

# Mata Bicho – My perspective of Mozambique

Thursday June 4, 2015 by **Diaspora Speaks Out**

Over a decade ago, back in 2004, I was given the honour of being Miranda's first expatriate to Mozambique. This was an impossible opportunity to turn down for a number of reasons. It was undoubtedly, a fantastic scenario, for an associate lawyer to gain on the ground experience of a growing and relatively new market for the firm at the time. It would also mean I would be going home, going back to my roots.

Growing up in Portugal with a Mozambican mother was a wonderful and happy upbringing. Fortunately she didn't impose the tradition of having "mata bicho" (literal translation is "kill the bug" or breakfast), at 5:30am as they do in Mozambique. I was, however, heavily influenced by the language, food, music and culture. There were certain things I loved about Mozambican life in Portugal, which made it very easy for me to adapt to Maputo, its capital city. For one, family and friends play a central role, typically we would spend an entire day at someone's house, often arriving unannounced for a barbecue. In Lisbon, I would grow up listening to stories from uncles and cousins about life in Mozambique, when I finally arrived to live there, I started to connect all the dots and get a complete picture.

Mozambique has changed dramatically since 2004. At the time, it was ranked as one of the poorest country in the world by the United Nations Human Development Index. To give you an idea of just how difficult it was, people would have to travel to neighboring South Africa for their weekly shopping. I am not talking about buying televisions or even furniture. I am talking about groceries, everyday items they needed and which were much, much cheaper on the other side of the boarder. Today, there are many South African retailers in Maputo, as well as big international brands. This in turn, means that there are more opportunities for international investors.

It is becoming more complex to do business in the country, with a maximum quota of foreign workers of 10% in many cases. This is a paradox, as the intention with this restriction, is to ensure local people are trained and employed, enabling the local market and economy to grow. Compared to Angola for instance, you can enter the market with a minimum investment of \$80,000, while in Angola you need at least one million. GDP growth has been high during the last 10 years, with an average of 7%. People often forget, however, that this comes from a very low starting point. The natural resources and infrastructure sectors are largely responsible for this growth.

The Government could do more to manage the expectations of its citizens. If you talk to people on the street, there is this optimism that Mozambique will become Norway next month. The reality is that this will not happen within the next 10 years and will probably never happen. This could be a huge disappointment, an apt saying in Mozambique would be: "nao pôr a carroça à frente dos bois", loosely translated as, "a carriage can't pull a horse".

Aside from the rapid increase in cost of living during the last decade, which is not proportionate to the average wage, the Mozambican people have a bright future. They have an incredible eagerness and willingness to learn, are very peaceful and in my opinion, live in the most beautiful country in the world. Any investor or international business person, would be lucky to call Mozambique their home.

## About the Author



**Nuno Cabeçadas** is a partner at Miranda, a full service law firm based in Lisbon, Portugal. Miranda Law Firm is the founding member of the Miranda Alliance, a network of legal practices spanning 17 jurisdictions across five continents.

Nuno joined the Firm as a trainee in 2002 and was then seconded to the Mozambican office of the Miranda Alliance in 2004. In Mozambique, he was involved in the negotiation of Exploration and Production Concession Contracts, farmout agreements and in structuring the operations of oilfield service providers. He was also regularly involved in energy and infrastructure project finance.

In 2010, Nuno returned to Miranda's Lisbon office, where he is a member of the Firm's Energy Practice and one the partners of the Mozambique Practice Group. He is a regular contributor to several newspapers and legal bulletins, and has published articles on several fields of law. Over the years, Nuno has been consistently ranked by Chambers & Partners in Mozambique as a "Leading – Band 1 Lawyer".