

CRUZ AND SPANISH PARTNERS OPEN OFFICES IN TANGIERS

The massive social and economic changes since the succession of Mohammed VI to the Moroccan throne have created an attractive climate not only for the expansion of tourism but for substantial foreign investment in property. In spite of the credit crunch many British Muslims are acquiring second holiday homes or retirement homes in the liberal Moslem kingdom. And Gibraltar, with its close historic and geographic links across the Strait and traditional commercial ties with the North African kingdom, is ideally situated to exploit the potential.

Now, in a unique and significant venture a Gibraltar and a Spanish law firm have joined forces to establish a legal enterprise in Tangier which offers

Legal advice for foreign investors planned

a broad range of legal, property and investment services to the growing number of British, European and Gulf states investors who are establishing companies or buying homes in Morocco. Their project was officially launched on Friday (Oct 31) at a glittering function attended by more than 100 guests.

A KINGDOM TRANSFORMED

In recent years an improved transport infrastructure and ease of access – thanks to budget airlines – have transformed the desert kingdom into a popular tourist destination for

Northern Europeans as well as wealthy Spaniards. And, because land and property in Morocco are substantially cheaper than on the Spanish coasts, there is also a growing demand for second holiday or retirement homes, explains local lawyer Nick Cruz, a senior partner in the new firm.

Cruz who had spent several holidays in Morocco over the years, first looked at the possibilities of setting up representation seven years ago; however, he made no progress in spite of what he then saw as its "considerable potential".

"The king has introduced what it actually a good



In exquisite traditional dress, a local Moroccan lawyer arrives at the launch of the new offices.

strategic plan to attract foreign investment, and has liberalised laws in a way that is also attracting international capital – you can not only invest with few bureaucratic complexities to get in one's way, but it is also easy to repatriate profits and gains, thanks to the favourable tax regimes which Mohammed VI has introduced," he points out. "And Gibraltar is a perfect launch pad for Morocco...indeed, the governments of both countries are keen on closer mutual cooperation along with Spain – at this end of the Mediterranean."

Established last year in a joint venture between the Spanish Balms Group and Cruz, Balms & Cruz Morocco has adapted and refurbished a stately traditional Moroccan town house in Tangier as its headquarters.



Many of the guests from Gibraltar, the UK, Spain and France braved rough weather in the Strait to make the crossing to Tangiers for the launch.

It has taken more than a year to transform and now combines both the old architecture and new technology – an appropriate mix which symbolises the massive strides towards modernity and a liberal outlook which the north African kingdom has made since independence in 1956.

At independence Morocco opted for a free-market economy and though in its first decades the young kingdom relied almost entirely on agriculture and mining – it is today one of the world's largest exporters of phosphates – recent years have seen a massive expansion of tourism, as well as growing inward business investment from Europe, drawn by Morocco's excellent social and economic climate. This has encouraged the setting up of hundreds of successful foreign companies – mainly from France, Spain, Britain and other European countries as well as those of the Gulf.

RESTRUCTURED BUREAUCRACY

Their success has been facilitated by a Government policy of legislation and tax reforms along with a restructuring of the Moroccan administrative system to reduce bureaucracy. Liberalisation of exchange controls so that investors are free to invest and withdraw their investment and profit (subject to comparatively low local taxation) has also contributed to the successful growth of foreign investment.

Morocco has also become one of the most important of the world's emerging property markets. And in spite of the recent global credit crunch, it continues to thrive – particularly among Britons and Spaniards seeking second homes in the sun.

And, because it is a Muslim country, but with a more liberal approach to the faith, many British Muslims are looking to Morocco to establish holiday and eventual homes for retirement – rather in the way of the flood of Britons who flocked to the low costs and seemingly limitless sunshine of the Spanish Costas a quarter of a century ago.

was established.

Through its Property Department the partnership provides comprehensive legal advice concerning any kind of real estate operation, including: helping clients through every aspect of property purchase to ensure that the buyer acquires unencumbered; legal and tax advice relevant to the transaction – including the estab-

of the game, while respecting the necessary legal procedures, helping clients respond to such challenges as those related to planning and construction, particularly where these involve the purchase of ruins, or enforcement orders."

The team also handles due diligence procedures in acquiring land and buildings, also reporting on clas-



Mohamed Oulkhour (left) who heads the new law firm's team of 12 in the Tangiers office, chats with senior partners Nick Cruz (centre) and Juan Luis Balmaseda de Ahumada of the Balms Group of Spanish lawyers

For many, Morocco has become that new 'magnet'.

But because the ownership of property and the types of title to it often varies considerably from those of Britain, the EU or elsewhere, a comprehensive legal service which ensures that the buyer gains unencumbered title is proving vital for those seeking homes or other property in Morocco. It was to meet this need – and all the other legal assistance that those wishing to establish a business, to invest or simply to buy a home in Morocco that Balms & Cruz Morocco

establishment of national and international tax structures; help and advice in developing real estate opportunities including all legal aspects of a development such as setting up real estate companies and advising on their funding; and arranging rental or other contracts relating to property deals.

"Though Rural and Town planning and re-zoning is one of the pillars of Morocco's economic upsurge, processing planning applications can be complicated," says Cruz. "Our team provides local knowledge and a grasp of the rules

sification and zoning of land, the uses of building and the distribution areas these serve.

The Moroccan firm has also established a Commercial and Corporate Law Department, which with the support of Balms Group International provides a wide range of services including regular advice on company incorporation, acquisitions and mergers and on tax structures. It also advises on regulations relating to foreign investments in Morocco, and Moroccan investments abroad.