

The background of the page is a photograph of an African savanna at golden hour. The sky is a warm, hazy orange, and the ground is covered in dry, golden-brown grass. Several acacia trees are scattered across the landscape, with one large tree in the foreground on the left side. The overall mood is serene and natural.

AFRICA

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AFRICA

INTO AFRICA



As foreign firms continue to pile into the continent, *LB* highlights the most attractive methods of accessing the pan-African market

MARIA JACKSON

Recently it seems that not a week goes by without new clamour surrounding another legal market as law firms race to enter countries in Asia, Africa and Latin America. But of all the new frontiers that have been gaining favour with law firms, Africa's focal points are the most difficult to pinpoint.

Australia's immense popularity clearly leverages off its status as an English-speaking platform into key Asian markets, while the most popular hubs in Latin America are Brazil and Mexico – the two largest economies in the region. However Africa's size and multiplicity of languages dictates that the continent has a plethora of regional springboards: UK firms are attracted to South Africa; Francophone firms have made Morocco their regional hub; while Lusophone players have rushed

into Portuguese-speaking countries. And collaboration between those centres is far from straightforward.

Clyde & Co has handled legal work in all 54 African jurisdictions and in August 2012 it became the first international law firm to open in Libya after the overthrow of the Gaddafi regime with the opening of its Tripoli office.

'Despite the existence of various trading blocks, including the East African Community (EAC) and Southern African Development Community (SADC), there is still only a limited amount of intra-African trade,' says Peter Kasanda, legal director in Clyde & Co Tanzania's Dar es Salaam office. 'Indeed, most African countries have their biggest trading partners outside of Africa. It is clear however that cross-border work is now increasing on the continent.' ▶

▶ Accessing Africa has been no simple task and it is only now that law firms are looking to make regional co-operation a priority. As firms move in to exploit the emerging business opportunities, the increasing visibility of regional networks to ensure greater coverage has become a feature of the market – alongside a push from both foreign and local firms to open in more than one African jurisdiction.

THE BIG DRAW

Certainly the business case for launching in Africa is obvious, and the pace of economic growth across the region continues to be highlighted as world-beating. According to the 2012 Economic Report on Africa, a joint annual publication of the United Nations Economic Commission for Africa (ECA) and the African Union (AU), Africa is the second-fastest growing continent in the world after Asia. The continent's average economic growth over the

last decade was an eye-watering 5.6%, while the International Monetary Fund (IMF) forecasts that seven out of the world's ten fastest-growing economies will be African: the Democratic Republic of Congo (DRC), Ghana, Ethiopia, Mozambique, Nigeria, Tanzania and Zambia are all predicted to expand by more than 6% annually until 2015.

In 1995 White & Case became the first international law firm to establish a presence in South Africa and its African reach is demonstrated by its recent advice to sponsors Nigerian National Petroleum Corporation (NNPC), Total, ConocoPhillips and Eni on the financing of the \$1.6bn two-train onshore liquefaction plant in Nigeria. Philip Stopford led the team from the firm's London office.

'Africa has been the second-fastest growing region in the world over the past ten years, driven by greater political stability and

economic reforms that have spurred growth in the private sector in many countries across the continent,' says Josh Parbhu, partner in White & Case's Johannesburg office. 'Overall, there is a bullish sentiment on African growth in general, which has resulted in a healthy pipeline of capital markets, debt finance, project finance and capital transactions in sectors such as mining, energy, retail, banking, manufacturing, and telecommunications.'

According to the IMF, trade between Africa and the rest of the world hiked up by 200% between 2000 and 2011. Although that figure will have been largely driven by the continent's recent oil discoveries – as well as exports of its other abundant natural resources – its manufacturing industry is also



'The Mozambican legal market has been changing along with the economic growth of the country and the internationalisation of the African markets.'

Miguel Spínola, PLMJ

looking strong, and output has doubled over the past decade. Following the global financial crisis and continuing European stagnation, Africa's robust economic profile has seen it attract investment like never before as major multinationals look to zero in on the continent's emerging middle classes. Even law firms without an office in the region are increasingly being involved in Africa-related work and are keen to highlight their relevant experience. For example, Addleshaw Goddard recently acted for Diageo on its \$225m acquisition of the Meta Abo Brewery in Ethiopia and other corporate matters. London-based M&A partner Christopher Taylor led the deal.

'Overall business trends are evidenced by the significantly increased press interest in the region,' says Andrew Rosling, corporate partner at Addleshaw Goddard. 'There are still many challenges relating to investing into Africa but there is also greater political stability; more countries with a primary wealth-creating opportunity; fast-growing

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FRANCOPHONE AFRICA

● **HUBS** The major hub is Casablanca, but Algeria and Tunisia also field a substantial foreign presence.

● **NEW ARRIVALS** The international contingent has entered the market in force over the past two years. July 2011 saw Magic Circle rivals Allen & Overy (A&O) and Clifford Chance announce they were to set up shop in Casablanca, quickly followed by Norton Rose. In October 2011, technology specialist Bird & Bird moved into the city through an association with local firm El Amari & Associés. Eversheds added Morocco to its ever-expanding network through the launch of CWA in Cooperation with Eversheds in early 2011. In July 2012, Baker & McKenzie became the latest addition to the market when it launched an office in Casablanca through the hire of a four-lawyer team from French heavyweight August & Debouzy.

● **BIGGEST INTERNATIONAL FIRMS** French firms have traditionally ruled the roost in Morocco. Notably, Gide Loyrette Nouel had one of the market's dominant practices until it parted ways with Naciri & Associés, which ended the association to join A&O in 2011. Other international brands include CMS Bureau Francis Lefebvre (which also has an Algerian office), French colossus UGGC & Associés and smaller French players JeantetAssociés and Lefèvre Pelletier & associés – which also boasts an Algerian base.

● **DEAL HEADLINES** A&O had only been on the ground for three months when it won meaty roles advising the Kingdom of Morocco on two headline mandates, including advising it, and the Moroccan Fund for Tourism Development, on a \$2.7bn joint venture with Qatar Holding, Al Ajjal Investment Fund Holding

and Aabar Investments PJS. Casablanca managing partner Hicham Naciri led the deal for A&O, while August & Debouzy, Gide and Freshfields Bruckhaus Deringer acted for the investors Al Ajjal Investment Fund Holding, Aabar Investments and Qatar Holding.

Going forward, tourism is expected to remain a core deal driver as the Ministry of Tourism looks to double visitor numbers to 20 million by 2020 as part of its ten-year plan. Energy, particularly renewable projects, is also expected to drive demand.

● **LEGAL NETWORKS** Morocco differs from the other key Africa hubs in two significant ways. Firstly, it is one of Africa's more standalone legal markets, so firms so far have concentrated more on relationships between Morocco and markets external to Africa rather than other local markets.

It is also a very mature market that already boasts comparatively good access, so other firms on the continent can key straight into Morocco without needing to rely too much on local partners.

Therefore the trend in this market, similar to other mature markets, is more towards global brands rather than local co-operation agreements, with A&O, Clifford Chance, Norton Rose and Gide all fielding extensive international networks.

However, some firms do have more than one African platform. Among the firms based in Morocco, Norton Rose also has an office in South Africa. Baker & McKenzie has launched two African offices in three months and the launch of its Casablanca office followed the opening of its Johannesburg base in May. However it is Gide that excels in terms of coverage, with offices in Algeria and Tunisia as well as Morocco.

► disposable income levels; a natural affinity for Western brands; an enormous demographic growth trend – around 40% of Sub-Saharan Africans are under 15 – and a blank technology canvas in certain respects – all of which translates into a growing opportunity for sectors such as consumer, retail and telecoms.'

So it is not just energy and natural resources work that is driving the mandates. The growth of Africa's consumer classes is really hitting the headlines and it is spurring the interest of investors not traditionally associated with the continent.

FOREIGN RELATIONS

Much has been made of Africa's close links to other emerging economies, particularly in Asian markets, but it appears that the West is also eager to forge closer ties. American companies in particular have been turning to Africa in their droves. Significantly, US Secretary of State Hillary Clinton led a delegation of some of the US's most high-profile multinationals, including Boeing, Walmart and FedEx, on a two-week tour of the region in August.

Caiado Guerreiro & Associados is a Portuguese firm that has a strong international footprint in Lusophone-speaking countries, including Angola and Mozambique. The firm is seeing a growing interest from Western markets into Africa.

'Generally speaking, Africa is sexy now,' says João Caiado Guerreiro, head of the corporate and capital markets teams at Caiado Guerreiro & Associados. 'There are certainly more companies entering Africa, particularly Lusophone markets such as Angola and Mozambique. You see consumer companies entering the markets and taking them more seriously. Banking and finance are growing areas along with construction and retail. Although for law firms, the activity is still mainly around natural resources and related work.' In a recent example, João Caiado Guerreiro led advice to a northern European oil company in the \$80m acquisition of a stake in an oil block in Angola.

There is no doubt that the profile of the African market has suddenly rocketed among multinational conglomerates. One of the most

high-profile deals to demonstrate this growing trend was Walmart's 17bn rand acquisition of a controlling interest in Massmart, South Africa's largest wholesaler, which was approved by South African competition authorities in May 2011. A Webber Wentzel team led by Christo Els and Nick Robb led the deal for Walmart in what was a strong demonstration of the market's new global prominence.

'The major South African law firms are increasing their reach and experience on the continent to the extent that many are now able to take on major transactions for international companies that previously only used firms based in Europe or the US,' says Roddy McKean, head of the Africa group at Webber Wentzel. 'Global investors are recognising that local firms have capabilities they didn't have a decade or even five years ago. Historically if there was a large project in Africa, such as an infrastructure project or a privatisation, companies would default to London or Paris for advice.'

The South African government is encouraging this growing sophistication ►



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LUSOPHONE AFRICA

● **HUBS** Lusophone Africa is largely agreed to include the following former Portuguese colonial territories: Angola, Cape Verde, East Timor, Guinea-Bissau, Mozambique, São Tomé and Príncipe. However, Angola and Mozambique are the main commercial centres.

● **NEW ARRIVALS** Portuguese firms have taken advantage of the similarities between their legal systems and those of their former territories for some time. Raposo Bernardo, for example, made its first foray into the continent in 2005. However, the continuing instability across European markets is making Lusophone Africa even more attractive to Portuguese firms as they concentrate on diversifying revenues. In short, those not already on the ground have made it an urgent priority to enter.

In 2011, Vieira de Almeida & Associados (VdA) opened an Angolan local consultancy

(it already had a base in Mozambique). 2011 also saw PLMJ - Sociedade de Advogados open an office in Mozambique through a partnership with local practice Tomás Timbane & Associados and together they formed GLM - Gabinete Legal Moçambique.

● **BIGGEST INTERNATIONAL FIRMS** As one would expect, Portuguese firms are particularly well-represented.

In Mozambique, Raposo Bernardo has an office, while PLMJ houses a platform through its PLMJ&MGA association and VdA maintains an alliance with local name Silva Garcia, Advogados & Consultores. Iberian heavyweight Cuatrecasas, Gonçalves Pereira also has a Maputo base.

In Angola, PLMJ maintains an active presence through the brand PLMJ A. M. Pereira, Sáragga Leal, Oliveira Martins, Júdice e Associados - Sociedade de Advogados, while Raposo Bernardo and Lisbon firm F. Castelo Branco & Associados,

Sociedade de Advogados (FCB&A) also have Luanda offices.

● **DEAL HEADLINES** Bar restrictions in Angola and Mozambique prohibit the disclosure of certain details regarding transactions, but the main areas of activity continue to be projects led; energy and natural resources remains the dominant deal driver with infrastructure work also highly active. Banking work is also on the increase as inbound investment grows.

● **NETWORKS** Portuguese firms lead the way in establishing regional collaboration agreements and there are many formal legal networks that try to link up not only Lusophone Africa but also Brazil and often China as well.

Morais Leitão, Galvão Teles, Soares da Silva & Associados' MLGTS Legal Circle benefits from relationships with firms in Angola, Mozambique, Brazil and also the

former Portuguese colony in China - Macau.

PLMJ also retains an extensive list of associations. The firm provides access to Angola, Mozambique, Brazil, Macau and Cape Verde through the PLMJ International Legal Network.

Miranda Correia Amendoeira & Associados (Miranda) fields the Miranda Alliance; a group of associations that brings together over 170 lawyers across four continents. In Africa the firm boasts offices or alliances in Angola, Cape Verde, East Timor, Equatorial Guinea, Gabon, Guinea-Bissau, Mozambique, the Democratic Republic of the Congo and São Tomé and Príncipe.

VdA's international platform is VdAtlas and brings together lawyers in Angola, Brazil and Mozambique.

Abreu International Legal Solutions is Abreu Advogados' network and it maintains associations with law firms in Angola, Mozambique and China - as well as a strategic partnership in Brazil.

► with legislative incentives designed to make South Africa a more attractive point of access into the continent.

Full-service firm ENS (Edward Nathan Sonnenbergs) is one of Africa's leading players and recently advised Nestlé on the South African aspects of its \$11.85bn acquisition of the global infant nutrition business of Pfizer. Antitrust and competition director Jocelyn Katz led the deal.

'The South African government has recognised South Africa's position as a natural launch pad into Africa and has promulgated recent legislation that makes South Africa more user-friendly as a springboard into Africa,' says Piet Faber, the chief executive of ENS. 'For example, recent tax legislation has made South Africa more attractive to foreign companies who want to set up companies here. The South African Reserve Bank has also relaxed rules on the exchange control side, making it more attractive for investors from South Africa into Africa and vice versa. The

New Companies Act is also very friendly from the point of view of foreign investment into South Africa - essentially we have brought our company law provisions in line with what international companies are used to.'

There is no doubt that the South African market has become increasingly internationalised as the country becomes a preferred route into the continent for English-speaking corporates. So it makes sense that English-speaking law firms are following them in. Although it took a decade for the next international player to follow White & Case's 1995 entrance - DLA Piper entered into the market in 2005 through an exclusive alliance with Cliffe Dekker (now DLA Cliffe Dekker Hofmeyr) - firms seem to be making up for lost time. Eversheds entered into an alliance with Routledge Modise in April 2008. More recently, Norton Rose merged with South African firm Deneys Reitz in June 2011, while global firm Baker & McKenzie launched in July this year through the hire of a 31-strong team from the

now defunct Dewey & LeBoeuf, and Linklaters is in talks regarding a potential joint venture with Webber Wentzel (see boxout 'Anglophone Africa', page 80).

However, as many firms have since realised, it just isn't enough to have an office in one African country.

CHOOSING A HUB

Norton Rose has already followed its Johannesburg launch with a Casablanca platform, which opened its doors in September 2011.

'So many law firms have started marketing themselves as having Africa expertise. Beneath the hype, however, Africa is not one country and its 54 different countries are dominated by several quite distinct legal systems and each of the countries is also quite distinct,' says Julian Jackson, director in Norton Rose's Johannesburg office. 'Africa as a whole is an emerging market, with the challenges this brings, and this means advisers must be



‘There are more companies entering Africa, particularly Lusophone markets such as Angola and Mozambique.’

João Caiado Guerreiro,
Caiado Guerreiro

experienced in emerging markets but also must have experience in the jurisdictions where the deals are being done, and of course in the relevant industry sectors.’

Jackson points out that it is not just energy, mining and commodities capabilities that firms need to strengthen to fully participate in Africa’s growth story, it is also transport, financial institutions and technology. And beyond this, as Jackson also suggests, it is important to recognise that reaching these rapidly developing markets is not simply a question of placing a flag in one jurisdiction and hoping to cover the entire continent. Allen & Overly and Clifford Chance, for example, opened Casablanca bases in 2011. Currently those offices remain their only outposts in Africa and both firms have confirmed that they will be using the offices as a hub for North Africa work; realistically it would be difficult to extend coverage any further.

This is a fact that Portuguese firms know very well. They have used Lusophone ▶



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ANGLOPHONE AFRICA

● **HUBS** Anglophone Africa is a little harder to map than Lusophone and Francophone Africa but generally speaking it encompasses five countries in West Africa (The Gambia, Sierra Leone, Liberia, Ghana and Nigeria), a significant part of East Africa as well as South Africa.

● **NEW ARRIVALS** South Africa is the most significant draw and over the past two years the country has seen an explosion of interest. Norton Rose merged with South African heavyweight Deneys Reitz on 1 June 2011 and Baker & McKenzie was gifted an entrance into the market through the demise of Dewey & LeBoeuf, which saw the firm pick up a 31-strong team from the now defunct firm. In July 2012, news emerged that Linklaters was set to become the first Magic Circle firm with a presence in the country after it announced its intentions to link up with domestic giant Webber Wentzel. SNR Denton has so much faith in the market that it added a

second South African firm to its network in September 2012: Black Economic Empowerment firm KapdiTswala joins Johannesburg-headquartered Glyn Marais on the firm's co-operation list.

● **BIGGEST INTERNATIONAL FIRMS** White & Case has the longest history in the country: in 1995 it was the first foreign firm to establish an office. DLA Piper entered the market through an exclusive alliance with Cliffe Dekker (now DLA Cliffe Dekker Hofmeyr) in 2005. Eversheds followed in 2008 through an alliance with Routledge Modise.

● **DEAL HEADLINES** As deals go, none come bigger or more representative of market trends than US retail giant Walmart's entrance into Africa through its 17bn rand acquisition of a controlling interest in Massmart, South Africa's largest wholesaler. Significantly, international names were absent on the deal. A Webber Wentzel team, led by

Christo Els and Nick Robb, led the deal for Walmart, while Massmart was advised by ENS (Edward Nathan Sonnenbergs) – partners Stephen Lewis and Matthew Morrison led the corporate and commercial advice, while Mark Garden and Justin Balkin led the competition side of the deal.

Going forward, lawyers expect industry sectors relating to consumer spending to be the big deal drivers – retail and technology in particular – because of the continent's emerging middle-class population.

● **NETWORKS** As more global legal brands start paying closer attention to the South African market many of the domestic firms have launched in neighbouring countries to assert their international links.

ENS has set out its stall to become the first pan-African law firm; in August it announced that it was launching new offices in Burundi and Rwanda. It also houses four offices in South Africa.

South African powerhouse Bowman Gilfillan has established the Bowman Gilfillan Africa Group, an association that calls on the services of over 350 lawyers across South Africa, Tanzania, Uganda and Kenya. The firm also has an alliance with Nigeria firm Udo Udoma & Belo-Osagie, which has offices in Lagos, Abuja and Port Harcourt.

Webber Wentzel is a member of ALN (formerly Africa Legal Network), one of the continent's most comprehensive groupings of independent law firms. ALN includes leading firms from Botswana, Burundi, Ethiopia, Kenya, Malawi and Uganda – among others.

However, the largest and furthest-reaching network is Lex Africa. Founded in 1993, it was the first network to only include African firms and counts representatives from 27 African countries, including Angola, Egypt, Nigeria and Zimbabwe. Werksmans Attorneys is the South African member.

► Africa as their platforms into the region for some time and have remained faithful to those countries – despite activity elsewhere. In fact, Portuguese firms have been in Africa for a lot longer than many of their Anglo counterparts and are a useful resource on the current limits and restrictions of working in the continent.

Miranda Correia Amendoeira & Associados (Miranda) boasts an extensive Africa network under the umbrella of the Miranda Alliance, and has offices or associations in every nation throughout Lusophone Africa and even beyond, including Angola, East Timor, Equatorial Guinea, Mozambique and the DRC. Its strength in project finance ensures that it receives a steady flow of instructions in that area and among its recent transactions it advised on a gas development project north of Mozambique and it also advised on the development of a large retail store in Angola.

'Most markets have become more sophisticated and regulated,' says Rui

Amendoeira, founding partner at Miranda. 'In Angola the number of law firms active in the country has increased threefold in the last four to five years and many new entrants are foreign firms, mostly Portuguese. We are now seeing the same trend in Mozambique.' However he adds that despite the growing clusters of Portuguese firms in Lusophone Africa, English-speaking firms in South Africa and French firms such as Gide Loyrette Nouel in Francophone Africa, a pan-African market is still some way off.

'Markets remain very localised,' he says. 'For example, it is extremely difficult for a South Africa firm to penetrate Angola or even the Mozambique markets, as it is difficult for a Portuguese firm to expand outside the Lusophone region. So far, Miranda is the only Portuguese-based firm to have ventured outside the Lusophone region by setting up offices in Gabon and the Congo. But that remains the exception.'

Law firms, and in fact large companies, are quick to bandy around expressions like 'pan-African approach' but as Amendoeira suggests, in reality the continent is probably still very far away from the cross-country access that we see in the mature markets of Europe or even the emerging markets of Asia.

Simmons & Simmons has been operating in Africa for over ten years but the firm still doesn't field an office on the ground. Paris-based projects partner Yves Baratte has a strong track record in advising on mining and energy projects in the region, particularly Francophone Africa, and leads advice to Vancouver-headquartered First Quantum Minerals on its mining projects in the DRC, including in its high-profile dispute with the DRC state.

'I do not think that one can say that there is today a "pan-African market": there are still clearly many specific legal markets in Africa although there are a number of regional



‘Right now we can speak of a market advocacy in Africa, where the role of the lawyer is clearly gaining momentum.’

Nelson Raposo Bernardo,
Raposo Bernardo

common features, such as West Africa, Eastern Africa and North Africa,’ he says. ‘But with a number of law firms now looking at Africa as part of a medium-term strategy, there is an interest in having a strong Africa foothold through the opening of local offices, which was the exception until recently, or through best friends networks.’

It is certainly not a clear cut issue. Oxford & Beaumont is a Ghanaian law firm with offices in Accra and London and over 85% of its clients are international companies doing business in Ghana, Ghanaian subsidiaries of international companies, or Ghanaian companies with international operations, making the firm particularly well placed to comment on Africa’s movement towards harmonisation as well as its increasing global profile.

‘There is now a “pan-African” legal market in the sense that multinationals and banks doing business across Africa’s diverse



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▶ markets are looking to an increasingly smaller number of firms, or one if possible, to co-ordinate their transactions across all of those markets. This is largely driven by the need for cost and efficiency,' says Elikem Nutifafa Kuenyehia, managing partner of Oxford & Beaumont. As one would expect, cost and efficiency are becoming more important as clients active in the region ramp up deal volume and territorial coverage.

'Significant infrastructure demands have brought a wide number of financing and

structuring opportunities for key stakeholders such as investment banks, international and local sponsors, government bodies and so on, which in turn creates a greater demand for legal work and raises the profile of the legal markets,' he adds. In a highlight example of the kind of financings coming through the door, Kuenyehia recently led advice to China Development Bank (CDB) on a \$385m IPP project.

Certainly, the weighty international deals are coming through and firms with the ability

to handle sophisticated transactions are clearing up. However, as the emphasis moves to regional access, firms are now scrambling to form coherent legal networks to ensure they are first in line for the cross-border mandates.

SHARING THE LOAD

Clients may be eyeing pan-African markets as the next step in their investment programmes but limited infrastructure, significant language issues and the sheer size and scale of the continent ensure that the law firms that win out will be those in comprehensive legal networks. There is no doubt that there is still considerable ignorance dominating Western hegemony when it comes to Africa and law firms are finding it increasingly valuable to club together to ensure that they can offer the services that clients need, despite the cultural and linguistic differences between African nations.

'Global investors are recognising that local firms have capabilities they didn't have a decade or even five years ago.'

Roddy McKean, Webber Wentzel

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Portuguese firm Morais Leitão, Galvão Teles, Soares da Silva & Associados utilises its MLGTS Legal Circle, a group of alliances with independent firms in Brazil, Angola, Mozambique and Macau, to address the needs of its growing Lusophone client base without infringing local Bar rules.

Fabricia de Almeida Henriques is a partner with MLC - Mozambique Legal Circle Advogados (MLC Advogados), which was founded in 2012 and is a member of the MLGTS Legal Circle.

'Regional co-operations are definitely on the increase,' she says. 'The quest for alliances with local law firms is not only a way to ensure presences in highly protected markets, where Bar association regulations seriously restrict active contribution by foreign lawyers, but it is also a way to acquire local knowledge of the legal practice and modus operandi, thus

ensuring respect and conformity with the way of doing business.'

Of course, local knowledge is the main goal for both sides of the partnership. Portuguese firm Vieira de Almeida & Associados (VdA) has been increasingly active in Lusophone Africa in recent years (see 'Lusophone Africa', page 78) and it has put that trend down to mutual convenience. This is not a form of legal colonialism, instead domestic and foreign firms are helping each other.

'Local firms have been establishing partnerships and associations (formal or informal) with foreign firms with more experience in international transactions,' says Nuno Castelão, head of international relations at VdA. 'These firms usually advise on the international aspects of the transaction while the local firms focus on the local law side of the transaction. Some of these partnerships and associations also involve training programmes

for junior African lawyers who spend time in the foreign offices.'

Firms are also noticeably quick to highlight the cultural advantages that forging a local-firm network implies.

Lisbon-headquartered Abreu Advogados is a full-service law firm that packs a particular punch in the energy, transport and tax areas. It was one of the original Portuguese firms to make the move to Lusophone Africa and it now fields offices in Angola and Mozambique – as well as an associated office in China. The firm's Africa model is a still-developing mix of local offices and associations with local law firms. Managing partner Miguel Castro Pereira believes offices on the ground are utterly crucial to doing business in Africa but doesn't believe in over-lawyering those offices.

'Abreu started its African positioning with local alliances, following clients to the region, and this model, adjusted to the

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► particularities of each jurisdiction, is clearly the best way to move forward,' he says. 'Association with local firms ensures that a solid base for the practice is already in place, as a front office, but that it can be boosted by the strength of the back office based in Portugal – a significant number of expert lawyers are

available at any time to jump into transactions or fly to the countries where their skills are needed. Instead of setting up huge practices locally, this has been the best possible solution.'

Of course, the sharing of knowledge works both ways and the introduction of international firms and international

legal practices to the market has increased competition and investment into the local legal market.

Portuguese heavyweight PLMJ - Sociedade de Advogados has built its extensive PLMJ International Legal Network around a joint venture approach and it now encompasses platforms in Angola, Mozambique, Brazil, Macau and Cape Verde – as well as markets in Central and Eastern Europe and China.

'The Mozambican legal market has been changing along with the economic growth of the country and the internationalisation of the African markets. Local law firms and lawyers have been adapting to this reality by creating partnerships and joint ventures with foreign law firms in order to match the international standards demanded by international clients,' says Miguel Spínola, senior associate responsible for PLMJ's Mozambique desk in Lisbon and for the co-ordination of its partnership with GLM - Gabinete Legal Moçambique – the Mozambique firm member of the network. 'Moreover, the activity of



'Markets remain very localised. For example, it is extremely difficult for a South Africa firm to penetrate Angola or even the Mozambique markets.'

Rui Amendoeira, Miranda

Portuguese companies and law firms is proving to be useful in successfully training local businessmen and lawyers, enhancing more and more the ties between Portugal and those countries,' he adds.

So what does this mean for the future of Africa's legal markets? As international law firms move in, what legacy are they leaving behind?

Independent Portuguese firm Raposo Bernardo first launched on the continent in 2005 and now has platforms in Angola, Cape

Verde, Mozambique, Guinea-Bissau and São Tomé and Príncipe. The firm's prominence in Angola is illustrated by its role advising CDB, a major player in the country, on several financing deals, including a \$400m credit line for the design and construction of the Mocamedes Railway. Nelson Raposo Bernardo, global managing partner of Raposo Bernardo and the partner that led advice to CDB, says that the overall level of legal work in most African countries has evolved significantly in recent years.

'The first incursions of Raposo Bernardo in Africa began in 1997 and only the South African market stood out for being organised and sophisticated, especially because of its connection to the UK market,' he says. 'The past five years have been characterised by a higher level of organisation, technological infrastructure and the management of knowledge and careers teams. In fact right now we can speak of a market advocacy in Africa, where the role of the lawyer is clearly gaining momentum.'

So while it may be premature to discuss a pan-African market, as law firms scramble to differentiate themselves in the continent's strongest financial hubs, clients can rest easy: increasing regional access is set to become a crucial differentiator in the modern day race for Africa. **LB**

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'So many law firms have started marketing themselves as having Africa expertise. Beneath the hype, however, Africa is not one country.' Julian Jackson, Norton Rose

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