

MLGTS appointed Government adviser in EdP sale

Leading Lisbon law firm **Morais Leitão Galvão Teles Soares da Silva** has been selected as the Government's lead adviser in the sale of its stake in leading domestic utility **Energias de Portugal (EdP)**.

The mandate was assigned after a process of industry consultation, say reports, but given the potential for conflicts of interest among Portuguese law firms in respect of EdP clients and other international energy businesses, there would have been controversy had MLGTS not won the mandate, suggest some.

The firm has been a longstanding adviser to EdP having advised on the €1.6bn IPO of its renewable business EdP Renováveis in June 2008, and last year represented the Government in the proceedings brought against it by the European Court of Justice over its retention of "golden shares" in the company.

The form of the sale of the Portuguese State's shareholding has yet to be decided, but lawyers close to the process state that in such a buyers market it will inevitably be looking to maximise the revenues generated by the sale. The Government is under pressure to complete deals by the end of the year and to raise over €5.5bn by 2013.

Firms included Linklaters, Campos Ferreira Sá Carneiro, PLMJ, Serra Lopes Cortes Martins and Uría Menéndez - Proença de Carvalho are already reported to be involved in due diligence for potential bidders or acquirers of EdP shareholdings.

Under the terms of the €78bn financial assistance package being offered to Portugal by the "Troika" of the European Union, European Central Bank (ECB) and International Monetary Fund (IMF), the Government has been forced to accelerate its planned privatisation programme.

Alongside EdP, the Government is progressing the sale of stakes in Galp, the electricity network REN (to which MLGTS is already a lead adviser) and Portugal Telecom. Airlines including Brazil's TAM and British Airways/Iberia have been linked to the sale of state operator TAP, also progressing are plans for the privatisation of the Portuguese airports operator ANA (Aeroportos de Portugal).

To date, only MLGTS has emerged as a favoured adviser to the Government in the privatisation process alongside Cuatrecasas Goncalves Pereira, which is giving advice on the sale of nationalised bank Banco Português de Negócios (BPN) to the local arm of Angolan Banco BIC— advised by PLMJ.