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Deloitte Legal study: The number, complexity and value of lawsuits has increased globally since the beginning of the pandemic, according to more than 50% of companies. Instead, trust in the courts has improved



including Romania, with the support of the international business magazine Euromoney. Furthermore, most participants agreed that cases are more complex and expensive (55% and 59% respectively), more time consuming (57%) and involve larger amounts of money (59%).

According to the study, the COVID-19 pandemic appears to have had a direct impact on commercial, labor and tax litigation, with more than half of companies reporting higher caseloads in these areas since 2020. However, most companies have more trust in national and regional courts than they did five years ago, the study's authors argue.

Currently, consumer protection, cybersecurity, as well as corporate and capital markets are identified as the top areas for litigation threats. Study participants expect cases in these areas to increase, but also in other areas, including ESG (Environment, Social, Governance), tax or bankruptcy.

As a result, more than half of the companies (51%) have grown their legal department, and 54% have increased their use of external counsel, selected mainly based on the additional services they offer in non-legal areas, ranging from industry-specific advice to tax advice and technical assistance. Moreover, a wide majority of companies currently invest in digital solutions, such as AI-based risk assessment tools and case management software, to help identify and manage risks.

"We are proud to have been able to contribute, by conducting a study of this scale, to the identification and crystallization of trends, concerns and approaches at global level regarding the resolution of business disputes. For us and our clients, the main priority is preventing disputes, but experience shows that they cannot be always avoided. Therefore, companies need to have a clear strategy on how to address legal controversies. The study confirms that corporations' strategies in this field have become increasingly complex, involving sophisticated processes to flag, analyze and manage disputes, as well as a close coordination between legal and non-legal experts," said Mihnea Galgotiu-Sararu, Partner, Reff & Associates | Deloitte Legal and head of the dispute resolution practice.

The Deloitte Legal study "New Roads to Dispute Resolution" was conducted among more than 550 tax, finance, and legal executives working for companies around the world. Most respondents are based in Europe, respectively 79%.

Reff & Associates | Deloitte Legal's dispute resolution practice, which consists of more than 20 lawyers and benefits from the expertise of professionals in all practice areas within the Deloitte network, including tax and financial advisors, technical and digital solutions experts, covers all types of business disputes, from fiscal, to commercial and administrative litigation.

The multidisciplinary team made of lawyers specialized in tax disputes from Reff & Associates | Deloitte Legal and tax advisors from Deloitte Romania was awarded with the highest distinction for Romania in the Tax Disputes category, at the 2022 edition of the Tax Awards, organized by the prestigious International Tax Review (ITR) publication. At the same time, four team members, respectively Mihnea Galgotiu-Sararu, Partner at Reff & Associates | Deloitte Legal, Vlad Boeriu, Tax and Legal Partner-in-Charge, Dan Badin, Partner, and Ciprian Gavriliu, Partner, Deloitte Romania, are recognized by ITR among the world's highly regarded practitioners in Tax



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Controversy in the **2023 World Tax** Guide.

Reff & Associates | Deloitte Legal is recognized as a leading law firm in Romania for the quality of services and ability to deliver solutions on complex legal matters. The areas of practice include banking and finance, competition law, employment law, energy and environment law, insolvency law, legal management consulting, litigation, corporate, mergers and acquisitions, public sector, real estate. The firm represents in Romania Deloitte Legal, a global network with more than 2,500 lawyers in more than 80 countries.

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