

Matching the Angolan and Portuguese realities

The influx of international investment into Angola continues but there is also now emerging a flow out of the country, to Europe and elsewhere in Africa

Even in the face of a global drop in oil and mineral prices, Angola remains one of the most dynamic economies in Africa, says António Vicente Marques, Managing and Founding Partner of Luanda-based AVM Advogados. It continues to see international investment from Europe, Asia, the US, and even now from other African countries, but a two-way flow is also emerging.

"There is private investment in all areas of the Angolan economy and especially in the oil, gas and diamond sectors. The country is seemingly at the centre of the world, with Chinese, American, Portuguese, Brazilian as well as growing South African involvement," he says.

Angola may not be an easy place in which to do business and it is also not a "typical" African country, he emphasises. With a history of Portuguese colonial rule it may seem familiar to Western investors but it is still not possible to go there and maintain a "narrow" European mindset.

"The challenge often is to find a commercial structure with which both sides are comfortable, the international and local partner, and to do this you have to understand the contexts in which you are working. But clients also need to know that you are capable of handling all of their issues; that you can solve the 'unsolvable'."

Significant therefore is the need for local capability and Vicente Marques acknowledges that in Angola a major challenge facing clients has often been a lack of qualified and credible lawyers.

Angolan Bar Association Rules provide that only Angolan citizens can practise locally, and of the roughly 600 registered members of the Angola Bar perhaps only a few hundred are in private practice, and many less have the necessary skills to manage sophisticated inbound or outbound transactions. Vicente Marques, a dual qualified Canadian and Angolan citizen, founded AVM in 1995.

Despite the tremendous inflow of investment there is also now an evident trickle of outbound Angolan investment, to other lusophone countries such as Mozambique and São Tomé, but also to Europe and particularly Portugal, where a number of Angolan State-backed entities have taken strategic holdings in financial institutions and energy companies.

"What we are seeing is consistent

demand for sophisticated legal services on the ground in Luanda and in Cabinda but there is a growing emphasis on the importance of a strong connection to Lisbon – many international businesses now see Portugal as a conduit to channel their investments into Africa, and it also helps to facilitate Angolan investment into Europe."

Having last year opened in Lisbon, and as the only Angolan law firm in the Portuguese market, AVM has a unique perspective of the opportunities in both economies, he believes. What is significant, he says, is that in neither country do clients want a law firm that merely sits on the outside looking in.

"You always have to adapt to the culture and the way business is done locally," agrees Claudia Santos Cruz, the Lisbon Managing Partner. "On the one hand, clients sometimes want lawyers with a European background or that offer a Western style of practice, which means adhering to certain standards of doing business and client service, but you also need to understand the African reality and to create legal structures that will work."

Santos Cruz herself was born in Mozambique and spent her early years in South Africa, before spending ten years in London with City law firms.

Part of the success of the emerging flow of Angolan outbound investment is that they do not take a neo-colonial view so there is no antagonistic reception, they say.

"Wherever the client wants to go you have to ensure that they do business in the right way. This does not necessarily mean that there is an 'African' or a 'European' way it merely means that you have to follow the rules," emphasises Santos Cruz.

The coming years will likely see continuing international investment into Angola but also more confidence among the businesses now there to also expand regionally believes Vicente Marques.

We are seeing a growing desire among clients to explore new opportunities, to expand regionally into other lusophone countries such as Mozambique and São Tomé, but also growing interest in the medium and long-term opportunities in Spanish-speaking Equatorial Guinea, and even Zimbabwe. Fundamentally, the belief is, if you can succeed in Angola you can succeed anywhere."



António Vicente Marques



Claudia Santos Cruz

A pesar de la caída a nivel internacional de los precios del petróleo y de los minerales, Angola sigue siendo una de las economías más dinámicas de África, y sigue recibiendo inversiones de Europa, Asia y Estado Unidos, e incluso de otros países africanos. Sin embargo, recientemente se percibe un flujo de doble sentido, afirman António Vicente Marques y Claudia Cruz, Socios Directores de AVM Advogados en Luanda y Lisboa, respectivamente.