are continuously innovating our services, including the involvement of legal tech external tools – for example for document automation or whistleblowing. We are also innovating internally to continue to improve the cooperation and exchange of know-how of our internal teams.

In recent months, in cooperation with Legal Systems, we launched and further developed a document automation system. Our clients thus have an innovative tool at their disposal, thanks to which they significantly save time when preparing and revising contractual documentation. We also introduced and further developed a whistleblowing solution called Smart-whistle, in which we combined the legal service with the WhistleLink technical solution.

We are also closely monitoring developments in the field of artificial intelligence. In the past year, we have started to use several tools for so-called smart research or for revising anonymized documentation based on defined parameters. We are also working on improving the internal chatbot, which helps, among other things, with the onboarding of new colleagues.



**Tarik Guleryuz, Guleryuz Partners:** At Guleryuz Partners, we are particularly interested in developing our business and improving efficiency through the use of technology, and we use several platforms to this end.

First of all is our internally developed app for time management and billing, which we named Ticker. Ticker allows us to manage the financial and time-management aspects of client management, such as making time entries, tracking costs, or automatically generating invoices in line with our engagement with the client.

Secondly, we use iManage for our document management needs, which is now almost the industry standard for document management and enables us to efficiently categorize and keep our documents organized.

Apart from the management-purposed use of technology, we are keen to use and develop technologies contributing to time and cost efficiency in any work-stream of a law firm. For these purposes, we have founded Delege Lata, an artificial intelligence research company specializing in AI research and development in the legal field. While the product – Delege Lata Associate – is still in development, it will simplify workflows, especially for our litigation team, as it is being purpose-built as an AI to handle drafting in litigation and arbitration. We have been testing the product in-house at Guleryuz and will unveil it to the general legal world in the coming months.



**Pal Jalsovszky, Jalsovszky:** The principal legal tech software that we use is Legito, which is a tool designed for contract automation.

For three years now we have been working on uploading our main contractual provisions to Legito. Further, our firm uses Henchman, a very intelligent tool for searching clauses in our own database. Other than this, we have been using Luminance for more than five years to enhance the efficiency of our due diligence reviews. And lately, we started to use KLERQ, a Dutch-based software, helping us to put together our Legal500, Chambers and Partners, etc., submissions.

Other than these tools specifically designed for lawyers we are using various other software in our daily routine. Most notably, we benefit from Active Campaign, a CRM solution. In addition, we use Qlikview for our internal controlling and management accounting purposes.



**Kostadin Sirleshtov, CMS:** At CMS we use our Lupl platform – a radically simple software platform for lawyers to plan, organize, and deliver legal work. Usually, legal professionals do not have a central system for managing work, so they spend their days switching between tools and systems.

With Lupl, we have greater visibility – a bird's eye view of everything relating to our matters with flexible views. We always know where tasks and deadlines stand across all matters and review all activities in real-time. It allows us to streamline tasks – to assign tasks, set priorities, and ensure balanced work distribution among our team, effortlessly managing our team's workload.

Lupl helps us create customized workflows – we define the steps, tasks, and deadlines for each matter, assign roles and responsibilities to team members, and track the progress and status of each workflow. It provides integrated knowledge – easily capturing firm expertise and experience, thus enhancing efficiency and reducing the time spent searching for data.



**Perry Zizzi, Dentons:** Dentons is exploring numerous technologies to make our work more efficient.

I'm part of a pilot of 100 lawyers using Harvey AI for document analysis and review, information retrieval, and legal drafting. This gives us useful first drafts, but outputs still need to be reviewed by experienced lawyers. We are also piloting Microsoft Copilot, which is used for summarizing documents/data, creating first-draft correspondence, and doing research.

We are also using eDiscovery tools such as Luminance, Relativity, Nuix, and Brainspace to read and search large sets of documents to identify crucial information in short timelines. We have recently started using Azure AI Studio and its latest language models to develop chatbots that enable lawyers to analyze the latest developments, trends, and opportunities in their sectors or practice areas.

Our award-winning Purple Sea is an interactive data-driven solution, built internally on PowerBI, which is used by lawyers and business development professionals to identify white space and opportunities to expand client relationships. We also have a number of automated financial reporting tools built on Power BI. ●

# BRIDGING ACADEMIA AND PRACTICE: SUMMER INTERNSHIP PROGRAMS

By **Andrija Djonovic**

**Nazali Tax & Legal Managing Partner Ersin Nazali and Kinstellar Managing Associate and Head of Employment Kristina Pavlovic talk about their firms' summer internship programs – the crucial bridge between academic learning and practical experience for law students.**

## Internship Intake and Selection Criteria

Both Nazali and Kinstellar have well-defined criteria for selecting their summer interns, ensuring they attract dedicated and capable candidates.

“Our law firm consists of different areas (departments),” Nazali begins. “Within this scope, each department requests summer interns in accordance with their workload. Generally, each department has two to three summer interns each month. Our summer intern program covers three months, from June to August.” As for Kinstellar, Pavlovic says that the firm typically takes “two to four summer interns each year, mostly depending on the volume of work during the summer and the time our lawyers can devote to the candidates.”

Moreover, Nazali reports that their firm’s HR department is the one that selects the summer interns. “Their criteria are the academic year of the student (only second and third-year students are selected), the intern’s letter of interest, foreign language skills (with English being a must), previous intern programs, in case of third-year students, and social activities such as debate clubs and social responsibility projects,” Nazali outlines. As for Kinstellar’s selection criteria, Pavlovic reports that academic standing and English fluency are paramount. Aside from that, Pavlovic says that the “candidate’s enthusiasm to understand the way an international corporate law firm works, what we do in practice, and their readiness to spend a month of their summer working and learning” are also major selection criteria.

## University Partnerships and Internship Structure

The way firms engage with educational centers and structure their internship programs plays a significant role in shaping interns’ experiences.

“We don’t have specific university partnerships, but we are attending universities’ career days programs,” Nazali says. “Through these programs, we easily meet different students and these students have a chance to learn about our office internship program.” As he puts it, the firm’s aim is to show the “enforcement part of our work that is not shown at university.”

“Traditionally, we partner with the Belgrade University’s Faculty of Law and its student association, ELSA,” Pavlovic says

for Kinstellar. “In recent years, we have also engaged students from foreign universities interested in learning about international law firms operating in the local market and Serbian jurisdiction and legislation.”

Continuing, Pavlovic says that, “through the internship, the intern gains insight into what life of a Junior Associate at an international law firm entails, what are the expectations and challenges in practice.” At Kinstellar, each summer intern gets one of the firm’s Associates as a mentor. “Being attached to a mentor, the intern is mainly associated with one practice group. However, depending on the workload, they also receive tasks from Associates in different fields,” Pavlovic explains. “In addition to working on legal matters and serving clients, our interns frequently engage in various research and business development activities.”

Nazali also outlines that their legal interns do research, draft the results of their legal analysis, create presentations about new regulations, write articles, visit the courts with lawyers, and much more.

## Conversion to Full-Time Hires and Intern Experience

The ultimate goal for many interns is to secure a full-time position post-graduation. Both firms have systems in place to facilitate this transition, offering a pathway from internship to full-time employment.

“After their internship program, each Partner gives feedback to the HR department,” Nazali says. “In case an intern makes an application for a legal intern program, if the feedback is positive, our HR team selects the intern as a legal intern candidate and the process moves forward.” As a general rule, Nazali shares that the firm’s default approach is to select “previous summer interns as our next legal interns.”

“Some of the most successful lawyers within our office started as our summer interns,” Pavlovic chimes in. “Others went studying abroad or decided to opt for different careers. In any instance, the feedback they gave us indicated that the internship at our law firm was a valuable learning experience, helping them determine their future career paths.” Not only that but Pavlovic also happily shares in conclusion that “many friendships developed among team members. We love to have interns among us because they bring a special energy and enthusiasm to our work atmosphere.” ●



## INSIDE TRACK: SUMMER RECHARGE

By Teona Gelashvili

In the **Inside Track**, General Counsels across CEE share the nuances of their roles, challenges, and strategies for success. As summer is a time to unwind, we asked: **With summer here, what is your one favorite yearly activity to disconnect and switch off?**



**Iryna Musiychuk, Head of Legal Department, McDonald's**

**Poland:** Summer holds a special place in my heart, and I always see it as a time to relax. Even a short break during this sunny season brings so much joy and rejuvenation, especially with the refreshing sea breeze. After the pressure of legal work, I've found that surfing and other water sports are the perfect way to unwind. I've come to realize the importance of taking regular breaks, no matter the time of year. It's better than waiting for summer to arrive and then trying to recover from a workload without proper rest. While I used to travel to other countries, now that I work in Poland, I'm looking forward to spending my vacation in my homeland, Ukraine.

These warm summer days provide the perfect opportunity for leisurely evening strolls and enjoyable meals with loved ones. Regrettably, in Ukraine, these simple moments have become rare relics of pre-war times. Instead, the reality for my fellow citizens is filled with curfews, ongoing air raids, and explosions. I hope a peaceful life will come back, and those Russians responsible for war crimes will be held accountable and duly punished for the immense suffering they have inflicted upon Ukraine and other nations worldwide.



**Nada Matusikova, Co-Head of Legal, RWS Group:**

Being almost a workaholic (not by choice), I cannot wait for the summer holiday season. Over the years, I discovered my best model of holiday. A proper time for relaxing must be at least two weeks in a row. I usually take one week in July and one in August to break the summer with the kids. But if you have the luxury, always take the full fortnight.

I love the combination of adventure and leisure. For the first week, I opt for some physically demanding activities that require your full focus. This is very important to your absolute switch off from your work and/or family duties. I can recommend mountain climbing, hiking, or nature exploration. After you have forgotten all about your pending tasks or overflowing mailbox, you are finally ready to fully relax. Choose one to your liking – whether a proper beach holiday, a spa treatment, or a calming stay in the countryside. Do enjoy what you cannot normally indulge in while working – read, meditate, exercise, dance, or just sleep. ●



# MARKET SPOTLIGHT: GREECE

## ACTIVITY OVERVIEW: GREECE

The Firms with the most Deals covered by CEE Legal Matters in Greece, between January 1, 2023, and July 15, 2024.

1.	Bernitsas	27
2.	Zepos & Yannopoulos	22
3.	Koutalidis Law Firm	18
4.	Kyriakides Georgopoulos	16
5.	Papapolitis & Papapolitis	13

The Partners with the most Deals covered by CEE Legal Matters in Greece, between January 1, 2023, and July 15, 2024.

1.	Nikos Papachristopoulos	13
2.	Athanasia Tsene	11
3.	Christina Papanikolopoulou	6
4.	Dimitris Assimakis	5
	George Naskaris	5
	Prokopis Dimitriadis	5



# CHARTING GREECE'S COMEBACK STORY

By Teona Gelashvili

Once known for its financial turbulence, the Greek economy is showing strong growth. Bahas, Gramatidis & Partners Managing Partner Marios Bahas and Drakopoulos Partner Mika Lalaouni discuss key sectors and major drivers of the turnaround.



## Greece's Economic Comeback

In the face of global challenges, Greece's economy has shown remarkable resilience. "Amid the geopolitical crises in Ukraine and the Middle East and their impact on the international economic environment, the Greek economy remains resilient," Lalaouni notes. "It is noteworthy that, in 2023, Greece recorded the second-largest improvement in fiscal fundamentals at the Euro area level. According to the latest OECD Economic Outlook (May 2024), growth is projected to continue at 2.0% in 2024 before picking up to 2.5% in 2025." This projection, she highlights, "reflects the country's continued efforts to support the market through improvements in all key economic indicators."

Bahas further emphasizes this transformation: "The current market situation in Greece represents a significant improvement compared to previous years. Following a severe financial crisis, the Greek economy has recovered substantially." According to him, "In recent years, there have been positive GDP growth rates, contrasting with the negative growth during the crisis. The investment climate has become much more favorable, with increased levels of both foreign and domestic investment. Unemployment rates have fallen – though they remain higher than the European Union average. Business confidence has improved significantly, with more companies being established and existing ones expanding their operations."

Lalaouni underscores recent trends in foreign investment, noting that "according to UN Trade and Development's 2024

World Investment Report, FDI inflows to Greece reached USD 8.451 billion in 2022 (the highest FDI inflow since 2002) compared to USD 6.32 billion in 2021 and USD 3.21 billion in 2020." Moreover, Lalaouni highlights the strength of the labor market, stating it "remained strong in 2023 with the unemployment rate falling to 11.1% from 12.4% in 2022." However, Lalaouni also points out challenges in the economy, mentioning that "annual Harmonised Index of Consumer Prices (HICP) inflation decreased to 4.2% (from 9.3% in 2022) mainly due to the decrease in energy prices, however, prices of processed foods, and non-energy industrial goods and services remained very high in 2023 and contributed negatively to inflation rates. Still, the HICP inflation is 'expected to decline more gradually in 2024 and 2025 to 2.7% and 2.0%, respectively,' according to the European Commission's macroeconomic forecast."

## The Sectors Shaping the Future

As Greece continues to recover, some sectors are playing a pivotal role in its economic resurgence. "Several key sectors are driving the economic boom in Greece," Bahas notes. "The tourism sector continues to be a major growth driver due to the increasing number of visitors each year. The real estate market is also growing significantly, with substantial investment in both residential and commercial properties, driven in part by the Golden Visa program. Additionally, the renewable energy sector is expanding rapidly, particularly in wind and solar power. The technology sector – especially in terms of startups – is attracting significant venture capital, further boosting economic growth. Moreover, the shipping industry continues



Marios Bahas,  
Managing Partner,  
Bahas, Gramatidis & Partners



Mika Lalaoui,  
Partner,  
Drakopoulos



*Greece's commitment to reforms over the past decade along with the achievement of its key fiscal targets rebuilt trust and attracted foreign investors.*

to be a world leader, contributing significantly to the overall economy.”

“Private consumption, goods and services exports, and investment remained the key drivers of GDP growth which grew by 2.0% in 2023 compared to 2022, according to the Financial Stability Review of the Bank of Greece,” Lalaoui adds. “In particular, in early 2024 Greece attracted direct investments mainly from Germany, France, Italy, and China (Hong Kong in particular) with a focus on manufacturing, telecommunications, transportation, and real estate.”

High-value projects are further underscoring this momentum. Bahas points to the Hellinikon Project, “a multi-billion euro redevelopment initiative in Athens that is transforming the former airport site into a modern urban area with commercial and residential spaces.” The privatization of the ports of Igoumenitsa, Heraklion, and Volos, according to Lalaoui, amounted to “EUR 84.2 million, EUR 80 million, and EUR 51 million respectively.”

In addition to these developments, significant investments from major companies signal confidence in Greece’s future.

“Microsoft has announced plans to establish a data center region in Greece,” Bahas states, “representing a significant investment in the country’s technology infrastructure.” Furthermore, Bahas notes that “Cosco Shipping continues to invest heavily in the Port of Piraeus, expanding its capacity and facilities and establishing it as a key logistics hub.”

Eldorado Gold is also making strides, with Bahas adding that the company is “investing in gold mining operations, contributing to the growth of the mining sector.” Additionally, “numerous international hotel chains and property developers have also made significant investments in the tourism sector, further boosting economic growth,” he reports.

Lalaoui says that the recent IPO of AIA in Greece attracted significant interest. “The offering of 90 million AIA shares to investors both in Greece and abroad,” she reports, “resulted in a commencement trading price of EUR 8.20 per share, at the upper end of the price range.” This debut, according to her, underscores a growing confidence in Greece’s economic outlook.

#### What’s Driving the Growth?

Bahas emphasizes that several key factors have contributed to the positive shift in the Greek market outlook: “Political stability has improved investor confidence and fostered a more predictable business environment. Economic reforms have led to better fiscal stability and economic performance. Continued financial support from the European Union has been instrumental in stabilizing and growing the economy. Sustained growth in tourism has had a positive multiplier effect on other sectors such as retail, hospitality, and transportation.” In addition, he notes, “investments in infrastructure, including the modernization of ports and airports, have significantly improved connectivity and trade, further contributing to the positive market outlook.”

Moreover, Lalaoui highlights that “investment, supported by the disbursements of the EU Recovery and Resilience Fund and by the continuous improvement of banks’ health, is one of the main growth drivers of the Greek economy and is expected to remain as such in the coming years.” Further, she stresses, “export of goods and services contributes significantly to the growth rates,” while consumption “will pick up in 2024 as real wage increases, employment gains, and strong tourism inflows support incomes and spending.”

Lalaoui concludes that “Greece’s commitment to reforms over the past decade along with the achievement of its key fiscal targets rebuilt trust and attracted foreign investors.” ●

## INSIDE INSIGHT: STATHIS MIHOS OF PFIZER

By Teona Gelashvili

As Pfizer's Legal Director overseeing Greece, Cyprus, Malta, and Israel, Stathis Mihos explores EU health policy advancements and the complexities arising from the pandemic and examines how artificial intelligence is dynamically influencing lawyers' work.

**CEELM:** Tell us a bit about yourself and the career path you took leading up to your current role.

**Mihos:** I studied law at the University of Athens and later obtained my postgraduate degree (LL.M.) in Information Technology and Telecommunications Law from the University of Strathclyde, Glasgow. Additionally, I hold an M.A. degree in Tourism Business Administration from the Hellenic Open University.

After graduating, I initially worked as a lawyer in various law firms. In 2001, I began managing in-house legal departments for the Greek affiliates of international companies, including Lafarge, BP, Carrefour, and since 2013, Pfizer. I joined Pfizer as Legal Director about eleven years ago and I'm now responsible for managing the company's legal affairs in Greece, Cyprus, Malta, and Israel.

I am also the author of many articles and books, including *Monitoring of Internet Communications in the Workplace* (Sakkoulas Publications, 2007), *In-house Counsel* (Nomiki Vivliothiki Publications, 2013), and contributor to *The Future of the In-house Lawyer: The General Counsel Revolution* (The Law Society of England and Wales, 2016).

**CEELM:** Over the past years, what has been your main focus?

**Mihos:** The pandemic period was of course difficult for all people and all businesses. Fellow lawyers of all companies had to deal with a number of novel legal issues in the ways of working, distributing products, managing payments, concluding agreements, ensuring the health of employees, and at the same time safeguarding personal data, to name but a few. Obviously, in our company, we dealt with all of this, but at the



*New digital technologies and developments in data science will also play a decisive role, which will radically change the management of serious diseases and put the patient at the center.*

same time, we needed to run at high speeds to support the effort to develop a vaccine against the virus. At the level of the four national markets that I support, this meant working with the relevant departments to conduct trade negotiations, manage potential claims, confirm compliance with pharmaceutical legislation, etc. under largely unclear and constantly changing conditions. This job involved many hours of continuous work and several late nights, many stresses and anxieties, many meetings, video conferences, phone calls, and countless

emails. But for the first time in my professional life, I felt such feelings of joy and pride seeing that my effort added up to the huge effort of thousands of Pfizer employees and partners to overcome the problem and save millions of lives.

**CEELM:** How have your focus and priorities shifted post-COVID-19?

**Mihos:** The pandemic has imposed structural changes in health, which will have a long-term character and will shape the future. The speed with which science has moved, with the discovery of a vaccine and a treatment in a very short time, opens new horizons for new innovations that will contribute to improving patients' lives. New digital technologies (artificial intelligence, machine learning, etc.) and developments in data science will also play a decisive role, which will radically change the management of serious diseases and put the patient at the center.

Additionally, the pandemic and the wider changes that have taken place in Europe have highlighted the need to revise the EU health strategy so that all countries can respond to every next challenge. The aim of the new global strategy is equal access for all citizens to innovative medicines and treatments. For example, with the *Pact for a Healthier World*, Pfizer provides all patented high-quality medicines and vaccines available in the U.S. or European Union to 1.2 billion people in 45 lower-income countries without profit. In this way, the pact aims to significantly reduce existing health inequalities between many lower-income countries and the rest of the world.

**CEELM:** Looking ahead, what do you anticipate keeping you busy in the next period?

**Mihos:** The EU initiative on the European Health Data Space (EHDS) is very important and goes in the right direction to ensure that all citizens can have the best healthcare across the EU. At the same time, the EHDS promotes innovation as data will be used in research to develop new treatments that will cover unmet medical needs (secondary use of electronic health data), after ensuring the transparency of the system with mechanisms that will fully protect citizens' personal data. This initiative is also in line with the digital transformation strategy in healthcare that has already begun and will further enhance citizens' accessibility to health services and the quality of the health system.

**CEELM:** What is the one piece of advice you would give to improve organization within an in-house legal department?

**Mihos:** In business, we are all often called upon to do “more

with less.” While this may be feasible in some cases, it is clearly not an ideal or viable way to legally do business. So, we end up just doing “less with less” – and that’s not a bad thing if done the right way. In order to be productive, while protecting our health and well-being – which is important not only for us but also for our employer, we must be selective in where it is best to offer our services. Consequently, we now provide “Principled Advice” (or PBA – Principle Based Advice). This means implementing strategies to help our internal clients help themselves, thereby fostering a culture of compliance and multiplying the beneficial influence of the legal team across the organization. Succeeding requires a change of mentality: both from clients, who must learn to apply the principles of a sound legal solution without being told specifically how, and from lawyers, who must limit their involvement in a range of activities without ceasing to be friendly and supportive. I’m sure a lot of legal services are already implementing PBA – I guess we just gave it a nice name and, maybe, took it to the next level.

**CEELM:** Looking ahead, what do you anticipate will be the main challenges for GCs in Greece in the upcoming future?

**Mihos:** Currently, there’s a lot of controversy around artificial intelligence. I have the honor of being on the Standing Scientific Committee of the Greek Ministry of Justice for Artificial Intelligence in the Judicial System, co-representing the Athens Bar Association. I also co-represent Greek lawyers in the Future and IT Committees of the Council of Bars and Law Societies of Europe. Finally, I’m a member of the Pfizer Working Group on Ethical and Responsible Artificial Intelligence.

I mention these to explain that I have good opportunities to follow technological developments and I appreciate the efforts to regulate the use of AI technology in such a way that efficiency is combined with the protection of human rights, in a broad sense. However, I will quote Richard Susskind, who paraphrased Isaac Asimov and said: “In the short term, people overestimate what AI will achieve, but in the long run they underestimate it.” This applies to all uses in general, but also to AI use in the area of justice in particular. Indeed, legal tech is currently developing significantly with many mainly small companies trying to innovate in the field, but without yet seeing a boom that would overturn what we know. There are, of course, significant improvements, in particular, but not exclusively, in the legal review of texts, while particular emphasis seems to have been placed on the effort for remote administration of justice. Europe is rather sluggish in the relative race of AI in justice and Greece, despite the efforts made, still has a long way to go. But the younger generations have received the message and are preparing and that is promising. ●

## MARKET SNAPSHOT: GREECE

### Navigating the Corporate and M&A Landscape in Greece: ESG Due Diligence in Focus for Sustainable Deal-Making

By **Mika Lalaouni, Partner, Drakopoulos**



Despite a slowdown experienced in the Greek M&A sector in 2023, primarily attributed to factors such as inflation, increased interest rates, pervasive geopolitical instabilities, and diverging valuation perspectives between sellers and buyers, the ongoing year of 2024 has seen a notable upsurge in transaction activity. This upward trend underscores the robustness and resilience of the market, which is not only recovering but is also attracting heightened attention from international investors.

The current M&A landscape in Greece is strongly favored by a multitude of factors, including the country's improving economic stability and promising growth prospects, the ongoing regulatory reforms designed to streamline procedures and enhance transparency, such as the new *Law 5069/2023* on the operation of data centers and the ongoing tax incentives related to cross-border transformations, as well as a number of privatization and digital transformation initiatives in the energy, tourism, and infrastructure sectors and, last but not least, a growing emphasis on Environmental, Social, and Governance (ESG) considerations in business practices.

In the M&A arena, Greek companies are progressively directing their efforts toward elevating their corporate governance protocols in order to comply with global benchmarks, ethical business standards, and legal requirements. In this context, ESG considerations are assuming an increasingly significant role in corporate strategic planning within the Greek business landscape. Businesses are taking proactive measures to integrate ESG criteria into their investment strategies, deal negotiations, operational frameworks, and post-merger integration plans to address environmental challenges, fulfill social obligations, and maintain robust governance structures. This paradigm shift is driven by a growing recognition of the impact of ESG risks on financial performance, corporate reputation, and stakeholder engagement.

It is more than evident that institutional investors, private equity firms, and other financial institutions are placing a greater emphasis on ESG factors when assessing investment opportunities in the context of M&A transactions, as they seek to evaluate not only financial metrics but also the non-financial

aspects that could impact the long-term sustainability of a target company. On their end, companies seeking investment or partnerships with said investors may need to demonstrate their commitment to ESG principles and clarify how they address ESG risks and opportunities.

ESG due diligence is, therefore, quickly becoming a standard and essential tool in corporate and M&A transactions, helping to identify potential risks and liabilities associated with a target company's environmental, social, and governance practices, as well as opportunities to create value through improved sustainability practices, enhanced stakeholder relationships, and operational efficiencies. In addition, conducting ESG due diligence helps ensure that the transaction aligns with responsible business practices and avoids reputational damage, legal challenges, or financial penalties that could arise from environmental or social controversies or non-compliance with existing and upcoming regulatory requirements. Finally, understanding the target company's ESG performance during the due diligence process enables investors to develop integration plans that address any ESG-related challenges and capitalize on opportunities for improvement, thereby contributing to the overall success of the post-merger integration process.

It is true that the national regulatory framework on ESG reporting is on the more stringent side, enabling regulators, investors, and other stakeholders to scrutinize M&A transactions in order to effectively monitor compliance with industry standards and promote transparency on aspects such as carbon emissions, inclusivity, and board composition. Through innovation, sustainability, and responsible governance, Greek companies are in a strong position to capitalize on emerging opportunities and overcome potential challenges.

As Greece progresses toward financial stability and growth, embracing ESG principles, promoting digital transformation, and nurturing strategic partnerships will be critical to unlocking the full potential of the Greek corporate and M&A market in 2024 and beyond. Backed by the Greek government's commitment to cultivating a business-friendly ecosystem and the increasing awareness of ESG principles among industry players, Greece is set to attract further investment, stimulate innovation, and foster sustainable growth in the corporate/M&A sector. ●



## The Energy Market in Greece: Legislative Developments and Challenges

By Prokopis Linardos, Partner, Your Legal Partners



The energy market in Greece is undergoing dynamic changes and challenges. The country is trying to adapt to the requirements of the energy transition by focusing on the development of renewable energy sources (RES) and enhancing its energy independence. At the same time, legislative developments and initiatives aim to address existing challenges and promote sustainable solutions.

### Limited Capacity of the Electricity Transmission System

The Greek energy market faces significant problems due to the limited capacity of the electricity transmission system, which leads to record levels of energy curtailments and delays in granting connection terms. This situation creates substantial obstacles for new investments in RES projects, negatively impacting their viability.

To address these challenges, several initiatives have been developed, such as promoting energy storage. Standalone batteries, RES projects with storage units, and behind-the-meter storage units in existing projects are prioritized to stabilize the grid and reduce curtailments. *Ministerial Decision 55948/1087/19.05.2023* provided for three successive competitive processes for a total capacity of 1,000 megawatts. These projects must commence operations by December 2025 and be connected to the high-voltage grid.

Two competitive processes have already taken place, awarding operating aid of an average price of EUR 48 per megawatt-hour to projects with a total capacity of approximately 700 megawatts. The upcoming third process will focus on four-hour duration batteries with a total capacity of 300 megawatts.

The government is expected to legislate within the next two months to expedite the licensing of these projects, giving priority to granting connection terms for storage projects.

### Bilateral Power Purchase Agreements

Bilateral Power Purchase Agreements (PPAs) have emerged as a significant mechanism in the Greek energy market, promoting the green transition and offering flexible and transparent solutions for energy producers and buyers. These long-term contracts between RES producers and large consumers or electricity suppliers allow producers to secure predictable cash flows and buyers to hedge against market price fluctuations. In

practice, companies often choose virtual PPAs. Physical PPAs are also used but to a lesser extent.

The Greek government has enacted measures to encourage corporate PPAs, such as grid connection priority and the option for RES producers to suspend feed-in premium PPAs or terminate feed-in tariff agreements to enter into corporate PPAs.

The corporate PPAs market in Greece is maturing, with an expected increase in agreements as government measures and banking willingness to finance RES projects continues. Future measures, such as state guarantees covering price risk and a special platform for corporate PPAs in the Hellenic Energy Exchange, are under discussion to further encourage these agreements. With an estimated 30,000-40,000 corporate entities eligible to enter into corporate PPAs, these complex agreements must address diverse stakeholder interests and allocate inherent risks effectively.

### Offshore Wind Farms

The development of offshore wind farms is a significant step toward achieving national goals for reducing greenhouse gas emissions and increasing energy independence through RES. The first legislative regulation for offshore wind farms was enacted with *Law 4964/2022*, and recently, *Law 5106/2024* was published, setting targets for installing offshore wind farms with a total capacity of at least 2 gigawatts by 2030.

The new law simplifies the licensing process, reducing the time to less than two years and facilitating the rapid implementation of projects. The state determines the development areas based on environmental, social, and economic criteria, while the allocation of areas is carried out through competitive procedures.

Despite positive intentions, challenges remain concerning the implementation schedule and the development of necessary infrastructure, such as interconnections and energy storage. Successful development of offshore wind farms requires continuous monitoring and adaptation of legislative and regulatory frameworks.

The appetite for investments in the Greek energy market is evident, both from domestic and international investors. However, to proceed with these investments and effectively address the problem of curtailments, it is essential to ensure grid capacity in the system. Only then will the seamless financing of these investments and the sustainable development of the market be secured. ●

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## Navigating the Revival: The New Era of Real Estate Law in Greece

By **Elmina Chadio, Partner, and Panayiotis Papageorgiou, Counsel, Papapolitis & Papapolitis**



Following a prolonged financial crisis, Greece's economic recovery has significantly progressed in recent years, leading to a resurgence in the real estate market. This revival is not just a mere uptick but a significant surge, evident in rising property prices, increased transaction volumes, and growing interest from foreign investors. Prominent areas such as Athens and Thessaloniki and popular islands like Crete, Mykonos, and Santorini have experienced a substantial increase in real estate activity.

With its unique blend of sun, sea, and mountains, Greece's natural allure continues to be a significant catalyst for real estate market growth. Athens, in particular, is a perennially popular city-break destination, boasting a wealth of historical heritage, a vibrant culture, and the picturesque Athenian Riviera. The country's thriving tourism industry has been a key driver of real estate demand, especially in sought-after locations. The enduring popularity of Greece as a tourist hotspot ensures a steady demand for both residential and commercial properties, making it an attractive investment opportunity.

This upward trend in the real estate market is fueled by various factors, including, among others, recent economic growth rates, increased construction investments, and foreign direct investments (FDI) in real estate. According to a National Bank of Greece (NBG) report, FDI in residential real estate totaled EUR 3.5 billion from 2018 to 2022, accounting for roughly 25% of all residential real estate transactions during this period. Despite the global uncertainties of 2024, including conflicts in the Middle East and Europe and the upcoming challenging elections in the United States, Greece remains a stable and attractive investment destination. The Greek real estate market's resilience is evidently contributing to its growth potential.

### Transformative Development and Government Reforms Propel Greek Property Growth

Extensive real estate development and infrastructure projects currently under construction or planned for the next few years also boost the market. For example, the Hellinikon Metropolitan Park project is one of Europe's most ambitious and transformative urban regeneration initiatives. Located in the southern suburbs of Athens, this EUR 8 billion real estate project aims to revitalize the former Athens International Airport site,

covering an extensive area of approximately 6.2 million square meters. The Hellinikon project is designed to create a new urban hub that combines residential, commercial, and recreational spaces and is expected to impact the local and national economy profoundly.



Additionally, the Greek government's proactive measures to streamline bureaucratic processes have significantly improved the efficiency of property transactions. The ongoing digitalization of public services, including the land registry and notarial services, has led to reduced delays and increased transparency. Moreover, the government has introduced a range of attractive tax incentives to entice foreign investment. These include a flat tax rate and exemptions on income derived from foreign sources, making Greece an even more appealing investment destination for non-Greek residents.

### Golden Visa Program Fuels Real Estate Revival

Last but not least, the highly successful *Golden Visa* program has thus far significantly contributed to these investments. The *Greece Golden Visa* program initially required a minimum investment of EUR 250,000 in real estate. In 2023, this threshold was increased to EUR 500,000 in various municipalities of Greece, including Athens, Thessaloniki, Mykonos, and Santorini. Recently, the government announced further increases in the minimum property investment threshold, effective August 31, 2024. The minimum property investment thresholds will rise again to EUR 400,000 for areas currently requiring EUR 250,000, and EUR 800,000 for areas currently requiring EUR 500,000. Greek residency through this program grants access to the European Union and Schengen area member countries. This makes it especially attractive to third-country nationals seeking global mobility. The program continues to draw significant interest from investors.

### Conclusion

Overall, one can say that the Greek real estate market is experiencing a remarkable resurgence, bouncing back from the shadows of past economic downturns. The future of real estate law practice in Greece looks more promising than ever, offering numerous opportunities for growth and specialization. ●

# KNOW YOUR LAWYER: GEORGE ZOHIOS OF AKL LAW FIRM

## Top 5 Projects:

- Advising Alpha Bank regarding refinancing and re-leveraging financing for Astir Palace Vouliagmenis S.A., owner of one of the most luxurious and historic hotels in the Athens Riviera.
- Advising Alpha Bank regarding financing for HPH Pelagia Single Member Societe Anonyme, a company owned by Hines Group, for the acquisition and development of Out of the Blue Capsis Elite Resort in Crete.
- Advising Alpha Bank on the acquisition and development financing related to Goldman Sachs Asset Management's purchase of the five-star Theophano Imperial Palace Hotel and the four-star Athos Palace and Pallini Beach hotels (G Hotels) in Chalkidiki, Greece.
- Advising Piraeus Bank regarding financing for the construction and operation of a Six Senses six-star hotel in Porto Heli, Greece.
- Advising the National Bank on acquisition financing for one of the most significant and impactful acquisitions in the food industry sector in recent years, involving the purchase of food companies, including ION, Greece's leading chocolate manufacturer.



**Career:**

- AKL; Partner; 2016-present
- AKL; Senior Associate; 2009-2016
- Chirstianos and Partners Law Firm; Associate; 2008-2009

**Education:**

- University of Manchester; LL.M. in International Commercial Law; 2005
- National & Kapodistrian University of Athens; LL.B.; 2004

**CEELM:** What would you say was the most challenging project you ever worked on and why?

**Zohios:** The most challenging project I ever worked on was advising Alpha Bank on acquisition and development financing related to Goldman Sachs Asset Management's purchase of the five-star Theophano Imperial Palace Hotel and the four-star Athos Palace and Pallini Beach hotels (G Hotels) in Chalkidiki, Greece. This was one of the most significant transactions in Greece's tourism sector in recent years, enhancing the country's portfolio of high-end investments. Managing the financial aspects required a deep understanding of the luxury hospitality industry, including the dynamics of high-end clientele, premium service standards, and luxury branding. Additionally, coordinating with Goldman Sachs, a global leader in investment banking, added another layer of complexity. Navigating complex contractual agreements, brand standards, and operational protocols specific to Goldman Sachs, while ensuring alignment with the financing structure and objectives, was a significant challenge.

**CEELM:** And what was your main takeaway from it?

**Zohios:** My main takeaway from this project was the importance of adaptability and comprehensive industry knowledge. Successfully managing such a high-stakes transaction required a deep understanding of industry-specific dynamics. Additionally, working with a major global player like Goldman Sachs underscored the need for clear communication and precise alignment of objectives across all parties involved. This experience significantly enhanced my problem-solving and strategic thinking skills.

**CEELM:** What is one thing clients likely don't know about you?

**Zohios:** One thing clients likely don't know about me is that I am an avid swimmer. This hobby has taught me the value of perseverance, discipline, and strategic planning. These skills translate into my professional life, where I approach complex projects with the same dedication and focus, ensuring that I deliver the best possible outcomes for my clients.

**Favorites:**

- Out-of-office activity: Swimming and traveling with my family
- Quote: "Ring the bells that still can ring. Forget your perfect offering. There is a crack, a crack in everything. That's how the light gets in." – Leonard Cohen
- Book: *Underworld* by Don DeLillo
- Movie: *Dead Man* by Jim Jarmusch

**CEELM:** Name one mentor who played a big role in your career and how they impacted you.

**Zohios:** One mentor who played a significant role in my career is our Co-Managing Partner Alexandros Kosmopoulos. His guidance and expertise have been invaluable to my professional development. Alexandros taught me the importance of strategic thinking and meticulous attention to detail. He encouraged me to approach challenges with a solution and business-oriented mindset and always emphasized the value of integrity and ethical conduct in our profession.

Under his mentorship, I gained confidence in handling high-stakes transactions and learned to navigate complex financial landscapes. He also fostered a culture of continuous learning and professional growth, inspiring me to stay informed about legal trends and innovations.

**CEELM:** Name one mentee you are particularly proud of.

**Zohios:** One mentee I am particularly proud of is George Athanassiou, a Senior Associate at AKL. George has embraced the high-quality and ethical standards of our firm, consistently demonstrating a strong work ethic and attention to detail. He is incredibly hardworking and always eager to learn new things.

Since joining the firm, George has shown remarkable growth and a deep understanding of transactional law. Despite his young age, his ability to handle complex cases with precision and professionalism is truly impressive. His commitment to our firm's values and his outstanding performance make me confident that he will continue to achieve great success in his legal career.

**CEELM:** What is the one piece of advice you'd give yourself fresh out of law school?

**Zohios:** Stay passionate and be persistent, focused, and consistent. Enjoy the ride, as being a lawyer is both a challenging and rewarding profession. Embrace every opportunity to learn and grow and always uphold the highest standards of integrity and excellence. ●

# MARKET SPOTLIGHT: SLOVENIA

## ACTIVITY OVERVIEW: SLOVENIA

The Firms with the most Deals covered by CEE Legal Matters in Slovenia, between January 1, 2023, and July 15, 2024.

1.	Schoenherr	6
2.	Fatur Menard	5
	ODI	5
3.	Wolf Theiss	4
4.	Kinstellar	3
	Karanovic & Partners	3

The Partners with the most Deals covered by CEE Legal Matters in Slovenia, between January 1, 2023, and July 15, 2024.

1.	Maja Menard	4
	Primož Mikolič	4
2.	Klemen Radosavljevič	3



# SLOVENIA'S INVESTMENT HOTSPOT: THE WESTERN BALKANS

By Teona Gelashvili

Over the past years, Slovenian businesses have increasingly turned their attention to the Western Balkans, identifying the region as a promising hub for investment and expansion. Ketler & Partners Partner Kevin Rihtar, Kavcic, Bracun & Partners Managing Partner Matej Kavcic, MP Law Partner Marko Prusnik, and Senica & Partners Managing Partner Katarina Kresal discuss key sectors of interest and examine the strategic advantages the Western Balkans offer to Slovenian enterprises.



Katarina Kresal,  
Managing Partner,  
Senica & Partners



Kevin Rihtar, Partner,  
Ketler & Partners, a mem-  
ber of Karanovic



Marko Prusnik,  
Partner,  
MP Law



Matej Kavcic,  
Managing Partner,  
Kavcic, Bracun & Partners

## A Strategic Hub

In recent years, Slovenian businesses have increasingly recognized the Western Balkans as “a region ripe with potential for investment and expansion,” Rihtar emphasizes. “This evolution is characterized by a significant rise in direct investments, cross-border partnerships, and joint ventures. The Slovenian government, along with various financial institutions, has facilitated this growth through supportive policies, bilateral agreements, and trade missions aimed at fostering economic ties.”

There has been steady growth in terms of both Slovenia’s export of goods and Slovenian direct investments in the Western Balkans, according to Kavcic. “From 2019 to 2023, exports increased by nearly 50%, from approximately EUR 5.08 billion to EUR 7.14 billion. This significant increase occurred despite a slight overall decline in total exports compared to 2022, driven by the energy crisis and a reduction in pharmaceutical exports. Croatia stands out as a key market, with exports to Croatia representing over 10% of Slovenia’s total exports, making it the third-largest export destination.” As for direct investments, Kavcic highlights that “among the top five recipients of Slovenian outward direct investments, four are former Yugoslav republics. Croatia is the largest recipient, accounting for more than 34% of all Slovenian outward direct investments.” Overall, Kavcic highlights that Slovenian outward direct investments have exceeded “EUR 6 billion, marking a 33% increase since 2019.”

### “A Natural Partner”

As for the main factor behind this interest, “this evolution is

largely driven by Slovenia’s strategic interest in the region, historical ties, and the opportunities presented by the developing markets in the Western Balkans,” Prusnik explains.

For Kavcic, “shared history, geographical proximity, and cultural and linguistic familiarity make South-Eastern Europe a natural partner for Slovenian businesses,” with Kresal adding that “the Western Balkans have been experiencing steady economic growth, improving infrastructure, and increasing integration with the European Union. These factors create a conducive environment for business operations and investments. Slovenian companies have capitalized on these opportunities by expanding their operations in various sectors, including manufacturing, retail, banking, finance, and energy.”

“Slovenia’s stance in relation to the accession of several Western Balkan countries to the EU has also probably contributed to the evolution of such investments and cooperation,” Rihtar continues. “For example, the *Bled Pledge*, the intention that the EU and the Western Balkans should be ready for enlargement of the EU by 2030, shows further signs of stability and commercial prosperity in the region.”

## Winning Investments

The most important sectors that dominate investments flowing through the Western Balkans via Slovenia, according to Kavcic, include “*inter alia*, wholesale, retail trade and repair of motor vehicles, manufacturing, mineral fuels, oils, and their products, and financial and insurance activities.”

“Energy projects, particularly renewable energy, have seen



substantial Slovenian investment,” Rihtar notes. “Some large Slovenian companies are even key players, focusing on wind, solar, and hydroelectric power projects.” Kavcic agrees, adding that “Slovenia’s Petrol has become one of the largest retailers in Croatia, making the largest acquisition in the company’s history by acquiring the Croatian retail company Crodux, thereby almost doubling its market share in the retail sector in Croatia. Additionally, Petrol is active in the distribution and sale of natural gas, with the acquisition of Adria Plin and Zagorski Metalac.”

Kresal draws attention to the manufacturing sector. “Gorenje, a major Slovenian home appliance manufacturer, has established production facilities in Serbia,” she says. “The company has historically been a significant player in the region and continues to invest in expanding its operations. Gorenje’s presence in Serbia allows it to leverage lower production costs and access a large consumer market.”

Another notable Slovenian investment, according to Prusnik, is “Mercator’s continued expansion of its retail network, focusing on modernizing stores and logistics to enhance customer experience and operational efficiency.” Kresal adds that “despite being acquired by Croatian company Agrokor (now Fortenova), Mercator remains a key player in the retail sector across the Western Balkans, maintaining a strong market presence. Mercator’s extensive network of stores and its established brand reputation make it a dominant force in the region’s retail market.”

Additionally, multiple Slovenian private equity and venture capital funds are investing in the Western Balkans, according to Prusnik, “with ALFI Funds being by far the most active Slovenian funds in the region. Notably, the Logins (Samo Login, creator of Talking Tom) are making significant investments in food production in Macedonia, and the Sesok family, through their company Iskra, is heavily investing in logistics and shipbuilding in the region.”

Rihtar and Kresal also highlight Slovenian activities in the banking and finance sector. “Banks with their presence in Slovenia have expanded their operations in the Western Balkans, offering a range of financial services and products,” Rihtar notes. Kresal points to NLB as a specific example, noting that “NLB has expanded significantly in Serbia by acquiring Komercijalna Banka, the third-largest bank in Serbia. This acquisition is part of a broader strategy to strengthen NLB’s position in the Western Balkans.”

Finally, Kresal highlights life sciences, saying that “Krka, a leading pharmaceutical company, has been expanding its produc-

tion capabilities in the Balkans, particularly focusing on Serbia and Croatia. The pharmaceutical sector’s growth potential in the region, driven by increasing healthcare needs and rising consumer demand for quality medicines, makes it an attractive investment destination for Krka.”

### Placing Bets on Green Energy and Tech

Looking ahead, Rihtar remarks, “there are several high-profile Slovenian investments that are currently underway in the Western Balkans, including in relation to energy projects in North Macedonia and Serbia, investments in logistic capacities in Serbia as well as several others.”

Prusnik and Kresal highlight, that emerging trends in the region show a marked shift toward investments in renewable energy sources and sustainability. “Slovenian companies are increasingly focusing on wind, solar, and hydroelectric projects, driven by both regional energy needs and EU sustainability goals,” Prusnik notes. “For example, Petrol has constructed the Glunca and Ljubac wind farms in Croatia, with capacities of 20.7 megawatts and 32.4 megawatts, respectively,” Kresal adds. “Additionally, Petrol is developing one of the largest solar power plants in the region, showcasing their commitment to sustainable energy projects. This focus on renewable energy is driven by the global shift towards sustainability, the region’s renewable energy potential, and supportive government policies.”

Furthermore, “there is growing investment in IT and digital infrastructure, with Slovenian firms playing a significant role in the development of digital services and e-commerce platforms,” Prusnik emphasizes. Rihtar adds that “Slovenian investors are increasingly interested in the tech and digitalization start-up scene in the Western Balkans, recognizing the potential for high returns in a burgeoning digital economy. Additionally, sectors such as healthcare – including AI in healthcare, and pharmaceuticals are gaining traction due to the increasing demand for medical services and products.”

In terms of specific locations, Kavcic notes that “Serbia is emerging as one of the most attractive countries for Slovenian investments. The number of Slovenian investments in Serbia is increasing, with companies citing a business-friendly environment characterized by shorter bureaucratic procedures, fewer labor shortages, and more favorable tax conditions. Although Croatia remains the largest recipient of Slovenian outward direct investments, it is noteworthy that over half of these investments are by households in real estate. In contrast, Slovenian outward direct investments in Serbia nearly doubled in recent years, rising from EUR 938.9 million in 2019 to EUR 1.73 billion in 2022.” ●

## SLO(W) TO EXPAND: SLOVENIAN FIRMS' REGIONAL FOOTPRINT

By Andrija Djonovic

Despite the strength of domestic law firms in Slovenia, not a great number of major local players have engaged in direct expansions across the region. Senica & Partners Managing Partner Uros Cop and Kavcic, Bracun & Partners Managing Partner Simon Bracun explore the reasons behind this trend, examine attempts at regional alliances, and identify recent developments that may incentivize firms to pursue regional expansion.



### Market Size and Expansion Risks

“Exploring the growth of local law firms regionally can offer valuable insights into the legal landscape and its potential for expansion,” Cop begins. One primary consideration he puts forward is the market size, which has “kept many local firms rooted in the national market. These firms have cultivated strong local relationships and reputations, adding a layer of perceived risk and cost associated with regional expansion.” Additionally, he feels that understanding the diverse legal systems, regulatory environments, and business cultures in neighboring countries can “present challenges for firms without an existing regional presence. Moreover, many firms prioritize maintaining their independence and client-centered approach over scaling up and potentially diluting their brand and quality of service.”

Furthermore, while regulatory and legal systems in the region share a common background and cultural and linguistic barriers are relatively surmountable, substantial financial investments are required for successful expansion. “Establishing of-

fices and recruiting local talent constitute significant obstacles. Maintaining the firm’s core values, culture, independence, and service quality during expansion poses a substantial hurdle,” Cop says.

Bracun agrees with Cop, saying that Slovenian law firms face significant challenges in expanding their reach and establishing regional offices primarily due to the substantial investments and regional risks involved. “The Balkan region, closely connected to Slovenia, is marked by country-specific regulations, particularly as most ex-Yugoslavian countries – except Croatia – are not part of the European Union. Additionally, Slovenia has the smallest market compared to its neighbors, putting its law firms at a size disadvantage relative to other major local or large domestic offices,” Bracun explains.

### Regional Alliances: A Solid Alternative

However, in recent years, there have been “compelling trends and developments” that have incentivized “several local firms to pursue regional expansion,” Cop says. “The globalization



Simon Bracun,  
Managing Partner,  
Kavcic, Bracun & Partners



Uros Cop,  
Managing Partner,  
Senica & Partners

of businesses, even within traditionally localized sectors, generates demand for legal services that seamlessly operate across borders. Furthermore, advancements in digital and remote work technologies have facilitated firms in managing operations and client relationships across different locations,” he explains.

“For instance, at Senica & Partners, we recognized the need for comprehensive regional legal support and, in response, established the Adriatic Legal Network with regional partners. Over time, our clients demanded 24/7 full-service global support, and to not lose them, all of us joined Andersen Global; by doing so, we expanded the variety of services we offer and started to operate as a global firm on a worldwide scale, serving our clients in 176 countries while retaining our independence,” Cop shares. “Therefore, while the trend of clients seeking comprehensive legal support continues to grow, firms need to meet the demand for seamless and tailored global support in addition to global expansion – this principle applies equally to Slovenia and the wider region,” Cop says.

In light of this demand and as an alternative to the perceived challenges of direct regional expansion, Bracun explains that “regional alliances provide a strategic solution for Slovenian law firms, allowing them to extend their reach and capabilities without the high costs and risks of setting up and maintaining physical offices in new locations. Through these partnerships, Slovenian firms can offer a broader range of services and access to international markets, maintaining their competitiveness in an increasingly globalized legal industry.”

And it’s not just Slovenian firms being inclined to consider regional alliances. Looking at Slovenia from the outside, Bracun assesses that “Slovenian top-tier law firms are primarily domestic law firms known for their high expertise, though they are generally smaller compared to well-established firms in foreign jurisdictions, with some exceptions. While large international law firms already serve significant international clients in the region, Slovenia’s relatively small market size and the presence of highly skilled domestic firms contribute to intense competition within the country.” Consequently, Bracun feels that “major local players opt for regional alliances and/or cooperation with domestic law firms on a case-by-case basis, instead of directly entering the Slovenian market and competing for what they perceive as a relatively small share.”

While there is a perceived risk for Slovenian firms to expand into the region and also for outsiders to enter the market, regional “alliances often emerge from the necessity to provide cross-border legal services to clients operating regionally,” Cop says. “The primary reasons behind these attempts include pooling resources, sharing expertise, and enhancing overall service offerings to clients. By offering broader geographical coverage and specialized local knowledge, such alliances aim to serve their clients better,” he explains.

“While some of these alliances have achieved success, others have encountered challenges when it comes to integration, cultural differences, and maintaining consistent service quality,” Cop goes on to say. “Successful alliances rely on solid strategic alignment and effective communication for their accomplishments and, most importantly, alliances should strive to have the same culture, which is often a significant barrier.”

#### Incentives for Regional Expansion Down the Line

“The Balkan region holds significant strategic importance for the European Union, which has led to a notable trend where certain SE countries are making substantial progress toward EU membership,” Bracun says. “Concurrently, the region is experiencing increasing interconnectedness, evidenced by a rise in direct investments between these countries. These developments suggest that current country-specific regulations will likely harmonize over time, adopting reforms and aligning their legal and economic frameworks with EU standards.” According to him, this alignment facilitates easier and more attractive conditions for trade and investment, fostering further economic growth. “Businesses are increasingly looking beyond their national borders, seeking opportunities across the region; continued progress in these areas could incentivize strong local firms to pursue regional expansion,” Bracun concludes. ●

## INSIDE INSIGHT: MOJCA LOGAR OF PETROL GROUP

By Teona Gelashvili

Overseeing diverse sectors across multiple countries, Petrol Group Director of Legal Affairs Mojca Logar discusses the challenges and strategies in managing the group's legal affairs and navigating complex regulatory landscapes, while emphasizing internal legal expertise and collaborating with external firms for specialized projects and new legislation.



**CEELM:** Tell us a bit about yourself and your career path leading up to your current role.

**Logar:** I graduated from the University of Ljubljana's Faculty of Law in 2004. Even while studying, I began my professional journey in the corporate sector. Initially, I worked in the insurance industry, then moved to banking, and later transitioned to retail. Throughout my career, I continued to enhance my skills through further education. I completed my master's degree in law from the University of Ljubljana in 2009 and passed the bar in 2011. In 2016, I also qualified as a bankruptcy administrator.

Before joining Petrol Group, I worked for Lidl Slovenia, where I was Head of Legal & Compliance. To support my role, I obtained the ICA Advanced Certificate in Business Compliance. With 20 years of experience in the corporate world, I briefly worked in the public sector but found that I thrive more in corporate environments.

When I joined Petrol, it marked a significant step forward for me. Petrol is Slovenia's largest company, with diverse operations spanning retail, energy, and more. Beyond Slovenia, Petrol operates in multiple countries, including Croatia, Bosnia and Herzegovina, Serbia, and Montenegro. Leading the legal department across these regions was a major leap, reinforcing my decision to pursue corporate law. The dy-



*One of the most important things I emphasize to my colleagues in the legal department is the importance of truly understanding the business they support.*

dynamic nature of the work ensures there's never a dull moment.

**CEELM:** What has been the most challenging aspect of your work for Petrol so far?

**Logar:** When I joined Petrol, I was immediately struck by the complexity of the business. Petrol operates as a parent company with a presence in numerous other companies, either as a shareholder or a participant. Understanding the company's organization and its multifaceted nature was a significant shift from my previous roles. Petrol's operations span various sectors – fuels and petroleum products, retail, energy, renewable energy production, mobility, and more. This diversity was markedly different from my earlier experiences in retail. Petrol's breadth of activities was a significant change for me, incorporating elements from many sectors. I firmly believe that to be an effective lawyer, especially in a corporate setting, one must have a comprehensive understanding of the business. It's not enough to just focus on specific clauses in a contract, a broader perspective is essential.

One of the most important things I emphasize to my colleagues in the legal department is the importance of truly understanding the business they support. I'm committed to breaking the stereotype of lawyers as obstacles. To be an effective corporate lawyer, it's crucial to find ways to manage and mitigate risks while delivering the best legal advice. This means identifying potential risks and communicating them clearly to the relevant business teams.

**CEELM:** How large is your in-house team currently and how is it structured?

**Logar:** Currently, my team consists of 25 members, with 22 of them being lawyers. We navigate the complexities of different legislations across various countries, which adds to the excitement and challenge of the role. At the parent company, Petrol Ljubljana, I manage a team of 15, divided into smaller, specialized groups. For instance, some focus on the energy sector, others on M&A transactions, insolvency proceedings, or lawsuits. These specialized groups work closely with both Slovenian and foreign companies. Additionally, I have a team of two in each country with whom I collaborate closely. We hold regular meetings and I make it a point to visit and have

in-person conversations, which fosters better cooperation, especially when significant issues arise. I stay involved in major legal matters and lawsuits, often working directly with my team or occasionally with external counsel.

**CEELM:** How do you decide if you are outsourcing a project or using internal/in-house resources?

**Logar:** We primarily handle our legal work internally because our team is highly specialized in the areas of law they cover. However, when facing new legislation or significant lawsuits, we do collaborate with external lawyers.

We partner with many external firms, predominantly in Slovenia but also internationally. The main criteria for selecting these firms include their industry-specific knowledge – they must understand our operations and business model. Additionally, they need to have strong legislative expertise and problem-solving skills. It's crucial for them to grasp our business if they are to propose effective solutions and innovative ideas. Their responsiveness is also vital, meeting deadlines is essential for us.

After 2.5 years at Petrol, working with various law firms, we've developed a keen sense of which firms excel in different types of legal challenges. While some large law firms can address all topics comprehensively, I find value in collaborating with a diverse range of firms to gain varied perspectives – this diversity in legal opinions can offer fresh insights that might otherwise be overlooked.



*Understanding the company's organization and its multifaceted nature was a significant shift from my previous roles. Petrol's operations span various sectors – fuels and petroleum products, retail, energy, renewable energy production, mobility, and more. This diversity was markedly different from my earlier experiences in retail.*

**CEELM:** What has been keeping you and your in-house team busy over the last 12 months? What about the upcoming 12 months? What are you keeping on your radar that you think will impact your workload the most?

**Logar:** The major issue we are encountering in Slovenia is state-imposed regulations. Specifically, these regulations are related to fuel price controls. Petrol Group, which has around



600 fuel stations internationally, is the largest operator in Slovenia, where we have more than 300 petrol stations. The regulated margins are insufficient to cover operational costs, creating a significant financial burden. While other countries also have regulations, the margins in Slovenia are notably lower than the EU average or any other country in the region. This issue has persisted, and it remains a critical challenge for us. Our priority is that Petrol and other fuel distributors in Slovenia can operate sustainably while making the necessary investments for the energy transition.



*After 2.5 years at Petrol, working with various law firms, we've developed a keen sense of which firms excel in different types of legal challenges.*

This began in 2022, and we believe that these regulations have inflicted significant financial damages and continue to do so. In addition, the measures obstruct the energy transition and distort the market. As a result, we are currently engaged in a substantial lawsuit against the state. Unfortunately, in June 2024, a new regulation was enacted for the coming year, which prompts us to consider our next steps. There are also wider implications at play, in particular when it comes to adherence to the rule of law. These are very concerning. Not only was the regulation adopted without consulting the Slovenian Price Council, but we believe that the conditions for the new regulation have not been met and that the measure is not proportionate. I am working very closely with the management board on this matter. We strongly advocate for the elimination of such regulations and believe that margin setting should be left to the market.

Over the next 12 months, addressing these new regulations will be a key priority for me. We will be working in close partnership with international experts, including economic, regulatory, and legal advisors- to tackle this challenge.

**CEELM:** What do you foresee to be the main challenges for GCs across all sectors in Slovenia in the near/mid future?

**Logar:** As I mentioned earlier, the primary regulatory concern revolves around the complexity of new businesses and operations, a challenge experienced globally. Additionally, one of the critical issues is the recruitment and retention of talent, particularly in sectors like energy where specific knowledge is crucial. We are actively addressing this by focusing on not only attracting but also retaining employees through motivation and providing growth opportunities. ●

# MARKET SNAPSHOT: SLOVENIA

## A Promising Future for PE and VC Funding in Slovenia

By Sasa Sodja, Partner, and Gasper Hajdu, Attorney at Law, CMS Slovenia



Slovenia's economy has demonstrated resilience and adaptability, with a projected GDP growth rate of 2.3% in 2024, up from 1.6% the previous year. Inflation has stabilized at around 2.8%, and unemployment is at a historically low rate of 3.7%. These indicators reflect a

robust and investment-friendly economic environment, supported by the country's strategic location, skilled workforce, and well-developed infrastructure. However, despite these positive economic indicators, Slovenia has long lagged behind the European average in terms of venture capital (VC) and private equity (PE) investment. Recognizing this gap, the Slovenian government has embarked on a mission to increase equity financing through strategic initiatives. A key player in this effort has been the Slovenian Export and Development Bank (SID Bank) in cooperation with the European Investment Fund (EIF).

In 2017, SID Bank and the EIF launched the *Slovenian Equity Growth Investment Programme* (SEGIP), with each partner investing EUR 50 million. This initiative aimed to provide equity and quasi-equity financing to growth-stage Slovenian SMEs and mid-caps, addressing a critical market gap in equity financing. Initially, two local alternative investment fund managers (AIFMs) were selected to manage the funds, one of which acquired the other at the end of last year. The objectives of the SEGIP were not only to fill the equity financing gap but also to develop the overall equity financing environment and attract private investors to Slovenian scale-ups. The success of the SEGIP is reflected in its ability to raise further funds. The AIFMs have secured an additional EUR 85 million from private investors. Building on this success, SID Bank and the EIF extended the program by a further EUR 120 million through the *SEGIP Top-Up Programme*. This extension enabled the creation of four new funds, including a technology transfer VC fund, a VC fund for start-ups, and a PE fund focused on family business succession. To support these new funds, the SEGIP partners raised a further EUR 220 million, with each partner contributing half. The final size of these funds will depend on the ability of the AIFMs to attract private investors.

The SEGIP and its *Top-Up Programme* represent a significant step forward in strengthening the Slovenian VC and PE sector. These efforts will not only support SMEs and mid-caps in

their growth phase but will also help to attract private investors and thus stimulate further economic development. With Limited Partnership Agreements in the final stages, new investments will start soon, signaling a promising future for equity financing in Slovenia.



Slovenia's growing attractiveness has been recognized not only by SID Bank and the EIF but also by foreign PE investors. This is evidenced by notable transactions in the last couple of years.

The relationship between Slovenia's economic status and PE investment is symbiotic. Economic stability and growth prospects have attracted increased inbound investment, with foreign PE firms eyeing Slovenian assets due to the country's strategic location and competitive advantages. At the same time, Slovenian PE firms are becoming more active in outbound investments, seeking opportunities in neighboring countries and beyond, driven by a desire to diversify portfolios and tap larger markets.

Current trends in the Slovenian PE market are influenced by economic factors and investor sentiment, with a notable shift toward the technology, renewable energy, and healthcare sectors. This focus on sustainable investment is in line with global environmental, social, and governance (ESG) criteria. However, challenges such as the relatively small size of the market and occasional delays in regulatory implementation pose potential hurdles.

Slovenia is at a critical juncture in its economic development, with significant potential for PE investment. The stable economic environment, favorable regulatory environment, and strategic location make Slovenia an attractive destination for investors. However, addressing the challenges of a small market and ensuring effective implementation of reforms will be crucial to sustaining growth. As Slovenia continues to integrate into the wider European and global economy, the interplay between economic conditions and PE investment will evolve, presenting both opportunities and challenges. For legal professionals and investors, keeping on top of these developments is essential if they are to realize the full potential of this dynamic market. ●

## Current Trends and Challenges in Slovenia's Real Estate Market

By Polona Bozicko, Partner, Zagorc & Partners



In recent months, Slovenia's real estate market has experienced significant shifts driven by economic, technological, and regulatory factors, with more changes expected. Despite a recent halt and a slight decrease in inflation and interest rates, property prices have continued to rise, leading to a notable decline in real estate transactions. While the number of purchase transactions for residential real estate declined by 25-30% in 2023 compared to the year before, and the number of purchase transactions for commercial real estate in the same period declined by 20-25%, this trend is also continuing in 2024. The latest information on prices shows that residential real estate prices increased by 6.3%, and commercial real estate prices increased by 16.2% annually.

Online marketplaces for short-term housing leases, such as Airbnb and Booking.com, have increased investor interest in purchasing real estate for short-term rentals. This trend has contributed to rising housing prices, particularly in tourist areas. The increased demand for accommodation by tourists is expected to continue driving this trend. The latter also significantly impacts Slovenia's underdeveloped rental market. An increasing number of tenants compete for a limited supply of rental housing, often due to higher financing costs and lower creditworthiness. In addition to short-term housing leases, housing shortage in most areas of Slovenia is pushing up rental prices. The government is attempting to address housing issues by building new rental properties rather than incentivizing the use of empty homes.

A significant trend in all real estate market segments is the growing emphasis on environmental, social, and governance (ESG) considerations. Investors and developers are increasingly prioritizing (or at least promoting it as such) sustainable and ethical practices, reflecting global trends toward greener and more socially responsible development. This shift is not just a response to regulatory pressures but also a reflection of a broader societal demand for sustainability in business practices. There are many opportunities for progress in this area, particularly in many older office buildings and premises, which are often energy inefficient, higher emitting, poorly designed for modern business and working environments, and ultimately associated with higher operating and maintenance costs.

As the real estate market evolves, it's crucial for the industry to adapt to changing conditions. Financing for real estate

projects remains predominantly reliant on bank loans, though innovative financing methods, such as real estate bonds, have seen limited success. For instance, one of the major real estate developers attempted to issue a five-year bond but faced low demand. Nevertheless, such financial instruments can offer excellent opportunities for the future when the market accepts them.

A significant challenge facing the Slovenian real estate market is the difficulties and delays in obtaining building permits, particularly affecting companies constructing prefabricated houses. These delays have been exacerbated due to a long-term strike among administrative unit employees, protesting low wages and high workloads. The impact has been severe, with companies experiencing significant drops in the number of building permits issued, leading to delays in project executions and potential financial losses. Although the strike recently ended, the accumulated delays in obtaining building permits will continue.

On the legislative front, the Slovenian government is considering substantial tax reforms, including the long-anticipated introduction of a wealth tax that would encompass real estate. This proposed reform aims to curb speculative investments and encourage using vacant properties. It has been suggested that primary residences will not be taxed, but additional properties owned by individuals might be subject to a tax rate ranging from 0.1% to 1% of the property value per year. The proposed reforms are intended to be implemented by 2025, though similar attempts in the past faced significant political hurdles and failed.

Additionally, the government announced the allocation of up to EUR 100 million annually to finance rental apartment construction to address the shortage of affordable rental housing and support urban development. However, legislation has yet to be drafted and clarify a series of unknowns.

Overall, Slovenia's real estate market is navigating a complex landscape shaped by economic pressures, technological advancements, and evolving regulatory frameworks. The emphasis on ESG considerations, the impact of proptech, and major development projects continue to drive the market forward. However, challenges such as delays in obtaining building permits and the uncertain implementation of proposed tax reforms and housing legislation continue to pose significant hurdles. As the market evolves, stakeholders must adapt to these changes and navigate the regulatory environment to capitalize on opportunities within Slovenia's real estate sector. ●



## Will New Slovenian Legislation Finally Provide Effective Judicial Protection to Former Holders of Qualified Liabilities of Banks?

By Helena Butolen and Alen Savic, Partners, Selih & Partnerji



On June 15, 2024, the long-awaited *Act on the Judicial Protection Procedure for Former Holders of Qualified Liabilities of Banks* (ZPSVIKOB 1) entered into force in the Republic of Slovenia. Its purpose is to eliminate the unconstitutional position of former holders of qualified liabilities of banks. The act tries to achieve this

by introducing a number of provisions aimed at balancing the position of the former holders with the position of the inherently stronger Bank of Slovenia. Under the new act, former holders affected by the haircuts in six Slovenian banks back in 2013 will finally have the possibility to claim compensation.

Due to the economic crisis spreading through the banking sector, in 2013, the European Commission and the European Central Bank requested Slovenia to conduct a financial stability assessment of its banks. The results revealed a significant capital shortfall in several banks, based on which the Bank of Slovenia took several measures to rehabilitate the banking system.

In December 2013, the Bank of Slovenia issued decisions on extraordinary measures to five Slovenian banks, based on which all qualified liabilities of these banks (shares and subordinated financial instruments) ceased to exist. The sixth bank was imposed with a similar decision a year later, in December 2014. These measures impacted more than 100,000 holders of subordinated bonds or shares, who, literally overnight, lost their assets amounting to EUR 960 million in total.

In 2016, the Slovenian Constitutional Court found that the *Banking Act*, valid at the time, did not provide effective judicial protection to former holders and, therefore, ordered the legislator to adopt an appropriate legal framework.

For this purpose, in 2019, the *Act on the Judicial and Out-of-Court Protection Procedure for Former Holders of Qualified Liabilities of Banks* (ZPSVIKOB) was adopted. However, the legislator's first attempt to regulate the position of former holders was not successful. Namely, the Bank of Slovenia successfully challenged the ZPSVIKOB before the Slovenian Constitu-

tional Court, as, among other things, it did not agree to be the payer of any compensation. In 2023, the Constitutional Court found that the central provision of the ZPSVIKOB, which stipulated that compensations would be paid from the Bank of Slovenia's reserves, was incompatible with the Slovenian Constitution, and consequently annulled the contested ZPSVIKOB in its entirety.



In May 2024, the new ZPSVIKOB 1 was adopted. It provides that former holders may only claim compensation for the effects of measures adopted by the Bank of Slovenia under the (rather unique) procedure outlined in ZPSVIKOB 1. The former holders may bring lawsuits against the Bank of Slovenia, with the Republic of Slovenia assuming liability for damages. The new ZPSVIKOB 1 recognizes the former owners' right of access to all documentation related to decisions on extraordinary measures. This documentation will be available in virtual data rooms to which former holders and their qualified proxies will have access. The new law also foresees the possibility of establishing a settlement scheme through which former holders could be reimbursed 60% of their losses. The scheme would be established by a government decree if a preliminary opinion of a court appointed group of independent experts showed that former holders suffered greater damage as a result of the extraordinary measures than they would have suffered if there had been no extraordinary measures. The deadline for filing claims is nine months from the publication of the notice on establishing the virtual data room or six months in case of a class action. To facilitate the position of former holders, the burden of proof in court proceedings will lie with the Bank of Slovenia. This means that it will be on the Bank of Slovenia to demonstrate the grounds for the extraordinary measures and that the former holders did not suffer greater losses than they would have suffered without them.

Most of the former holders will most likely assert their rights under the new act, and as a result, we can expect a variety of events in the competent court in the coming months. ●

# EXPERTS REVIEW: LIFE SCIENCES

This issue's Experts Review section focuses on Life Sciences. The articles are presented ranked by population ages 65 and above as a percentage of the total population, according to World Bank 2023 data. The population is based on the de facto definition of population, which counts all residents regardless of legal status or citizenship.

Greece and Latvia are the front-runners with the highest percentage of the population aged 65 and above, and Turkiye is the last with 9%.

Country	% of the total population	Page
Greece	23	Page 60
Latvia	22	Page 61
Czech Republic	21	Page 62
Estonia	21	Page 63
Lithuania	21	Page 64
Hungary	20	Page 65
Ukraine	20	Page 66
Poland	19	Page 67
North Macedonia	15	Page 68
Moldova	13	Page 69
Turkiye	9	Page 70



## Greece: From Product Liability to AI – Unlocking Life Sciences’ Potential

By Marios Bahas, Managing Partner, Bahas Gramatidis & Partners



Greece’s vibrant life sciences sector is supported by a robust regulatory framework and expanding investment opportunities. In the following paragraphs, we will examine key aspects of product liability, intellectual property (IP), artificial intelligence (AI), and investment potential within the Greek life sciences landscape, highlighting the laws and regulations that shape the industry.

### Product Liability

In Greece, product liability for pharmaceuticals and medical devices is regulated by *Law no. 2251/1994 on ‘Consumer protection’* and aligns with the directives issued by the European Union. More certainly, *Law no. 2251/1994*, which aligns with *EU Directive 85/374/EEC*, as amended and in force, provides the prerequisites for a product to be held as defective and establishes a strict liability regime for producers, i.e., non-fault-based. This includes pharmaceuticals and medical devices, allowing patients to seek compensation without proving negligence, thus increasing consumer protection. The Greek Medicines Agency (EOF) monitors the market and ensures that medical products meet safety and efficacy standards before they reach consumers. However, the lack of specific compensation schemes for medical injuries necessitates reliance on general legal provisions, indicating a need for greater alignment with broader European practices to streamline claims processes.

### Intellectual Property

Intellectual property rights, with a primary focus on patent protection, play a critical role in the Greek life sciences sector, protecting innovation and fostering an environment conducive to research and development. *Greek Law no. 1733/1987 on ‘Patents’* implements the *European Patent Convention (EPC)* and provides robust protection for biotechnological inventions, which is essential to ensure innovation in pharmaceuticals and medical devices. In addition, Greece complies with EU Supplementary Protection Certificates (SPCs), which extend patent terms for pharmaceuticals and crop protection products by up to five years to compensate for regulatory approval delays. This extension helps companies recoup their R&D investments. The Hellenic Organization of Industrial Property (OBI) manages patent registrations but faces challenges in the efficiency of the judicial system in handling IP disputes.

### Artificial Intelligence

Artificial intelligence is revolutionizing the global life sciences sector, and Greece is embracing this change. AI technologies are being integrated into healthcare for applications ranging from drug discovery to personalized medicine and diagnostics. Greece is supporting AI development through initiatives such as the *National Digital Strategy*, which outlines its vision for digital transformation and AI adoption in healthcare.

Compliance with the *General Data Protection Regulation (GDPR)* is critical for AI applications that rely on extensive personal health data, ensuring secure data handling, and fostering patient trust.

### Investment Opportunities

Greece’s life sciences sector offers substantial investment prospects, driven by a skilled workforce, advantageous geographic location, and supportive government policies. The Greek government offers incentives such as tax breaks, grants, and streamlined regulatory processes to attract foreign investment. The pharmaceutical industry is a major contributor to the Greek economy, with investments in R&D and manufacturing facilities supported by the government’s emphasis on innovation.

Collaborative clusters between academia, research institutions, and industry players foster an environment that enhances Greece’s global competitiveness. Medical tourism is a burgeoning sector, leveraging Greece’s high-quality healthcare services and scenic locations to attract international patients. Investments in advanced medical facilities and treatments are positioning Greece as a leading destination for medical tourism.

The digital health sector is also on the rise, with startups and established companies developing innovative solutions, supported by the government’s focus on digital transformation and the availability of EU funding. Greece boasts a robust R&D infrastructure and highly skilled workforce, with its universities and research institutes renowned for their contributions to life sciences. The country’s pharmaceutical sector is increasingly focused on generic production, in line with global trends, and offers significant growth potential while meeting local healthcare needs.

The convergence of Greece’s robust healthcare system with its thriving tourism industry presents unique opportunities, particularly in medical tourism for specialized treatments such as fertility and geriatric care. The government’s commitment to the life sciences sector is evident through various incentives to encourage innovation and support start-ups, thereby improving the investment climate.

### Conclusion

Greece’s life sciences sector is poised for significant growth, supported by a robust regulatory framework, strategic investments, and the integration of cutting-edge technologies such as AI. Although challenges remain in the areas of IP enforcement and AI ethics, ongoing efforts to address these issues are expected to strengthen Greece’s attractiveness as a hub for life sciences innovation and investment. This combination of regulation, innovation, and investment promises to improve healthcare outcomes and drive economic growth, solidifying Greece’s global position in the life sciences. ●

## Latvia: Further Solutions to Drug Availability and Monitoring Problems

By Indriķis Liepa, Partner, and Janis Sarans-Renslācis, Senior Associate, Cobalt



Following extensive discussions between industry stakeholders and state institutions, several crucial solutions have been identified to address the problems of drug availability and monitoring control. The primary aim is to ensure wider and faster access to medicinal products for patients in Latvia.

As a result of these collaborative efforts, a proposal for amendments to the existing regulatory framework, under the *Cabinet of Ministers Regulations No. 416 "Procedures for the Distribution and Quality Control of Medicinal Products"* (Regulation No. 416), has been drafted and is currently undergoing the legislative approval process. Three of the proposed solutions warrant particular attention.

### Options for Expanding the Export Ban

The current regulatory framework includes a procedure for prohibiting the export of medicinal products to ensure their availability and to protect the health of Latvian patients (known as the *export ban* mechanism). This mechanism aims to regulate the volume of exported medicines, thereby improving the availability of essential medicinal products within Latvia. Presently, the regulation permits the *export ban* only for medicines covered by agreements between the National Health Service and the relevant market authorization holders or wholesalers. However, the State Agency of Medicines has extensively reported that the issue of medicinal product shortages due to excessive exports affects many other categories of reimbursable medicines.

The proposed changes to Regulation No. 416 aim to extend the *export ban* mechanism to almost all categories of reimbursable medicines. Furthermore, the State Agency of Medicines could identify additional medicines whose absence (actual or planned) or insufficiency in wholesale stock poses a risk to public health, which could prompt a ban on deliveries to EU countries or an export ban as necessary.

### Parallel Distribution of Medicinal Products Registered through the Centralized Registration Procedure

The current regulatory framework outlines the responsibilities of wholesalers involved in the parallel distribution of medicines registered through the centralized registration procedure. This applies when the wholesaler is a parallel distributor rather than the manufacturer, registration holder, or authorized representative, and the medicines are sourced from a European Economic Area country. While the regulation provides a detailed explanation and definition of parallel distribution, it does not address situations where manufacturers of centrally

registered medicines have not made these products available on the Latvian market, nor are they distributed by parallel distributors, despite patients' needs. This creates a risk of patients not receiving the medicine prescribed by their doctor in a timely manner.



The proposed changes to Regulation No. 416 aim to implement a mechanism that allows wholesalers to execute a *bona fide* order for medicines registered through the centralized registration procedure, provided two conditions are met. First, the marketing authorization holder of the centrally registered medicinal products has not commenced distribution in Latvia and they are not available. Second, no available analogs are present in the Latvian market, or the available analogs included in the Latvian Register of Medicines cannot be used for treating a specific patient due to inadequate therapeutic effects or medical indications, including cases where the National Health Service has decided to compensate medicine purchase expenses for individual persons.

### Facilitated Accessibility of Compassionate Use Programs

Compassionate Use Programs have been well-known in the industry for years, focusing on groups of patients with chronic or severely debilitating diseases, or those whose disease is considered life-threatening and cannot be satisfactorily treated with registered medicines. It is evident that any delay in the approval of Compassionate Use Programs and the delivery of medicines is critical for the lives of patients.

According to Association of International Research-based Pharmaceuticals Manufacturers, the availability of innovative medicines in Latvia within the framework of Compassionate Use Programs is cumbersome and lengthy, especially compared to Lithuania and Estonia, where the regulatory framework is significantly more relaxed. This is primarily due to Regulation No. 416 defining "compassionate medicines" as gifts, which, in addition to requiring permission from the State Agency of Medicines, necessitates the importation of unregistered medicines to be approved by the Ministry of Health for donation purposes, alongside separate contracts with each hospital. This significantly complicates patients' access to these programs.

The proposed changes to Regulation No. 416 aim to eliminate the dual monitoring system and the requirement for a Ministry of Health permit as a gift of medicine. Medicinal products for Compassionate Use Programs will no longer be considered gifts, thereby removing a significant barrier to the approval of Compassionate Use Programs. ●

## Czech Republic: Digitization of Healthcare – Telemedicine and Electronic Medical Records

By Monika Maskova, Partner, and Kristyna Kupcova, Associate, PRK Partners



Digitization is affecting many sectors and healthcare is no exception. It is a key tool for speeding up and streamlining processes that can significantly improve the quality and availability of medical care. In the Czech Republic, the overall level of digitization in healthcare is still low. A significant step toward improvement is draft legislation that introduces the first definition of telemedicine into the Czech legal system and aims to promote the maintenance of medical records in electronic form.

### Telemedicine

Currently, from all forms of telemedicine, only consultation services provided remotely outside of medical facilities are recognized by Czech law. Regulation of other forms of telemedicine, such as remote monitoring of patients or the assessment of certain health-related data that can be self-measured by patients, is missing. This leads to various legal uncertainties for healthcare providers, such as issues around coverage of telemedicine services by medical liability insurance. The draft amendment to the *Healthcare Services Act (Act no. 372/2011 Coll.)* has the potential to change this.

The amendment defines telemedicine as healthcare services provided remotely (without the physical presence of the patient) while using information and telecommunication technologies or a certified medical device. This clarifies that telemedicine is a way of providing healthcare services, not a separate form or type of healthcare service requiring a separate license or training. It also means healthcare providers who would like to limit their services to remote consultations only will still be required to set up a duly equipped and approved medical facility where on-site patient visits can take place.

The amendment stipulates that a provider of telemedicine healthcare services must meet various technical requirements. These include: (i) technical requirements for the quality and security of the communications and their encryption, (ii) requirements on verification of the identity of the communicating parties, and (iii) requirements for obtaining and recording the patient's consent with the recording of remote communication. Details of these requirements will be laid down in implementing legislation that has yet to be drafted.

### Medical Records

The amendment changes the approach to defining medical records. Instead of listing individual items that belong in records,



it broadly states that it should include all information processed by the provider for the purpose of delivering healthcare services to a specific patient. It explicitly mentions this can include data obtained from the patient or the provider's own activities, as well as information received from another provider or even other individuals or entities. The amendment clarifies that rules on medical records do not apply to anonymized medical data processed for the purposes of scientific research.

The amendment introduces new rules for the maintenance of medical records. Currently, regulations primarily address medical records in paper form. The new rules will allow providers to keep documentation solely in electronic form. The amendment introduces rules for creating and maintaining electronic medical records, including the conditions for the authorization of entries, etc. Nevertheless, maintenance of medical records in paper form or a combination of paper and electronic forms will be still possible.

The provider will be required to draft written internal rules for processing medical records. The rules must set out appropriate technical and organizational measures to ensure and demonstrate that the processing of medical documentation complies with the law, including personal data protection regulations.

### Conclusion

The proposed amendment to the *Healthcare Services Act* was approved in May 2024 by the Chamber of Deputies. Approval by the Senate and signature by the President are likely to occur in the summer.

For both healthcare professionals and patients, the amendment eliminates current legal uncertainties around telemedicine. This could result in the expansion of telemedicine services in the country.

Furthermore, the amendment supports and motivates healthcare providers to maintain medical records in electronic form. With this step, the Czech Republic is joining the modern trends in healthcare, which are already common practice in many countries and have great potential for the better use of healthcare data for the benefit of patients.

We believe these changes will bring positive effects and will be an impetus for further innovations in the Czech healthcare system. ●

## Estonia: Pharma Disputes – Weak Patents May Cost Originators Heavily in Disputes with Generics

By Kadri Michelson, Co-Head of Private Wealth Practice, and Anna-Riin Brett, Associate, Cobalt



It is not new that originator pharmaceutical companies try to block generic competitors from entering the market. Considering the recent developments in the Court of Justice of the European Union (CJEU), originators should tread carefully when defending their patents. Having a strong patent is crucial, and the consequences of failing to vet the strength of a patent could end up costly. In this article, we explore the effect of the CJEU's judgment in case *C-473/22* on January 11, 2024 (*Mylan*), on Estonian disputes.

### Resisting Interim Injunctions is Challenging

Originators are important to the pharmaceutical market, as are their generic competitors. Both play vital roles in pharmaceutical innovation and in ensuring the affordability of medicines. There is no lack of disputes between originators and generics in Estonia. It is not uncommon for originators to use offensive patent strategies and ask for an interim injunction to try to block a generic medicine from entering the Estonian market.

An injunction is quite easy to obtain when the originator company owns a registered patent. The plaintiff does not have to prove actual infringement of intellectual property rights with its application for interim measures. The court does not consider any evidence when first deciding the application and only relies on the plaintiff's explanations while presuming that all the plaintiff's statements are true. The court also does not have to hear the defendant before granting the injunction, further complicating the defendant's position. To the additional advantage of the plaintiff, even in cases where the patent could be considered weak and there is good reason to believe it will be declared invalid, it is challenging to convince the court to dismiss the application for interim measures, especially once imposed. A patent is presumed valid, and the likelihood of the plaintiff's claim succeeding is not a prerequisite.

For these reasons, it is an uphill battle to resist an interim injunction when measures are sought for the protection of a patent by an originator.

### Uncertainty Pre-Mylan Regarding Generic Defendant's Right to Appropriate Compensation

Compared to many European countries, Estonia's legal system is relatively young. The law is still developing in more complex legal issues, one of which is the defendant's right to appropriate compensation when unjustifiably blocked from entering the market. Under Estonian law, an applicant who has obtained an inter-

im injunction in a dispute where the action is denied or dismissed must compensate the other party for any harm caused by such unjustified application of interim measures. This is known as no-fault or strict liability. While the provision itself is clear, European Union law must also be considered.



*Directive 2004/48/EC of the European Parliament on the enforcement of intellectual property rights* (Enforcement Directive) was interpreted by the CJEU in its judgment on September 12, 2019 (*Bayer Pharma*). The CJEU named several circumstances that should be considered when deciding the applicant's liability for damages (abuse of interim measures, risk of irreparable harm, etc.). Shortly after, the first case by a generic competitor against an originator was brought before the Estonian Supreme Court. The generic claimed damages for being blocked from entering the market when the originator's patent was later declared invalid. While the Supreme Court referenced the findings of the CJEU judgment, the impact of the judgment in *Bayer Pharma* caused confusion as its effect on the strict liability regime remained unclear and thus became the central point of contention.

### The CJEU Allows Strict Liability

A Finnish court referred a case to the CJEU to determine whether strict liability is compatible with the Enforcement Directive. The resulting *Mylan* judgment aligns with the interpretation that Estonian law is proportional: the applicant need not prove infringement when obtaining the interim measure and the defendant need not demonstrate the applicant's fault when claiming damages.

When an intellectual property right is declared invalid retroactively, it is deemed never to have existed. The *Mylan* judgment indicates that in such a situation, blocking a generic from the market to protect such rights hinders legitimate trade. Under Estonian law, this is relevant when determining compensation awarded to the defendant.

### Summary

The *Mylan* ruling should make originator companies cautious when blocking generics from the market to protect their patents. Estonian courts have yet to interpret the *Mylan* judgment, but it is likely that they will confirm strict liability for appropriate compensation where interim measures were unjustified in intellectual property cases. Originators should ensure their patents are strong before seeking interim measures. Blocking a generic exposes the originator to the risk of strict liability for the generic competitor's damages, and contesting such claims can be problematic. ●

## Lithuania: Balancing the Scales – Addressing Disparities Between Public and Private Healthcare

By Darius Paulikas, Head of Life Sciences, Widen Legal Lithuania



Healthcare is a fundamental component of any society, reflecting its core values and priorities. In Lithuania, the healthcare system is marked by a pronounced division between private and public hospitals. Lithuania's healthcare services are divided into outpatient (ambulatory) and inpatient (stationary) services.

State-owned hospitals are financed through public funds from the National Health Insurance Fund (NHIF). Almost all of the services that they provide are reimbursed by the NHIF. They also have a monopoly on access to NHIF funds for inpatient services. Conversely, securing a reimbursement contract for inpatient services is nearly impossible for private hospitals. The latter predominantly depend on out-of-pocket and private insurance payments. Reimbursement agreements between the NHIF and private institutions are confined to outpatient services and involve much less funds compared to what is available for public entities. Despite that, public institutions are often slow in their operations, resulting in long waiting times for consultations and treatment. In contrast, private hospitals can offer more personalized and timely care for the patients, albeit at a higher cost.

Due to the unequal distribution of state funds, private hospitals are charging patients premium fees in addition to the reimbursed amount covered by the NHIF. Basically, it means that they are paid twice for the same service. According to the *Law on the Healthcare System of the Republic of Lithuania*, charging premiums is permitted only in exceptional cases where specific conditions are met. However, in practice, this has become more of a norm than an exception. Recent NHIF data shows that 79% of day surgery procedures performed in private hospitals which were covered by the NHIF were also supplemented by patients' out-of-pocket payments. These payments come in the form of "comfort fees," which are borderline legal and very difficult to regulate. Public hospitals, on the other hand, are not allowed to charge premium fees.

Such a situation made private hospitals grow revenue at a faster rate than their public counterparts, which then allowed them to lure doctors away from the public sector, offering larger salaries. Despite the NHIF being responsible for administering these pay-

ments, as an institution, it lacked the legal authority to prevent malpractice. For example, even in cases where the NHIF would terminate the reimbursement contract due to breach, no limitation existed on how soon a hospital could re-enter into a new contract with the NHIF. A hospital could apply for a new contract immediately after the termination of the previous one.

Another shortcoming was the fact that the NHIF could not mandate a clinic to compensate for budgetary breaches. Even if the NHIF requested to rectify the breach, the NHIF's decision was not binding on the hospital, and the NHIF had to seek judicial recourse to recover the funds through court, allowing the hospital to continue providing healthcare services without adhering to the legal requirements of the reimbursement contract. Put simply, the NHIF lacked effective leverage to ensure the efficient use of its budget and to prevent patients from paying premiums. This situation prompted the Parliament to adopt amendments to the *Laws on the Healthcare System of the Republic of Lithuania and the Healthcare Insurance*. The amendments will come into effect on July 1, 2025.

The goal of the amendments was to give power to the NHIF to impose stricter sanctions on medical institutions that violate reimbursement contracts. For example, after the amendments come into effect, the NHIF will have a comprehensive list of criteria for terminating the reimbursement contract and suspending a hospital from accessing NHIF funds. In addition, private hospitals will find it more difficult to apply premium surcharges to payments because they will be at risk of breaching the reimbursement contract and having it terminated. On top of that, the NHIF will have more authority on recovering the misused funds much faster, by simply deducting payments from the hospital and performing write-offs without even going to court.

Although the amendments were adopted with the goal of protecting patients from paying twice for their healthcare, these changes will undoubtedly restrict the expansion of private medical institutions. However, it is unclear whether they will have any positive effects on making public hospitals more effective and fixing their short-staffing problem. Addressing this issue and leveling the playing field between public and private hospitals necessitates a multifaceted approach, including increased funding for both sectors, robust regulatory measures, and incentives for providing high-quality services. ●



## Hungary: Mid-Year Review of Significant Life Sciences Legal Developments

By Helga Biro, Partner, and Mate Laczko, Attorney, Baker McKenzie Budapest



For the pharmaceutical industry in the Hungarian market, the first half of 2024 involved several legislative changes with significant practical implications. Some of these changes have yet to unfold their full impact, due to the lack of implementing regulations and prerequisite authority actions. Below is our review of the most important legal developments, including an indication of where further actions are expected by legislators and regulators.

### 1. Uniform Hospital Pharmacy Service

In February, the government adopted the implementing decree for the uniform institutional (hospital) pharmacy service. Under this service, medicinal product procurement (as well as related logistic and coordination services) for hospital pharmacies would be centralized through a project company. Participation in the scheme will be compulsory for state-owned hospitals and voluntary for other hospitals. According to the legislators, the centralization will ensure the same level of service and security of supply in all participating hospitals, and also increase efficiency. Although the implementing decree already entered into force, the centralization will only commence once the project company has been selected through a public procurement procedure, yet to be initiated. The uniform hospital pharmacy service is expected to start from January 1, 2025.

### 2. Stockpiling Obligation Introduced

In March, the minister responsible for healthcare issued a decree imposing a new stockpiling obligation on medicinal product wholesale license holders. The decree entered into effect on May 10, 2024, listing 313 active substances. Wholesale license holders must maintain a continuous stock of products containing active substances, equal to one-twelfth of the volume distributed during the preceding 12 months. The new stockpiling obligation raises several practical questions. For example, it is unclear if the obligation applies to each wholesale license holder through the supply chain (resulting in multiplication of the stock held), or if wholesale license holders of the same supply chain may jointly comply with the obligation. Lastly, the ministerial decree tasked the Hungarian regulatory authority (NNGYK) with publishing by June 1, 2024, a list of medicinal products marketed in Hungary that contain the concerned active substances. The NNGYK has yet to

publish this list on its website, adding to the legal uncertainty for the industry.

### 3. Revised Named-Patient Reimbursement

In June, the Parliament passed a new law amending several acts and spanning multiple industries. For the pharma industry, this new law will introduce changes to named-patient reimbursement with effect from January 1, 2025. Based on the changes, a new public benefit foundation will be established, which will decide on the named-patient applications in addition to the Hungarian Health Insurance Fund. The statement of reasons clarifies that the legislator does not intend to set the criteria for the decisions but rather leaves it to the foundation to decide in the context of social and economic responsibility. According to Deputy State Secretary for the Professional Management of Healthcare Judit Bidlo, the budget allocations made available to the foundation will still be part of the health insurance fund's budget. Therefore, the new scheme is not primarily about saving money but about using the money more efficiently.

### 4. Access to eHealth Data for the Purposes of AI Development

The same new law regulates future access to health-related data stored in Hungary's National eHealth Infrastructure (EESZT). Access to the data stored in the EESZT may be requested as of January 1, 2026, on a case-by-case basis, for the purposes of training, testing, and developing AI algorithms, as well as evaluating and developing medical devices and digital health applications. Access will be subject to ethics committee research authorization and compliance with the GDPR, including conducting a data protection impact assessment.

### 5. Implementation of Cybersecurity Requirements in the Pharma Sector

Lastly, on June 24, 2024, a ministerial decree was adopted on cybersecurity classification and specific security measures in connection with the Hungarian implementation of the EU's *NIS2 Directive*. Pharma manufacturers and wholesalers must comply with the ministerial decree by October 18, 2024. ●



## Ukraine: From Challenges to Change – Key Healthcare and Life Sciences Developments

By Lana Sinichkina, Partner, Arzinger



Despite the ongoing full-scale invasion by the Russian Federation, the life sciences and healthcare sector in Ukraine is actively evolving to support the well-being of its population.

Under martial law, certain regulatory measures have been simplified to maintain the steady supply of essential goods within the Ukrainian market. These regulatory changes can sometimes affect the business interests of market players, as in the case of the extension of patents until the end of martial law (i.e., without a specific time limit), potentially putting competitors at a disadvantage. Nonetheless, Ukraine remains on a promising path toward advancing its healthcare system, demonstrating resilience and commitment to public health in the face of challenging circumstances.

Healthcare reform in Ukraine is underway, with the objective of establishing an effective and universally accessible healthcare system. Efforts are being directed toward creating a robust network of medical institutions, with substantial investments being made in their modernization and re-profiling. Over the past few years, the state program of medical guarantees (PMG) and the reimbursement system were introduced, and these initiatives are expanding, enabling the population to save significantly on healthcare costs. Areas that were not previously in the spotlight, such as rehabilitation, transplantation, mental health, infertility treatment, blood donation and transfusion, are now receiving significant attention and development. Relevant legislative acts are being adopted to improve the regulation and access to respective treatment and services. Reforming the blood system has become a priority, and efforts are underway to align it with European standards by replacing outdated equipment and strengthening control over blood quality, ensuring that these services meet the highest levels of safety and efficacy.

Looking ahead, there are plans to implement a system of compulsory health insurance. However, given the ongoing full-scale war, determining the exact timeline for this implementation remains challenging.

Another emerging trend is driven by the fact that during Russia's full-scale invasion of Ukraine, more than 1,500 medical facilities were damaged, and about 200 more were destroyed and cannot be restored. In response, there has been a significant increase in public-private partnership projects aimed at rebuilding Ukraine's infrastructure and restoring the capacity of the hospital network.

To ensure the population has access to medicines, new supply mechanisms have been introduced. In 2022, Ukraine introduced compassionate use and expanded access mechanisms, significant-

ly expanding patients' access to unregistered medicines. These mechanisms, widely used in developed countries, are acknowledged as effective tools for expanding treatment options for patients with life-threatening, long-lasting, or seriously debilitating illnesses. Additionally, a procedure for procuring innovative medicines through managed entry agreements was introduced. This allows the Ministry of Health of Ukraine to directly negotiate with manufacturers and obtain them at significantly reduced prices under the condition of price confidentiality. As a result, seriously ill patients gain access to expensive treatments free of charge.

Moreover, to facilitate the treatment of thousands of patients, Ukraine has become the 57th country in the world to legalize medical cannabis.

It is also worth noting that even the clinical trials sector, which is quite vulnerable to military operations, is gradually recovering in Ukraine, and new clinical trials are being launched.

Furthermore, Ukraine is undergoing significant changes in its public procurement system, with one of the notable achievements being the introduction of electronic catalogs for the procurement of medicines and medical devices. According to recent data, this tool has proven to be highly effective, enabling hospitals to achieve savings of more than 20% on procurement costs.

Another development involves licensed entities being allowed to sell medicines online, except for certain categories such as those containing narcotic or potent substances.

As part of Ukraine's digitalization efforts, the comprehensive electronic healthcare system e-Health was introduced to automate the management of medical information in an electronic format. To this end, Ukraine is gradually transitioning to electronic prescriptions for all prescription medicines (although paper prescriptions remain an option during martial law).

Telemedicine is also rapidly advancing in Ukraine: 328 healthcare facilities have already been connected to telemedicine services, virtual operating rooms have already been installed in two hospitals, and 31 out of 41 healthcare packages within the PMG include telemedicine services.

The area of medical devices is also advancing, with ongoing efforts to develop and adopt the draft law *On Medical Devices* and updated versions of relevant technical regulations aligned with EU standards.

In summary, despite the challenges of martial law, Ukraine is vigorously striving to restore and enhance its healthcare system, as the well-being of the population is definitely the driving force behind all transformations. ●

## Poland: Tackling Greenwashing: The Latest EU and Polish Legislative Developments

By Pawel Halwa, Partner, and Paulina Klimek-Wozniak, Attorney at Law, Schoenherr



In recent years, public concern about the roles of organizations in environmental issues has significantly increased. Governments, public institutions, and non-profits now demand that companies adopt environmentally friendly practices. Consumers are seeking “green” products and investors prefer companies that prioritize environmental care. This trend has led companies to adopt greenwashing strategies in marketing to attract eco-conscious consumers.

The term “greenwashing” refers to practices aimed at portraying an organization, its products, goals, and principles as environmentally friendly through the use of specific statements, terminology, and images. Greenwashing is most often associated with the food or cosmetics industry, but it is a common phenomenon, and many companies are taking advantage of the green fad to gain a competitive advantage. This trend has not escaped the attention of legislators and competition authorities.

### Directive (EU) 2024/825

*Directive (EU) 2024/825 of the European Parliament and of the Council of February 28, 2024, amending Directives 2005/29/EC and 2011/83/EU as regards empowering consumers for the green transition through better protection against unfair practices and through better information* (Directive) entered into force on March 26, 2024. Member States must implement it by March 27, 2026. The Directive aims to protect consumer rights and ensure informed purchasing decisions by introducing rules to counteract unfair commercial practices. These practices include misleading environmental claims (greenwashing), misleading social characteristics of products, and non-transparent sustainability labels. The rules empower national bodies, such as the Polish competition authority, to address these practices effectively, ensuring that environmental claims are fair and clear. This allows consumers to choose genuinely eco-friendly products, encouraging competition, and leading to more sustainable products with reduced environmental impact.

We expect that the Directive will significantly impact cosmetics brands, which often use unverified environmental terms like “pure,” “clean,” “natural,” and “green.” These claims should be verified by independent experts with environmental monitoring experience to ensure their accuracy.

### Amendment to the Act on Pursuing Claims in Group Proceedings

Recently, the Council of Ministers adopted a draft law amending the *Law on Investigation of Claims in Group Proceedings and Certain Other Laws*, submitted by the Polish consumer authority. The draft aligns Polish law with *Directive (EU) 2020/1828 on representative*

*actions for the protection of collective consumer interests*, enabling more effective use of class actions.



This amendment may significantly impact greenwashing proceedings as outlined in *Directive (EU) 2024/825*. It allows non-governmental organizations and other authorized entities to file class-action lawsuits against businesses violating consumer interests. In the context of greenwashing, this enables groups of consumers to jointly pursue their rights against companies using misleading marketing practices. This increases the likelihood of effectively pursuing claims, especially for individual consumers who might struggle against large corporations.

*Directive (EU) 2024/825* mandates that businesses provide clear and reliable information about the environmental characteristics of products. Group proceedings can help enforce these regulations, enabling consumers to better pursue accurate information and raising awareness about greenwashing.

### Polish Competition Authority's Action against Greenwashing

Poland is not as active in counteracting greenwashing as Western European countries like the UK, the Netherlands, or France. However, it is worth pointing out that the President of the Office of Competition and Consumer Protection is aware of the problem and is currently conducting eight investigations into whether ESG-related marketing practices used by businesses constituted greenwashing. The proceedings conducted by the Polish Consumer Authority concern the retail platform Allegro, the cosmetics brands Bielenda Kosmetyki Naturalne, Dr Irena Eris, and L'Oreal Polska, and the apparel brands H&M Hennes & Mauritz, KappAhl Polska, LPP, and Zara Polska. As of the date of publication of this article, the cited proceedings are still pending, and no decisions have been issued.

### Conclusions

Recent EU and Polish legislative changes mark significant progress in the fight against greenwashing, especially in the cosmetics industry. *Directive (EU) 2024/825* mandates clear, verified environmental claims, compelling cosmetics brands to substantiate terms like “natural” and “green.” Amendments to Polish law enhance consumer class actions, increasing accountability for deceptive practices. The Polish competition authority's ongoing investigations into major cosmetics brands highlight a growing commitment to combating greenwashing. These combined efforts will likely improve market transparency, foster consumer trust, and encourage more truthful, sustainable practices within the cosmetics sector, contributing to overall environmental protection. ●

## North Macedonia: Understanding the Evolving Pharmaceutical Legal Landscape and Proposed Reforms

By Marija Filipovska Jelcic, Partner, and Martin Ivanov, Attorney-at-Law, CMS



North Macedonia, as a European Union country candidate, progresses toward integrating with the European Union's regulatory and economic systems. As these frameworks grow more complicated, the country is tasked with continuously aligning its local industry with European and global standards. This alignment is vital for promoting innovation, safeguarding public health, and drawing foreign investment. The life sciences sector's development specifically is impacted by numerous factors, including funding, pricing, regulatory adherence, product liability issues, and sustainable public procurement mechanisms. Its growth and improvement in our country should not be underestimated, and the legal system must follow the trends.

### Legislation Framework

The pharmaceutical industry in North Macedonia is governed by several key legal instruments, focusing primarily on the *Law on Medicinal Products and Medical Devices (Official Gazette of Republic of Macedonia Nos.106/07* as amended from time to time) and the related regulations/bylaws adopted by the Ministry of Health of the Republic of North Macedonia. These regulations generally align with the corresponding EU directives, reflecting the country's commitment to harmonizing its pharmaceutical legislation with European standards as part of its EU accession process. However, certain good practices are still not implemented and should be recognized, whereas legal mechanisms should be created for their enactment.

### Latest Developments and Regulatory Reforms

North Macedonia has benefited from several EU-funded projects aimed at improving pharmaceutical infrastructure and research capabilities. A key project is the EU-funded *Twinning* project – *Harmonization of the legislation for medicinal products with EU legislation and building capacities for its implementation*. This project played a key role in reforming the Macedonian Agency for Medicinal Products and Medical Devices to meet international standards and to harmonize national legislation with EU legislation.

A proposal for a special *Law on Medicinal Products* was developed within this project. This proposal aims to split the regulation of medicinal products and medical devices into two separate laws: the proposed *Law on Medicinal Products* and a future *Law on Medical Devices*.

According to the latest publicly available draft of the proposed *Law on Medicinal Products*, this law will provide rules for medicinal



products for use in human medicine, the conditions and method for ensuring their quality, safety, and efficiency, and the method and procedures for their production, testing, labeling, classification, placing on the market, sales, pharmacovigilance, price formation, quality control, advertising, and inspection. Narcotic drugs, psychotropic substances, and precursors needed for the production of medicinal products are also intended to be subject to regulation by this law. Two EU regulations and one directive are transposed in the draft *Law on Medicinal Products*, i.e., (1) *Directive 2001/83/EC on the Community code relating to medicinal products for human use*; (2) *Regulation (EU) no. 536/2014 on clinical trials of medicinal products for human use and repealing Directive 2001/20/EC*; and (3) *Regulation (EC) no. 1234/2008 on the examination of the variations to the terms of marketing authorizations for medicinal products for human use and veterinary medicinal products*.

### Expected Benefits

By harmonizing national legislation with EU legislation (*EU acquis*) in the field of medicines, North Macedonia should accomplish the essential goal set out by *Directive No. 2001/83/EC*. Specifically, it should adopt the necessary uniform rules as possible for the production, distribution, and use of medicinal products in order not to hinder the development of the pharmaceutical industry and trade in medicinal products within the European Community (for example, rules applicable to tests and trials, compiling dossiers, and examination of applications). At the same time, the harmonization of national legislation in the field of clinical trials with *Regulation (EU) No. 536/2014* should contribute to the ultimate goal of protecting the rights, safety, dignity, and well-being of test subjects. To enable independent control of compliance with these principles, a clinical trial should be carried out, subject to prior approval.

Pharmaceutical companies and other stakeholders have actively participated in providing comments and proposed amendments to the draft *Law on Medicinal Products* during the public discussion and review process.

In conclusion, it is not clear when the proposed special *Law on Medicinal Products* will be adopted, nor when we can expect the draft *Law on Medicinal Products* to be made available for public discussion and review. However, these reforms facilitate the country integrating seamlessly into the European pharmaceutical market, fostering innovation and ensuring compliance with international regulatory norms. ●

## Moldova: A New Approach to Genetic Modification

By Doina Doga, Head of Practice, and Domnica Bejan, Junior Associate, ACI Partners



The topic of genetically modified organisms (GMOs) has lately become an actual and increasingly important aspect in Moldovan law. Until recently scarcely regulated, the activity involving GMOs was subject to significant legal loopholes. This led to the inherent risk pertaining to GMOs being difficult to control, especially with agriculture playing an important role in the national economy.

To address such risks, the need for improved legislation on biological safety became stringent. This was also necessary in the context of the population's reluctance toward GMOs

Thus, the Moldovan legal framework has been significantly updated through an approximation of the European Union's *acquis*. As of summer 2024, two important pieces of legislation entered into force, namely *Law No. 152 dated June 9, 2022, on the regulation and control of genetically modified organisms* (Law on GMOs) and *Law No. 394 dated December 15, 2023, on genetically modified food products and fodder*.

### What Is a GMO?

Under the national legislation, a GMO is any organism, other than human, whose genetic material has been altered using modern laboratory techniques other than through mating or natural recombination.

As disclosed by the national authorities, all of the following GMO plant crops are currently present on the Moldovan market: (i) GMOs resistant to insect attacks, (ii) GMOs resistant to viral infections, and (iii) GMOs with increased tolerance to herbicides.

### How Is Genetic Modification Controlled in Moldova?

Moldova's stance toward genetic modification is that biotechnological cultures are essential for the economy. Nonetheless, due to the potential adverse impact on the environment and the population's health, it is essential to set a rigorous regulatory framework to minimize and manage the risks entailed by GMOs.

The recently approved legislation has addressed these issues, striking a balance between protecting the environment and benefiting from the advantages offered by GMOs. A strict 20-year ban on commercial cultivation of genetically modified plants has been put in place, while cultivation of superior plants for research purposes is allowed. The current national laws tackle the importation and use of GMOs and set explicit rules for food containing GMOs to be placed on the market.

Public input is also a core part of GMOs' management. Thus,

all applications to authorize a GMO release into the environment are subject to a public notification and consultation process.

### How Are GMOs Placed on the Moldovan Market?

To release a GMO into the environment, authorization shall be obtained from the Moldovan Environment Agency.

This applies to the importation, distribution, trade, and development of GMOs or tests performed with GMOs. Each application for authorization is examined upon assessing the biological safety, socioeconomic considerations, and the outcome of the public consultations pertaining to the GMO. Once authorized, the GMO is registered in the National Registry of GMOs and is subject to constant monitoring by national authorities.

### What Is Labelled?

Mandatory labeling standards are applicable to genetically modified products placed on the market. Products such as food, fodder, ingredients, food additives, or any other items containing GMOs must be duly labeled. These rules are to help consumers decide whether or not to purchase a certain product.

Products containing GMOs shall bear the "genetically modified" reference on the label. If GMOs' traces in a product are adventitious and are below 0.9% (for most products) or 0.1% (for seeds), no such labeling rules are applicable. If so, the "No GMOs" note may be applied on the product's label.

### What about Legal Liability?

Authorization holders face legal liabilities for placing on the market, importing, exporting, storing, and handling GMOs in any other way. To protect themselves from legal actions and to mitigate the associated risks, the authorized entities shall take necessary precautionary measures.

Where legal requirements for GMOs are breached and risks to human life and health, the economy, the environment, livestock, or animal health occur, the Environment Agency will implement emergency measures. These may lead to GMOs being suspended or terminated.

To alleviate the consequences of breaching GMOs-related legislation, the Environmental Agency may order the decontamination of affected areas, the elimination of the GMOs altogether, the isolation of the affected regions, and other appropriate actions. The public shall always be made aware of any such undertaken measures. ●



## Turkiye: New Regulation Draft on Promotional Activities

By Elvan Sevi Bozoglu, Partner & Head of Life Sciences, Balcioglu Selcuk Ardiyok Keki Attorney Partnership



On May 28, 2024, the Turkish Medicines and Medical Devices Agency (Agency) took a significant step in regulating the healthcare industry by unveiling the draft *Regulation on Promotional Activities of Medicinal Products for Human Use and Foods for Special Medical Purposes* (Draft). This comprehensive Draft aims to address various aspects of promotional activities, ensuring that they are conducted in a manner that upholds scientific integrity and prioritizes patient safety.

The Draft seeks to create a more transparent and fair healthcare environment. Moreover, it introduces specific restrictions to be applied to individuals and clarifications to streamline promotional practices and maintain accountability among the industry stakeholders. This regulatory effort reflects the Agency's commitment to enhancing the standards of promotional activities within the healthcare sector and indicates the ministry's intention to implement a more robust promotional and engagement framework.

While the Draft broadens definitions and expands the scope of implementation in certain areas, it is evident that the underlying aim is to regulate more effectively the activities of companies that sell non-pharmaceutical products, even those not yet available in the Turkish market. Also, even though the Draft claimed to be published to provide clearer guidance, it seems to be introducing new ambiguities and interpretation challenges for the industry. Below are some highlights:

**Expanded Profession Scope for Scientific Service Departments:** The Draft broadens the range of professionals eligible for scientific services to include biologists, biomedical engineers, and chemists. This addresses a significant industry issue by incorporating a wider array of qualified experts, enhancing the quality and diversity of scientific discourse.

**Inclusive Scientific Meetings:** The definition of scientific meetings now encompasses national and international associations involving newly included professions, i.e., psychologists. This expansion facilitates booth participation and satellite symposiums at such meetings, increasing opportunities for valuable interactions and collaborations with professionals other than physicians, pharmacists, and dentists.

**New Restrictions for Promotional Documents:** The definition of promotional materials has been added in the Draft. Thus, a clear distinction is made between promotional equipment and promotional materials. The Draft prohibits product promotion and distribution of promotional materials at meetings held outside healthcare institutions, including electronic scientific meetings. This approach underscores the Agency's commitment to fostering a professional and ethical environment in the promotion

of medicinal products and food for special medical purposes.

**Further Transparency in Promotional Materials:** License or permit holders must record promotional materials in the Agency's electronic database before distribution. This measure, while increasing transparency, may slow down promotional activities due to the additional administrative step required.

**Change to the Transfer of Value Notification Threshold:** The Agency has reduced for the limit of value transfer to healthcare professionals, healthcare institutions/organizations, and non-governmental organizations established for the protection and promotion of health from 10% of the gross monthly minimum wage to 5% the limit, further increasing the Agency's control over promotional activities.

**Patient Support Programs Regulation:** The nature of patient support programs is not related to promotion of the products; rather, patient support programs aim to ensure patients have access to the products they need. Yet, patient support programs are regulated under the Draft. The prevailing opinion is that the regulation pertaining to patient support programs should not be included in the Draft but should have a separate regulation.

**Scientific Meetings Registration:** The organization that conducts the scientific meeting must register in compliance with the Draft and relevant guidelines. However, details on the registration process and evaluation remain unclear and need further elaboration.

**Prohibition of Influencers:** The Draft prohibits the use of well-known influencers for promotion, a positive step toward maintaining scientific integrity.

**Fee-Based Application Clarification:** With the introduction of fees for applications for promotional activities, the question arose as to whether the date of application should be considered as the date the fee is paid or the date the application is made. This distinction is crucial for timely application processing.

**Revised Administrative Sanctions:** Administrative sanctions now encompass warnings and prohibitions on promotional activities that can last from one month up to one year. This offers a clearer and more structured approach to compliance enforcement. On the other hand, while the Draft permits the Agency to apply sanctions to individual healthcare professionals and healthcare organizations along with the marketing authorization/permission holders, the implementation methods remain unclear.

While it is uncertain how many of these regulations in the Draft will be included in the final version, all these draft amendment provisions indicate the ministry's intention to exercise stricter oversight over promotional activities. ●

# Thank You to Our Country Knowledge Partners for Their Invaluable Input and Support

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