

# Peru

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## Outlook of the Peruvian banking sector

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Miranda & Amado  
Lima

The new government of President Humala, who took office in July 2011, faces the challenge of maintaining the good marks in macroeconomic performance while keeping up with a number of electoral promises which could stress the country's fiscal discipline. The first appointments on key sectors of the government are giving a clear indication of economic stability and discipline and a good outlook for the Peruvian banking sector.

The country has \$47 billion reserves (more than four times country's term debt), a 2011 projected annual inflation below 2.5% and GDP growth of 6%. Credit demand is at its highest, deposits are at record levels and banks' capitalisation is well above the required 10% are at a 13.4% average (regulatory capital against total adjusted assets).

Its banking legal framework fully adapts to Basel II standards and is already incorporating some Basel III features. A new framework on capital markets was introduced on July 2011 and is expected to attract new issuers and more investors.

There are 63 financial institutions, 15 which are commercial banks and the rest are mostly microfinance entities. There are 14 insurance companies, four private pension-fund managers and about ten other fund management companies.

Penetration of banking services is still very low in Peru, so there is a vast unexplored territory waiting to be conquered. In a country of more than 30 million people, only 25% of the annual GDP is financed through banks and there are less than 150,000 home mortgages. Savings are growing aggressively since the early 90's when a private pension fund system was created, thereby creating opportuni-

ties to finance domestic industrial production, services and exports.

Still, a \$35 billion deficit on public infrastructure is waiting to be financed with a mix of local savings and government, multilateral and foreign commercial lending. Other opportunities we foresee are in the development of domestic securities and derivatives markets, including the possibility to integrate the Peruvian, Chilean and Colombian stock exchanges and create the second largest exchange in South America.

Therefore, Peruvian banks are getting ready to grow aggressively in the next few years. Actually, we are already witnessing a dynamic M&A activity through which banks are acquiring smaller entities to gain access to the fast growing microfinance sector.

Peruvian banks are important players in the local securities market, through which they are able to finance their longer term needs. They are regular issuers of short term and mid term notes, which include senior unsecured debt, subordinated debt and some type of covered bonds. The largest banks are also starting to diversify their liabilities by issuing debt in the global markets through global offerings under the US Rule 144A and Regulation S, including complex securities such as Tier I hybrids, Tier II subordinated bonds and DPR securitisation bonds. Also, a new law regulating covered bonds was issued in May 2011.

Although most of their lending efforts are targeted locally, Peruvian banks have also started to diversify by lending overseas through club deals and syndication. This is clearly something new for them and it should keep growing as they develop an expertise.

Foreign banks are also identifying opportunities in Peru, either by setting up local operations, acquiring Peruvian assets or just by intermediating Peruvian risk on a cross border basis through lending, structured securities and derivatives, and either meeting the demand for credit or for investment products.

A stable, strong and open regulatory environment, has allowed foreign banks to set up operations in Peru. Of the 15 commercial banks in operation in the country, 10 are majority-owned by foreign institutions. Most of them have commenced operations in Peru in the last ten years, either by acquiring an ongoing operation (Scotiabank) or by starting a new operation (Santander, HSBC and Deutsche Bank). Other global banks have had a local presence for a longer time (Citibank and BBVA). Even though banking regulations and supervision is strict, foreign banks have found it easy to adapt to Peruvian regulatory rules given their similarity to internal standards.

In addition, the Peruvian Constitution and a long-standing legal framework guarantee:

- i) equal treatment for foreign investments;
- ii) prohibition of discriminatory treatment;
- iii) non-participation of the Peruvian State in the financial system;
- iv) free-market interest rates, fees and charges; and,
- v) freedom to hold and dispose of foreign currency, and to exchange currencies at market rates.

Foreign banks that are not established locally are also doing business with Peru. Cross-border lending to Peruvian companies is facilitated because there are no limitations or restrictions for Peruvian companies to obtain foreign funding or credits, to pay in foreign currency or to hold assets offshore. In addition, the appetite from foreign banks is creating an interesting market for loan syndication, which is forcing local arrangers to incorporate syndication mechanisms into their loan documentation, including syndication of financial leaseings. Syndication is also favoured by collateral structures that benefit from flexible legal arrangements that grant strong enforcement rights. Traditionally, foreign banks have provided financing to large Peruvian commodity exporters using export

receivable collateral structures but now there are other types of Peruvian companies which are regularly obtaining unsecured loans from foreign commercial banks.

Finally, foreign banks offering derivative products in Peru can also benefit from a recent amendment to the Banking Statute, by which Peru is now - at least partially - a *netting* country. Accordingly, since July 2009 regular Isda (International Swaps & Derivatives Association) netting provisions are enforceable against insolvent Peruvian banks.

Conditions are set for the years ahead, in which we will probably see more M&A, lending, securities offerings activities involving Peruvian banks and corporations.

## Banking and capital markets

Recommended firms	
<b>Tier 1</b>	
Estudio Echeopar	
Miranda & Amado	
Payet Rey Cauvi	
Rodrigo Elias & Medrano	
<b>Tier 2</b>	
Hernández & Cía	
Muñiz Ramírez Pérez-Taiman & Olaya	
Rebaza Alcázar & De Las Casas	
Rubio Leguía Normand	
<b>Tier 3</b>	
Delmar Ugarte	
García Sayán Abogados	
Pizaro Botto & Escobar Abogados	
<b>Tier 4</b>	
Estudio Grau	
Estudio Olaechea	
Jorge Avendaño Forsyth	

## Mergers and acquisitions

Recommended firms	
<b>Tier 1</b>	
Estudio Echeopar	
Payet Rey Cauvi	
Rebaza Alcázar & De Las Casas	
Rodrigo Elias & Medrano	
<b>Tier 2</b>	
Miranda & Amado	
Muñiz Ramírez Pérez-Taiman & Olaya	
Rubio Leguía Normand	
<b>Tier 3</b>	
Estudio Ferrero Abogados	
Hernández & Cía	
<b>Tier 3</b>	
Delmar Ugarte	
Estudio Grau	
Estudio Olaechea	
García Sayán Abogados	

## Project finance

Recommended firms	
<b>Tier 1</b>	
Estudio Echeopar	
Muñiz Ramírez Pérez-Taiman & Olaya	
Rodrigo Elias & Medrano	
<b>Tier 2</b>	
García Sayán Abogados	
Miranda & Amado	
Payet Rey Cauvi	
Rubio Leguía Normand	
<b>Tier 3</b>	
Delmar Ugarte	
Estudio Olaechea	
Hernández & Cía	
Rebaza Alcázar & De Las Casas	
Rosselló Abogados	

Undoubtedly, Peru's headline event last year was the closely watched election of President Ollanta Humala. "It's kind of crazy what has happened here," says one attorney on the eve of the elections. "We've had two or three months where the political elections captured everyone's attention." With two polar-opposite candidates jockeying in a close race, the market entered into a holding pattern as investors waited for results. "People are quite terrified right now," one partner says in the heat of the campaign season.

For most of the election, polls could not predict a victor, inflaming market uncertainty due to the stark contrast of the candidates. "This is our nightmare right now," says one partner, leading up to the elections. "We have two candidates and one is . . . a continuation

of Chavez. It will bring the country down." His emotive response to Humala's chances were mirrored in the market as the Peruvian stock dropped when the leftist pulled ahead and climbed when Fujimori appeared on top the polls.

Confident that conservative candidate Keiko Fujimori would win, many in the legal community believed that business as usual would resume and the neoliberal policies that guided Peru's economic ascendancy would continue. But the election of former Peruvian President Alberto Fujimori's daughter was not to be, and Peruvian stocks dropped 12.5% after Humala defeated the conservative candidate.

Change will likely come as a shock to the steady development of Peru's economic model. "One of the strengths of the Peruvian economy is how little it changes," says one partner. "Over the last 20 years, we've been modifying and improving it, but always in the same direction."

Practitioners mentioned that a drastic transformation of the economy was unlikely and pointed out that Humala will need to negotiate amendments with Congress. But higher taxes, along with a more activist government, are likely. Humala's economic advisor already signalled an intention to renegotiate parts of the eagerly-anticipated integration of the stock exchanges of Peru, Colombia, and Chile, a move that formed Latin America's second-largest stock market. Furthermore, Humala will need to dampen down southern Peru's civil uprisings that flared due to the tight electoral spread.

The question, moving forward, will be whether the newly appointed leftist will follow the moderation of Brazil's Lula or the heavy-handed socialism of Venezuela's Chavez. Many in the legal community are hoping for the former, but remain positive about the future of the Andean nation regardless. "The Peruvian economic model will prevail," declares one attorney.

## Estudio Echeopar

Based on stellar recommendations from clients and positive market feedback, Estudio Echeopar remains a top tier firm in all three categories. "They really are a firm that sets the way the legal market goes in Peru," remarks one client, discussing the firm's superior ability to innovate. "They are very creative with their solutions. They don't just provide one, but multiple solutions."

Competitors and clients alike speak highly of Pablo Berkholtz, a leading lawyer with experience in New York, despite being comparably younger than many other partners. "He's spent a lot of time in the United States

and has enhanced their capital markets practice,” explains one peer, whose view is shared by clients. “He’s a calm negotiator . . . one of the best lawyers in capital markets here,” says one. “He knows how to manage a transaction and the team handling the transaction.”

Last year, a Berkholtz-led team advised Pesquera Exalmer’s IPO on the Lima Stock Exchange. The Peruvian-based offering raised a little over \$97 million and involved issuance of new stock in addition to a secondary offer for stock owned by one of company’s previous shareholders. The deal marked the first IPO done by a local company on the Lima exchange.

Juan Carlos de los Heros, the firm’s project finance head, and his team were busy advising Banco Internacional del Perú - Interbank in a medium-term credit facility for Hidroeléctrica Santa Cruz. The \$20 million credit facility was joined by a \$1 million revolving credit line. Both will be used to finance the construction, development and operation of two hydroelectric plants in the Peruvian Andes. The transaction was one of the first to finance the Peruvian government’s renewable energy resources concessions.

#### Leading lawyers

Pablo Berckholtz Velarde  
Javier Castro Salinas  
Liliana Espinosa Reboa  
Ismael Noya de la Piedra  
Jorge Ossio Gargurevich  
Javier Tovar Gil

### Rodrigo Elias & Medrano

“They have a particular strength in mining” and “very good lawyers with a well-built clientele,” is how one competitor describes Rodrigo Elias & Medrano, a legal team that sits atop all three categories. The firm’s depth also captures the attention of the local market, affording its legal team the ability to handle multiple complex cases at a time. The firm “has a strong team of partners who are on top of their game and all very capable”, another competitor adds.

In M&A, Rodrigo helped Trafigura Beheer as it sold its \$400 million minority stake in Volcan Compañía Minera, and in a separate transaction, the firm assisted First Quantum acquire Antares Minerals in a \$450 million deal. Additionally, the firm advised Sempra Energy as it acquired Luz del Sur, amongst several other South American utilities, for \$855 million.

Leading lawyer Diego Peschiera guided Inkia Energy in a \$300 million international debt issuance arranged by Credit Suisse and Bank of America Merrill Lynch. The proceeds

will help finance construction of a 402MW hydroelectric power plant.

Additionally, in project finance, Rodrigo had a stellar year. Led by Jean Paul Chabaneix, the project finance group advised the Bank of New York Mellon in a debt securities financing for the Huascacocha water infrastructure project. Chabaneix also helped with Kuntur Transportadora de Gas del Perú with the development of a gas pipeline in Peru’s southern region.

The firm also handled a couple hefty transactions in the local market by advising Southern Copper on a \$1.5 billion international debt issuance and helping Consorcio Minero with a secured financing deal worth \$800 million.

#### Leading lawyers

Jean Paul Chabaneix  
Luis Enrique Palacios  
Diego Peschiera  
Luis Carlos Rodrigo Prado  
Gino Sangalli

### Miranda & Amado

“I believe that Miranda has the best clients in the banking industry,” says one competitor referring to Miranda & Amado, a firm known by the competition for its strong banking and capital markets practice. “A good firm in all areas...but banking is their strongest,” another peer comments. The firm recently advised Citibank, RBS, and the Bank of Nova Scotia in a \$150 million secured syndicate loan agreement granted to Gold Fields de Lima in order to develop a mining project.

“They are good on the transactional side, and also good on the regulatory side,” one practitioner notes. And clients value the firm’s “excellent quality of service” while citing the “professionally outstanding” trio of partners, Roberto MacLean, Luis Miranda, and Luis Vinatea, as being particularly impressive.

Although the market may know Miranda more for financial services, the firm’s M&A practice was involved in one of the more publicised mergers last year. Leading lawyer Luis Miranda is helming a team advising the Colombia Stock Exchange as it seeks to merge with the Lima Stock Exchange, forming a more competitive regional entity.

In other M&A activity, the firm assisted Ashmore Energy International with two separate sales in excess of \$4 billion. Asmore’s 38% stake in Luz del Sur, a massive Peruvian electricity distributor, was sold to Sempra, and a 60% stake of Calidda was sold to Energía de Bogotá. Additionally, the firm helped Iberia with their Peruvian branch as the Spanish airline carrier merged with British Airways.

#### Leading lawyers

Juan Luis Avendaño Cisneros  
Rafael Corzo de la Colina  
Luis Marcelo De-Bernardis  
Roberto MacLean M  
Luis G Miranda

### Payet Rey Cauvi

“Estudio Payet is another big player in Lima,” says one competitor about Payet Rey Cauvi. Despite being smaller than some of Peru’s more traditional market leaders, Payet Rey Cauvi remains a leading firm in the M&A and banking and capital market categories. “The partners of the firm are always involved in the transactions,” says one competitor. “They get involved in the details. They have high standards and execute well.”

The competition ascribes the ascendancy of the mid-sized firm to the highly-regarded and very active José Antonio Payet. “You’ll see him in securities, M&A’s...he covers a lot,” says one peer. Clients value Payet and Juan Antonio Eguez’s “knowledge and ability to solve problems during the negotiation of financial transactions”.

The firm’s M&A practice was especially active in the mining sector. Payet Rey Cauvi advised Dia Bras, a Canadian mining corporation in its \$350 million acquisition of Sociedad Minera. It also acted for Compañía Minera Miski Mayo as it transferred a 60% equity stake in a phosphate rock project valued at \$660 million to Japan-based Mitsui and Mosaic Group, a producer of concentrated phosphate. Finally, the firm helped private equity fund Altra Investments acquire a majority stake in Servicios Mineros Gloria.

As for banking and finance, the firm counselled Banco de Crédito del Peru in a massive \$800 million corporate bond issuance pursuant to Rule 144a/Reg S. Additionally, Eguez helped Banco de Crédito del Perú in a \$350 million loan from granted by 19 foreign banks, which will be used to diversify the bank’s funding sources and establish relations with overseas banks.

#### Leading lawyers

Daniel Abramovich  
Juan Antonio Eguez  
José Antonio Payet  
Eduardo Vega

### Muñiz Ramírez Pérez-Taiman & Olaya

Competitors point out the sheer volume of transactions that Muñiz Ramírez Pérez-Taiman & Olaya is able to handle when talking about Peru’s largest firm. The transactional quantity is likely due to their streamlined

fee structures and low prices. “[They] have a very low retainer fee,” says one competitor. “They can do it because they have a very good organisation. They can handle it.”

Mauricio Olaya has built what a competitor calls an “extensive” M&A practice. In January, Olaya advised Inkafarma, a Peruvian drugstore chain with 340 pharmacies, when it was acquired by Interbank for \$360 million. He also helped Pesquera Alejandría as it was acquired by China Fisheries in a \$30 million deal to create the sixth-largest fishmeal company in Peru. And to round things out, Olaya assisted the Corporación Infamarsa a Peruvian laboratory as it was acquired by Israeli pharmaceutical company, Teva.

In project finance, a team led by partner Sergio Oquendo counselled Gas Natural de Lima y Callao (GNLC) who were granted a \$135 million credit facility. The deal was lent by Corporación Andina de Fomento, International Finance Corporation (IFC), and the ICF Debt Pool to finance GNLC’s investment programs, aimed at expanding natural gas distribution. Additionally, the firm helped Transportadora de Gas del Perú (TGP) secure long-term financing from Banco Nacional de Desarrollo Económico e Social (BNDES) for an expansion project in the Peruvian jungle for the Camisea field. This was the first “buyer’s credit” given by BNDES to a Peruvian company.

#### Leading lawyers

Jorge Muñoz Ziches  
Mauricio Olaya Nohra  
Sergio Oquendo Heraud

### García Sayán Abogados

García Sayán Abogados is a “well-established” firm and is known in the market for a reputable energy practice, most notably in hydrocarbons. “In oil and gas, they are respected, recognised lawyers,” notes one competitor. Clients point to the firm’s overall capabilities in other areas. “In electricity, they are very knowledgeable, and for sure in general corporate, regulatory, and capital markets,” says one, adding that the latter is the firm’s strength.

In the mining sector, the firm handled legal aspects for Compañía de Minas Buenaventura in a joint venture with Minera Gold Fields, a South African company, to develop the Chucapaca Mining Project. In a separate transaction, García Sayán assisted Volcán Compañía Minera in a sale of \$400 million worth of its shares.

Additionally, clients value their thoroughness and accessibility. “They are very analytical,” says one. “We use a bunch of law firms, and [García Sayán Abogados] are very keen on

the analysis and are meticulous with their reports.”

The firm’s banking and capital markets leader, Luis Gastañeta, advised Deutsche Bank Securities in the registration of senior notes issued by Emgesa, a Colombian energy company, for a private offering to pension funds administrators. Gastañeta did the same for Cencosud, a Chilean retail company, back in January 2011, as well. Furthermore, he advised SAVIA in a \$100 million credit facility loaned by Banco Santander along with K-Sure, a Korean government insurance agency making their first entrance into Peru’s markets.

#### Leading lawyers

Luis Gastañeta Alayza

### Hernández & Cía

“A traditional tax law firm” is how one competitor describes Hernández & Cía, a tag that may no longer fit the active, mid-sized firm. Market feedback contends that the relatively young firm has been able to leverage its celebrated tax expertise to expand into multiple disciplines, especially capital markets. According to one practitioner the firm is “very good on investment funds, asset managers, and tax.”

Moreover, competitors note that Juan Luis Hernández has been able to cultivate a growing M&A practice in addition to finance work. Equipped with a bright young team, Hernández, a highly-respected lawyer, has been able to attract first-rate clients. “He kills the market on fees,” says one competitor. “He has a young team and is able to charge competitive prices.”

Last year, Hernández advised private equity firm Aureos Capital as it acquired a 40% stake in Condor Travel, one of Peru’s largest tour operators. He also assisted Citibank, Interbank and Banco Santander in arranging Pesquera Exalmar’s IPO and public share sale in local and international markets, totalling \$122 million.

In project finance, the firm advised Hidroeléctrica Santa Cruz on a medium-term financing arrangement offered by Interbank for the construction of two small-scale hydroelectric plants or “mini-hydros”. Hernández & Cía also assisted Magma Energy with the legal aspects of the construction and development of several geothermal power plants.

#### Leading lawyers

José Manuel Abastos  
Juan Luis Hernández  
Luis Rodríguez-Mariátegui

### Rebaza Alcázar & De Las Casas

“They work hard and fast, without undermining quality,” says one client about Rebaza Alcázar & De Las Casa, adding that the legal team is composed of “proactive and serious professionals”. Rebaza is known in the local market for its strong M&A practice, but has also gained a respectable foothold in financial work. Partner Alberto Rebaza comes highly recommended, with one peer calling him “a top player, a tier one attorney, absolutely.”

Alberto Rebaza advised Andino Investment Holding in an \$85 million syndicated financing structured by Goldman Sachs’ private equity arm. Additionally, the firm helped Peruvian savings and loan association, CMAC Arequipa, raise \$90 million on the bond market. It marked CMAC’s first bond issuance and was also the first for a local savings and loan company to raise funds in Peru’s capital market.

One client names associate Felipe Boisset, Juan José Cárdenas, and Rebaza as three lawyers who deserve special recognition. “They are very clear-minded and give us wise advice,” he said, adding that the firm is highly accessible and responsive. “You can always get in touch with them no matter what.”

Active in shipping and port infrastructure last year, the firm enters the project financing rankings this year. Rebaza was counsel to the National Port Authority in financing infrastructure improvements granting access to the Port of Callao. Additionally, the firm assisted Penta Tanks in negotiations for build-own-operate-transfer (BOOT) and engineering-procurement-construction (EPC) contracts for a port terminal exporting ethanol.

#### Leading lawyers

Rafael Alcázar  
Juan José Cárdenas  
Gonzalo De Las Casas  
Alberto Rebaza

### Rubio Leguía Normand

“Rubio is very strong in mining and tax,” says one competitor, referring to Rubio Leguía Normand. “They have positioned themselves well . . . have become stronger in banking and finance.” That strengthened practice is likely due to the firm’s broadening of its client base, including BNP Paribas, Bank of America Merrill Lynch and Banco de Crédito del Perú.

In one notable financial transaction, the firm was Peruvian counsel to Bank of America Merrill Lynch and Morgan Stanley in a sovereign bond issuance by the Republic of Peru. The transaction included a local issuance denominated in Peruvian Nuevos Soles, worth roughly \$1.5 billion, and a second \$1 billion placement on international debt mar-



kets.

And reflective of their extensive mining experience, the firm was Peruvian counsel to Nyrstar in the acquisition of Minera Huallanca, and in a separate transaction, Minera Domingo Savio. Both deals allow the global metal company to consolidate its presence in Peru.

The mid-sized firm was also busy with project finance work last year, garnering attention with its participation in toll-road projects. The firm was counsel to the Andean Development Corporation (CAF), Banco de Crédito del Perú and Crédit Agricole Corporate and Investment Bank in financing the Red Vial 4 Highway. The highway will span across northern Peru and be developed by Autopista del Norte. Moreover, the firm advised BNP Paribas, as arranger and underwriter for the financing of two different concessions: the Taboada Wastewater Treatment Plant Project and the Huascacocha-Rímac Water Derivation Project.

#### Leading lawyers

Oscar Arrús B  
Juan García Montúfar  
Emil Ruppert

#### Other ranked firms

“A newcomer,” says one competitor about **Delmar Ugarte**, a smaller, younger firm offering first-rate counseling for concession projects, in addition to other financial legal work. “They are respected lawyers and know the business,” says another peer. But the firm also has also won praise for its M&A practice. “They are very professional and getting stronger. The firm is growing and are hiring. It’s a firm to watch,” says one competitor.

*Leading lawyers:* Jose A Delmar and Ronald Fernández-Dávila

Competitors note that Guillermo Ferrero of **Estudio Ferrero Abogados** is “calm, experienced, and a good lawyer” and many credit him with the steady rise of the firm’s M&A practice. “He’s done a very good job positioning the firm as an M&A player,” says one peer. Last year, the firm advised Trafigura Beheer as they acquired a \$190 million stake in Volcan, a local mining company. Additionally, Estudio Ferrero helped Australian giant One Steel with its \$930 million acquisition of Moy-Cop and Alta Steel.

Despite the market’s overwhelming acknowledgement of the firm’s M&A practice, Estudio Ferrero also saw activity in banking and finance, as well. The firm advised a local retail company in its first corporate bond issuance, which involved a trust backed issuance of commercial papers along with a variety of leasing agreements.

*Leading lawyers:* Guillermo Ferrero Álvarez-Calderón

“Mining is their strongest area,” says one local practitioner about **Estudio Grau**. Last year, the firm assisted Antares Minerals as it was acquired by First Quantum Minerals for \$450 million. Antares was owner of the Haquira Project, an undeveloped copper deposit with massive potential to become a large-scale copper mine. In other mining-related projects, leading lawyer Juan Carlos Escudero assisted Antamina in securing a \$100 million credit agreement with Citibank Perú.

Additionally, the firm advised Andino Investment Holding in a public bid for an airport concession arrangement for six regional airports. The successful bid will likely lead to \$265 million investment, spread over 25 years, by Aeropuertos Andinos del Perú.

*Leading lawyers:* Juan Carlos Escudero, Cecilia González and Miguel Grau M

“An old firm, an institution,” is how one competitor describes **Estudio Olaechea**. “Everybody knows them because of their tradition, a well-known name.” Equipped with a roster of well-known partners, Olaechea is one Peru’s oldest firms and is described as “a very traditional firm” by the competition.

“They have very good...long-term clients,” says one competitor about the firm. Estudio Olaechea is providing ongoing consultation to a worldwide logistics provider as well as providing regular advice to Caterpillar Leasing Chile. In December 2010, the firm advised Banco de Crédito del Perú (BCP) in granting a medium-term loan agreement to Sudamericana de Fibras. The firm assisted with drafting and negotiating the agreement, along with the due diligence process.

*Leading lawyers:* Jesús Matos, José Antonio Olaechea and Martin Serkovic

**Jorge Avendaño & Forsyth** is a newer firm that has started to gain a solid foothold in the banking and finance sector. “They are beginning to have a presence in the market,” says one competitor. But the comment begs the question of whether or not the firm has already arrived. Hatched from the partnership between litigator Jorge Avendaño and financial specialist Albert Forsyth, the firm is plenty equipped to handle clients’ needs.

The firm advised Grupo Coril Sociedad Titulizadora in the private securitisation of cash flows from Tourist Entretenimientos, Euro Corporation, and Promotora Itza. Similarly, the team advised Moody’s Investors Service’s affiliate, Equilibrium Rating Agency in the securitisation of cash flows from Aventura Plaza, a vehicle created for a mall development in the city of Trujillo. On a different note, the firm guided Krese SAF in the creation of the Savile Peru Fund, capitalised at

a maximum of \$50 million at a term of six years.

*Leading lawyers:* Guilherme Auler and Albert Forsyth

#### Other notable firms

**Osterling Abogados** was very active in M&A last year, having advised Volcan Compañía Minera, a massive zinc producer, as it transferred the assets of the UEA Cerro de Pasco mine to Empresa Administradora Cerro. The transaction utilised the firm’s mining, corporate, tax, regulatory, and labour practice groups. Additionally, a team led by partner Arturo Tello helped Maxam Andina, a subsidiary of Spanish explosive company Maxam, with the acquisition of Cipensa and Cpeco from Compañía Minera Atacocha and Milpo.

**Santivañez Abogados** is well-known in the market for its expertise in the energy sector. One peer mentions that partner Roberto J Santivañez Seminario is “widely known as an expert in electricity regulation - his main area of expertise” and “a very good consultant in electricity”.

The firm’s leading lawyer, Santivañez, advised Consorcio Transmataro (CTM), a subsidiary of Grupo ISA, in the financing of the Zapallal-Trujillo 500kV transmission line. The \$230 million deal utilised a trust as a special purpose vehicle (SPV) that acquired the rights of the build-own-operate-transfer (BOOT) concession contract.

Additionally, the firm assisted with two toll road concessions. Santivañez acted for the Ministerio de Transportes y Comunicaciones (MTC) with regulatory approval of a financing scheme for the Autopista del Sol Project and advised Apoyo & Asociados Internacionales regarding the local credit risk of Línea Amarilla’s financial structure. In an M&A deal, the firm also counselled Compartamos, a holding company for Compartamos Banco, as it acquired Financiera Crear, a leading microfinance bank in Peru.