

EXPENSIVE LAW FIRMS 'DON'T ALWAYS PROVIDE THE BEST SOLUTIONS'

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Andrade Gutierrez carries out a cost-benefit analysis when selecting legal service providers

because the company requires wide-ranging experience and a global perspective, even from local firms

Andrade Gutierrez operates in a wide range of sectors – from engineering, construction, transportation and logistics to energy, health, defence and real estate development – with a presence in some 40 countries. A business with such a global reach faces significant challenges when navigating such diverse jurisdictions, according to Carla Alves, the company's Lisbon-based legal manager for Sub-Saharan Africa, and consequently, the input of local law firms in each jurisdiction is highly valued.

“Considering the huge difference between these countries from a cultural and legal point of view – different jurisdictions, legal frameworks, languages and cultures – and based on the principle of taking all the issues into my own hands, I usually call upon the support of local counsel,” Alves says. Overseeing more than half a dozen countries, including Ghana, Mozambique, Equatorial Guinea, the Republic of Congo and South Africa, the Lisbon office's legal department covers everything from entry into new markets and the designing of business models to M&A, tendering risk assessment, contract and project management, risk control, project financing, litigation and international arbitration.

Law firm questionnaire

“Most of these issues require an in-depth study of the local legal framework, jurisprudence and traditions,” Alves explains. “I collect and analyse all the information and then seek the validation of local counsel able to confirm and address more specific and internal questions that only someone with in-depth local knowledge can do,” she says. Alves adds that, upon entering a new market, the company submits a legal questionnaire to a local law firm. After receiving a response, the company then makes its own assessment and thus gains a greater depth of knowledge that is vital for the next stage of the company's operations.

Andrade Gutierrez also outsources all litigation cases. “As a Portuguese lawyer, my intervention in litigation issues is limited to Portuguese territory,” says Alves. “We study and follow every litigation file very closely, but we need a local lawyer to represent the company in court.”

When it comes to selecting an external law firm, Alves makes a choice depending on areas of expertise, while also basing the selection on the company's past experience with law firms. Andrade Gutierrez works frequently with Linden in Paris, Clifford Chance, PLMJ International, AB & David in Ghana and, in Mozambique, F. Menete Advocacia e Consultoria and Sal & Caldeira Advogados. “These firms cover all the main issues I need to outsource and have ample experience in the countries I work with,” Alves says. “It's imperative that all my work is reinforced by local opinions and assessments, as often this forms the basis of the board's or shareholders' major decisions,” she adds. Alves continues: “If I am to work with local law firms, it's essential they present me with wide-ranging experience in the issue I need to outsource, and with a global perspective. Given the way our legal department works, it's extremely important to work with law firms that present me with 'outside-the-box' solutions.”

The nature of Alves' role means that she travels extensively and this allows her to build trust with local law firms. “I know for a fact that experience on the ground makes us better lawyers,” she says. “I feel that written law does not always mean applicable law – therefore it's vital that, when working with external law firms, I grasp their deep knowledge of the legal environment, to point me to the best solutions.”

Alves says that she also carries out a cost-benefit analysis when selecting external legal service providers because, she says, the most expensive law firms do not always present the best solutions. In terms of added value, Alves says that working with external firms provides a guarantee that the legal opinions will be more accurate and precise. The decision to enter a new market, for example, is based on what Alves proposes to the board – though these proposals are backed by the opinion of external law firms, which bring a more detailed, insider's view of the laws and regulations of the

country concerned.

Alves explains: "It's a huge responsibility, considering the legal department's strategic position – being an important part of the decisions taken by the board or shareholders – all the data I transmit must be as accurate as possible."

Carla Alves is Andrade Gutierrez's legal manager for Sub-Saharan Africa