

Kirkland Grows in Saudi Arabia Along With Client Demand and Maturing Market

By Peter Shaw-Smith

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Some six months on from the official launch of its new—and to date only—Middle East office in the Saudi Arabian capital Riyadh, the world's biggest law firm by revenue is supporting a rapidly growing roster of existing and prospective clients.

It has been almost a year since Kirkland & Ellis announced its intention to enter the region's biggest and most promising market.

The firm's growth story has gone from the U.S. to Europe, Asia and now the Middle East, Kamran Bajwa, a partner and head of the Riyadh office, told Law.com International. In each case, the rationale has been consistent: the firm followed its clients and wanted to be where they need it with the best talent to service their sophisticated, complex legal work.

"The Gulf Cooperation Council region, and especially Saudi Arabia, over the last decade has become an even more advanced and mature market, a bigger player in the global economy, and an increasingly significant focus for our clients. Couple that with the kingdom making it possible for international law firms to operate directly in Saudi Arabia, and the timing aligned for us to establish our presence in Riyadh," he said.

"The kingdom's diversification of the economy and privatisation—not just (by) 2030, but beyond—was part of it. The fundamentals of the Saudi economy are shifting with privatisation away from a government-led model and diversification as key objectives. Given the scale—it's a G20 economy and could be G10—that's something to pay attention to."



Riyadh, Saudi Arabia

Some 13 lawyers are advertised as being present in the private equity specialist firm's Riyadh office, but Bajwa said the kingdom's growing importance means a larger cohort is necessary. He added that the firm has no current plans to open offices elsewhere in the Gulf Cooperation Council such as Abu Dhabi, but that the right opportunities would merit serious consideration.

"We have about 20 attorneys covering corporate and M&A, capital markets, debt finance and restructuring. We expect some organic growth from there, but we don't approach new offices with a specific head count in mind," he said.

Launching Kirkland's Global Construction Practice

The sheer scale of the infrastructure build-out being undertaken in the kingdom has given rise to an important aspect of the firm's work now being given a special Saudi focus.

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"We're working to develop our construction practice in Saudi Arabia. We saw an opportunity for Kirkland to launch a global construction practice from here because we have clients in Asia, in Europe, and the U.S. that also have these needs," Bajwa said.

"It didn't make sense for us to invest in launching such a practice in the U.S., but from Saudi we can also service clients in other parts of the world. We're very excited about that initiative and it's an opportunity for Riyadh, within the Kirkland network, to take a lead on a global practice that will help other offices," he said.

Bajwa also confirmed that the firm was a participant in, as well as the first law firm adopter of, Saudi Arabia's Regional Headquarters (RHQ) Programme, a government-led scheme spearheaded by the Saudi Ministry of Investment and Royal Commission for Riyadh City, designed to encourage multinational companies operating in the Middle East and North Africa to establish their regional HQ in Saudi Arabia.

"They're very keen to attract leading global corporates. We were absolutely honoured and thrilled to be the first of the large international law firms to be in the RHQ Programme," Bajwa said.

When the firm's Riyadh office opened last October, Investment Minister Khalid Al-Falih said the kingdom presented some of the most compelling investment opportunities in the world.

"The opening of the Kirkland & Ellis Middle East headquarters in Riyadh reflects the importance leading international businesses attach to the kingdom and the dramatically increased demand for global best-practice legal services in support of their investment goals. We welcome Kirkland & Ellis and all leading global firms to Saudi Arabia and look forward to the contribution they will make to our diversified national growth ambitions," Al-Falih said at the time.

RHQ Programme Law Firms

Greenberg Traurig announced Tuesday that it had become the latest major international firm to sign up to the RHQ Programme, with White & Case, Clyde & Co and Latham & Watkins the only other outfits to participate to date. Several more firms are expected to sign up by 2030. Firms receiving foreign law firm licences to open offices in Saudi cities are coming in droves. DWF set up a Saudi headquarters in late 2021.

Referring to the kingdom's Vision 2030 diversification programme, Bajwa said that what was taking place was not about a specific date but was a fundamental transformation.

"You can study the region and see a healthy, mature, connected global outpost for corporations, capital flows, financial markets, and M&A. We look at it very fundamentally. We're not focused on the 2030 target. We think it's a great vision. It's exciting to be a part of that. But this is about what comes after that as much as it is the lead-up to it because they're trying to create a whole new economic presence on the global scene," he said.

Bajwa added that in the past few years more of Kirkland's clients have started to transact with Saudi Arabia beyond just fundraising for passive foreign investments.

"When we went into Europe, or into China, it was really led by the fact that leading, core private equity clients of Kirkland were starting to do business in those regions, and we want to be where our clients are," he said.

Bajwa said the firm embraces the requirement that law firms with offices based in the kingdom must have a 70% cohort of local lawyers, and a similar proportion of the work performed by those offices must be in-kingdom. "That's an opportunity for us to be part of developing a new generation of top, talented lawyers in important countries like Saudi Arabia," he said.