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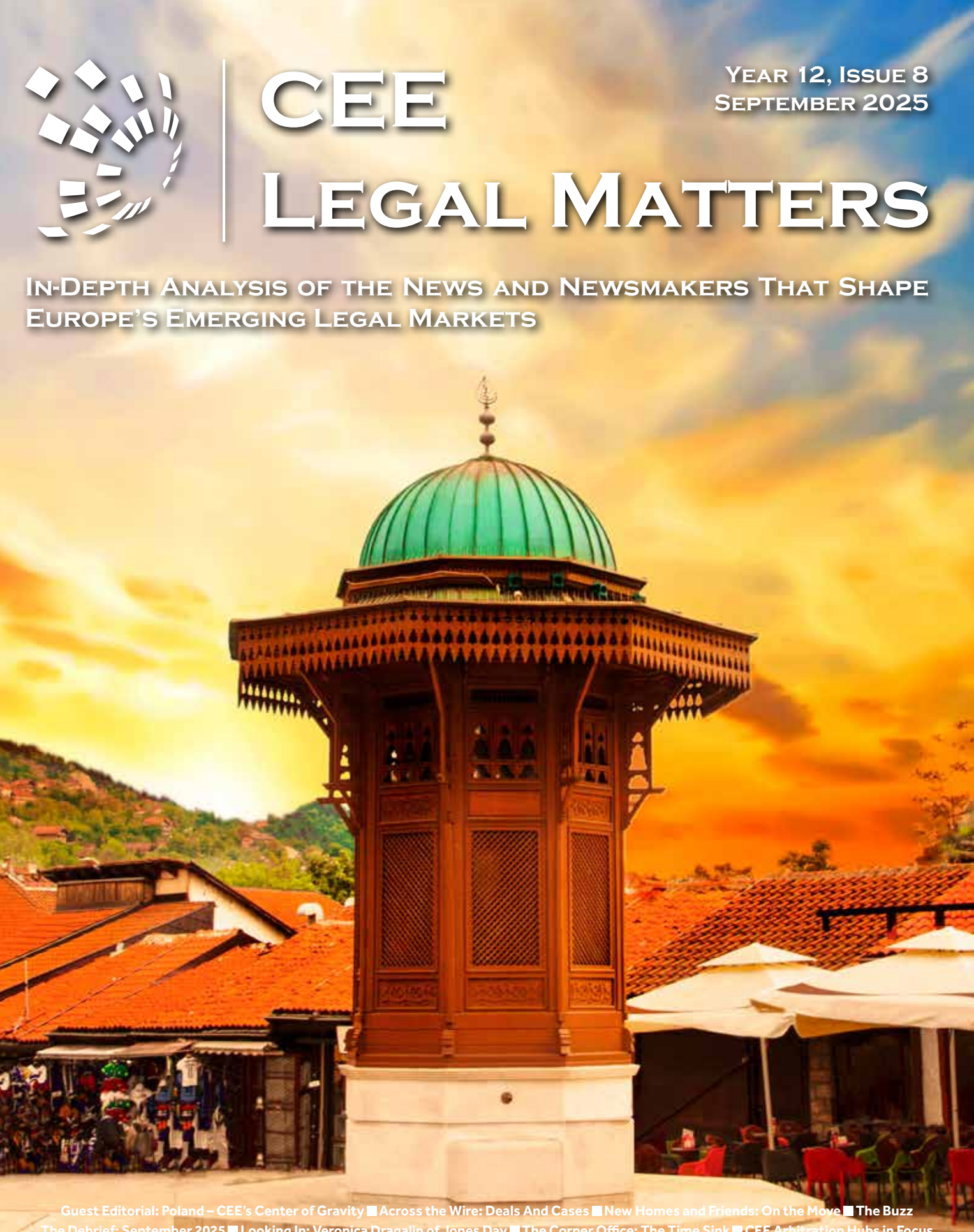

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Letters to the Editors:

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GUEST EDITORIAL: POLAND – CEE'S CENTER OF GRAVITY

By Jolanta Nowakowska-Zimoch, Managing Partner, Greenberg Traurig Poland

In a region that has learned to live with uncertainty, Poland stands out for something refreshingly simple: results. A recent *Bloomberg* column by Matthew A. Winkler captured it perfectly: Poland's GDP is about USD 915 billion and keeps compounding. *Bloomberg* calculates that household consumption has surged 125% since the UK voted to leave the EU in 2016; the zloty leads among 23 most-traded emerging-market currencies; Polish government bonds top Europe with over 30% total return; and the Warsaw Stock Exchange ranks among the world's best performers so far this year. These are facts.

Forecasts also showcase a similar future. Medium-term projections have Poland growing around the 3% benchmark – 3.3% in 2026 and 3.2% in 2027 as stated in the Bloomberg piece, and broadly in line with EU and IMF views. The momentum is grounded in wages, capex, EU funds, and a strong private sector that iterates fast.

None of this means we can ignore the other column in the growth model: risk. Geopolitics on our eastern border, a noisier global trade backdrop, and a heavier fiscal policy at home are real challenges. Poland's deficit has widened due to social and energy costs. Forecasters expect gradual consolidation but not overnight miracles. The OECD underlines the need for revenue measures and spending discipline while addressing the health system and the ageing population.

For our clients, the challenge is not based on identifying these risks. They know them well. The right question is quantifying them and devising the right legal structure in order to mitigate them. This is where Poland's real competitive advantage shows. It is large enough to offer scale, diversified enough to manage cyclicality, and open enough to channel capital toward energy transition, digital, infrastructure, life sciences, and advanced manufacturing. In many portfolios, Poland already equals the rest of CEE combined in exposure. Liquidity, depth of the local banking market, and an increasingly international investor base make that allocation rational, not sentimental.

At Greenberg Traurig, we match that reality with a model that works in volatile times: one global firm, empowered local leadership, and what we call "freedom within the framework." The framework matters – quality, ethics, risk, and client service are non-negotiable. Freedom is essential. Warsaw is not Vienna or Prague, and cannot be interpreted only as a local market, as some regional firms understand it. Clients don't hire us to force global templates onto local existing challenges. They hire us to bring top global standards to local execution. They value impeccable quality, trust, and the right tempo with respect to delivering results.

That culture has guided us through every cycle: we invest when others hesitate, we build teams across practices rather than chase headlines, and we underwrite our advice with real accountability. It is also why, while some firms are narrowing footprints or regrouping in Poland, our answer is the opposite: double down on Poland. Expand, don't retreat. The pipeline is obviously there. According to the *Merger Market* ranking for the first half of 2025, our office has executed M&A transactions with a value of almost USD 9 billion, maintaining the number 1 position not just in Poland but across Central and Eastern Europe. Equity and debt capital markets are recovering, and we are seeing activity in many practice areas such as energy and renewables, infrastructure, and project finance.

Of course, the rulebook is not static. Tax changes may tighten. Public finances must rebalance. Monetary policy will keep one eye on inflation and another on growth in order to avoid the inflationary shock we recently experienced. This means measuring the risk and taking it into account. This does not mean decision paralysis. Smart capital will price in the noise and move.

What gives us confidence is the alignment between the macro signals and what we see every day across the table: disciplined corporates, pragmatic institutions, and investors who actually want to invest here, not trade headlines. Poland has reached the point where scale, talent, and institutional know-how work for one another. In practical terms, that puts Poland, by some measures of deal flow and market depth, as a country that can rival the rest of CEE combined.

Poland is stronger than ever, and so is the presence of Greenberg Traurig in Poland. Our promise to the market is simple: keep the framework tight, keep the freedom real, and keep moving forward with our clients to the best of our abilities. This is what our commitment to excellence is all about. Poland is the CEE's center of gravity, and we certainly intend to match its trajectory. ●

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ACROSS THE WIRE:
DEALS AND CASES

Date	Firms Involved	Deal/Litigation	Deal Value	Country
17-Jul	Freshfields	Freshfields advised Traton on the implementation of a new joint group R&D organization across its brands Scania, MAN, International, and Volkswagen Truck & Bus.	N/A	Austria
17-Jul	Eisenberger & Herzog	E+H advised Burgenland Energie subsidiary BE Energy on the realization of a rooftop photovoltaic plant as part of a joint venture with PUSPOK Erneuerbare Energie.	N/A	Austria
17-Jul	Cerha Hempel	Cerha Hempel advised Permissionless Technologies on its successful USD 1.5 million pre-seed financing round led by Draper Associates.	USD 1.5 million	Austria
18-Jul	Kinstellar; Schindler Attorneys	Kinstellar advised Black Diamond and its parent company Clarus on the sale of Black Diamond Austria and its operating subsidiary PIEPS to an international private investment firm. Schindler Attorneys reportedly advised the buyers.	N/A	Austria
22-Jul	Brandl Talos; Wolf Theiss	Wolf Theiss advised Chatlyn on its EUR 8 million series A financing round led by London-based private equity firm Smedvig Ventures. Brandl Talos advised Smedvig Ventures.	EUR 8 million	Austria
28-Jul	Baker McKenzie; Cerha Hempel; Saxinger, Chalupsky & Partner	Cerha Hempel advised Worthington Enterprises subsidiary Worthington Cylinders on the sale of its alternative fuels business to Norway-based Hexagon Composites. Baker McKenzie advised Worthington Enterprises. Saxinger advised Hexagon.	N/A	Austria
28-Jul	Dorda; PFP Law; PwC Legal	PFP, working with PwC Legal, advised Investika on its entry into the Austrian real estate market via an asset deal, acquiring the CAE Aviation Training Centre from Proper Industrial. Dorda advised Propel Industrial.	N/A	Austria
28-Jul	Freshfields	Freshfields advised a syndicate of 32 banks, led by Banco Bilbao Vizcaya Argentaria and Bank of America, on a EUR 2.5 billion sustainability-linked revolving credit facility granted to Iberdrola Financiacion and Avangrid as borrowers, with Iberdrola acting as guarantor.	EUR 2.5 billion	Austria
31-Jul	Freshfields	Freshfields Bruckhaus Deringer advised NiCE on its proposed USD 955 million acquisition of Cognigy.	USD 955 million	Austria
04-Aug	Brandl Talos	Brandl Talos advised Vienna-based biotech company Resonate Bio on its spin-off from the University of Vienna.	N/A	Austria
06-Aug	Kirkland & Ellis; Schoenherr; Sidley Austin	Schoenherr, working with Sidley Austin, advised Preservation Capital Partners on the sale of its majority stake in Hanseatic Broking Center to Bridgepoint. Kirkland & Ellis advised Bridgepoint.	N/A	Austria
07-Aug	Dorda; Ego Humrich Wyen; Gorg; Heuking Kuhn Luer Wojtek	Dorda, working with Heuking and Goerg, advised German investor DRS Investment on its acquisition of a majority stake in Aurena. Brandl Talos, working with Ego Humrich Wyen, advised Aurena founder Karl Kuehberger.	N/A	Austria
08-Aug	Cooley; Eisenberger & Herzog; Lark; Schoenherr	E+H advised Andreessen Horowitz on the USD 5.5 million seed financing round investment for Taceo led by Archetype. Schoenherr advised Taceo. Cooley and Lark reportedly advised Archetype.	USD 5.5 million	Austria
08-Aug	Freshfields	Freshfields advised Permira and Nordic Capital on their all-cash, voluntary, and recommended public takeover offer for Bavarian Nordic.	N/A	Austria
11-Aug	Baker McKenzie; Latham & Watkins	Baker McKenzie advised Cheyne Capital on the refinancing of Kaffee Partner. Latham & Watkins reportedly advised Kaffee Partner.	N/A	Austria
11-Aug	Schoenherr; Wolf Theiss	Schoenherr advised Palfinger on the successful placement of 2,826,516 treasury shares, raising gross proceeds of over EUR 100 million through an accelerated private placement with institutional investors. Wolf Theiss, working with Clifford Chance, advised joint bookrunners BofA Securities Europe SA and UniCredit Bank.	EUR 100 million	Austria
14-Aug	Herbst Kinsky	Herbst Kinsky advised Flex Capital on its acquisition of SOP Hilmbauer & Mauberger. Sole practitioner Ernst Dejaco reportedly advised the selling shareholders Johann Hilmbauer and Gerald Mauberger.	N/A	Austria
15-Aug	DKFE; PFKA Petsch Frosch Klein Arturo; Schoenherr	Schoenherr advised Indie Semiconductor on its acquisition of Emotion3D. DKFE, and reportedly Petsch Frosch Klein Arturo, advised the sellers.	USD 30 million	Austria

Date	Firms Involved	Deal/Litigation	Deal Value	Country
31-Jul	Allen Overy Shearman Sterling; CMS; Djingov, Gouginski, Kyutchukov & Velichkov; PHH Rechtsanwalte	CMS, working with Ashurst, advised Renalfa IPP on the development of its EUR 1.2 billion investment program in photovoltaic, battery electricity storage systems, and wind projects across Bulgaria, Hungary, North Macedonia, and Romania. The firm also advised on securing a EUR 315 million club loan facility led by the EBRD and backed by an InvestEU loss guarantee. DGKV, and reportedly A&O Sherman and PHH, advised the lenders.	EUR 1.2 billion	Austria; Bulgaria; Hungary; North Macedonia; Romania; Poland; Slovakia
31-Jul	Freshfields; Kocian Solc Balastik	Freshfields Bruckhaus Deringer advised Ams OSRAM on the sale of its Entertainment and Industry Lamps business to Ushio. Kocian Solc Balastik advised Ushio in the Czech Republic.	EUR 114 million	Austria; Czech Republic
18-Jul	Baker McKenzie	Baker McKenzie advised Delachaux on the sale of its shares in Frauscher Sensor Technology Group to Wabtec Corporation for an enterprise value of EUR 675 million.	EUR 675 million	Austria; Poland
31-Jul	Deloitte Legal (Jank Weiler Operenyi); Greenberg Traurig; PLMJ; Schoenherr	Deloitte Legal advised Value One on the sale of its Milestone student housing brand to Macquarie Asset Management. Greenberg Traurig, working with Schoenherr and PLMJ, advised Macquarie Asset Management.	N/A	Austria; Poland
13-Aug	CMS; RRH Legal Sarajevo; Schoenherr	Moravcevic Vojnovic and Partners in cooperation with Schoenherr advised the shareholders of Baupartner on the sale of an 80% equity stake to a joint acquisition vehicle formed by Molins and Titan. CMS and RRH Legal Sarajevo advised Molins and Titan.	N/A	Bosnia and Herzegovina; Serbia
29-Jul	Djingov, Gouginski, Kyutchukov & Velichkov; Eversheds Sutherland; Eversheds Sutherland (Tsvetkova Bebov & Partners); Linklaters	Tsvetkova Bebov & Partners, member of Eversheds Sutherland, working with Clifford Chance, advised the Republic of Bulgaria on its dual-tranche EUR 3.2 billion sovereign bond issuance under its EUR 27 billion global medium-term note program. Djingov, Gouginski, Kyutchukov & Velichkov, working with Linklaters, reportedly advised joint lead managers Citigroup, ING Bank, J.P. Morgan, and UniCredit.	EUR 3.2 billion	Bulgaria
29-Jul	Djingov, Gouginski, Kyutchukov & Velichkov	Djingov, Gouginski, Kyutchukov & Velichkov advised on the EUR 2 million seed investment round into Blue Longevity Holdings led by Eleven Ventures and supported by Sofia Angels Ventures as well as several private investors.	N/A	Bulgaria
31-Jul	Wolf Theiss	Wolf Theiss advised Raiffeisen Bank International on a non-recourse project financing facility to support the development of three photovoltaic power plants in Bulgaria.	N/A	Bulgaria
07-Aug	Dimitrov Petrov & Co.	Dimitrov Petrov & Co advised DHH on the acquisition of the remaining 40% stake in Evolink for a transaction value of over EUR 2.2 million.	N/A	Bulgaria
11-Aug	Clifford Chance; Djingov, Gouginski, Kyutchukov & Velichkov; Eversheds Sutherland (Tsvetkova Bebov & Partners); Linklaters	Tsvetkova Bebov & Partners, member of Eversheds Sutherland, working alongside Clifford Chance, advised Eurobank Bulgaria on its issuance of covered bonds under the country's newly adopted Covered Bonds Act. Djingov, Gouginski, Kyutchukov & Velichkov, working with Linklaters, advised Citi as the sole bookrunner and trustee.	EUR 500 million	Bulgaria
13-Aug	Choate Hall & Stewart; Djingov, Gouginski, Kyutchukov & Velichkov; Tzvetkova, Tzvetkov & Dobreva	Djingov Gouginski Kyutchukov & Velichkov, working with Choate, Hall and Stewart, advised Marlabs on its acquisition of Indeavr. Tzvetkova, Tzvetkov & Dobreva advised Indeavr.	N/A	Bulgaria
13-Aug	Cytowski & Partners	Cytowski & Partners advised Wisebee on its USD 2.5 million seed round led by Frontline Ventures and BrightCap Ventures.	USD 2.5 million	Bulgaria
13-Aug	Boyanov&Co	Boyanov & Co advised RealPage on its acquisition of Rexera.	N/A	Bulgaria
15-Aug	Dimitrova Staykova & Partners; Tzvetkova, Tzvetkov & Dobreva	Tzvetkova, Tzvetkov & Dobreva advised ITF Group on a dual acquisition of a majority stake in Klear and a 20% stake in FinBiz Technologies. Dimitrova, Staykova & Partners advised Klear and FinBiz Technologies.	N/A	Bulgaria
15-Aug	CMS	CMS advised AB Investment Group on the licensing process before the Bulgarian Energy and Water Regulatory Commission for its 27-megawatt PV and 24-megawatt-hour BESS Albena Solar Project.	N/A	Bulgaria
07-Aug	CMS; Dentons; Georgiades & Pelides; Kinstellar; Norton Rose Fulbright; Schoenherr; Turcan Cazac	Dentons advised the Board of Directors of Purcari Wineries on the RON 604 million public takeover bid launched by Maspex Romania. Schoenherr advised the founders of the winery. CMS, working with Turcan Cazac and Georgiades & Pelides, advised Maspex. Norton Rose Fulbright and Kinstellar advised PKO Bank Polski on a loan facility to Maspex Romania to support the acquisition.	RON 604 million	Bulgaria; Moldova; Romania; Poland
13-Aug	Addleshaw Goddard; Kinstellar	Kinstellar, working with Addleshaw Goddard, advised Phoenix Equity Partners Limited on its acquisition of FutureMeds, including subsidiaries in Bulgaria and Ukraine. DLA Piper reportedly advised the sellers.	N/A	Bulgaria; Poland; Ukraine

Date	Firms Involved	Deal/Litigation	Deal Value	Country
21-Jul	Krehic Law Firm; Zornada Law Office	Law Office Zornada and Law Office Krehic jointly advised Metkovic on the merger of five regional water suppliers, a capital increase, and the contribution of water supply infrastructure into the company's share capital.	N/A	Croatia
21-Jul	Bar & Karrer; Lupp + Partner; Niederer Kraft Frey; Vukmir & Associates	Vukmir + Associates, working with Niederer Kraft Frey and Lupp & Partner, advised Helsana on its acquisition of Adcubum from TA Associates. Baer & Karrer reportedly advised TA Associates.	N/A	Croatia
25-Jul	Krehic Law Firm; Zornada Law Office	Law Office Zornada and Law Office Krehic jointly advised Croatia Osiguranje on two related transactions carried out with Adris Grupa, including the sale of a minority shareholding in Professio Energia, listed on the Zagreb Stock Exchange, and the acquisition of a minority stake in Sava Re, an insurance company listed on the Ljubljana Stock Exchange.	N/A	Croatia
25-Jul	Kinstellar	Kinstellar advised KentBank on the acquisition and maintenance of the source code for its core banking software.	N/A	Croatia
29-Jul	Pavlicek Ergarac Medved; Stijacic Sostaric	Stijacic Sostaric advised Vacom founder and seller Igor Valentic on an investment from SQ Capital. Pavlicek Ergarac Medved advised SQ Capital.	N/A	Croatia
31-Jul	Divjak Topic Bahtijarevic & Krka; Wahl Law Firm	Divjak Topic Bahtijarevic & Krka advised Signalinea owner Marko Dovgan on the sale of the company to Saferoad Group. Wahl advised the buyers.	N/A	Croatia
01-Aug	Clifford Chance; CMS; King & Spalding	CMS, working with Clifford Chance, advised UniCredit Group and Zagrebacka Banka on the EUR 550 million debt refinancing granted to Fortenova Grupa. King & Spalding reportedly advised Fortenova Grupa.	EUR 550 million	Croatia
11-Aug	Lovric Novokmet & Partners	Lovric Novokmet & Partners advised the shareholders of Crnov-Commerce on its sale to Ricardo.	N/A	Croatia
15-Aug	Lovric Novokmet & Partners	Lovric Novokmet & Partners advised Koncar Group on Koncar Digital Ltd.'s acquisition of the remaining 25% stake in Koncar Sistemske integracije Ltd.	N/A	Croatia
15-Aug	Lovric Novokmet & Partners	Lovric Novokmet & Partners advised Koncar Group on Koncar Inc.'s acquisition of a 75% stake in Helb.	N/A	Croatia
15-Aug	Allen Overy Shearman Sterling; CMS; Savoric & Partners	CMS advised Zagrebacka Banka on the refinancing of Mlinar Group's existing debt in connection with Bosquar Invest's acquisition of a 67% indirect stake in the company. Savoric & Partners and A&O Shearman reportedly advised Mlinar and Bosquar Invest.	EUR 100 million	Croatia
13-Aug	Havel & Partners; Karanovic & Partners (Ilej & Partners); Willkie Farr & Gallagher; Wolf Theiss	Ilej & Partners in cooperation with Karanovic & Partners and Havel & Partners advised Czech industrial group MTX Group on its acquisition of Croatian company Omial Novi from Swiss-based Aluflexpack Group. Wolf Theiss, working with Willkie Farr & Gallagher, advised Aluflexpack.	N/A	Croatia; Czech Republic
22-Jul	CMS; Schoenherr	CMS advised Inter Europol on its acquisition of Pan-Pek from Enterprise VII private equity fund. Schoenherr advised the sellers.	N/A	Croatia; Poland
18-Jul	BDK Advokati; Miskovic & Miskovic; ODI Law; Zornada Law Office	Law office Zornada advised DDL Zagreb and its shareholders on the sale of a majority shareholding in the company to Neftys Pharma. Miskovic & Miskovic, BDK Advokati, and ODI Law advised Neftys Pharma.	N/A	Croatia; Serbia; Slovenia
16-Jul	CMS; Kinstellar	Kinstellar advised Accolade on its acquisition of the Garbe Park industrial site from Garbe Industrial Real Estate, marking the company's entry into the South Bohemian region. CMS advised Garbe.	CZK 2.5 billion	Czech Republic
16-Jul	Havel & Partners; Hladky Legal; Kristyna & Mikulas; Rowan Legal	Rowan Legal advised CasInvent Pharma on the successful closing of a new investment round. Kristyna & Mikulas advised i&i Prague and Havel & Partners advised the Holecek Family Foundation as the investors. Hladky Legal reportedly advised other investors.	N/A	Czech Republic
17-Jul	Dentons; Reals	Reals advised Upvest on the mezzanine financing of Crestyl's Semerinka residential development in Prague. Dentons reportedly advised Crestyl.	N/A	Czech Republic
18-Jul	Havel & Partners; Krutak & Partners	Havel & Partners advised OMV Group on an electric mobility joint venture with Prazska Energetika. Krutak & Partners advised Prazska Energetika.	N/A	Czech Republic
22-Jul	Glatzova & Co	Glatzova & Co advised the Jan Hotels group on its acquisition of the four-star Pentahotel Prague, located in the Karlin district of the Czech capital.	N/A	Czech Republic
22-Jul	Giese & Partners; Reals	Reals advised UniCredit Bank CZ & SK on the acquisition financing, refinancing, and reconstruction funding of three Albert hypermarkets. Giese & Partners advised Helaba on the refinancing of one of the hypermarkets.	N/A	Czech Republic
25-Jul	Allen Overy Shearman Sterling; Clifford Chance	Allen Overy Shearman Sterling advised the global coordinators on the EUR 2.15 billion senior financing for Allwyn. Clifford Chance advised Allwyn.	EUR 2.15 billion	Czech Republic
05-Aug	Havel & Partners	Havel & Partners advised Arriva on a purchase agreement with Skoda Transportation for the delivery of 22 new railway units.	N/A	Czech Republic

Date	Firms Involved	Deal/Litigation	Deal Value	Country
08-Aug	Clifford Chance; Havel & Partners; Wolf Theiss	Clifford Chance advised Ceskoslovenska Obchodni Banka, alongside Raiffeisenbank, UniCredit Bank Czech Republic and Slovakia, and the Prague branch of Vseobecna Uverova Banka, on the club financing of Ceska Posta's existing indebtedness and ongoing business needs. Havel & Partners and, reportedly, Wolf Theiss advised on the financing as well.	N/A	Czech Republic
11-Aug	Allen Overy Shearman Sterling; Clifford Chance; Cravath Swaine & Moore; Milbank	Clifford Chance, advised Allwyn International on a EUR 600 million offering of senior secured notes bearing interest at 4.125%, issued by its wholly owned subsidiary Allwyn Entertainment Financing. Milbank advised Allwyn as well. Cravath, Swaine & Moore reportedly advised on the matter as well. Allen Overy Shearman Sterling advised the initial purchasers	EUR 600 million	Czech Republic
11-Aug	Cytowski & Partners	Cytowski & Partners advised Kontext on its USD 10 million series seed financing round led by M13 and joined by Torch Capital, Parable VC, and Credo Ventures. Cooley reportedly advised M13.	USD 10 million	Czech Republic
13-Aug	Glatzova & Co	Glatzova & Co represented Komercni Banka in judicial administrative proceedings seeking to overturn a Czech National Bank decision imposing a fine for an alleged breach related to early repayment of consumer housing loans with fixed interest rates.	N/A	Czech Republic
13-Aug	Kocian Solc Balastik	Kocian Solc Balastik advised Facility Develop Group on two separate financings granted by Trinity Bank to support the development and expansion of a logistics park in Nymburk, Czech Republic.	N/A	Czech Republic
13-Aug	Havel & Partners	Havel & Partners advised MPM-Quality on its acquisition of a majority stake in Elton Hodinarska from MADE CS.	N/A	Czech Republic
13-Aug	Cerha Hempel; Nedelka Kubac Advokati	Nedelka Kubac Advokati advised the shareholders of Pemic Group on the competition law aspects of the company's sale to Euromedia Group. Cerha Hempel reportedly advised Pemic Group as well.	N/A	Czech Republic
15-Aug	Havel & Partners	Havel & Partners advised the National Development Bank on drafting model loan documentation for the Czech Republic's Affordable Rental Housing program.	N/A	Czech Republic
29-Jul	Clifford Chance; Dentons; Latham & Watkins; Ropes & Gray	Dentons advised the founders of Adastra Group on the sale of a majority stake in the company to global investment firm Carlyle. Clifford Chance, working with Latham & Watkins and Ropes & Gray, advised Carlyle.	N/A	Czech Republic; Hungary
17-Jul	Argo; Kinstellar; KPMG Legal	Kinstellar, working with Argo, advised Altenova on its merger with Pyronova Group. KPMG Legal reportedly advised Pyronova.	N/A	Czech Republic; Hungary; Romania; Serbia; Slovakia; Ukraine
01-Aug	Bondoc & Asociatii; CMS; White & Case	White & Case and Bondoc si Asociatii advised a syndicate of eight commercial banks and international financial institutions on the EUR 331 million financing of the second phase of the VIFOR wind farm project in Romania, currently being developed by Rezolv Energy, an Actis platform. CMS advised Rezolv Energy.	EUR 331 million	Czech Republic; Romania
13-Aug	Schoenherr	Schoenherr advised Bank Pekao on the financing transaction supporting the growth of Rex Concepts.	N/A	Czech Republic; Romania; Poland
16-Jul	Eversheds Sutherland; Pohla & Hallmagi	Pohla & Hallmagi advised GRK Estonia on its acquisition of A-Kaabel from its shareholders. Eversheds Sutherland advised the sellers.	N/A	Estonia
28-Jul	Applex Attorneys; Cobalt; Njord	Cobalt advised Hanza on its acquisition of Milectria Group from Milectria Group Oy, Tomi Kaukonen, Juha-Matti Kaukonen, Mirka Ruoho, and Tatu Piilola. Njord, working with Applex, advised the sellers.	EUR 16 million	Estonia
29-Jul	DLA Piper; Ellex (Raidla); Sorainen	Ellex advised Vok Bikes on its USD 6 million series A funding round led by SQM Lithium Ventures. Sorainen, working with DLA Piper, reportedly advised SQM.	USD 6 million	Estonia
04-Aug	Cobalt	Cobalt advised Stargate Hydrogen on a partnership with Respol, including Repsol's venture capital fund acquiring a minority stake in the company.	N/A	Estonia
06-Aug	Ellex (Raidla)	Ellex advised early-stage investors Superangel and Specialist VC on their participation in Lightyear's USD 23 million Series B funding round led by NordicNinja.	USD 23 million	Estonia
15-Aug	Sorainen	Sorainen advised Livonia Partners on the sale of its majority stake in Glassense to Barrus.	N/A	Estonia
11-Aug	Clifford Chance; Cobalt; Freshfields; Tegos	Cobalt, working together with Freshfields Bruckhaus Deringer, advised Global Communications Infrastructure on its 50/50 partnership with Tele2 to carve out telecom infrastructure assets and create the first tower company covering all three Baltic countries. Tegos, working with Clifford Chance, advised Tele2.	N/A	Estonia; Latvia; Lithuania

Date	Firms Involved	Deal/Litigation	Deal Value	Country
05-Aug	White & Case	White & Case successfully represented the State of Georgia in a dispute concerning the Anaklia Port project, with an ICSID tribunal's unanimous dismissal of claims filed by Dutch businessman Bob Meijer under the Georgia-Netherlands BIT.	USD 70 million	Georgia
16-Jul	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised Frigoglass SAIC on its EUR 10.2 million cross-border acquisition of Provisiona Iberia and Serlusa Refrigerantes, based in Spain and Portugal, respectively.	EUR 10.2 million	Greece
17-Jul	Anagnostopoulos	Anagnostopoulos successfully represented a former director of Werfen Hellas before the Athens Criminal Court, which cleared the defendant of healthcare fraud charges related to product pricing practices for healthcare organizations.	N/A	Greece
17-Jul	Bernitsas	Bernitsas advised Piraeus Bank on the issuance and offering of EUR 500 million green senior preferred notes due 2028, targeting both international and Greek institutional investors.	EUR 500 million	Greece
21-Jul	Bernitsas; Papapolitis & Papapolitis	Papapolitis & Papapolitis advised UK-based Dukes Education on its acquisition of Mandoulides Schools from Mandoulides Holding Societe Anonyme. Bernitsas advised the sellers.	N/A	Greece
29-Jul	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised Petsiavas on its acquisition of the oral and dental care business of ABC Kinitron.	N/A	Greece
04-Aug	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised the Ioannou Family and Donkey Hotels & Resorts on their partnership with funds managed by Azora Gestion.	N/A	Greece
07-Aug	Bernitsas; Clifford Chance; Karatzas & Partners; Latham & Watkins; Papanikolopoulou & Partners	Papanikolopoulou & Partners advised the National Bank of Greece and Piraeus Bank as financial advisers to Metlen Energy & Metals regarding its dual listing on the London Stock Exchange and the Athens Stock Exchange. Bernitsas, working with Clifford Chance, advised Metlen. Karatzas & Partners, working with Latham & Watkins, advised Citigroup Global Markets and Morgan Stanley & Co as UK Sponsors and also advised Citibank and Morgan Stanley Senior Funding on Greek law matters.	N/A	Greece
08-Aug	Koutalidis; Lambadarios Law Firm; Papapolitis & Papapolitis	Papapolitis & Papapolitis advised the Athens Exchange on Euronext's voluntary tender offer for the acquisition of all shares in ATHEX in exchange for Euronext shares. Lambadarios advised Euronext. Koutalidis reportedly advised Deutsche Bank.	N/A	Greece
13-Aug	Karatzas & Partners; Lambadarios Law Firm	Lambadarios advised EDP Renovaveis on its sale of a 100% equity stake in a 150-megawatt portfolio of operating wind farms in Greece to Principia. Karatzas & Partners advised Principia.	N/A	Greece
14-Aug	Bernitsas	Bernitsas advised CVC on the merger-control process before the Hellenic Competition Commission for the sale of Ethniki Hellenic General Insurance to Piraeus Bank.	N/A	Greece
15-Aug	Csovari Legal; Forgo Damjanovic & Partners; Oppenheim	Forgo, Damjanovic & Partners advised Datapao on its capital raise from Databricks and Euroventures. Csovari Legal advised Euroventures. Oppenheim advised Databricks.	N/A	Hungary
11-Aug	Kirkland & Ellis; Slaughter and May; Wolf Theiss	Wolf Theiss, working with Kirkland & Ellis, advised Advent International on its acquisition of a 70% stake in Reckitt's Essential Home portfolio, valuing the business at up to USD 4.8 billion. Slaughter and May reportedly advised Reckitt.	N/A	Hungary; Poland
05-Aug	CMS	CMS advised Bonafarm Group on its acquisition of a 97.57% stake in FrieslandCampina Romania from Royal FrieslandCampina.	N/A	Hungary; Romania
28-Jul	Kinstellar	Kinstellar advised Hungary's state-owned energy company MVM on the acquisition of a majority stake in Serbia's Energotehnika Juzna Backa and Elektromontaza Kraljevo from Maneks, increasing its shareholding from 33.4% to 60%.	N/A	Hungary; Serbia
15-Aug	Inlex Law; RPHS Law	RPHS Law advised Turkiye Is Bankasi on the sale of its Kosovo branch banking portfolio to Banka Ekonomike. Inlex Law advised Banka Ekonomike.	N/A	Kosovo; Turkiye
28-Jul	Sorainen	Sorainen advised Entrum on its EUR 15 million bond issue program, which saw its first tranche raise EUR 2.5 million from investors.	EUR 2.5 million	Latvia
29-Jul	Ellex	Ellex advised Norway-based Orkla Eiendom and Latvia-based Orkla Latvija on Orkla Eiendom 's acquisition of Latvian real estate companies Artilerijas 55 and Miera 22 from Orkla Latvija.	N/A	Latvia
31-Jul	Ellex	Ellex advised Sweden-based Hansas Property Holding on the sale of its Latvian subsidiary Hanzas Park to Twelve.	N/A	Latvia
13-Aug	Clifford Chance; CMS; Cobalt; Sorainen	Cobalt, working alongside Clifford Chance, advised the European Investment Bank, the European Bank for Reconstruction and Development, and SEB on a EUR 85 million financing package for Sunly. Sorainen, working with CMS, advised Sunly.	EUR 85 million	Latvia
31-Jul	Ellex; Noor	Ellex advised Gemoss on its acquisition of Sangaida. Noor advised the sellers.	N/A	Latvia; Lithuania
16-Jul	Cobalt	Cobalt successfully represented Berlin-Chemie before the Supreme Court of Lithuania in a trademark dispute concerning the parallel import of medicinal products.	N/A	Lithuania

Date	Firms Involved	Deal/Litigation	Deal Value	Country
16-Jul	Ellex (Valiunas)	Ellex advised the European Bank for Reconstruction and Development on a EUR 60 million loan to Ignitis Group.	EUR 60 million	Lithuania
17-Jul	Fort	Fort Legal advised Axiology on obtaining a license enabling the company to operate as a depository, exchange, and broker in Lithuania.	N/A	Lithuania
22-Jul	Sorainen	Sorainen advised the shareholders of UAB Peraltis on the sale of their business to UAB Ronelda.	N/A	Lithuania
07-Aug	Fort	Fort Legal successfully advised Bondea on obtaining a crowdfunding license from the Bank of Lithuania.	N/A	Lithuania
13-Aug	Sorainen; Tailors	Sorainen advised Pro Bro Group on the sale of its Svaros Broliai car cleaning centres to Seal Group. Tailors reportedly advised Seal Group.	N/A	Lithuania
13-Aug	Andronic and Partners; BPV Grigorescu Stefanica; Eversheds Sutherland; Gladei & Partners; Jizdan & Partners; Melnic Bercu; Orrick Herrington & Sutcliffe	Andronic and Partners and Melnic | Bercu, working with Eversheds Sutherland, advised the founders and selling shareholders of Planable on the sale of the company to SE Ranking. Gladei & Partners, BPV Grigorescu Stefanica, and Jizdan & Partners, working with Orrick, Herrington & Sutcliffe, advised SE Ranking.	N/A	Moldova; Romania
06-Aug	Kinstellar (KST Law)	Kinstellar advised ODIne Solutions on its acquisition of a 53.03% stake in Logate.	N/A	Montenegro; Turkiye
17-Jul	Deloitte Legal	Deloitte Legal advised DeA Capital Real Estate on the disposal of ownership rights to a property in Stara Wies, in Poland's Mazowieckie Voivodeship, to 7R.	N/A	Poland
17-Jul	CMS	CMS advised BIG Poland on its acquisition of OTO Park Koszalin.	N/A	Poland
18-Jul	Allen Overy Shearman Sterling; White & Case	Allen Overy Shearman Sterling advised PKO Bank Polski on the issuance of EUR 500 million in 3.625% green senior non-preferred callable fixed-to-floating interest rate notes due 2031. White & Case reportedly advised joint lead managers BNP Paribas, Erste, PKO Bank Polski, UBS, and UniCredit.	EUR 500 million	Poland
22-Jul	DLA Piper; Hogan Lovells; Norton Rose Fulbright; White & Case	Norton Rose Fulbright, working with Hogan Lovells, advised joint lead managers and co-arrangers Santander Corporate & Investment Banking and Jefferies International Limited on a public securitization of vehicle lease agreements originated by Vehis Finanse. DLA Piper advised Vehis Finanse. White & Case advised EIB and EIF on financing.	PLN 1.35 billion	Poland
22-Jul	White & Case	White & Case advised Orlen on the issuance of EUR 600 million in seven-year unsecured green bonds with a 3.625% annual coupon.	EUR 600 million	Poland
25-Jul	CMS	CMS advised Central European Petroleum on the development of the Wolin East project, following CEP's announcement of a discovery of oil and gas reserves in the Wolin East 1 well, located on Polish territory in the Baltic Sea.	N/A	Poland
25-Jul	Greenberg Traurig	Greenberg Traurig advised TMF Poland as the Polish security agent in connection with notes issued by the Bausch Health Companies, as part of its USD 7.9 billion refinancing.	USD 7.9 billion	Poland
25-Jul	Rymarz Zdort Maruta	Rymarz Zdort Maruta represented Centralny Port Komunikacyjny before Poland's National Chamber of Appeals, securing a favorable outcome in sectoral procurement proceedings concerning the construction of a new passenger terminal.	N/A	Poland
25-Jul	Act Legal	Act Legal Poland advised Adventum International on its acquisition of four industrial properties from an international automotive parts manufacturer through a sale and lease-back transaction.	N/A	Poland
28-Jul	Dentons; DLA Piper; Schoenherr	Schoenherr advised HPI GMA, operating under the Trasti brand, on a EUR 21 million equity investment from the European Bank for Reconstruction and Development and Zavarovalnica Triglav. Dentons advised EBRD and Triglav. DLA Piper reportedly advised Triglav.	EUR 21 million	Poland
28-Jul	BWHS Wojciechowski Springer i Wspolnicy	SK&S advised Wizz Air on the agreement with Warsaw Modlin Airport, paving the way for the airline to open a new operational base at the airport. BWHS Wojciechowski Springer i Wspolnicy advised Warsaw Modlin Airport.	N/A	Poland
29-Jul	Rymarz Zdort Maruta; Squire Patton Boggs	Rymarz Zdort Maruta advised Spire Capital Partners on the sale of its controlling stake in Thulium to SALESmanago. Squire Patton Boggs advised SALESmango parent companies SilverTree and Perwyn.	N/A	Poland
31-Jul	Gide Loyrette Nouel	Gide advised Bakelite Synthetics on its acquisition of Sestec.	N/A	Poland
31-Jul	CMS	CMS advised Callstack shareholders Anna Lankauf, Mike Grabowski, Piotr Karwatka, and Tomasz Karwatka on an investment by Viking Global Investors.	N/A	Poland
31-Jul	Dentons; Domanski Zakrzewski Palinka	Dentons advised mBank on a PLN 130.5 million (approximately EUR 30.7 million) financing package, including an investment loan, granted to BXF Energia for the development of the Azalia photovoltaic farm, with a planned capacity of up to 60 megawatts, located near Rzeszow, Poland. DZP advised BXF Energia.	PLN 130.5 million	Poland

Date	Firms Involved	Deal/Litigation	Deal Value	Country
01-Aug	Norton Rose Fulbright; SKJB Szybkowski Kuzma Jelen Brzoza-Ostrowska	SKJB Szybkowski Kuzma Jelen Brzoza-Ostrowska advised Polish industrial real estate developer 7R on the sale of 7R BTS Bielsko-Biala West I, a 20,000-square-meter warehouse fully leased to Aluprof, to Accolade through a joint venture with Conseq. Norton Rose Fulbright advised Accolade.	N/A	Poland
06-Aug	Heart Legal; KWKR	KWKR advised Digital Ocean Ventures Starter on the approximately PLN 1.85 million investment in Flathub, the company behind Gaius-LEX. Heart Legal advised Flathub and its founders.	PLN 1.85 million	Poland
06-Aug	Soltysinski Kawecki & Szlezak	SK&S advised Intrum AB on its recapitalization transaction through which it restructured approximately EUR 4.48 billion in financial indebtedness.	N/A	Poland
06-Aug	CMS; Dubinski Jelenski Masiarz and Partners; White & Case	White & Case advised Montagu on its acquisition of IAI Group from MCI Capital ASI and founders Pawel Fornalski and Sebastian Mulinski. CMS advised IAI Group and MCI Capital. Dubinski Jelenski Masiarz reportedly advised the sellers.	N/A	Poland
08-Aug	Gessel	Gessel advised Dino Polska on a 1:10 share split.	N/A	Poland
11-Aug	Rymarz Zdort Maruta	Rymarz Zdort Maruta advised NEO Hospital on investment from Spire Capital Partners.	N/A	Poland
11-Aug	Schoenherr	Schoenherr advised Bank Pekao on the acquisition financing granted to the investor for the purchase of City 2 office building in Wroclaw from Archicom.	N/A	Poland
11-Aug	Balicki Czekanski Gryglewski Lewczuk; Greenberg Traurig; Heuking Kuhn Luer Wojtek; MFW Fialek	Greenberg Traurig advised the founders of Univio on the sale of a majority stake in the company to Value4Capital. MFW Fialek, working with Heuking, advised Value4Capital.	N/A	Poland
13-Aug	Baker McKenzie; Cadwalader, Wickersham & Taft; Wardynski & Partners	Wardynski & Partners, working with Cadwalader, Wickersham & Taft, advised Kartesia Management on the financing for J.S. Hamilton Poland. Baker McKenzie reportedly advised J.S. Hamilton Poland.	N/A	Poland
13-Aug	Gessel; RDJ	Gessel, working with RDJ, advised Smithstown Light Engineering Group on the sale to Graham Partners.	N/A	Poland
13-Aug	JDP	JDP Drapala & Partners advised Nextbike Polska on the lease of nearly 10,000 square meters of space in Prologis Park Warsaw II.	N/A	Poland
13-Aug	DLA Piper; Norton Rose Fulbright	Norton Rose Fulbright advised Bank Millennium on the refinancing of 13 operational photovoltaic projects developed by PAD RES Group, a joint venture between Griffin Capital Partners and Kajima Europe. DLA Piper reportedly advised PAD RES.	N/A	Poland
15-Aug	Wardynski & Partners	Wardynski & Partners advised IVC Evidensia Poland on the acquisition of a veterinary clinic in Gdansk operated by Gdanska Calodobowa Lecznica Weterynaryjna Zwierzyniec II S.C. Tomczak-Zabrocka, Chwojnowski, Chwojnowska.	N/A	Poland
15-Aug	Allen Overy Shearman Sterling; ZGCH Legal	Allen Overy Shearman Sterling advised a consortium consisting of mBank, Santander Bank Polska, Bank Pekao, Alior Bank, and Bank Ochrony Srodowiska on financing for Park Rozrywki Energylandia in Poland. ZGCH Legal advised Energylandia.	N/A	Poland
17-Jul	Ijdelea & Associates	Ijdelea & Associates advised BSOG Energy on the development and feedstock supply agreement with DN Agrar. Suciu Partners reportedly advised DN Agrar.	N/A	Romania
18-Jul	Andronic and Partners; RTPR; Wolf Theiss	Wolf Theiss advised INVL Baltic Sea Growth Fund on its acquisition and financing of a majority stake in Pehart Group from Abris Capital Partners. Andronic and Partners advised the management of Pehart Group. RTPR advised Abris Capital Partners.	N/A	Romania
18-Jul	Maxim Asociatii; Wolf Theiss	Wolf Theiss advised Metso on its acquisition of a production facility in Oradea, Romania, from EMSIL Techtrans. Maxim Associates advised the sellers.	N/A	Romania
18-Jul	Clifford Chance; Filip & Company	Filip & Company advised Banca Comerciala Romana, BNP Paribas, Citigroup Global Markets Europe, ING Bank, J.P. Morgan, Raiffeisen Bank International, BT Capital Partners, Intesa Sanpaolo, Societe Generale, and UniCredit Bank on the EUR 500 million green bond issuance by Societatea Energetica Electrica. Clifford Chance advised Electrica.	EUR 500 million	Romania
21-Jul	RTPR	RTPR obtained a final decision reducing a fine imposed by Romania's Competition Council on Zenith by over 85%.	N/A	Romania
22-Jul	Andronic and Partners; Filip & Company; RTPR	RTPR advised ROCA Investments on the sale of its stake in Artesana to Booster Capital. Andronic & Partners advised Artesana. Filip & Company advised Booster Capital.	N/A	Romania
31-Jul	360Competition; Bondoc & Asociatii	360Competition advised Therme Group on Romanian merger control and foreign direct investment screening clearances for its EUR 1 billion joint venture with CVC Capital Partners.	N/A	Romania
31-Jul	Schoenherr	Schoenherr advised Kommunalkredit Austria on a EUR 29.3 million loan to INVL Renewable Energy Fund I to finance the construction of a 71-megawatt solar power plant portfolio in Dolj County, Romania.	EUR 29.3 million	Romania
31-Jul	Clifford Chance	Clifford Chance advised T2Y Capital on its investment in Prime Batteries Energy Holding.	N/A	Romania

Date	Firms Involved	Deal/Litigation	Deal Value	Country
31-Jul	Clifford Chance; Filip & Company	Filip & Company advised Engie Romania on a EUR 90 million loan from the European Bank for Reconstruction and Development to support the development of new green energy projects with a combined estimated capacity of at least 250 megawatts by 2028. Clifford Chance advised the EBRD.	EUR 90 million	Romania
31-Jul	Dentons	Dentons advised Piraeus Bank on two financing transactions totaling EUR 106 million to support the development of photovoltaic projects by Metlen Energy & Metals in Romania.	EUR 106 million	Romania
01-Aug	Filip & Company; Wolf Theiss	Wolf Theiss advised the founder of Genesis College on an investment from Mozaik Investments. Filip & Company advised Mozaik Investments.	N/A	Romania
01-Aug	Deloitte Legal (Reff & Associates); Tuca Zbarcea & Asociatii	Tuca Zbarcea & Asociatii and Reff & Asociatii | Deloitte Legal advised the Tasuleasa Social Association on the legislative process leading to the adoption of the Long-Distance Hiking Trail Law in Romania.	N/A	Romania
04-Aug	Leroy si Asociatii; PwC Legal (D&B David and Baias)	Leroy si Asociatii advised Vinci Energies on its agreement to acquire EnergoBit Group. PwC's Romanian affiliate D&B David and Baias reportedly advised the founders of EnergoBit.	N/A	Romania
05-Aug	Kinstellar	Kinstellar advised East Grain on its acquisition of a 90% stake in Maragro Group.	N/A	Romania
08-Aug	Filip & Company	Filip & Company advised Prosus Group member OLX Global, a shareholder in the company operating OLX Romania, on the sale of Kiwi Finance to Partners Financial Services.	N/A	Romania
13-Aug	Popovici Nitu Stoica & Asociatii; Suciu Partners	Popovici Nitu Stoica & Asociatii and Suciu Partners advised PPC on the merger of its Romanian renewables companies into PPC Renewables Romania.	N/A	Romania
13-Aug	Hogan Lovells; Popovici Nitu Stoica & Asociatii	Popovici Nitu Stoica & Asociatii, working alongside Hogan Lovells, advised Ameropa Group on the up to USD 1.35 billion full refinancing of its existing credit facilities.	USD 1.35 billion	Romania
13-Aug	Schoenherr	Schoenherr advised BlackPeak Capital on its growth equity investment in Affinity Life Car.	N/A	Romania
13-Aug	Wolf Theiss	Wolf Theiss advised Visma on its acquisition of Digital Keez.	N/A	Romania
13-Aug	Allen Overy Shearman Sterling; CMS; RTPR	RTPR and Allen Overy Shearman Sterling advised OX2 on the sale of the 96-megawatt Ansthall onshore wind farm in Galati County, Romania, to Helleniq Renewables. CMS reportedly advised the buyers.	N/A	Romania; Poland
11-Aug	Malkoc & Partners; Vlasceanu & Partners	Vlasceanu & Partners, working with Malkoc & Partners, advised Ulusoy Group on its entry into the Romanian renewable energy sector via the acquisition of a 20-megawatt ready-to-build solar project located in Dambovita County.	N/A	Romania; Turkiye
25-Jul	CMS; Harrisons	Harrisons and CMS advised the European Bank for Reconstruction and Development on two loans granted in connection with Inn-Flex's expansion into Serbia.	EUR 13.4 million	Serbia
28-Jul	Harrisons	Harrisons advised the European Bank for Reconstruction and Development on a EUR 40 million loan extended to UniCredit Leasing Serbia under the Western Balkans Green Outcomes-Linked Debt Financing Framework.	EUR 40 million	Serbia
31-Jul	NKO Partners; Radovanovic Stojanovic & Partners	NKO Partners advised Sopharma on its full acquisition of Pharmanova. Radovanovic Stojanovic & Partners advised Pharmanova.	N/A	Serbia
06-Aug	BDK Advokati; Four Legal	BDK Advokati advised Fagron BV on its entry into the Serbian market through the acquisition of Uni-Chem and SB Trade. FourLegal reportedly advised Nenad Sunjevaric on the sale of Uni-Chem.	N/A	Serbia
11-Aug	NSTLaw	NSTLaw advised Celanova on its acquisition of Immocentar.	N/A	Serbia
15-Aug	Harrisons	Harrisons advised the European Bank for Reconstruction and Development on a EUR 10 million loan to UniCredit Bank Serbia under the Go Digital Western Balkans Program.	EUR 10 million	Serbia
15-Aug	Harrisons	Harrisons Advises EBRD on EUR 10 Million Loan to Raiffeisen Bank Serbia under Go Digital Western Balkans Program	EUR 10 million	Serbia
15-Aug	Bird & Bird; Harrisons	Harrisons, working with Bird & Bird, advised the European Bank for Reconstruction and Development on a subordinated loan of up to RSD 1.4 billion (approximately EUR 12 million) to ProCredit Bank Belgrade.	RSD 1.4 billion	Serbia
15-Aug	Dentons; ZSP Advokati	ZSP Advokati, working with Dentons, advised Erste Banka Srbija Novi Sad on a refinancing facility for the Big Fashion retail park, part of the BIG CEE group.	N/A	Serbia
15-Aug	ZSP Advokati	ZSP Advokati advised the European Bank for Reconstruction and Development on a EUR 60 million loan supporting HTEC's expansion.	EUR 60 million	Serbia
16-Jul	Ments	Ments advised the Running Sushi restaurant on its launch in the Eurovea shopping center in Bratislava.	N/A	Slovakia
29-Jul	Dentons; Kinstellar	Kinstellar advised Halyk Bank on a USD 237 million partnership with Click. Dentons reportedly advised Click.	USD 237 million	Slovakia

Date	Firms Involved	Deal/Litigation	Deal Value	Country
16-Jul	Kellerhals Carrard; Novak Law; Rojs, Peljhan, Prelesnik & Partners	Rojs, Peljhan, Prelesnik & Partners advised the shareholders of Metronik on the sale of the company to Skan. Kellerhals Carrard and Nlaw advised Skan.	N/A	Slovenia
01-Aug	CMS; ODI Law	ODI Law advised GrECo on its acquisition of SIPOS Posredovanje Zavarovanj. CMS advised the sellers, Jurij and Majda Mravlja.	N/A	Slovenia
15-Aug	Karanovic & Partners (Ketler & Partners); Kavcic Bracun & Partners	Ketler & Partners, member of Karanovic & Partners, advised Mass on the sale of a 60% equity stake to Advance Capital Partners. Kavcic, Bracun & Partners advised ACP.	N/A	Slovenia
16-Jul	Erdem & Erdem	Erdem & Erdem advised Corex Ports and Terminals Dilovasi Liman Isletmeleri, a subsidiary of Corex Holding, on the acquisition of Polisan Holding.	N/A	Turkiye
16-Jul	Aydemir Consultancy Legal	Aydemir advised Tosyali on the purchase of GE Vernova products and the procurement of related services for the solar power plant in Osmaniye, Turkiye.	N/A	Turkiye
18-Jul	Allen & Overy (Gedik Eraksoy); Ergun Law Firm; Lexist Law Firm	Lexist advised Efor Holding subsidiary YMN Icecek Gida on the acquisition of Of Caysan Tarim Urunleri Entegre Tesisleri Sanayi ve Ticaret from Jacobs Turkiye and also advised both YMN and OfCay as borrowers on the acquisition financing provided by Turkiye Is Bankasi. Allen Overy Shearman Sterling's Turkish affiliate Gedik & Eraksoy advised Jacobs Turkiye. Ergun advised Is Bankasi.	N/A	Turkiye
18-Jul	Dentons (BASEAK); Karacam Sir	Dentons' Turkish affiliate law firm Balcioglu Selcuk Eymirlioglu Ardiyok Keki advised Revo Capital on its USD 3.5 million investment in Virgosol. Karacam & Sir advised Virgosol.	USD 3.5 million	Turkiye
18-Jul	Tunca	Tunca Attorney Partnership advised Forte on its acquisition of Milsoft from SSTEK Defence Industry Technologies.	N/A	Turkiye
22-Jul	Dentons; Dentons (BASEAK)	Dentons and its Turkish affiliate Balcioglu Selcuk Eymirlioglu Ardiyok Keki Attorney Partnership advised a syndicate of lenders, including Mizuho Bank, Mashreqbank, Sumitomo Mitsui Banking Corporation, and HSBC Bank Middle East Limited, among others, on the renewal of QNB Bank's USD 600 million sustainability multi-tranche term loan facility.	USD 600 million	Turkiye
22-Jul	Dentons; Dentons (BASEAK)	Dentons and its Turkish affiliate Balcioglu Selcuk Eymirlioglu Ardiyok Keki Attorney Partnership advised a syndicate of lenders, including Emirates NBD Bank, HSBC Bank, Mashreqbank, Mizuho Bank, MUFG Bank, and Sumitomo Mitsui Banking Corporation, among others, on the renewal of Yapi ve Kredi Bankasi's dual currency sustainability term loan facilities totaling USD 703.5 million and EUR 407.4 million.	USD 703.5 million; EUR 407.4 million	Turkiye
22-Jul	Baker McKenzie (Esin Attorney Partnership)	Baker McKenzie's Turkish affiliate Esin Attorney Partnership advised Lonca and its founders on an investment from Tibas and Sankonline through subscription as a continuation of the investment round led by E2VC.	N/A	Turkiye
22-Jul	BBO Legal; Tunca	Tunca Attorney Partnership advised Milvus Robotics on two consecutive investment rounds totalling USD 5.5 million. BBO Legal advised investors Istanbul Portfoy Yonetimi TT Ventures Girisim Sermayesi Yatirim Fonu.	USD 5.5 million	Turkiye
25-Jul	Donmez Law; Karacam Sir	Karacam & Sir and Donmez Law advised Remus Enerji on its latest investment round, which values the company at USD 6 million.	N/A	Turkiye
28-Jul	Dentons (BASEAK)	Dentons' Turkish affiliate of Balcioglu Selcuk Eymirlioglu Ardiyok Keki Attorney Partnership advised AKA European Export Trade Bank on a EUR 76.7 million financing facility provided to Ecogreen Enerji Holding.	EUR 76.7 million	Turkiye
28-Jul	Clifford Chance	Clifford Chance advised the joint bookrunners Citi and ICBC Standard Bank on Turkiye Halk Bankasi's issuance of USD 700 million Reg S 9.300% perpetual fixed rate resettable Additional tier 1 notes.	USD 700 million	Turkiye
29-Jul	Lexist Law Firm	Lexist, working with Twenty Essex Chambers and Sovereign Arbitration Advisors, successfully represented the Republic of Turkiye in an ICSID case brought by Enel over the cancellation of its pre-license for a solar power plant project in the Isparta province by Turkiye's Energy Market Regulatory Authority.	N/A	Turkiye
31-Jul	CCAO; Ozbek Attorney Partnership	CCAO advised Ates Wind Power and its shareholders on the sale of a stake in the company to the Turkiye Green Fund. Ozbek advised the Turkiye Green Fund.	N/A	Turkiye
31-Jul	Norton Rose Fulbright (Pekin Bayar Mizrahi)	Pekin Bayar Mizrahi advised Koc Holding subsidiary Tek-Art on its acquisition of the usage rights for the Gocek Village Port Marina and Gocek Exclusive Port Marina from entities affiliated with Yildiz Holding.	N/A	Turkiye
06-Aug	Norton Rose Fulbright (Pekin Bayar Mizrahi); Verdi Law Firm	Norton Rose Fulbright's Turkish affiliate Pekin Bayar Mizrahi advised Maxis PE on its acquisition of a minority stake in the Stay Group. Verdi advised the shareholders of Stay Group.	N/A	Turkiye
13-Aug	Aydemir Consultancy Legal; EY Law	Aydemir advised the Wellpoint Group on the sale of a majority stake in its subsidiary Platform Saglik Hizmetleri Danismanlık ve Organizasyon to Bupa Turkiye. EY Law reportedly advised the buyers.	N/A	Turkiye

Date	Firms Involved	Deal/Litigation	Deal Value	Country
15-Aug	CCAO	CCAO advised Acibadem on its acquisition of 80% of Bayindir Healthcare Group from Trakya Yatirim Holding.	N/A	Turkiye
16-Jul	Integrites	Integrites joined the Diia City Union as a legal partner, aligning itself with the professional association of resident companies within Ukraine's Diia.City legal and tax framework.	N/A	Ukraine
18-Jul	Integrites	Integrites initiated an antidumping investigation on behalf of Ukratlantik LLC and Hydroprom LLC, targeting imports of electric storage water heaters from China into Ukraine.	N/A	Ukraine
18-Jul	Sayenko Kharenko	Sayenko Kharenko advised the European Bank for Reconstruction and Development on a EUR 10 million loan to the city of Lviv, aimed at ensuring the continued provision of vital municipal services and mitigating the impact of the ongoing war in Ukraine.	EUR 10 million	Ukraine
21-Jul	Ilyashev & Partners	Ilyashev & Partners advised the Estonian Centre for International Development on the registration and legal implementation of an international technical assistance project in Ukraine, aimed at constructing a modern family-type orphanage in the Zhytomyr region.	EUR 700,000	Ukraine
22-Jul	Sayenko Kharenko	Sayenko Kharenko advised the European Fund for Southeast Europe on a EUR 10 million equivalent loan in Ukrainian hryvnia granted through its Ukraine Sub-Fund to ProCredit Bank.	EUR 10 million	Ukraine
29-Jul	Sayenko Kharenko	Sayenko Kharenko advised Deutsche Bank on a EUR 23.6 million term loan facility extended to Northern Iron Ore Enrichment Works.	EUR 23.6 million	Ukraine
31-Jul	Avellum; SDM Partners; Von Boetticher	Avellum advised Lignum Plast on a cross-border investment from Roodwild Participaties. SDM Partners, working with Von Boetticher, reportedly advised Roodwild Participaties.	N/A	Ukraine
01-Aug	Avellum; Hillmont Partners	Avellum and Hillmont Partners successfully defended Argentem Creek Partners and Innovatus Capital Partners in a bankruptcy dispute against GNT Group member Olimpex Coupe International before Ukraine's Supreme Court.	N/A	Ukraine
01-Aug	Quinn Emanuel Urquhart & Sullivan; Sayenko Kharenko	Sayenko Kharenko advised Oschadbank as the coordinating bank of a consortium of Ukrainian state-owned banks in securing ownership of BFC Gulliver. Quinn Emanuel Urquhart & Sullivan reportedly advised Oschadbank as well.	N/A	Ukraine
07-Aug	Sayenko Kharenko	Sayenko Kharenko advised the European Bank for Reconstruction and Development on a EUR 30 million unfunded portfolio risk-sharing facility with Ukrsibbank.	EUR 30 million	Ukraine
13-Aug	Avellum; Moris	Avellum advised Verholy Relax Park on the sale of a stake in the resort and hotel complex. Moris advised the buyer, Bohdan Yesipov.	N/A	Ukraine
13-Aug	Asters; Hogan Lovells	Asters, working with Hogan Lovells, represented PrivatBank in multi-billion-dollar litigation against its former owners, Ihor Kolomoisky and Gennadiy Bogolyubov, before the High Court of Justice in London.	N/A	Ukraine
13-Aug	CMS; Michael Damianos & Co	CMS, working with Cyprus-based Michael Damianos & Co, advised ING Bank on a pre-export finance facility provided to a Ukrainian agricultural group.	N/A	Ukraine
13-Aug	Baker McKenzie; Garrigues	Baker McKenzie advised MHP on its acquisition of over 92% of the share capital in Grupo UVESA. Garrigues reportedly advised the sellers.	N/A	Ukraine
14-Aug	Asters; Quinn Emanuel Urquhart & Sullivan	Asters, working alongside lead counsel Quinn Emanuel Urquhart & Sullivan, represented Oschadbank in its latest legal action against the Russian Federation, seeking compensation for investment losses in the temporarily occupied territories of Donetsk, Luhansk, Kherson, and Zaporizhzhia regions of Ukraine.	N/A	Ukraine
15-Aug	Avellum; Borden Ladner Gervais; Hogan Lovells; Sayenko Kharenko	Avellum advised the Ministry of Finance of Ukraine on three loans provided under the G7 Extraordinary Revenue Acceleration Loans for Ukraine initiative, including a GBP 2.26 billion loan from the United Kingdom, a CAD 5 billion loan from Canada, and a JPY 471.9 billion loan from Japan. Hogan Lovells reportedly advised the United Kingdom. Sayenko Kharenko, working with Borden Ladner Gervais, advised Canada.	GBP 2.26 billion; CAD 5 billion; JPY 471.9 billion	Ukraine

Deals and Cases

- Full information available at:
www.ceelegalmatters.com
- Period covered:
July 16, 2025 - August 15, 2025

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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:
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NEW HOMES AND FRIENDS: ON THE MOVE

Hungary: Jalsovszky Launches Second Opinion for Legal Disputes Service

Jalsovszky has launched a dedicated "second opinion" service, offering clients, including individuals, companies, and even fellow lawyers, an independent external perspective in legal disputes.

According to the firm, this service is available at any stage of a legal matter: before litigation, during proceedings, or even post-judgment, to assess outcomes and strategy. "While many people do seek second opinions, few feel comfortable speaking about it openly. That is why Jalsovszky has developed its own code of conduct for providing second opinions, one that even goes beyond the legal requirements to ensure the primacy of the clients' interests. This applies regardless of whether they are the ones providing the second opinion or whether it is sought in a case that they handle."

"We believe that asking for a second opinion is still often seen as unnecessary criticism or a sign of wavering trust in one's lawyer, and therefore considered taboo," said Partner and Head of Dispute Resolution Tamas Feher. "In our view, the opposite is true: it is a conscious, responsible decision that strengthens collaboration between the client and their lawyer." ●

Serbia: Gecic Law Opens Brussels Office

Gecic Law has opened up an office in Brussels under the helm of Partner Anne MacGregor.

According to Gecic Law, the new office will "serve as a strategic bridge between Southeast Europe and the EU, enhancing our capacity to support clients in competition law, regulatory compliance, ESG, artificial intelligence, and other rapidly evolving fields at the European level."

Before joining Gecic Law, MacGregor worked for FTI Consulting as a Managing Director between 2019 and 2025 and was also the Brussels Bureau Chief for The Capitol Forum between 2018 and 2019. Earlier, she was a Partner with Dechert between 2017 and 2018 and worked for Cadwalader, Wickersham & Taft as a Special Counsel between 2011 and 2017. Earlier still, she worked for Baker McKenzie as a Counsel between 2008 and 2011, for MLex Market Insight as its Legal Counsel & Head of Merger Analysis Team between 2007 and 2008, for Linklaters as Counsel between 2002 and 2007, for Shearman and Sterling as an Associate between 2000 and 2001, and for Freshfields Bruckhaus Deringer as an Associate between 1996 and 2000. Sehe began her career as an Associate working for Bappert Witz & Selbherr between 1994 and 1996.

"Opening in Brussels is a dream come true and a natural next step for our firm," said Partner Bogdan Gecic. "We've always believed that innovation and international collaboration are essential to legal excellence. This new chapter allows us to better serve our clients with real-time insight and presence in the EU's legal and policy ecosystem." ●

Austria: Schima Mayer Starlinger Splits into Starlinger Mayer and Conclusio Schima Lawyers

Schima Mayer Starlinger law firm has changed its name to Starlinger Mayer and will continue to operate under the brand sms.law, following the departure of Partner Georg Schima, who left to set up Conclusio Schima Lawyers in July.

According to the law firm, the "renaming follows the amicable departure of Partner Georg Schima and marks the next step in the firm's evolution, with a clear focus on specialization, independence, and a trusted partnership. Name Partners Thomas Starlinger and Christian Mayer share a long-standing history, which began back in 2015 with the founding of Starlinger Mayer Rechtsanwaelte."

"With this step, we're signaling both continuity and independence, based on a successful, well-coordinated team," Mayer said.

"sms.law stands for excellence, specialization, and reliability. We're excited to continue this path with a strong structure and clear profile," added Starlinger.. ●

PARTNER MOVES

Date	Name	Practice(s)	Moving from	Moving to	Country
15-Aug	Georg Schima	Corporate/M&A; Labor	Schima Mayer Starlinger	Conclusio Schima Lawyers	Austria
15-Aug	Thomas Starlinger	Energy/Natural Resources	Schima Mayer Starlinger	Starlinger Mayer	Austria
15-Aug	Christian Mayer	Competition	Schima Mayer Starlinger	Starlinger Mayer	Austria
11-Aug	Reneta Petkova	Banking/Finance	Deloitte Legal	Legalis Global	Bulgaria
29-Jul	Sotiris Dempegiotis	Litigation/Disputes	Lambadarios	Calavros Law Firm	Greece
14-Aug	Maciej Roman	Real Estate	Greenberg Traurig	SSW	Poland
25-Jul	Octavian Ionascu	Tax	Deloitte	DLA Piper	Romania

PARTNER APPOINTMENTS

Date	Name	Practice(s)	Firm	Country
11-Aug	Jacek Stoklosa	Litigation/Disputes	Domanski Zakrzewski Palinka	Poland
15-Aug	Martin Hricko	Corporate/M&A; Real Estate	HKV	Slovakia

IN-HOUSE MOVES

Date	Name	Moving from	New Company/Firm	Country
25-Jul	Alexios Andriopoulos	SoftOne Technologies	Welcome Pickups	Greece
16-Jul	Alexandra Ivancia	CTP Romania	CTP Romania	Romania
14-Aug	Andrei Muresan	Tiriac Group	Tiriac Group	Romania
1-Aug	Damla Aygun Yararca	Novo Nordisk Turkiye	Novo Nordisk Turkiye	Turkiye
15-Aug	Denizhan Uslu	GKC Partners	Zurich Insurance Turkiye	Turkiye
15-Aug	Ozum Arin	Sisecam	Sisecam	Turkiye

OTHER APPOINTMENTS

Date	Name	Moving from	New Company/Firm	Country
18-Jul	Rob Irving	Dentons	Co-Head of Corporate and M&A	Hungary
18-Jul	Agnieszka Stefanowicz-Baranska	Dentons	Co-Head of the Competition and Antitrust	Poland
22-Jul	Luiza Alexandra Ionescu	Stratulat Albulescu	Head of the Energy Department	Romania
31-Jul	Irina Macovei	DLA Piper	Head of Intellectual Property and Technology Practice in Romania	Romania
6-Aug	Anne MacGregor	Gecic Law	Head of Brussels Office	Serbia

On The Move

- Full information available at:
www.ceelegalmatters.com
- Period covered:
July 16, 2025 - August 15, 2025

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

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.

Rebuilding Confidence in Courts in Bosnia & Herzegovina: A Buzz Interview with Dino Aganovic of AMB Legal Group

By Andrija Djonovic (September 3, 2025)

Bosnia & Herzegovina's business climate has been overshadowed by political turbulence and lingering uncertainty, according to AMB Legal Group Attorney at Law Dino Aganovic, who mentions this year's significant minimal wage increase and the establishment of a special prosecutor's office as notable developments and stresses that investor confidence remains tied to whether the judiciary can restore credibility and efficiency.

"Unfortunately, the situation has been stagnant for nearly a year," Aganovic begins. "Much of it stems from the political turmoil around Milorad Dodik, the President of Republika Srpska. Earlier this year, he was found guilty in a criminal case, confirmed by second instance court recently, received a one-year prison sentence, and a six-year ban from political activity, which has triggered a wave of political hurdles, affecting everything from EU and NATO accession discussions to the tourism sector, where at the time we've had some cancellations due to tourists feeling uneasy about potential instability." While an actual conflict remains improbable, the perception itself is damaging. "Against that backdrop, there's little discussion of foreign investment or meaningful legislative reform; politics overshadows everything."

As for any notable regulatory or economic changes despite this political backdrop, Aganovic mentions an increase in the minimum salary in the country. "It has been one of the biggest developments this year. It went up from BAM 600 to BAM 1,000. While that's important socially, it's created real challenges for employers, especially smaller family-run businesses, who struggle to absorb the additional costs." According to Aganovic, the state has also applied pressure through the tax authority, effectively "urging companies not to lay people off despite the heavier burden. This leaves many businesses in a very difficult position."

Focusing on institutional and judicial reforms of late, Aganovic says that this May, the "Federation established a new special prosecutor's office for organized crime and corruption, called POSKOK. The aim is to relieve the central prosecutor's office, which has been overwhelmed." However, Aganovic indicates that POSKOK is already facing a mountain of cases. "The ratio is said to be around 100 cases per prosecutor, when realistically, they can only handle about five at a time. That gap highlights just how overstretched the system is."

Finally, from the client's perspective, Aganovic stresses that "the judicial system is perhaps the biggest problem for investors in Bosnia & Herzegovina. There is very little trust in the courts or the prosecution service. A recent high-profile case illustrates this well: the Prime Minister of the Federation was indicted over COVID-era procurement issues, convicted locally, but European Court found his rights for a fair trial were breached. Cases dragging on for ten to fifteen years are far too common." Still, Aganovic hopes that "this new special prosecutor's office will bring more credibility and efficiency, which in turn could rebuild confidence. If the judiciary starts functioning more effectively, enthusiasm might return, and with it, real investment and market activity." ●

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Croatia Unveils New Court Registry Portal: A Buzz Interview with Marina Kovac Krka of Divjak, Topic, Bahtijarevic & Krka

By Teona Gelashvili (September 3, 2025)

Driven by a wave of modernization and investor interest, Croatia has recently enhanced its digital infrastructure, seen a shift toward mid-sized M&A transactions, and sustained growth in both solar energy and boutique real estate, despite ongoing regulatory complexities, according to Divjak, Topic, Bahtijarevic & Krka Partner Marina Kovac Krka.

"In Croatia, several notable developments have taken place over the past two months, particularly around digitalization, legislative reforms, and M&A activity," Kovac Krka says. "One of the most important advancements is the launch of a completely revamped Court Registry Portal – the first major upgrade in nearly 20 years. This platform allows both citizens and legal professionals to electronically submit changes, making the process significantly more efficient. It's now integrated with the national e-Citizen system, enabling users to submit updates such as changes to a company's business address or email, modifications to personal data, updates on company members and supervisory board members, as well as notifications about additional paid-in capital, all online."

Another important milestone, according to Kovac Krka, is the integration of the e-Notary system with the court registry: "Notaries can now electronically submit certified documents for a range of changes, including company name updates, the appointment of new directors, and share capital changes. Currently, this upgraded system is operational in the commercial court in Varazdin, but the expectation is that it will soon be rolled out across all commercial courts in Croatia." She adds that "this shift should significantly speed up procedures and reduce the need for in-person visits, which is a win for both legal professionals and the general public."

In broader digitalization efforts, Kovac Krka points out that "the new Fiscalization Act came into force in June. Although its key provisions will only take effect between September 2025 and 2027, the act introduces mandatory e-invoicing for certain categories of taxpayers." These groups "will be required to use a designated electronic system, marking another step forward in the country's digital transformation," she adds.

"On the M&A front, there has been a noticeable uptick in activity compared to last year, which had been relatively quiet," Kovac Krka continues. "The focus has shifted from large-scale acquisitions to mid-sized transactions, especially in the IT, manufacturing, and services sectors." Additionally, "real estate – especially in the hospitality and mixed-use segments – remains strong," she emphasizes. "A noteworthy trend in places like Dubrovnik is the construction of new boutique hotels instead of large-scale resorts, reflecting a shift in investor and traveler preferences."

In the energy space, Kovac Krka says that the solar sector remains particularly active, though the regulatory environment continues to be complex. "While new laws are expected, projects are still moving forward, and investors are consistently calling for more streamlined and transparent processes," she points out.

Overall, "while there is some concern that activity might slow down during the summer, the recent developments across sectors signal promising progress for Croatia," Kovac Krka concludes. ●

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Latvia's Deal Altitude: A Buzz Interview with Raivis Leimanis of Law Firm Leimanis.eu

By Teona Gelashvili (September 5, 2025)

Latvia's legal and business landscape is bustling with movement, from updates in corporate law to major M&A deals and long-anticipated IPO developments, according to Law Firm Leimanis.eu Managing Partner Raivis Leimanis.

"There have been some notable – though not revolutionary – changes in the *Latvian Commercial Law* which entered into force on July 16, 2025," Leimanis begins. "The registration process for capital companies has become more convenient with fewer documents required by the *Register of Enterprises*, both when founding a company and when increasing its share capital. For example, from now on, a certificate from a payment service provider confirming the payment of share capital in cash is required only if the amount exceeds EUR 50,000. In the case of a contribution in kind, the value of the property contributed to the share capital may now be assessed by the founders themselves – or, in certain cases, by the company's management board," he says. "These amendments reflect a clear trend toward reducing bureaucracy and modernizing the regulatory framework for businesses in Latvia."

As for the M&A Front, Leimanis reports that it has been a very dynamic time. "The standout is undoubtedly the acquisition of the Rimi Baltic Group across all three Baltic countries, which closed this June. Valued at EUR 1.3 billion, it's the largest deal in the Baltics in a decade." Overall, Leimanis says, transaction volumes are slightly down and deal values are up, "largely thanks to landmark deals like the Rimi acquisition. In Q1 of 2025, we had 14 deals valued at USD 1.7 billion, which is rare for Latvia. The momentum has slowed down in Q2, nevertheless, green tech, IT & consumer, and regional consolidation-focused deals are expected to remain strong throughout the year."

Furthermore, Leimanis reports on another major move on the markets, the AirBaltic IPO. "This process is probably the most closely watched development right now. Since the government took over the airline in 2011, it has required constant capital injections. There's been an ongoing public debate about whether it's sustainable to have a majority state-owned airline, particularly when it's consistently in need of hundreds of millions in support," Leimanis says. "AirBaltic is one of the pioneers in the Latvian government's broader discussion around listing state- and municipally-owned companies on the stock exchange, a practice already underway in Estonia and Lithuania. The idea is to tap into the estimated EUR 10 billion of underutilized private capital in Latvia. AirBaltic issued bonds at a mouth-watering 14.5% rate, the highest in the Baltics. Even major fintech corporations with high margins don't face such expensive borrowing, a sign of how risky the market views this asset," he explains. "Lufthansa recently received clearance from German competition authorities to acquire a minority stake in AirBaltic, which adds another layer of interest to the IPO trajectory. "

Assessing how broader economic and political factors affect businesses, Leimanis says that Latvia remains deeply intertwined with EU policy, especially on sanctions enforcement tied to the Russian invasion of Ukraine. "Even three years in, we're still seeing sanctions-related seizures at the border, with over 300 criminal cases tied to violations. A key development has been the introduction of a EUR 10,000 threshold, below which violations may be treated as administrative rather than criminal. Still, even minor infractions often lead to seizure of goods, and the approach is stricter than in many other countries," he says. ●

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Expanding PPPs Reach in Ukraine: A Buzz Interview with Anna Pogrebna of Integrites

By Andrija Djonovic (September 5, 2025)

Ukraine has seen a wave of developments, with new laws, shifting investor behavior, and sector dynamics shaping the real estate, construction, and infrastructure space, according to Integrites Partner Anna Pogrebna.

"There's been quite a lot of movement, both legislatively and in practice," Pogrebna begins. "From a legislative perspective, the biggest change was the adoption of the new PPP law in June, a long-awaited process that involved lengthy coordination with all relevant stakeholders, including the EU. The President signed it into law at the end of July, and we're now watching closely for new projects it might enable." Of course, given the ongoing war, Pogrebna says that "we can't be overly optimistic, foreign investors remain cautious about committing to Ukrainian real estate or infrastructure, but it's a welcome development that expands the industries where PPP projects can be implemented."

Notably, Pogrebna continues, the law "allows PPPs in new sectors crucial to the Ukrainian economy, such as electronic communications networks and waste management. It also introduces a more flexible cooperation model between the state and businesses and enables smaller-scale PPP projects, under roughly USD 5 million, which I believe will be a real boost for local development." In residential construction specifically, she indicates being "hopeful that the law will help attract foreign investors and financial institutions to provide funding for much-needed projects."

Focusing on other legislative changes on the horizon, Pogrebna says that she is "hoping that 2025 will finally see the cancellation of the old Soviet-era *Housing Code*." That would allow the state to modernize housing policy and address urgent housing needs far more effectively. According to her, it's a real case of "out with the old, in with the new. We're talking about digitizing housing data, introducing affordable housing concepts into Ukrainian law, and even creating affordable housing operators, something we don't currently have. Another important change would be the mandatory state registration of residential leases, largely for taxation purposes, as most leases today go unregistered and unreported to the tax authorities."

Beyond legislation, Pogrebna shares that industrial parks have become a very popular investment tool. "The number of registered parks has now surpassed one hundred, and while I expect interest to level off eventually, they've been remarkably resilient. State support and tax benefits continue to attract operators, some of whom establish a park exclusively for their own needs. While there's always a risk of a bubble, we're now in the third year of consistent growth, and so far, they're functioning well," she explains. Additionally, Pogrebna reports that "agreements have been signed with the state for at least five significant investment projects, with most applicants being Ukrainian companies."

Finally, Pogrebna focuses on recent investor behavior, saying that there is a noticeable trend that clients who put their activities on hold at the start of the war are now resuming business in various sectors. "We've also observed an increased interest in purchasing land plots over the past two years, mostly from local subsidiaries of foreign companies that had large amounts of cash trapped in Ukraine due to currency restrictions imposed by the National Bank. Even though some of those restrictions have now been partially lifted and dividends can be transferred abroad within certain limits, these companies are still sitting on significant UAH reserves." As she puts it, land plots are increasingly seen as a comparatively safe investment. "Prices are expected to rise after the war, and unlike buildings, land cannot be destroyed by a missile. If damaged, it can always be rebuilt upon. Businesses are being pragmatic, finding opportunities where they can and making the most of them," Pogrebna concludes.

> *Out with the old, in with the new. We're talking about digitizing housing data, introducing affordable housing concepts into Ukrainian law, and even creating affordable housing operators, something we don't currently have.*

Eventually Pull in Internationals in Moldova? A Buzz Interview with Vlad Bercu of Melnic | Bercu

By Andrija Djonovic (September 9, 2025)

The Moldovan legal market might be relatively static at the moment, but beneath the surface, notable trends are reshaping its dynamics, according to Melnic | Bercu Partner Vlad Bercu, who points to the rise of AI-driven smaller firms, political turbulence around the legal profession's independence, growing interest in IT, renewables, and labor leasing as developments worth watching.

"The market remains quite static overall, with relatively few new transactions given the small size of Moldova's economy," Bercu begins. Still, there are some interesting dynamics. "We've seen several new law firms being established, often by former associates of leading Moldovan firms. Thanks to the increasing use of AI tools, these smaller firms are managing to compete more effectively with established players, as AI allows them to handle heavier workloads at lower cost. It's an evolving trend that will be interesting to follow, and the question will be whether they can sustain this level of competitiveness long term."

Shifting gears to the political and regulatory environment, Bercu indicates that tensions remain high. "The legislature recently attempted to amend the law regulating the legal profession without public consultation. The proposal sought to introduce government representatives into the self-governing bodies of the bar association, something lawyers understandably opposed as it undermines the independence of the profession. This led to a 3-week strike, after which the President refused to promulgate the law. Against the backdrop of parliamentary elections later this year, and strong external pressures influencing local politics, the environment is quite unstable," he explains.

As for the key trends to observe in the business sector, Bercu mentions that there is "movement in the IT sector, which benefits from Moldova's privileged 7% income tax rate for companies registered in local IT parks. This incentive continues to attract foreign players, and I expect it could eventually encourage larger international law firms to enter the Moldovan market, whether through partnerships or local branches." According to him, so far, "only a handful of international firms, like Schoenherr and Vernon David, have managed to establish a lasting presence."

Energy is another hot area, Bercu says, with growing demand for renewables, particularly photovoltaics and solar panel imports. "Since the war in Ukraine, Moldova has faced energy security challenges, and there's a strong interest in developing renewable capacities to boost independence," he says.

"Another emerging trend is labor leasing: recent amendments to labor legislation introduced the concept of 'temporary agency work,' creating a formal market for staff leasing. A new agency has already been set up to outsource employees to companies that lack the capacity or flexibility to maintain full-time staff – a model we expect to expand," Bercu reports.

Finally, focusing on the broader legal framework itself, Bercu says that "frequent political turnover means constant shifts in the legal landscape, with each new government bringing its own vision of reform. This creates uncertainty. A telling example is the *Civil Code*: after a sweeping 2019 reform that overhauled roughly 90% of the text and introduced a new inheritance regime, aggressive lobbying has now swung the pendulum back. The inheritance provisions have largely reverted to their pre-2019 template generating policy whiplash and a two-steps-forward-one-step-back oddity for civil-law systems everywhere." Bercu, however, remains upbeat about the financial-services market in the broadest sense. "We've seen a range of financial products take shape: both on the lending side and in capital-raising. The 2023 crowdfunding law already has two 'beneficiaries' working on fintech products, and one of our clients will likely be the third," he adds.

Montenegro's Heritage: A Buzz Interview with Milos Komnenic of Komnenic & Partners

By Andrija Djonovic (September 11, 2025)

Montenegro has been navigating a turbulent year on the legislative front, with sweeping changes across construction and corporate law already reshaping the business landscape, according to Komnenic & Partners Managing Partner Milos Komnenic.

"It has been quite a hectic legislative year," Komnenic begins. "We've seen a large number of changes across various laws, including construction, legalization, and frequent amendments to the overall legal framework, all of which have had direct and indirect consequences on different markets. This year, the most significant regulatory shifts came in real estate and construction, which also directly affect the tourism sector. On top of that, there is a pending reform of the *Tourism Law*, but its final outcome remains uncertain."

Komnenic continues by highlighting the main changes in the construction and legalization frameworks. "The amendments to the *Construction Law* have reversed the simplified model that had been in place for the past seven years. Previously, developers only needed a construction report, relying largely on independent auditors to move projects forward. Now, construction permits as a legal institute have been reintroduced, and final approval is dependent on obtaining a usage permit." According to him, in practice, this means an independent auditing body must confirm that construction procedures have been followed precisely. "In the past, delays in these procedures led to supervisory authorities declaring as many as 90% of objects non-compliant, until state bodies resolved matters."

The changes to the *Legalization Law* are also far-reaching. "Many properties in Montenegro were constructed either without permits or with irregularities," Komnenic says. "Under the new rules, such objects can no longer be disposed of on the market until they are legalized. This impacts not only property owners but also lawyers and notaries, as some 40,000 to 50,000 illegally constructed buildings have now effectively been frozen from the market."

Beyond national legislation, Komnenic goes on to mention international concerns affecting Montenegro. "UNESCO has raised strong objections to zoning and spatial planning in the Boka Bay area, one of Montenegro's main tourism attractions. They've warned that, unless these policies are aligned with UNESCO requirements, sites such as Kotor and Perast could be removed from the World Heritage list." According to him, this would be a very serious blow, not only legally but also economically, given how central heritage tourism is to Montenegro.

And, as for the tourism season itself, Komnenic says that the results are not yet in. "The numbers are usually published in October, but preliminary reports suggest it may have been a slightly weaker season than 2024. At the same time, industrial projects have slowed in certain areas," he says. More broadly, the rising cost of doing business remains a challenge. "Workforce costs are increasing every month, both in terms of salaries and availability, which places real pressure on companies. These trends mirror what we're seeing in other countries across the region and Europe."

Finally, Komnenic mentions a major development with the adoption of the new *Law on Commercial Companies*, which will enter into force on January 1, 2026. "It has already been approved by both Parliament and the European Commission, which is significant in terms of EU alignment. The law addresses long-standing gaps in corporate governance, compliance details, and management structures, and represents a substantial modernization of the framework," Komnenic concludes. ●

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Serbia's Situation Remains Strung: A Buzz Interview with Jelena Gazivoda of JPM & Partners

By Teona Gelashvili (September 11, 2025)

Serbia is experiencing a mix of cautious normalization and uncertainty: while schools and universities have reopened and major projects like *EXPO 2027* are moving ahead, inflation, political discontent, and questions over energy supply and stability continue to shape a turbulent landscape, according to JPM & Partners Senior Partner Jelena Gazivoda.

"Protests in Serbia are still ongoing, though they have slowed somewhat over the summer," Gazivoda reports. "Many people were away, which naturally reduced participation, yet the underlying discontent remains. On the positive side, daily life is returning to a more stable rhythm. Schools reopened on September 1, and universities have resumed teaching, with efforts underway to catch up on what was missed earlier this year."

Politically, however, the situation remains highly strung, Gazivoda says. "One of the protesters' central demands has been early elections. At the same time, the government, with its recent moves – particularly measures aimed at taming supermarket retail prices in an effort to boost household purchasing power – is seen by many as a potential preparation for early elections. Over the summer, the government announced a stabilization program covering more than 20,000 essential goods to curb rising costs. These measures are framed as social protections, but their timing, just as family budgets tighten in autumn, suggests a broader political context."

According to Gazivoda, the economy faces its own turbulence. "Inflation, which stood at 4.5% in March, has continued climbing into the summer to 4.9% in July," she notes. "Foreign direct investments have also slowed, reflecting broader global trends. US investors – among the most active in the IT sector in Serbia – are not as active as in previous years, and EU investors are distracted by their own crises. Germany, France, and Italy remain engaged but face challenges at home, while Chinese companies are increasingly visible, particularly in construction, renewables, and large infrastructure projects such as *EXPO 2027* facilities."

Gazivoda continues by highlighting that energy and natural resources have also moved up the agenda. "In early August, the Ministry of Energy and the Chamber of Commerce organized a public debate on Serbia's long-term strategy on management of mineral and geological resources. While not explicitly naming lithium, the discussion clearly pointed toward critical and strategic raw materials and drew continuous criticism from opponents related to environmental concerns." At the same time, she says that Serbia has been exploring nuclear options: "After lifting a decades-long ban last year, the government has opened discussions initially with French companies on feasibility studies and recently with South Korean partners on strategic cooperation on nuclear energy and oxygen."

"Structural reforms are also underway," Gazivoda adds. "A law passed in August 2023 is now transforming state-owned enterprises into joint ventures or limited liability companies. The deadline for these conversions is this September, and many companies are already in the process."

Overall, Gazivoda emphasizes that the government's flagship initiative "remains the *EXPO 2027* project, one of its largest undertakings in years. After some delays, efforts are intensifying to meet the strict deadlines, with construction and investment agreements moving forward."

Finally, Gazivoda highlights that on the real estate side, demand has cooled. "Prices, averaging around EUR 5,000 per square meter in Belgrade, far exceed the purchasing power of most Serbian households. This mismatch has led to a slowdown in sales despite continued construction activity." She adds that M&A activity is present but modest. "Most deals are mid-sized and concentrated in healthcare, pharmaceuticals, food and beverages, and distribution chains. Like elsewhere in Europe, the market is active but lacks blockbuster transactions," Gazivoda concludes.

Hungary's Hot Summer: A Buzz Interview with Balazs Dominek of Szabo Kelemen & Partners Andersen Hungary

By Andrija Djonovic (September 12. 2025)

Hungary's usually quieter summer months have been marked by unusual levels of activity, according to Szabo Kelemen & Partners Andersen Hungary Partner Balazs Dominek, who points to rapid-fire legislative changes, evolving FDI rules, and new retail and energy regulations as key developments reshaping the market and keeping lawyers busier than expected.

"Normally, the Hungarian market slows down in summer, but this year has been very different," Dominek begins. "With elections coming in early 2026, the ongoing war in Ukraine, and broader global trends, unpredictability and volatility have been constant themes. This prompted a series of legislative changes aimed at enhancing competitiveness and economic resilience."

According to Dominek, it is hard to single out just one or two items because the trend has been continuous, with laws changing very frequently. "From an M&A perspective, the most significant development has been the evolving FDI screening regime. Hungary introduced an approval process in line with the EU framework, but the law has already changed twice in just two months. First, it extended procedural deadlines and introduced a broad preemption right for the state. Then, in mid-August, a new law replaced the previous one, rolling back some of those measures and reintroducing earlier procedures," he reports. "For ongoing transactions, this constant back-and-forth has made navigation quite difficult and generated a lot of work for us."

Another striking development is a law that has made it significantly harder to develop new retail projects. "Any project above 400 square meters selling daily consumer goods is now subject to a burdensome licensing procedure," Dominek shares. "This has required clients to completely rethink their permitting strategies and leasing structures, resulting in a surge of contract work and regulatory advisory. Combined with numerous other legislative changes, virtually all of our practice groups have felt the impact."

As for the primary driver behind all of this, Dominek points towards overall legislative efforts. "In Hungary, laws are being amended at an unusually rapid pace. The government's focus is on maintaining resilience and attracting investment in a volatile environment, but the constant changes create both challenges and opportunities for businesses and lawyers alike." And, on the economic side, Dominek reports that there has been a shift in transaction patterns. "Earlier this year, transactional volume fell compared to previous years, even against 2024, which wasn't particularly strong. That said, deal values have risen, with the same key sectors continuing to drive activity: manufacturing, automotive, and energy. These sectors remain the backbone of M&A work in Hungary," he outlines.

Shifting gears to focus on the next 12 months, Dominek opines that energy will continue to be the main focus, shaped by geopolitical realities and the EU's long-term green agenda. "This has already triggered sweeping changes in electricity regulation. Storage facilities are now more clearly regulated, and oversight of traders has become much stricter. Authorities are working to eliminate dormant companies from the market, which should boost actual trading volumes," he explains. "New requirements, such as the obligation for traders to maintain hedging policies, will also require significant legal work, as the precise contents of these policies remain unclear. Energy efficiency obligations have been raised as well, with the emphasis shifting from industrial certificates to residential savings." In parallel to this, "the regional trading system and its platform have undergone serious changes. All of this will keep the energy practice very busy in the coming year, and we expect this trend to continue," Dominek concludes.

Slovenia's Ambitious Agenda: A Buzz Interview with Alen Savic of Selih & Partnerji

By Teona Gelashvili (September 16, 2025)

Slovenia is pursuing an ambitious reform agenda, from revamping its courts to attracting global talent and boosting investment opportunities – sending a clear message that it's open, modern, and ready for business, according to Selih & Partnerji Partner Alen Savic.

"With parliamentary elections scheduled for April 2026 and the current parliament nearing the end of its mandate, the state appears particularly active on the legislative front," Savic begins. "One of the most discussed reforms is in the judicial sector. Slovenia is undertaking the most comprehensive overhaul of its judiciary in three decades, introducing a package of several laws that aim to modernize the system. The most notable change is the reorganization of the current two-track system of local and district courts into a single, streamlined district court system. This reform also modernizes case assignment, and the aim of the reform is to ensure that cases are distributed more evenly, reduce delays, and expedite proceedings. The changes will be rolled out gradually during a transitional period, with the amended legislation set to take effect on January 1, 2027."

Alongside the modernization of courts, Savic says that "attention is also turning to so-called 'SLAPP' lawsuits – strategic lawsuits against public participation. These are often filed not to resolve genuine legal disputes but to discourage open discussion and public engagement. A draft law recently sent out by the Ministry of Justice aims to safeguard freedom of expression and information while protecting individuals and organizations from misuse of judicial proceedings and manifestly unfounded claims." However, he says, "one aspect of the proposal has sparked debate: sanctions could be imposed not only on claimants but also on attorneys representing them. Critics worry that this could make lawyers overly cautious, potentially undermining the right to judicial protection and discouraging legitimate claims. Balancing the fight against abusive litigation with access to justice remains a key challenge."

Legal reforms are only one part of the picture, according to Savic. "The country is also taking steps to attract international talent. Starting in November this year, non-EU professionals working remotely for foreign employers will be able to obtain a one-year 'digital nomad visa.' Applicants must hold a valid passport, have adequate health insurance, and demonstrate sufficient means of subsistence." Savic explains that with this, the country aims to compete for attracting high-quality global talent into its environment. The expected economic and cultural spillovers – including collaboration with local companies, especially in IT, AI, design, and broader tech – should raise Slovenia's visibility with international partners and investors.

Finally, Savic draws attention to Slovenia's capital markets. "Traditionally, Slovenian households keep a very large share of their wealth in bank deposits, well above the EU average," he states. "To encourage individuals with better investment opportunities on one hand and support domestic companies on the other, the state recently introduced Individual Investment Accounts for retail investors who are Slovenian tax residents. The system simplifies investing, lowers entry barriers, and offers a tax-friendly regime: gains are taxed at a flat 15% only upon withdrawal, with full exemption if the first withdrawal occurs after 15 years without interim payouts. Accounts have annual contribution limits and a maximum investment ceiling of EUR 150,000. Investors can allocate funds to shares, bonds, treasury bills, and ETFs, listed in the EU, EEA, and OECD, and to UCITS. This, in effect, reduces dependence on bank lending and reinforces the long-term development of Slovenia's capital market."

One of the most discussed reforms is in the judicial sector. Slovenia is undertaking the most comprehensive overhaul of its judiciary in three decades, introducing a package of several laws that aim to modernize the system. The most notable change is the reorganization of the current two-track system of local and district courts into a single, streamlined district court system.

Greece Rides the Wave: A Buzz Interview with Petros Fragkiskos of Drakopoulos

By Andrija Djonovic (September 16, 2025)

The Greek market is experiencing a wave of activity across multiple sectors, with M&A, energy, real estate, and startups all drawing strong investor interest, according to Drakopoulos Partner Petros Fragkiskos.

"The Greek market is currently in a very strong phase, and there is a general sense of optimism," Fragkiskos begins. 'We are seeing activity across multiple industries, each of which is generating substantial legal work. Naturally, M&A remains a central pillar, and recent months have brought a steady flow of deals. This is particularly evident in education, where foreign investors are increasingly viewing private schools as an attractive long-term growth sector."

Continuing, Fragkiskos notes that energy has also been a major driver and reports that the real estate sector is booming, supported by landmark projects such as the Hellinikon development in Athens, which continues to capture attention both domestically and internationally. Alongside this, the tourism and hospitality sectors, especially in Greece's islands, remain magnets for capital, with no signs of slowing demand. "Tourism remains a powerhouse, generating around 25% of GDP, with 33.2 million arrivals in 2024, and this figure is expected to grow further in 2025."

Additionally, Fragkiskos highlights M&A activity within the tech sector and the startup ecosystem. "We regularly see investors participating in pre-seed, seed, and Series A rounds. Because so many of these companies already operate internationally, the deals often involve complex cross-border elements," he says. "This creates a diverse and dynamic pipeline of legal work, touching on everything from structuring to compliance."

As for the drivers behind these levels of activity, Fragkiskos points to a mix of tax and financial incentives, such as the Non-Dom regime and family office incentives, as well as Greece's overall momentum. "*Moody*'s upgraded Greece's credit rating to investment grade, from Ba1 to Baa3, reflecting improved public finances and economic stability," he says. "One of the key factors is Greece's golden visa framework, which continues to be very attractive to non-EU investors. Under this scheme, residency can be obtained by investing EUR 500,000 in private equity or venture capital, or EUR 250,000 in registered start-ups under Elevate Greece, the government's official start-up registry. These comparatively accessible thresholds have encouraged investors to consider Greece not only for lifestyle reasons, but also as a platform for broader business activity," he says.

At the same time, compliance has become an important theme. "The EU's *AI Act*, which will come fully into force within two years, is already influencing how companies structure their operations. Similarly, the *EU Accessibility Act*, which was transposed into Greek law this summer, imposes new obligations. Companies are eager to understand and prepare for these changes, generating significant advisory demand," Fragkiskos explains.

Finally, focusing on the origins of this investment interest, Fragkiskos says that it primarily stems from the United States, the EU, and the UK, which remain the leading sources of investment. "However, we are also seeing significant interest from investors in the Mediterranean region, particularly in Israel. Together with Greece's sectoral strengths and clear reform agenda, these trends suggest that the market will remain active for the foreseeable future," Fragkiskos concludes.

We regularly see investors participating in pre-seed, seed, and Series A rounds. Because so many of these companies already operate internationally, the deals often involve complex cross-border elements. This creates a diverse and dynamic pipeline of legal work, touching on everything from structuring to compliance.

Pulling All Levers in Bulgaria: A Buzz Interview with Radosveta Kojuharova of Wolf Theiss

By Andrija Djonovic (September 18, 2025)

Bulgaria is undergoing a transformative period, with the euro transition, a fully operational FDI regime, the newly adopted *Personal Insolvency Act*, and major energy and infrastructure initiatives reshaping the legal and business landscape across multiple sectors, according to Wolf Theiss Partner Radosveta Kojuharova.

"First and foremost, euro adoption dominates the agenda," Kojuharova begins. "Bulgaria has now officially set its timeline, with mandatory dual pricing in place from August 8, 2025, through August 8, 2026. Importantly, the grace period for businesses to adjust expires on October 8, 2025. After that, failure to comply can result in heavy fines, ranging from BGN 2,000 to 20,000 and higher for large traders. The Competition Protection Commission is already monitoring compliance, publishing daily retailer price data, and launching sector inquiries. The real 'finish line' will be January 1, 2026, when euro cash enters into circulation alongside the lev for one month."

In parallel, July marked another milestone, Kojuharova says. "Bulgaria's FDI screening regime entered into full effect on July 22, 2025. For the first time, investors in critical sectors such as energy, defense, telecommunications, media, transport, water, healthcare, data processing, and financial infrastructure must obtain FDI clearance before closing transactions. Reviews are conducted by an FDI Council in around 45 days, extendable in complex cases.

She also notes targeted legislative amendments. "One concerns state-owned properties: the state now has an easier ability to dispose of such assets, supporting disposals with state-owned properties. The second development concerns water infrastructure. A *Draft Law on Water Supply and Sewerage*, tabled in July 2025, proposes an independent regulator, a new cost-based pricing model, and clearer roles for Bulgarian WSS Holding and other stakeholders. It also seeks consolidation in the management and provision of services, with the aim of improving coordination, investment planning, and compliance."

Outside of these institutional reforms, Kojuharova highlights an important development in the energy sector. "Under the *National Recovery and Resilience Plan*, Bulgaria launched the *RESTORE* program, allocating about EUR 588 million to 82 BESS projects. This has created a surge of activity, with almost every local energy company now heavily engaged in constructing and financing energy storage facilities. Following the success of *RESTORE Phase I*, the Council of Ministers launched public consultations in late August for *RESTORE Phase II*."

Another legislative milestone is the *Personal Insolvency Act*, adopted in June 2025, with first filings expected in 2026 after a nine-month delay and registry readiness. "For the first time, individuals will be able to be declared bankrupt," Kojuharova says. "Eligibility requires debts above ten minimum wages – around BGN 10,770 (approximately EUR 5,510) – unpaid for more than 12 months, along with statutory good-faith criteria. It is a new mechanism for Bulgaria, and banks are already preparing collection strategies in anticipation of its impact on retail lending."

Finally, looking at the big picture for Bulgaria, Kojuharova observes that "when you combine the euro transition, the fully operational FDI regime, the energy storage pipeline, the *Personal Insolvency Act,* Bulgaria's entry into Schengen in January 2025, and the recent streamlining measures around state properties and water infrastructure, you see a genuinely transformative period for the economy. Each development pulls on a different practice lever: M&A and compliance must navigate the FDI screening regime, energy and real estate lawyers are absorbed by renewables and energy storage projects, banking is gearing up for the euro, and disputes will be reshaped by personal insolvency frameworks. It is a very active time, with change arriving from multiple directions at once." ●

Balancing Romania's Budget: A Buzz Interview with Daniela David of Vernon David

By Teona Gelashvili (September 18, 2025)

Romania's sweeping tax changes in 2025, including higher VAT, dividend, and bank levies, have unsettled investors and slowed projects, yet the government hopes these measures will stabilize the budget and secure long-term growth, according to Vernon David Senior Partner Daniela David.

"Romania has been going through a turbulent period starting in November 2024," Daniela explains. "For the first time in the country's history, the Constitutional Court canceled the entire elections due to irregularities in the process. It was an unprecedented move, but ultimately, I think it was the right decision for the future. The president's mandate was extended until new elections could take place, and in May 2025, fresh elections were held. For the legal and commercial markets, this outcome signaled stability and was seen as a positive step forward."

"Of course, governing in such a period is never easy – no country has it simple," Daniela continues. "After the new government came to power, one of the most impactful moves was the adoption of new fiscal measures in August 2025. Law 141 introduced a set of tax changes that immediately affected the market. The standard VAT rate was raised from 19% to 21%. While the increase seems modest, even a 2% difference had a noticeable impact. Some reduced rates were also revised: publishing and cultural services went from 5% to 11%, while medicines, most food products, irrigation water, accommodations, and restaurants shifted from 9% to 11%. These changes quickly made themselves felt, with many clients in the investment and M&A space putting projects on hold, uncertain about how the business environment would react."

Another measure, set to take effect in 2026, according to Daniela, "will raise the dividend tax from 10% to 16%. On one hand, this is meant to keep more profit within the country, but on the other, it raises questions about Romania's competitiveness. Whether investors continue to choose Romania, or will they look elsewhere for more favorable conditions, that remains to be seen."

Daniela emphasizes that health contributions were also modified. "Previously, around 6 million people contributed, but under the new framework, the number expanded significantly, with many more people now required to pay. The new contributors will be pensioners with pensions over RON 3,000 (approximately EUR 600), parents on childcare leave, recipients of unemployment benefits who have been exempt, and now require payments. This does create a healthier budget for the state, but it also means reduced disposable income for many lower-income families, which makes things complicated," she notes.

According to Daniela David, financial institutions were not left out either. "Banks, which previously paid a special tax of 2% on turnover, now see it double to 4% on turnover," she notes. "While banks do have strong resources, such an increase inevitably affects their lending practices, leading to higher costs for credit and financing."

"On the optimistic side, these fiscal measures should help reduce Romania's budget deficit, which is a necessary step for stability," Daniela adds."I believe that 2026 has strong potential to be a better year for Romania. If all the fiscal measures are fully implemented, we can expect a more stable and predictable economic environment. A lower deficit could make the country more attractive to investors in the long run."

Looking ahead, "I'd like to believe that once the war in Ukraine comes to an end, Romania will stand to benefit significantly from the reconstruction efforts. The country could play a key role in real estate, commercial, and cross-border transactions linked to Ukraine's rebuilding, which would strengthen Romania's position in the region and bring long-term opportunities," she concludes.

Banks, which previously paid a special tax of 2% on turnover, now see it double to 4% on turnover. While banks do have strong resources, such an increase inevitably affects their lending practices, leading to higher costs for credit and financing.

THE DEBRIEF: SEPTEMBER 2025

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.

Adela Krbcova,
Partner,
Peterka & Partners

Ana Arambasic,
Managing Associate, SOG in
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This House – Implemented Legislation

Highlighting Montenegrin real estate, Komnenic & Partners Managing Partner Milos Komnenic reports that "the Parliament has recently passed a new *Law on the Legalization of Unauthorized Buildings*, a long-awaited reform that is reshaping the real estate market. Under this act, owners of residential, commercial, and ancillary buildings without the necessary permits, or with significant deviations from approved plans, are now required to submit applications for legalization. Eligible properties must be visible in aerial and satellite imagery taken in July 2025, registered in the cadaster with settled property rights over the building and the land, while not being constructed on land designated for infrastructure or other public-interest facilities and not exceeding boundary or ownership lines in areas without valid planning documents. Importantly, owners have six months from the law's entry into force to apply, and failure to do so could result in demolition of the object and the owner's obligation to pay the annual usage fee until the object is demolished."

From the market's perspective, Komnenic stresses that this legislation introduces a major shift. "According to the provisions of the adopted law, properties that have not been legalized cannot be sold, pledged, or utilized for commercial or other activities." As a result, he says, "real estate activity has seen a temporary slowdown, as notaries must now verify the legal status of properties prior to any transaction." Additionally, "concerns persist regarding its implementation and its impact on the real estate sector. Bearing in mind that previous attempts to regulate the legalization of unauthorized constructions have repeatedly failed and given the low number of legalized buildings under the former *Law on Spatial Planning and Construction*, it remains uncertain whether the law will be effectively implemented this time or whether, due to administrative inefficiency, it will once again remain merely declarative."

SOG in cooperation with Kinstellar Managing Associate Ana Arambasic highlights temporary restrictions in the retail sector in Serbia. "On September 1, 2025, the *Decree on Special Conditions for Trade in Certain Types of Goods* came into force in Serbia," she says. "The decree prescribes special conditions for conducting trade for a certain type of goods, limitation of margins in wholesale and retail trade, limitation of the total amount of fees, as well as the method of submitting price lists to ensure price transparency, limit excessive profit margins, maintain fair terms of trade, and consumer protection. The decree remains in force for six months. It covers a large number of goods (about 23 product groups, approximately 20,000 individual products), including essential foodstuffs (flour, oil, sugar, bread, pasta, dairy products), household chemicals, hygiene products, and personal care items."

Arambasic adds that "the maximum retail and wholesale margin (mark-up) is limited to 20%. If a lower margin was in place before the decree came into effect, the lower one must be honored. Certain products, such as fresh fruit and vegetables, meat, coffee, and cocoa, are excluded from the restrictions due to specific market conditions and seasonal/international price fluctuations." One of the important transparency requirements, according to Arambasic, "is the obligation for retailers (and wholesalers) to provide electronically to the Ministry of Internal and Foreign Trade the valid price lists for goods every Monday during the validity period of the decree. Fines for legal entities might amount to RSD 300,000."

Peterka & Partners Partner Adela Krbcova points to recent changes in the Czech labor code. "Based on an amendment to the *Czech Employment Act*, from October 1, 2025, foreign employees, including EU employees, must be notified to the competent regional Labor Administration before they start working," she explains. "This means that, for example, if an employee starts working on October 15, the notification must be delivered on October 14. Previously, notification of the starting date was still acceptable. Now, if an employer fails to notify the start of employment and this is discovered, it could be fined up to CZK 3 million for what is known as 'unnotified work,' contrary to a fine of only up to CZK 120,000 according to the previous regulation. If the notification is submitted within five days of the starting date, the inspection authority may dismiss the case if the inspection has not yet begun. Either way, the decision to dismiss the case will be recorded."

This House – The Latest Draft

As for the labor in Poland, in August 2025, the Polish government presented a package of draft legislative acts, according to Wolf Theiss Associate Marta Wasil, including an amendment to the *Act on the National Labor Inspectorate* (PIP), an amendment to the *Act on the Social Insurance System*, an amendment to the Act on Trade Unions and the *Act on the Provision of Information to Employees and Conduct of Consultations with Employees*, and an amendment to the *Labor Code*.

"The most significant change proposed by the amendment to the PIP is the extension of the powers of labor inspectors," she notes. "They will be authorized to issue administrative decisions confirming the existence of an employment relationship when a civil law contract has been formally concluded, but the work is actually performed under conditions characteristic of employment. These decisions will be enforceable

immediately, meaning the employer must treat the individual as an employee before any appeal is heard in court. The Council of Ministers is scheduled to adopt the draft in the fourth quarter of 2025."

An amendment to the *Act on the Social Insurance System*, according to Wasil, "stipulates that the Social Insurance Institution (ZUS) will be responsible for paying sick leave benefits from the first day an employee is out sick. Currently, employers bear the cost of sick pay for the first 33 days of an employee's absence from work due to illness (or 14 days for employees over 50 years of age), after which the ZUS assumes the obligation. This change is intended to relieve employers of financial and administrative burdens."

Another amendment "stipulates that communication between trade unions and the employer at the enterprise level, as well as between the works council and the employer, may be conducted in writing, electronically, or in documentary form," she adds.

Finally, "the key amendment proposed to the *Labor Code* concerns the definition of 'mobbing.' Under the proposed definition, a single incidental act, even if it infringes on an employee's personal rights, will not qualify as mobbing," Wasil notes. "To constitute mobbing, the harassment must occur repeatedly or continuously over a certain period. The draft provisions also strengthen victims' rights to pursue claims."

AECO Law Partner Cagri Cetinkaya highlights forthcoming changes in Turkiye's data protection landscape. "According to the *Medium-Term Plan* (2026-2028) published by the Presidency of the Republic of Turkiye, published in the *Official Gazette* dated September 7, 2025, the *Turkish Data Protection Law* will be further amended to align with the GDPR," he says. "Complementary secondary regulations will also be introduced to ensure consistency with the *EU Artificial Intelligence Act*. In addition, a *National Data Strategy* and *Action Plan* will be launched to strengthen data-driven policymaking while upholding high standards of privacy and security. Public authorities will be expected to modernize their IT systems in accordance with a forthcoming *Public Cloud Policy* and an updated *State Digital Transformation Strategy*."

Concerns persist regarding its implementation and its impact on the real estate sector. Bearing in mind that previous attempts to regulate the legalization of unauthorized constructions have repeatedly failed and given the low number of legalized buildings under the former Law on Spatial Planning and Construction, it remains uncertain whether the law will be effectively implemented this time or whether, due to administrative inefficiency, it will once again remain merely declarative.

In August, Serbia's energy sector saw significant activity. "A public debate was held on the *Draft Strategy for the Management of Mineral and Other Geological Resources in Serbia for the Period 2025-2040, with projections extending to 2050*," JPM & Partners Senior Partner Jelena Gazivoda reports. "The strategy attracted the attention of environmental organizations and concerned citizens, particularly in the context of potential lithium exploitation under the Jadar Project."

In the Works

Turning to Serbia's nuclear energy plans, "Serbia has intensified activities related to the potential development of strategic partnerships in the field of nuclear energy," Gazivoda points out. "These efforts follow the completion of a preliminary technical study on the peaceful use of nuclear energy, ahead of the expected lifting of the national ban on nuclear power plant construction in November 2024. As part of this initiative, Serbia signed a memorandum of cooperation with the South Korean company Korea Hydro & Nuclear Power, covering nuclear energy and hydrogen technologies. Additionally, preliminary discussions have commenced with the Russian company Rosatom regarding possible collaboration in the nuclear sector."

Done Deals

Looking at the energy sector in Bulgaria, CMS Sofia Managing Partner Kostadin Sirleshtov highlights increased transactional activity. "Despite the holiday period, we saw a few landmark deals in August 2025, including Renalfa IPP closing its EUR 1.2 billion investment program in photovoltaic, battery electricity storage systems, and wind projects and quite some regulatory developments, and AB Investment Group finalizing its licensing process before the Bulgarian Energy and Water Regulatory Commission for its 27-megawatt PV and 24-megawatt-hour BESS Albena Solar Project," he says.

Regulators Weigh In

Nestor Nestor Diculescu Kingston Petersen Partner Anca Diaconu points out that the Romanian Competition Council recently reported a moderate rise in basic food prices. "Following a recent analysis, the Romanian Competition Council

(RCC) has reported that prices for basic non-seasonal food products rose by an average of 1.53% in August compared with June, according to data from six major retail chains," she says. "The increase remained below the level that would be expected solely from the recent VAT increase, suggesting that large retailers and suppliers absorbed part of the cost, says RCC president Bogdan Chiritoiu. The RCC president noted that the market and competition are working, as companies seek to retain customers with attractive pricing, adding that food prices rose less than those of non-food goods and services. He indicated, however, that food prices remain sensitive to additional pressures, including fuel and electricity costs, and underlined the influence of Romania's inflationary trends and the country's large budget deficit on prices."

Overall, Diaconu says that "the food basket – which includes both seasonal and non-seasonal items – fell on average by 4.18% in August compared with June, driven primarily by lower fruit and vegetable prices. The analysis was based on data supplied by major retailers, covering products subject to government emergency ordinances temporarily capping mark-ups on 46 categories of basic food, a measure subject to intense debates. These measures remain in force until September 30, 2025."

In Bulgaria, "in August 2025, Bulgaria's electricity transmission system operator (ESO EAD) has published its ten-year network development plan (TYNDP), which was approved by the Bulgarian Energy and Water Regulatory Commission (EWRC), which has made the 400-kilovolt network the backbone of the electricity transmission network in Bulgaria, whose geographical location suggests there will be great commercial interest in using its transmission network for electricity transit," Sirleshtov reports. "The ESO has technical solutions for the development of the electricity transmission network, after the connection of the 2,400 gigawatts of nuclear capacity at Kozloduy NPP and the 2 gigawatts of nuclear capacity at the site of Belene NPP. TYNDP confirmed that there is a possibility of obtaining 'synthetic inertia' from battery energy storage systems, but its contribution to the inertia of the system is limited."

In August 2025, it was also confirmed that the Bulgarian natural gas consumption is set to "almost double from 28 terawatt-hours to 51 terawatt-hours by 2034, in accordance with the TYNDP of Bulgaria's natural gas transmission system operator (Bulgartransgaz EAD), as adopted by EWRC," Sirleshtov adds. "According to the TYNDP, local Bulgarian production of natural gas is expected to increase in step with permits that have been issued for oil and natural gas exploration and production, particularly surrounding discoveries of gas deposits in the Black Sea."

Hungary's Ministry of National Economy announced on September 16, 2025, that the foreign acquisition of Alfoldi Tej Kft., a Hungarian-owned dairy company, has been prohibited. The transaction involved a foreign investor – allegedly a Greek consortium seeking to acquire 100% of the shares in Alfoldi Tej Kft., a strategic company within the meaning of point 3 of Section 2 of Government Decree 561/2022.

Forgo, Damjanovic & Partners Managing Partner Zoltan Forgo emphasizes that recently, the Hungarian Government has prohibited the foreign acquisition of a Hungarian-owned dairy company. "Hungary's Ministry of National Economy announced on September 16, 2025, that the foreign acquisition of Alfoldi Tej Kft., a Hungarian-owned dairy company, has been prohibited," he says. "The transaction involved a foreign investor – allegedly a Greek consortium seeking to acquire 100% of the shares in Alfoldi Tej Kft., a strategic company within the meaning of point 3 of Section 2 of *Government Decree 561/2022*."

"The Minister of Economic Development prohibited the execution of the transaction relying on the ground of 'national interest' referred to in Section 8. (1) (b) of the decree," Forgo says. "According to the government's statement, the proposed transaction had the potential to cause substantial market disruption in domestic milk production and procurement, as well as high supply security risks due to the company's significant market share, which accounts for 20% of farmgate purchases of milk. As a response to the government's veto, Alfoldi Tej Kft. offered to sell its quotas to the Hungarian State under the same conditions. The offer is currently being reviewed by the authorities."

"It is worth noting that, based on subsequent press releases, the target's decision to sell its quotas to the foreign investor was based on its dire financial state, associated with its lagging product development and the price policies implemented by the Hungarian Government," Forgo adds. "As evidenced by this case and two other notable veto decisions (on the acquisition of Aegon Insurance business by Vienna Insurance Group and on Xella's acquisition of Janes es Tarsa Kft.) as well as the significant legislative changes implemented this summer concerning Hungary's *Special FDI Regime*, foreign investors should dedicate special attention to Hungarian FDI


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screening even more than in the previous years."

As for Ukraine's competition sector, Redcliffe Partners Partner Yuriy Terentyev highlights increased attention to the banking sector. "The Antimonopoly Committee of Ukraine (AMCU) has issued recommendations to 10 banks, urging them to properly inform consumers about the terms, restrictions, and exceptions of their cashback programs. According to the regulator, several banks promoted 'cashback' offers in a way that created expectations of unconditional rewards, while in reality, the programs were subject to exclusions, transaction-type restrictions, or limits that were not clearly disclosed. The AMCU stressed that banks must ensure transparency and accuracy in their communications to prevent consumer deception and safeguard fair competition in financial services."

"The AMCU understandably resorts to its advocacy tools in the financial sector, where more than 60% of total banking assets are concentrated in state-owned institutions," Terentyev adds. "Direct enforcement cases against these entities could risk undermining their creditworthiness and, in turn, reduce their attractiveness for future privatization. By starting with soft-law recommendations, the committee seeks to balance competition concerns with broader financial stability and policy considerations." According to Terentyev, "the AMCU's intervention in cashback programs is likely just the first signal of a more prolonged campaign, with loyalty schemes, tying practices, and systemic competition issues in the banking sector all potential targets. With enforcement momentum picking up, financial institutions should anticipate closer scrutiny of both consumer-facing products and structural market practices."

Cetinkaya additionally highlights the *Guideline on the Personal Data Protection on Social Media* issued by the Turkish Data Protection Authority (Turkish DPA). "While social media offers significant opportunities for communication and freedom of expression, it also entails substantial risks to the privacy of personal data," Cetinkaya notes. "In this regard, the guideline highlights that, due to the inherent technical architecture of social media platforms, user behavior, and the current legal framework, personal data may be disclosed both explicitly and implicitly, subjected to algorithmic analysis for diverse purposes, and potentially exploited by malicious actors."

"The guideline advises that, in order to safeguard privacy, individuals should foster digital literacy and awareness before sharing content, regularly review and adjust privacy settings, adopt robust authentication measures such as strong and unique passwords, exercise caution when using third-party applications, and actively monitor their digital footprint," Cetinkaya notes. "Furthermore, it emphasizes the role of parents in guiding their children's use of social media, exercising vigilance regarding 'sharenting' (the disclosure of children's photographs online), and adopting a conscious approach toward the protection of children's personal data. The guideline also reminds mobile application developers and public institutions of their obligations concerning data processing principles, transparency, security, and accountability. Finally, it stresses that the creation of a safer social media environment necessitates the mitigation of vulnerabilities not only from a technical perspective but also from behavioral and legal dimensions."

Actecon Managing Partner Bahadir Balki draws attention to the activity of the Turkish Competition Authority. "Over the past month, the Turkish Competition Authority (TCA) has advanced a series of high-profile investigations, underscoring its active enforcement across diverse sectors, including digital markets, labor markets, shipbuilding, construction, meal cards, and cinema," he says. "The TCA opened an abuse of dominance investigation into Google regarding restrictions on in-app payment systems via the Play Store as part of its continued scrutiny of digital platforms." In the shipbuilding industry, he adds that "the TCA launched a sector-wide investigation into alleged no-poach agreements and wage-fixing practices involving 33 companies, two associations, and an HR consultancy, highlighting its growing focus on anticompetitive restraints in labor markets."

"In the dairy sector, the TCA initiated an investigation into claims that processors tied raw milk purchases to compulsory feed purchases," Balki explains. "Alongside, it imposed interim measures mandating transparent and voluntary contractual terms to safeguard producers' bargaining power. Separately, it opened an investigation into Ayca Sut for alleged resale price maintenance, territorial and customer restrictions, and bans on competing brands. The cement sector also drew attention, with new investigations into Akcansa and Kavcim for alleged resale price maintenance and sales restrictions by territory and customer group. In the meal card sector, the TCA launched a major case against Edenred, Multinet, Pluxee, and Setcard, focusing on alleged collusion in tenders, customer allocation, and the exchange of competitively sensitive information."

Finally, Balki notes, "the TCA concluded two significant investigations through commitments. In the *Mars Cinema Group* case, commitments concerned guaranteeing sufficient capacity for third-party films and ensuring their equal treatment in programming. In the *OGM Produksiyon-Star TV* case, commitments removed exclusivity provisions, enabling both parties to work with other producers and broadcasters."

LOOKING IN:
VERONICA DRAGALIN OF JONES DAY

By Andrija Djonovic

In our Looking In series, we talk to Partners from outside CEE who are keeping an eye on the region to learn how they perceive CEE markets and their evolution. For this issue, we reached out to new Jones Day Partner Veronica Dragalin, who recently joined the firm's Washington office after working as the Chief Anti-Corruption Prosecutor in Moldova since 2022.

CEELM: Let's set the stage with a rundown of your career so far.

Dragalin: I was born in Moldova in the mid-80s when it was still part of the USSR. In the early '90s, my parents, with my father being a university mathematician, had the opportunity to leave. We lived in Italy and Germany before moving to the US when I was 11. I've been in the US ever since, earning my law degree and starting my career at Jones Day. I primarily focused on litigation for large clients involved in cross-border issues and had the chance to work on white-collar defense and investigations. This experience, along with my childhood witnessing endemic corruption in Moldova, inspired my desire to work for justice and the rule of law. It's what ultimately prompted my decision to become a prosecutor.

I worked as a federal prosecutor in the Los Angeles area for six years, specializing in public corruption cases. By early 2022, when an opening for Chief Anti-Corruption Prosecutor in Moldova came up, I felt my background and specialization gave me something unique to offer. It was an unusual career move, but an interesting one. I started in August 2022.

CEELM: What are you most proud of over the last two and a half years of work in Moldova?

The office also shifted its focus from petty, endemic cases to high-level corruption. We went after large assets to seize ill-gotten gains. For example, the office identified and seized tens of millions of euros in assets abroad, a relatively large sum for Moldova. This also helped enhance Moldova's international reputation through improved cooperation with other countries.

Dragalin: The history of the anti-corruption office in Moldova was somewhat tainted by scandals, with allegations that it was being co-opted by oligarchs to attack business and political rivals rather than fighting corruption and establishing justice. Coming into the office, I wanted to start with a clean slate. My outsider perspective, both to the office and the country, allowed me to hit the ground running with new energy. My main goal was to raise public trust and enhance transparency. The US legal system is much more transparent than the Moldovan system, for instance, in how and when charging documents become publicly available.

To address this, we made some changes. The anti-corruption prosecution office launched its own website to keep the public more informed about its work, and I conducted numerous press interviews both in Moldova and internationally. I encouraged my deputies to do the same, ultimately becoming more forthcoming and accessible. The office also shifted its focus from petty, endemic cases to high-level corruption. We went after large assets to seize ill-gotten gains. For example, the office identified and seized tens of millions of euros in assets abroad, a relatively large sum for Moldova. This also helped enhance Moldova's international reputation through improved cooperation with other countries. With so many international investigations handled by the office, it was important to establish positive relationships with our counterparts abroad.

CEELM: What led to your recent move?

Dragalin: The position is officially a five-year term, as established by law. I ended up leaving halfway through, and in my final months, the anti-corruption prosecution office was put under intense strain. There were a lot of political decisions not to allocate resources to the office, which hampered our ability to investigate high-level corruption cases. The political rhetoric toward the office became more and more aggressive, likely prompted by the cases we were working on and the new

ones we opened, which led to friction between me and political leaders.

I think it's commonplace throughout the region for anti-corruption officers to clash with political actors every now and then. Ultimately, I was asked to resign by high-level political officials, which, in my view, violated the separation of powers, given that I was not appointed politically but held a position in the independent judiciary branch. After I declined to resign, the Parliament passed a law to dismantle the anti-corruption prosecution office, which led to my resignation, after all, in an effort to prevent that from happening. After my departure, the legislative process stalled, so I hope my resignation was in the best interest of the continued fight against corruption in Moldova.

It was a somewhat disappointing end to my tenure there, but not surprising given the similar anti-corruption experiences of other countries in the region.

CEELM: What brought you back to Jones Day specifically?

Dragalin: I was definitely attracted to the type of work Jones Day does. We have 40 offices worldwide, including many in Europe and across the US. Our clients and the matters we handle are quite sophisticated, often involving the complex, cross-border issues that many multinational companies face. The work itself felt like a natural next step in my career.

I had a great experience as an associate at Jones Day, working with a lot of talented lawyers. I chose Washington, given its international exposure and my background. I'd love to be able to rely on my expertise and the perspective I gained from working in law enforcement in the US and in Europe. I don't think there are many prosecutors who have worked in multiple jurisdictions, so I believe I'm in a unique position to offer advice to clients facing potential criminal exposure and compliance issues across borders.

CEELM: How did your previous position shape your outlook?

Dragalin: Having experience in different jurisdictions, the US with its common law system and Moldova with its civil law system, influenced by the EU and its post-Soviet neighbors like Ukraine, has given me an insider's view, a look behind the curtain in both types of jurisdictions.

Moldova is such a tiny country that most corruption schemes involve multiple jurisdictions, like using banks in Switzerland and Latvia, which allowed me to cooperate and work with many different systems. That particular insight will be very

helpful for companies and future clients who might be facing compliance issues and investigations from multiple jurisdictions. Being fluent in both Romanian and English and having experience with both the US and European criminal justice systems makes it much easier for me to translate between the two, help people understand either of them, and ensure smoother sailing for their business.

Jones Day has many US clients working in Europe, which I think might shape my future work, as well as European clients with dealings in the US. I hope to be able to offer useful insights from both sides. I have already started onboarding with US and EU Jones Day partners, offering aid based on my Eastern European experiences. There aren't many US law firms with offices in the Balkans or Eastern Europe, which means my knowledge base from a US perspective is somewhat unique and could be very useful.

CEELM: What are your thoughts on the evolution of White-Collar practices in Eastern Europe?

Dragalin: Countries go through a progression that is rarely linear toward a positive outcome in terms of the rule of law, which in turn affects the business climate and white-collar crime enforcement. Sometimes it's a matter of two steps forward, three steps back. A lot of that depends on political will, and with each election cycle, the board gets reshuffled. Moldova has had quite a positive trajectory, for example, in terms of its *Transparency International Corruption Perception Index*. From 2022 to 2024, Moldova went up 29 positions in that ranking. While the anti-corruption prosecution office wasn't the only contributor, I was very proud of that since it's one of the best measurements we have regarding the status of corruption in a country. Looking at the region, a number of countries, such as Romania, have gone both up and down, which leads to fluctuating white collar enforcement and may also influence companies' decisions to do business in those countries.

Looking at the European Public Prosecutor's Office, I think that in the four years it has existed, its activity and reach over EU countries and candidate countries in the region have been impressive, and I would expect its enforcement efforts to continue growing in the coming years.

Also, as the EU accession process expands, looking at Ukraine, Moldova, and other countries in the region, there are very clear criteria that they have to meet, focusing on anti-corruption, rule of law, and justice, and there is an intrinsic motivator for those governments to achieve those milestones, seeing as how the funding they receive depends on it. Even with potentially turbulent political times ahead, the milestones will remain, given that funding is critical for these countries. So, having these goals set by the European Commission and bodies responsible for the EU accession process is reassuring for companies that want to continue or expand their business in this region and that, therefore, must often rely on the local justice system to enforce their rights or protect their business interests. The continued promotion of robust anti-corruption policies in these countries will mitigate the risks of doing business and hopefully create opportunities for more economic development in the region.

Countries go through a progression that is rarely linear toward a positive outcome in terms of the rule of law, which in turn affects the business climate and white-collar crime enforcement. Sometimes it's a matter of two steps forward, three steps back. A lot of that depends on political will, and with each election cycle, the board gets reshuffled.

CEELM: Any other general trends international lawyers should keep an eye out for?

Dragalin: What was quite jarring to an extent is that in the US, more than 90% of criminal cases are resolved through plea negotiations and plea agreements, with a very small percentage of cases going to trial. That's not very common in European jurisdictions, where a criminal proceeding is a very laborious process and cases often go to trial. One trend I noticed in Moldova, and that I was pushing for a lot, is that the country promoted the use of plea agreements while I was there by revising procedural rules. I think that it leads to a fair outcome for all sides, as well as saving government resources.

Also, cooperation plea agreements, where benefits such as a reduced sentence are offered in exchange for cooperation, are a great incentive for defendants to help the government prosecute more culpable members of criminal schemes who are usually more insulated and opaque. Without this incentive structure, it is very difficult to identify and prosecute the top-level bad actors. Such agreements are not very common in the EU, but there are countries, such as France, where it is possible for companies that cooperate to defer or resolve criminal proceedings. Moldova ended up adopting such an approach even though it was an uphill battle, and I wouldn't be surprised if more and more European countries undertake similar reforms to more efficiently resolve white-collar investigations, particularly against companies. ●

THE CORNER OFFICE: THE TIME SINK

In The Corner Office, we ask Managing Partners at law firms across Central and Eastern Europe about their backgrounds, strategies, and responsibilities. This time around, we asked: What is the one most time-consuming administrative task for you as a Managing Partner, and what, if anything, have you done to try to minimize time spent on it?

Stefan Gugushev, Gugushev & Partners, Bulgaria: As a Managing Partner, the most time-consuming administrative task for me is hiring and managing people in a diplomatic way. Building and maintaining good employee relations requires constant attention. It is not only about selecting the right candidates but also about ensuring that existing team members feel respected, motivated, and aligned with the firm's goals. Diplomacy plays a key role, listening carefully, addressing concerns in a fair manner, while balancing different interests within the team. To minimize the time spent, I rely on clear communication, regular feedback, and involving senior colleagues in decision-making. I also believe in setting transparent expectations from the start and creating an atmosphere of trust where people can speak openly. This way, potential conflicts are managed early, and the team remains focused and motivated. While it takes time, I see it as an investment in the stability and long-term growth of the firm.

Kostadin Sirleshtov, CMS, Bulgaria: The most time-consuming administrative task for any managing partner in every law firm is to manage to keep track of the pulse of the firm/office (by means of utilization, billings, collections, work-in-progress, churn, etc.). Our know-how here is technology-driven; CMS has implemented a software solution, which allows you to keep track of everything in real time with one click. It is an incredible tool that allows you to skip hours of daily research and to get up-to-date information immediately. Furthermore, it is also open to all fee-earners for them to manage to keep track of their individual progress and compare it to their peers.

Janos Tamas Varga, VJT Partners, Hungary: As a managing partner, the most time-consuming challenge is managing the flood of emails, meeting requests, and calendar changes that threaten to fragment focus. To address this, I use advanced digital workflow systems and AI tools to better manage my time and speed up certain outputs.

But while these tools bring efficiency, it is critical to ensure they remain just that – tools. In our profession, integrity and judgment cannot be delegated to technology. Overreliance risks undermining the very qualities clients expect from us.

For me, the real task is striking the right balance: leveraging innovation to free up time for strategic and client-focused work, while never losing sight of the human responsibility that defines our role. This will remain a continuous exercise for all of us in the profession.

Marija Gregoric, Babic & Partners, Croatia: For me, the most time-consuming administrative task as a Managing Partner is balancing the operational and strategic demands of the firm to ensure it delivers maximum value. This involves reviewing how routine processes can be automated and made more efficient, and identifying and implementing tools and systems that support the work of lawyers and staff. Delegating operational tasks and leveraging technology to handle repetitive work enables me to focus on the firm's key priorities: maintaining close, proactive communication with clients so they experience the firm as a true partner in their business; supporting and developing talent to maintain a high-performing team; and introducing innovative tools and approaches that enhance service. Balancing these responsibilities is demanding, but it ensures the firm remains true to its mission: serving clients' evolving needs with insight, agility, and foresight, while leading a technology-enabled practice that raises professional standards.

Nenad Popovic, JPM & Partners, Serbia: The most time-consuming administrative task I face is undoubtedly overseeing day-to-day regional operations and business development. The sheer scale of coordinating multiple teams, ensuring smooth operations, and driving growth initiatives across different jurisdictions demands constant attention and meticulous management. From monitoring and evaluating performance metrics, we use and, with the assistance of local managing partners, I am trying to achieve the alignment of local strategies with the group's broader goals. The workload can sometimes be overwhelming.

To minimize the time spent on these operational responsibilities, I actively leverage technology to delegate tasks and streamline processes. By integrating advanced project management platforms and workflow automation tools, I can assign responsibilities more efficiently and track progress in real time. Collaborative apps facilitate seamless communication between teams, while data dashboards provide instant insights to inform quick decision-making. These digital solutions not only free up valuable time but also empower regional managers and senior partners to take greater ownership of their roles, fostering a culture of accountability and innovation.

Ultimately, embracing technology has been essential in transforming our approach to local and regional management and business development, allowing me to focus more on strategic priorities and less on routine administrative burdens.

Helen Alexiou, AKL, Greece: I wish it were something more interesting or less important, but, if I'm being honest, billing is my absolute nightmare. Drafting, checking, re-checking, correcting, reviewing, following up, it is so time-consuming that it's practically impossible to fit within the working week. I end up trading family time for endless calculations, not to mention this dreadful feeling that I'm running a collecting agency, where recipients are inclined to question the charges (although we're usually underbilling). It's ironic: we spend our days helping clients solve complex problems, yet nothing stresses me more than sending out an invoice.

To minimize the time sink, I've leaned on two strategies. First, technology, making use of it as much as possible, from time capture to invoice templates. This past year, we even invested heavily, for our size, in billing software (the jury is still out). Second, discipline, blocking a fixed time each weekend to handle billing so it doesn't balloon into the billing Olympics. And if all else fails, as it sometimes does, I remind myself: without billing, we'd simply be running a *pro bono* empire, noble, yes, but hardly sustainable.

Istvan Szatmary, Oppenheim, Hungary: Legal business is a people's business, even at a time of AI and legal tech tools. That is why I think that one of the most challenging tasks is conducting the annual performance reviews of colleagues. At first sight, this might seem to be an administrative task, but it is not at all such a to-do. Even though we have streamlined the process by introducing a standardized framework, defining clear evaluation criteria, using structured forms, and setting a firm timeline, this is an area that should not be automated. Performance reviews are more than an HR requirement: they are a critical opportunity to recognize achievements, address challenges, and align career goals with the firm's strategy. Drafting individual assessment notes and ensuring all documentation is properly filed also requires careful attention. Each colleague's role and contribution differ, so a tailored, case-by-case discussion is essential. Templates and guidelines reduce the paperwork, but the heart of the process is the personal dialogue. I dedicate time to preparing constructive, evidence-based feedback and to holding meaningful conversations. While demanding, this investment fosters professional growth, strengthens engagement, and reinforces a culture of trust and excellence, making the effort both unavoidable and worthwhile.

Milos Velimirovic, Kinstellar, Serbia: As Managing Partner, my responsibilities extend well beyond legal work. I oversee several management streams: finance, human resources, operations, business development, and client relationship management, which keep the firm thriving. The most time-consuming task is coordinating these diverse streams, each of which generates its own reports, requests, and decisions.

Client relationship management is particularly demanding. It is not only about ensuring service quality but also about nurturing trust, anticipating client needs, and maintaining the personal connections that underpin long-term partnerships. Balancing these relational demands with internal oversight, such as reviewing budgets, monitoring HR initiatives, or guiding operational priorities, often fragments my time and draws focus away from forward-looking strategy.

Importantly, management is not concentrated in my role alone. All partners in our office are actively engaged in running the firm, with each assigned specific management streams according to expertise and interest. This shared responsibility extends to regional initiatives, where we collaborate on projects that strengthen the firm across jurisdictions. A particular focus is our Western Balkans Hub, which runs through all streams we manage. By aligning finance, HR, operations, business development, and client relationships with this regional strategy, we ensure consistency, efficiency, and a stronger presence in a highly dynamic market.

Ivana Ruzicic, PR Legal, Serbia: For me, the most time-consuming administrative task is reviewing and approving time sheets. It is essential for the accuracy of billing and for tracking the performance of the firm, but it takes a lot of attention and energy. As Managing Partner, I need to make sure that everything is correct, consistent, and fair.

To make this process more efficient, we hired a Finance Manager with a background in law firm operations. She introduced clear procedures, simple models, and useful tools that make the whole process more organized. Instead of me going through every detail from the beginning, I now receive time sheets that are already structured in a standardized format. This allows me to focus only on the final review and approval.

The system also helps our lawyers, because they know exactly how to fill in their time records and what is expected. It reduces mistakes and back-and-forth corrections. Overall, the work is still necessary and sometimes repetitive, but it is now faster and less stressful thanks to the structure and support we created.

Christoph Mager, DLA Piper, Austria: As Country Managing Partner of an international law firm, the most time-consuming administrative aspect of my role is overseeing performance, WIP management, hiring business support members, and day-to-day operational decisions. In parallel, recruiting lateral partners, managing partner promotion processes, conducting performance reviews, supporting team members in their career development, and making compensation decisions are essential responsibilities to sustaining our firm's excellence and global competitiveness, to which I need to dedicate appropriate time. To minimize the time spent on the more operational matters and focus effectively on setting and executing our strategic goals, I appointed a Head of Operations (HoO). The HoO oversees day-to-day finance and operations and plays a key role in bridging our legal and non-legal teams. This structure fosters smoother communication, strengthens collaboration, and ensures our legal expertise is aligned with broader organizational goals.

Delegating operational oversight to our HoO empowers me to focus on high-impact leadership decisions, particularly those that shape the future of our partnership. It also enables me to fully dedicate myself to my responsibilities as a transaction lawyer, ensuring both legal integrity and visionary leadership. This structure keeps our firm agile and strategically positioned to meet the evolving demands of the legal industry.

Andrea Gritsch, Wolf Theiss, Austria: As Managing Partner of Wolf Theiss, a firm deeply rooted in the CEE/SEE region with offices in 13 countries and a hub in Brussels, one of the most time-consuming administrative tasks is aligning internal processes and standards across jurisdictions. Each office operates within its own legal and regulatory framework, which makes harmonization both essential and complex.

To minimize the time required, we have invested in centralized management tools and streamlined our governance structures. At the same time, we have empowered local leadership with greater autonomy, supported by clear, firm-wide policies. This balance between consistency and local flexibility has significantly reduced the need for constant top-down oversight and allows me to dedicate more time to strategic leadership. ●

CEE ARBITRATION HUBS IN FOCUS

By Teona Gelashvili

CEE is increasingly on the radar for businesses looking for efficient and cost-effective dispute resolution. Tuca Zbarcea & Asociatii Partner Cornel Popa, PRK Partners Associate Partner Michal Sylla, and Avellum Partner Oleksii Maslov discuss which hubs are leading the way, the challenges they face, and the opportunities shaping the region's arbitration landscape.

Who's Catching Arbitration Eyes?

For Ukrainian businesses, options are still limited. "From the perspective of Ukrainian businesses/arbitration practitioners, it is hard to single out any CEE jurisdiction, apart from Austria, as an arbitration hub," Maslov says. "In other words, it would be unusual to see a Ukrainian party choosing any CEE jurisdiction, aside from Ukraine or Vienna, as a place of arbitration/arbitral institution, unless the other party has links to such jurisdiction (e.g., in a contract between a Ukrainian and a Polish company the parties may choose Polish SAKIG or Ukrainian ICAC as an arbitration venue). That's not to say that CEE jurisdictions lack well-developed arbitral institutions or vibrant arbitration communities (e.g., Poland, Lithuania, Romania, and Ukraine have both)."

Sylla sees the region's appeal differently: "In the current landscape, Central and Eastern European arbitration hubs are becoming increasingly attractive due to their comparable speed to major international centers and significantly lower procedural costs." According to him, "the region offers a compelling value proposition for businesses seeking efficient and economically sensible dispute resolution mechanisms."

Looking at Romania, Popa identifies Bucharest as a city with growing potential. "I believe that Bucharest has the potential to become a more prominent choice in the near future," Popa notes. "The city offers many of the key advantages that parties typically seek when selecting an arbitration venue, such as a range of suitable locations, experienced law firms and arbitrators, strong English language capabilities, arbitration-friendly courts, and cost-effective venues."

Established Hubs vs. Emerging Centers

The relationship between long-standing arbitration centers and newer contenders appears largely complementary. "While VIAC leverages its long-standing reputation and hears disputes not necessarily connected to Austria, other CEE institutions usually get chosen in cases that have some connections to their home jurisdiction (party, assets, etc.)," Maslov notes. "Once again, this is not to say that they have less work on their hands. For instance, in 2024 alone, the ICAC resolved 440 disputes (against 298 cases accepted in 2021), a volume that surpasses many established international arbitral institutions."

"Arbitration practitioners generally value tradition and the reassurance of established precedents," Popa echoes. "They are inclined to choose solutions that have a proven track record, which means that established hubs like Vienna continue to play a vital role. At the same time, newer venues can offer alternative options and contribute to the overall development of the region's arbitration landscape."

The Austrian capital still appears to hold a notable advantage. "Vienna particularly stands out by providing arbitrators with specialized expertise in critical sectors like engineering, transportation, and industrial technologies, while maintaining substantially lower costs compared to traditional venues such as the ICC," Sylla says. "This unique combination of quality and affordability creates a distinctive competitive advantage for this Austrian arbitration hub."

Cornel Popa,
Partner,
Tuca Zbarcea & Asociatii

Michal Sylla,
Associate Partner,
PRK Partners

Oleksii Maslov,
Partner,
Avellum

Hurdles for the Up-and-Coming Hubs

Despite promising attributes, emerging centers face obstacles. "Some of the obstacles relate to current economic and security challenges from the Russian aggression," Maslov reports. Still, he says that "Ukraine has well-developed arbitration laws, its courts deliver – quite consistently – positive practice on arbitration-related matters, it has a sophisticated legal market and pool of experienced arbitrators, and a seasoned and active arbitration institution."

For the Czech Republic, Sylla identifies both legal and institutional hurdles. "Our jurisdiction currently struggles with outdated arbitration legal frameworks that fail to meet international standards," he notes. "Additionally, there is a diminished trust in general courts responsible for reviewing arbitral awards, particularly in the wake of numerous cancellations in consumer-related cases, which significantly undermines the attractiveness of our arbitration environment."

Sylla further adds that "while the Czech Republic offers excellent infrastructure and venues for arbitration proceedings, the current political representation lacks enthusiasm for promoting arbitration as an optimal dispute resolution method. Internal disputes between local arbitration centers and a noticeable reluctance to modernize legal frameworks further complicate the jurisdiction's potential as a prominent arbitration hub."

Popa notes a perception challenge in Romania as well. "Even though Bucharest possesses many of the attributes necessary to become a reliable arbitration center, it still faces challenges related to lingering perceptions of corruption and concerns about the reliability of local courts," he says. "Overcoming these perceptions will require the continued growth and strengthening of a vibrant arbitration community, which can help build trust and confidence among international parties."

At the same time, "a successful arbitration hub depends on long-term commitment and legislative stability," Popa notes. "Local courts play a crucial role as guardians of legality and public order, but they must also respect the autonomy of arbitral tribunals by refraining from intervening in the factual and legal determinations made by arbitrators. Consistent government support and a stable legislative framework are essential to foster a favorable environment for arbitration."

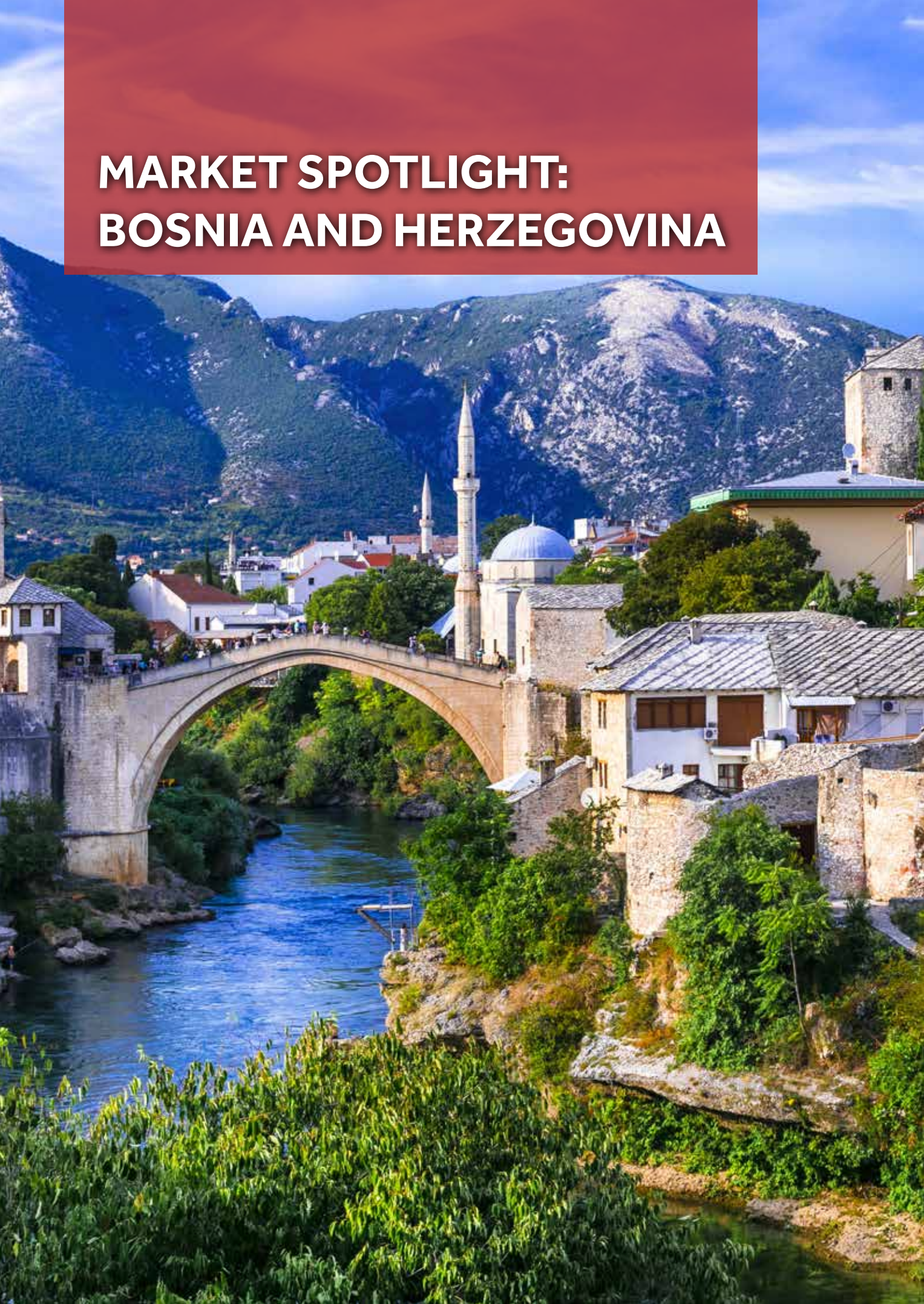
Looking Ahead: What Will Drive Growth?

Sylla believes that looking ahead, the economic shifts are key for the development of CEE jurisdictions as arbitration hubs. "We firmly believe that potential transformative developments will be predominantly driven by economic factors, particularly the potential relocation of manufacturing sectors – such as defense and high-tech industries – to the CEE region," he says. "Economic shifts and regional industrial repositioning are likely to be more influential than other geopolitical or legal considerations in shaping the future of arbitration in CEE."

"Several factors could shape the future of arbitration in the region," Popa adds. "Legally, a strong and sustained commitment to supporting arbitration is vital. Economically, the presence of a robust local economy and strong domestic companies can help build trust in the arbitration process within a jurisdiction and encourage companies to accept that their disputes should be solved more effectively in that particular jurisdiction."

Finally, Maslov points to the post-war reconstruction of Ukraine as a transformative factor. "The end of the war in Ukraine will be the single most transformative event for the region's dispute resolution landscape," he notes. "The subsequent reconstruction will be a massive economic driver, requiring an influx of hundreds of billions of dollars in foreign investment for infrastructure, energy, and industrial projects. This unprecedented level of activity will inevitably generate a substantial volume of complex commercial disputes, creating a historic opportunity for CEE jurisdictions that can offer efficient, reliable, and expert dispute resolution." ●

MARKET SPOTLIGHT: BOSNIA AND HERZEGOVINA



ONE MARKET, MULTIPLE SYSTEMS: MAKING DEALS WORK IN BOSNIA AND HERZEGOVINA

By Andrija Djonovic

Bosnia and Herzegovina's cross-hatched legal map covering the Federation of Bosnia and Herzegovina, Republika Srpska, and the Brcko District forces counsel to marry country-wide coordination with entity-specific nuance. DMB Partners Managing Partner Dina Durakovic, Dimitrijevic & Partners Senior Partner Stevan Dimitrijevic, and IA Law Firm Managing Partner Adi Ibrahimovic walk us through how they staff matters, steer incorporation choices, pick governing law and forums, and keep closings on schedule despite shifting administrative sands.

Adi Ibrahimovic,
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Dimitrijevic & Partners

Staffing Across a Fragmented System

Cross-entity matters tend to live or die on coordination, and clients expect a single experience even when the law isn't singular.

"We structure matters through a single, integrated team that operates across the entire territory of Bosnia and Herzegovina," Durakovic begins. "Clients view the country as a single market and expect consistent legal solutions, irrespective of whether their matters arise in the Federation of Bosnia and Herzegovina or Republika Srpska. The existence of at least two distinct legal frameworks within one jurisdiction undoubtedly increases the level of complexity, and this complexity is even greater in the Federation of Bosnia and Herzegovina, where individual cantons have their own specific regulations in many legal areas."

Some firms pair centralized control with local fluency to keep strategy tight and execution precise. "We are experienced in working throughout Bosnia and Herzegovina," Dimitrijevic chimes in. "From that experience, I am firm that it is manifestly wrong to assume that it is necessary to have entity-based specialists. Not only because formally we are all entitled to practice all over the country, but also because we are trained and experienced in reading different rules, all of them similar, of one and the same country, and with cultural and historical background stemming from the same legal heritage."

And, according to Ibrahimovic, when matters extend across entities, the ability to coordinate effectively is essential. "We typically adopt a cross-entity team structure led by a responsible Partner, ensuring consistent strategy and communication. Dedicated practitioners with deep knowledge of each entity's regulatory environment complement this central oversight." As he puts it, this combination allows the firm to "provide both seamless coordination and tailored expertise, thereby delivering solutions that are not only legally sound but also commercially efficient."

Where Investors Incorporate (and Why)

Entity choice tends to follow administrative simplicity, business gravity, and regulator posture more than fine tax differentials. "To put it plainly, the legal framework is generally more straightforward in Republika Srpska, largely because there is no additional layer of cantonal regulation," Durakovic comments. "This applies both to company incorporations and to

licensing in most regulated sectors. In practice, however, many clients still prefer to incorporate in the Federation of Bosnia and Herzegovina, primarily because Sarajevo is the capital and the majority of business activity takes place in the Federation." According to Durakovic, the differences in taxation and court systems are not great and rarely influence a client's decision.

"Tax regimes are generally the same, and the only difference is the red tape burden one may face, which can slightly differ," Dimitrijevic adds. "Mindful of that, clients choose specific seats depending on their specific business needs and preferences, such as close access to the EU, and highway network, access to the airport, or big centers."

And, Ibrahimovic stresses that "investors' preferences for incorporation or licensing across the entities are primarily driven by practical considerations such as the responsiveness of regulators, procedural timelines, and incentive frameworks." According to him, "the Federation is often seen as efficient in administrative processes, while Republika Srpska offers predictability and clarity in licensing regimes. The Brcko District, with its distinctive tax advantages and investment-friendly framework, remains an attractive option, especially for foreign investors seeking a neutral base." As Ibrahimovic sees it, rather than being a barrier, this diversity "offers clients flexibility and choice, allowing them to select the jurisdiction that best aligns with their strategic objectives."

The Pragmatic Choice of Forum

When transactions span entities, governing law and venue usually follow the assets, incorporation, and forum competence, not doctrine alone. "The choice of governing law and dispute forum is always transaction-specific," Durakovic stresses. "While there are notable differences between the entities in areas such as company law, labor, licensing, and permitting, in our experience, these factors rarely drive the decision. In practice, the key considerations are where the contracting entities are incorporated, where the relevant assets are located, and which courts or arbitral institutions are best equipped to handle potential disputes." According to her, clients also place weight on the "experience and expertise of the forum: courts in larger cities such as in Sarajevo, Banja Luka, or Tuzla, generally have more exposure to complex commercial disputes than those in smaller jurisdictions."

Still, even so, entity-level divergences in, for example, company law and labor rules can shape drafting and forum selection, especially on builds. "Cross-entity transactions require careful attention to the choice of governing law and dispute forum," Ibrahimovic says. "While some parties prefer neutral or foreign governing law, others opt for domestic frameworks. In such cases, divergences in company law, real estate and permitting rules, or labor frameworks often influence the decision. These differences are not obstacles but considerations that, when properly managed, allow for tailored solutions."

From Dimitrijevic's point of view, "internal conflict of law issues are rarely raised in transactions. More relevant in negotiations is the choice of dispute forum, and more and more clients opt for an ad hoc arbitration, seated either in Sarajevo or in Banja Luka, or with a seat abroad when available. In such a choice, they are prevailingly influenced by the expected neutrality of the place where the formal seat would have been."

Closing on Time in a Patchwork

Finally, timelines are increasingly driven by country-wide approvals and practice shifts, more than by mechanical differences between entities. "In larger transactions, particularly M&A, procedural differences between the entities are generally limited, so the mechanics of closing do not differ significantly across entities," Durakovic says. "What tends to affect timing more are regulatory approvals required for certain deals, such as competition authority clearance, which applies across the entire country at the state level and therefore does not differ between entities." On the other hand, in smaller or purely local transactions, Durakovic says that the "duration of incorporation or licensing procedures may have some impact, though typically not to a material extent."

Chiming in, Dimitrijevic adds that "the heaviest toll on timing is imposed by licensing and sector approvals, while that burden is similar across all areas in the country. On a specific note, currently we witness some slowing down in registration work in the Federation of Bosnia and Herzegovina, especially in Sarajevo, in comparison to Banja Luka, as a slightly different technical model applies in the respective procedures."

Operationally, starting with the longest-lead jurisdiction and running parallel tracks has become a reliable way to land simultaneous completions. "Differences in registration processes, notarization requirements, sector approvals, and enforcement procedures are part of the Bosnian legal reality," Ibrahimovic says in the end. "However, with proper planning and sequencing, these differences can be managed without jeopardizing deal timelines. Our firm typically initiates workstreams in the jurisdiction expected to require the longest lead time, while aligning other steps in parallel; this method has proven effective in ensuring that even multi-entity closings proceed smoothly and on schedule," he concludes. ●

BOSNIA'S DEAL MACHINE: RENEWABLES, REFORM, RESULTS

By Andrija Djonovic

As Bosnia and Herzegovina advances EU-alignment and energy transition priorities, mandates have broadened across compliance, projects, and cross-border deals. Maric & Co Partner Bojana Bosnjak-London and Sijercic & Partners Senior Partner Nihad Sijercic discuss where the work is coming from, who's investing, what's slowing things down, and how the outlook is shaping up.

EU Rules & Green Power Drive Mandates

Regulatory alignment and renewables topped the agenda, with overall market activity described as one of the busiest in years.

"From our on-the-ground perspective, legal mandates in Bosnia and Herzegovina during 2024-2025 were mostly driven by the country's EU candidate status and the resulting momentum toward regulatory alignment," Sijercic begins. "Legislative developments, particularly in areas such as anti-money laundering, data protection, and financial regulation, significantly increased demand for compliance and advisory services."

Bosnjak-London points to record activity and broad sector drivers. "From our perspective, 2024-2025 has been marked by record levels of activity in Bosnia and Herzegovina. The drivers have been quite varied, ranging from corporate restructurings and market entry transactions to regulatory-driven mandates in energy, infrastructure, and financial services," she says. "Investor interest has been particularly strong across multiple sectors, reflecting both Bosnia's strategic position in the region and a renewed appetite for opportunities in emerging markets."

Hottest Sectors

Energy and infrastructure led the pack, with steady flows across finance, employment, and cross-border corporate work.

"Throughout 2024 and 2025, the legal market in Bosnia and Herzegovina remained consistently active across core practice areas, such as employment law, banking and finance, and cross-border transactions, particularly those involving regional corporate restructurings, M&A, and cross-border capital flows," Sijercic outlines. Among the sector-specific developments, the energy and infrastructure space stood out as a particularly active sector, largely due to a growing wave of investment in renewable energy, especially solar and wind projects. "This generated mandates across project finance, corporate structuring, regulatory compliance, drafting of EPC and O&M contracts, land and property rights resolution, and long-term power purchase agreements. At the same time, Bosnia and Herzegovina's EU candidate status triggered an uptick in compliance-driven mandates, particularly in anti-money laundering and data protection, where firms supported clients not only in understanding new legislation but also in implementing policies, procedures, and audits aligned with EU standards."

Additionally, Bosnjak-London underscores the breadth of active sectors alongside deep regulatory demands. "The most dynamic sectors over the past year have undoubtedly been energy and infrastructure, with a particularly strong focus on renewables. These projects have required extensive regulatory and permitting work, alongside complex project development mandates." Moreover, she highlights real estate and tourism as also having been very active, "especially with cross-border investors looking to capitalize on Bosnia's growth potential. At the same time, financial services and IT/TMT have generated a steady flow of transactional and regulatory work. What stands out is that across all these sectors, clients are seeking support not only on deals and financings, but also on navigating an increasingly sophisticated regulatory landscape, making multi-disciplinary advice essential."

She further notes sectoral revivals tied to geopolitics and industrial legacy. "What stands out in 2024-2025 is the revival of industries tied to the geopolitical context. The defense sector has been expanding, and, perhaps most surprisingly, the metallurgical and mining industries are re-emerging." According to Bosnjak-London, "Bosnia and Herzegovina, historically a metallurgical hub of former Yugoslavia, is rich in iron ore, bauxite, lead, zinc, copper, and more. Recent acquisitions and restructurings highlighted both the scale of Bosnia's mineral wealth and the appetite of international players. Alongside major actors such as ArcelorMittal Zenica and Aluminij Industries from Mostar, these developments are generating significant transactional, regulatory, and project-related mandates."

Furthermore, Bosnjak-London also stresses that tourism and connectivity feature prominently in the current mandate mix. "Tourism is growing at an incredible pace. The airport in Sa-

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Partner,
Maric & Co

Nihad Sijercic,
Senior Partner,
Sijercic & Partners

rajevo is expanding and becoming one of the busiest in the region. It has become a hub for major low-budget companies like Wizz Air and Ryanair that are expanding their network, and competitors are emerging."

Investor Mix

"Investor interest in Bosnia and Herzegovina throughout 2024-2025 has predominantly originated from EU-based entities, reflecting the country's ongoing integration with European markets," Sijercic says. "The United States has also maintained a steady presence, with both private capital and institutional support playing a role over several years in advancing investment and governance-related initiatives. At the same time, Chinese investors have shown growing interest, signaling a trend toward broader diversification in the sources of foreign investment."

Moreover, he indicates that mergers and acquisitions remain the "principal entry route, typically involving established local companies seeking to attract foreign capital or expand their reach beyond domestic borders. These transactions often required comprehensive legal support in due diligence, deal structuring, negotiation, and post-closing integration. In addition to M&A, greenfield investments in energy and infrastructure projects became more frequent, requiring extensive permitting, licensing, and regulatory navigation, as well as advice on optimal investment vehicles and joint venture arrangements."

Friction Points and Signs of Improvement

Administrative fragmentation and uneven practice remain core challenges, though EU-driven reforms and digitization are helping. "Investors frequently encounter slow, inconsistent permitting and approval processes, compounded by significant variation across entities and cantons," Sijercic says. "Complex land and property rights issues further exacerbate delays and legal uncertainties. Moreover, limited transparency and predictability, stemming from overlapping competencies between state, entity, and local authorities, result in uneven application of laws and regulations, undermining investor confidence and complicating strategic planning."

Still, despite these challenges, Sijercic reports that "gradual improvements have been noted in the harmonization of legislation with EU standards, digitalization of certain registries, and targeted reforms in areas such as renewable energy incentives and AML frameworks, which together have helped mitigate some of the traditional obstacles investors face."

Bosnjak-London echoes the regulatory complexity and emphasizes that local guidance can bridge gaps. "Most of the friction points in the economy of Bosnia and Herzegovina emerge from its complex political structure established with the Dayton Peace Agreement. Differing regulations, an abundance of regulatory bodies across entities, and cantonal lines often stifle the local economy and entrepreneurship of foreign investors. This still remains a friction point and a major talking point when discussing investments in Bosnia and Herzegovina. However, with proper, domestic legal help, the issue is easily surmounted."

Forward Momentum Holding

Momentum is expected to hold, with progress hinging on continued reform delivery and governance stability. "The focus on energy transition will remain the cornerstone of legal and investment activity in Bosnia and Herzegovina for the foreseeable future," Sijercic says. "This momentum is driven both by domestic priorities and alignment with EU green policies, which continue to create significant opportunities in renewables and related infrastructure. Investor interest is expected to remain resilient, with the EU continuing to be the primary source of capital. However, the pace of growth will largely depend on the government's capacity to implement meaningful reforms, particularly those aimed at enhancing legal certainty, reducing bureaucratic obstacles, and fostering transparent and stable governance."

According to Sijercic, while challenges persist, the ongoing trend toward modernization, compliance with EU acquis, and deeper integration into European markets provides a cautiously optimistic outlook for Bosnia and Herzegovina's business environment in the near to mid-term."

Finally, Bosnjak-London expects these patterns to endure as fundamentals deepen. "These trends are not short-lived; they are poised to continue shaping Bosnia and Herzegovina's market in the years ahead. With its natural resources, strategic location, and increasingly diverse sectors attracting investment, the outlook remains very strong." ●

MARKET SNAPSHOT: BOSNIA AND HERZEGOVINA

Bosnia & Herzegovina: Are You Really Covered? Real Estate Due Diligence Pitfalls

By Djordje Dimitrijevic, Head of Real Estate, Dimitrijevic & Partners

Investing in real estate in Bosnia and Herzegovina (BH) can be a lucrative opportunity – especially considering its proximity to the European Union (EU), relatively low property prices (compared to more developed EU countries), favorable tax regimes, lower labor costs, and more. However, BH's complex legal and regulatory landscape hides challenges that can quickly turn promising investments into costly liabilities.

One of the most overlooked areas is real estate legal due diligence (RLDD). Investors often assume that a clean land registry extract is sufficient to proceed – but in BH, this is just the tip of the iceberg.

I. Why RLDD in BH Is Different

BH has a highly decentralized legal system, consisting of two entities: the Federation of Bosnia and Herzegovina (FBH) and Republika Srpska (RS), as well as the Brcko District, a self-governing administrative unit (not specifically addressed in this article). Furthermore, the FBH is subdivided into 10 cantons. Each of these administrative units – RS, FBH, and Brcko – has its own set of laws governing property, planning, and construction. The FBH is particularly complex, as responsibilities for planning and construction are split between the FBH and its cantons. Additionally, at the BH level, there are special laws governing "state property" as a *sui generis* category. This fragmentation often leads to legal inconsistency, bureaucratic hurdles, and ultimately, legal uncertainty.

II. Multiple and Outdated Land Records

Real estate in BH – including land, buildings, and industrial facilities – is frequently registered in multiple land records, which are often unsynchronized and outdated. This can result in ownership disputes or delays in closing transactions.

In RS, there is an ongoing reform aimed at establishing a unified land registry system called the Cadastre of Immovables (*katastar nepokretnosti*), which consolidates data on immovables, *in rem* rights, and other rights (e.g., long-term leases, concessions). However, this cadastre is only partially implemented, and in many municipalities, the old and often inconsistent land records are still in use.

In FBH, two main land records are still valid: (1) The Land Book (*Zemljisna knjiga*) – includes information on immovables, *in rem* rights, and some additional rights (e.g., long-term leases, concessions); and (2) The Cadastre (katastar) – includes information on immovables and possessors but does not reflect *in rem* rights.

III. Urban Planning and Construction Status

RLDD often fails to account for the urban development status of the land. Every investor should ask the following key questions:

Are the investor's plans aligned with the applicable planning documentation? For example, if the urban plan allows only residential houses on a particular plot, but the investor wishes to construct a commercial building, a change to the planning documentation would be required – a process that is typically lengthy and may not always be successful.

Are there any ongoing or planned infrastructure projects that could impact the land? Are valid construction and occupancy permits in place? It is not uncommon to encounter buildings that have been used for decades without ever having obtained the required construction and use permits.

IV. Unofficial Users, Informal Rights, and Related Liabilities

Many immovables – especially older buildings – may be used by third parties without any formally registered rights. In addition, leases are not required to be registered in the land records. In fact, only long-term leases (five or more years) are eligible for registration. Generally, the buyer steps into the existing lease agreement as the new landlord. Moreover, the new owner becomes liable for any outstanding obligations tied to the property (e.g., utility bills, taxes related to the immovable, etc.).

V. State Property

Certain immovables are, under mandatory law enacted at the BH level, designated as state property and cannot be used without approval from a special commission at the BH level (e.g., certain forest land, agricultural land, etc.). Ongoing political disputes over the ownership and usage of state property have further complicated access to such assets. These disputes have already hampered significant investment projects, both domestic and foreign.

VI. Conclusion

RLDD in BH requires depth, local expertise, and a proactive approach. Investors who fail to uncover and address these hidden risks may find themselves entangled in lengthy legal battles, regulatory gridlocks, or owning property they cannot legally use. In short: you are only truly covered if you know what to look for – and what to ask. ●

BiH Aligns with GDPR: New Law on Personal Data Protection

By Igor Letica, Head of the Data Protection Department, Law Firm Sajic Banja Luka

In March 2025, Bosnia and Herzegovina adopted its long-awaited *Law on Personal Data Protection*, a piece of legislation that fundamentally reshapes the country's privacy landscape. The law was adopted to bring domestic rules into alignment with the EU's *General Data Protection Regulation* (GDPR) and to ensure a coherent data protection framework across both entities and Brcko District. After a 210-day *vacatio legis*, the law is set to take full effect in October 2025, giving businesses and public authorities a limited time to adapt.

A New Legal Framework

The previous law, dating back to 2006, had long been considered outdated and poorly harmonized with European standards. The new law mirrors the GDPR in structure, principles, and terminology. It introduces the concept of controllers and processors, data subject rights, obligations regarding lawful bases for processing, and a system of oversight by the Personal Data Protection Agency of Bosnia and Herzegovina (DPA).

The law applies to all processing of personal data by both private and public entities established in Bosnia and Herzegovina, as well as to foreign operators targeting Bosnian residents. This extraterritorial effect is a direct import from GDPR, ensuring that companies outside BiH must comply when offering goods or services to individuals in the country.

Lawful Bases and Consent

As in the GDPR, processing of personal data requires a lawful basis. The law explicitly lists contract performance, legal obligations, vital interests, public interest, and legitimate interests as grounds. Consent remains a central basis, but the law clarifies that it must be freely given, specific, informed, and unambiguous. The new framework also introduces stricter requirements for processing sensitive data, such as health information, biometric identifiers, and political or religious affiliations. Here, explicit consent or a narrow statutory exception will be required.

Expanded Data Subject Rights

Data subjects gain significantly enhanced rights under the new law. In addition to access, rectification, and objection rights, individuals can now exercise the right to erasure ("right to be forgotten"), right to data portability, as well as the right to restriction of processing. Controllers must respond to such requests without undue delay and in any event within 30 days, a timeline identical to GDPR.

Obligations for Controllers and Processors

The law imposes a host of compliance duties on controllers and processors. Key among them are: (1) data protection by design and by default, requiring that privacy considerations are embedded into systems and processes from the outset; (2) records of processing activities, which must be maintained and made available to the DPA upon request; (3) data protection impact assessments (DPIAs) for high-risk processing, such as large-scale use of special categories of data or systematic monitoring of public areas; and (4) contracts between controllers and processors, spelling out responsibilities, security measures, and limitations on sub-processing. Additionally, certain entities will need to appoint a Data Protection Officer (DPO), particularly where the core activities involve large-scale monitoring or processing of sensitive data.

Supervisory Authority and Enforcement

The Agency for Personal Data Protection retains its central role as supervisory authority but with significantly enhanced powers. The law equips the agency with investigatory, corrective, and sanctioning powers modeled on the GDPR. Administrative fines are now aligned with European practice: for the most serious breaches, they can be up to approximately EUR 20 million or 4% of the total worldwide annual turnover, whichever is higher.

Transitional Period and Practical Implications

Organizations operating in Bosnia and Herzegovina face a demanding compliance agenda in the months ahead. Steps that will need to be prioritized include: (1) mapping data processing activities and identifying lawful bases, (2) reviewing and updating privacy notices, contracts, and internal policies, (3) establishing procedures for handling data subject requests, (4) implementing technical and organizational security measures, and (5) assessing the need for DPO appointments and conducting DPIAs where applicable. The transitional period until October 2025 is short, and non-compliance will expose businesses to significant financial and reputational risk.

Conclusion

The adoption of the new *Law on Personal Data Protection* marks a decisive step in Bosnia and Herzegovina's integration into the European data protection framework. By closely following the GDPR model, the law strengthens the rights of individuals, modernizes corporate obligations, and equips the supervisory authority with real enforcement power. For companies, it represents both a compliance challenge and an opportunity to build trust with customers and partners in the country. ●

INSIDE INSIGHT: BERIN RIDJANOVIC OF SARAJEVO INTERNATIONAL AIRPORT

By Radu Cotarcea

Reflecting on his path from a fascination with aircraft landings to leading Sarajevo International Airport's legal team, Sarajevo International Airport Head of Legal Berin Ridjanovic discusses the complexities of air law, managing expansion projects, working with external counsel, and navigating EU regulatory alignment.

CEELM: Tell us a bit about your background and the journey that brought you to your current role as Head of Legal at Sarajevo International Airport.

Ridjanovic: My legal career is dedicated to air law, and complementarily to labor and contract law. Regarding air law, it can be said that it all began during a 2007 summer vacation in Santorini, where every day I would go to a cliff that lay along the airplane landing route, and I remember telling myself that I would love to work in aviation-related fields.

My wish came true, and since November 1, 2007, I have been employed at P.C. International Airport Sarajevo LCC, initially assigned to the position of Associate for Air Law and Legal Affairs. A cargo theft incident in the warehouse directed my professional path and interest toward compensation for damages in international air law, leading me to complete my master's degree in 2012 at the Faculty of Law, University of Sarajevo, with a thesis on *Harmonization of Certain Regulations in International Air Transport and the Problem of Compensation for Damages in International Air Law*.

At an international level, in 2014, I obtained an International Air Law diploma from the International Air Transport Association, and, in 2018, I earned a diploma in Airport Management under the Airport Management Professional Accreditation Program, a program designed and organized by the world's largest international civil aviation organization and the leading global airport organization.

I passed the bar exam on February 8, 2010, which is the basis for representing the company in legal proceedings before the courts in Bosnia and Herzegovina. In September 2015 and again in 2019, I was appointed as an independent expert of the European Union Aviation Safety Agency. On December 30, 2020, at the Faculty of Law, University of Sarajevo, I earned the title of Doctor of Legal Sciences by defending my doctoral dissertation titled *Liberalization of Air Transport – The Experience of the European Union and Possible Solutions in Bosnia and Herzegovina*, thereby completing my education in the field of air law.

Currently, I serve as Head of the Legal Affairs and Protocol Department at J.P. International Airport Sarajevo, responsible for matters in the fields of international private and public air law, contract and labor law, as well as representing the company before the competent courts in Bosnia and Herzegovina.

CEELM: When you first moved in-house, especially into the aviation and infrastructure sector, what was the biggest adjustment or surprise for you?

Ridjanovic: My greatest surprise was realizing how little I actually knew, and how much theory and practice differ. In substance, legal knowledge is truly a fusion of theory and practice.

In the field of aviation, completing law school did not mean much initially, as my legal beginnings at the international airport were closely tied to air law and the study of international conventions, such as the *Convention on International Civil Aviation* – the *Chicago Convention of 1944*, along with its accompanying technical annexes, as well as the *Convention for the Unification of Certain Rules for International Carriage by Air* – the *Montreal Convention of 1999*.

Work in both international public and private air law has de-

fined my career so far, ultimately leading me to earn the title of Doctor of Legal Sciences in this field. I have published scholarly articles in the most prestigious journals in these areas, including labor law, and have delivered lectures at leading international conferences.

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

Ridjanovic: The Legal Affairs and Protocol Department consists of 15 employees, including: four legal professionals responsible for legal matters related to procurement, obtaining construction permits, land acquisitions, personal data protection, court representation, drafting normative acts, and preparing contracts in the field of commercial airport services; five human resources staff dealing with recruitment, employee interviews, absenteeism, and other HR-related matters; and five protocol staff managing reception and dispatch, as well as mail distribution.

CEELM: Airports operate in a highly regulated and complex environment. In your experience, what are the legal challenges that are unique to the aviation and infrastructure sector, and how do these differ from the broader challenges faced by general counsel across industries in Bosnia and Herzegovina?

Ridjanovic: The greatest legal challenges are linked to investment cycles involving the expansion of the airport, particularly the reconstruction and extension of the runway, which represents a highly complex legal issue. This also includes related matters such as land acquisitions and obtaining construction permits, given the spatial constraints surrounding the airport.

In addition, challenges in daily work are tied to cooperation with other stakeholders, such as Border Police, air traffic control, customs authorities, and carriers, which provides both a unique professional experience and a significant legal challenge.

CEELM: How do you decide which matters to handle internally and which to outsource, and what is the starting point for you when looking for outside counsel?

Ridjanovic: Regarding legal affairs, the decision to outsource certain tasks was linked primarily to representation and the resolution of complex legal disputes in commercial contracts, particularly those related to long-term leases. Outsourcing was also applied in situations where, in addition to the internal opinion of the Legal Department, the company's management held a different view, in order to obtain confirmation or an alternative, independent legal opinion.

CEELM: In your work with external counsel, have you noticed any shifts in what you need from law firms or in the way those relationships are managed? For instance, are there new expectations, skills, or expertise areas that have become more important in recent years?

Ridjanovic: With regard to the engagement of external firms, there were no changes in terms of skills or additional expertise. In the case of Sarajevo International Airport, the sudden growth in passenger traffic, combined with a shortage of legal staff, created the need to outsource certain tasks – such as representation – and, in some cases, to involve external firms in negotiations aimed at resolving disputes through out-of-court settlements.

CEELM: Looking ahead, are there any regulatory developments or legislative trends in aviation or infrastructure that you're particularly excited about? And on the other side, are there any proposals or changes under discussion that raise concerns for you?

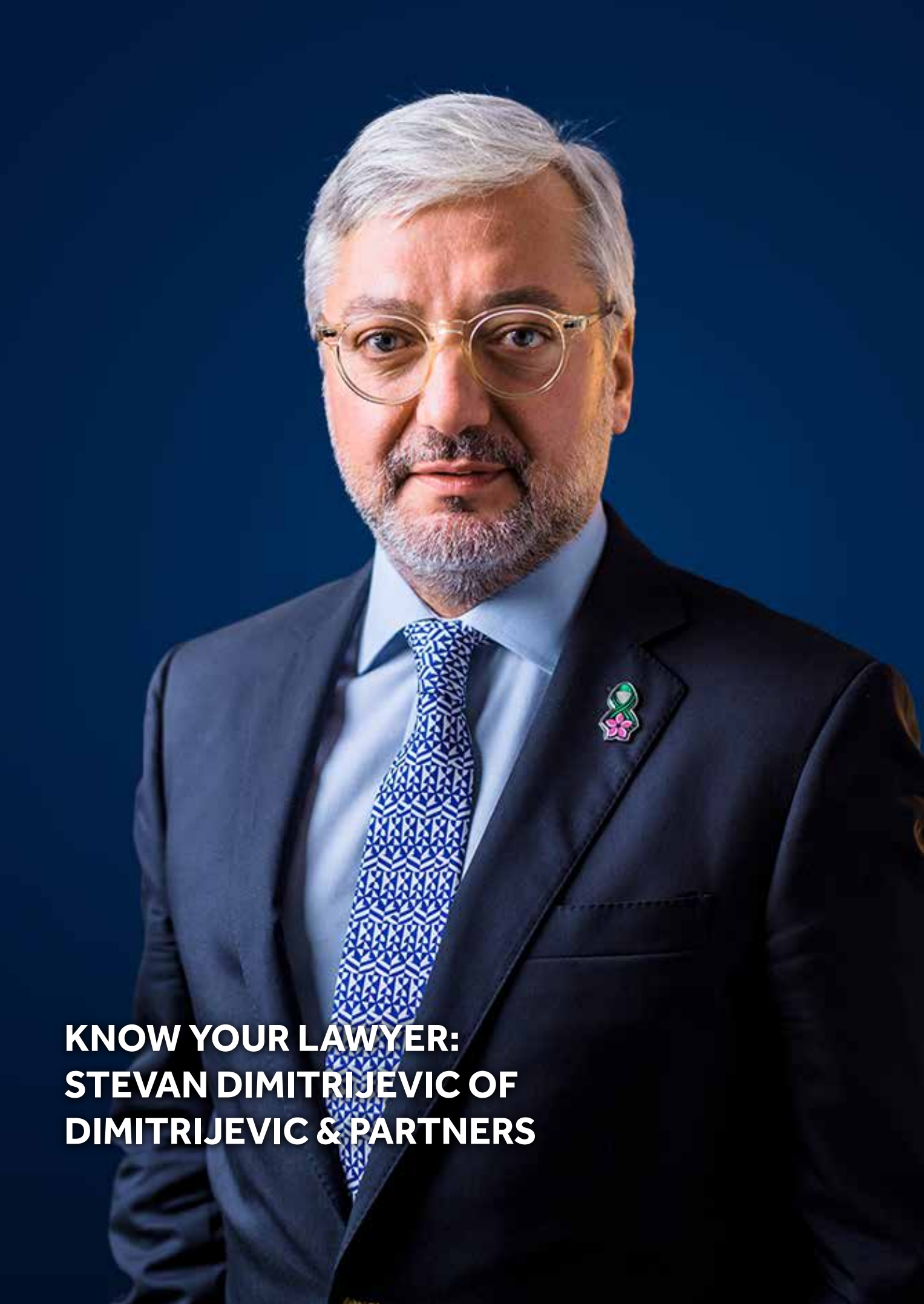
Ridjanovic: The incorporation of European Union regulations into the legal system of Bosnia and Herzegovina, particularly in the area of airport operator certification – *EU Regulation 139/2014*, completed in 2022 – resulted in a new approach to operations. This included the certification of the Training Center for Aviation Security Personnel, as well as the implementation of *Regulation 2016/679 on the protection of personal data* (GDPR), which led to the prioritization of tasks and a strategic focus on meeting data protection requirements, especially in contractual relations with air carriers.

In addition, following the expansion of the terminal building and commercial facilities, Sarajevo International Airport now faces its next major challenge: the reconstruction and expansion of the runway.

CEELM: Finally, what advice would you give to young lawyers who aspire to one day lead the legal function of a large organization?

Ridjanovic: Due to technological innovations, legal affairs are subject to constant change and reorganization, requiring young lawyers to be adaptable and to quickly acquire new knowledge and skills, which can often be stressful. Working in large organizations frequently demands new and rapid solutions, as well as decision-making within short timeframes.

On the other hand, working in large organizations is multidisciplinary, requiring the acquisition of knowledge and understanding of other fields such as economics, construction, and information technology, and at times even the performance of non-legal tasks. While this broadens professional perspectives, it can also create a certain distance from strictly legal work.



KNOW YOUR LAWYER: STEVAN DIMITRIJEVIC OF DIMITRIJEVIC & PARTNERS

Career:

- Dimitrijevic & Partners; Founder/Senior Partner; 2016-present
- Sberbank Banja Luka; Independent Member of the Supervisory Board; 2017-2022
- Karanovic & Nikolic; Partner; 2006-2016
- NLB Razvojna Banka, Banja Luka; General Secretary; 2002-2006
- National Bank of Greece, Belgrade, Serbia; Compliance Officer; 2001-2002
- Agroprom Banka, Banja Luka; Lawyer; 1999-2001

Education:

- University of Belgrade; Ph.D., Private International Law and Investment Arbitration; 2022-present
- University of Banja Luka; LL.M., Faculty of Law; 2020
- University of Belgrade; LL.B., Faculty of Law; 1998

Favorites:

- Out-of-office activity: Running, cooking, sailing
- Quote: Something lawyery: *Nemo plus iuris transferre potest quam ipso habet*
- Book: *The Greeks* by Roderick Beaton
- Movie: *The Diary of Diana Budisavljevic*

Top Projects:

- Representing Bosnia and Herzegovina in an investment arbitration – Usha et al v. Bosnia and Herzegovina, PCA Case 2018-03 (2018-2020) – in a team that succeeded in defending the respondent, with the claim of more than USD 30 million fully rejected and all costs awarded to the state.
- Advising the Chinese Development Bank on the thermo-power plant Stanari development and financing in 2011-2012. This was the first green field project of this kind in the wider region. The transaction was almost blocked due to the local legal system not being set up to the standards for the requirements of foreign creditors.
- Advising Affidea on the ongoing Affidea cancer treatment center PPP. This is the first PPP developed without a special "PPP Law" in place.
- Advising Altima Partners on the privatization of Banja Luka Brewery, including in terms of follow-up assistance between 2006 and 2021.

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

Dimitrijevic: Anything you do for the first time, all pioneering projects would fit into the "most challenging" category. However, one project stands out: the Stanari Thermal Power Plant project. The reason is that we had to navigate a comprehensive line of issues on every aspect of the project. First and foremost, bridging cultural differences between Chinese lawyers and the creditor and local, Bosnia and Herzegovina- and Serbia-based people, either those involved in the operations of the project company or those who were decision makers on the public side that had to accept the implementation of original legal instruments. Next was the set of legal challenges – we had to use all available local law instruments to mix them to obtain new complex cross-border FX instruments that would otherwise be impossible to implement. Last but not least, all that was happening against "due yesterday" deadlines. With the additional pressure of tight timing imposed by the creditor and the time difference with the Chinese partners involved, we ended up working in shifts like real thermal power plant workers.

CEELM: What was your main takeaway from it?

Dimitrijevic: To become a complete professional, a true master of our legal arts, one needs to develop not only legal skills, but also to get to know how to multitask and to navigate through different legal systems, mentalities of private versus public sector officials, and different personalities in general, all with the goal of achieving the desired result for the client in a timely, creative, and legally bulletproof manner.

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

Dimitrijevic: My non-legal creative side – ranging from my cooking to occasionally (still!) performing as a drummer.

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

Dimitrijevic: Djordje Djurisic, one of the Hall of Fame lawyers from Belgrade who practiced business law. I worked closely with him when he assisted the National Bank of Greece in Belgrade, sometimes spending more time in his office than in the bank. It was a very intense and thoughtful introduction to the legal world. Although a sole practitioner, late Djordje Djurisic introduced me to all crucial aspects of both knowledge of business and law, but also of servicing foreign clients. This was a life-changing experience that marked my later career and highly influenced my ambition to become an attorney at law.

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

Dimitrijevic: The same one I received from one of the assistants at the Law Faculty, University of Belgrade, back in time, Milan Parivodic. When asked what is the most practical thing to do to follow an ambition to become a professor (obviously that was my first idea of how I would like to get involved with the law), he advised: "do not wait, simply embrace the first opportunity to work and start getting busy with the law, without waiting for the perfect job to happen." There are no perfect chances or ideal timings for anything in life. It is all up to us to create our world by immersing ourselves in experience and letting life happen, as it opens to us, every day and with every occasion. We just need to open our minds and our hearts. ●

MARKET SPOTLIGHT: GEORGIA

SHAPING THE GEORGIAN LEGAL MARKET: HOW LAW FIRMS HAVE EVOLVED IN GEORGIA

By Teona Gelashvili

For the first time, CEE Legal Matters turns its spotlight on Georgia, examining a market that has changed dramatically over the past three decades. From the early days of small local offices to today's mix of international and domestic players, we look at what has shaped Georgia's legal landscape.

Impact of International Networks on Early Development: 1990s-2000s

"In Georgia, law firms, as we commonly understand them, began to emerge in the second half of the 1990s and took a more defined shape in the early 2000s," BDO Legal Partner Davit Gelashvili begins.

"Law firms in Georgia have evolved alongside the country's political and economic environment," BGI Legal Senior Partner Zaza Bibilashvili adds. "In the early 1990s, Georgia faced significant turmoil and widespread violence, making foreign investment nearly impossible. From the mid-1990s, however, the situation began to stabilize as crime rates declined and civil unrest gave way to a more peaceful development. The *Constitution* was adopted in 1995, and the *Civil Code* followed in 1997. During this period, modern law firms started to emerge, though the industry was still in its early stages."

An important milestone in the development of the professional services sector, according to Bibilashvili, "was the establishment of the Georgian Consulting Group (GCG) in 1995, followed by the creation of its legal branch, GCG Law Office

Davit Gelashvili, Partner, BDO Legal

George Svanadze, Senior Partner, Andersen Georgia

Lika Tsintsabadze, Founding Partner, Nomos

Otar Machaidze, Partner, J&T Consulting

Rati Abashmadze, Managing Partner, PB Services

Vano Gogelia, Head of Legal Practice, PwC

Zaza Bibilashvili, Senior Partner, BGI Legal

in 1996." He adds that "GCG's subsequent affiliation with Arthur Andersen gave us access to a major international network, providing a significant competitive edge for the years to come. However, when Arthur Andersen collapsed in the wake of the Enron scandal, its affiliated firms worldwide were compelled to seek new alliances, and we subsequently joined forces with EY, which extended its network to Georgia." In 2005, "EY decided to withdraw from global legal practice, as its primary focus remained audit, with tax and legal services contributing only a small portion of overall revenues," Bibilashvili emphasizes. "This development led to the establishment of BGI Legal in June 2005, which retained much of the former practice's structure."

Andersen Georgia Senior Partner George Svanadze shares a similar viewpoint. "Initially, the market saw the emergence of the GCG group, which was later affiliated with Arthur Andersen in 1999," he notes. "Arthur Andersen, a major player at the time, faced significant challenges due to the Enron case. This led to the dissolution of Andersen in 2002, and by 2013, Andersen Global was rebranded and established." The legal landscape evolved with GCG's rebranding as EY, Svanadze says,

The entry of Dechert in 2012 disrupted the market, leading to the formation of new firms and significant changes in the competitive landscape. Dechert made a notable impact with successful transactions and representations in international and local disputes and became a key player alongside leading firms in Georgia.

"the law practice of which was later acquired mainly by DLA Piper. The entry of Dechert in 2012 disrupted the market, leading to the formation of new firms and significant changes in the competitive landscape. Dechert made a notable impact with successful transactions and representations in international and local disputes and became a key player alongside leading firms in Georgia."

"Starting from the early 2000s, as far as I know, there was a relatively strong legal practice associated with Arthur Andersen before the Enron scandal," PwC Georgia Head of Legal Practice Vano Gogelia agrees. "After the scandal, the legal practice was split into multiple firms, which eventually formed Tier 1 and Tier 2 firms."

"In 2001-2002, the Georgian Bar Association was formed, which elevated the role of lawyers," Nomos Founding Partner Lika Tsintsabadze adds. "Additionally, most of the current laws were enacted in the early 90s and remain in effect today."

A Rather Saturated Market

In terms of firm profiles, given the reality of the Georgian market, which is relatively small, it is rare for firms to specialize narrowly, J&T Consulting Partner Otar Machaidze notes. "For example, our firm focuses on business law – a broad field in itself – and we do not have a narrow specialization. Due to the limited size of the market, most law firms need to be versatile."

"One notable trend is that many firms try to work with new tech start-ups and offer innovative services tailored to their needs," Machaidze continues. "For newly established firms, especially those without strong networks, it can be challenging to gain the trust of larger clients and secure their business. The market is saturated with firms with over 20 years of practice, and it can take substantial time for a new firm to build a strong presence and reputation in the market."

Recently, Machaidze adds, "there has been a trend where new lawyers, often those with a fresh master's degree, are starting their own firms. I have encountered a few such firms recently, and they tend to operate in different segments or areas of law."

"Many law firms in Georgia strive to establish themselves by representing one of the top 20 companies in the country," PB Services Managing Partner Rati Abashmadze agrees. However, he notes that he found this model less appealing, especially for new law firms, as nearly every major company already has established legal representation. "As a result, we decided to focus on working with relatively smaller companies. Since 2017, our primary focus has been on non-resident clients."

The One-Stop-Shop Pitch

An interesting trend in Georgia, Gelashvili highlights, "is that audit firms frequently offer legal services as well." Abashmadze reports the same thing: "Most firms are full-service and, in addition to legal, offer a range of services like audit, digital transformation, and consultancy. Audit services are particularly profitable and often drive the success of large firms." This, Gelashvili explains, "is driven by several factors, including the absence of initial restrictions on providing both audit and legal services under the same firm, though there are now limitations to prevent conflicts of interest between financial auditing and specific legal services." Another reason is the preference of clients and businesses to receive a comprehensive package of services from a single entity, Gelashvili notes, "ranging from company registration and handling ongoing legal matters to managing accounting services. Consequently, this trend has led to a situation where nearly all auditing firms, whether international or local, also provide legal services, either directly or through a related or subsidiary firm that operates within their structure." However, from the perspective of "developed countries, these entities remain primarily audit companies and are not positioned globally as law firms," Gelashvili adds. "In countries without restrictions, these brands often extend their reach into legal markets."

International Toes in the Georgian Pond

In terms of who's present, Machaidze says that "at this stage, local firms are the dominant players in the market," with the

Regarding traditional international law firms, DLA was initially active in Georgia but later exited the market. The lawyers who operated under DLA then introduced Dentons, which remains the only representative of the top 15 international law firms in the country. Despite this, there are several strong and reputable local law firms in Georgia with a long-standing history, such as BGI, BLC, MKD, GLCC, VBAT, BLB, and Kordzadze Law Office, among others.

Historically, most prominent foreign investors and corporations active in Georgia have been European and American, although in recent years, with the Georgian government's accelerated slide toward authoritarianism and its marked shift in foreign policy priorities, we are seeing a growing presence of Chinese and Middle Eastern actors.

only purely legal international firm operating in Georgia being Dentons. "The Big 4 accounting firms do offer some legal services, but they are primarily focused on broader professional services and are not considered dedicated legal firms."

"Regarding traditional international law firms, DLA was initially active in Georgia but later exited the market," Gelashvili agrees. "The lawyers who operated under DLA then introduced Dentons, which remains the only representative of the top 15 international law firms in the country. Despite this, there are several strong and reputable local law firms in Georgia with a long-standing history, such as BGI, BLC, MKD, GLCC, VBAT, BLB, and Kordzadze Law Office, among others."

"The absence of major Western law firms in Georgia (save for Dentons) means that when these firms express interest in specific transactions or cases in Georgia, often they act in partnership with BGI, as maintaining direct presence is not always economically viable to the largest international law firms due to the size of our market," Bibilashvili highlights.

"DLA Piper left the market around 7-8 years ago, while Dentons acquired its team and remains the only major international law firm as of today," Gogelia adds. "Previously, Dechert, an American firm, and prior to that Dewey & LeBoeuf, were also present for a short period of time, but they have since exited the market, and new firms have taken their place. Additionally, there is a Central Asian regional firm – Grata International that also has a presence in Georgia."

"Starting around 2010-2011, the Big 4 professional services firms began to expand more aggressively into legal services, further changing the landscape," Gogelia continues. "As of now, all four have established their legal practices and have quite varied team sizes, market positions, and profiles."

Svanadze emphasizes that there has been notable movement in the legal market since the Russia-Ukraine war. "Specifically, some Russian and Belarusian law firms have emerged, primarily focusing on the IT and technology sectors," he says. "These firms are trying to establish a presence in Georgia to serve their clients, despite the geopolitical tensions and sanctions that complicate their operations." Svanadze continues to say that "many established global legal groups have distanced themselves from Russian clients due to these sanctions and ethical considerations. As a result, new Russian-Belarusian legal entities have entered the market, although they often operate in a more subdued manner rather than aggressive positioning."

"Historically, most prominent foreign investors and corporations active in Georgia have been European and American, although in recent years, with the Georgian government's accelerated slide toward authoritarianism and its marked shift in foreign policy priorities, we are seeing a growing presence of Chinese and Middle Eastern actors. Also, we are frequently approached by Russian law firms, including some that were formerly part of international networks; however, as a matter of firm policy, we have declined all such engagements since the beginning of Russia's full-scale war on Ukraine," Bibilashvili notes.

Firm Size and Structure

In terms of the size of Georgian firms, "on a global scale, Georgian firms are relatively small, especially when compared to those in countries like Germany or the United States," Tsintsabadze emphasizes. "However, within the region, they are considered medium or large in size."

Several parameters can be used to estimate the size of a law firm, Gelashvili notes, "including income from professional services, the number of professional staff, and the number of clients or cases. However, there is no official rating or source that consolidates this information, which means law firms have been informally assessing each other for years. This is often based on publicly available information, such as the number of employees listed on websites or financial statements submitted to the *SARAS* portal in recent years."

Based on general observations, Gelashvili reports that "the largest law firms in Georgia have incomes ranging from GEL 2-4 million (approximately EUR 600,000 – EUR 1.3 million), with perhaps only one or two firms falling into this category. Next, there are firms with revenues between GEL 1-2 million, which might include up to 10 law firms. In terms of professional staff, the average size is around 8-15 people, although some firms have teams of 20-25 professionals. It is important to note that these numbers refer specifically to professional staff, excluding support personnel like accountants or office managers. However, these observations are very general, and as mentioned, there is no standardized system or source to provide a definitive measurement."

KNOW YOUR LAWYER: SANDRO BIBILASHVILI OF BGI LEGAL

Career:

- BGI Legal; Partner; 2014-present
- BGI Legal; Director; 2011-2013
- BGI Legal; Senior Associate; 2005-2010
- EY Law; Paralegal; 2002-2003
- Congressman Bernie Sanders' Office; Intern; 2001
- Ministry of Foreign Affairs of Georgia; Intern; 1999

Education:

- Duke University School of Law; LL.M.; 2011
- Central European University; LL.M. in International Business Law; 2004
- Tbilisi State University; Diploma in Law; 2003

Favorites:

- Out-of-office activity: Spending time with family and friends, traveling, rafting (former amateur champion of Georgia), playing soccer (member of the Georgian Bar Association team).
- Quote: "In the middle of difficulty lies opportunity" (Albert Einstein)
- Book: *1984* by George Orwell
- Movie: *12 Angry Men*

Top 5 Projects:

- Advising Tempo Beverages – Israel's largest brewer and the country's second-largest beverage company – in acquiring a majority stake in one of Georgia's largest beverage companies.
- Advising multilateral development banks (ADB, EBRD, and IFC) in USD 250 million financing, and subsequent restructuring of financing, of the Shuakhevi hydropower project, the largest hydropower project developed since Georgia's independence.
- Acting as a Georgian law expert in separate litigations before the Bermuda and Singapore Courts, where one of the plaintiffs was Georgia's former Prime Minister suing Credit Suisse entities.
- Advising Tokyo Electric Power Company on acquiring a stake in a Georgian hydropower project – the largest Japanese investment in Georgia's energy sector.
- Acting for the Scotch Whisky Association – a trade organization that represents the Scotch whisky industry – in a number of trademark disputes.

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

Bibilashvili: One of the most challenging projects I worked on was advising a Korean state-owned company on developing a renewable energy project in Georgia in partnership with the Georgian state-owned company. The deal was unprecedented in size and complexity, both for the energy sector and for Georgia's economy, involving multiple international and local stakeholders and regulators. The negotiations spanned diverse legal, commercial, and environmental considerations, from compliance with Georgia's evolving energy regulations (including Georgia's international commitments) to balancing the interests of local communities and global investors. Navigating cross-border legal frameworks while addressing domestic sensitivities required precision, patience, and diplomacy.

CEELM: What was your main takeaway from it?

Bibilashvili: The key lesson I took away is that successful cross-border deals require not just legal expertise but also cultural understanding and trust-building. Legal frameworks can be negotiated, but genuine stakeholder alignment and respect for local contexts are critical to making ambitious projects sustainable. I learned that lawyers, especially in emerging markets, must serve as both legal advisors and bridge-builders between international investors and local realities.

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

Bibilashvili: Most clients are surprised to learn that I am a mediation enthusiast and a certified mediator, having served as a court mediator since 2013. While my primary work involves high-stakes transactions and disputes, mediation has shaped my approach to negotiation, teaching me the importance of empathy, active listening, and creative problem-solving. These skills often allow me to de-escalate conflicts and achieve solutions that go beyond legal positions – focusing instead on sustainable relationships and long-term value for all parties.

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

Bibilashvili: One of the most influential mentors in my career was my professor and former dean of international studies at Duke Law School, where I earned my second LL.M. degree. Her approach to law emphasized intellectual curiosity, ethical integrity, and the responsibility lawyers carry in shaping societies. She encouraged me to think critically not just about legal outcomes, but about their broader human and economic impact. She was an inspirational mentor not only for me, but also for countless international students studying at Duke Law School. She stood by students in moments of difficulty, offering empathy and support, treating each student as part of her own family. Her mentorship gave me the confidence to combine rigorous legal analysis with leadership and vision, qualities that I try to embody in my everyday work.

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

Bibilashvili: Do not rush into getting all the answers. Focus on building strong analytical skills, listening carefully, and asking correct questions. A successful lawyer must not only know the rules but also understand people – first and foremost clients, but also colleagues, and counterparts. Patience and humility are often more powerful than quick solutions. ●

EXPERTS REVIEW: INSOLVENCY/RESTRUCTURING

This issue's Experts Review section focuses on Insolvency/Restructuring. The articles are presented ranked inflation, consumer prices (annual %), according to the World Bank 2024 data. Inflation as measured by the consumer price index reflects the annual percentage change in the cost to the average consumer of acquiring a basket of goods and services that may be fixed or changed at specified intervals, such as yearly. This indicator denotes the percentage change over each previous year of the constant price (base year 2015) series in United States dollars.

Kosovo leads with the lowest annual consumer price inflation at 1.6%, while Ukraine records the highest at 6.5%.

Kosovo: Cross-Border Bankruptcy – A Path Toward International Integration

By Klit Shala, Head of Insolvency & Restructuring, and Erza Arifi, Legal Associate, RPHS Law

The legislative landscape on insolvency in Kosovo has undergone substantial changes with the *Law No. 08/L-256 on Bankruptcy* (Law on Bankruptcy), which, beyond modernizing domestic procedures, regulates cross-border bankruptcy in line with international standards such as the *EU Insolvency Regulation (2015/848)*. Through such changes, Kosovo moves closer toward protecting cross-border assets and creditors, providing for a better climate for further economic development.

Under the Law on Bankruptcy, bankruptcy proceedings may be initiated by a foreign representative and foreign creditors, provided the general conditions for such initiation stipulated by the law are met. In addition to initiating the proceedings, foreign representatives and foreign creditors are also entitled to participate in proceedings already initiated before the Commercial Court of Kosovo. In particular, foreign representatives may participate in bankruptcy proceedings upon recognition of a foreign proceeding. With recognition of foreign proceedings, commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations, or liabilities, and execution against the debtor's assets are stayed. At the same time, the right to transfer, encumber, or otherwise dispose of any assets of the debtor is suspended. However, any action that is requested to be undertaken according to the provisions of the Law on Bankruptcy can be refused if the same is contrary to the public policy of Kosovo (subject to the Commercial Court's discretion).

In cases of domestic and foreign proceedings taking place concurrently regarding the same debtor, the main element to consider is whether the proceeding in Kosovo is taking place at the time of application or after granting recognition of the foreign proceeding. After recognition of the foreign proceedings, domestic proceedings may only be commenced if the debtor has assets in Kosovo. In such a case, proceedings are restricted to those assets. In any case, however, a creditor who has received a partial payment in respect to their claim in a foreign proceeding may not receive a payment for the same claim under the Law on Bankruptcy regarding the same debtor, as long as the payment to other creditors of the same class is proportionally less than the payment the creditor has already received. Furthermore, the fact that foreign proceedings have been initiated against a debtor, should no other evidence prove the contrary, is sufficient to prove that the debtor is insolvent. Therefore, this framework guarantees fairness and coordination between domestic and international actors by preventing inconsistent or duplicative outcomes.

In providing seamless cross-border bankruptcy proceedings, the Law on Bankruptcy provides for cooperation and direct communication between the Commercial Court and foreign courts or foreign representatives. Through its provisions, the Commercial Court is entitled to communicate directly with, or to request information directly from, foreign courts or foreign representatives of the bankruptcy estate. Cooperation is manifested through different means, such as appointment of a responsible person or body to act under the discretion of the Court, communication of information by means considered appropriate by the Court, coordination of the administration and supervision of the debtor's assets and affairs, as well as joint hearings between the Commercial Court and the foreign courts conducted through appropriate electronic means. These collaborative efforts seek to eliminate redundancies, expedite the administrative process, and establish uniformity for creditors in various jurisdictions.

Bankruptcy procedures pursuant to the abrogated law had feasible difficulties with legal and procedural ambiguities. These and other cross-border insolvency provisions represent a significant step toward Kosovo's international integration. For investors and businesses, the Law on Bankruptcy increases predictability in handling assets and creditors across borders, reduces litigation risks, and strengthens Kosovo's attractiveness as a business-friendly jurisdiction.

However, challenges remain. As this topic has been introduced only recently, the judiciary's familiarity with such complex multinational cases is rather limited, impacting the Commercial Court's effective enforcement of these provisions both independently and in cooperation with foreign actors. To address these challenges, Kosovo will need ongoing training for judges and insolvency administrators, as well as the development of secondary regulations clarifying procedural details. In practice, this means that sustained institutional investment and close collaboration with international partners will be essential for building capacity and ensuring effective outcomes.

To conclude, Kosovo's Law on Bankruptcy aligns the country with international insolvency law. By incorporating mechanisms for, *inter alia*, recognition, cooperation, and concurrent proceedings, the law provides a structured framework for cross-border bankruptcy.

Slovenia: Efficiency of Insolvency Proceedings in Slovenia

By Matjaz Ulcar, Managing Partner, and Tija Hladnik, Associate, Cerha Hempel Ulcar & Partnerji

After several relatively calm years, corporate bankruptcies in Slovenia trended upward during 2024 and into 2025. The Statistical Office of the Republic of Slovenia reports that in July 2025, bankruptcies were 60% higher than in July 2024, indicating a clear upward trend.

The numbers underscore why efficiency – shorter timelines, proportionate costs, and realistic creditor recoveries – matters. Some online commentaries have cited an "approximately 90% recovery rate." That figure appears significantly exaggerated. In practice, a significant share of corporate bankruptcies still close without any dividend because the estate is nonexistent or does not even cover case costs, and the *Slovenian Insolvency Act* expressly permits closure without distribution in such circumstances.

Length of Proceedings: The principle of procedural expediency requires courts to act within statutory deadlines and to supervise insolvency administrators, so they do the same. Insolvency matters are prioritized. The rules reflect this: claim-filing deadlines are preclusive; appeals generally do not suspend the effect of court orders; decision deadlines are short; electronic communication is used; and administrators face liability for delay. Publication runs through the Agency of the Republic of Slovenia for Public Legal Records and Related Services' eObjave portal, which functions as the official notice board for insolvency acts and filings. Nevertheless, cases often take too long. The main drivers are litigation over disputed claims, heavy caseloads for courts and administrators handling multiple matters, numerous creditors, and difficulties in selling assets. Recent amendments aim to ease sales: the 2023 package promoted wider use of transparent online auctions to broaden bidder pools and curb collusion – steps in the right direction, but not a full cure for illiquid or encumbered assets.

Too-Late Initiation of Proceedings: Timely proceedings protect creditors and the market from businesses taking on obligations they cannot meet. In recent years, many bankruptcy cases have been creditor-initiated and therefore late, by which time asset values have deteriorated, and creating new value in proceedings is difficult. Management is best placed to act on time. The *Slovenian Insolvency Act* requires management to file without undue delay and, in any event, within one month after insolvency occurs (with a longer period only in exceptional events). Failure can trigger civil exposure and, where warranted, criminal liability. Despite these "sticks," practice shows frequent delays. Comparative experience suggests that measured incentives (e.g., clearly supervised management-retention or turnaround bonuses, safe-harbor protection for early filers, and readily available DIP-style interim financing tools) can encourage earlier, value-preserving filings while respecting creditor safeguards and public policy. Slovenia's framework would benefit from a calibrated debate on this front.

What About Restructuring Proceedings? In 2024, no preventive restructuring proceedings were commenced, and so far in 2025, only one such proceeding has been initiated. Many restructurings continue to occur out of court through tailored agreements between companies and their main creditors, which are often more flexible than formal preventive restructuring. At the beginning of 2025, provisions on a new judicial restructuring procedure to avert imminent insolvency began to apply. It is unlikely, however, that this by itself will dramatically increase in-court restructurings.

Where Is the Problem? Despite repeated amendments, outcomes have changed little because the main obstacles lie in practice rather than on paper. First, enforcement is uneven: sanctions for late filing or administrator delay exist but too often lack bite, so incentives to act promptly remain weak. Second, judicial resources are stretched, which slows scheduling and decision-making even where the rules aim for speed. Third, case economics frequently undermine results: a high share of estates are asset-less or too thin to fund costs, so proceedings close without any distribution. Fourth, debtor behavior persists as a drag – management often defers filing until trading losses have crystallized, by which point value preservation is far harder. The tools – strict deadlines, generally non-suspensive appeals, centralized e-publication, transparent auctions, and contract-stabilization during restructuring – are in place. What is still needed is earlier action by debtors, firmer and faster enforcement by courts and regulators, and sufficient capacity to keep cases moving. Put simply, the framework is there, but making it work hinges on timing, supervision, and resources.

Concluding Assessment: Slovenia's insolvency system has sound design premises for speed and predictability. The 2023-2025 reforms moved the needle, yet the practical efficiency gap persists wherever filings are late and estates are thin. Policy that nudges earlier filing – paired with continued judicial capacity-building and transparent, competitive asset sales – would likely yield more meaningful creditor recoveries than any tweak to statutory text alone. In insolvency, there are only two times that matter: in time and too late. ●

Bulgaria: New Comprehensive Protection for Close-Out Netting Arrangements in Insolvency

By Tsvetan Krumov, Partner, Schoenherr

A comprehensive Bulgarian close-out netting law was promulgated on August 15, 2025. It is structured as an amendment and supplement to the *Financial Collateral Arrangements Act* (Amendment), which transposed the *EU Financial Collateral Directive 2002/47/EC* (FCD) in Bulgaria. To reflect its broader scope, the title of the act was also changed to the *Financial Collateral and Close-out Netting Arrangements Act* (Act).

The initial draft of the Amendment was prepared by experts, including Schoenherr Bulgaria, within an EBRD project, but the final draft reflects the policy views and concerns of the Ministry of Finance, particularly regarding the personal and subject-matter scope of the protection that Bulgarian law should provide to close-out netting.

1. What Protections in Insolvency Will the Amendment Introduce?

Following the Amendment, parties acting within the scope of the Act will be able to terminate their transactions and benefit from the agreed close-out netting mechanism even after the adoption of "reorganization measures" or the commencement of "winding-up proceedings" (both terms defined under the Amendment in line with the FCD), thus effectively overriding any moratoriums or other insolvency law restrictions.

Moreover, certain insolvency avoidance rules will be partially mitigated or displaced with respect to close-out netting.

To benefit from these protections, parties must ensure their arrangements fall within the scope of the Act, meaning: (i) the arrangement meets the statutory definition of "close-out netting provision;" (ii) both parties are eligible under the Act; and (iii) the underlying obligations for which close-out netting applies correspond to the definition for "financial obligations."

The most important scope-related rules for market participants are summarized below.

2. Definition of Close-Out Netting Provision

The same definition of "netting provision" under the Act – which has applied to financial collateral arrangements – will now also apply to the new close-out netting regime introduced by the Amendment. That definition, in turn, substantially follows the wording of Art. 2(1)(n) FCD. We believe it is sufficiently broad to cover both mechanisms where "values" of terminated transactions are compared to calculate close-out amounts under the ISDA Master Agreements, as well as classic set-off mechanisms with respect to obligations that have become due prior to termination (e.g., unpaid amounts under the ISDA Master Agreements or obligations under GMRA repurchase or GMSLA securities lending transactions).

3. Subject-Matter Scope of the Act

The Act employs the linguistically identical term "financial obligations" to denote both the obligations secured by financial collateral (Collateral Financial Obligations) and the obligations for which close-out netting applies (Netting Financial Obligations). Since these terms' definitions differ significantly, the two key concepts under the Act have a notably different subject-matter scope.

The definition of Collateral Financial Obligations under the Act, following Art. 2(1)(f) FCD, employs a functional approach, referring to obligations that may be settled by cash payment or delivery of certain financial instruments. This functional description covers a broad range of transactions, provided they can be executed in the prescribed manner.

Conversely, the definition of Netting Financial Obligations covers obligations under a limited number of specific transactions. These include all derivatives transactions and certain other financial instruments under the *EU MiFID Directive 2014/65/EU* (MiFID), as transposed in Bulgaria.

4. Personal Scope of the Act

Following the Amendment, the Act now also has two separate sets of rules for the eligible counterparties (personal scope) – one for financial collateral arrangements and another for close-out netting arrangements.

The personal scope for financial collateral arrangements covers all specific sovereign and financial entities listed in Art. 1(2)(a–d) FCD, slightly expanding that list (Professional Counterparties). In the most hotly debated amendment, it was explicitly clarified that other entities having the characteristics of Professional Counterparties as per the Act's statutory list under the law of a "foreign state," i.e., including non-EEA states, are eligible. Furthermore, other "legal persons" are eligible if they deal with any of the Professional Counterparties.

The personal scope for close-out netting arrangements mirrors the personal scope for financial collateral arrangements, excluding certain entities from the list of Professional Counterparties but adding several others, most notably persons allowed by law to deal in eligible Netting Financial Obligations. As the latter term is defined by reference to MiFID financial instruments, the MiFID rules regarding who is eligible to deal in MiFID financial instruments – including exceptions allowing dealings without a license – should be primarily considered. ●

Czech Republic: Transforming the Insolvency Framework with Landmark Reforms

By Jan Varecha, Associate Partner, PRK

In the past two years, the Czech Republic has undergone the most significant transformation of its insolvency and restructuring framework since 2006. The recent changes fundamentally alter options for businesses, individuals, and creditors on how to navigate financial distress to align with EU requirements, prioritizing preventive solutions as well as practical market needs; in particular, as a reaction to the increasing number of individuals falling into a debt spiral.

The most dramatic change in personal insolvencies came into effect on October 1, 2024, when *Amendment 252/2024 to the Czech Insolvency Act* shortened the personal bankruptcy debt relief period, reduced debt satisfaction thresholds, and introduced a number of other changes. This represents a philosophical shift toward faster debt relief, aligning Czech insolvency law with general trends favoring debtor rehabilitation.

Previously, Czech law distinguished between (i) a standard five-year debt relief period and (ii) an exceptional three-year period only available under specific conditions. The new framework eliminated these exceptions and created a uniform three-year debt relief period in combination with more flexible minimum debt repayment requirements now set by insolvency courts rather than fixed by law. The changes also added new information duties for debtors.

Significant changes were also introduced regarding corporate distress, particularly the Czech Republic's adoption of the *Preventive Restructuring Act* (effective September 23, 2023). Unlike formal insolvency proceedings that are public and often stigmatizing, preventive restructuring prioritizes private negotiation between debtors (entrepreneurs) and their key creditors. The aim is to help entrepreneurs preserve their business and avoid insolvency without harming their business relationships and reputation.

To access preventive restructuring, entrepreneurs must demonstrate a good-faith belief in their ability to revive their business upon implementing the agreed restructuring measures. On the other hand, preventive restructuring is not available to entrepreneurs who are already insolvent, which underlines the preventive nature of this process.

While the legislation offers new options for dealing with financial distress, challenges persist, in particular in the tax treatment of certain preventive restructuring measures. Unlike formal insolvency proceedings, debt relief in preventive restructuring could result in taxable income for debtors. The logic behind this tax treatment was to ensure that the institution of preventive restructuring is not abused. However, it also creates a significant tax obstacle that may undermine the future use of preventive restructuring tools in practice.

In addition, the anticipated public restructuring registry remains non-functional, requiring practitioners to search individual court records for case information.

Market data suggests the aforementioned legislative changes address real needs in the Czech economy and have already affected the number of insolvency proceedings. The recent statistics published by InsolCentrum, a company analyzing insolvency data in the Czech Republic, show significant growth across all types of insolvency proceedings.

During the first quarter of 2025, insolvency filings in general jumped up by 11.85% year on year, while the number of individuals receiving debt relief increased by 11.6% to 12,049. However, experts had expected a massive influx into the new three-year debt relief proceedings, and the actual increase has been more moderate than anticipated. Corporate bankruptcies also rose to 368 cases, representing an 11.85% increase compared with the first quarter of 2024.

Sector analysis further reveals that retail, manufacturing, and construction faced the greatest pressure, while the education, healthcare, and personal services sectors remained relatively stable.

These patterns reflect not only the above-described legislative changes, but also broader economic challenges such as corporate lending growth and increased default rates on existing loans.

Looking forward, the success of the recent reforms will depend not only on the quality of the relevant legislation, but also on the cultural acceptance of the new rules. The shortened personal debt relief periods create a more socially conscious approach to cases where individuals come into financial distress. While supporters argue that faster economic reintegration of debtors benefits society overall, critics worry that easier debt relief might encourage a "moral hazard."

The preventive restructuring framework similarly attempts to balance the needs of debtors with creditor protection through a flexible and less formal process with limited court oversight. However, the efficient use of preventive restructuring anticipates proactive management and early intervention, and Czech businesses are traditionally very passive when facing financial difficulties. The reluctance to adopt early restructuring measures then often leads to situations where insolvency becomes inevitable. A significant shift in general business culture will therefore be required to fully benefit from the new legal framework.

Slovakia: Winter Is Coming – Is the Country's Insolvency Framework Prepared?

By Radovan Pala, Partner, Taylor Wessing

The Slovak economy is facing a difficult period. With public finances under pressure and the government pursuing consolidation, the investment climate is deteriorating. Foreign direct investment has slowed significantly, with Slovakia not being regionally competitive anymore. Globally, geopolitical tensions, disrupted supply chains, and energy volatility have left businesses struggling to adapt. These macroeconomic headwinds are now translating into sectoral distress. Slovakia's automotive industry, which forms the backbone of Slovak industrial output and employment, is highly exposed to the global trends, declining demand, overcapacity, and cost pressures. At the same time, retail, transportation, construction, and energy are showing signs of strain. Insolvencies of Slovak businesses are likely to rise in both number and complexity. In my view, the Slovak insolvency framework, unfortunately, is not fit to effectively absorb these developments.

The Slovak insolvency law has traditionally developed through a chain of reactive rather than strategic amendments. Instead of following a reform roadmap, changes have usually been triggered by failures of the system and subsequent public outcry – as in the Vahostav case of 2016 – or by the pressure of stakeholders, particularly banks. The pattern of addressing symptoms means that despite numerous amendments, the system remains beset by inefficiencies.

The causes are largely structural. Courts are generally overloaded, but the direct source of delay lies in the disputes that arise within insolvency itself. Ownership contests over assets frequently block their sale, while disputes over the claims can freeze the distribution of proceeds from liquidated assets. This leads to a negative paradox of the system: the more significant an insolvency is – measured by the value of assets that could be swiftly returned to the economy – the more disputes it generates and the longer it drags on, with precisely the most important cases often producing the least efficient outcomes.

A fundamental design flaw also lies in the existence of two distinct proceedings: bankruptcy and restructuring. Unlike systems that use a single "insolvency track" which can flexibly move toward liquidation or restructuring depending on circumstances, in Slovakia, restructuring is formally a distinct procedure that is often filed for by debtors only to gain time before bankruptcy is declared. This duality leads to delays at a crucial time and places unnecessary burdens on creditors who have to register their claims repeatedly.

Digitalization has brought only modest improvements. While an insolvency register is publicly available and electronic filings are mostly mandatory, systems have been fragmented and poorly integrated. Communication with trustees and courts has relied heavily on outdated methods. Therefore, high expectations of substantially enhanced transparency and efficiency relate to the commencement of operation of a new centrally managed Insolvency Register that unifies all pre-insolvency, insolvency, and liquidation proceedings into one online platform. Its introduction was repeatedly postponed and will now finally become operative as of October 1, 2025.

A further weakness is the lack of tools to keep companies operating at the outset of bankruptcy and to swiftly sell them as going concerns. This prevents the emergence of a genuine distressed assets buyers' market. A chance to change this is the planned EU regulation on pre-packaged sales – Slovakia will face the task of implementing pre-pack mechanisms.

The overall design of the insolvency proceedings prevents the system from fulfilling one of its most important, yet often underestimated, functions: to recycle economic assets back into productive use. Assets often remain "locked" for years in insolvency estates, immobilized by disputes and procedural bottlenecks.

Against this backdrop, the government has prepared an amendment to the *Slovak Act on Bankruptcy and Restructuring*. The bill has been passed by parliament and will take effect on October 1, 2025. The adopted changes focus on reducing some administrative burdens, for instance, by removing requirements for notarized signatures. They also refine legal provisions on penalties for late filing for bankruptcy and somewhat ease the initiation of bankruptcy proceedings by creditors. Adjustments are foreseen in the rules governing creditors' committees. The amendment also seeks to facilitate conversions from restructuring to bankruptcy.

These measures can reduce some friction in daily practice, yet they do not address the structural flaws. The amendment provides several tweaks, in line with the tradition of reactive legislation. Without doubt, the new Insolvency Register will bring more important positive practical consequences but does not address design flaws of the regulation.

A surge of distressed companies will soon strain the framework, which, while functioning formally, will not deliver optimal results. The coming economic "winter" will expose the absence of real reform that is necessary for the insolvency system to be able to mitigate rather than amplify economic shocks.

Austria: How Management Should React When a Company Faces Bankruptcy

By Jasna Zwitter-Tehovnik, Partner, DLA Piper

Austria is currently experiencing its longest recession since World War II. Both external factors, meaning volatile energy prices, geopolitical tensions, as well as trade uncertainties, and internal causes, primarily the absence of a federalism reform, high part-time employment, early retirement, and a significant part of the population being net beneficiaries of the welfare system, have led to this structural decline. A significant concern is the deindustrialization of Austria's economy, which has resulted in a major increase in insolvencies and restructurings.

Legal Triggers for Crisis Recognition

While business crises can be broadly defined, legal crises are governed by specific criteria under Austrian law.

These include: (a) the loss of half the share capital; (b) an equity ratio below 8%; (c) a fictitious debt repayment period exceeding 15 years; (d) over-indebtedness; and (e) the inability to pay due debts.

Various legal consequences are derived from these criteria – e.g., if half of the share or nominal capital is lost, the managing directors/the management board are obliged to convene a general meeting. The purpose of the law is to ensure that shareholders are informed at an early stage and can take countermeasures. A highly critical situation cannot (yet) be said to exist if there is positive equity, but such a "light" crisis can worsen in a very short period if the causes are not remedied.

Another legal trigger for action is the threshold values for the equity ratio and fictitious debt repayment period, where key legal consequences are attached to the cumulative excess/shortfall of the two criteria, namely a crisis within the meaning of the *Equity Substitution Act* and the concept of likely insolvency within the meaning of the *Restructuring Ordinance*, and a duty of the auditor to speak.

The most important concepts in terms of their legal consequences are over-indebtedness under insolvency law and the inability to pay. Over-indebtedness is relevant under insolvency law if the assets valued at liquidation value are insufficient to meet creditor claims and the going concern prognosis is negative. If inability to pay and/or over-indebtedness have occurred, the debtor must file for insolvency immediately, but within 60 days at the latest.

Accordingly, it is of utmost importance that the early detection of crises by the management works. This is part of corporate management and requires appropriate support from operational and strategic early warning systems and the involvement of external consultants, including legal advisors, to examine the legal feasibility of possible restructuring measures, particularly due to the frequent need to act quickly.

Early Detection and Management Responsibilities

Therefore, early detection is essential. Management must implement strategic and operational early warning systems to identify financial distress promptly.

Effective crisis management often requires external advisors, including legal experts, to assess the feasibility of restructuring measures. Directors face increased liability during insolvency, including civil, tax, social security, and criminal consequences.

Proactive Communication with Stakeholders

One of the most important actions is early and proactive communication, especially with lenders. Delayed notification can trigger defaults under financing agreements, worsening the situation. A well-prepared crisis team and transparent communication can help resolve issues in an out-of-court restructuring, avoiding formal insolvency proceedings.

Legal Complexities in Restructuring

Restructuring often involves complex legal questions, particularly regarding rescue financing. For example, when companies receive loans to maintain operations during restructuring, it's crucial to determine whether these funds are treated as debt or equity, whether they are protected from clawback, and under what conditions they can be repaid. These issues become critical if the restructuring fails and leads to a subsequent insolvency.

EU-Level Developments and Harmonization Needs

At the European level, efforts are underway to further harmonize restructuring and insolvency laws in certain aspects. However, progress is limited and fragmented. Currently, there is no unified insolvency law for corporate groups, meaning each entity within a group must undergo separate proceedings. A group-wide insolvency framework would streamline processes and reduce complexity.

The EU's latest reform proposal includes harmonization in seven areas, such as clawback rules, asset tracing, and pre-packaged sales procedures. However, the concept of group insolvency is notably absent from the proposal, despite its potential to significantly improve cross-border insolvency handling.

Conclusion: What Management Should Do

Management must act early, professionally, and transparently when facing financial distress. Legal obligations kick in before insolvency occurs, and failure to comply can result in severe consequences. The key is to recognize warning signs, seek expert advice, and communicate proactively with stakeholders, especially financial institutions. ●

Montenegro: From Bankruptcy Workarounds to Forced Liquidation – A New Era for Inactive Companies

By Lana Vukmirovic Misic, Senior Partner, and Dajana Drljevic, Associate, JPM & Partners

For years, Montenegrin insolvency practice has been facing a recurring problem: companies that would stop performing their business activities and fail to submit annual financial statements to the tax administration could not conduct a liquidation process. These companies were effectively blocked from liquidation unless they could demonstrate that all tax obligations had been settled. In practice, this was unattainable because the tax administration treated missing statements as evidence of possible outstanding liabilities and debts.

A related issue often seen in practice involves a company whose executive director, as a foreigner, is appointed but never obtains a residence and work permit. Thus, an employment relationship was not established. Even though such an employee could not be formally employed, the tax administration often imputes liabilities without a formal basis and considers that taxes and contributions should be paid. While no financial statements were filed, such entities have no way of proving compliance, and liquidation could not proceed.

During our experience, we turned to a workaround – bankruptcy. Founders would file a proposal to open bankruptcy proceedings under the *Bankruptcy Law*, citing the company's inability to continue operating the business. The process, while procedurally straightforward, remained largely artificial in nature: the founder pays a court fee of EUR 560, usually one or two hearings are held, and no creditors appear, including the tax authority. In most cases, the judge closes the case within a few months. This allows companies to exit the market but places an unnecessary burden on the Commercial Court, which becomes clogged with cases that are not genuine bankruptcies.

The cause is structural. The tax administration could not file for bankruptcy under Article 12 of the *Bankruptcy Law* unless insolvency grounds were met and proven – permanent inability to pay or over-indebtedness. Even if such grounds existed, the same EUR 560 court fee applied, discouraging the authority from acting.

This is supposed to change with the new *Companies Law* entering into force on January 1, 2026. It introduces forced liquidation as a streamlined alternative. Under Article 622, if a company fails to submit annual reports for two consecutive years, the tax administration notifies the Central Registry of Business Entities (CRBE). The CRBE then initiates liquidation and publishes a decision to start the forced liquidation, starting the notice period.

During the forced liquidation, the company's scope of action is narrow. It may complete existing contracts, pay debts, and fulfil obligations toward employees, but it cannot take on new business, distribute dividends, or amend registration details. All judicial and administrative proceedings against it are suspended. If bankruptcy is initiated, liquidation is stopped; if bankruptcy fails or is withdrawn, liquidation resumes. This creates a direct link between the two regimes: liquidation provides an administrative solution for non-compliant companies, while bankruptcy remains available for collective creditor satisfaction.

After the notice period, which is 30 days from delivering the decision to the company or publishing the decision on the website of the CRBE – whichever is later, the CRBE deletes the entity from the registry. Any remaining assets transfer to members in proportion to their ownership, who then assume liability up to the value received. Creditors may pursue claims directly against members, but only for three years after deletion.

The new regime promises greater efficiency. It resolves the long-standing stalemate and offers predictability. Still, it is not without open questions. Unlike bankruptcy, which consolidates creditor claims into a single proceeding, forced liquidation fragments enforcement. Creditors may need to pursue lawsuits individually, raising the possibility of more scattered litigation. Thus, while courts will be spared from certain bankruptcies, they may face a different type of caseload. This could also lead to uncertainty in the collection of creditors' claims and the unsustainability of the principle of economy. A gap also appears in the question of how and who transfers ownership from the liquidated company to the founders.

By introducing this procedure, Montenegro is making a decisive step toward modernizing its corporate framework. It is transitioning from reliance on court-driven bankruptcies to an administrative model designed for efficiency. While further refinement will be needed to ensure full creditor protection and procedural clarity, the introduction of forced liquidation marks a pivotal step toward a more transparent and efficient Montenegrin business environment, aligning it with broader European trends. ●

Hungary: Trends Reshaping the Restructuring Landscape

By Mark Seres, Restructuring Service Stream Leader, and Zoltan Fabok, Special Counsel, DLA Piper Hungary

The European insolvency landscape is undergoing a period of intense transformation, driven by EU-level legislative initiatives and national responses to disruptions – most notably the COVID-19 pandemic and the war in Ukraine.

The first milestone of this shift is *Directive (EU) 2019/1023 on preventive restructuring frameworks*, which requires Member States to provide financially distressed companies with access to restructuring tools that enable continued operations during negotiations with creditors. As of mid-2025, most Member States have implemented the directive, though the scope and ambition of national transpositions vary significantly. Countries such as Germany and the Netherlands have adopted comprehensive regimes (*StaRUG*, *WHOA*). Hungary was among the early adopters, introducing restructuring proceedings accessible to all domestic companies (*Szat.*).

In response to the pandemic and geopolitical tensions, governments across Europe enacted temporary measures – such as suspensions of insolvency filings, moratoria on creditor actions, and extensions of procedural deadlines – to prevent mass bankruptcies of otherwise viable businesses. Hungary followed this approach by implementing special laws that provided temporary relief from enforcement actions and extended procedural timelines.

Market forecasts indicate a continued rise in corporate restructuring activity across Europe in the second half of 2025. However, the pace and volume of cases are likely to vary across sectors and regions in the EU, reflecting differences in industrial specialization, levels of global integration, and stages of economic development.

Hungarian Developments

The Hungarian Government has taken a strategic step with *Government Decision 1824/2024.* (*IX. 19.*), officially launching the development of a new insolvency framework aimed at modernization and alignment with EU standards and market expectations. The draft legislation is currently in progress and is expected to introduce, inter alia, a new concept of consolidated insolvency regime (including both reorganization- and liquidation-type proceedings), new restructuring tools for viable businesses, going-concern sale mechanisms, and enhanced responsibilities for managers and shareholders.

In recent years, Hungary has also implemented temporary insolvency measures to address economic challenges. These included innovative regimes (for example, *Gov. Decree 129/2023.* (*IV. 17.*)) allowing court-appointed liquidators to transfer valuable business units and assets into newly established entities, which could then be sold via competitive bidding, while preserving the "good" parts of the business and maximizing creditor recovery.

Most recently, the Hungarian government has also adopted a temporary special law (*Gov. Decree 252/2025. (VIII. 7.)*) with regard to a unique situation, reintroducing the reorganization procedure originally launched during the COVID-19 crisis (and available until the end of 2024). Generally, it allows for a confidential procedure in special cases to avoid reputational damage, allowing the companies to be sold as going concerns, potentially with interim financing similar to the EU's planned pre-pack mechanism, with the appointment of the state liquidator as administrator. Importantly, this procedure is only available in exceptional cases, requiring the government to designate the company as strategically important.

These developments reflect an emerging trend in Hungary, where lawmakers increasingly recognize the value of early-stage restructuring tools for preserving viable or strategic businesses. It is anticipated that the forthcoming insolvency legislation will introduce permanent mechanisms to support such objectives.

EU Level Developments

On December 7, 2022, the European Commission published a proposal (*COM (2022) 702 final*) for a directive aimed at harmonizing targeted aspects of insolvency law across the EU. This initiative is part of the broader Capital Markets Union strategy and seeks to address fragmentation in national insolvency regimes that hinder cross-border investment and reduce recovery rates. The directive focuses on minimum harmonization of core insolvency procedures rather than pre-insolvency or discharge mechanisms. Once adopted, Hungary will be required to transpose the directive, likely necessitating amendments to its insolvency code, particularly in areas such as directors' duties to file, avoidance actions, and procedural rules.

Furthermore, the *28th regime* concept is in development as well. It is a theoretical model for optional EU-wide legal frameworks that could offer a uniform, opt-in insolvency regime for cross-border businesses, reducing compliance costs and legal uncertainty. If implemented, Hungarian companies would be able to benefit from this regime.

Finally, the *Recast European Insolvency Regulation (Regulation 2015/848)* is scheduled for review in 2027. While Hungary has implemented the regulation, challenges remain, especially in applying group coordination mechanisms, ensuring procedural efficiency in cross-border cases, and improving transparency and asset tracing.

Moldova: Accelerated Restructuring – Between Opportunities and Risks

By Valeriu Cernei, Partner, Head of Dispute Resolution, Gladei & Partners

Moldova's Insolvency Law (No. 149/2012) provides for two categories of procedures that could apply to debtors facing financial distress: the bankruptcy procedure (including the simplified bankruptcy) and the restructuring procedure (including the accelerated restructuring). In 2020, the accelerated restructuring procedure was redesigned to make it more accessible for companies. Rather than facing the insolvency court within a formal and complex process, a company can quickly negotiate with its main creditors a restructuring plan aimed at preserving the business and paying creditors at least part of their claims. A modernized framework is intended to provide a second chance but carries the risk of being misused for opportunistic purposes.

Although regulated by the *Insolvency Law*, the accelerated restructuring may apply to companies that are not yet insolvent but are facing serious financial distress. To start the process, the company must file a notice with the insolvency court on the initiation of negotiations with the creditors. Once all the formal requirements of the notice are met, the court must quickly (three business days) uphold it and suspend all the debt collection processes for up to two months. It gives a window for calm negotiations and, therefore, an opportunity for a positive outcome.

The company negotiates only with those creditors who are to be affected (to receive delayed or partial payments), while the creditors settled in a timely manner are not involved in negotiations. If an agreement is reached, the company submits the proposed plan for court approval. Based on the proof filed by the company, the court verifies whether the main (affected) creditors have consented to the plan, and all the others will be duly and timely paid. If yes, the court formally starts the accelerated restructuring procedure.

Following the commencement of the process, the creditors' claims are checked by the court in an expedited manner and grouped into four categories. Thereafter, the majority of the affected creditors approve the proposed plan, which is subsequently confirmed by the court. This is the moment when the accelerated restructuring ends and the company proceeds with implementing the plan under supervision.

The accelerated restructuring allows, therefore, an early intervention through a negotiation-based mechanism, where the interaction with the insolvency court is kept to a minimum and essentially limited to formally endorsing the arrangements previously agreed upon. This implies several advantages over the classic insolvency procedure, as the process is significantly faster while the company remains operational, so it protects jobs and customer relationships.

The practice of recent years has revealed, however, that the potential of the accelerated restructuring can also be misused. This may typically take the form of delaying tactics, unrealistic restructuring plans, or even a purely artificial process. Some companies may use the negotiation window as a breathing space, without any real purpose of restructuring. Similar delaying tactics may be exploited in court, where the procedures intended to be swift are unduly delayed as a result of the abuse of procedural rights, expressed in numerous formal motions filed only to prevent the process from moving forward. Such artificial maintenance of a *status quo* intended to be provisional may be quite convenient for the companies seeking to avoid addressing their financial distress.

An unfeasible restructuring plan may likewise pose significant risks, particularly when the companies lack a full understanding of their ability to recover from financial distress. Similarly, disadvantaging some creditors through the restructuring plans (for example, secured creditors by using collateral without providing proper safeguards) may trigger several contestations and, thus, the risk of an unsuccessful restructuring. Last but not least, some companies may collaborate with affiliated parties to create (through temporary admitted or minor claims) an artificial balance among the creditors in favor of the debtor company. It would allow the latter to secure an irreversible court approval, despite the opposition of the genuine creditors.

Given that the above risks are acknowledged by both Moldovan practitioners and authorities, continuous efforts are made to prevent bad-faith use of the accelerated restructuring procedure. It involves several measures, such as the creation of mechanisms allowing the timely exclusion of doubtful creditors, as well as strengthening the protection of genuine creditors and the court's powers to prevent further procedural abuse.

The accelerated restructuring offers a valuable opportunity to revive the business, but its success depends largely on the ability to restructure the activity and on the integrity with which this restructuring is carried out. Looking ahead, this process will undoubtedly evolve based on the acquired experience, aligning with EU standards on preventive restructuring, which Moldova aims to follow. ●

Serbia: Where Did the Assets Go? Asset Tracing Tools in Serbian Insolvency Practice

By Ivan Todorovic, Partner, PR Legal

While recoveries in Serbian insolvency proceedings vary, many cases deliver only partial satisfaction to creditors, highlighting the importance of effective asset tracing. One key reason is that assets are hidden, diverted, or transferred to related parties in the critical months before insolvency.

The following overview draws on Serbian legislation and practice and is intended as a practical guide for fellow practitioners.

Legal Framework and Roles

The *Serbian Bankruptcy Law* defines the composition of the estate, the debtor's duties, avoidance actions, and interim measures. The insolvency administrator is the main driver of tracing efforts, under the supervision of the court and with input from the creditors' committee. Transactions that prejudice creditors can be challenged within statutory "look-back" periods. These vary by type of transaction and the relationship between the debtor and counterparties, with stricter rules applying to related parties. Proof typically requires a mix of documents and circumstantial evidence, such as timing, secrecy, or lack of consideration.

Data Sources that Work in Practice

Serbia offers a range of official registers and databases that can provide early leads. The Business Registers Agency contains company histories, director changes, pledges over movables, and the *Beneficial Ownership Register*, all of which can help identify hidden links and encumbrances. The *Real Estate Cadastre* reveals current and historical ownership of real property, together with mortgages and annotations, and often uncovers suspicious transfers made shortly before filing. The *Central Securities Depository* shows securities holdings and transfers – a source that is frequently overlooked but increasingly relevant. The National Bank of Serbia maintains a registry of all bank accounts, enabling administrators to track accounts across different banks. Finally, the tax authority and customs provide VAT records, e-invoicing data, and customs declarations, which can expose under-invoicing or the disappearance of stock. These sources are often underused, but cross-referencing them can quickly map out the debtor's real footprint.

Practical Tools Inside Proceedings

Once insolvency is opened, the debtor is obliged to deliver books, records, and digital access. Administrators should insist on early compliance and, if necessary, seek court orders and sanctions. Interim measures are available to freeze bank accounts and to annotate ownership in the *Real Estate Cadastre* or pledge registers. Early use of such measures prevents dissipation of assets during proceedings.

Examinations of former directors, accountants, and auditors can reveal inconsistencies and hidden dealings. In practice, recording and following up immediately with document requests increases effectiveness.

Digital records matter increasingly. Securing backups of accounting systems, emails, and cloud storage can preserve crucial evidence before it is "lost."

Avoidance Actions that Deliver

Avoidance actions are the most visible weapon for recovering value. In Serbian practice, the most common patterns include preferences given to select creditors in the months before filing, transfers to related parties at under-value, often disguised as loans or asset sales, and sham transactions that lack any genuine commercial logic. Success depends on combining documentary proof with circumstantial indicators such as timing, secrecy, or lack of market valuation. Strict limitation deadlines mean administrators must act quickly. Remedies include unwinding the transaction, restitution into the estate, or damages where return in kind is impossible.

Cross-Border and Modern Challenges

Many Serbian debtors operate across borders, and assets are often shifted abroad. Beneficial ownership records and payment trails are the starting point for identifying foreign accounts or counterparties. Cross-border cooperation is possible through bilateral treaties and letters rogatory, though slow. In practice, Serbian administrators often need to coordinate with foreign counsel to obtain mirror freezes in other jurisdictions. These practices are easier if both Serbia and the other country have adopted the *UNCITRAL Model Law on Cross-Border Insolvency*.

Emerging challenges include crypto-assets and value moved through digital platforms. Administrators should not ignore them simply because they sit outside traditional registries.

Cost-Benefit and Governance

Tracing and clawback actions must be cost-effective. Administrators should present creditors with a clear plan, mapping traced assets, estimated values, procedural steps, and expected costs. Regular reporting to the creditors' committee builds trust and increases willingness to fund aggressive tracing efforts.

Conclusion

Asset tracing is central to maximizing recoveries. The legal tools exist, the data sources are available, and courts are increasingly willing to support proactive administrators. For practitioners in Serbia and across the CEE region, the lesson is clear: persistence, creativity, and data-driven tracing can transform the outcome of insolvency proceedings.

Romania: Streamlining Insolvency Prevention and Insolvency Procedures by Amending the Romanian Legislation

By Mihai Popa, Deputy Managing Partner, and Roxana Diaconescu, Senior Associate, Musat & Asociatii

The insolvency legislation in Romania has undergone considerable improvements in recent years, with the introduction of pre-insolvency legislation, which, in turn, regulates the framework and mechanisms that, when analyzed comprehensively and implemented appropriately, can form the basis for restoring the economic viability of a business in distress.

The business environment in Romania seems to have learned to function in uncertainty and moved forward even when there was no clarity, as could be observed during the past years. In 2024, there was an increase in the number of insolvency preventive procedures accessed by companies in difficulty. Therefore, the status of the insolvency and preventive proceedings in Romania in the last year has shown us that the business environment is undergoing a transformation.

However, in approximately three years since the new regulations were implemented, certain vulnerabilities have already been identified, and an assessment of these vulnerabilities and a phased legislative adjustment appear to be all the more necessary in order to strengthen creditor protection and create the conditions for a higher level of debt recovery, including budgetary debts.

The insolvency legislation is essential for the functioning of the business environment, given that the objective of streamlining insolvency and insolvency prevention procedures has been a constant focus of national authorities and, more recently, of action strategies promoted at the level of the European Union.

The Council of the European Union and the European Parliament are currently engaged in negotiations on the proposal for a joint directive of these two institutions in order to harmonize certain aspects of the insolvency legislation. This instrument extensively addresses issues, including the functionality and the efficiency of insolvency and preventive proceedings, which are also considered in the budgetary policy adopted in Romania starting with 2025.

For this purpose, a draft law has been proposed to amend and supplement *Law no. 85/2014 on insolvency prevention and insolvency procedures* and *Government Emergency Ordinance no. 86/2006 on the organization of the activity of the insolvency practitioners* in recent days. The draft law was initiated for public debate by the Ministry of Justice on their website and will be sent to the government for approval.

The objectives set out in the *National Structural Budget Plan* are: (1) reducing the duration of the insolvency proceedings through concrete measures with immediate effect; (2) strengthening the liability regime of administrators for bringing the company into insolvency; (3) increasing the recovery rate of receivables, including budgetary taxes and fees in insolvency procedures, by ensuring a higher level of transparency of the procedures in relation to creditors, with the aim of facilitating the exercise of procedural remedies against vote manipulation practices and tendencies to delay the procedure; and (4) preventing practices whereby the debtor diverts the insolvency proceedings from the purposes and principles established by law.

Some of the relevant proposals for amending the *Insolvency Law no. 85/2014* will include: (1) the sale of assets by public auction in accordance with the *Romanian Civil Procedure Code*, if the sale in accordance with the sales regulations established by the creditors does not result in the sale of the assets within 12 months; (2) developing and operationalizing, as a matter of priority, an IT platform for the random appointment of the administrator/judicial liquidator by syndic judges; (3) the fact that liability action will no longer target only formal administrators but also *de facto* administrators (who impose the company's financial and operational decisions); (4) the prohibition on establishing companies for a period of five years, as a result of the decision to hold them liable – prohibition which shall be mentioned in the official trade registry, the information thus being accessible to the public; (5) amending the remuneration regime for insolvency practitioners by linking success fees to the success of the reorganization plan and/or a high level of debt recovery; (6) defining the concept of closely related parties (affiliated persons) in accordance with the proposal for a *Directive on insolvency* and considering the definitions existing in tax legislation and in anti-money-laundering legislation; and (7) strict requirements for the sale of assets as an independent whole to people closely related to the debtor and authorization by the syndic judge.

The proposed amendments are aimed at streamlining the procedures regulated by *Insolvency Law no. 85/2014*, which will have a favorable impact on the collection of state receivables, with a positive effect on reducing the budget deficit. ●

Ukraine: Bankruptcy in 2025

By Olena Volianska, Partner, Head of Bankruptcy and Restructuring, LCF Law Group

Despite ongoing wartime conditions, bankruptcy proceedings remain an effective mechanism in Ukraine, allowing businesses to lawfully cease unprofitable operations and redistribute assets. At the same time, reforms have not yet produced the expected increase in efficiency, with proceedings remaining excessively lengthy and the level of creditor recovery remaining low.

Bankruptcy trends evident in 2025 are shaped by a combination of new legislation and wartime challenges.

1. Focus on Debtor Support

A major development has been the introduction, as of January 1, 2025, of a preventive restructuring procedure in line with *EU Directive 2019/1023* (*Law No. 3985-IX*). This procedure gives the debtor six months to negotiate a plan with creditors and thereby avoid the opening of formal bankruptcy proceedings. If no compromise is reached, the preventive restructuring procedure is terminated.

Initial results have been mixed. For example, the high-profile restructuring of Tri O LLC, with debts exceeding USD 400 million, ended without success. In that instance, the debtor proposed to transfer a 151,000-square-meter business center in Kyiv to the banks with leaseback rights, but the creditors opted for foreclosure instead.

Enterprises with assets located in temporarily occupied regions of Ukraine remain a particular challenge. Lack of access prevents the inventory or sale of such assets. Since 2023, the code has allowed courts to deny bankruptcy proceedings if the debtor demonstrates that non-performance of obligations was caused by the war. In 2025, the Supreme Court additionally confirmed that existing proceedings may also be closed on this basis. However, judicial practice remains inconsistent, as the assessment of the causal link between insolvency and the war depends on the individual court.

2. Impact of Sanctions

Sanctions imposed on persons connected with the Russian Federation have become an instrument of state protection, yet they have also created conflicts for bankruptcy procedures. Where the debtor's owners are subject to the blocking or seizure of assets, the question arises of whether such property can be sold in bankruptcy to satisfy creditor claims. Some experts argue that after liquidation is opened and the link with the sanctioned owner is severed, the property may be sold. However, court practice has not yet confirmed this, leaving creditors exposed.

If the sanctioned party is a creditor, existing moratoria prevent satisfaction of its claims, while recent legislative amendments deprive it of voting rights in the creditors' committee. No systemic legislative solution has been adopted regarding the ultimate treatment of such claims. Divergent approaches increase risks of abuse and highlight the need for clearer regulation.

3. Strengthening Creditor Protection

Another current trend is the recovery of damages from the owners and management of bankrupt entities. Mechanisms and institutions are now in place to enable the return of diverted assets and the recovery of losses directly from shareholders and management.

In 2024, Ukraine's Supreme Court ruled that the amount of damages due equals the outstanding creditor claims after asset sales. Judicial practice has also entrenched the "piercing the corporate veil" approach, which allows damages to be recovered from ultimate beneficial owners or related parties even without a direct legal link. Liability may arise for failure to timely initiate bankruptcy proceedings, with any recovered amounts directed to the liquidation estate rather than to individual creditors. However, if the debtor has initiated preventive restructuring, such liability may be excluded.

Since 2025, the practice of so-called "technical" bankruptcies, where proceedings were controlled by related creditors, has been significantly curtailed. Legislation has expanded the definition of "interested parties," while courts may deprive them of decisive voting rights in the creditors' committee. This is expected to reduce the risk of manipulation.

Conclusion

Ukraine continues to implement European approaches in the field of bankruptcy while simultaneously adapting them to wartime realities. For legislators, the key task is to maintain a balance of interests and promptly address legal conflicts. For businesses, priorities remain internal control systems, early detection of financial distress, and monitoring of counterparties. These are all tools essential for minimizing risks in a turbulent economy.

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