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CEE Legal Matters

In-Depth Analysis of the News and Newsmakers That Shape Europe's Emerging Legal Markets

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EDITORIAL: NOTHING TO COMPLAIN ABOUT

By Radu Cotarcea

Putting together a regional legal publication means I get to interact with about a couple of dozen lawyers on a daily basis, from all across CEE. Inevitably, each conversation starts with the typical social lubricant of "How's the weather?", "How are things going?", "How are you/is your business holding up?" Over the last few years, a recurring theme in my responses has popped up: "I've learned I have nothing to complain about."

Yes, like many, I've had my share of challenges and our business has had its moments of less-than-optimistic outlooks, but when looking out into the world and comparing our situation with a global pandemic-induced lockdown, or a war just around the corner, or a cost-of-living crisis, or the earth shaking under people's feet in Croatia and, more recently, in Turkey and Syria with devastating effects, anything I could possibly point to as an ill feels trivial.

In the last couple of years, I've been called an optimist because of my positive outlook (at times, proven ignorant – I was sure the CEELM DOTY event in London was going to happen two weeks before the world went into a full lockdown, and I was betting with a friend working in diplomacy that Putin would not be insane enough to push into Ukraine early last February). And many across the table have generally found comfort and/or reassurance in my position – may it be in personal or professional interactions. I don't think it's optimism. I think it's simply learning to accept that, relative to the crises faced by others and the aches they brought to so many, I have no solid footing to stand on if I wanted to complain about anything. So, I just focus on moving forward.

There is a flip side to it. I've often been perceived (and was even called out as) oblivious to other people's plights, as being inconsiderate. Some might (and some did) argue that going forward with an event in Istanbul against the current context is simply daft. Similarly, inviting lawyers in Kyiv to take the time to contribute to CEELM content might seem like it's ignoring the simple reality on the ground, in which people definitely have a lot more pressing matters to address than marketing their law firm. And I think when I tell people that, in my view, the world simply has been jumping from one crisis to another and I find it important for us to try to move forward, I come off as horribly jaded. I'm not.

The way I look at these things is that I'd be doing a disservice by not moving forward – or at least trying to. If Turkey suffered a hit, it feels like it'd be pilling on the problem to withdraw from a large event in the country. If I didn't extend the same opportunities to lawyers in Ukraine, I'd feel like I'm punishing them by limiting their options. Can people say "skip"? Definitely! It was not uncommon lately to receive a simple note of "let's reschedule – air-raid sirens are going off in the city." And we often had to push our own deadlines because we had to wait for our participants to have electricity or internet restored. But reaching out and offering those options just seems like the right thing to do. It is not that we are oblivious, or that we do not care. We simply find not extending those invitations means we remove a choice of acting as if things are normal – for those who can and/or want to use it.

So, while on the surface CEELM activity is business as usual – with news articles going up daily, a magazine published every month, our 2022 DOTY Awards Gala and the Regional GC Summit happening in Istanbul seven weeks from now, and several other projects happening in parallel – we have been agonizing over our choices. And all this, we feel, is our best bet for putting some good out into the world. Whether you can take us up on our invites now, or later – we'll be here. ■

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If you like what you read in these pages (or even if you don't) we really do want to hear from you. Please send any comments, criticisms, questions, or ideas to us at: press@ceelm.com

GUEST EDITORIAL: LOOKING FORWARD TO IT!

By Rob Irving, Co-Chair of Europe Corporate Group, Dentons

I've been incredibly fortunate to be a part of the CEE legal community for the better part of 30 years. I arrived in Prague as a young associate in July 1991 and, after a small hiatus in New York in the mid-90s, have been based in Budapest for the last 26 years, initially with White & Case and for the last eight years with Dentons. While I've had the privilege of working with other, more qualified lawyers than I in a variety of commercial situations, my heart and soul has been in the mergers and acquisitions world.

The early 90s in Prague were heady days. When I arrived, the Czech economy was 96% state-owned, and the Prime Minister at the time, Vaclav Klaus, had devised a privatization plan to get most Czech companies into private hands as quickly as possible. The laws and transaction norms were evolving rapidly with a lot of "firsts" – the first "direct sale privatization" under the new privatization law, the first privatization in the form of an asset sale, the first competition filing under the new competition law, etc. (I remember one occasion, which struck me as funny at the time. A colleague and I submitted the filing in the morning and were told to collect the approval after we'd enjoyed a nice lunch.) I worked alongside talented young Czech lawyers to negotiate literally dozens of transactions with foreign investors. The level of intellectual rigor and dedication of the team was remarkable, and many of those lawyers have gone on to establish leading Czech firms or become cornerstone partners at international law firms.

In the first 15 years after I moved to Budapest in 1997, my time was dominated by work for private equity investors on growth equity investments and LBOs throughout CEE, often in regulated industries such as telecommunications or health care. We were required to assess legal and regulatory risks rapidly and with a commercial mindset, and to implement complex equity and debt structures under laws that hadn't been prepared with such structures in mind. As the deals became larger and more sophisticated, we were tested increasingly against the best of the London and Wall Street law firms.

Over the last ten years, the family offices and other financial groups in CEE and SEE have emerged every bit as sophisticated as the regional and global private equity houses, acquiring leading businesses across the region and throughout the world. The M&A legal community has evolved with them. Private practice lawyers from CEE/SEE act as main transaction counsel to their clients in complex transactions in jurisdictions hundreds and sometimes thousands of miles away.

Today, I see two main trends in the CEE/SEE M&A market. Firstly, there is the increased role of politics in transactions in the region. In recent years, regulations in the areas of foreign direct investment, competition, and other areas have sometimes threatened to inhibit foreign investment in strategic sectors such as energy, transportation, and infrastructure. M&A lawyers have needed to work with our regulatory colleagues to help our clients avoid potential minefields. However, such interference currently seems to be receding in sectors such as energy and military defense, in response to the war in Ukraine, and may diminish more broadly amid the general economic uncertainty.

Secondly, the technology sector in the region has come of age, and M&A lawyers are working with talented founders and their venture capital backers on exciting investment, "buy-and-build," and exit transactions. Here, lawyers with a mix of intellectual property, labor, and corporate skills reign supreme. Even amid slowdowns in technology deals in the US and Western Europe, the pipeline appears to be quite strong in CEE/SEE.

So, from where I sit, the CEE/SEE corporate legal community is currently in a great place. So many of the lawyers, with whom I have worked through the years, remain active today and continue to mentor the younger generation. Our clients are constantly pushing us to be more international, and we're being joined by waves of new associates who have studied and/or worked abroad and are confident and motivated to work on global transactions. I'm looking forward to seeing how we'll evolve between now and the 20th anniversary issue of CEELM! ■

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ACROSS THE WIRE: DEALS AND CASES

Date Covered	Firms Involved	Deal/Litigation	Value	Country
16-Dec	Binder Groesswang; Schoenherr	Binder Groesswang advises Mutares on its acquisition of Steyr Motors Betriebs and Steyr Motors Immo from Thales. Schoenherr reportedly advised Thales.	N/A	Austria
21-Dec	Bird & Bird; Dorda; Roschier; Schoenherr	Dorda, working with Bird & Bird, advised Nosto on its acquisition of Findologic Gesellschaft. Schoenherr, working with Roschier, advised the shareholders of Findologic.	N/A	Austria
23-Dec	BPV Huegel; Wolf Theiss	Bpv Huegel advised Immofinanz on increasing its shareholding in S IMMO from CPI Property Group for EUR 337.5 million. Wolf Theiss advised CPI Property Group.	EUR 337.5 million	Austria
04-Jan	Dorda; Houthoff; Loyens & Loeff; Schoenherr; Sullivan & Cromwell	Dorda, working with Loyens & Loeff, advised Croma-Pharma on entering into a business combination agreement with the European Healthcare Acquisition & Growth Company. Schoenherr, working with Sullivan & Cromwell and Houthoff, advised EHC.	N/A	Austria
12-Jan	Schoenherr; Tracc Legal; Wildmoser Koch; Zinger Strachwitz	Schoenherr, working with Germany's Zinger Strachwitz, advised the shareholders of the FirmenABC Group on their exit to Austrian investor consortium Invest AG and Industrieliegenschaftenverwaltung AG. Wildmoser/Koch and Tracc Legal reportedly advised the buyers.	N/A	Austria
12-Jan	Advant Altana; Advant Beiten; Binder Groesswang; E+H; Garrigues; Holland & Knight; Latham & Watkins; Masotti Cassella; Radovanovic Stojanovic & Partners; Stibbe; Wozniak Legal	E+H advised Wienerberger on its acquisition of the Terreal operations in France, Italy, Spain, and the US together with the Creaton business in Germany and Benelux from France's Terreal Group. Latham & Watkins, Advant, Garrigues, Masotti Cassella, Holland & Knight, and Stibbe reportedly advised Wienerberger as well. Binder Groesswang, Wozniak Legal, and Radovanovic Stojanovic & Partners advised Wienerberger on merger control in Austria, Poland, and Serbia respectively.	N/A	Austria
17-Jan	BPV Huegel; Cerha Hempel	Cerha Hempel advised Stadlmann TEC on its joint venture with The Specialist Group International resulting in the incorporation of Star Stadlmann. BPV Huegel advised TSGI on the JV deal and on the acquisition of Stadlmann TEC's personnel leasing division.	N/A	Austria
17-Jan	Freshfields	Freshfields Bruckhaus Deringer advised KGAL Investment Management on the sale and leaseback arrangements for three Airbus A220-300 aircraft with Air Baltic.	N/A	Austria
19-Jan	Dorda; Grub Brugger; Held Berdnik Astner & Partner	Dorda, working with Grub Brugger, advised ZF Friedrichshafen on its acquisition of insolvent tachograph developer Intellic Germany along with its insolvent Austrian assets. Held Berdnik Astner & Partner reportedly advised the seller.	N/A	Austria
26-Jan	Cerha Hempel; Schoenherr	Cerha Hempel advised ARE Austrian Real Estate on the acquisition of an office and hotel building in Vienna from Generali Real Estate. Schoenherr advised Generali.	N/A	Austria
01-Feb	Schoenherr	Schoenherr advised Gropyus on its EUR 100 million Series B financing round led by Vonovia. Cerha Hempel advised Vonovia.	EUR 100 million	Austria
10-Feb	Schoenherr; Wolf Theiss	Wolf Theiss advised Austrian state holding company OeBAG on the extension of its partnership with America Movil concerning Telekom Austria. Schoenherr reportedly advised Telekom Austria.	N/A	Austria

Date Covered	Firms Involved	Deal/Litigation	Value	Country
10-Feb	Binder Groesswang; Clifford Chance; Fellner Wratzfeld & Partner; Hengeler Mueller; Roschier; Wolf Theiss	Wolf Theiss, working with Clifford Chance, advised private equity investor Altor – on behalf of Altor Funds – on the acquisition of an 80% majority stake in Kommunalkredit Austria. Binder Groesswang, working with the German office of Hengeler Mueller, advised sellers Interritus Limited and Trinity Investments. FWP advised Kommunalkredit. Roschier reportedly advised the sellers on Swedish law.	N/A	Austria
14-Feb	Binder Groesswang	Binder Groesswang, working with Davis Polk & Wardwell, advised Lone Star on the American Chapter 11 restructuring of GTT Communications.	N/A	Austria
06-Jan	BDK Advokati; Binder Groesswang; Lakatos, Koves & Partners; SZA Schilling, Zutt & Anschuetz	BDK Advokati, Binder Groesswang, and Lakatos Koves & Partners, working with SZA Schilling Zutt & Anschuetz, advised Turkish investors Baran Celik and Nuvit Gundemir and their families on the sale and purchase agreement with insolvency administrator Jan Markus Plathner to acquire Veritas Group's subsidiaries in Austria, Bosnia and Herzegovina, China, Turkey, and Hungary and three production plants in Germany.	N/A	Austria; Bosnia and Herzegovina; Hungary; Turkey
08-Feb	Baker Mckenzie; Bar & Karrer; Divjak Topic Bahtijarevic & Krka; Marek Partners	Baker McKenzie, Divjak Topic Bahtijarevic & Krka, and Marek Partners advised the Migros Group and its start-up incubator Sparrow Ventures on their investment in Revendo. Baer & Karrer advised Revendo's founders.	N/A	Austria; Croatia; Slovakia
23-Dec	Schoenherr	Schoenherr advised Singapore-based Harps Global on its acquisition of the medical business division Sempermed from the Austrian Semperit Group for an enterprise value of EUR 115 million.	N/A	Austria; Hungary
23-Dec	Sajic	The Sajic Law Firm successfully represented the Association of Composers-Music Creators of Bosnia and Herzegovina (AMUS) before the Supreme Court of Republika Srpska in a dispute related to the unauthorized use of copyrighted musical works.	N/A	Bosnia and Herzegovina
16-Jan	BH Legal; Vukmir & Associates	Vukmir & Associates and BH Legal advised CEFTA on a cross-border project titled CEFTA Intellectual Property and Related Rights 2021-03.	N/A	Bosnia and Herzegovina; Croatia
22-Dec	Deloitte Legal; Sibincic Krizanec Novak	Deloitte Legal advised the Marketing Investment Group on the acquisition of a chain of 22 stores in Slovenia, Croatia, Serbia, and Bosnia and Herzegovina. Sibincic Krizanec advised the sellers.	N/A	Bosnia and Herzegovina; Croatia; Slovenia; Poland; Serbia
19-Dec	Boyanov&Co; Linklaters; Loyens & Loeff; Morrison & Foerster; Stoeva Tchompalov & Znepolski	Stoeva Tchompalov & Znepolski, working with Morrison & Foerster, advised Eurohold Bulgaria on accessing a EUR 40 million loan facility. Boyanov & Co, working with Linklaters, advised arranger, agent, and original lender JP Morgan. Loyens & Loeff reportedly advised Eurohold on Dutch law-related matters.	EUR 40 million	Bulgaria
20-Jan	Dimitrov Petrov & Co.; Tokushev and Partners	Tokushev & Partners advised the Capital Investments Fund – part of the Bulgarian Development Bank Group – on its EUR 2.5 million investment in Evrotrust. Dimitrov Petrov & Co advised Evrotrust.	EUR 2.5 million	Bulgaria
20-Jan	CMS; Tokushev and Partners	Tokushev & Partners advised the Capital Investments Fund – part of the Bulgarian Development Bank Group – on leading a EUR 2.2 million investment round into Barin Sports. CMS advised Barin Sports.	EUR 2.2 million	Bulgaria
24-Jan	Dimitrova Staykova & Partners; Tokushev and Partners	Tokushev & Partners advised RTP Global on leading a EUR 2.3 million Plan Delta investment round that also included Eleven and 17 angel investors from Bulgaria, the UK, Germany, and the US. Dimitrova Staykova & Partners reportedly advised Plan Delta.	EUR 2.3 million	Bulgaria
31-Jan	Cytowski & Partners; Djingov, Gouginski, Kyutchukov & Velichkov; Sidley Austin	Cytowski & Partners advised Bulgarian start-up Ampeco on its USD 13 million Series A round with BMW i Ventures, LaunchHub Ventures, and Cavalry Ventures. Sidley Austin and Djingov Gouginski Kyutchukov & Velichkov reportedly advised BMW i Ventures.	USD 13 million	Bulgaria
14-Feb	Boyanov&Co; Deloitte Legal; Shearman & Sterling; Wolf Theiss	Wolf Theiss, working with Shearman & Sterling, advised BNP Paribas Personal Finance on its sale of BNP Paribas Personal Finance Bulgaria to Eurobank Bulgaria. Deloitte Legal and Boyanov & Co advised the buyer.	N/A	Bulgaria

Date Covered	Firms Involved	Deal/Litigation	Value	Country
22-Dec	Herbert Smith Freehills; Ostermann & Partners; Wolf Theiss	Ostermann & Partners, working with Herbert Smith Freehills, advised Gamepires on its sale to Jagex. Wolf Theiss advised Jagex on the acquisition.	N/A	Bulgaria; Croatia; Hungary
30-Jan	Schoenherr; White & Case	Schoenherr advised Metro on its acquisition of a 25% stake in Kosik Holding with a 5% option on top if Kosik expands into other CEE markets in collaboration with Metro. White & Case reportedly advised Kosik.	N/A	Bulgaria; Czech Republic
06-Feb	Allen & Overy; CMS; Linklaters	CMS advised a syndicate of banks led by ING Bank on the postponement of loan payments under the USD 450 million pre-export facility for Ukraine's Kernel Group. Linklaters reportedly advised the Kernel Group. Allen & Overy reportedly advised Natixis, another lender.	USD 450 million	Bulgaria; Ukraine
06-Jan	Deloitte Legal (Krehic & Partners)	Krehic & Partners, in cooperation with Deloitte Legal, advised the Belfry Group on its acquisition of the majority shareholding in Pismorad. The joint law office of Lovro Zovko and Antonija Simonkovic reportedly advised the sellers.	N/A	Croatia
09-Jan	BDV Legal; Kinstellar (Zuric i Partneri); Kramaric & Partners	Kinstellar Croatian affiliate Zuric i Partneri advised OTP Banka on the financing for Adria Dental Group's acquisition of the Fiziodent Polyclinic. Batarelo Dvojkovic Vuchetich advised the Adria Dental Group on the acquisition and financing. Kramaric & Partners advised Karlo Sudarevic on the sale.	N/A	Croatia
26-Jan	Kinstellar (Zuric i Partneri)	Kinstellar's Croatian affiliate Zuric i Partneri advised Angelina Yachtcharter Holding on its acquisition of 85% of the shares of Jadranka Yachting from Jadranka d.d. and Arman Percinlic.	N/A	Croatia
03-Feb	Dominkovic & Osrecak; Karanovic & Partners (Ilej & Partners)	Ilej & Partners, in cooperation with Karanovic & Partners, advised the MYTY Group on its acquisition of the 404 Group. Dominkovic & Osrecak advised the seller.	N/A	Croatia
06-Feb	Lovric Novokmet & Partners	Lovric Novokmet & Partners advised the Koncar Group on Koncar Digital's acquisition of Kodeks Sistemske Integracije and Exa Globe.	N/A	Croatia
06-Feb	Vukmir & Associates	Vukmir & Associates advised Zagrebacka Banka on the issuance of internal MREL notes to its majority shareholder UniCredit.	N/A	Croatia
07-Feb	Lovric Novokmet & Partners	Lovric Novokmet & Partners advised the Koncar Group on the sale of Koncar-Elektricni Uredaji to Koncar-Aparati i Postrojenja.	N/A	Croatia
08-Feb	BDV Legal; Metelko, Knezevic and Partners	Batarelo Dvojkovic Vuchetich advised South Central Ventures on leading the seed investment round in digital marketing platform Recommend. Metelko Knezevic and Partners advised Recommend.	N/A	Croatia
16-Dec	BDK Advokati	BDK Advokati advised Croatia's Agez Group on its acquisition of a 60% stake in Serbian printing and graphics company Grafostil.	N/A	Croatia; Serbia
31-Jan	BDK Advokati	BDK Advokati advised Croatia's Degordian on its acquisition of a 51% stake in Serbian e-commerce software development company Shopycode.	N/A	Croatia; Serbia
06-Jan	Brescia Piccoli e Associati; Fatur Menard; Vukmir & Associates	Vukmir & Associates and Fatur Menard advised the Deimos Group on the acquisition of Croatian companies Nutrifit and Palco and their Palco and Nutrifit joint venture in Slovenia. Brescia Miccoli e Associati reportedly advised the Deimos Group as well.	N/A	Croatia; Slovenia
09-Jan	Law Office Korotaj; ODI Law	Law Office Korotaj and ODI Law advised Croatian travel agency Gaveia on the acquisition of Slovenia's Avtokampi.	N/A	Croatia; Slovenia
22-Dec	Allen & Overy	Allen & Overy advised Fagron B.V. on its public offer addressed to minority shareholders of Fagron Ceska Republika.	N/A	Czech Republic
23-Dec	Eldison; Orrick Herrington & Sutcliffe	Orrick advised Mews' existing investor Salesforce Ventures on the company's recently announced Series C round of USD 185 million. Eldison reportedly advised Mews.	USD 185 million	Czech Republic
05-Jan	Clifford Chance; JSK; White & Case	JSK advised the Tescan Orsay Holding on the sale of a majority stake in the company to Carlyle. Clifford Chance advised a club of banks coordinated by Komercni Banka and Ceskoslovenska Obchodni Banka on financing the acquisition. White & Case reportedly advised Carlyle.	N/A	Czech Republic
05-Jan	BBH; CMS	BBH advised the CEZ Energy Group on its acquisition of the Skoda JS nuclear servicing and engineering company along with its subsidiary Middle Estates. CMS advised Skoda JS.	N/A	Czech Republic
05-Jan	Dechert; Kocian Solc Balastik	Kocian Solc Balastik advised J&T Arch Investments on its acquisition of a minority stake in the Moneta Money Bank from Petrus Advisers. Dechert reportedly advised the sellers.	N/A	Czech Republic
05-Jan	Kocian Solc Balastik	Kocian Solc Balastik advised Aero Vodochody Aerospace on preparing the draft contractual documentation used in the sale of its L-39NG aircraft.	N/A	Czech Republic

Date Covered	Firms Involved	Deal/Litigation	Value	Country
13-Jan	HKR; JSK	JSK advised Bunzl on its acquisition of VM Footwear. HKR Advokatni Kancelar reportedly advised the sellers.	N/A	Czech Republic
17-Jan	PRK Partners	PRK Partners successfully represented the interests of a client who completed a gender transition process in a matter regarding the issuance of official documents bearing the applicant's new personal data before the Supreme Administrative Court.	N/A	Czech Republic
20-Jan	CMS; DLA Piper; JSK	JSK advised Genesis Capital and the Avallon MBO Fund on their acquisition of TES Vsetin. DLA Piper advised Avallon MBO as well. CMS reportedly advised ARX Equity Partners on the sale.	N/A	Czech Republic
26-Jan	Kocian Solc Balastik	Kocian Solc Balastik advised the BiQ Group – investment group Intefi Capital's technology division – on its acquisition of Puxdesign.	N/A	Czech Republic
26-Jan	BNT Attorneys; Dentons	Dentons advised Ceska Sporitelna on its EUR 113 million refinancing of Zeitgeist Asset Management's residential real estate portfolio. BNT Attorneys reportedly advised Zeitgeist.	EUR 113 million	Czech Republic
27-Jan	Kocian Solc Balastik	Kocian Solc Balastik helped the Czech National Theatre obtain a building permit for the redevelopment of its New Stage and Operations buildings.	N/A	Czech Republic
27-Jan	Cytowski & Partners	Cytowski & Partners advised Czech start-up Filuta AI on its USD 2.5 million pre-seed financing with Nation 1, SPM Invest, and Czech Founders VC.	USD 2.5 million	Czech Republic
30-Jan	BPV Braun Partners; Herbert Smith Freehills; Watson Farley & Williams	BPV Braun Partners, working with Watson Farley & Williams, advised the Creditas Group on the acquisition of British energy group InterGen. Herbert Smith Freehills reportedly advised the sellers.	N/A	Czech Republic
30-Jan	Allen & Overy; White & Case	Allen & Overy advised Raiffeisenbank on its EUR 500 million issuance of senior non-preferred sustainable notes under its international debt issuance program. White & Case advised the lead managers.	EUR 500 million	Czech Republic
06-Feb	AK Zizlavsky; Dunovska & Partners; GT Legal	Dunovska & Partners advised the Aricoma Group on its acquisition of parts of a subsidiary from Sabris CZ. GT Legal and AK Zizlavsky advised Sabris.	N/A	Czech Republic
13-Feb	Clifford Chance	Clifford Chance advised Arete on the bank financing of its portfolio in excess of EUR 100 million from a consortium of banks including Ceska Sporitelna and Slovenska Sporitelna.	EUR 100 million	Czech Republic
24-Jan	Clifford Chance; Clifford Chance (Ciftci Attorney Partnership)	Clifford Chance and its Turkish affiliate Ciftci Attorney Partnership advised Arcelik on the establishment of a joint venture between its Ardutch subsidiary and Whirlpool Corporation subsidiary Whirlpool EMEA Holdings to create a new standalone business in the European home appliances sector. Latham & Watkins advised Whirlpool.	N/A	Czech Republic; Poland; Romania; Turkey
16-Jan	Clifford Chance; Kocian Solc Balastik	Kocian Solc Balastik advised J&T Agriculture and Ecology on its acquisition of 11 companies within Spearhead Czech and Spearhead Slovakia and the related acquisition financing by a banking group led by Komercni Banka. Clifford Chance advised the lenders.	N/A	Czech Republic; Slovakia
15-Feb	Kocian Solc Balastik; PwC Legal	Kocian Solc Balastik and PwC Slovakia advised Sandberg Capital on its acquisition of a 70% stake in Phase.	N/A	Czech Republic; Slovakia
16-Dec	Sorainen	Sorainen advised waste management company Ragn-Sells on divesting its shareholding in Torma landfill operator Amestop.	N/A	Estonia
19-Dec	Cobalt; KPMG Legal	Cobalt advised Mirova Energy Transition 5 on signing an agreement with Evecon to develop solar plants in the Laaneranna, Pohja-Sakala, and Jarva municipalities in Estonia. KPMG Law Estonia advised Evecon.	N/A	Estonia
19-Dec	Cobalt	Cobalt advised South Africa's Bidcorp on its acquisition of a majority stake in Fruit Xpress.	N/A	Estonia
21-Dec	Pohla & Hallmagi	Pohla & Hallmagi successfully represented Paikesekodu Teenused before the Tallinn Circuit Court against a bankruptcy petition and an enforcement claim filed by Liikva Paikesemaja.	N/A	Estonia
05-Jan	Walless	Walless advised Avolon Aerospace Leasing Limited on the lease agreement for an Airbus A320-200 aircraft to the Estonian national aviation company Nordic Aviation Group.	N/A	Estonia
24-Jan	DLA Piper; Sorainen	Sorainen, working with DLA Piper Sweden, advised TSG Solutions on its acquisition of Nordic Gas Solutions.	N/A	Estonia
30-Jan	Triniti	Triniti advised Fort Aero on the addition of Piaggio P.180 Avanti II push-prop aircraft to its fleet.	N/A	Estonia

Date Covered	Firms Involved	Deal/Litigation	Value	Country
03-Feb	Cobalt	Cobalt advised Salv on its EUR 4 million seed investment round led by ffVC with participation from German G+D Ventures.	EUR 4 million	Estonia
06-Feb	Sorainen	Sorainen advised Skoda on its cooperation agreement with Elron for the construction of ten electric trains.	EUR 147 million	Estonia
08-Feb	Ellex (Raidla); TGS Baltic	TGS Baltic advised EV charging solution developer VOOL on raising EUR 1.7 million in a Specialist VC-led round. Ellex advised Specialist VC.	EUR 1.7 million	Estonia
15-Feb	TGS Baltic	TGS Baltic advised Nordic Foodtech VC on its investment in Tallinn-based biotechnology R&D start-up Aio Tech.	N/A	Estonia
20-Dec	Cobalt; DLA Piper; Ellex (Klavins); Ellex (Raidla); Ellex (Valiunas)	Cobalt, working with DLA Piper, advised the HKScan corporation on the sale of its Baltic subsidiaries to the Maag Grupp. Ellex advised the buyer.	EUR 90 million	Estonia; Latvia; Lithuania
22-Dec	Cobalt	Cobalt advised Helmes on its acquisition of Lithuanian software developer TeleSoftas.	N/A	Estonia; Lithuania
22-Dec	Bracewell; Karatzas & Partners; Lambadarios Law Firm; Liberopoulos; Milbank	Lambadarios advised lead arrangers National Bank of Greece and Piraeus Bank on a EUR 680 million project financing facility for the Eldorado Gold Corporation towards the development of the Skouries project in Northern Greece. Liberopoulos and Milbank reportedly also advised the banks. Karatzas & Partners and Texas-based Bracewell reportedly advised Eldorado Gold.	EUR 680 million	Greece
04-Jan	Koutalidis	Koutalidis advised Alpha Bank on the successful tender offer for EUR 400 million in senior preferred notes due 2024 and a new EUR 450 million issuance of non-call senior preferred notes under Alpha Bank's EUR 15 billion EMTN Program.	EUR 450 million	Greece
05-Jan	KLC; Reed Smith	Reed Smith advised PPC Renewables on its successful bid for the acquisition of a renewable energy assets portfolio from Piraeus Equity Partners. The KLC Law Firm reportedly advised the seller.	N/A	Greece
05-Jan	Corina Fassouli Grafanaki & Associates; Koutalidis	The Koutalidis Law Firm advised Etem and ElvalHalcor on their strategic partnership with Cosmos Aluminium. Corina Fassouli Grafanaki & Associates advised Cosmos Aluminium.	N/A	Greece
05-Jan	Chrysostomides; Masouros & Partners; Zepos & Yannopoulos	Zepos & Yannopoulos, working with Cyprus-based Chrysostomides & Co, advised the Adaptavist Group on its acquisition of Nimaworks Limited. Masouros & Partners advised the sellers.	N/A	Greece
06-Jan	Lambadarios Law Firm; Watson Farley & Williams	The Lambadarios Law Firm and Watson Farley & Williams advised lead arranger Piraeus Bank on the EUR 425 million project financing for the Thessaloniki Eastern Ring Road to be developed by Avax and Mytilineos following their PPP agreement with the Greek Ministry of Infrastructure and Transport.	EUR 425 million	Greece
13-Jan	Koutalidis	Koutalidis advised NN Hellas on its merger by way of absorption of NN Hellas II, the former MetLife business in Greece.	N/A	Greece
18-Jan	Zepos & Yannopoulos	Zepos & Yannopoulos advised Bain Capital Credit on the full acquisition of Piraeus Bank Group leasing subsidiary Sunshine Leases.	N/A	Greece
26-Jan	Kyriakides Georgopoulos	Kyriakides Georgopoulos advised Optima Bank on its acquisition of five portfolios of receivables from performing corporate exposures in the secondary market.	N/A	Greece
06-Feb	Zepos & Yannopoulos	Zepos & Yannopoulos advised the United Group on the merger and corporate restructuring of its Greek entities Nova and Wind.	N/A	Greece
08-Feb	Bernitsas	Bernitsas Law advised Lavipharm on raising EUR 51.2 million in equity capital and the December 2022 listing of its new shares on the Athens Exchange.	EUR 51.2 million	Greece
08-Feb	Bernitsas	Bernitsas Law advised Intrakat on raising EUR 100 million in equity capital and the January 2023 listing of its new shares on the Athens Exchange.	EUR 100 million	Greece
09-Feb	Zepos & Yannopoulos	Zepos & Yannopoulos advised Green – V-Group's energy branch – on the conclusion of two additional PPAs with Heron Energy for power generated by two solar projects.	N/A	Greece
15-Feb	Koutalidis	Koutalids advised Alpha Holdings and Services on its EUR 400 million issuance of fixed-rate reset additional tier 1 notes.	EUR 400 million	Greece
16-Dec	Schoenherr	Schoenherr advised IT, consultancy, and recruitment company IDBC Hungary on securing its new headquarters in the Duna Tower through a lease agreement with GTC.	N/A	Hungary
05-Jan	Kinstellar; Oppenheim	Kinstellar advised S Immo on the acquisition of six office properties in Budapest valued at EUR 244 million from Immofinanz. Oppenheim advised Immofinanz.	N/A	Hungary

Date Covered	Firms Involved	Deal/Litigation	Value	Country
16-Jan	Kinstellar; Schoenherr	Schoenherr advised China's Shanghai Electric Power on its full acquisition of five project companies developing a 200-megawatt PV project in Northeast Hungary from Chint Solar Hungary Projects. Kinstellar advised Chint Solar.	N/A	Hungary
20-Jan	Oppenheim	Oppenheim advised Skanska on leasing 3,300 square meters of office space in H2Offices in Budapest to the DBH Group.	N/A	Hungary
24-Jan	CMS; Lakatos, Koves & Partners; PK Law Office; Slaughter and May	CMS advised 4iG on the acquisition of Vodafone Hungary together with Hungarian state holding company Corvinus Nemzetkozi Befektetesi. Lakatos Koves & Partners, working with Slaughter and May, advised Vodafone. The PK Law Office reportedly advised Corvinus.	EUR 1.67 billion	Hungary
31-Jan	Kapolyi; Lendvai And Partners	Kapolyi advised AutoWallis on its acquisition of Hungarian fleet management company Nelson. Lendvai and Partners advised Nelson and its shareholders.	HUF 2.98 billion	Hungary
10-Feb	Lakatos, Koves & Partners	Lakatos Koves & Partners advised Tokyo Stock Exchange-listed Nippon Paper Industries on a HUF 15 billion green field investment in Hungary including the acquisition and development of an industrial site and the construction of a plant in Vacratot, on the outskirts of Budapest.	HUF 15 billion	Hungary
13-Feb	Colaw; Lakatos, Koves & Partners	Lakatos Koves & Partners advised ConvergenCE on leasing over 1,000 square meters in the Kalvin Square Office Building to Singapore's Trax. Colaw Kolcsey-Rieden and Partner reportedly advised Trax.	N/A	Hungary
23-Dec	BDK Advokati; Lakatos, Koves & Partners; PwC Legal	BDK Advokati and Lakatos Koves & Partners advised Integrator on its acquisition of Manpower's human resources and workforce business in Hungary from the Manpower Group. PwC Legal Hungarian affiliate Reti Varszegi & Partners and Italy's PwC TLS reportedly advised the seller.	N/A	Hungary; Serbia
22-Dec	Kinstellar; White & Case	Kinstellar advised OTP Bank on its acquisition of Uzbekistan's Ipoteka Bank. The White & Case London and Tashkent offices reportedly advised the seller.	N/A	Hungary; Serbia; Ukraine
05-Jan	Cobalt	Cobalt advised the European Investment Bank on granting a EUR 39 million loan to plywood manufacturer Latvijas Finieris Group.	EUR 39 million	Latvia
09-Jan	Cobalt	Cobalt advised Samsung C&T on its investment and business collaboration with Latvian industrial manufacturer Forta Pro.	N/A	Latvia
10-Jan	TGS Baltic	TGS Baltic advised Sweden's Bethoc on its acquisition of Sport Revolution from JLSR and Xstunda.	N/A	Latvia
12-Jan	Ellex (Klavins)	Ellex advised AS CleanR Group on its completed acquisition of SIA RSC Noma. Sole practitioner Nauris Durevskis advised the sellers.	N/A	Latvia
18-Jan	Ellex (Klavins)	Ellex helped Merito Partners set up and launch its Merito Management AIFP alternative investment fund structure in Latvia.	N/A	Latvia
20-Jan	Allen & Overy; Clifford Chance; Cobalt	Cobalt, working with Clifford Chance, advised joint lead managers Deutsche Bank, Citigroup Global Markets Europe, Erste Group, and Nomura Financial Products Europe on the EUR 750 million issuance of five-year eurobonds by the Republic of Latvia. Allen & Overy reportedly advised the Treasury of the Republic of Latvia.	EUR 750 million	Latvia
26-Jan	Cobalt	Cobalt advised Lightrock and Haniel on leading a USD 30 million investment round into Aerones.	USD 30 million	Latvia
30-Jan	TGS Baltic	TGS Baltic advised Vilnius-headquartered renewable energy company Green Genius on its acquisition of a 100-megawatt solar PV project in Latvia.	N/A	Latvia
30-Jan	Sorainen	Sorainen advised Tietoevry on its lease agreement with developer Capitalica for office space in the Verde office center in Riga's Skanste district.	N/A	Latvia
02-Feb	Sorainen	Sorainen advised the Riga Energy Agency on the development of a concept and business model for the Riga Energy Efficiency Fund.	N/A	Latvia
13-Feb	Sorainen	Sorainen helped BITE Latvija obtain the rights to use frequencies enabling 5G services.	N/A	Latvia
13-Jan	Adon Legal	Adon Legal advised Lithuanian real estate developer Galio Group on receiving financing from Latvia's SEB Banka to complete the development of the Riga-based Gustavs Business Center.	EUR 15 Million	Latvia; Lithuania
22-Dec	Motieka & Audzevicius; Sorainen	Sorainen advised Tewox on the acquisition of the Dragunai shopping center in Klaipeda from Zabolis Partners. Motieka & Audzevicius advised the sellers.	N/A	Lithuania
22-Dec	Roedl & Partner; Sorainen	Sorainen advised Ignitis Group subsidiary Ignitis Renewables on its acquisition of an onshore wind farm in the Plunge region, Lithuania. Roedl & Partner advised the developer's shareholders on the sale of the development company.	N/A	Lithuania

Date Covered	Firms Involved	Deal/Litigation	Value	Country
05-Jan	Sorainen	Sorainen advised Orion Leasing on signing a EUR 52.8 million guarantee agreement with the European Investment Fund under the InvestEU program for financing Lithuanian companies.	EUR 52.8 million	Lithuania
12-Jan	Cobalt; TGS Baltic	Cobalt advised Norwegian investment company EECP on its sale of a grocery-anchored retail store portfolio in Lithuania. TGS Baltic advised GLG Projektai – owned by the NDX and Galio groups – on the share-deal acquisition.	N/A	Lithuania
20-Jan	Sorainen	Sorainen advised Rgreen Invest on providing EUR 42 million in funding to the Green Genius renewable energy company to build eight solar projects with a total capacity of 65.7 megawatts in Lithuania.	EUR 42 million	Lithuania
24-Jan	Sorainen; Walless	Sorainen advised Oxipit on a EUR 3.5 million investment from Taiwanese venture capital company Taiwania Capital. Walless advised Taiwania.	EUR 3.5 million	Lithuania
27-Jan	Ellex (Valiunas)	Ellex Valiunas successfully represented Neringa Dangvyde Macate before the European Court of Human Rights, on a pro bono basis, in a dispute related to restrictions on the distribution of Dangvyde Macate's fairy tale book, Amber Heart, depicting same-sex relationships and its subsequent labeling as harmful to children under the age of 14.	N/A	Lithuania
31-Jan	Sorainen	Sorainen advised Legal Balance on the listing of its bonds on Nasdaq Baltic First North in Lithuania.	EUR 2 million	Lithuania
02-Feb	Ellex (Valiunas); Wilson Sonsini Goodrich & Rosati	Ellex Valiunas advised Strava on its acquisition of Fatmap. Wilson Sonsini Goodrich & Rosati advised Fatmap.	N/A	Lithuania
03-Feb	Motieka & Audzevicius	Motieka & Audzevicius advised In Balance Grid on its joint venture with Equite to develop charging station infrastructure.	N/A	Lithuania
03-Feb	Walless	Walless advised the Ignalina Nuclear Power Plant on a project tender for reactor dismantling technology design services.	N/A	Lithuania
08-Feb	Cobalt	Cobalt successfully represented UAB Grifs before the Competition Council of Lithuania in an investigation concerning potential market-sharing agreements.	N/A	Lithuania
13-Feb	Triniti (Triniti Jurex)	Triniti Jurex became the legal advisor of the Health Tech Accelerator in Lithuania.	N/A	Lithuania
10-Jan	Komnenic	Komnenic & Associates advised both sides in the transaction that saw Appolo subsidiary Seta Montenegro sell the HoldCo East NPL company to APS Holding.	N/A	Montenegro
23-Dec	BDK Advokati; Four Legal; Nestor Nestor Diculescu Kingston Petersen; Polenak Law Firm	BDK Advokati advised Sandberg Capital on its EUR 20 million investment in Quantox. Nestor Nestor Diculescu Kingston Petersen and Polenak reportedly advised Sandberg as well. Four Legal reportedly advised Quantox.	EUR 20 million	North Macedonia; Romania; Serbia; Slovakia
19-Dec	CMS; DLA Piper; Rymarz Zdort Maruta; SSK&W	Rymarz Zdort advised Nethone shareholder II Aria AIFM on its sale of a minority stake in Nethone to Advent International. DLA Piper advised Nethone on the sale that saw Advent International become its new majority investor, with Nethone set to join Advent's MangoPay Group. SSK&W advised another Nethone investor – Atmos Ventures – on its exit. CMS reportedly advised Advent International.	N/A	Poland
20-Dec	Wozniak Legal	Wozniak Legal successfully represented the owners of the Bernardynska 9 tenement house in Lublin against claims from a Polish party regarding adverse possession in relation to a 50% share of this building.	N/A	Poland
21-Dec	DWF	DWF advised Polish state-owned company Polskie Elektrownie Jadrowe on its cooperation agreement with the Westinghouse Electric Company in the course of implementing the Polish Nuclear Power Program.	N/A	Poland
22-Dec	Konieczny Wierzbicki	KWKR Konieczny Wierzbicki and Partners advised Ailleron on its agreement with ING Bank Slaski and the National Cloud Operator to implement a LiveBank Cloud solution for the bank's online customer communications.	N/A	Poland
22-Dec	Balicki Czekanski Gryglewski Lewczuk; Gorazda Swistun Watroba & Partners; SKJB Szybkowski Kuzma Jelen Brzoza-Ostrowska	Balicki, Czekanski, Gryglewski, Lewczuk advised Medicover on its acquisition of Smart Platinium from Verdano. Reportedly, SKJB Szybkowski Kuzma Jelen Brzoza-Ostrowska advised Medicover as well while the seller was advised by Gorazda, Swistun, Watroba.	N/A	Poland
22-Dec	Andersen; JDP; Pomorski Tax Legal Finance; Rapisardi IP	JDP advised the Laumann Group on its acquisition of Ponzio Polska. Andersen and, reportedly, Pomorski Tax Legal Finance and Rapisardi Intellectual Property advised the Ponizio Group.	N/A	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
22-Dec	Greenberg Traurig	Greenberg Traurig advised Wing Group and Griffin Capital Partners on their joint acquisition of a 60% stake in Bauwert.	N/A	Poland
22-Dec	Greenberg Traurig; Linklaters	Greenberg Traurig advised Blackstone company Multi Veste 339 BV on its EUR 250 million sale of the Forum Gdansk shopping center to NEPI Rockcastle. Linklaters advised the buyer.	EUR 250 million	Poland
22-Dec	SSW Pragmatic Solutions	SSW Pragmatic Solutions supported Movie Games in obtaining prospectus approval from the Polish Financial Supervision Authority regarding the transfer of its listing from the alternative NewConnect market to the main market of the Warsaw Stock Exchange.	N/A	Poland
22-Dec	Czabanski & Galuszynski; Dentons	Czabanski & Galuszynski advised the Focus Estate Fund on its acquisition of the Atrium Mosty shopping center in Plock from the Atrium Group. Dentons advised Atrium.	N/A	Poland
22-Dec	DLA Piper; Gessel	Gessel advised Enterprise Investors managed Polish Enterprise Fund VIII on its acquisition of a 40% stake in Bisar. DLA Piper advised Bisar's founders on the sale.	N/A	Poland
23-Dec	Greenberg Traurig	Greenberg Traurig advised CBRE Investment Management on the acquisition of 24 logistics assets in Europe from Hillwood Investment Properties.	N/A	Poland
23-Dec	SSW Pragmatic Solutions	SSW Pragmatic Solutions advised Letbek on the lease of an 8,400 square-meter production hall in Komorniki, near Poznan, from SEGRO.	N/A	Poland
23-Dec	Balicki Czekanski Gryglewski Lewczuk; Lewczuk Lyszczarek i Wspolnicy	Balicki Czekanski Gryglewski Lewczuk advised Adamed on a minority investment in Apeiron Synthesis as part of a PLN 21 million round that also included Aper Ventures and Orlen VC. Lewczuk Lyszczarek i Wspolnicy advised Apeiron Synthesis.	PLN 21 million	Poland
23-Dec	Act Legal (BSSW)	Act BSWW advised Develia on its public placement of bonds worth PLN 15.4 million.	PLN 15.4 million	Poland
23-Dec	Baker Mckenzie; Greenberg Traurig	Greenberg Traurig advised the Polsat Plus Group on its PLN 2.67 billion issuance of sustainability-linked bonds according to the ICMA standard. Baker McKenzie advised the banks.	PLN 2.67 billion	Poland
23-Dec	Greloch Jaworski Stanis Adwokaci; Konieczny Wierzbicki	KWKR Konieczny Wierzbicki and Partners advised Galinvest on the sale of a Zaczarowane Kolo residential property in Krakow to Aurec Capital company Livup. Greloch Jaworski Stanis Adwokaci advised the buyer.	N/A	Poland
23-Dec	DLA Piper; Schoenherr	DLA Piper advised the shareholders of OptiBuy on its sale to the WNS group. Schoenherr advised WNS Holdings on the acquisition.	N/A	Poland
23-Dec	Crido Legal; White & Case	White & Case advised GLP on its acquisition of a logistics center in Bierun from SPM. Crido Legal reportedly advised the seller.	N/A	Poland
05-Jan	Gessel; Jonak i Partnerzy	Gessel advised Pure Biologics on its public offering of shares carried out under an accelerated book-building program and the private offering of new company shares. Jonak i Partnerzy advised the managers.	PLN 30 million	Poland
05-Jan	Clifford Chance; DLA Piper	Clifford Chance advised Polish apartment rental company Resi4Rent on obtaining EUR 50 million in financing from the EBRD. DLA Piper reportedly advised the lender.	EUR 50 million	Poland
05-Jan	Clifford Chance	Clifford Chance advised Ipopema Securities on the establishment of an up to PLN 500 million bond issuance program for Echo Investment and Echo's first PLN 180 million issuance of bonds under the program.	PLN 180 million	Poland
05-Jan	Greenberg Traurig; Rymarz Zdort Maruta	Greenberg Traurig advised CVC Capital Partners on its sale of the PKP Energetyka power company to state-owned PGE Polska Grupa Energetyczna. Rymarz Zdort advised PGE.	N/A	Poland
05-Jan	Latham & Watkins; Skadden, Arps, Slate, Meagher & Flom; Wardynski & Partners	Wardynski & Partners, working with Latham & Watkins, advised Spider Investments Luxembourg on its EUR 1.88 billion sale of Transporeon to Trimble. Skadden Arps Slate Meagher & Flom advised Trimble.	EUR 1.88 billion	Poland
06-Jan	CMS; Wardynski & Partners	Wardynski & Partners advised the Bucher Group on its acquisition of B&P Engineering. CMS advised B&P Engineering's shareholders.	N/A	Poland
06-Jan	DZP Domanski Zakrzewski Palinka; Kozlowski Tomasik Oszczak	Kozlowski Tomasik Oszczak advised Columbus Energy on its sale of a 102.5-megawatt photovoltaic farms portfolio to Engie Zielona Energia. Domanski Zakrzewski Palinka advised the buyer.	N/A	Poland
09-Jan	Greenberg Traurig	Greenberg Traurig advised Allianz on the mergers of the respective companies within the Allianz Group and Aviva Group in Poland.	N/A	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
09-Jan	Clifford Chance	Clifford Chance advised Airbus Defence and Space on the sale of two observation satellites and related systems and services to the Polish Armament Agency.	N/A	Poland
10-Jan	Dentons; Linklaters	Linklaters advised NEPI Rockcastle on its acquisition of the Atrium Copernicus Shopping Center in Torun from G City Europe. Dentons advised the seller.	N/A	Poland
10-Jan	CMS	CMS advised Robyg, Bank Pekao, and mBank on the company's PLN 110 million bond issuance.	PLN 110 million	Poland
10-Jan	Crido Legal; Dentons; Linklaters	Linklaters advised Echo Investment on the sale of the Face2Face Business Campus office complex in Katowice to a joint venture of Investika and Bud Holdings for over EUR 100 million. Dentons and, reportedly, Crido advised the buyers.	EUR 100 million	Poland
11-Jan	Gessel; Wolf Theiss	Gessel advised private equity fund EMSA Capital on the full sale of Famed Zywiec to Czech fund BHM Group. Wolf Theiss advised the buyer.	N/A	Poland
11-Jan	SKJB Szybkowski Kuzma Jelen Brzoza-Ostrowska	Szybkowski Kuzma Jelen Brzoza-Ostrowska advised Atman on its acquisition of land in Duchnice for a data center project.	N/A	Poland
11-Jan	B2RLaw; LSW Lesnodorski Slusarek & Partners	B2RLaw advised DocPlanner on its acquisition of MyDr. LSW Lesnodorski Slusarek & Partners advised the sellers.	N/A	Poland
13-Jan	Clifford Chance; DLA Piper	Clifford Chance advised Xebia on the acquisition of GetInData. DLA Piper advised GetInData.	N/A	Poland
13-Jan	Brockhuis Jurczak Prusak Sroka Nilsson	Brockhuis Jurczak Prusak Sroka Nilsson advised DB Schenker on the construction of its Szczecin transshipment terminal.	N/A	Poland
16-Jan	Baker Mckenzie; Clifford Chance	Clifford Chance advised ING Bank Slaski, Bank Gospodarstwa Krajowego, and Alior Bank on a sustainability-linked corporate refinancing for the Paged Group. Baker McKenzie advised the borrowers.	N/A	Poland
16-Jan	GFKK Grzybczyk Kaminski Gawlik	GFKK Grzybczyk Kaminski Gawlik advised German company IAV on entering the Polish market to operate as IAV Poland Spolka.	N/A	Poland
16-Jan	Marszalek & Partnerzy	Marszalek & Partnerzy advised Dom Development on its PLN 90 million sale of a property to an institutional investor in the private rental sector as well as the conclusion of a contract to build four residential buildings worth PLN 200.4 million.	PLN 290.4 million	Poland
16-Jan	Chajec	CDZ Chajec & Partners advised Centerscape Poland on its acquisition of five retail parks located in Warsaw, Lodz, Bydgoszcz, Jablonna, and Lewin Brzeski with a total retail area of 10,000 square meters.	N/A	Poland
17-Jan	GWW Legal; Morrison & Foerster; Wardynski & Partners	Wardynski & Partners, working with Morrison Foerster, advised Nouryon Chemicals International on its acquisition of Adob Fertilizers. GWW Legal advised the seller.	N/A	Poland
17-Jan	Hogan Lovells; Shearman & Sterling	Shearman & Sterling advised Elemental Holding on a USD 290 million equity private placement and investment from the International Finance Corporation, EBRD, and Polish Development Fund. Hogan Lovells advised the three investors.	USD 290 million	Poland
18-Jan	Gorzelnik Nentwig Ziebinski	Gorzelnik Nentwig Ziebinski advised Aerotunel on its acquisition of two utility-scale solar energy projects in Poland from developer Arenella.	N/A	Poland
19-Jan	Allen & Overy; Dentons	Dentons advised Helaba Landesbank Hessen-Thueringen on its EUR 129 million refinancing of five Accolade warehouse parks in Poland. Allen & Overy reportedly advised Accolade.	EUR 129 million	Poland
20-Jan	Crido Legal; Dulewski Sikora	Crido Legal advised the Dr Irena Eris Group on its acquisition of pharmaceutical company Sulfur Zdroj Exim. Dulewski Sikora advised Sulphur's sole shareholder, Alojzy Kubiak, on the sale.	N/A	Poland
26-Jan	Chudzikowski; SSK&W	SSK&W advised the shareholders of Milestone Dom Wdrozeniowy on the sale of all shares in the company to BPX. Chudzikowski advised BPX.	N/A	Poland
26-Jan	Baker Tilly; WKB	WKB advised the Zeiss Group on its acquisition of Lenso. Baker Tilly Legal Poland advised Lenso.	N/A	Poland
26-Jan	Deloitte Legal	Deloitte Legal advised Scope Fluidics on the transfer of its listing from NewConnect to the main market of the Warsaw Stock Exchange.	N/A	Poland
26-Jan	Norton Rose Fulbright	Norton Rose Fulbright advised a banking syndicate on the PLN 330 million financing for Polish photovoltaic systems manufacturer and equipment distributor Corab with the option of an incremental facility up to a total of PLN 500 million.	PLN 330 million	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
27-Jan	Dentons	Dentons successfully represented the interests of Porsche Inter Auto Polska in multiple cases concerning excise taxation on intra-community acquisitions of passenger cars before the Provincial Administrative Court in Warsaw and the Supreme Administrative Court.	N/A	Poland
27-Jan	Cytowski & Partners	Cytowski & Partners advised Polish start-up Eleven Labs on its USD 2 million pre-seed financing round with Credo Ventures, Concept Ventures, and angel investors from the UK and CEE.	USD 2 million	Poland
27-Jan	Allen & Overy; Linklaters	Allen & Overy advised FLE on its acquisition of the Kopernik Office Buildings in Warsaw from the DWS Group. Linklaters advised the seller.	N/A	Poland
27-Jan	Wardynski & Partners	Wardynski & Partners advised CNS Pharmaceuticals on negotiating a contract to supply Berubicin to the Pomeranian Medical University.	N/A	Poland
30-Jan	DZP Domanski Zakrzewski Palinka	Domanski Zakrzewski Palinka advised Polregio on the preparation of framework agreements and tender documentation for the supply of 200 trains.	PLN 7 billion	Poland
30-Jan	Ashurst; Davis Polk & Wardwell; K2Legal Korbonski And Partners; Norton Rose Fulbright; Schoenherr; Sullivan & Cromwell	Schoenherr and Norton Rose Fulbright, working with Davis Polk & Wardwell and Ashurst, advised JP Morgan Chase and other financing parties on the refinancing of Diebold Nixdorf debt and the provision of USD 400 million in new capital. Sullivan & Cromwell and K2Legal Korbonski i Partnerzy reportedly advised the borrower.	USD 400 million	Poland
31-Jan	JDP	JDP Drapala & Partners advised Trei Real Estate on a EUR 40 million financing from the Berlin Hyp real estate and mortgage bank for the company's day-to-day operations.	EUR 40 million	Poland
31-Jan	Czabanski & Galuszynski; Taylor Wessing	Taylor Wessing advised Raiffeisen Bank International and other sellers and creditors on the sale of the Ferio Legnica Shopping Center to the Focus Estate Fund and the transfer of existing financing. Czabanski & Galuszynski reportedly advised the buyer.	N/A	Poland
01-Feb	Grant Thornton	Grant Thornton advised the PGD Group on its acquisition of Renault Retail Group Warszawa from the Renault Retail Group.	N/A	Poland
01-Feb	Kwasnicki, Wrobel & Partners; White & Case	White & Case advised Towarzystwo Finansowe Silesia on its preliminary agreement with Centralny Port Komunikacyjny for the sale of 38% of TF Silesia's shares in Torpol. Kwasnicki Wrobel & Partners advised CPK.	N/A	Poland
01-Feb	Crido Legal	Crido advised Poland's LEK-AM pharmaceutical company on obtaining bank financing and grant support to implement its R&D projects.	N/A	Poland
01-Feb	Drzewiecki Tomaszek & Partners; Soltysinski Kawecki & Szlezak	Soltysinski Kawecki & Szlezak advised Heineken International on its PLN 1.66 billion acquisition of the remaining 35% stake in Grupa Zywiec through a block trade transaction, public tender offer, and subsequent minority squeeze-out. Drzewiecki Tomaszek & Partners advised Harbin on both the initial block sale (for 28.19% of shares in Grupa Zywiec) and the sale of the remaining 6% of shares (the public tender and minority squeeze-out), completed in January 2023.	PLN 1.66 billion	Poland
02-Feb	Allen & Overy; Norton Rose Fulbright	Norton Rose Fulbright advised mBank on financing the construction of the 18-megawatt Cyranka PV project sponsored by ONDE. Allen & Overy advised ONDE.	N/A	Poland
03-Feb	Norton Rose Fulbright	Norton Rose Fulbright advised Bank Gospodarstwa Krajowego on financing the construction of a 7-megawatt wind farm sponsored by Budimex.	N/A	Poland
03-Feb	Act Legal (BSWW); Dentons	Dentons advised Develia on its preliminary agreement for the EUR 70 million sale of the Wola Retro office building in Warsaw with the Adventum Group. Act BSWW advised Adventum.	EUR 70 million	Poland
06-Feb	Gessel	Gessel advised SunRoof on its most recent EUR 13.5 million investment round with the participation of World Fund, Nordic Alpha Partners, and Legal & General Capital.	EUR 13.5 million	Poland
07-Feb	Linklaters; White & Case	Linklaters advised the Somerston Group on the sale of Newbridge Poland to the Greenman Group. White & Case advised Greenman.	N/A	Poland
08-Feb	Baker Mckenzie; Greenberg Traurig; SKJB Szybkowski Kuzma Jelen Brzoza-Ostrowska	Greenberg Traurig advised the Trigea Real Estate Fund on its acquisition of City Logistics Wroclaw II from Panattoni. Szybkowski Kuzma Jelen Brzoza-Ostrowska advised Panattoni. Baker McKenzie reportedly advised Trigea on tax matters.	N/A	Poland
08-Feb	DWF	DWF advised the consortium of Rubau Polska and Poltores on the tender procedures for the design and construction of two sections of the S-19 and S-10 expressways.	PLN 728 million	Poland

Date Covered	Firms Involved	Deal/Litigation	Value	Country
08-Feb	CMS; Gessel; Norton Rose Fulbright	CMS advised the Lewandpol Group on a project to build a hybrid solar and wind farm in Poland. Norton Rose Fulbright advised ING Bank Slaski, PKO Bank Polski, and mBank on a PLN 766 million senior secured financing for the project. Gessel reportedly advised a Polish Development Fund investment fund on providing a PLN 100 million subordinated loan.	PLN 866 million	Poland
09-Feb	Linklaters	Linklaters advised Patron Capital – acting in partnership with 7R – on the sale of an approximately 30,000 square-meter logistics asset located in Goleniow to an undisclosed institutional investor, for EUR 22 million.	EUR 22 million	Poland
10-Feb	Greenberg Traurig	Greenberg Traurig advised the AT Capital Group on its acquisition of land in Warsaw from Golub Gethouse.	N/A	Poland
10-Feb	Baker Tilly; Bird & Bird; Dentons; Roedl & Partner	Roedl & Partner, working with Bird & Bird, advised Sunfarming on expanding its partnership with Hansainvest through a EUR 50 million mezzanine financing for 231 Polish photovoltaic projects. Dentons, working with Baker Tilly, advised Hansainvest on providing the financing.	EUR 50 million	Poland
14-Feb	SSK&W	SSK&W advised Wireless Instruments founders Michal Gorzad and Adrian Metelica on obtaining financing from an Assay Group private fund.	N/A	Poland
15-Feb	White & Case	White & Case advised issuer PKO Bank Hipoteczny and joint bookrunners Erste Group Bank and PKO Bank Polski on a PLN 500 million issuance of mortgage-covered bonds.	PLN 500 million	Poland
15-Feb	Baker Mckenzie; Garrigues	Baker McKenzie advised companies from the Agencja Rozwoju Przemyslu group on their joint venture with GRI Renewable Industries for the construction of a wind tower production facility in Poland. Garrigues advised GRI.	N/A	Poland
15-Feb	Norton Rose Fulbright	Norton Rose Fulbright advised Panattoni on the long-term lease and construction agreement for a built-to-suit logistics center in Radzymin to be developed for the Poczta Polska state postal service.	N/A	Poland
24-Jan	CMS	CMS advised the EBRD on a EUR 10.8 million loan to Serbian machine manufacturer Stax Technologies.	EUR 10.8 million	Poland; Serbia; Ukraine
22-Dec	Dentons; Wolf Theiss	Wolf Theiss advised AFI on a EUR 450 million credit facility for the purposes of refinancing its three shopping centers in Romania – AFI Cotroceni in Bucharest, AFI Ploiesti, and AFI Brasov. Dentons advised Erste Group Bank, BCR, Raiffeisen Bank International, Raiffeisen Bank Romania, and Alpha Bank Romania on the credit facility.	EUR 450 million	Romania
22-Dec	Filip & Company; Linklaters	Filip & Company, working with Linklaters' London office, advised Fondul Proprietatea on the sale of its entire shareholding in OMV Petrom for RON 764.1 million via an accelerated private placement.	RON 764.1 million	Romania
22-Dec	Bulboaca & Asociatii	Bulboaca & Asociatii successfully represented insurance company Eazy Asigurari before Romania's financial supervisory authority in obtaining its operating license.	N/A	Romania
22-Dec	Mitel & Partners; Tuca Zbarcea & Asociatii	Tuca Zbarcea & Asociatii advised a banking syndicate on a new credit facility for MedLife, as part of the company's EUR 228 million syndicated loan. Mitel & Partners advised MedLife on the loan.	EUR 50.7 million	Romania
23-Dec	Cytowski & Partners	Cytowski & Partners advised GoodLegal on a EUR 1.2 million pre-seed investment led by the Earlybird Digital East Fund. Cohen & Ostler reportedly advised Earlybird.	EUR 1.2 million	Romania
23-Dec	Stratulat Albulescu; The Law Chamber	Stratulat Albulescu advised Keys REIM on its EUR 13.5 million sale of an unfinished building in Bucharest to One United Properties. The Law Chamber advised the buyer.	EUR 13.5 million	Romania
23-Dec	Clifford Chance	Clifford Chance Badea advised UniCredit Bank in Romania on its RON 488.5 million corporate bond issuance	RON 488.5 million	Romania
23-Dec	Bulboaca & Asociatii	Bulboaca & Asociatii supported Investimental in obtaining its financial investment services authorization from the Romanian Financial Supervisory Authority.	N/A	Romania
23-Dec	Filip & Company; Popovici Nitu Stoica & Asociatii	Popovici Nitu Stoica & Asociatii advised Romanian Business Consult on its acquisition of Fullscreen Digital. Filip & Company reportedly advised the seller.	N/A	Romania
04-Jan	Stratulat Albulescu	Stratulat Albulescu advised Vectr Fitness – the main shareholder of the World Class fitness chain in Romania – on the acquisition of Nextfitness & Wellness from Sergiu Irimescu and Sergiu Dan Serban. Solo practitioner Zoltan Nemeth advised the sellers.	N/A	Romania

Date Covered	Firms Involved	Deal/Litigation	Value	Country
04-Jan	PwC Legal (D&B David And Baias)	PwC Legal Romanian affiliate D&B David si Baias advised Memorial Healthcare on its acquisition of the Monza Oncology Hospital within the Enayati Medical City in Bucharest.	N/A	Romania
11-Jan	Vlasceanu & Partners	Vlasceanu & Partners advised Econergy Renewable Energy on the acquisition of a 40-megawatt project under development and a 44-megawatt ready-to-build project in Teleorman county, Romania.	N/A	Romania
13-Jan	Cytowski & Partners; Fladgate; Stradling Yocca Carlson & Rauth	Cytowski & Partners advised Romanian start-up Digitail on its USD 11 million series A financing round with Atomico and the participation of byFounders, Partech Ventures, and Gradient. US-based Stradling Yocca Carlson & Rauth and the UK's Fladgate reportedly advised Atomico.	USD 11 million	Romania
17-Jan	Vlasceanu & Partners	Vlasceanu & Partners advised the Photon Energy Group on the development of several renewable energy projects in Romania with a total capacity of roughly 27 megawatts.	N/A	Romania
18-Jan	Penningtons Manches Cooper; Stratulat Albulescu; Taylor Wessing	Stratulat Albulescu advised Rockpool on its investment in EC Electronics. Reportedly, Taylor Wessing advised Rockpool as well, while Penningtons Manches Cooper advised EC Electronics.	N/A	Romania
24-Jan	Dentons	Dentons advised NEPI Rockcastle on a EUR 60 million green financing for Ploiesti Shopping City from a syndicate of lenders led by BRD Groupe Societe Generale.	EUR 60 million	Romania
26-Jan	Musat & Asociatii; Popovici Nitu Stoica & Asociatii	Popovici Nitu Stoica & Asociatii advised Redport Capital on its EUR 3.2 million acquisition of over one hectare of land in the Petrom City area from Havi Logistics. Musat & Asociatii reportedly advised Havi.	N/A	Romania
31-Jan	Suciu Popa	Suciu Popa successfully represented Electroputere VFU Pascani in a public procurement dispute over a public tender cancellation.	N/A	Romania
31-Jan	Wolf Theiss	Wolf Theiss advised Raiffeisen Bank in Romania on its RON 369 million issuance of 8.817% non-preferred senior eligible sustainability notes due 2027.	RON 369 million	Romania
01-Feb	Schoenherr	Schoenherr advised Nofar Energy on its acquisition of a 73-megawatt solar photovoltaic project in Slobozia, Giurgiu county.	N/A	Romania
08-Feb	Legalias; MPR Partners	MPR Partners advised V-Ridium on its acquisition of two photovoltaic parks in Romania with a combined production capacity of 6 megawatts. Legalias reportedly advised the sellers.	N/A	Romania
10-Feb	Filip & Company; Tuca Zbarcea & Asociatii	Tuca Zbarcea & Asociatii advised Untold Universe on the sale of a minority stake to Mozaik Investments. Filip & Company advised Mozaik.	N/A	Romania
10-Feb	Kinstellar; Wolf Theiss	Kinstellar advised BRD-Groupe Societe Generale on its EUR 24.3 million financing to Speedwell for the development of two green residential buildings in Timisoara, Romania. Wolf Theiss reportedly advised Speedwell.	EUR 24.3 million	Romania
13-Feb	Wolf Theiss	Wolf Theiss advised Speedwell on developing its first industrial project in Romania, located northwest of Bucharest.	N/A	Romania
13-Feb	Vlasceanu & Partners	Vlasceanu & Partners advised Econergy on the EUR 150 million financing from Phoenix Insurance for the development of its PV project pipeline in Romania and Poland and on the EUR 250 million financing from RGreen Invest for renewable energy investments across Europe.	EUR 400 million	Romania
14-Feb	Leroy si Asociatii; Tuca Zbarcea & Asociatii	Leroy si Asociatii advised Tereos on the sale of its sugar factory in Ludus, Romania, to private investors Mihaela Neagu and Mihail-Daniel Matache. Tuca Zbarcea & Asociatii reportedly advised the buyers.	N/A	Romania
19-Dec	Markovic Vukotic Jovkovic; NKO Partners	NKO Partners advised Emmezeta on its acquisition of ES Logisticke Nekretnine from BIG Shopping Centers. Markovic Vukotic Jovkovic advised the seller.	N/A	Serbia
22-Dec	Bojovic Draskovic Popovic & Partners	Bojovic Draskovic Popovic & Partners advised graphene nanotube manufacturer OCSiAl on starting its business operations in Serbia.	N/A	Serbia
22-Dec	Zivkovic Samardzic	Zivkovic Samardzic was appointed the Republic of Equatorial Guinea's legal advisor for the negotiation and conclusion of commercial agreements with Serbian companies and for the country's business operations in Serbia.	N/A	Serbia
22-Dec	Karanovic & Partners; Manic Gojic	Karanovic & Partners advised Switzerland's GlobalGlass on its acquisition of Srpska Fabrika Stakla. The Manic Gojic Law Office advised SFS's insolvency administrator on the sale.	N/A	Serbia
23-Dec	BDK Advokati; Gernandt & Danielsson	BDK Advokati, working with Gernandt & Danielsson, advised Catena Media on the sale of its AskGamblers business and associated casino brands to the Gaming Innovation Group for EUR 45 million.	EUR 45 million	Serbia

Date Covered	Firms Involved	Deal/Litigation	Value	Country
06-Jan	NKO Partners; Stanivuk & Manasijevski	NKO Partners advised the Dr. Max Group on its acquisition of the AU Medis Lek pharmacy chain in Serbia. Stanivuk & Manasijevski advised AU Medis Lek's shareholder on the sale.	N/A	Serbia
09-Jan	Schoenherr	Moravcevic Vojnovic and Partners in cooperation with Schoenherr advised MaxBet on its agreement with CT Gaming Group member Bargame to acquire the El Dorado Slot Clubs in Serbia.	N/A	Serbia
13-Jan	Harrisons	Harrisons advised the EBRD on its EUR 21.4 million loan to the Metalfer Steel Mill in Sremska Mitrovica, Serbia.	EUR 21.4 million	Serbia
20-Jan	CMS; NKO Partners	NKO Partners advised Emmezeta on its acquisition of Novi Sad real estate from Delhaize. Petrikic & Partneri in cooperation with CMS advised the seller.	N/A	Serbia
27-Jan	Harrisons	Harrisons advised the EBRD on its EUR 12 million unsecured loan to the Autonomous Province of Vojvodina, in Serbia, for the financing of the implementation of energy efficiency measures in around 80 public buildings in 20 municipalities.	EUR 12 million	Serbia
27-Jan	Petrovic Legal	Petrovic Legal advised Hefestos Capital on its acquisition of TMK Europe from Russian company PAO TMK.	N/A	Serbia
30-Jan	Cvjeticanin & Partners	Cvjeticanin & Partners successfully represented Tehnomedia in disputed trademark registration proceedings before Serbia's Intellectual Property Office.	N/A	Serbia
31-Jan	NKO Partners	NKO Partners advised the Dr. Max Group on its acquisition of the Cvejic pharmacy chain in Serbia. Bajic & Popovic reportedly advised the seller.	N/A	Serbia
01-Feb	Vulic Law	Vulic Law advised the Soracom Corporation LTD on the Serbian IoT market.	N/A	Serbia
15-Feb	Jankovic Popovic Mitic; NKO Partners	NKO Partners advised a group of Saga's minority shareholders on Noventiq's buyout of their equity. Jankovic Popovic Mitic advised the buyer.	N/A	Serbia
15-Feb	ZMP Zivko Mijatovic and Partners	Zivko Mijatovic and Partners successfully represented the Champagne Wine Interprofessional Committee in its request for general customs supervision based on indications of geographical origin for Champagne wine across Balkan markets.	N/A	Serbia
11-Jan	Karanovic & Partners (Ketler & Partners); ODI Law	ODI Law advised the state-owned Slovenian Bank Assets Management Company – now merged with the Slovenian Sovereign Holding – on the restructuring of Fori and its related companies. Ketler & Partners, a member of Karanovic, advised Fori.	N/A	Slovenia
18-Jan	Cuatrecasas; Fatur Menard; Schoenherr	Fatur Menard advised the Svetlik family on the sale of their stake in Hidria owner H&R to Spanish corporation Gonvarri. Schoenherr advised Gonvarri on the acquisition representing 42% of the target's voting rights. Cuatrecasas reportedly advised Gonvarri as well.	N/A	Slovenia
13-Feb	Fatur Menard	Fatur Menard advised the Europacific Group on its acquisition of Slovenian trucking company Artcom Trans.	N/A	Slovenia
22-Dec	Aksan	Aksan advised APY Ventures on its investment in Roketfy.	N/A	Turkey
06-Jan	Ask Legal; Dentons (BASEAK)	Dentons Turkish affiliate law firm Balcioglu Selcuk Ardiyok Keki Attorney Partnership advised the Turkish Development Fund's Technology and Innovation Fund on its investment in Mindsite. ASK Legal advised Mindsite.	N/A	Turkey
09-Jan	Karatas Yildiz Borovali; Turunc	Turunc advised Lycian Capital Partners on its partnership with the Azimut Group. Karatas Yildiz Borovali reportedly advised the Azimut Group.	N/A	Turkey
10-Jan	Dentons (BASEAK)	Dentons Turkish affiliate Balcioglu Selcuk Ardiyok Keki Attorney Partnership advised SDT Uzay & Savunma Teknolojileri on its IPO with Info Yatirim.	N/A	Turkey
10-Jan	Aksan	The Aksan Law Firm advised APY Ventures on its TRY 6.7 million investment in Shippn.	TRY 6.7 million	Turkey
10-Jan	Moral, Kinikoglu, Pamukkale, Kokenek	Moral, Kinikoglu, Pamukkale, Kokenek advised Twin Science & Robotics and its shareholders on the company's pre-series A fundraising.	N/A	Turkey
12-Jan	Aksan	The Aksan Law Firm advised venture capital and private equity firm Maxis on its investment in education platform MentalUP.	N/A	Turkey
19-Jan	Baker Mckenzie (Esin Attorney Partnership); Kinstellar (Gen Temizer Ozer); Paksoy; Volt Associes; Willkie Farr & Gallagher	Paksoy, working with Willkie Farr & Gallagher, advised Groupe Cahors on its acquisition of Schneider Electric companies that operate transformer plants in Turkey and Poland. Baker McKenzie Turkish affiliate Esin Attorney Partnership reportedly advised the sellers. Volt Associes and Kinstellar Turkish affiliate Gen Temizer Ozer reportedly advised the lenders.	N/A	Turkey

Date Covered	Firms Involved	Deal/Litigation	Value	Country
24-Jan	Polat & Partners; Turunc	Turunc advised Bogazici Ventures on its investment in Dojo Talent. Polat & Partners advised Dojo Talent Founder Alp Sezginsoy.	N/A	Turkey
27-Jan	Egemenoglu; Paksoy	Paksoy advised Univar Solutions on its acquisition of Kale Kimya. Egemenoglu advised the sellers.	N/A	Turkey
27-Jan	Turunc	Turunc advised intercity bus operator Kamil Koc on its alliance with Istanbul-based bus companies Ses Turizm and Gulen Turizm.	N/A	Turkey
27-Jan	Gide Loyrette Nouel (Ozdirekcan Dundar Senocak)	Gide Turkish affiliate Ozdirekcan Dundar Senocak advised the Turkiye Wealth Fund on its acquisition of Bereket Katilim insurance companies and the subsequent restructuring of TWF subsidiaries' takaful insurance operations.	N/A	Turkey
27-Jan	Moral, Kinikoglu, Pamukkale, Kokenek; SCH Legal	Moral, Kinikoglu, Pamukkale, Kokenek advised Israel's Amiad Water Systems on its acquisition of the final 49% stake in FTS Filtrasyon Aritim Sistemleri. SCH-Legal advised the Sandikcioglu family on the sale.	N/A	Turkey
30-Jan	Bagzibagli Erdem & Sahin; Turunc	Turunc advised Bogazici Ventures on its investment in UP School's first financing round. Bagzibagli Erdem & Sahin advised UP School.	N/A	Turkey
31-Jan	Cim Hukuk; Paksoy	Paksoy advised Imerys on the sale of its 50% stake in JV Pergem to IPM Industries. Cim Hukuk reportedly advised IPM Industries.	N/A	Turkey
02-Feb	Turunc; Vircon Legal	Turunc advised Bogazici Ventures on its USD 200,000 investment in Nureply. Vircon Legal advised Nureply.	USD 200,000	Turkey
08-Feb	Aksan	The Aksan Law Firm advised portfolio manager Maxis and venture capital fund Founder One on their investment in UnoMoi.	N/A	Turkey
13-Feb	Bagzibagli Erdem & Sahin	Bagzibagli Erdem & Sahin advised South Korea's Genoray Co on its acquisition of medical X-ray device supplier Ultra Medikal.	N/A	Turkey
21-Dec	Baker Mckenzie	The Kyiv office of Baker McKenzie advised the International Finance Corporation on channeling up to EUR 25 million in EU funds to help Ukrainian homeowners' associations restore war-damaged residential buildings.	EUR 25 million	Ukraine
09-Jan	Asters	Asters advised the European Bank for Reconstruction and Development on a EUR 10 million financing for the Grain Alliance Group.	EUR 10 million	Ukraine
09-Jan	Asters	Asters advised the Black Sea Trade and Development Bank on its EUR 8 million financing to the Real Estate Development Centre for the construction of a 128-room hotel in Lviv, Ukraine.	EUR 8 million	Ukraine
12-Jan	Asters; Dechert; Sayenko Kharenko	Asters, working with Dechert, advised JSC Ukrainian Railways on the restructuring of two tranches of loan participation notes issued by Rail Capital Markets – one for notes due 2026 and another for notes due 2024 – in a total amount of USD 895 million. Sayenko Kharenko advised solicitation agents JP Morgan and Dragon Capital.	USD 895 million	Ukraine
27-Jan	Integrites	Integrites signed a pro bono collaboration agreement with the Ministry of Veterans' Affairs of Ukraine and the Affordable Housing Institute aimed at developing housing for war veterans and their families.	N/A	Ukraine
09-Feb	Sayenko Kharenko	Sayenko Kharenko successfully represented seller MHP Food Trading in arbitration proceedings under FOSFA Rules of Arbitration and Appeal against a buyer based in Hong Kong.	N/A	Ukraine
10-Feb	Sayenko Kharenko	Sayenko Kharenko advised the EBRD on its EUR 25 million loan to the city of Lviv under the EBRD's Resilience and Livelihoods Framework.	EUR 25 million	Ukraine
10-Feb	Sayenko Kharenko	Sayenko Kharenko advised Goldman Sachs Asset Management on the acquisition of digital consultancy Cprime.	N/A	Ukraine

Deals and Cases:

■ Full information available at:
www.ceelegalmatters.com
■ Period Covered:
December 16, 2022 - February 15, 2022

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

ON THE MOVE: NEW HOMES AND FRIENDS

Montenegro: Pejovic Legal Launched in Podgorica

By Teona Gelashvili (January 16, 2023)

Former Karanovic & Partners Partner Milena Roncevic Pejovic has established Pejovic Legal in Montenegro.

Specializing in corporate and M&A, banking and finance, employment, and real estate, Roncevic Pejovic was previously a Partner at Karanovic & Partners, where she spent over 11 years between 2011 and 2022. Earlier still, she was an Attorney-at-Law at Prelevic Law Firm from 2004 to 2011.

Pejovic Legal focuses on M&A, real estate, employment, commercial, to day-to-day legal support to clients' businesses, with the firm also announcing it has established affiliations with independent law firms from Albania, Bosnia & Herzegovina, Croatia, Macedonia, Serbia, and Slovenia. ■

Slovenia: Law Firm Skufca Opens Doors in Ljubljana

By Radu Cotarcea (January 24, 2023)

Former Schoenherr Ljubljana Co-Managing Partner Eva Skufca has established the eponymous Law Firm Skufca in Slovenia.

The new boutique firm focuses on competition, state aid, FDI regulations, and IP.

Skufca left Schoenherr in October 2022, after spending ten years with the firm. She first joined the previous team in 2012 as a Senior Associate and made Partner in 2015. She had served as the Co-Managing Partner in Ljubljana since 2017. Before Schoenherr, she worked for Miro Senica and Attorneys between 2007 and 2011.

"After having spent more than 15 years in the legal profession and ten years with Schoenherr, where I was delighted to co-manage the Ljubljana office, I decided it's time for a new challenge," Skufca commented. ■

Hungary: BLS-CEE Expands Network with Addition of Iulia Berea and Chen Chen

By Teona Gelashvili (January 26, 2023)

The Bucharest-based Iulia Berea Law Office and the Budapest-based Chen Law Firm have joined the BLS-CEE network. The two firms' respective Managing Partners – Iulia Berea and Chen Chen – have also joined BLS-CEE as Collaborating Partners.

Specializing in corporate and M&A, labor, TMT/IP, and environment, Berea has been managing her eponymous law office since 2014. She has also been the Head of Legal at Flowx.AI, since 2020, and a Partner at Arcliffe, since 2017. Between 2007 and 2014, Berea was a Partner with Bulboaca & Asociatii and led the firm's Corporate/M&A and Employment practices. She was also an Associate at Linklaters from 2004 to 2006.

"Having a strong team in Bucharest unlocks the potential for offering integrated business law solutions to clients for Hungary and Romania," BLS-CEE Co-Founding Managing Partner Gabor Kovacs said of the appointment.

Chen has expertise in corporate and M&A, construction, real estate, dispute resolution, and arbitration. She has been leading her own practice since 2020. Between 2013 and 2020, she worked as China Special Advisor at Baker McKenzie Budapest. She also spent six months as a Junior Lawyer with Noerr in 2013. Between 2010 and 2012, she was a Business Development Manager at the China Brand Trade Center. She also spent a year with NXP Semiconductors as a Business Development Representative, starting in 2008.

"Sharing her time between Hungary and Switzerland, Chen was seeking a legal community that enables her to thrive and take her professional career to the next level. We are very proud that she chose us," Kovacs commented. ■

Poland: BNT Attorneys in CEE and BSJP Join Forces

By Andrija Djonovic (February 2, 2023)

BNT Attorneys in CEE have joined forces with Poland's BSJP. The move also involves the combination of BSJP with long-time BNT Polish member firm Neupert Zamorska & Partnerzy, with the resulting firm set to operate as BSJP BNT Brockhuis Jurczak Prusak Sroka Nilsson Zamorska going forward.

"As a result of the merger, BNT Partners Domnika Wagrodzka, Malgorzata Zamorska, Martin Neupert, and Daniel Goessling will join BSJP's Warsaw office," the firm announced. The combined firm encompasses a team of "more than 200 multilingual specialists working from 13 offices throughout nine EU states, including four strategic locations in Poland (Warsaw, Gdansk, Katowice, and Poznan)."

"We look with great excitement to join forces with BSJP on the largest market in Central and Eastern Europe," BNT Attorneys in CEE Managing Partner International Margareta Sovova said. "With such a well-established partner we will boost our joint business potential in all jurisdictions and provide even better services for our clients."

"We are proud to create something new and unique both in CEE and locally: a regional law firm with strong local participants in all countries in which it is present and the first large Polish law firm with such a reach," BSJP Managing Partner Dag Nilsson added. ■

PARTNER APPOINTMENTS

Date	Name	Practice(s)	Firm	Country
18-Jan	Lisa Haslinger	Real Estate	Vavrovsky Heine Marth	Austria
1-Feb	Christopher Peitsch	Labor	Cerha Hempel	Austria
1-Feb	Jakob Hartig	Corporate/M&A	Cerha Hempel	Austria
1-Feb	Christoph Reiter	TMT/IP; Corporate/M&A; Insolvency/Restructuring	Cerha Hempel	Austria
2-Feb	Klara Kiehl	White Collar Crime; Litigation/Disputes	Schoenherr	Austria
2-Feb	Clemens Rainer	Real Estate	Schoenherr	Austria
2-Feb	Sascha Schulz	Corporate/M&A	Schoenherr	Austria
2-Feb	Marco Thorbauer	Tax	Schoenherr	Austria
30-Jan	Gergana Monovska	Banking/Finance; Capital Markets; Litigation/Disputes	Djingov Gouginski Kyutchukov & Velichkov	Bulgaria
30-Jan	Valentin Bojilov	Corporate/M&A; Banking/Finance; Litigation/Disputes	Djingov Gouginski Kyutchukov & Velichkov	Bulgaria
30-Jan	Bozhko Poryazov	Real Estate	Popov Arnaudov & Partners	Bulgaria
2-Feb	Tsvetan Krumov	Banking/Finance	Schoenherr	Bulgaria
10-Jan	Andrea Adamcova	Corporate/M&A; Banking/Finance	BBH	Czech Republic
10-Jan	Matej Manderla	Corporate/M&A	BBH	Czech Republic
10-Jan	Petr Vosahlik	Litigation/Disputes	BBH	Czech Republic
11-Jan	Ondrej Ponistiak	Corporate/M&A; TMT/IP; Competition	BPV Braun Partners	Czech Republic
13-Jan	Jiri Kunasek	Corporate/M&A; Litigation/Disputes	Havel & Partners	Czech Republic
4-Jan	Maria Pihlak	Litigation/Disputes	Sorainen	Estonia
17-Jan	Dmitri Zdobnoh	Corporate/M&A; Tax	Eversheds Sutherland	Estonia
27-Jan	Chirag Mody	Litigation/Disputes	TGS Baltic	Estonia
27-Jan	Martti Peetsalu	Litigation/Disputes	TGS Baltic	Estonia
13-Feb	Yiannis Loizos	Corporate/M&A	Koutalidis	Greece
13-Feb	Chrysanthi Karlou	Corporate/M&A	Koutalidis	Greece

PARTNER APPOINTMENTS (CONT.)

Date	Name	Practice(s)	Firm	Country
5-Jan	Agnes Bejo	Corporate/M&A	Jalsovszky	Hungary
19-Jan	Balazs Fazakas	Litigation/Disputes; Corporate/M&A	Lakatos Koves & Partners	Hungary
2-Feb	Laszlo Krupl	Real Estate	Schoenherr	Hungary
27-Jan	Dalia Augaite	Capital Markets;	TGS Baltic	Lithuania
27-Jan	Sandra Bliuvaite-Sulciene	Real Estate; Energy/Natural Resources	TGS Baltic	Lithuania
27-Jan	Marius Brasiunas	Litigation/Disputes	TGS Baltic	Lithuania
10-Feb	Karolina Laurynaite	Infrastructure/PPP/Public Procurement	Triniti Jurex	Lithuania
10-Feb	Evaldas Pocevicius	Litigation/Disputes	Triniti Jurex	Lithuania
13-Jan	Nemanja Radovic	Corporate/M&A; Litigation/Disputes; Real Estate	Komnenic & Associates	Montenegro
9-Jan	Wojciech Marchwicki	Litigation/Disputes	Hogan Lovells	Poland
11-Jan	Tomasz Rogalski	Banking/Finance	Norton Rose Fulbright	Poland
18-Jan	Klaudia Fratczak-Kospin	Corporate/M&A; Private Equity; Insolvency/Restructuring	WKB	Poland
18-Jan	Piotr Grabarczyk	Insolvency/Restructuring; Banking/Finance	WKB	Poland
19-Jan	Robert Wodzynski	Real Estate	SSW Pragmatic Solutions	Poland
19-Jan	Tomasz Kwasniewski	Banking/Finance	SSW Pragmatic Solutions	Poland
26-Jan	Wiktoria Rogaska	Energy/Natural Resources	DWF	Poland
26-Jan	Marta Wysokinska	TMT/IP	DWF	Poland
14-Feb	Rafal Siemieniec	Corporate/M&A; Real Estate	MFW Fialek	Poland
19-Dec	Sandra Szybak-Bizacka	Labor	PCS Paruch Chrusciel Schiffter Stepien Kanclerz	Poland
19-Dec	Marcin Szlasa-Rokicki	Litigation/Disputes	PCS Paruch Chrusciel Schiffter Stepien Kanclerz	Poland
19-Dec	Bartosz Tomanek	Labor	PCS Paruch Chrusciel Schiffter Stepien Kanclerz	Poland
23-Dec	Sebastian Janicki	Real Estate	Penteris	Poland
3-Feb	Sebastian Drumaru	Corporate/M&A; Tax; Infrastructure/PPP/Public Procurement	Pop Briciu Crai Attorneys-at-Law	Romania
24-Jan	Andjelka Radovanovic	Corporate/M&A; Litigation/Disputes	NSTLaw Stankovic & Partners	Serbia
31-Jan	Hristina Kosec	Private Equity; TMT/IP; Energy/Natural Resources; Compliance	Gecic Law	Serbia
2-Feb	Jelena Arsic	Banking/Finance	Schoenherr	Serbia
2-Feb	Jovan Barovic	Corporate/M&A; Banking/Finance; Capital Markets	Schoenherr	Serbia
2-Feb	Dusan Obradovic	Banking/Finance	Schoenherr	Serbia
13-Feb	Nenad Kovacevic	Litigation/Disputes	CMS	Serbia
13-Jan	Nastja Merlak	Corporate/M&A; Banking/Finance; Insolvency/Restructuring	Jadek & Pensa	Slovenia
16-Jan	Primoz Mikolic	Corporate/M&A; Banking/Finance; Insolvency/Restructuring	ODI Law	Slovenia
6-Jan	Okkes Sahan	Capital Markets; Private Equity	Paksoy	Turkey
6-Jan	Serdar Ildirar	Corporate/M&A; Capital Markets	Paksoy	Turkey

PARTNER MOVES

Date	Name	Practice(s)	Moving From	Moving To	Country
19-Dec	Matthias Noedl	Real Estate	Taylor Wessing	Cerha Hempel	Austria
22-Dec	Martina Kalamiza Grozdek	Banking/Finance	Divjak Topic Bahtijarevic & Krka	Lovric Novokmet & Partners	Croatia
20-Jan	Gabor Pazsitka	Banking/Finance	Jalsovszky	Cerha Hempel	Hungary
10-Jan	Michal Smolny	Real Estate; Energy/ Natural Resources	Squire Patton Boggs	Eversheds Sutherland	Poland
11-Jan	Jaroslaw Witek	Defense and Security	NGL Legal	Dentons	Poland
18-Jan	Oskar Waluskiewicz	Energy/Natural Resources	DWF	DLA Piper	Poland
2-Feb	Konrad Kosicki	Energy/Natural Resources	Wolf Theiss	Greenberg Traurig	Poland
9-Feb	Igor Muszynski	Energy/Natural Resources	SSW Pragmatic Solutions	Wolf Theiss	Poland
22-Dec	Renata Patoka	Corporate/M&A	SSW	Noerr	Poland
22-Dec	Karol Kicun	Corporate/M&A	MJH Moskwa Jarmul Haladyj i Wspolnici	Noerr	Poland
22-Dec	Jovana Velickovic	Litigation/Disputes	Solo Practitioner	Gecic Law	Serbia
10-Feb	Juraj Fuska	Corporate/M&A	Aldertree Legal	CMS	Slovakia
19-Dec	Mine Guner Sunay	TMT/IP	Baker McKenzie	Kenaroglu IP	Turkey
21-Dec	Dogus Gulpinar	Corporate/M&A; Energy/Natural Resources; Infrastructure/PPP/; Real Estate	Nazali Tax & Legal Ukraine	Akinci Law Office	Turkey

IN-HOUSE MOVES AND APPOINTMENTS

Date	Name	Moving From	Company/Firm	Country
23-Dec	Bilyana Angelova	Dimitrov, Petrov & Co. Law Firm	European Commission	Bulgaria
24-Jan	Dimitris Smirnis	Metro A.E.B.E.	Metro A.E.B.E.	Greece
16-Jan	Daniel Varga	MET Group	MET Group	Hungary
30-Jan	Gabor Kukovecz	Diageo	Phoenix Hungary	Hungary
23-Dec	Jozsef Antal	Kapolyi Law Firm	Grundfos	Hungary
30-Jan	Dominika Niewiadomska-Siniecka	UPC Polska	VeloBank	Poland
25-Jan	George Manea	Telekom Romania	KPMG Legal Toncescu si Asociatii	Romania
31-Jan	Dan Rugina	Lycamobile Group	V-Nova	Romania
26-Jan	Mirko Lalatovic	Fresenius Medical Care	Fresenius Medical Care	Serbia
16-Jan	Senay Donmez	Toros Tarim	Loomis	Turkey
26-Jan	Burcu Karaaslan	McKinsey & Company	McKinsey & Company	Turkey
27-Jan	Belda Ozturk	Hattat Holding	Kazanci Holding	Turkey
23-Dec	Cankat Simsek	Stryker	Oncel, Aydin & Uygun Attorney Partnership	Turkey
23-Dec	Kaan Cetinkaya	Cetinkaya Law Firm	Merzigo	Turkey

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.

New Year, New Clubs, and New Assets To Trade for Croatia: A Buzz Interview with Miroslav Plascar of Zuric i Partneri

By Andrija Djonovic (January 27, 2023)

Aside from Croatia entering the Euro and Schengen zones, there have been numerous other legislative updates of note – primarily in the spheres of labor and land rights – according to Miroslav Plascar, Co-Managing Partner of Zuric i Partneri in cooperation with Kinstellar.

The base price of one point, which is used to determine the prices of an attorney's work, has jumped from HRK 10 to HRK 15 – after 18 years. With this being the first change since 2004, it has been a long time coming. [It is] sure to impact the work of every lawyer in the country, especially when it comes to official billable actions.

"First of all, with the euro being introduced as the official currency, the entire market started feeling immediate changes," Plascar begins. "Most of these changes are most acutely reflected by Companies Act amendments – expectedly, all legal entities must now amend their articles of association and all bylaws so as to denominate share capital and the like in euros instead of kuna." As he explains, a time frame of a couple of years was introduced within which these changes were mandated to be made, "but these term limits are likely to be annulled seeing as how big of a change it will be for companies – they could incur significant costs."

Moreover, the Croatian labor legal framework was amended to more accurately reflect the "post-COVID-19 state of affairs. Primarily, changes were introduced to regulate remote work and home office but also fixed term agreements, salaries, probation work, and others," Plascar explains. In addition, he reports there has been a change to the rules regulating attorney compensation. "The base price of one point, which is used to determine the prices of an attorney's work, has jumped from HRK 10 to HRK 15 – after 18 years. With this being the first change since 2004, it has been a long time coming," he says, adding that it is "sure to impact the work of every lawyer in the country, especially when it comes to official billable actions."

Additionally, Plascar highlights an important and major update to the agricultural legal framework. "A significant change has been introduced to remove the existing moratorium on agricultural land acquisition by non-Croatian citizens and entities. The ban will be lifted on June 30, 2023, thus ending the moratorium which has so far prevented the selling of state and privately-owned land to foreign citizens," he reports. This amendment is, according to him, "crucial because there are strong indications of existing investor interest among EU citizens and entities for acquiring land in Croatia as a strategic asset." Also, he stresses another change which the amendments introduced, that of "the Croatian state having the right of first refusal for any and all agricultural land transactions."

Finally, Plascar comments on another essential change for Croatia – its entry into the Schengen zone. "Starting from the beginning of 2023, all Croatian citizens can now freely travel within the Schengen zone. This opening up, coupled with the eurozone entry, is sure to increase the levels of cooperation with other EU member states, for example, in terms of criminal law cooperation," he says. "Moreover, this will lead to an uptick in legal work, following the inevitable increase of EU-related cooperation bandwidth," Plascar concludes. ■

Serbia's IT Windfall: A Buzz Interview with Nenad Cvjeticanin of Cvjeticanin & Partners

By Teona Gelashvili (January 31, 2023)

In the past few months, the vibrant IT sector has been rapidly developing in Serbia, with the emergence and growth of highly digitalized companies at the forefront, according to Cvjeticanin & Partners Managing Partner Nenad Cvjeticanin.

"The IT sector has seen a significant increase in development in recent months," Cvjeticanin begins. "This growth is largely related to the conflict between Ukraine and Russia, as many IT specialists from those countries have come here to avoid the war and sanctions and start their own businesses. We frequently see teams of 15 to 30 people coming in large numbers, often with families." According to him, last year, an estimated 100,000 new people arrived in the country.

"This is a new area of focus for the legal sector, as we are now dealing not only with IT law, but immigration law-related issues to support these people," Cvjeticanin notes. "While we are not taking sides in the conflict, our main focus is providing support for those affected by it, and helping them with immigration and other related issues."

Additionally, Cvjeticanin notes that personal data protection has been a notable factor under these new circumstances. "This is a significant concern for many software applications that are focused on personal data processing," he points out. "In fact, up to 60% of these new highly digitalized companies' work is related to developing apps which process personal data, as large companies need this kind of data." For example, he notes, "marketing companies frequently rely on targeted ads, which requires consent from consumers and other measures to comply with the GDPR requirements."

Cvjeticanin also highlights that more and more people are now relying on cryptocurrencies. "After the war, there has been a huge question regarding how to move money, as many people from Russia cannot rely on traditional methods such as money transfer via banks, due to the restrictions." As a result, he says, "they have turned to using cryptocurrency as a way to move money. For example, they buy crypto in Russia and, when they come to Serbia, they sell it in a decentralized manner to avoid obstacles."

According to Cvjeticanin, the government has recognized this migration trend and its potential benefits. "Serbia currently has a very favorable tax policy. Additionally, there are various incentives that are offered, which makes Serbia an interesting destination for IT investors from all over the world. This is particularly the case for digital nomads, who are coming to Serbia because of the favorable tax policy and incentives in the IT sector," he notes. ■

> *The IT sector has seen a significant increase in development in recent months. This growth is largely related to the conflict between Ukraine and Russia, as many IT specialists from those countries have come here to avoid the war and sanctions and start their own businesses. We frequently see teams of 15 to 30 people coming in large numbers, often with families.*

Busy Busy Czech MPs: A Buzz Interview with Sylvie Sobolova of KSB

By Teona Gelashvili (January 31, 2023)

The Czech legislature has been recently working on several new laws and amendments, including adopting whistleblowing and energy price cap-related regulations, according to Kocian Solc Balastik Partner Sylvie Sobolova.

"From my perspective, the most important legislative update is a draft law on whistleblowing, implementing the EU directive, which has been approved by the Czech government and is now being debated in parliament," Sobolova begins. "This is a brand-new law in the Czech legal order and requires companies to introduce new processes. It applies to companies with at least 50 employees, consequently, even rather small companies might fall under these new regulations." According to her, it will likely require substantial assistance from legal practitioners and the close attention of the business community, especially considering that the law stipulates very high penalties for non-compliance.

"There have been some notable developments in the field of business corporations as well," Sobolova continues. "Several amendments of the *Act on Business Corporations*, the *Act on Public Registers*, and the *Trade Licensing Act* will enter into force, introducing major updates in two areas. First of all, there are new grounds preventing and/or disqualifying a person from exercising the functions of a member of the elected corporate bodies – e.g., the statutory body or supervisory body. The recent amendments also address the newly established Register of Disqualified Persons." Secondly, she notes "the incorporation of business corporations has been simplified due to the fact that the companies will not be required to obtain a trade license or concession before their registration in the Commercial Register. Furthermore, the Ministry of Justice has published model articles of association for a limited liability company, the use of which will reduce the court and notary fees for the establishment and incorporation of a company."

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Another field in which there have been major changes, according to Sobolova, is the area of crypto-assets, where a new EU regulation is about to come into force soon. "The new regulation brings the operation of platforms for trading investment instruments based on the so-called shared registry technology under control," she says. "Such business activity will newly require a license."

"The parliament has also finally adopted a long-awaited amendment to the *Copyright Act,* which implements the EU *Directive on copyright in the digital single market*," Sobolova adds. "This introduces, among others, new rights of press publication publishers if their press publications are used online by information society service providers and provide new rules on the use of protected content by online content-sharing service providers."

Finally, Sobolova highlights several amendments to labor law as well. "The government will lodge with the parliament a labor act amendment that shall address, among others, the rules applying to remote working," she notes, adding that "the law will regulate the legal prerequisites for the use of the home office as well as, for example, the reimbursement of the costs of working from home." ■

Ready for a Challenge in Austria: A Buzz Interview with Andrea Gritsch of Wolf Theiss

By Teona Gelashvili (February 2, 2023)

Green energy and ESG will be a significant focus in the coming year in Austria, with a slight upward trend expected in restructuring, alternative finance, and regulatory work, according to Wolf Theiss Banking & Finance Partner Andrea Gritsch.

"Austria, as a smaller country, is affected, just like the rest of the world, by global macroeconomic circumstances," Gritsch says. "The impact of the invasion in Ukraine was significant due to intertwining jurisdictions and markets, leading, among other things, to rising energy prices and supply chain disruptions."

"The impact of the EU and US sanctions that were imposed on Russia influenced the banking sector greatly," Gritsch adds, highlighting that Russian banks – such as Sberbank – had their EU headquarters in Vienna. "Russian businesses pulled out of our geography, leaving a trail of very complex legal matters behind. In the aftermath, we advised numerous clients in dealing with the intricacies that arose due to the sanctions."

According to Gritsch, the topic of changing macroeconomic circumstances is and will remain particularly prominent in many areas: "years of easy financing conditions appear to be at an end. The European regulators will pay close attention to what is going on, and stability ratios will receive extra attention."

On the other hand, "the biggest positive development we are excited about is the green transition, including renewable energy projects," Gritsch notes. "It's going to be a very interesting year as ESG ratios continue on the daily agenda and will be one of the main focus points of the supervisory authorities. Wind farm projects, both onshore and offshore, sustainable housing, and investment into green transitions will keep our transaction teams busy." She highlights that ESG "has become a game-changer these days. It is no longer just a matter of window dressing – companies have to show that they are serious about ESG. Assets need to be rated and certified, making it a decisive factor."

According to Gritsch, the banks continued to finance ongoing projects and also engaged in supporting the economy through refinancings and new loans. "There will additionally continue to be a need for alternative funding, particularly due to increasing interest rates," she notes.

The mid-market might come under pressure, but not in the form of a wave. In Austria, we will probably experience a smaller impact, but neighboring countries including CEE/SEE jurisdictions could experience harder blows.

And, in 2023, the "crypto winter might be turning into a crypto spring – from a legal work perspective – as last year's cold experience for many investors showed once again the urgent need for harmonized regulation in the virtual space," she points out.

With regards to corporate and financial restructurings, Gritsch says that there will likely be an uptick, but nothing massive: "the mid-market might come under pressure, but not in the form of a wave. In Austria, we will probably experience a smaller impact, but neighboring countries including CEE/SEE jurisdictions could experience harder blows."

Finally, "this demanding market situation also requires the best talent," Gritsch says in conclusion. "It is a competitive employer's market for law firms, with the changing expectations of young lawyers when it comes to a sense of purpose at work and the demands of one's personal life with an impact on a lawyer's career. This plays a major role in our strategic focus on attracting and retaining the best talent."

New Legislation and Conflicting Interests in Poland: A Buzz Interview with Xawery Konarski of Traple, Konarski, Podrecki & Partners

By Andrija Djonovic (February 8, 2023)

A busy legislative start to 2023 is in store for Poland, with significant changes made to the consumer protection and electronic communication frameworks, as well as amendments to the Legal Advisors' code of ethics being introduced, according to Traple, Konarski, Podrecki & Partners Senior Partner Xawery Konarski.

"First of all, it is worth mentioning that there has been a comprehensive change to the consumer protection legislation landscape since the start of the year," Konarski begins. "The change came on the coattails of Poland implementing three crucial EU directives and is a very horizontal one – impacting both online and offline dealings." As he reports, the Competition Office, which is in charge of overseeing consumer protection matters, will be "quite tough in its approach to ensure that all the requirements the amendments introduce are met quickly."

According to Konarski, the most important changes tackle "unfair competition practices on the Internet, such as leaving fake reviews of products. Additionally – if your business is a platform that ranks internet shops – the ranking criteria must now be transparent, and indications must be made if there was any paid positioning." Finally, he says that the most important "offline innovation is the requirement of discount promotion notifications – you have to notify your customers what the lowest price of a product was within the past 30 days. This is a decisive method of combating fake promotions, for example, those that sometimes appear around Black Friday," he explains.

Furthermore, Konarski reports changes to the European Electronic Communication Code. "The changes were supposed to be implemented two years ago, yet the draft law stands before parliament only now. The government decided to add some provisions that were not in the directive, and which could potentially affect all internet users," he says. "The government added a proposal that would enable both it and the intelligence services to have automatic access to internet communication data, such as WhatsApp or emails. This spurred serious parliamentary discussions with respect to privacy intrusions," he points out.

Finally, Konarski highlights a new code of ethics that the "Legal Advisors Association passed at the start of the year. This new regulation introduces an extremely stringent set of rules when it comes to conflicts of interest." According to these changes, "conflict exists even in the instances where one partner of the firm represents, for example, a large pharmaceutical company, with another partner representing a generic drug company – without any links, other than these sectors being connected – it's a conflict," he explains. Under the new rules, the law firm would have to apply for special client approval and to apply special technical measures to erect a privacy wall to keep client file access separate. "While these changes affect only Legal Advisors and not Attorneys at Law, it is easy to see how large organizations with dozens of lawyers could encounter problems in organizing their work," Konarski concludes. ■

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Increasingly Contentious Hungary: A Buzz Interview with Richard Schmidt of Smartlegal Schmidt & Partners

By Teona Gelashvili (February 9, 2023)

A growing number of employment and consumer protection-related disputes are on the horizon in Hungary, while revised arbitration rules promise swift and more efficient alternative dispute resolution mechanisms, according to Smartlegal Schmidt & Partners Managing Partner Richard Schmidt.

"One of the key developments in Hungary is related to the new arbitration rules of the Hungarian Commercial Arbitration Court, which entered into force in January 2023," Schmidt begins. "The main objective of the revised rules is to ensure speedy and effective arbitration proceedings." The key changes, according to him, include a strict 30-day deadline for arbitrators to accept their appointment, more flexible case management conferences, and the possibility to hold remote hearings, among others. He says "the new amendments are quite promising, as there were a number of measures implemented to accelerate court proceedings, and it is natural that arbitration, as an alternative dispute resolution mechanism, should also be brought up to date."

According to Schmidt, "in January 2023, there was a major modification of the Hungarian labor code, partially aimed at implementing the EU Work-Life Balance Directive." The most significant areas of improvement, according to Schmidt, are related to flexible work arrangements. "Employees that are raising a child under eight years of age can now submit a 'modification proposal' to the employer, asking for home office, part-time work, modification of the place of work and the shift" he notes. "The employer has a 15-day deadline to accept or reject the modification and, in case of rejection, the employee can challenge this decision in court. Given that under Hungarian legislation the burden of proof in a lawsuit lies with the employer, it will be difficult for the employer to justify the refusal to work from home, as the COVID-19 pandemic showed that working from home is a feasible alternative." Consequently, he says that a rise in labor disputes is expected soon.

Finally, Schmidt highlights new consumer protection legislation. "Last year, in December, the parliament modified the consumer protection act to align with the EU directive, and the amendments come into effect in June 2023," he says. According to him, "the new law introduces a new type of opt-out class actions, where usually a professional third party, e.g., a public body, like the prosecutor's office or the consumer protection authority, starts litigation to enforce consumer rights. This opt-out class action mechanism has existed in Hungarian legislation for a while, but it was rarely invoked in practice – as the body entitled to start class action on behalf of consumers was limited to public bodies." According to him, "the new law, on the other hand, establishes that the qualified entity can be either a public party or a private organization within the EU, which can start litigation not only in domestic courts but also in other courts of EU member states." Schmidt believes that, consequently, consumer rights protection will be more efficient, and the number of litigation cases will likely increase in the second half of the year. ■

> *New amendments are quite promising, as there were a number of measures implemented to accelerate court proceedings, and it is natural that arbitration, as an alternative dispute resolution mechanism, should also be brought up to date.*

More Power to Romania's Unions: A Buzz Interview with Serban Paslaru of Tuca Zbarcea & Asociatii

By Teona Gelashvili (February 9, 2023)

A paradigm shift in Romania's labor law granting additional powers to trade unions will likely liven up the area and lead to an increase in related mandates, according to Tuca Zbarcea & Asociatii Partner Serban Paslaru.

"There have been some significant developments in terms of labor law in Romania," Paslaru says. "The Social Dialogue Law has been entirely replaced by a new piece of legislation. The amendments are not simply technical or fine-tuning but introduce a paradigm shift in the field."

Paslaru says the new law restored, to a significant extent, the setup in place prior to 2011. "Back then, the previous law entered into force – Law 62/2011 – reducing the leverage of trade unions in society and diminishing their recognized rights and their capacity to influence employers' policies," he notes, adding that "the new law not only restored the previous setup but also introduced some key novelties."

> *Clients have already received requests from smaller-sized unions that they want to be included in negotiations and collective agreements. We expect – even though it is too early to make a forecast – there will likely be more mandates from clients whose unions will pass the new thresholds.*

"For instance, collective bargaining has been re-introduced at the national level," Paslaru points out. "These agreements cover all employees in the country, including those non-unionized – irrespective of where they are working and whether these companies have unions." On top of that, he notes that "there are additional provisions enabling unions to initiate strikes more easily, even when the strikes are related to government policies or solidarity strikes."

"The new law also introduces the possibility to represent employees in social dialogue with employers and to negotiate a collective contract at the company level," Paslaru adds. "This opportunity existed in the previous regime as well, but the new law simplifies the process significantly. Under the previous law, unions were recognized to have representative power if they had the consent of more than 50% of the employees. Under the new law, the representative threshold has been lowered to 35%, meaning that there can be more representative unions in the company, and it is much easier for unions to negotiate collective agreements about all employees' rights and benefits."

Overall, Paslaru says that with the new law, more power is given back to trade unions. "It is worth mentioning that concluding this new law was among the milestones to be reached under the EU Recovery and Resilience Plan requirements," he says. "It will be interesting to see whether there will be actual social benefits and how this power would be used. One may expect a more social approach in terms of companies' policies regarding salaries, benefits, layouts, hiring, and firing people." However, he also highlights that "the question is whether trade unions will be powerful enough and whether their role in the society is to be revisited. The pandemic and new technologies have introduced a degree of flexibility in labor relations triggering unions being less present in certain industries in Romania."

"Blue-collar workers might benefit more from the new law but, eventually, it will all depend on multiple factors. The lowest paid employees will probably see some benefits as well," he says. "There are also some gray spots in non-unionized industries, so those are areas where there might be significant improvements."

Ultimately, Paslaru points out that the new law has already impacted the legal sector. "Clients have already received requests from smaller-sized unions that they want to be included in negotiations and collective agreements," he notes. "We expect – even though it is too early to make a forecast – there will likely be more mandates from clients whose unions will pass the new thresholds." ■

Bulgaria's Nail in the Crypto Coffin: A Buzz Interview with Konstantin Mikov of Mikov & Attorneys

By Teona Gelashvili (February 10, 2023)

With criminal charges brought against Bulgarian crypto platform Nexo, while everyone is waiting for the MiCA regulation, the country's latest developments will potentially have far-reaching implications worldwide, according to Mikov & Attorneys Managing Partner Konstantin Mikov.

"One of the most notable topics in Bulgaria in the past few months has been related to criminal charges against major Bulgarian crypto exchange platform Nexo," Mikov begins. "This criminal case brought against the company might take years to be resolved and can potentially have a huge impact not only in Bulgaria but worldwide as well."

"Established by Bulgarian owners, Nexo has provided a platform for borrowing money where crypto is used as a security mechanism," Mikov explains. "The platform operated as a kind of bank, although not a traditional one – since the company does not hold any fiat money as deposits of the clients." He adds that "Nexo operates globally, with a large number of clients in Europe, Australia, as well as Canada. According to publicly available information, the cryptocurrency network operated from Bulgaria, Cyprus, and Serbia. Nexo operated the call centers from Serbia and used a technology structure from Bulgaria. One company, part of Nexo group, which created and administered the online platforms through which the allegedly fraudulent activity was carried out, was registered and based in Bulgaria. The money laundering base is alleged to have been in Cyprus."

Mikov says that, recently, "the Bulgarian prosecution's office decided to raid local offices in Bulgaria and charged the company with alleged money laundering offenses, carrying out banking and financial activities without obtaining relevant licenses, as well as computer fraud and tax crimes." According to him, "the precise alleged charges and the related information are not publicly available but are rather confidential. On the other hand, Nexo has decided to fight back, arguing that the raid was illegal and politically motivated. As stated by Antony Trenchev, co-founder of Nexo, the damage caused by the state is more than USD 1 billion and Nexo will sue Bulgaria for the proven damages."

Consequently, Mikov says that "the criminal case is related to one of the dominant crypto platforms in the world and, together with the recent FTX scandal, might have a significant impact on the crypto market. It is still early to speculate about the number of victims and losses." Still, he says, if successful, the case can showcase that scammers are not welcome in Bulgaria. "This entire area is slightly nebulous, beyond any kind of regulation," he explains. "There is no public regulator, which might lead to pyramid schemes and the need for consumer protection."

Nexo operated the call centers from Serbia and used a technology structure from Bulgaria. One company, part of Nexo group, which created and administered the online platforms through which the allegedly fraudulent activity was carried out, was registered and based in Bulgaria. The money laundering base is alleged to have been in Cyprus.

In light of that, Mikov says that the legal sector is now awaiting the EU regulation on Markets in Crypto-Assets. "Just as the normal financial market is regulated on the EU level, we anticipate a somewhat similar legal regime to be applied to the crypto market as well," he notes, adding that, subsequently, local jurisdictions would adopt laws so that the rules are harmonized. "At this moment, there is no such kind of protection, as the only authorities that can control the situation are criminal authorities. Without regulation, the state's prerogatives remain rather limited when addressing the situation," he concludes. ■

North Macedonia's Labor Pains: A Buzz Interview with Ana Tosic Cubrinovski of Tosic & Jevtic

By Andrija Djonovic (February 10, 2023)

A significant labor legal landscape overhaul in North Macedonia, with a long-awaited and long-debated new law being adopted, is what is dominating legal discourse in the country, according to Tosic & Jevtic Managing Partner Ana Tosic Cubrinovski.

"A new law on labor relations is on its way to being adopted – something we have waited on for quite some time now," Tosic Cubrinovski begins. "It is a very important, general law that unites all industries and the entire private business sector – workers and employers alike and part of the public sector, too. It has a massive societal impact."

The road to this new law was a thorny one, according to Tosic Cubrinovski. "There have been several attempts in recent years to pass a new law – several texts were suggested from multiple sides, including chambers of commerce, labor unions, industry experts… all were trying to make things better, but it was very difficult." As she puts it, the old law was "lacking in many places," partly due to it "failing to have specific definitions of core legal points and notions" and partly because it was simply outdated.

"For example, the old law had only one provision that tackled remote work," Tosic Cubrinovski continues. Given the way in which workplace setups morphed over the past several years, this was "clearly not enough. The working version of the new law, which is likely to be adopted, provides much-needed definitions and delineations of remote work, home office work," she explains. Moreover, the new text more closely regulates the way "in which remote work is to be arranged – via a mandatory annex to the labor contract if it is additionally agreed. In this instance, however, I believe that this holds the potential to reduce employee mobility, especially if an annex will have to be created each time the employee shifts from remote work back to office work," Tosic Cubrinovski says.

> *The working version of the new law, which is likely to be adopted, provides much-needed definitions and delineations of remote work, home office work. Moreover, the new text more closely regulates the way "in which remote work is to be arranged – via a mandatory annex to the labor contract if it is additionally agreed. In this instance, however, I believe that this holds the potential to reduce employee mobility, especially if an annex will have to be created each time the employee shifts from remote work back to office work.*

Furthermore, Tosic Cubrinovski says that it might be problematic that "the provisions that regulate work from home might conflict with the fundamental rights of the employee, largely because the term 'home' is not clearly defined in the new text. For example, whether work from a weekend house or a hotel will be considered as 'home' by the employer."

Finally, other than a few potential issues, Tosic Cubrinovski reports that the new text is an overall step in the right direction. "Other provisions of the text are more advanced and specific to the context of our country. Still, it is difficult to predict in what way the new law will shape the market," Tosic Cubrinovski concludes. ■


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Slovakia Ponders Its Politics: A Buzz Interview with Sona Hankova of CMS

By Andrija Djonovic (February 13, 2023)

Political uncertainty in Slovakia, with early elections likely to take place in September, has led to an overall slowdown of legislative work at the unfavorable time of a raging energy crisis, according to CMS Partner Sona Hankova.

"The topic that has been dominating the news cycles lately is the recent vote of no-confidence in the Slovak government," Hankova begins. "We currently have a limited regime in which the current government is performing its duties." She reports that a EUR 10 million referendum had been held on whether the constitution should be changed to allow for the early termination of the electoral term of the National Council of the Slovak Republic, but it "failed to achieve anything because less than 30% of the electorate came out to vote (51% was required)."

> *The market is eager to see if any new measures for combating the energy crisis are passed. Right now, as things stand, citizens and households and smaller regulated businesses are protected by the government placing limitations on gas and electricity prices – but larger entrepreneurs are yet to be taken care of.*

Hankova goes on to report that the parliament recently agreed that "early elections will be held on September 30. At the same time, what was settled were the amendments to the constitution which paved the way for early elections" she explains. Given such a state of political turmoil, it is not surprising that legislative efforts have largely slowed down.

"Everybody is waiting to see what the outcome of the current situation will be," Hankova says. "Most importantly, the market is eager to see if any new measures for combating the energy crisis are passed. Right now, as things stand, citizens and households and smaller regulated businesses are protected by the government placing limitations on gas and electricity prices – but larger entrepreneurs are yet to be taken care of," she continues. "Smaller businesses have their prices capped at EUR 99/megawatt-hour for gas and EUR 199/megawatt-hour for electricity, while the state will compensate the part of the energy costs that exceeds the above price caps at a rate of 80%.

"Other business entities outside the regulated segment of the electricity and gas markets are bearing the full brunt of the current unfavorable market situation – their payments for energy supplies have increased several times," Hankova says. "Industry is struggling and without any specific measures in place, the overall feel is that the government was not supportive enough." Without the proper tackling of this crisis, there might be "bankruptcies and defaults across industries soon."

Furthermore, Hankova reports that the Slovak FDI screening regime was recently updated. "Foreign businesses and investments are subject to monitoring or review which can be mandatory or voluntary, depending on the target industry. Further delegated acts are expected to specify this regime and shed more light on its scope," she says.

Finally, Hankova reports that rising inflation is impacting businesses everywhere. "A strong uptick of inflation numbers led to, for example, some real estate sector sellers adopting a mostly sit-and-wait approach. With financing being increasingly difficult to access, and mortgages becoming more expensive – the situation is becoming all the more challenging."

Still, not all is gloomy, and Hankova does report that, for the legal sector at least, there has been plenty of work. "Conversely to tradition, this January has been very vibrant, thanks to a number of M&A transactions that took place in late 2022, which led companies to undergo post-integration and post-merger steps," she notes. ■

Slovenia's Public Sector Sorrows: A Buzz Interview with Simon Bracun of Kavcic Bracun & Partners

By Teona Gelashvili (February 14, 2023)

The country's real estate and energy sectors remain rather resilient, but a crisis is looming in Slovenia's public sector, according to Kavcic, Bracun & Partners Partner Simon Bracun.

"Recently, there has been controversy about pay grades in the public sector," Bracun begins. "The current pay grades in the public sector have been deemed to be insufficient, causing worries among different pay groups and the possibility of strikes." According to him, the government plans to revise the current system, which will have an impact on costs and public expenses. "One group in the public sector – doctors and employees in the health system in general – is particularly insistent on the changes to public sector pay grades," he adds. "The government has also announced the introduction of certain changes in taxation, causing speculation on what effects this might have on the economy."

Despite that fracas, Bracun highlights some recent interesting developments in real estate. "The real estate industry has experienced growth over the past five years, with numerous successful real estate projects closing and ongoing in and around Ljubljana," he points out. "However, the latest inflation and rising interest rates have led to a decrease in housing loans, with the curve of new loans declining in the last quarter. This has affected buyers and might cause the real estate market to cool down a bit, although not as drastically and as fast as in other countries. In Ljubljana, the median price has slightly fallen in the last quarter and there are fewer real estate transactions compared to previous months." According to him, "despite these changes, there are still many interesting real estate projects, and we believe that the Slovenian real estate market could stay resilient."

Bracun adds that energy in Europe is still being affected by the war. "Slovenia was no different to other EU countries and the government has taken several measures to address the situation," he notes. "Government interventions and a milder-than-average winter have helped the economy to maintain stability and it is less likely that Slovenia could quickly enter into a recession. However, there is still a lingering fear of what will happen with prices when the subsidies and price caps are removed."

> *Government interventions and a milder-than-average winter have helped the economy to maintain stability and it is less likely that Slovenia could quickly enter into a recession. However, there is still a lingering fear of what will happen with prices when the subsidies and price caps are removed.*

"The government has taken some legal actions to provide aid and mitigate the impact on companies," Bracun continues. "With the *Act on the Aid to the Economy to Mitigate the Effects of the Energy Crisis*, subsidies are being provided to almost the whole economy, with the stipulation that the largest companies receiving subsidies must invest in reducing their carbon footprint and protecting the environment. The government is also promoting the use of renewable energy sources, with subsidies for installations for the production of electricity or the storage of electricity or thermal energy with an installed capacity of between 50 kilowatts and one megawatt, for the production of renewable hydrogen and biogas and biomethane from waste, and certain community projects."

Finally, Bracun highlights that there have been a few new laws introduced in the past few months. "The *Personal Data Protection Act*, which was discussed for many years, has been renovated and implemented with all the EU GDPR conditions," he notes, adding that, unfortunately, there are already many public debates about what is allowed and what is not. "The *Competition Act* has been updated and certain EU directives have been transposed, leading to an evolution of the procedures before the Slovenian authority, which now has more power," he notes. "Additionally, the recently adopted Consumer Protection Act finally (correctly) transposed the EU directives."

IP, Tax, Labor, and Corporate Practices Busy in Ukraine: A Buzz Interview with Serhiy Piontkovsky of Baker McKenzie

By Teona Gelashvili (February 16, 2023)

While Ukrainian law firms have to deal with issues ranging from power outages to effective work distribution, their intellectual property, tax, labor, and corporate law practices remain relatively busy, according to Baker McKenzie Managing Partner Serhiy Piontkovsky.

"For nearly a year now, Ukraine has been suffering from the Russian invasion," Piontkovsky begins. "This has had a significant impact on the country's economy, businesses, and legal market."

"Law firms, similarly to our citizens and businesses, experienced power interruptions as a result of intentional actions taken by Russian forces," he notes. "These forces aimed to disrupt the normal functioning of the country by causing widespread power outages. However, to combat these attempts, we took the proactive step of installing diesel generators and Wi-Fi systems to provide a steady and reliable source of power, even in the face of these malicious attempts to induce blackouts."

"Furthermore, we see lawyers actively participating in a global initiative to relocate individuals and their families," Piontkovsky continues. "This includes ensuring that children have access to quality education through enrollment in kindergartens. Although some of our lawyers are located outside of Ukraine, they are still engaged in projects within the EMEA region."

All the while, Piontkovsky highlights that some areas of law remain quite busy, including intellectual property, taxes, labor, and corporate law. "These four practice areas are the main drivers of our business," he says. "The Labor practice remains busy due to the various reorganizations and changes taking place in the market, as well as the need for companies to make changes to their employment practices," Piontkovsky notes. "This includes relocating and transferring employees to other offices. Additionally, recent legislative changes – such as the requirement for employers to keep records of employees who may be subject to military service – have raised important questions and triggered an increased demand for our services."

Due to the current business environment, law firms' utilization levels are not at 100%, and some of the employees may not be busy enough. However, we are endeavoring to help these people work on other projects and ensure that their skills are applied effectively. Despite everything, we are making efforts to keep all lawyers busy and engaged.

Piontkovsky adds that "the tax practice area has been affected by changes introduced by the government last year, which resulted in the implementation of a single tax of 2% of revenues. Companies have the option to switch to this tax regime and, if they do so, they are exempt from paying corporate income tax and value-added taxes." Piontkovsky highlights that this change has made the tax administration process more convenient, from an administrative point of view.

Finally, Piontkovsky notes that the IP practice area has not been greatly affected by the ongoing conflict and war. "IP rights continue to be registered despite the challenging circumstances, which helps to maintain the stability of this practice area," he says. "The corporate practice area has also remained busy, as clients may choose to undergo corporate reorganizations, resulting in the consolidation of multiple companies into a single entity."

On the flip side, real estate and dispute resolution are among the practices which are currently less busy, Piontkovsky says. "Due to the current business environment, law firms' utilization levels are not at 100%, and some of the employees may not be busy enough," he notes. "However, we are endeavoring to help these people work on other projects and ensure that their skills are applied effectively. Despite everything, we are making efforts to keep all lawyers busy and engaged," he adds. "We believe that – once the war is over – the recovery and reconstruction of Ukraine will begin, so we intend to retain our teams and boost their professional development, to deal with the challenging and sophisticated client work ahead." ■

THE DEBRIEF: MARCH 2023

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 stay up to date with the latest developments impacting their respective practice areas.

This House – Implemented Legislation

2023 was off to a busy start in both Poland and Bulgaria. "The new year brought a long-awaited revolution for medical device advertising in Poland," NGL Legal Junior Associate Paulina Roslon-Horosz says. "As of January 1, 2023, new regulations for medical device advertising provided by the *Medical Devices Act* of April 7, 2022, are in force." According to her, the changes include entirely new requirements for advertising to the public, obligations to keep information on advertisements, as well as rules for advertising activities and their content. "The new provisions also stipulate high financial penalties for violations of advertising requirements – even up to approximately EUR 422,000," she says.

"January 2023 was a remarkable month for the energy sector in Bulgaria," CMS Sofia Managing Partner Kostadin Sirleshtov continues. "In January 2023, Bulgaria started retroactively applying the regulation on an emergency intervention to address the high energy prices, which was published in the Official Journal of the EU on October 7, 2022. These revenue caps will apply from December 1, 2022, until June 30, 2023, and have little effect on the producers due to the mild winter and the low prices of natural gas," he notes.

This House – Reached an Accord

Sirleshtov also draws attention to amendments to energy legislation that have recently been published, in addition to the legislation that has already been enacted. "Following a reasonable veto imposed by the Bulgarian president and its acceptance by the Parliament, the amendments to the *Energy Act* allowing for faster deployment of battery storage were also published," he says. "These amendments also streamlined the development of new renewable energy projects by increasing the threshold for licensing projects from 5 megawatts to 20 megawatts. The amendments are allowing the Bulgarian transmission system operator to have more flexibility in providing grid connection agreements by allowing for the parallel development of the transmission grid and investment projects."

This House – Under Review

Wolf Theiss Counsel Agnieszka Nowak-Blaszczak highlights the recent labor law-related amendments in Poland. "On February 8, 2023, the lower chamber of the Polish Parliament passed amendments to the *Labor Code* implementing the *Work-Life Balance Directive* as well as the *Directive on transparent and predictable working conditions in the EU*," she notes.

According to her, "some of these amendments are fundamental. For example, the burden to terminate fixed-term employment contracts will be increased as the requirements for terminating fixed-term contracts will be aligned with those for open-ended contracts. Employers will be required to indicate the reason justifying the termination of a fixed-term contract. Currently, this is not required. In addition, if the employee is represented by a company trade union, the employer will need to inform the trade union about the intent to terminate the contract indicating the reason for termination. Moreover, if an employee decides to appeal against the termination arguing that it was unlawful and unjustified, the employee will have the right to claim reinstatement or compensation."

"Although the legislative process has not yet been completed, HR departments should keep it on their radar," Nowak-Blaszczak notes. "It will be prudent to already start reviewing and adjusting internal regulations and template documents, as the amendments introduce a number of significant new rights for employees, as well as restrictions and new obligations on the employers' part."

This House – The Latest Draft

Finally, Roslon-Horosz highlights that, in Poland, discussions are underway regarding some crucial updates to legislation in the field of Life Sciences. According to her, in January 2023, new draft rules were announced concerning medical device and dietary supplement advertising. "In January 2023, a new version of the *Draft Regulation of the Minister of Health on Medical Device Advertising* was published," Roslon-Horosz says, adding that "the draft is intended to be a clarification of the

Agnieszka Nowak-Blaszczak, Counsel, Wolf Theiss

Kostadin Sirleshtov, Managing Partner, CMS Sofia

Paulina Roslon-Horosz, Junior Associate, NGL Legal

Zsofia Olah, Head of Employment and Labor, OPL Gunnercooke

requirements for conducting medical device advertising adopted at the statutory level."

Roslon-Horosz clarifies that, compared to the previous version of April 7, 2022, under the new draft law "the scope of the mandatory data provided in the advertisement was reduced, the content of the warnings was changed, and the obligation to provide information on the benefits received in connection with the advertisement was abandoned."

As for the draft rules for dietary supplement advertising, Roslon-Horosz says that, "in January, the amendments to the *Food and Nutrition Safety Act* have been announced and the draft is currently at the opinion stage." According to her, the draft includes, inter alia, a ban on misleading advertising, mandatory messages and prohibited elements in dietary supplement advertising, and restrictions on the manners and places of advertising. "The draft also provides for the adoption of a mark confirming the quality and safety of a dietary supplement," she notes.

The Verdict

OPL Gunnercooke Head of Employment and Labor Zsofia Olah highlights a notable labor-related dispute in Hungary recently. "The Hungarian Supreme Court made a significant decision in a discrimination-related employment case," she explains. "It held that participating in a strike actively or by declaring agreement with the claims of the strike forms part of a free political opinion. Therefore, such participation in a strike cannot qualify as a valid ground for termination, not even under probation, when the employer need not provide a reason for termination with immediate effect."

In the Works

Sirleshtov also emphasizes the recent progress made in energy-related project development in Bulgaria: "on January 12, 2023, the Bulgarian Parliament, prior to the upcoming general elections scheduled for April 2, 2023, passed a decision requiring the caretaker government to initiate negotiations with the government of the US for the construction of two new AP1000 Westinghouse units at the existing site of the Kozloduy Nuclear Power Plant." In the same month, he notes, "Bulgaria also hosted a leading international event on small modular nuclear reactors, with the attendance of all leading international vendors."

Additionally, Sirleshtov says that "on January 26, 2023, the Bulgarian government extended – with an additional term of 15 years – the concession agreement of Petroceltic for Block Kavarna East, offshore Bulgaria, thus expecting additional indigenous production of natural gas from the Black Sea shelf."

In Related News

Lastly, Olah points out that certain Hungarian companies are following the worldwide trend of exploring the possibility of reducing the workweek. According to her, after the four-day working week pilot trial which took place in the UK – where two large Hungarian companies, Magyar Telekom and Libri-Bookline, also participated – "Magyar Telekom now announced extending the pilot project and started a second six-month phase on February 1, 2023." ■

WHITE-COLLAR CRIME IN CEE: EXPANDING THE TOOLKIT

By Teona Gelashvili

Looking ahead to 2023, white-collar crime is likely to be a subject of close scrutiny by local and EU authorities across CEE. CMS CEE Partner Nedeljko Velisavljevic, from Serbia, and CMS Head of the Criminal Defense Practice in Romania Mihai Jiganie-Serban explore the current context, latest developments, and outlook of white-collar crime practices in CEE.


Nedeljko Velisavljevic

CEELM: Tell us a bit about the regulatory context relating to white-collar crime in your respective jurisdictions of Serbia and Romania.

Velisavljevic: Apart from an update to the *Law on the Prevention of Corruption* in 2020, there have been no new developments in legislation related to white-collar crime in Serbia. In theory, we have effective legislation to combat corruption and white-collar crime and, while there is room for improvement, the police and prosecutors in Serbia have the necessary forensic expertise to combat such crimes. However, what happens in practice is a separate question.

In general, white-collar crime in Serbia is not a new topic. Although we have general provisions defining white-collar crimes, new legislation has introduced additional criminal acts that specifically apply to economic activities, and updated acts include the prosecution of bribery, embezzlement, and fraud. Despite the introduction of new legislation, the statistics show that most white-collar crime cases in 2020 and 2021 still relate to "abuse of position," because it remains the easiest crime to prosecute in the economic sector. While prosecutors now have more options to prosecute, some sectors, such as tax evasion, are usually prosecuted through misdemeanor and tax proceedings rather than criminal cases. In fact, the abuse of position by a responsible person is still the most common form of white-collar crime.

Jiganie-Serban: In Romania, the recent changes in Romanian legislation, including the implementation of *EU Directive 2019/1937 of the European Parliament and of the Council* (the Whistleblowing Directive) would raise the risk of criminal liability for multinational companies. Additionally, the recent interpretative decisions by the Constitutional Court and the High Court of Cassation and Justice changed the interpretation of the legislation related to the statute of limitations for criminal liability. There was no special statute of limitations provided by law for such crimes – between 2018 and 2022 – and only the general statute of limitations applies. Consequently, many high-profile cases are under threat of being closed due to the relatively shorter period provided under the general statute of limitations. Should that happen, following the money and the process for recovering it would be quite interesting in Romania. Although the Constitutional Court's Decisions *no. 297 of April 26, 2018*, and *no. 358 of May 26, 2022*, could lead to the closing of many criminal files, the associated civil actions would not stop, so it would still be possible to recover any prejudice caused to the EU or Romanian budgets.


Mihai Jiganie-Serban

CEELM: In terms of advising companies on risk management, how would you describe the white-collar crime toolkit?

Jiganie-Serban: I've been working in this field for the past 18 years and a significant part of my work involves advising clients on the importance of taking measures to reduce their exposure to risks. We worked closely with compliance departments to review policies such as anti-corruption, anti-bribery, AML, competition, etc., particularly to prepare the company for a dawn raid in competition and white-collar crime cases. It is important to set in place a specific procedure, to ensure that the authorities follow the proper protocol and respect our clients' rights. Most importantly, we advise our clients to train their people and have a list of contact people who can be reached in case of such an investigation.

Velisavljevic: In Serbia, in most cases, companies are reluctant to call attorneys in advance of unexpected visits or dawn raids by police and authorities. Internal investigations are still rare, as they can trigger authority attention. When clients already face legal action, they usually contact us for assistance during these dawn raids and interviews with the police and authorities. Their managers are often unprepared for these unexpected legal actions. It's important to train both managers and employees to avoid risks and protect the clients' interests during dawn raids or official visits. International companies have written policies and internal regulations to instruct their managers and employees on how to behave and protect their interests during unexpected visits. Such policies should be adjusted in accordance with local laws.

We have conducted two large internal investigations in Serbia. But in such smaller jurisdictions – with most large companies headquartered abroad – the managers are often reluctant to hire attorneys for internal investigations. Our firm uses advanced software for internal investigations, and local companies can also utilize these tools if they choose. Ultimately, it's essential for companies to be proactive and prepared in advance of any legal action.

CEELM: What developments do you expect for the upcoming year?

Jiganie-Serban: When considering the future, it's essential to look at the current context. At the EU level, there may be an economic crisis around the corner. During such periods, criminal aspects tend to rise in the private sector. The market is no longer competitive, and frauds or other shady (corrupt) arrangements tend to increase. This will likely be the case this year as well.

Also, when it comes to funds from the Romanian National Recovery and Resilience Plan, it's important to note that we have had a tradition of not using EU funds or state infrastructure budgets according to plan. In Romania, we also have a big issue with highways and railroads not being up to standards, some of which are unusable despite being in their warranty period. A thorough investigation could target the expenses on infrastructure works and, notably, the EU Public Prosecution Office (EPPO) has jurisdiction in such cases and could follow the money across multiple jurisdictions.

> *Multinational companies need to understand that authorities' capabilities are changing, and white-collar crime professionals must match their levels of specialization by working closely with colleagues from the compliance, tax, environment, and banking practices.*

It is essential for lawyers in white-collar crime to offer legal advice and preemptive solutions to multinational companies regarding potential risks and criminal liability of legal entities. At the EU level, the EPPO has the resources to develop a solid practice and access multiple jurisdictions. Firms like CMS can offer multi-disciplinary legal assistance to clients across jurisdictions and manage internal and external communications, including crisis communication management.

Velisavljevic: Looking ahead, the healthcare sector will likely continue to be closely monitored in 2023. For instance, the first indictment in Serbia filed against legal entities was against pharma companies, due to their relationships with local healthcare professionals. Additionally, bribery, fraud, embezzlement, forgery, and misuse of position will be monitored in all areas that are of special interest to each of the states in the CEE region, e.g., the construction industry, telecommunications, taxes, defense, sanctions, and various types of procurements.

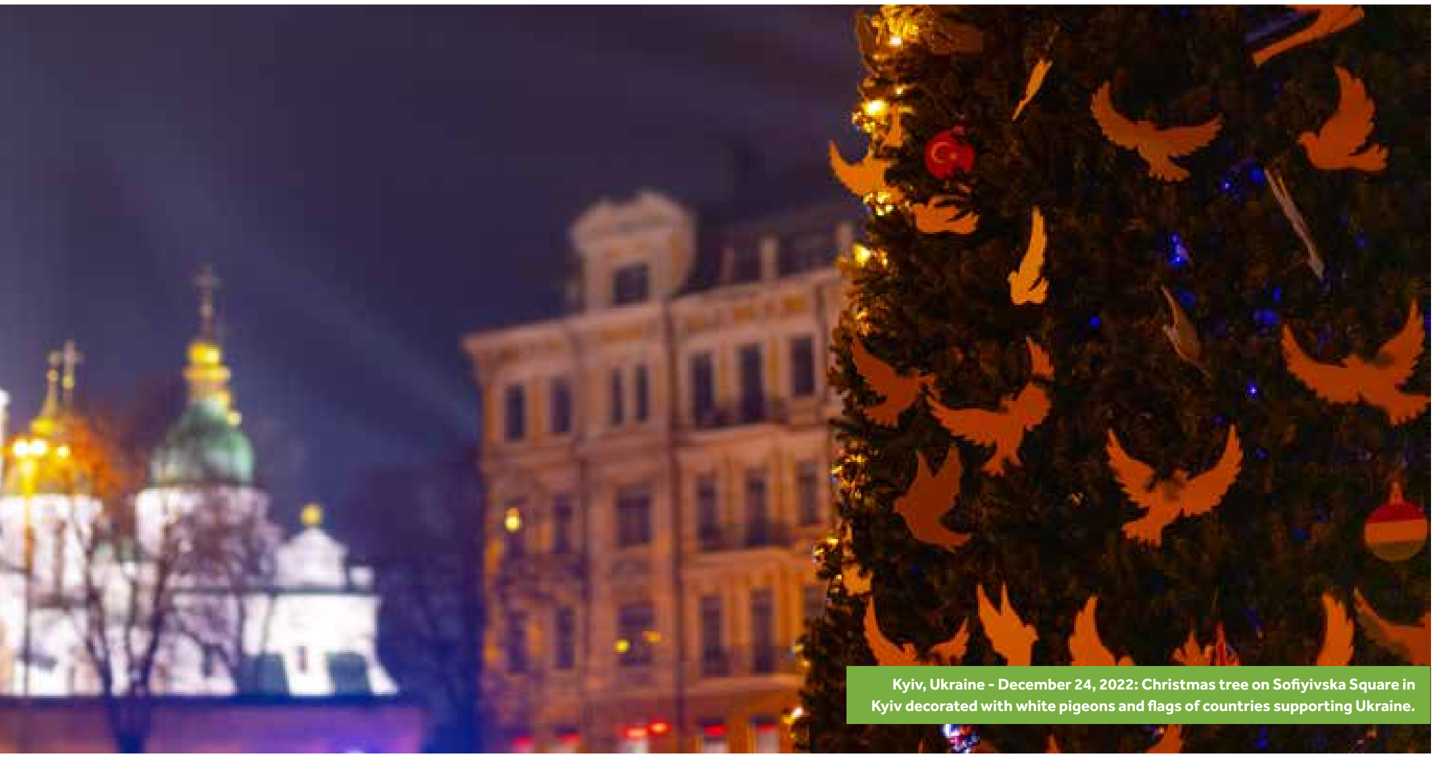
The ESG sectors have come under focus (e.g., environmental issues, labor law rights) and we expect to see more proactive actions from officials in the coming years, as states face ESG pressures and develop the related regulations.

Overall, multinational companies need to understand that authorities' capabilities are changing, and white-collar crime professionals must match their levels of specialization by working closely with colleagues from the compliance, tax, environment, and banking practices. This collaboration enables various legal practices to offer full advice with multiple focuses for clients. It's possible that criminal dawn raids may become more common in the future, although that may not be until after 2023. Regardless, it is important for legal professionals to stay plugged in and prepared to provide their clients with effective advice and representation. ■

BUILDING RESILIENCE:
UKRAINIAN LAW FIRMS ONE YEAR INTO THE WAR

By Teona Gelashvili

As Russia's full-scale invasion of Ukraine hit the one-year mark, we asked Ukrainian law firms how they adjusted to the new circumstances, how their mandates and teams have evolved, and about the support they received from their colleagues abroad throughout this period.



Kyiv, Ukraine - December 24, 2022: Christmas tree on Sofiyivska Square in Kyiv decorated with white pigeons and flags of countries supporting Ukraine.

Early Days – Safety First

"The war has had an incredible impact on the entirety of Ukraine, its people, individual families, and businesses," Redcliffe Partners Managing Partner Olexiy Soshenko says. "This includes the legal profession, as well as our law firm."

The initial period of war, according to Arzinger Managing Partner Timur Bondaryev, was perplexing: "everybody was scattered around the world during the first weeks and months of the war." While dealing with the challenges, Avellum Managing Partner Mykola Stetsenko says, "the safety and emotional stability of employees and the overall prospects of the business were the top concerns." To help us stay connected with the team and help them stay safe, CMS Managing Partner Vitaliy Radchenko says that the firm "developed the Emergency app, which helps track the status of the people and coordinate assistance as needed."

One factor helping Ukrainian law firms navigate through the first shock of war was related to the COVID-19 experience: "COVID-19 has proven to be a great resilience training, which has helped us dramatically to adjust to war," Bondaryev says. As an example, "during COVID-19 times we moved our data and business processes to the cloud and therefore came well-prepared to work remotely during the war," Integrites

Managing Partner Oleksiy Feliv notes. "The IT systems were perfectly adjusted to working from any point of the world and we did not experience any interruptions even during the most challenging first weeks of the war," Sayenko Kharenko Partner Nazar Chernyavsky continues.

Thanks to the award-winning reputation of Ukraine as a Mecca for global IT outsourcing and development – almost each and every global high-tech deal has a Ukrainian angle – which requires diligent local legal advisory.

Other than physical safety, Kinstellar Co-Managing Partner Margarita Karpenko highlights that it was crucial to introduce a range of measures to support the firm's staff: "these included offering eligible team members assistance to leave the country, including helping families stranded in eastern Ukraine, helping to arrange relocations to other Kinstellar offices or flexible secondments to other firms, offering advance payment of salaries to members of the Ukrainian team, and the continuation of salary payments to all Ukrainian team members regardless of working status."

Another major issue on Ukrainian law firms' agenda was ensuring the mental health and well-being of their teams. According to Radchenko, "the assistance of a professional psychologist has been made available to all team members and their families free of charge," helping "employees and their family members deal with post-traumatic stress immediately after horrific events."

Despite the ongoing war and all the complexities attached to it, many law firms continued operating from Kyiv. "From the beginning of the summer of 2022 our people started to come back to Kyiv and to the office gradually," Stetsenko says. "We now have approximately 80% of employees based in Kyiv and working either remotely or in the office." According to Feliv, 75% of the employees are in Kyiv, and those who have moved families abroad regularly come to Kyiv.

After the first shock hit, "another challenge that we faced was the electricity outages in the fall due to Russian air strikes," Stetsenko continues. "However, even this problem was resolved with the help of our business center that installed a powerful diesel generator to provide electricity to tenants when the grid is off."

Even today, other than ensuring access to power and internet for the teams working on-site, physical safety continues to be a concern: "our office has its own shelter in the basement and everyone can quickly get there when there is a missile attack alarm," Chernyavsky says.

Retaining the Workforce

The war has led to changes in the workforce. When discussing changes in the headcount, Stetsenko, Karpenko, Radchenko, and Feliv point out that their teams remained to a large extent unchanged: "we have a similar number of lawyers as we did pre-war," Radchenko notes, while Feliv adds that "nearly 95-97% of both lawyers and administrative staff remained employed with the firm."

Some circumstances that naturally led to the staff reductions include international relocations, army service, personal circumstances, etc. "We have several lawyers either currently or about to undertake international secondments to many exciting projects and countries, either with clients or with other CMS offices, and that includes online and off-line arrangements," Radchenko says.

Another factor, according to Radchenko, Chernyavsky, and Karpenko, is related to military service. "One of our employees started defending our country from the first day of the war on February 24, 2022," Radchenko notes, saying that he was recently wounded on a battlefield, but, "luckily, he is already on the recovery track." "Some of our people volunteered to serve in the Army, which decreased the number of our fee earners by six," Chernyavsky adds, while Karpenko highlights that "three lawyers are serving in the Ukrainian Armed Forces, and the head of the Kyiv office's management committee joined the Territorial Defense Forces in the Kyiv region."

Finally, "in addition to people being physically outside of Ukraine, we also observe some lawyers abandoning the legal profession during these difficult times," Soshenko says, adding that "the war clearly changes mindsets." Similarly, "we lost several junior associates who moved to the IT sector which was not hit by the war and was still able to offer very high salaries, as well as two partners who decided to relocate and take a sabbatical to focus on their family matters in these difficult times," Chernyavsky points out.

The Shift in Mandates

Naturally, the war led to a decrease in some mandates, and the most affected practice seems to be corporate and M&A,

Margarita Karpenko, Co-Managing Partner, Kinstellar

Mykola Stetsenko, Managing Partner, Avellum

Nazar Chernyavsky, Partner, Sayenko Kharenko

Oleksiy Feliv, Managing Partner, Integrites

Olexiy Soshenko, Managing Partner, Redcliffe Partners

Timur Bondaryev, Managing Partner, Arzinger

Vitaliy Radchenko, Managing Partner, CMS

with work dropping by half, according to Stetsenko. "M&A and transactional work has almost dried out," Bondaryev agrees. "The projects, which started before the war, were put on hold and the majority of them later collapsed for obvious reasons," Bondaryev notes, adding that "several fire-sales and forced-deals have to some extent fueled M&A." According to Chernyavsky, "local clients are [also] cutting their budgets and are not ready to pay the same fees they used to pay before."

Still, some areas remain in high demand. As for the most resilient practice areas, Karpenko says that disputes proved to be among the top – "the focus has been on various dispute resolution measures, ranging from contract performance and related *force majeure* circumstances to comprehensive advice on collecting evidence, reporting war crimes, and pursuing legal remedies for compensation of war damages." Feliv highlights that the firm has "submitted almost a dozen claims to the European Court of Human Rights," and is now "preparing several investment arbitration claims against Russia for the projects now located in the occupied territories." Overall, Bondaryev believes that litigation will likely keep lawyers "busy for the next decade or two, given the complexity of litigations and specifics of enforcement against a sovereign state."

Karpenko and Radchenko highlight that there was a massive increase in employment-related work, primarily driven by the crisis and Ukrainian businesses becoming international. "With massive moves of businesses and personnel, the employment team became largely engaged with crisis measures," Karpenko says, adding that there was an increased work "on complex employment reorganizations, relocations of businesses and personnel, and mass layoffs, as well as providing general employment advice." According to Radchenko, "another change resulting from the war is Ukrainian businesses becoming international," with "demand from clients concerning their expansion to other jurisdictions to secure the survival of their teams and businesses."

In addition, "despite the natural decline of the Ukrainian economy, the country's technology sector has continued to grow," Karpenko notes, adding that, still, many technology companies are expanding their Ukrainian operations. According to Bondaryev, "thanks to the award-winning reputation of Ukraine as a Mecca for global IT outsourcing and development – almost each and every global high-tech deal has a Ukrainian angle – which requires diligent local legal advisory."

Karpenko says that real estate also remained quite active, as within the first months of the invasion there was a need for "applying force majeure clauses, negotiating with landlords regarding rent discounts or commercial lease terminations, and making other crisis management decisions." At the same time, she says, some clients such as medical suppliers and NGOs entered the country during the war, and "such organizations and businesses generated demand for office leases."

For Bondaryev, the Sanctions & White-Collar Crime practices stand out: "it is caused by the constantly growing web of sanctions against Russia, its oligarchs, politicians, and their relatives. Given that Russia has always had very deep penetration all across the sectors in Ukraine, we have been extremely busy helping our domestic and global clients to identify, navigate, and manage the respective risks."

Finally, lawyers highlight an increase in their pro-bono work. "A large number of international and Ukrainian NGOs, as well as private companies, started or expanded their activities in Ukraine," Karpenko says, with her firm advising them on corporate, regulatory, commercial, tax, and other issues. "We also currently cooperate with the Ukrainian government on United24, a unified platform for donations to Ukraine," she says.

"CMS lawyers, together with other Ukrainian lawyers and corporate professionals, founded the Yellowblue Force Foundation, an international volunteer initiative that unites professionals from the corporate sector, professional services, and technology," Radchenko says, additionally highlighting the collaboration with a charitable organization, such as "Housing for IDP, which helps communities build or renovate dwellings for internally displaced people." Feliv adds that among the latest are the "contributions to the Rehousing Ukraine Initiative pilot project in Truskavets and involvement with the project on housing for internally displaced persons under the auspices of the Ministry of Veterans Affairs of Ukraine."

International Solidarity

Stetsenko and Soshenko highlight the support they received from their colleagues abroad: "apart from moral support, many foreign firms offered accommodation and secondment options to our employees in the first few months of the war," Stetsenko says. "In addition to the mentioned secondment opportunities, certain law firms shared with us work that they otherwise could do themselves, and they continue to find and explore opportunities for future work and cooperation," Soshenko says.

Soshenko emphasizes that many foreign lawyers donated and got involved in volunteer activities in Ukraine "to help the Ukrainian army, refugees, and displaced people and people in the de-occupied territories." "Some of the firms have also made significant donations to the Breathe Charity Fund we are running to help Ukrainian medics and social groups who suffered the most from the war," Chernyavsky adds. And, according to Feliv, the fundraiser aimed at helping a wounded former employee received significant international support.

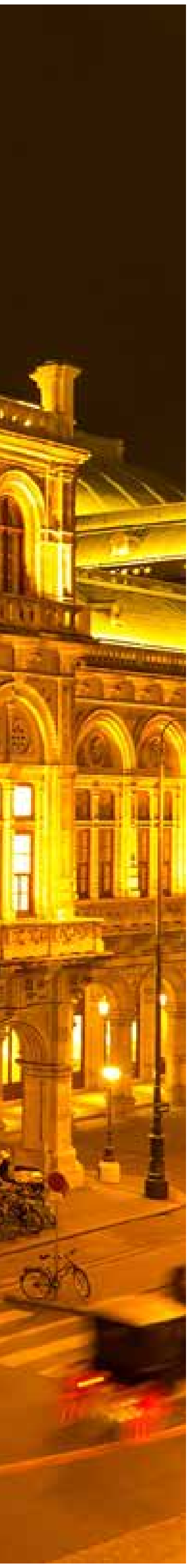
Karpenko and Radchenko point out that being a part of an internationally operating law firm was helpful: "Kinstellar's Ukraine office is an integral part of the firm, and we have received both tangible and moral support from the firm and staff from all of our offices in 11 countries," Karpenko says. "We continue to receive emergency support from CMS's central management," Radchenko adds. "All our people and their families who are currently in Ukraine have been equipped with emergency power stations, rechargeable lamps, power banks, head-mounted torches, sets of visibility jackets, and bracelets to help them stay safe, mobile, and able to sustain their needs and work during blackouts and other disruptions."

Harmonization of Ukrainian law with EU law has now become one of the top priorities for the Ukrainian Government.

Finally, Stetsenko and Chernyavsky address what kind of support, if any, they would like to receive from their colleagues abroad: "one thing that could be also relevant is access to knowledge and training, especially on EU law, given that Ukraine received its EU candidate status in the summer of 2022," Stetsenko notes. "Harmonization of Ukrainian law with EU law has now become one of the top priorities for the Ukrainian Government."

"At the moment, the biggest help we need from foreign law firms is lobbying Ukrainian interests in their countries, in front of their governments, to ensure continued support of Ukraine, as well as boycotting Russian businesses and stopping any revenue streams to the Russian budget," Chernyavsky adds. "Obviously, any opportunities for us to work together would be also appreciated and it would support us financially while creating added value for their clients. Ukraine will provide a lot of opportunities for any business after the war, but it would be prudent to start planning it now and avoid any frenzy later," Chernyavsky concludes. ■

MARKET SPOTLIGHT: AUSTRIA



ACTIVITY OVERVIEW: AUSTRIA

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TECH-ING THE TEMPERATURE IN AUSTRIA

By Andrija Djonovic

Investment activity in Austria's technology sector remained strong in 2022, despite the global economic downturn caused by the pandemic. Cerha Hempel Partner Christoph Reiter, Schoenherr Partner Thomas Kulnigg, and Dorda Managing Partner Axel Anderl talk about where the money is coming from, where it is going, and what can be expected for 2023.

Lay of the Land

"In the aftermath of increased performance during the peak of the COVID-19 pandemic, technology remains an attractive sector for investors despite a quite volatile economic situation," begins Reiter. "What makes Austria special is the fact that it already managed to establish itself as one of the leading locations for quantum research, cybersecurity, and AI within the CEE region," he continues. "This enables both start-ups and long-established enterprises to quickly access ground-breaking technology and highly trained personnel." According to Reiter, around 35 companies in Austria provide advanced cybersecurity solutions for the public sector, critical infrastructure, industry, and enterprises, with an expected growth rate of six to nine percent in 2023 alone.

While Austria's tech sector has been growing and developing over the years, the recent global downturn due to the war in Ukraine, increased uncertainty in the markets, and rising inflation and interest rate hikes could potentially impact the sector's growth, according to Kulnigg. "Despite these challenges, the sector is still expected to perform well, given the favorable business environment, the general availability of funding (in particular for early-stage ventures), and the presence of a skilled and highly educated workforce combined with a rather high qualify of living," he reports.

Chiming in, Anderl says that a "favorable business environment, highly skilled workforce, and supportive government policies have helped to create a thriving ecosystem for tech start-ups. In comparison to other CEE countries, Austria has a more established and mature tech sector, which has attracted significant investments from both local and international players."

Where the Money Is Coming From

Reiter explains that investments in the local tech sector originate from both national and international sources and include retail and institutional investors alike. "Foreign investor groups dominate by measurement of financing volume and number, with only about one-third of investments originating from domestic investors," he says, adding that this is mainly due to "the fact that there are currently hardly any venture capital investors in Austria who provide domestic start-ups with the funds required for scaling and internationalization. Austrian investors predominantly participate in early-stage investment rounds, creating a strong dependence on foreign investors, especially for larger financing rounds."

"Investor capital is coming from a variety of sources, including venture capital firms, angel, and strategic investors," Anderl adds. "Furthermore, family investment firms have been very active on the market in the past months. This is a trend spilling over from Germany. The increasing inflation rate makes it more attractive for investors to shift "old money" into riskier start-ups," he explains. "There could still be a significant amount of investment activity in the sector, as investors look for opportunities to diversify their portfolios and take advantage of the relatively stable business environment in Austria," Kulnigg says. Still, he feels that the outlook for 2023 "may be more cautious," with a "potential slowdown in investment activity, in particular in later stage financing rounds, and a reduction in the number of M&A activities and exits, with a potential upside for fire sales."

And Where It's Going

"While consumer products nowadays only yield low margins due to intense competition, tech suppliers seem to be benefiting in particular from elevated demand in the more profitable B2B sector," Reiter says. Increasingly comprehensive digitalization of businesses, according to him, "raises demand for more extensive and complex software solutions, which are often accompanied by corresponding support services." As a result, companies are focusing on acquiring knowledge and key personnel from third-party providers focusing on "key areas such as cloud infrastructure and security expertise," Reiter stresses.

"Looking ahead, we expect companies to further pursue their digital transformation projects despite high inflation and an overall volatile economic situation, albeit at a slower pace," he posits. "This is primarily due to the fact that precisely those

Axel Anderl, Managing Partner, Dorda

Christoph Reiter, Partner, Cerha Hempel

Thomas Kulnigg, Partner, Schoenherr

Company	Business Field	Investment (EUR million)
GoStudent	Education technology	300
TTTech Auto	Autonomous driving	250
PlanRadar	Property technology	62
Waterdrop	Food and Beverage technology	60
Byrd	Logistics software	50
Storyblok	CMS software	43
Mostly AI	Artificial intelligence	25
Ribbon Biolabs	Biotech	18
Primcore	Open-source software	12
Prewave	Artificial intelligence	11
Arkeon	Green technology	10

Landmark investments in 2022, according to Reiter

projects are promising to bring about the necessary productivity gains, both for the current crisis management as well as in the future."

Founders Focus

Kulnigg, for one, feels that many of the start-ups that have performed well may "focus on consolidating their operations and maintaining their existing businesses, rather than expanding and taking on new risks." While there may still be several exits, he feels that these are more likely to be "selective and cautious in light of the current global economic conditions." Reflecting on what founders choose, Kulnigg says that some are reinvesting funds into their current companies to support growth, while others are diversifying their portfolios by investing in other start-ups or venture capital funds, or starting new projects altogether.

"Companies that have performed positively in the past are focusing their funds on further innovation and growth," Anderl adds. "There have been some lucrative exits, which in turn attract venture capital firms and private investors from all over the world. After successful exits, many founders become business angels and invest in other start-ups to help drive further growth," he explains. Such cyclical movement of funds, with investment capital flowing back into the start-up ecosystem to support new companies and new ideas, "shows that the Austrian tech-sector is not just a source of innovation and growth, but also a hub for entrepreneurship and reinvestment," Anderl stresses.

Will It Continue?

As digital transformation continues to sweep across businesses, the Austrian tech sector is poised for growth and innovation as the year goes on. "In our opinion, the digital transformation will continue offering long-term growth impulses and allow for extensive opportunities for innovation," says Reiter. "At the beginning of 2024, this will especially be visible in subsectors such as digital media, social media shopping and e-commerce, electrification and autonomy, AI, cloud services, cybersecurity, blockchain, and data processing."

Anderl agrees with Reiter that the outlook is "clearly positive. Companies that have established themselves as leaders in their respective industries will likely continue to grow and expand, while new start-ups will emerge to challenge the established players and drive further innovation." He also believes that the sector stands to benefit even further, as "more international investors discover the opportunities in Austria, and as more tech companies choose to establish operations in the country."

Finally, Kulnigg, being cautious on account of the current geopolitical context, believes that the sector is expected to continue its growth trajectory, albeit at a slower pace. "There may be a reduction in investment activity and the number of (successful) exits, but the sector is still likely to remain vibrant and innovative," he concludes. ■

AUSTRIAN MEDIA PRIVILEGE: TOO MUCH OF A GOOD THING

By Andrija Djonovic

A December 2022 decision by the Austrian Constitutional Court to annul the media privilege in the Austrian Data Protection Act has raised questions on how the country's approach to the legal landscape regulating the media will change. Wolf Theiss Partner Kurt Retter and DLA Piper Counsel Stefan Panic analyze the ruling's implications.

Setting it all in motion, a Tyrolean company had filed a complaint to the data protection authority concerning two Austrian media companies refusing to provide access to and delete personal data. The Austrian Data Protection Authority refused to deal with the matter, invoking the *media privilege* which states that data processing for journalistic purposes by media companies is exempt from certain provisions of the *Austrian Data Protection Act*, as well as certain areas of the GDPR. The company in question turned to the Austrian Federal Administrative Court, initiating a Constitutional Court law review procedure. The Constitutional Court found the media privilege to be unconstitutional and has declared that it will be repealed by June 30, 2024.

Balancing Constitutional Rights

Providing context to the matter, Panic shares that the media privilege provided a broad exemption for the media on processing personal data for journalistic purposes. "The regulation in Austria provides that Austrian national data protection laws – as well as significant parts of the GDPR – do not apply to media who process personal data for journalistic purposes. This especially concerns data subjects' rights, data transfer, and data protection principles," Panic explains. "The current media privilege is undifferentiated as it principally does not consider data protection at all (i.e., does not balance data subjects' rights and media interests), and focuses solely on data processing by 'traditional' media for journalistic purposes." According to Panic, this makes it harder for, for example, bloggers to use the media privilege due to formal requirements and sets out rather narrow bounds for journalism.

"This exemption is very broad and has also been criticized for this reason in the Austrian legal doctrine and by legal practitioners as potentially excessive and in breach of the scope granted to national legislators under the GDPR," Panic continues. "In light of this, while we do not have a full picture of how media privilege is regulated in other EU countries, we would expect that the Austrian approach is likely broader than the corresponding regulation in other countries."

Retter says that the annulled media privilege did not provide

Kurt Retter,
Partner,
Wolf Theiss

Stefan Panic,
Counsel,
DLA Piper

for the "weighing of interests equally protected by the *Federal Constitution*," specifically the contrasting of "interests in personal data protection against that of free speech and freedom of information," which are equally protected by the constitution. Conversely, the annulled media privilege "contained an absolute exemption of all personal data processing activities, conducted by certain media undertakings, from data protection requirements."

Panic adds that, while there have been no previous challenges brought before the Constitutional Court, courts had previously "requested the media privilege, as it was regulated, to be repealed earlier last year. However, this failed due to formal reasons. So, in this sense, the current ruling is a pioneer action."

This pioneer decision, thus, highlights the importance of striking a balance between personal data protection and freedom of speech and freedom of information, while also raising questions about how other EU countries approach this sensitive issue.

Grace Period Until Mid-2024

The decision has left many wondering about its implications for the Austrian media and the wider business landscape. Looking ahead, Retter says that "unless the legislator enacts a new legal regime under the *Austrian Data Protection Act* before July 1, 2024, when the annulment of the media privilege takes general effect, nothing will change until that date. In the absence of a new legal regime under the *Austrian Data Protection Act* being enacted, the media privilege will simply fall away on July 1, 2024," he explains. "The Constitutional Court decision will stand, as it is final and binding and not subject to any further appeals."

"Since it is not clear whether and how soon the legislator will implement a revised media privilege," Panic chimes in, "it is challenging to estimate possible impacts. However, the media may be more reluctant to process certain personal data for journalistic purposes until the legal situation is clarified," he says. According to the court's decision, "although national legislators must provide for certain exceptions for media as the 'public watchdog' – as concerns the processing of personal data – such exceptions must include an adequate and differentiated balance between data protection and journalistic work," Panic explains. "Such balance may include certain time, personal, or matter-related constraints for the media privilege, and also increased requirements for the media."

Agreeing with Panic, Retter adds that, concerning such increased requirements, the "legislator could – as compensation for the exclusion of (certain) data protection provisions – provide for increased requirements regarding the internal organization, documentation, and technical security of the processed data."

> *In the absence of a new legal regime under the Austrian Data Protection Act being enacted, the media privilege will simply fall away on July 1, 2024.*

Potential EU Spillover

Assessing the possibility of this decision having a spill-over effect on other EU countries, Panic stresses that it may "influence other jurisdictions where the media privilege is comparatively undifferentiated, not considering data protection at all either. In such jurisdictions, the legislators or the courts may become keener to repeal any such undifferentiated media privilege," he opines.

"In the opinion of the Constitutional Court, the constitutional guarantees of free speech and freedom of information require the legislator to make use of the authorization of Article 85 of the GDPR and to exclude the applicability of certain provisions of data protection law – which are incompatible with the specifics of the exercise of journalistic activities – to data processing for journalistic purposes," Retter underlines. "Whether the Constitutional Court's decision will have a spill-over effect will depend on whether relevant national constitutional law requires a similar weighing of interests as required by the Austrian *Federal Constitution*," he concludes. ■

KNOW YOUR LAWYER: URSULA RATH OF SCHOENHERR

Career:

- Schoenherr, Partner, 2014-present
- Schoenherr, Attorney at Law, 2006-2014
- Admitted to Austrian Bar, 2006
- Schoenherr, Associate, 2003-2006
- Hausmaninger Kletter Rechtsanwaelte, Associate, 2000-2002

Education:

- London School of Economics and Political Science, LLM, 2003
- University of Vienna, Dr. iur., 2001
- University of Vienna, Mag. iur., 1999

Favorites:

- **Out of office activity:** Running, traveling, reading, and spending time with my family
- **Quote:** "People will forget what you said and what you did, but people will never forget how you made them feel."
- **Book:** *One Hundred Years of Solitude* (Gabriel Garcia Marquez), *The Buddha of Suburbia* (Hanif Kureishi), or *Too Big to Fail* (Andrew Ross Sorkin)

Top 5 Projects:

- Advising the Republic of Austria on the successful repurchase offer and funding of approximately EUR 11 billion in debt instruments issued by Heta Asset Resolution AG and guaranteed by the Province of Carinthia;
- Advising the ASFINAG Austrian road toll operator on its EUR 12 billion Euro Medium-Term Note Program guaranteed by the Republic of Austria and the various draw-downs thereunder;
- Advising the joint lead managers on the Republic of Austria's inaugural EUR 4 billion green bond issuance;
- Advising the Vienna Stock Exchange-listed UNIQA insurance company on the successful placement of EUR 600 million of senior and EUR 200 million of tier 2 green notes;
- Advising Vienna Stock Exchange-listed Immofinanz on the first ever notes exchange offer on the Austrian market as part of its debt restructuring following the financial crisis.

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

Rath: During my 20+ years in the legal profession, I have had the privilege of working on many challenging projects. But if I had to single out one in particular, it would be advising the Republic of Austria on the successful repurchase/exchange offer related to the approximately EUR 11 billion in debt instruments issued by Heta Asset Resolution AG (one of the largest regional banks in CEE at the time) which were guaranteed by the Province of Carinthia, and the funding of that offer. It was a very complex international restructuring transaction and was the second try after one failed attempt to agree on the restructuring of HETA's debt with its senior and junior creditors, many of which included the most prominent global hedge funds. Because that debt was largely guaranteed by the federal province of Carinthia, there was a lot of pressure on the federal and state governments to agree on a deal with creditors to avoid severe adverse consequences for the federal province and the national economy. We worked alongside the Austrian Ministry of Finance on multiple workstreams, which included drafting and negotiating the relevant transaction documents with the federal province of Carinthia and HETA's various creditor groups. Because of its public sector nature, the deal not only involved many challenging and novel legal issues under state aid, insolvency, budgetary, and securities laws but also was permanently scrutinized by national and international media and thus quite complex and intense.

And what was your main takeaway from it?

Rath: That projects of this size and complexity can only be achieved when you work seamlessly as a team, both internally and together with your client and other advisors/stakeholders. And that, sometimes, it's worth trying harder and giving it another go.

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

Rath: That I grow chickens in the countryside.

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

Rath: I was lucky enough to have had the opportunity to work with many partners at our firm over the years, all of whom had a major influence on my professional development. That said, my mentor, Peter Feyl, has always been my role model in terms of work ethics, client service, and the way he respectfully treats others, even when under stress.

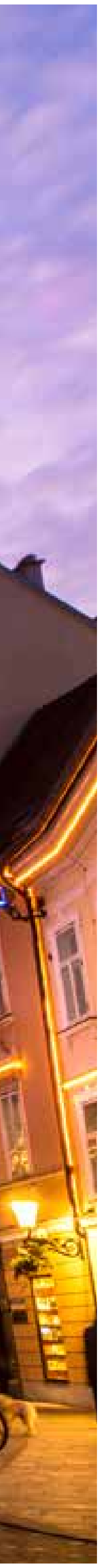
Name one mentee you are particularly proud of.

Rath: Both my Associates Viktoria Stark and Max Nusser deserve to be mentioned for their *can-do* attitude, endless enthusiasm, and work ethic while, at the same time, being pleasant and fun to be around. It is amazing seeing them develop and take more and more responsibility with every project we complete.

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

Rath: Be patient and gentle with yourself – what's meant for you won't pass you by. Take time to travel the world, meet people, and enjoy life – you'll be working long hours soon enough.


MARKET SPOTLIGHT:
SLOVENIA



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A GOOD TEN YEARS IN SLOVENIA

By Andrija Djonovic

In the spirit of CEE Legal Matters's upcoming Tenth Anniversary, Fatur Menard Head of M&A Practice Lea Vatovec Miklavcic and Senica Managing Partner Uros Cop provide an evolutionary insight into the Slovenian market from a legal, economic, and business standpoint.

Strong Fundamentals

During the past ten years, the Slovenian state has been carrying out privatizations of numerous state-owned companies, Vatovec Miklavcic says. "The first companies to be privatized were coatings maker Helios, in October 2013, and medical laser maker Fotona, in January 2014, followed by car electronics maker Letrika, Ljubljana airport operator Aerodrom Ljubljana, sports equipment maker Elan, and aircraft maintenance company Adria Airways Tehnika."

"Slovenia's economic position is extremely strong, as we are one of the least indebted economies," Cop chimes in. "Ten years ago, in 2013, Slovenian companies were indebted to around 40% of the GDP, or around EUR 20 billion. Today, Slovenian companies are indebted to the tune of EUR 10 billion, and the domestic economy is, therefore, one of the least indebted economies in the EU. The average indebtedness of European companies is around 40% of GDP," he explains.

Lea Vatovec Miklavcic, Head of M&A, Fatur Menard

Uros Cop, Managing Partner, Senica

"Slovenia's post-pandemic recovery was fast but its growth momentum in 2021 has stalled as the war in Ukraine, higher energy prices, and supply-chain bottlenecks had negative impacts on economic activity, adding to the already high inflation due to higher food and energy prices," Vatovec Miklavcic adds. "In contrast to the previous financial crisis, when many construction companies in Slovenia declared bankruptcy, the current coronavirus pandemic has not affected the infrastructure sector to the same extent as other sectors. Public infrastructure projects in Slovenia are currently on the rise, with the second 27.1-kilometer railway line between Koper and Divacia, the third development axis (road), and the Karavanke Tunnel's second pipe the major projects currently in the construction phase," she elaborates.

"The future is bright, as the Slovenian economy is highly diversified," Cop posits. "The only serious threat I see in the next ten years is the aging of the population, where, although it is a global problem, Slovenia is in a somewhat worse position than the other EU member states." Still, according to him, this problem is quite solvable. "I see the solution in investing in innovation and the development of new technologies that will solve, or at least alleviate Slovenia's poor demographic situation," he stresses. "We need to be aware that Slovenian companies have good foundations for growth and innovation, as we are now ten years into a period of economic growth, even though we are sailing into uncertain times."

Banking Sector Overhaul

"Since becoming a member of the European Union in 2004, Slovenia endured a mostly steady economic performance which was hampered by the financial crisis in 2008 and 2014," Vatovec Miklavcic reports. In this period, Slovenia was hit by a "deep recession and faced a severe banking crisis, driven by excessive credit growth, poor risk assessment, and insufficiently effective supervision tools, which led to unsustainable debt build-up in (largely state-owned) banks and the corporate sector." As she explains, the "major state-owned banks, NLB, Nova KBM Bank, Abanka, Factor Banka, and Probanka, were recapitalized in 2013, and part of their non-performing loans have been transferred to the Bank Asset Management Company in 2014." The BAMC, established in 2013 to "ring-fence impaired assets," ceased to exist at the end of 2022, when "around half of billion euros worth of its assets were trans-

ferred to the Slovenian Sovereign Holding."

Furthermore, the Slovenian banking and investment sector has undergone "significant consolidation in the past couple of years," Vatovec Miklavcic notes. "In 2016, Nova KBM was sold to Apollo Global Management and the EBRD, while in 2019 Apollo acquired Abanka, which consequently merged with Nova KBM. In 2021, Hungary's OTP Bank, owner of SKB Banka, acquired Nova KBM, while NLB acquired the Slovenian Sberbank subsidiary in November 2021."

The Balkan Gem

"Ten years ago, in comparison to other countries in the Adria region, Slovenia was often considered one of the most successful emerging market-oriented new economies among Central and Eastern European countries," Vatovec Miklavcic says. "Due to its investment climate, skilled workforce, stable business environment, and reliable legal system, Slovenia was seen as a possible base for companies from the eurozone countries eager to expand into the Balkan region. In recent years, however, we are noticing Croatia sparking more interest since it is located at the heart of the Balkans and is seen as the natural jumping-off point for companies considering expansion in the region," she expands.

Cop agrees, stating that, "in recent years, Slovenia has lost its historic status as a gateway to the Western Balkans somewhat – due to Croatia's accession to the EU and the accession status given to some of the Western Balkans countries. This has opened the door to a wider market, which other member states have made good use of and, in a sense, have pushed Slovenia out of this position," he says. Still, Cop does stress that it is important not to forget that "the loss of this status is merely the possession of a wider market. A great deal of the blame also lies with us, and I am referring to our lack of action and our inappropriate, perhaps even haughty, attitude towards the Western Balkans. Nevertheless, I note that Slovenia has also matured on this issue and is now slowly regaining its title of gateway to the region."

Still the Smart Bet

Indeed, the country appears to be in excellent shape. Vatovec Miklavcic notes that "the M&A sector is quite active, particularly in comparison to 2020, when most transactions were either stopped or put on hold. Takeover activity was extremely dynamic, even compared to the financial crisis about a decade ago – nevertheless, state ownership persists in inherently competitive sectors such as tourism," she says, citing as an example the sale of a 43% equity stake in Sava Turizem to Prestige, a company backed by Hungarian asset manager Diofa Asset Management, which was "halted due to exercise of a pre-emptive right by the state."

Finally, Vatovec Miklavcic notes that "Slovenia is an important player in the field of technological development and new technologies. Slovenia has already established itself as a leading country in the field of blockchain technologies, through companies such as Bitstamp, Iconomi, Eligma, and Blocksquare, and we expect further developments in this field in the future through the growth of existing companies and the entry of new market players," she posits.

To boot, she says that further real estate market developments are to be expected, with the past few years showing "a major growth in the logistics sector. There is also a high demand for business and residential buildings in the capital and throughout Slovenia, and in the last couple of years there have been several major infrastructure projects, while many more are still in development," Vatovec Miklavcic points out. ■

COLLECTIVE ACTION IN SLOVENIA

By Teona Gelashvili

Over the past few years, there has been a significant surge in the number of collective actions being filed by consumer organizations in Slovenia. Rojs, Peljhan, Prelesnik & Partners Partner Aljosa Krdzic and Jadek & Pensa Partner Mitja Podpecan discuss the current surge of collective actions being taken against companies, along with the primary factors driving it, and make predictions regarding the outcome of such litigations.

Collective Action Is on the Rise

"Collective consumer protection is a recent development in Slovenia," Podpecan says. "The Collective Actions Act entered into force in April 2018. Since then, seventeen collective actions have been filed." According to him, the first collective action was filed in 2018, two were filed in 2019, thirteen in 2022, and one in 2023.

What the collective actions filed in 2021, 2022, and 2023 have in common is that they are all funded by the law firms representing the claimants. In return for the funding, the law firms have, in all cases, negotiated a fee of 30% of the amount awarded. Given that the amounts claimed in all cases are in the millions, in one case amounting to almost EUR 30 million, one cannot but question whether the real motive for this increase in the number of collective actions in Slovenia is really to protect – fairly and adequately – the rights of the allegedly affected individuals.

"All of these class actions are primarily based on the provisions of the Slovenian Consumer Act, and in all of these class actions the plaintiff organizations claim the unfairness of certain contractual provisions or behavior of the defendants," Krdzic adds. "The last three bulks of collective actions in Slovenia were filed against Apple with a damage claim deriving from the 'Batterygate' scandal; against twelve Slovenian banks with a reimbursement claim linked to the illegality of floor clauses and floor practices used by the banks in relation to the negative Euribor rates; and against the four largest Slovenian telecommunication companies, with the reimbursement claim related to the alleged illegality of unilateral price increases for their services."

What's Driving It?

Podpecan and Krdzic point to different factors that drive the new developments in the collective action landscape in the country. "Speaking on a general level, in our view there are several reasons why the collective redress gained traction in Slovenia in the past years," Krdzic notes. "The first one is the increase in collective redress activities in various EU member states, such as Spain, Italy, Netherlands, etc. All these activities likely made the consumer and other organizations think about the alternative approaches available to them to increase the level of protection of consumers and other people."

"The second reason is likely linked with the public's perception that Slovenian regulators do not have sufficient tools at their disposal to efficiently fight the foreign and domestic infringers," Krdzic continues, pointing to disproportionate fines and the absence of punitive damages in individual cases which do not have a sufficient detrimental effect. "This is why consumers and other organizations likely believe that the only efficient way to increase the level of protection of consumers' rights is to resort to collective actions and thus more efficiently protect the rights of all class members at once," he says.

Podpecan, on the other hand, highlights the role of Slovenian law firms in the increase of collective actions: "what the collective actions filed in 2021, 2022, and 2023 have in common is that they are all funded by the law firms representing the claimants. In return for the funding, the law firms have, in all cases, negotiated a fee of 30% of the amount awarded." According to Podpecan, "given that the amounts claimed in all cases are in the millions, in one case amounting to almost EUR 30 million, one cannot but question whether the real motive for this increase in the number of collective actions in Slovenia is really to protect – fairly and adequately – the rights of the allegedly affected individuals."

The Jury Is Still Out

Given that collective actions have been filed only in recent years, Podpecan and Krdzic say that the proceedings are still in their early stages. "No judgments based on the collective

Aljosa Krdzic, Partner, Rojs, Peljhan, Prelesnik & Partners

Mitja Podpecan, Partner, Jadek & Pensa

actions for damages have been issued in Slovenia thus far," Krdzic says, adding that "proceedings against Apple, the banks, and the telecom operators are in their early stages, namely neither of these actions has yet been certified."

"Only two proceedings have been concluded," Podpecan notes. "In one case, the collective action was dismissed for non-compliance with the certification criteria," he says, as "the court concluded that the question of whether the alleged infringements had occurred had to be examined on an individual worker-by-worker basis, which is not the purpose of collective actions." According to him, in the second one regarding consumer injunctive on using 'floor clauses', "according to which the negative Euribor is not taken into account when determining interest rates in credit agreements, the court upheld the claim on the merits."

Despite proceedings still being ongoing, Krdzic points out that the collective actions have already had some impact on market participants' behavior: "some market participants have become more aware of the potential consequences that they might face in case of breaches that they usually disregarded in the past. The potentially threatening collective action has become an important risk factor when market participants conduct their risk analysis related to a specific behavior/practice." For example, he says, "the filed collective actions for damages against the banks immediately resulted in them altering their behavior concerning some other potentially controversial past practices." Namely, he notes, after a collective action related to the floor clauses and floor practices was filed, "some banks voluntarily initiated cost reimbursement programs, which shows that the collective action related to the floor clauses

Some market participants have become more aware of the potential consequences that they might face in case of breaches that they usually disregarded in the past. The potentially threatening collective action has become an important risk factor when market participants conduct their risk analysis related to a specific behavior/practice. The filed collective actions for damages against the banks immediately resulted in them altering their behavior concerning some other potentially controversial past practices.

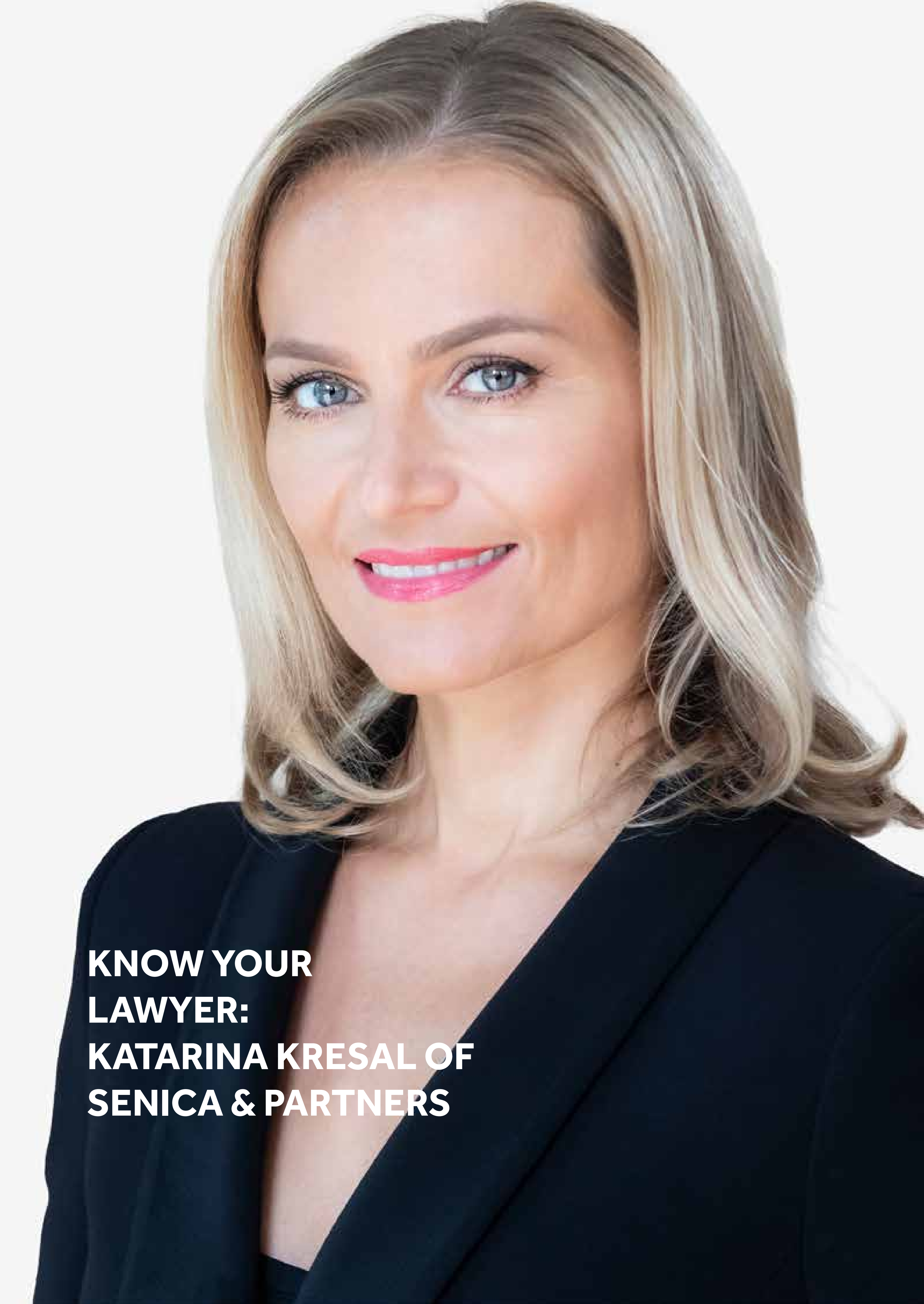
and floor practices had some impact on the behavior of the banks regarding another unlawful practice."

Here To Stay

It seems that it is still early to prognosticate the future development of Slovenia's collective actions. "Considering the past developments in similar Apple cases abroad, we are of the view that, in the Apple case, the Slovenian consumers will be awarded damages," Krdzic notes. "The same applies to the case against the banks – we believe that the case against the banks is strong and will result in Slovenian consumers being reimbursed with the excess interests that the consumers overpaid as the banks did not apply the negative Euribor rates for the consumers' loans."

Still, Podpecan and Krdzic guess that consumer-related collective actions are likely to rise. "In terms of the future of the collective redress, we predict that some other consumer-related collective actions might be filed, however only after the caselaw will become more developed," Krdzic notes. "I especially expect that some environmental organizations might use collective redress in cases of future, hopefully rare, environmental disasters where a large number of individuals will be affected. On the other hand, considering an unsuccessful certification of a collective action for damages filed by a union of soldiers a few years ago, I do not expect significant developments in the union's collective redress activities."

"The trend of an increasing number of compensatory collective actions is likely to continue until case law is established as to when the certification criteria are met," Podpecan agrees. "The future trends of compensatory collective actions concerning consumers will therefore depend on the case law that will be established by a decision on the above-mentioned cases." ■



KNOW YOUR LAWYER: KATARINA KRESAL OF SENICA & PARTNERS

Career:

- Andersen Global Management Committee, Member, 2022-present
- Andersen Global Country Managing Partner and EU Board member, 2019-present
- Senica & Partners, Managing Partner, 2020-present
- Senica & Partners, Partner, 2016-2020
- European Center for Dispute Resolution, Founder, 2012-present
- Ministry of Interior of Slovenia, Minister, 2008-2011
- Parliamentary party, President, 2007-2012
- Senica & Partners, Deputy Head of Office, 2003-2007
- Western Wireless International Ltd., Director of Legal Department, 2001-2003

Education:

- University of Ljubljana, Faculty of Law, Law Degree (cum laude), 1996

Favorites:

- **Our of Office Acivity:** To round up a day, I like to go for a nice dinner, meet with friends, or watch a movie. To stay sharp and focused, there's a daily workout routine. With a few days off, I like to travel, explore new lands and cultures, and read as many books as I can.
- **Quote:** "*Quidquid agis prudenter agas et respice finem*."

Top 5 Projects:

- Local legal advisor to Binder Beteriligungs AG in an M&A transaction. With the acquisition of BSW, the client became the largest company in the sawmill and solid wood processing industry in Europe (valued at EUR 460 million);
- Local legal advisor to Graphic Packaging International in the process of acquisition of AR Packaging Group. The deal was complex and involved 15 countries (valued at EUR 1.2 billion);
- Legal and tax support to Arnold & Porter and its group of lenders on the bankruptcy procedure over Cineworld Group PLC, the world's second-largest cinema chain. The case required coordination between eight countries in the EU and Middle East (valued at EUR 1.9 billion);
- Representing ASCENT Slovenia Ltd. in negotiations with the Republic of Slovenia for the payment of damages due to the unlawful decision mandating an environmental impact assessment related to a natural gas extraction project (valued at EUR 109 million);
- Local advisor on the buy-side of Lumen Technologies' divestiture of its EMEA Business to Colt Technology Services Group Limited (valued at EUR 1.7 billion).

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

Kresal: My biggest challenge was transforming our firm from a traditional local law firm into a full-service advisory firm present globally. Identifying membership in Andersen Global as the key turning point for our long-term business development strategy, restructuring our services and professionals to offer clients a full range of tax and other advisory services was a one-of-a-kind challenge.

And what was your main takeaway from it?

Kresal: The world is globalizing, and so is the legal profession. As Andersen Global CEO Mark Vorsatz says, "if you believe that the future looks like yesterday, you have already lost." Global clients, which dominate the world, search for global solutions, i.e., global providers that can offer best-in-class, seamless, complementary services anywhere in the world. Law firms are no longer competing just among themselves but also with Big4 firms and other service providers with a one-stop-shop model. You cannot progress and grow if you don't evolve and adjust to these new circumstances.

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

Kresal: Probably – that I always wanted to be a medical doctor, not a lawyer, and when I last minute changed my mind and went to Law school, it was to become a judge, not an attorney. Evidently, my plans didn't really work out.

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

Kresal: Miro Senica, Founding Partner of Senica & Partners, significantly influenced my development as a lawyer, manager, and person, with his brilliant legal mind, excellent business development capabilities, and soft skills from which I could learn throughout my career. Leading by his example or helping in complicated legal challenges, he is always open to sharing knowledge and passing on skills to colleagues. His "we're professionals, we do the work 100%, anything less is amateurism" and "there's no shortcut to success" resonate with me in everything I do.

Name one mentee you are particularly proud of.

Kresal: In 2016, I started working closely with Maja Subic, Associate at Senica & Partners, as I've seen a lot of potential in her. We have worked together on the most demanding legal cases, focused on learning soft skills and developing leadership abilities. Maja has proven a ferocious learner, always eager to upgrade, which resulted in her promotion to Partner in 2022.

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

Kresal: There's a rationale behind every legal norm. Find the rationale, and you'll find the solution. That's the difference between understanding the law and memorizing it.

EXPERTS REVIEW: RENEWABLE ENERGY

This issue's Experts Review section focuses on Renewable Energy. Providing context to the size of the problem in each country, the articles are presented ranked by the share of fossil fuels in gross available energy – indicating the level of used energy that produces greenhouse gas emissions when combusted – according to 2021 Eurostat data. For reference, fossil fuels made up 70% of the gross available energy in the EU in 2020.

The article from Slovenia leads the section, with less than 61% of energy coming from fossil fuels, followed by the articles from Slovakia and Lithuania, both under 65%. Wrapping up the issue are the articles from Greece, Serbia, and Poland – all with more than 80% of their used energy coming from fossil fuel combustion.

*2021 data not available. 2020 data used instead.

SLOVENIA: FLOATING SOLAR POWER PLANTS – AN AS-OF-YET UNREALIZED POTENTIAL

By Uros Cop, Managing Partner, Senica & Partners

In May 2022, the European Commission announced the *REPowerEU Action Plan*, proposing a package of measures to accelerate the energy transition, made even more urgent by the high dependence on Russian gas. Given the urgency of deploying renewable energy installations, the EC highlighted the generation of electricity from solar energy (i.e., solar power plants, photovoltaics) as a priority and key issue. Such technology has a minimal environmental impact (especially when installed on existing built surfaces), high public acceptance, the fastest technical feasibility, and, last but not least, a low cost (the price of the technology has fallen by around 82% over the last decade).

Slovenia is committed to achieving its renewable energy targets – for 2020, 25% renewable energy in final energy consumption – and at least 27% by 2030. These targets will be further increased with the revision of *Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources* in the context of "Fit for 55" – a set of proposals to revise and update EU legislation to reach the EU's climate goal of reducing its carbon emissions by at least 55% by 2030.

To promote the development of renewable energy sources, Slovenia's government drew up the *Act on the Siting of Installations for the Production of Electricity from Renewable Energy Sources* (Act) and sent it for inter-ministerial coordination.

If adopted, one of the key areas to be regulated by this Act is the construction of solar power plants on artificial aquatic and coastal land and in water protection areas. The construction of such plants is already established practice in the Czech Republic and the Netherlands, cited by the Slovenian government as examples of good practice. In particular, it has been recognized that artificial water surfaces – such as lakes created by the subsidence of coal mine workings and gravel pits, water reservoirs and canals, and the banks of hydroelectric storage basins and embankments – are untapped potentials for the production of electricity from renewable energy sources. The latter will be the site of so-called floating solar power plants, which have the advantages of allowing highly efficient electricity generation, operating without emissions or noise, and reducing evaporation, which is particularly problematic during prolonged dry periods, while also helping to reduce unwanted algal blooms.

A key aspect of the proposed legislation is that water use for floating solar power plants is secondary, while the primary use of water remains unchanged. The purpose of the proposed Act is thus to enable the use of, and other interventions in, water or on aquatic and coastal land for the development of renewable energy sources, and to regulate interventions on land in protected and endangered areas, to ensure that the status of water does not deteriorate, to protect against the harmful effects of water, to preserve natural processes, the natural balance of aquatic and peripheral ecosystems, and to protect natural values and areas covered by nature conservation regulations. Investors will also have to comply with other relevant legislation on construction, spatial planning, environmental protection, etc. Under the *Building Act*, such a facility is an object for which a building permit will have to be obtained. Furthermore, the proposed Act also foresees the installation of storage facilities that allow for the adjustment of production to the needs of the grid and, therefore, it is necessary to allow for their installation as well, with the Act not imposing any specific limitation on those.

It should be pointed out, however, that the proposed Act stipulates that the installation of floating solar power plants is only allowed on water and coastal land that has been degraded due to mining or human intervention for hydroelectric power – artificial bodies of water.

In Slovenia, which is extremely rich in water areas, including artificial bodies of water created by human intervention, such a strategy is logical and very welcome among investors. We noticed great interest among domestic and foreign investors in installing such facilities. The key reasons why investors are choosing such projects are that, in addition to the imminent energy transition, the initial investment is low, as the installation is not technically demanding, and the price of the technology is also low currently and, according to some forecasts, it is expected to fall even further. However, the crucial factor for investors will be that the relevant legislation will be adopted and will have to be enforced predictably. If this is not done or is delayed too long, investors will choose other countries, as has been their practice many times before.

If Slovenia adopts this law, and we would point out that we see no reason why this should not happen, a regulatory framework will be put in place that will allow Slovenia to attract additional investment, both from domestic and foreign capital. ■

SLOVAKIA: THE RENAISSANCE OF RENEWABLE ENERGY

By Bernhard Hager, Managing Partner, Eversheds Sutherland

Slovakia experienced a boom in renewables in 2010/11, then it became silent. New rules, a government decision, the EU recovery fund, and the increasing energy costs have led to a renaissance of renewable energy in Slovakia.

The Act on Renewable Energy Sources

In 2010, the new *Act on Renewable Energy Sources* (Act on RES) entered into force. The support schema of the Act on RES consisted of four pillars: (1) access to the grid, (2) obligation of the grid operator and electricity market operator to buy electricity, (3) feed-in tariff, and (4) imbalance settlement by the grid operator. Originally, the schema guaranteed the feed-in tariff for 15 years, however, this was partially changed later (see below).

In its first year, the Act on RES led to a photovoltaic boom, caused mainly by a generous feed-in tariff and the willingness of the grid operators to connect new installations to the grid. The photovoltaic boom came to a quick end in mid-2011 with the cancellation of the feed-in tariff for installations that were not put into operation before July 1, 2011. Due to the absence of a feed-in tariff and the unwillingness of the authorities, there is currently not a single wind farm in Slovakia. There are, however, several installations for biogas and biomass.

End of "Stop Status"

Up until 2021, only a few new installations were connected to the grid because of the so-called "stop status." In brief, the Slovak operator of the transmission system (SEPS) announced that the Slovak grid is not prepared for new installations. In April 2021 a new 400-kilovolt line to Hungary went into operation and the end of the "stop status" was announced. Since then, grid operators connected installations and the still available capacities are published on their websites.

Repowering

The Act on RES originally guaranteed the feed-in tariff for 15 years. As of 2022, the yearly feed-in tariff was reduced, while, at the same time, its duration was extended to 20 years. This measure was meant to reduce the burden on the annual state budget but also opened the way for repowering.

Local Sources

The concept of "local sources" was introduced in 2018, however, it only became attractive for undertakings this year. Local sources are defined as installations for the production of energy that is used directly at the place of generation. In the past, their main obstacles were the capacity limit of 500 kilowatts and high grid charges. By the latest amendment to the Energy Act in 2022, the limit of 500 kilowatts was abolished, and there are no grid charges for the first 1,000 megawatt-hours. Further, the feed in limit of 10% was lifted, however, there is no right to the feed-in tariff.

Windfall Tax and Price Cap

Slovakia introduced a windfall tax ("excess revenue levy") for electricity producers. The levy amounts to 90% of the excess revenue and will have to be paid by March 25, 2023, for the first time. Installations with a capacity of up to and including 0.9 megawatts are excluded from the levy. Above this limit, the levy does not apply to energy produced in hydropower plants or from biomethane – and some other producers are exempted in a casuistic way. In addition, the Slovak government introduced a temporary price cap for electricity producers, including renewables, ranging between 100 and 240 euros/megawatt-hour, according to the source of energy.

Recovery Plan

As part of the EU recovery plan, Slovakia assigned around EUR 230 million for investments into renewable energy sources end energy infrastructure. The Ministry of Economy regularly publishes calls for the submission of projects. In addition, the ministry is working on an auction for capacities of renewable energy installations, including wind power. ■

LITHUANIA: A BREAKTHROUGH PERIOD IN RENEWABLE ENERGY

By Jolanta Liukaityte-Stoniene, Partner, and Tomas Janusauskis, Senior Associate, iLaw Lextal

Lithuania has never been among the leading countries in the field of energy from renewables. Dependence on imported electricity is still high, with just around 30% of electricity demand being produced locally. The installation of various power plants was slow and did not have a strong economic basis, with the main opportunities arising in wind and solar energy.

After the beginning of the energy crisis, at the beginning of July 2022, Lithuania approved new laws called the "breakthrough package," focused on easing the legal conditions for wind and solar power plant projects. Energy from renewables was recognized as a higher public interest, shorter deadlines were set for environmental impact assessment and other procedures, and other measures to boost energy from renewables were implemented.

Solar Energy

Following the adoption of the "breakthrough package," there are no longer requirements to prepare territorial planning documents for solar power plants, to change the purpose of the land (solar power plants can be built on agricultural land), or to carry out environmental impact assessments (with rare exceptions). The process of issuing permits has been facilitated and accelerated. As a result, a multi-megawatt solar park can basically be built and put into operation within 12 months. Each electricity consumer can now install a private solar power plant, as well as purchase a part of a remote power plant built by any developer. It is expected that the quantity of solar power plants will increase significantly.

Wind Energy

Sanitary protection zones are no longer required for onshore wind power plants. Only the requirements to inform neighboring owners about the intended location of a power plant and to ensure compliance with hygiene standards remain applicable. However, the restrictions to building power plants of around 160-170 meters in height near residential or public buildings remain in place. With rare exceptions, the assessment of the impact on the landscape is no longer required, and all other parameters can be agreed.

It should also be noted that there is no requirement to change the purpose of land for the construction of wind power plants, with such construction being acceptable on agricultural land. As a result, the entire procedure of development has been shortened by at least six months. The development of wind energy in Lithuania is not as fast as solar, mostly due to technical reasons, but the quantity of installed wind power plants in Lithuania should increase at least several times over, in the next few years.

Offshore Wind Energy

Lithuania is aiming to install around 1.5 gigawatts of wind power plants in the Baltic Sea by 2030. The first auction for the installation of an around 700-megawatt offshore wind power plant should be started this year. The connection and synchronization infrastructure is being installed, while the auction procedures and requirements should be adopted in the short run. The requirements for entities seeking to participate in the auction have been already published. The offshore wind power plant is one of Lithuania's strategic goals.

Hybrid Power Plants

A model for hybrid power plants has been developed, for when different electricity production infrastructures are connected into one connection point (wind, solar energy, others). This ensures greater grid utilization efficiency, assuming that solar and wind energy production replace each other due to seasonality: the peak of solar energy production occurs in summer – by contrast, wind energy production peaks in winter. Hybrid power plants create many more possibilities to install and connect renewable energy facilities than was possible before.

Other Tendencies

Although Lithuania has powerful facilities for electricity grid balancing, modern power storage facilities have just begun to be installed. The country installed about 200 megawatts of state storage facilities in 2022 and private initiatives for such investments are also emerging. The electricity supply market has already been largely liberalized, i.e., users make contracts with private licensed electricity suppliers. Some of the suppliers already obtain certificates confirming the supply of green energy.

Energy from renewable sources in Lithuania is going through a clear breakthrough period and, due to the facilitated conditions, many local and foreign investors are extremely positive about the opportunity to invest in the local energy market. ■

MOLDOVA: ENERGY PROSUMPTION – FALLING VICTIM TO ITS OWN SUCCESS

By Emil Gutu, Competition Manager, and Domnica Bejan, Junior Associate, ACI Partners

The ongoing energy crisis in Europe has underscored the urgent need to limit the reliance on imported energy sources. In a country lacking traditional energy sources like Moldova, the way to achieve that is to push for a rapid and sharp increase in renewable energy generation.

One of the most intriguing developments in renewable energy is the rise of prosumers. The term "energy prosumers" refers to people or entities actively engaging in the energy system by simultaneously consuming and producing energy. Injecting electricity into the grid is not a prosumer's primary economic activity, in contrast to utility companies that produce energy for consumers.

Countries use different ways to promote renewable energy generation by consumers, the most common ones being net metering and net billing arrangements. In both cases, the consumer that chose to install a small generating capacity for personal electricity use can inject the surplus produced into the grid and use it later.

But there is one significant difference – the way of keeping score. Under the net metering arrangement, the prosumer is entitled to the exact amount of electric energy it injected previously into the grid. In the case of net billing, the surplus is converted into money – at the wholesale market price – and can be redeemed back into electric energy later – at the regulated retail price.

Moldova introduced net metering in 2018, and the number of beneficiaries has doubled every year since. Annually, prosumers generate about one-third of total photovoltaic energy.

The existing mechanism includes certain restrictions. All electricity generated must come from renewable sources, and the power plant's installed capacity cannot exceed 200 kilowatts. A bi-directional meter, or two unidirectional meters, which track the consumption from and injection back into the grid, are the options available to the prosumer.

If at the end of the month the quantity of electricity consumed by the prosumer exceeds the amount of electricity pumped back into the electricity grid, the prosumer shall pay the supplier only for the difference, at the regulated retail price. On the contrary, if the amount of electricity the prosumer received from the supplier is less than the amount of electricity delivered to the grid, the quantity difference is added to that prosumer's account for use in the months to come.

Annually, if the final consumer has contributed more energy to the grid than they have used, the supplier will pay back the unused extra energy, at the average market price for the electricity paid by the universal service provider over the previous 12 months.

At first glance, this looks like an ideal win-win solution for decarbonization and energy independence. What, if anything, can go wrong with it?

In real life, the net metering mechanism in Moldova fell victim to its own success, as it outgrew the reasonable balancing capacity of the grid. The unique benefit of net metering for the participating consumers is the possibility of using the grid itself as a free "storage" for the electricity produced on sunny days, to be used up when the sun isn't shining.

Given the volatile and unpredictable nature of photovoltaic energy generation, Moldovan legislation sets the upper limit of the total installed capacity connected to the net metering mechanism at 10% of the maximum distribution grid load recorded for the previous year. Extrapolating the current growth of installed net metering capacity, it becomes quite clear that this limit will run out before the end of this year.

This roadblock can be avoided, provided that Moldova transposes *EU Directive 2019/944 on common rules for the internal market for electricity and amending Directive 2012/27/EU in 2023*. According to the Directive, the prosumer support schemes should account separately for the electricity fed into the grid and the electricity consumed from the grid, as the basis for calculating network charges.

That would, in fact, mean a switch from net metering to the net billing mechanism. For potential prosumers, that would result in less incentive to install new generating capacity and new incentives to install local battery storage. Thus, prosumers will be given the opportunity to contribute to a more balanced and sustainable energy grid. ■

BULGARIA: TRENDS TOWARD FLOATING SOLAR, AGRIVOLTAICS, AND OFFSHORE WIND

By Kostadin Sirleshtov, Managing Partner, and Dian Boev, Associate, CMS Sofia

Bulgaria has great potential and is currently attracting major investors interested in large-scale renewable energy projects. Currently, over 1,500 megawatts of solar and over 800 megawatts of wind projects are operating. Still, the country's power generation is highly dependent on its baseload power capacity coming from thermal power plants (over 3,600 megawatts). However, to meet the net zero economy targets, renewables could be the solution to replace these capacity volumes. Thus, at least 2,600 megawatts in RES capacity are expected to be installed by 2025, to allow Bulgaria to meet its target of 30.33% of energy produced from renewable sources.

For the time being, Bulgarian legislation is not providing for a tender or other procedure for securing grid connection for new renewable energy projects. The grid connection contracts are provided on a first come first served basis to greenfield projects. Projects with an installed capacity over 5 megawatts are connected to the grid of the national transmission system operator. The Bulgarian Transmission System Operator (ESO) confirmed that it had received applications for the construction of RES projects with a total installed capacity of 33,000 megawatts.

The grid connection facilities are designed and constructed by ESO. As of early 2023, the producers have the right to ask ESO to propose a connection through a temporary scheme – for the whole or part of the requested capacity – to be applied until the extension or reconstruction of the grid is completed. Such a scheme is proposed to each producer that requested it, where the specific technical solution is applicable, in the order of request receipt.

In early 2023, certain administrative burdens were decreased, as the minimum power generation installed capacity (subject to licensing) was increased from 5 megawatts to more than 20 megawatts.

Bulgaria has predominantly abolished the feed-in tariff (FiT) state support scheme. It currently applies only to operational renewables power plants with an installed capacity of up to 0.5 megawatts. The operational renewable energy projects have gradually migrated from FiT-based PPAs to "contracts for premium," granted by the Electricity System Security Fund without major changes to their cashflow. The premium price for the specific renewable projects is determined by the national regulatory authority annually, for a regulatory period from July 1 to June 30.

With respect to sales of electricity, the *Energy Act* introduces several types of transactions for electricity in the liberalized part of the market applicable to RES producers: (1) at freely negotiated prices by means of bilateral contracts – RES producers with plants commissioned after January 1, 2019, may execute corporate PPAs to sell the electricity produced through bilateral contracts; (2) on an electricity exchange market; (3) on the balancing market of electricity (PPA / balancing agreement) – the most common approach for producers with plants commissioned before January 1, 2019, is to sell a part or all the electricity produced through a coordinator of a balancing group; (4) direct power line – an uncommon approach that secures a supply of electricity through a direct power line by a producer or by an electricity trader.

In early 2023, a regulatory framework for electricity storage was introduced to secure balance and flexibility for the power system. Electricity storage facilities of any size are not subject to a licensing procedure. In terms of the construction process, the energy storage facility is defined as a movable object, and it can benefit from a simplified procedure for its installation.

Another step forward was the introduction of new regulations addressing the rooftop and facade photovoltaic installations for self-consumption. These regulations address only end customers of electricity willing to construct such installations for self-consumption, limited up to twice the amount of the allocated capacity to a site, but not more than 5 megawatts.

Bulgaria is taking steps according to the new trends in the renewables sector. There are no operational or developing floating photovoltaic and agrivoltaic projects yet, but the market is preparing for the first ones in 2023. With respect to floating photovoltaics and agrivoltaics, the sector is yet to witness any developments, since the legislative framework does not regulate such projects. However, investors' interest is growing, and the legislative amendments are on the agenda. Bulgaria is also striving to exploit its 62-gigawatt offshore wind potential.

Due to the political turbulence in the country and numerous caretaker governments, further legislative amendments in the renewables sector are expected after May 2023. ■

HUNGARY: NEW EU BATTERY RECYCLING LEGISLATION'S IMPACT ON PRODUCERS

By Akos Fehervary, Managing Partner, and Daniel Orosz, Senior Associate, Baker McKenzie

The EU intends to implement a horizontal regulation on the qualification, recycling, and waste management of batteries (Battery Regulation) aiming to replace the existing Batteries Directive. Once the EU approves the Commission's proposal, the new regulation will make the batteries more sustainable throughout their entire lifecycle, according to EU officials. Given Hungary's significant role in battery production, we summarize the additional statutory obligations and consequences that could be imposed on battery producers.

The producer's obligations and responsibilities under the Battery Regulation would cover the whole lifecycle of a battery and it could be divided into three main cycles: (1) production; (2) distribution; and (3) collection.

Regarding production, batteries might be placed on the internal market if they comply with the mandatory sustainability, security, and labeling requirements. Once the Battery Regulation becomes effective, the producers must be registered as battery producers in the EU market. Therefore, the authorities could effectively monitor whether the company's batteries comply with the mandatory requirements.

Prior to the distribution of a battery, the producer must request a conformity assessment body to perform a conformity assessment procedure and evaluate whether the produced battery complies with the mandatory requirements. In the event of compliance, the producer must prepare the EU conformity declaration and must place CE labeling on the battery. By introducing mandatory labeling requirements, significant data will be placed on batteries in connection with their lifespan and condition.

Before distributing these assets to the EU market, the battery producers must justify their financial capability of being able to comply with the newly introduced extended responsibility of the producers.

This extended responsibility of producers is a new concept the regulation establishes. It means that the battery producers will be responsible for organizing the recycling, collection, and repurposing of waste batteries that they make available on the market for the first time within the EU. The producer's extended responsibilities would cover the following obligation: (1) to organize the separate collection of waste batteries; (2) to report on the fulfillment of its obligation under the Battery Regulation to the domestic authorities; (3) to promote the batteries' separate collection; (4) to provide information including end-of-life information about batteries; and (5) to finance the earlier defined activities.

Producers must also identify and mitigate the environmental and social risks associated with the extraction, processing, and trading of the raw materials used for battery manufacturing (e.g., nickel, lithium, cobalt).

Once the producer becomes aware that its battery might not comply with the mandatory requirements, they must immediately take the necessary actions to fix the defects of the battery or withdraw it from the market.

The newly introduced battery passport will make it possible for market participants to collect and reuse the information and data relative to the batteries placed on the market, creating the opportunity for the end users to accurately identify and monitor the condition thereof.

The mandatory collection of waste portable, automotive, industrial, and electric vehicle batteries might also mean an additional burden for battery producers. Once a portable battery reaches the end of its lifespan, the producer must collect and recycle the asset and reuse the most important raw materials that were already included in its predecessor. To comply with the collection requirements, the producer, among other obligations, must (1) establish waste portable battery collection points and (2) offer the collection of waste portable batteries free of charge for certain entities (e.g., voluntary collection points, distributors, etc.). If such an entity takes the offer of the producer to collect the waste portable batteries for free, a connected collection point will be created. The connected collection points enable participants and end users to have free collection of their waste batteries by the battery producer.

While not all responsibilities will be considered new under the European Commission's proposed text, it is unknown yet when the EU will approve the proposal. Because it could mean significant expenses for the producers to comply with these provisions, the preparation cannot be delayed any longer, and it is advisable to follow the latest domestic developments in the future. ■

UKRAINE: RENEWABLE ENERGY SECTOR SHOWS SIGNS OF HOPE

By Iaroslav Cheker, Partner and Head of Energy and Natural Resources, and Svitlana Khadzhynova, Junior Associate, Arzinger

The renewable energy sector in Ukraine has been one of the most promising sectors of the economy over the last decade. Russia's full-scale war against Ukraine has impacted the lives of every citizen and the country. Renewable energy projects have also been subject to adverse effects due to military actions.

Wind generation has suffered the most among renewable energy sources, losing about 90% of its generating capacity due to occupation or destruction. Simultaneously, in 2022 only 76.5 megawatts of new wind power capacity was installed – instead of the planned 1 gigawatt. That is because, primarily, most wind farms are located in the south of Ukraine, with part of this region still occupied and regularly shelled by the invader.

Solar generation has also suffered, losing roughly 40% of its generating capacity. There were cases when the equipment of solar power plants was damaged by missile attacks or stolen and transported to Russia as well.

Furthermore, the deadline for commissioning renewable energy facilities expired on December 31, 2022 (and for solar energy facilities even earlier). The construction of many power plants is unfinished due to the inability of distribution system operators to provide connection services due to *force majeure* circumstances. Subsequently, this made it impossible for renewable power producers (RPPs) to receive a feed-in tariff (FIT) under power purchase agreements concluded prior to December 31, 2019.

All of this, along with the regular shelling of energy infrastructure by the aggressor and restrictions on FIT payments, led the renewable energy industry to a simple slogan: "survive against all odds."

However, in 2022, some positive changes in the sector also occurred. First, RPPs were granted the right to withdraw from the guaranteed buyer's balancing group by suspending the power purchase agreement and selling electricity independently in different segments of the electricity market.

Second, the Cabinet of Ministers of Ukraine approved the *Concept for the Introduction and Development of the Green Bond Market in Ukraine*. The Concept defines the directions, tasks, and timelines for defining the state policy for the introduction of the green bond market. According to expert estimates, the potential of the green bond market is assessed at approximately USD 36 billion by 2030.

Third, the Parliament of Ukraine adopted legislative changes to develop energy storage technologies. Subsequently, the National Commission for State Regulation of Energy and Public Utilities approved the licensing terms for energy storage business activities. The physical surplus of electricity in the power system – when martial law was introduced – has since changed into a significant deficit. Energy storage facilities together with electricity generated from renewable sources are supporting the balancing efforts of the power system.

The list of key events in the renewable energy sector in 2022 was also marked by the synchronization of Ukraine's power system with the Continental European Power System and Ukraine's receipt of the European Union accession candidate status.

Given the *European Green Deal* aimed at a low-carbon economy, as well as the *REPowerEU Plan* where one of the main ideas is for the EU to achieve independence from Russian fuel, renewable energy is one of the crucial priorities for the development of the Ukrainian energy sector.

Still, to develop the renewable energy sector some steps need to be undertaken, the main ones being: (1) the full repayment of debts to sellers under PPAs. As of today, the level of payment by the guaranteed buyer (off-taker) to sellers under the feed-in tariff is 99% for 2021 and 54% for 2022; (2) holding auctions for the allocation of support quotas for RPPs; (3) the introduction of a mechanism for establishing and issuing Guarantees of the Origin of Electricity; and (4) the extension of the term for commissioning renewable energy facilities under PPAs concluded before the end of 2019 that were still not commissioned in 2022.

According to the *Energy Strategy of Ukraine*, the share of renewable energy sources in the energy balance should reach 25% in 2032 and double that by 2050. The Ministry of Energy of Ukraine aims to build 7.1 gigawatts of new renewable energy capacity. This again proves that the renewable energy sector is just beginning to develop and will be the priority of Ukraine's post-war recovery. ■

CZECH REPUBLIC: THE FUTURE OF PHOTOVOLTAIC PROJECTS

By David Padysak, Head of Real Estate, and Terezie Vondraskova, Associate, DLA Piper Prague

According to the national energy mix, only 5.6% of energy was produced by renewable sources in 2021 in the Czech Republic. Most energy was produced by nuclear sources (40.4%) and fossil fuels (54%).

Despite this, the Czech Republic fulfilled its 13% target of gross final energy consumption from renewable sources for 2020 – the final renewable national gross energy consumption was 17.3% in 2020. Hopefully, this trend will continue, and the Czech Republic will meet its target of 32% for 2030. The EU monitors gross final energy consumption targets, and it includes the consumption of electricity and energy in the heating, cooling, and transport sectors from renewable sources.

The renewable sources available in the Czech Republic are hydro, wind, geothermal energy, solid biomass, biogas, liquid biofuel energy, and solar energy. However, all these sources have their limits in local geographical and climate conditions. Hydro capabilities have already been exhausted, and their use won't increase. Locations with sufficient wind energy are rare and in protected mountain areas. Geothermal energy has untested potential – but preliminary analyses show that potential to be significant. And the potential of biofuels is also substantial if the efficiency of its production cycle is carefully monitored.

Leaving solar energy, which saw a boom about ten years ago. But there was inadequate state support for photovoltaic (PV) projects. Nowadays, solar projects are limited by grid capacity and farmland protection. State support has been significantly reduced, but solar energy may yet play a crucial role through photovoltaic power plants on buildings and the development of the community energy sector.

PV Projects and Their Prospects

The focus of solar energy projects in the Czech Republic has shifted to PV power plants on buildings and the development of the community energy sector. We can look at these projects from different perspectives. The first perspective is the commercial use of PV power plants on rooftops, e.g., on large logistics centers or rented residential buildings. The other view is the private or community use of PV power plants on houses or residential buildings.

Zooming in on the commercial use of PV power plants on buildings – the target buildings are usually logistics halls or residential buildings for rent. Landlords, who usually also own the buildings, are aiming to generate electricity using PV panels on roofs. They then supply the generated electricity to their tenants. Will this business model work in the Czech legal framework? And what are the licensing concerns?

Legal Challenges

The conditions of Czech energy legal regulations must be met, and the necessary licenses have to be obtained from the Czech Energy Regulatory Office. An electricity generation license is a minimum requirement for a business to generate electricity. The license holder can distribute and sell the generated electricity to any third party if they meet several legal requirements.

In the case of leases, landlords have to provide the utility in line with the agreed or usual purpose of the lease under the Czech Civil Code, unless the parties agree otherwise. Direct supplies of generated electricity are usually combined with supplies from the grid and are subsequently re-invoiced. If the generated electricity exceeds consumption at a given moment, the landlord must be able to supply any surpluses to the grid.

Still, connecting to the grid is currently problematic. Grid operators deal with connection requests on a first-come, first-served basis, if there's spare capacity at a given location. If, however, that capacity is not available, the grid operator can either reject the request for that specific capacity – but may allow a connection with a smaller capacity, i.e., the investor needs to change their project – or the operator may approve the request but would first need to take steps to increase grid capacity. This may take at least several months, and the investor has to wait. The grid in Czechia is divided into three regions operated by three different entities. It seems that each of those responds differently to the connection requests, and their approach to the increasing grid capacity is quite ambivalent. Still, undoubtedly, with the grid being over 35 years old, it will need extensive modernization and adaptation to new technologies in the next few decades. ■

ROMANIA: THE BACK-AND-FORTH IMPACTING RENEWABLES

By Dana Radulescu, Partner, and Diana Borcean, Senior Associate, MPR Partners

In the pursuit of promoting renewable energy sources and achieving goals like decarbonization, as well as more ambitious ones such as energy independence, the European Union constantly both encourages and imposes achieving these objectives on the member states. As the whole world was recently shaken by pandemics and war, we are now facing an energy crisis worsened by these tragedies. In this context, in the second half of last year, Romanian legislators adopted several pieces of legislation aimed at mending various blockages encountered in practice by RES developers.

We'll highlight the main legislative changes impacting one of the most critical milestones when developing RES projects – the process of land securitization with its countless challenges – as this second wave of RES projects unfolds.

Legislative Response to Practical Obstacles

Apart from the various studies needed (wind measurement, solar radiation, etc.), suitable land is crucial for RES projects in the early development process. The trouble is that large surfaces of land are *a must* if the capacity of the RES project is significant, especially when we are talking about solar plants, since generally these lands are agricultural by destination and can be found only outside the built-up area.

As a matter of principle, constructions could only be erected upon lands inside the built-up area and *Law no. 18/1991 on the land fund* (Law 18/1991) provided only a few exceptions from this rule, RES projects not among them. As a result, the lands for such projects (irrespective of their surface) needed to first be incorporated inside the built-up area based on an urban zoning plan (PUZ).

Following last year's *Law no. 254/2022 amending and supplementing Law 18/1991* and other normative acts, RES projects can now be developed directly outside the built-up area, without a PUZ, but only on lands of up to 50 hectares.

Similarly, *Order no. 83/2018 approving the Procedure for the definitive or temporary removal from agricultural use of land located outside the built-up areas of municipalities, as well as approving the Procedure for the reimbursement of the fee paid to the Land Improvement Fund* was recently amended in order to speed up the procedure of land removal from the agricultural circuit for RES projects (also for up to 50 hectares), which is mandatory for obtaining the building permit.

An Unexpected Turn

Of course, the purpose of the above enactments was to facilitate the development of RES projects (by skipping the PUZ phase), but the practice of local authorities took an unexpected turn, construing that no RES projects whatsoever could be developed on surfaces larger than 50 hectares.

And some local authorities took a step further in making bizarre interpretations, by arguing that the PUZ is still mandatory, even for RES projects under 50 hectares, since that exception was only introduced in Law 18/1991 (allowing development outside the built-up) area, but no similar exemptions were introduced in *Law no. 50/1991 on the authorization of construction works* (Law 50/1991).

On a positive note, at least this last interpretation was put to rest as Law 50/1991 was amended earlier this year, expressly providing that RES projects under 50 hectares can be developed without zoning documentation. Thus, because of the above legislative changes, normally two types of RES projects can be developed: within a limit of 50 hectares and without PUZ, or exceeding that area with a mandatory PUZ.

A Preventable Blockage

However, in practice, there is currently a blockage at the level of the Romanian Ministry of Agriculture and Rural Development, which has only authorized removals of surfaces below 50 hectares from the agricultural circuit. Given that the removal is a mandatory procedure in obtaining the building permit, all RES projects exceeding 50 hectares are momentarily put on hold. Further legislative amendments are expected, to resolve the current situation and ensure the balance between the two differing views, one promoting RES development and the other preserving the agricultural destination of lands.

The inconsistencies between the purpose of the legislative changes and the way they are construed in practice have multiple causes, ranging from defective legislative technique (allowing for multiple and contrary interpretations) to the opposing views of the involved authorities regarding land use (for either agriculture or RES development). Still, Romania is currently viewed positively by investors, and many RES projects are being developed – so the legislative framework will have to reflect those market needs and crystallize the policy directions in practice. ■

GREECE: NEW GRID CONNECTION PRIORITY FRAMEWORK FAVORS PPAS AND ENERGY STORAGE

By Alexandros Katsantonis, Head of Public Procurement & PPP, Drakopoulos

The last few years have seen a long list of investors turning their eyes to the Greek renewable energy source market and an abundance of new projects being developed throughout the country – to the extent that one would assume an excessive capacity of the Greek distribution network. Sadly, that is not the case. The occupation of grid space has been very loosely regulated for quite a long time, and final grid connection offers (GCOs) have been granted to licensed producers largely on a first come first served basis, and without any specific priority requirements.

Hence, the grid's capacity to absorb power from RES has unavoidably come close to reaching its limits in most parts of the country, while signs of saturation have already emerged in certain regions with a higher concentration of RES plants. At last, in August 2022, following a longstanding unofficial halt in the approvals of new applications for GCOs, the Ministry of Environment and Energy published a new decision on the priority framework for granting GCOs to RES stations.

The provisions of this decision set out the priority order in which the pending requests for the granting of final GCOs will be considered: requests are classified into priority groups and are subsequently assessed based on such classification.

RES projects are grouped into six priority categories (further divided into subcategories) and applications for granting GCOs are processed by the competent independent power transmission operator (IPTO) in each category, starting from Group A (which mainly relates to the largest projects, strategic investments, and plants close to the borders) and down to Group F. Another significant factor differentiating the decision from all previous regimes is the restriction in the uncontrolled licensing of RES projects, through the allocation by the competent IPTO of a maximum capacity power limit per group/subgroup.

On January 20, 2023, six months after the decision was issued, a second ministerial decision was published, amending the previous one by increasing the regulated capacity of Group B – from 1,5 gigawatts to 4 gigawatts – without however materially affecting the maximum regulated capacity in all other priority groups. The amendment act mainly aimed at facilitating RES production in plants intended to produce based on power purchase agreements.

In particular, Group B includes only plants intended for concluding PPAs. As in most priority groups, a "deviation" of 20% is provided, meaning that, at the IPTO's discretion, the final decision issuing GCOs to any such project may lower the plant's regulated capacity by up to 20% from the producer's license. In this case, producers should have already concluded PPAs (or be able to prove that they will conclude them shortly) with suppliers or industrial consumers for a minimum of 80% of their production. Producers must also submit a letter of guarantee to the competent IPTO for an amount of EUR 100,000 per megawatt. Although a first reading of the requirement might imply that the provision aims to favor large investors, at the same time it safeguards that only financially sustainable projects will be considered and given the opportunity to take up vital space on the grid, contrary to previous practices.

Another noteworthy amendment relates to Group D projects – standalone battery projects and RES plants with internal storage facilities – which have apparently received a great priority push, as their respective applications for grid connection will be assessed alongside the Group B applications. It should be noted that the first tender for such projects in Greece is planned for the end of the first quarter of 2023, for a capacity of up to 1 gigawatt. This should whet investors' appetite, especially given the *National Energy and Climate Plan* target of 8 gigawatts of storage capacity within the next ten years, with battery installations expected to reach up to 5.6%.

Overall, the timing of the new legislation is by no means accidental. It marks the gradual transition – at least on a regulatory level – from an energy crisis to an energy security era, and provides all stakeholders with a reliable priority framework that attempts to regulate the previously rigid procedures related to RES licensing and operation, speeds up the implementation of mature RES projects that have been standing in line for a long time, and, at the same time, facilitates the integration of future ambitious RES projects. ■

SERBIA: CHANGING KEY DRIVERS OF GROWTH IN RENEWABLES

By Hristina Kosec and Ognjen Colic, Partners, Gecic Law

Serbia has been making great strides in expanding its use of renewable energy in recent years, focusing on reducing its dependence on non-renewable sources and ensuring sustainable growth for its energy sector. Although the country has a wealth of natural resources, by now, Serbia's reached a renewable energy capacity of 3,490 megawatts, of which 2,342 megawatts are from hydropower plants and the rest are from other renewable resources. Serbia's abundant wind and solar energy potential will enable substantial progress in transitioning to green energy in the years to come. The impact of renewables on the Serbian industry will be significant, leading to reduced energy costs for businesses and greater energy independence. The growth of the renewables sector will also create new employment opportunities, particularly in construction, maintenance, and engineering. The industry will become a significant catalyst for Serbia's economic development.

Historically, coal has been the country's primary energy source for electricity generation and heating. Serbia sources most of its coal in the Kolubara and Kostolac basins, which contain high-quality reserves. The Serbian energy sector has undergone significant changes in recent years, as the country moves towards a more sustainable future. According to the Republic of Serbia's firm policy orientation towards renewables, reflected in the *Integrated National Energy and Climate Plan* draft, Serbia should generate 40% of its energy from renewable resources by 2030 and become climate-neutral by 2050. These objectives represent a significant increase compared to the 27% threshold set today. The investment plan for energy and mining is valued at EUR 35 billion, of which EUR 21 billion will go toward green power plants. The program has led to new wind and solar energy venture development and the expansion of existing projects in hydro, aiming to reach the greenhouse gas emissions target by 2050, with a combined capacity of 27,850 megawatts. Serbia will also invest in new infrastructure, transmission, and distribution networks.

The Serbian government also introduced incentives to encourage the adoption of clean energy solutions, including tax breaks and subsidies for businesses and individuals. The *Act on Utilization of Renewable Energy Sources* rolled out subsidies to cover 50% of the investment in energy efficiency and rational use of energy solutions, which led to the growing numbers of prosumers – individuals and businesses that both produce and consume energy. The goal is to involve up to 20.000 households. This trend has enabled the growth of a decentralized energy system and the creation of new capacities for green power generation, enabling businesses of all sizes to benefit from renewable energy. According to the Ministry of Mining and Energy, the total installed capacity with prosumers in Serbia in the past six months amounted to 5.17 megawatts.

Back in 2013, on its path towards a greener future, Serbia introduced financial incentives in the form of feed-in tariffs to provide funds to incentivize the production of renewable energy at wind farms, small hydropower plants, biogas power plants, and solar power plants. Following the steps in all the EU member states, where feed-in tariffs were abandoned, in 2019 Serbia announced the transition to auctions, an incentive model that is more market-based and which lowers fees paid by citizens and businesses. Market premiums are another incentive for energy producers, paid when they sell their electricity. The government will pay a premium only if the electricity price in the market is lower than the one realized at auction. When the market price is higher, the electricity producer will be required to pay premiums.

These incentives have been a significant driver for RES development in Serbia. However, current market circumstances are creating entirely new opportunities for the industry. Renewable energy producers in Serbia have been opting out of incentives and selling electricity on the market – as a more profitable option – due to rising market prices. Large companies, primarily manufacturers, also invest in their own renewable capacities to mitigate the rising energy costs.

The energy crisis has strengthened the government's resolve to accelerate initiatives to diversify and mitigate dependencies. At the same time, commercial entities have understood the sector's long-term potential and quickly adapted to the changing market. New bylaws are expected to refine and adjust the solid foundation provided by the 2021 energy regulatory package and further harmonize it with EU law in the sector. ■

POLAND: DRAFT WIND ENERGY LAW SPARKS CONTROVERSY

By Agnieszka Kulinska, Partner, Dentons

The Russian military invasion of Ukraine and the consequent energy crisis in Europe have brought the issue of energy independence to the forefront of the public agenda in Poland – raising it to an issue not only of economic stability but of national security.

Increasing the proportion of renewable energy sources in Poland's energy mix is seen by many as an essential element in achieving energy security, while also reducing carbon dioxide emissions, given the country's traditional dependence on coal and other fossil fuels. The transition away from the use of coal has long been a point of political contention, as many Polish rural communities are economically dependent on coal mining.

In 2021, the share of renewable energy in gross final energy consumption was 15.6%. Poland's national target is to increase this to 23% by 2030.

In March 2022, the government of Poland published its *Principles for the Update of the Energy Policy of Poland until 2040* (EPP2040), with the objective of achieving energy sovereignty and independence from the Russian Federation, while also protecting the environment and air quality. In this document, it envisaged an acceleration of the transition to renewable energy with the target of achieving about half of energy production from renewable sources by 2040. In addition to solar and wind energy, the government also plans to expand the use of renewable energy sources such as hydro, biomass, biogas, and geothermal energy.

In February of this year, Poland's lower house of parliament, the Sejm, approved a bill – the *Draft act amending the act on investments in wind farms and certain other acts* (Project no. 2938) – to make it easier to build onshore wind farms on Polish territory. The bill was passed by a majority of 214 for, 27 against, and 209 abstentions (from the opposition parties). The bill has now moved on to the Senate, where it will undergo review.

The new law amends the *Distance Act* passed in 2016, which forbids the construction of wind farms within a distance 10 times the height of a turbine from residential buildings. So, for example, a turbine of 200 meters would need to be at least 2 kilometers from the nearest residential building. Dubbed the 10H law, it has made it virtually impossible to construct new wind farms in the majority of communities across the country.

The long-awaited amendment was expected to reduce the distance to a minimum of 500 meters from residential buildings – opening up the country to new investments in wind energy projects. According to the Polish Wind Energy Association, under the 10H law, only 0.28% of Poland's land mass is available for wind farm construction, while this would increase to 7.08% under the 500-meter rule.

However, in a surprise development, a handwritten amendment by Marek Suski, Chairman of the Parliamentary Energy Committee and a member of the ruling Law and Justice (PiS) party, changed the minimum distance to 700 meters. His stated reason for the amendment was to protect residents from the ill effects of living under a windmill.

This last-minute change has caused controversy and disappointment among many investors and industry observers, who perceive it as a move to block onshore wind energy investment, at a time when energy prices are skyrocketing.

According to the Polish Wind Energy Association, the change of distance from 500 to 700 meters will entail the cancellation of 84% of binding local spatial development plans regarding the planned construction of wind farms, quoting an analysis by Urban Consulting. Furthermore, it claims that with a mandatory distance of 700 meters, no more than 4 gigawatts of new wind capacity will be built by 2030, as opposed to up to 22 gigawatts under the 500-meter rule.

The bill now stands before the upper house, the Senate, in which the opposition has a majority. At the time of writing, the Senate was advancing amendments to the draft, in order to restore the distance to 500 meters. The chances of those being accepted by the Sejm, however, are rather low. The bill will then be passed to the president for his approval or veto. ■

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