

Targeted Advice

The Energy and Commodities
Trading Practice: Our African Focus



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Introduction

Welcome to Eversheds Sutherland's global energy and commodities trading practice (the "**Commodities Practice Group**") – the interdisciplinary group that specialises in all legal aspects of the commodities sector: from the trading, movement and financing of commodities (including associated financial hedging and derivatives transactions) to investments in and divestments of shares and assets across the commodity sector. Our team comprises more than 50 lawyers around the globe, including the key commodity hubs of South Africa, New York, Houston, London, Geneva and Singapore.

For more than 30 years, the Commodities Practice Group has advised the largest global commodities trading and marketing companies, banking and financial institutions, and the trading and procurement arms of many of the world's largest energy, agricultural and industrial companies. Our lawyers serve clients engaged in activities along the entire value chain for commodities. We represent more than 50 clients that produce, process, transport, store, merchandise, hedge and consume commodities and their by-products.

The Commodities Practice Group focuses on the following seven areas:



We work across the commodities spectrum, including:



Energy

- crude oil
- refined products
- natural gas
- electricity
- biofuels (e.g. ethanol and biodiesel)
- environmental credits
- renewable energy
- weather
- uranium
- petrochemicals



Agriculture

- corn
- soy complex
- sugar
- wheat
- juice
- grains
- oats
- coffee
- cocoa
- dairy
- vegetable and palm oil
- rice
- fertilizers
- cotton



Metals

- precious
- ferrous
- non-ferrous



Africa Focus

For years, Africa has been alluded to as the next frontier for untapped investment opportunities. Rich in natural resources including petroleum, agricultural products and metals and minerals, Africa's potential for growth in the commodities sector is unmistakable. It has been the result of poor infrastructure, land grabs, limited access to innovative technology, coupled with endemic corruption and political instability throughout the African continent, which has discouraged foreign investment into and hindered the development of the African commodities industry.

With Africa's potential in mind, the last decade has seen both National and Foreign Governments (such as China, Japan and, most recently, Saudi Arabia), multi-national corporates and high net worth individuals, as well as banking and financial institutions, heavily invest into Africa to improve, amongst other things:

- Africa's infrastructure (road, rail, port development, electricity etc.);
- the creditworthiness and sovereign rating of African countries through various bailouts; and
- the health and education facilities for Africa's 1.2 billion population (over 60% of which are below 25 years old).

National Governments have reduced restrictions and actively started to seek foreign direct investment into the commodities sector to facilitate, amongst other things:

- domestic agricultural production and ultimately the creation of a strong export agri-commodities market;
- exploration, extraction, refining and processing activities in the mining sector; and
- diversification away from a heavy reliance on crude oil.

2018 has also seen the introduction of the African Continent Free Trade Area (ACFTA) Agreement, a pact which seeks to create a single market for goods and services in Africa and estimates to increase trade by 52% by 2022. To date, over 90% of the African nations have signed the ACFTA Agreement.

National Governments are starting to recognise that intra-regional trade is a necessity for Africa's economic growth and self-preservation, as well as its ability to compete as a continent on the world stage.

With a clear drive to encourage increased foreign direct investment and create a more transparent, stable and reliable environment for investment, the African commodities sector appears to be becoming more accessible and open to investment opportunities.





Energy

Since the sharp decline in oil prices in 2014, many countries in Africa have watched their GDP plummet due to over-reliance on revenue generated from crude oil exports. As crude oil prices continue to fluctuate (well below prices seen back in the “boom years”), African countries are looking to: (i) invest in refining their crude oil reserves and (ii) diversify their commodity portfolio to reduce reliance on a single commodity.

According to the International Energy Agency, the demand for gas is tipped to grow faster than oil and coal at 1.6% per year over the next five years. Africa has proven natural gas reserves of 503.3 trillion cubic feet, which constitutes 7.6% of the world’s gas resources, and it currently represents 8% of global gas exports.

2017/2018 has already seen investments made and MOUs signed in the African oil and gas industry from both National and Foreign Investors. For example, Dangote is developing a 650,000-bpd refinery in Nigeria anticipated to be up and running by end of 2019, Equatorial Guinea and Burkina Faso have signed an MOU to sell to and develop LNG infrastructure in Burkina Faso and Eni is heading up a multi-party collaboration in Mozambique for the construction and commissioning of the Coral South LNG Project which will include a 3.4 million tonne per year floating LNG unit. Production is anticipated to commence in 2021/2022.



Agriculture

Africa holds more than 25% of the World’s arable land, yet the annual food importation bill for Africa is estimated to be USD 35 billion. With Africa’s population steadily increasing from its estimated level in 2015 of 1.2 billion people to 2.5 billion people by 2050, ensuring food security for the African continent is imperative. Whether African countries choose to invest more into local agriculture to strive to secure agricultural self-sufficiency (and therefore reduce food importation costs) or acknowledge that there will be a year-on-year increase in the agricultural importation costs for critical food items such as wheat, maize, sugar and rice, the opportunities for investment and trade in and with Africa are abundant.



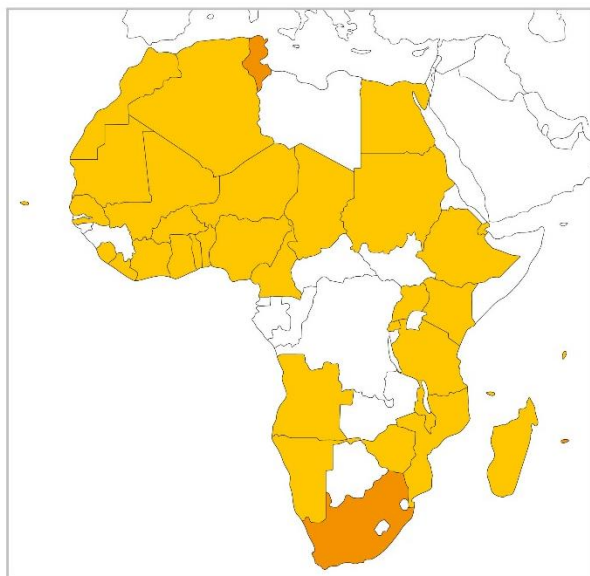
Metals and minerals

Africa is rich in metals and minerals, such as bauxite, copper, cobalt, diamonds, gold, iron, platinum, silver and uranium. For the last few years, the African mining industry has suffered because of the volatile commodity markets, low output, reduced foreign investment and corrupt local partners and political/ judicial systems. 2017 saw metal prices (other than platinum) start to bounce back, with the trend expected to continue, although modestly, in 2018. 2018 has already seen an increase in foreign investment back into the African metals industry particularly in the relatively more politically stable countries such as Botswana, Namibia, Zambia, Cote d’Ivoire and Ghana. The surge in battery technology and electric vehicles is also likely to see investors take on greater risk in countries renowned for their richness in nickel, cobalt, graphite and lithium, such as the DRC, Mozambique and Zimbabwe.

Local Knowledge, Global Connections

Over the last 20 years, Eversheds Sutherland have advised clients in every African jurisdiction through a combination of leading global experts and local lawyers who intimately understand the national legislation and culture. Many of our lawyers have practised in Africa or are of African origin. Our combination of expertise, sector understanding, and local awareness is matched by a powerful network that covers the continent.

Our strategy is to go further and offer clients the advice they need in the country they operate at the high levels of quality they expect. In addition to our growing offices in key African centres, we are linked to the best law firms across the continent via the Eversheds Sutherland African Alliance (ESAA). This enables access to the combined knowledge of firms in over 35 countries across the continent. ESAA helps clients to keep abreast of legal developments and enables us to continue to deliver world class international legal services wherever they do business.



ESAA map

Algeria Benslimane ABC Law Firm	Morocco CWA
Angola FCBBA - EVC Advogados	Mozambique FCBBA - Ag Advogados
Benin Cabinet Djogbenou + Cabinet HK	Namibia Koop & Partners
Burkina Faso Cabinet Sagnon-Zagre	Niger SCP Yankori
Cameroon Ngassam, Farsi & Moualla, Avocats Associés	Nigeria AICAN Partners
Cape Verde Eva Caldera Marques	Rwanda K-Solutions & Partners
Chad Cabinet Thomas Dingangoto	Senegal Cabinet 25 + Cabinet Ba & Tadian
Comoros Avocat Comores - Cabinet Bahassani	Seychelles Pardiwalla Twomey Lablache
Djibouti Martinet & Martinet	Sierra Leone Basma & Macaulay
Egypt Rizkana & Partners + Shahid Law Firm	South Africa Eversheds Sutherland
Ethiopia Fikadu Asfaw and Associates Law Office	Sudan El Hussein Ahmed Salih
Ghana AB & David	Tanzania Abenry & Co
Ivory Coast Bile-Aka Brizoua-Bi & Associés	Togo Martial Akakpo & Associés
Kenya Muthaura Mugambi Ayugi & Njonjo Advocates	Tunisia Eversheds Sutherland El Heni
Liberia The Law Office of Mohamedu F. Jones	Uganda Katende Ssempebwa & Co
Madagascar HK-Jurifisc	Zimbabwe Dube, Manikai & Hwacha
Malawi Mbendera & Nkhono Associates	
Mali Brylla Conseils	
Mauritania Cabinet Yezid El Yezid	
Mauritius Eversheds Sutherland	

 = Eversheds Sutherland office

Our African Commodities Experience



Our lawyers within the Commodities Practice Group together with those in our ESAA firms have extensive experience across numerous legal competences in the African commodities sector.

The significant transactions and experience of the Commodities Practice Group and/or ESAA firms in the respective areas of practice are listed below (including the name of the relevant ESAA firm involved on any transaction).

Commercial

We advise producers, refiners, traders, marketers, financial institutions, investors, commercial and industrial end users, and other commodities market participants in the structuring, negotiation, documentation and execution of a broad range of trading, financing and other commercial transactions involving energy and other commodities.

We have deep experience in structuring, negotiating, documenting and executing agreements for trading in both financial (e.g., exchange-traded instruments and OTC derivatives) as well as physical markets for energy and other commodities.

Representative experience includes transactions involving crude oil and refined products, wholesale and retail power and natural gas, liquefied natural gas (LNG), coal, renewable energy (e.g. wind, solar, biofuels), nuclear energy, associated environmental attributes (e.g., RINs, RECs, LCFS credits, offsets), agricultural products and soft commodities, and base and precious metals.



Our African experience includes:

- **South Africa:** Advising Schauenburg (Pty) Ltd on its existing supply agreements with Impala Platinum Limited, Harmony Gold Mining Company Limited and Rustenburg Platinum Mines Limited
- **East Africa:** Advising on a proposed acquisition of the largest indigenous oil company in East Africa (Katende Ssempebwa & Co)
- **South Africa:** Advising an international commodity trading company on due diligence, licencing arrangements and various commercial related work
- **South Africa:** Advising Adcorp Blu in its company structuring in South Africa and Mauritius and in its investments and divestments throughout Africa
- **Uganda:** Advising the Government of Uganda in respect of the USD 3 billion development and financing of Uganda's first Greenfield oil refinery to be developed through a Public Private Partnership (Katende Ssempebwa & Co)
- **Mozambique:** Advising a sovereign fund on the funding and development of a combined project of a poultry and soya beans seed farm (FCB&A – AG Advogados)

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- **Mozambique:** Advising a major oil company in relation to its operations in Mozambique (FCB&A – AG Advogados)
- **Nigeria:** Advising an international commodity trading company on an offtake arrangement for fertiliser with a local Nigerian seller (AIDAN Partners)
- **Ghana:** Advising on a loan and security transaction in respect of financing of a major cement factory (AB & David)
- **Zambia:** Advising ARA Associates of South Korea on the proposed purchase of 6,000MT of Cobalt (AB & David)
- **Tanzania:** Drafting the host agreement between the United Republic of Tanzania and a leading international agricultural company (Abenry & Co)
- **Ghana:** Advising Helios on the acquisition of consumable goods under a specific brand (AB & David)
- **Angola:** Advised a leading US O&G operator with the negotiations with Sonangol for the relinquishment of an oil block (FCB&A – EVC Advogados)
- **Ghana:** Advising LH Asian Trade Finance Ltd on a loan facility to Cocoa Touton Processing Company Ghana Ltd (AB & David)
- **Ivory Coast:** Advising on land split issues on a Government owned port site for an Ivorian Coast company
- **Angola:** Advising on a syndicated loan for the restructuring of an FPSO to be chartered to an oil company for its operations (FCB&A – EVC Advogados)
- **Tanzania:** Advising a leading tobacco company on its compliance register for an Employee Share Scheme (Abenry & Co)
- **Zambia:** Advising Grandview International on their sugar trading for export to the Great Lakes Region (AB & David)
- **Ghana:** Advising SOROS Economic Development Fund on a loan facility to GADCO Ghana to produce rice (AB & David)
- **Kenya:** Advising UCC Capital Limited on its acquisition of 200 000 metric tons of maize from South Eastern Export Group in Australia and the on sale thereof to Pekami Creative Solutions Limited in Kenya (Muthara Mugambi Ayugi & Njonjo Advocates)
- **Africa:** Advising a commodity trading company on various sale and purchase contracts in Ethiopia, Sudan, Mali, Nigeria, Senegal, Cameroon, Madagascar, Burkina Faso, Ivory Coast and Angola
- **Ghana:** Advising the Barak Fund SPC Ltd (on behalf of Barak Structured Trade Finance Segregated portfolio) on a facility to Pinora Limited (AB & David)
- **Ethiopia:** Advising and reviewing international agreements between the Ethiopian government and a leading foreign company in the energy sector in relation to the biggest Geothermal Project in the country (Fikadu Asfaw and Associates Law Office)
- **Angola:** Advising a US based company on the sale of two FPSOs to two of the major oil companies active in Angola which also involved the negotiation of Tripartite Foreign Exchange Agreements (FCB&A – EVC Advogados)
- **Ethiopia:** Advising and reviewing a foreign loan agreement in relation to a private manufacturing company (Fikadu Asfaw and Associates Law Office)
- **Tanzania:** Advising on the regulatory issues in relation to compliance with energy regulations, product approvals and licensing for both local and international companies in Tanzania (Abenry & Co)
- **Ghana:** Advising Nova Scotia Bank on the scope of services regulated by the Bank of Ghana including advice on regulatory issues on derivatives lending of precious metal and sale of metal (AB & David)
- **Tanzania:** Assisting a leading oil company in Africa on an oil pipeline construction including all the establishment of the entity in Tanzania and obtaining compliance certificates from the Construction Registration Board and the Engineers Registration Board (Abenry & Co)

Mergers & Acquisitions

We have an M&A team with a wealth of global and African-specific experience. Our practitioners specialise in structuring, drafting, negotiating and executing a variety of regional and cross-border investments, joint ventures and divestments in the commodity industry. Ranging from the divestment of a multi-commodity fertiliser and chemical business in multiple African jurisdictions to multi-party joint venture arrangements in the agri-commodities sector in, amongst others, South Africa, Angola, Zambia and Nigeria. We are well-versed in the variety and complexities of the M&A transactions the African commodities world has to offer.

Our commodity-focused M&A (and commercial) capability is enhanced by our specialist commodity lawyers who have returned to private practice having previously worked as in-house legal counsels for, amongst others, one of the largest commodity trading houses and key financial institutions, bringing a wealth of commercial understanding and finesse to all M&A transactions.



Our African experience includes:

- **Africa:** Advising an international commodity trading company on the structuring and ring-fencing of a multi-jurisdictional fertiliser and inputs business and the subsequent divestment of the African portion of the business
- **Uganda:** Advising on the multimillion-dollar acquisition of a stake in mineral exploration rights for Gold, Tantalum and Base metals by a consortium comprising South African investors (Katende Ssempebwa & Co)
- **South Africa:** Advising PSV Holdings in respect of a sale of its Group Line business; the sale of all its shares in PSV Mitech Control, a sale of the shares in five of its subsidiaries to an offshore entity and the sale of its fuel dispensing business
- **Ghana:** Conducting a due diligence on Ghana Oil Palm Development Company Limited a subsidiary of Siat. NV (AB & David)
- **Uganda:** Advising on a multimillion-dollar purchase of Tea plantations owned by James Finlay Limited (Katende Ssempebwa & Co)
- **Ghana:** Advising SABMiller plc and conducting a due diligence in respect of the merger of its bottling operations of its non-alcoholic ready to drink beverage business (AB & David)
- **South Africa:** Advising Barnes Group in respect of its purchase of one of the divisions and a wholly owned subsidiary of Murray and Roberts Limited (Hall Longmore)
- **Egypt:** Advising a multinational company in its acquisition of a food processing company (Rizkana & Partners)
- **Uganda:** Advising on an acquisition of a 30% stake in Tullow Oil Limited's exploration reserve in the largest oil fields in Uganda – a transaction valued at over USD 1.5 Billion (Katende Ssempebwa & Co)
- **Ghana:** Advising Puma Africa Holdings SA on the acquisition of the assets of Grace Petroleum Limited, an oil and gas company engaged in the distribution and marketing of petroleum products in the downstream industry (AB & David)
- **Mozambique:** Advising ED&F MAN on the acquisition of Maviga Moçambique, Limitada, one of the leading international specialists in the origination, processing and supply of dried edible pulses (FCB&A – AG Advogados)
- **Cameroon:** Advising the seller in the acquisition of a coffee and cocoa processing factory (Ngassam, Farisi & Mouafo, Avocats Associes)
- **Uganda:** Advising on the USD 2.9 Billion acquisition of an oil concession (Katende Ssempebwa & Co)

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- **Mozambique:** Advising Lionsteel on the acquisition of Capital Star Steel, a Mozambican company which owns a steel pipe manufacturing mill, which also involved a comprehensive debt restructuring with a syndication of four Mozambique banks (FCB&A – AG Advogados)
- **Tanzania:** Advising one of the major oil companies in Africa on the acquisition of the entire issued share capital of a petroleum company in Tanzania (Abenry & Co)
- **Angola:** Advising a major Chinese O&G operator on the potential acquisition of a participating interest in the Angola LNG project (FCB&A – EVC Advogados)
- **Ghana:** Conducting a due diligence on SolarKiosk Ghana for Phillip Morris International Management S.A. (AB & David)
- **Angola:** Advising one of the world's largest integrated oil and gas players on an acquisition of a service company in the oil and gas sector, primarily for offshore activities, with interests and operations in Angola (FCB&A – EVC Advogados)
- **Angola:** Advising on the structuring and potential joint venture arrangements between a local Angolan entity and a European chemicals distributor
- **Ghana:** Advising on a loan transaction to Akuafo-Adamfo, a cocoa purchasing company (AB & David)
- **Angola:** Advising a leading Japanese O&G operator on the potential acquisition of another major O&G operator in Angola with participating interests in several oil blocks (FCB&A – EVC Advogados)
- **Ghana:** Advising and conducting a due diligence on YOO Mart Ghana Ltd, a subsidiary company of YOO Mart BVI on a proposed multimillion dollar investment for the expansion of the supermarket chain (AB & David)



Logistics & Storage

We cover a variety of waterborne and surface transportation issues, including storage arrangements.

We represent tanker owners and shipping entities and their P&I/FD&D London-based insurance clubs in charter party disputes, which contain NYC arbitration clauses. These disputes are casualty/pollution and commercial (demurrage/off hire) disputes. We also represent time charter tanker owners when taking tankers in for a period and then letting the tankers out into the freight market through voyage charter party contracts.

We have handled matters in the barge and tanker transportation areas, including: charter party review including trade lane, cargo and STS/SPM operations rider clauses; New York arbitration: time, voyage and COA contract dispute resolution for commercial (off hire/demurrage), operations (STS, SPM) and cargo claims (contamination shortage); coastwise trade/cabotage laws; charter party P&I and FD&D club disputes; general average, oil spill liability and anti-piracy protocols; OCIMF, Intertanko and ISM vessel and terminal vetting protocols.



Our African experience includes:

- **Namibia:** Advising a leading metals trading company on its storage of copper concentrates
- **Senegal:** Advising on various transportation and storage contracts for a fertiliser distributor
- **South Africa:** Advising, amongst others, Koday Logistics, City Logistics, Imperial Logistics and Vector Logistics on various legal matters relating to their respective, logistic businesses including drafting of general terms and conditions, advising on employment and environmental matters and attending to various disputes
- **Tanzania:** Advising a Chinese railway company on substantive and procedural laws of Tanzania which apply to it as a construction company including the government permits/approvals and licences for execution (Abenry & Co)
- **Mozambique:** Advising a leading company regarding the renegotiation of agreements related to the transportation of refined oil products (FCB&A – AG Advogados)
- **South Africa:** Advising Safcor Freight (Pty) Ltd trading as Bidvest Panalpina Logistics in both recovering contractual amounts due to it as well as successfully defending claims brought against it
- **Cameroon:** Advising a distribution company on storage arrangements for chemicals in Yaounde and subsequent insurance claims and environmental impact measures to be implemented as a result of a fire at the warehouse
- **Ghana:** Advising a leading commodities company on a pre-export finance facility to the Ghana National Petroleum Corporation (GNPC) (AB & David)

Regulatory & Compliance

Clients repeatedly turn to Eversheds Sutherland for legal advice regarding the trading of commodity derivatives.

We work with clients that use futures, exchange-traded derivatives and over-the-counter derivatives to take or manage risks related to physical commodities. We counsel them on a myriad of related legal, regulatory and compliance issues. Our work ranges from highly technical issues that arise in bespoke and structured transactions to matters related to the operation of a significant trading desk.

The Commodities Practice Group is a leading legislative and regulatory advocate for the interests of commercial firms regarding derivatives reform in the United States and Canada, as well as in the UK, Africa and Europe.

Top issues include:

- Position limits
- Registration of large volume traders
- Automated trading
- Commodity trading advice
- Pooled investments in commodities
- Derivatives dealing
- OTC margin
- Multiple jurisdiction regulation
- MAR and MAD
- Central clearing
- Exchange for related position transactions
- Swaps reporting
- Physical position reporting
- Recordkeeping
- Treatment of contracts in insolvency
- EMIR
- MiFID I and II

Our commodity trading lawyers advise on every key regulation impacting the transportation and storage of energy commodities. Our regulatory lawyers are known for being “in the weeds” and “working from the trenches” when it comes to advising more than 40 trading companies on regulatory matters.

Key regulatory subject areas:

- anti-manipulation concerns within the physical commodity markets
- coastwise trade and cabotage requirements
- customs and payment of duties
- environmental standards applicable to gasoline, diesel, renewable fuel and chemicals
- free trade agreements
- foreign Trade Zone requirements
- hazardous material classifications
- natural gas and crude oil pipeline ratemaking
- authorizations to construct natural gas and crude oil pipelines
- interpretation of natural gas and crude oil pipeline tariffs
- renewable, biofuel and low-carbon mandates
- sanctions and anti-boycott
- shipping documentation and requirements, including safety data sheets and testing protocols
- spill liability and response – trading of environmental credits such as RINs, LCFS credits, RECs and offsets
- authorizations to import/export natural gas, LNG, CNG and electricity
- authorizations to construct import/ export facilities
- compliance with statutes and regulations governing the transportation of natural gas and crude oil in interstate commerce

Commercial Disputes & Enforcement

An important part of our service is the ability to handle high-stakes disputes that inevitably arise between commodity trading counterparties. Our disputes team has significant experience in resolving a variety of disputes (both litigation and arbitration) that often result from an unexpected change in market conditions, which impact the economics of a trade.

In many disputes, the contract clearly outlines the available remedies for the parties in the event of default and/or a disagreement over material terms. However, there are also occasions when there is uncertainty about the applicable terms and conditions related to a trade, and the dispute relates to determining which contract terms will ultimately govern to determine the appropriate damages. Our team has handled significant commodities-based litigation in a variety of circumstances, including where a dispute develops before the governing agreement has been executed but after a broker confirmation has been issued – leaving the parties to determine the governing terms and conditions in the face of substantial market loss.

We regularly defend companies and individuals in enforcement matters in relation to: market manipulation and disruptive trading; fraud; insider trading; unfair business practices; environmental standards applicable to commodities; renewable fuel and biofuel mandates; environmental credits; health and safety requirements to ship by rail, truck and vessel; product liability; labelling and documentation requirements and sanctions.



Our African experience includes:

- **DRC:** Advising a global commodities trader in a dispute related to a loan for the development of a mining project in the Democratic Republic of Congo together with the enforcement of a mortgage over a property in the UAE and the defending of enforcement proceedings of a judgment obtained in the DRC
- **Egypt:** Advising one of the largest steel companies in the region in several cases before Egyptian courts (Rizkana & Partners)
- **Mozambique:** Advising a global commodities trader in an LCIA arbitration concerning: (i) a multi-million US\$ claim relating to the sale and purchase of rice in Mozambique, and the associated proceedings in the English High Court concerning an undervalued real estate transaction; and (ii) coordinating proceedings in Mozambique concerning the theft of rice
- **Egypt:** Advising an oil and gas services company in its settlement with a foreign contractor in a major infrastructure project (Rizkana & Partners)
- **Zambia:** Advising a global trading company in relation to a dispute relating to default under a loan agreement and associated offtake arrangement
- **South Africa:** Advising Huntsman Tioxide (Pty) Ltd in a multi-million ZAR arbitration arising out of damages caused from an explosion on a neighbouring site that caused wide spread damage to our client's industrial plant
- **Africa:** Advising RCL Foods Limited, a listed company on the Johannesburg Stock Exchange, on all product liability matters throughout Africa
- **Egypt:** Advising a commodity trader before the Sugar Association of London and the Refined Sugar Association in relation to two arbitration cases filed against it (Rizkana & Partners)
- **South Africa:** Advising a global company in various claims against two defaulting companies arising from goods manufactured by our client at their request. Urgent applications to protect our client's rights were launched by interdicting the companies from removing certain goods from third party warehouses
- **Ethiopia:** Representing the third largest pulp and paper manufacturing company originally based in Asia in relation to product infringements in Ethiopia (Fikadu Asfaw and Associates Law Office)

Insolvency & Creditors Rights

We serve clients at the intersection of commodity issues and insolvency law. Our experience in bankruptcy courts allows our lawyers to draft better energy and commodity contracts and, in turn, defend those contracts in court. Representative areas of focus include: litigation concerning valuation of terminated trading contracts; the acquisition of distressed assets; contingency planning for energy and commodity firms to guard against counterparty credit risk; and the liquidation of trading companies and trading books.



Our African experience includes:

- **South Africa:** Advising Quality Sugars (Pty) Ltd in recovering its stock to the value of ZAR15 million from a company placed under provisional liquidation
- **Tanzania:** Providing advisory services and handling insolvency proceedings for one of the subsidiary of a major mining company (Abenry & Co)
- **Ghana:** Representing Carbon Commodities in a debt recovery matter (AB & David)
- **Tanzania:** Advising on the voluntary winding up process for a global fertilizer company's subsidiary in Tanzania (Abenry & Co)
- **South Africa:** Advising RCL Foods Ltd in recovering ZAR12 million from an insolvent estate by virtue of which a first covering surety bond held over the insolvent estate's property
- **Tanzania:** Advising and carrying a pre-insolvency and insolvency proceeding for a mining company, a subsidiary of which is listed on the New York Stock Exchange (Abenry & Co)
- **Ghana:** Representing Termcotank S.A., a supplier of bitumen across Africa, in a debt recovery matter (AB & David)

Environmental

The environmental team advise on a variety of commodities environmental issues. These issues range from chemical leaks, fires, water pollution, issues with pesticides / fertilisers/ armyworm issues, changes to carbon policies and disaster management.



Our African experience includes:

- **Egypt:** Advising an investment fund in the negotiations and drafting of all related agreements related to the erection several water desalination plants under FIDIC (Rizkana & Partners)
- **South Africa:** Advising the South Africa Independent Power Producer process from planning to compliance with the RFP (Department of Energy and Treasury), and the submission of the Bid, preferred bidder status management, and taking the project to financial close and implementation. Value of project R7 billion- 190 Megawatts
- **Ghana:** Advising BB Energy Trading Ltd for the financing of supply of petroleum products to Cirrus Oil Services (AB & David)
- **South Africa:** Advising on land use assessments for renewable energy facilities on agricultural land
- **Tanzania:** Advising the Ministry of Energy and Minerals on the way forward for the transformation and development of one of the Energy Companies (Abenry & Co)
- **South Africa:** Project Managing all approval and regulatory processes for renewable energy and major developments
- **South Africa:** Advising on stand-alone issues such as waste, water, environmental degradation and disaster management
- **Cameroon:** Advising a chemicals distribution company on environmental matters and steps to reduce environmental damage resulting from a chemical spillage and warehouse fire
- **South Africa:** Preparing and responding to objections and appeals to clean energy projects
- **South Africa:** Advising Ethekwini Outer West and South Local Entity Petroleum and Gas on pipeline opinions
- **Uganda:** Advising a client in respect of the development of a 5.8MW Hydro Power Project in Nyamabuye, Kisoro District (Katende Ssempebwa & Co)
- **South Africa:** Advising on Renewable Energy development: REIPPP: project managed development of first Solar PV project into the national grid, plus a further 2 in phase 2 and 3; continued involvement in phase 4 and 5

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Global Experience

In addition to the African commodities experience, our Commodities Practice Group has extensive experience across numerous legal competences throughout the world. Set out below are some highlights of the significant transactions in which the lawyers of our Commodities Practice Group have been involved:

Advising an international bank in connection with multiple crude oil and refined products inventory intermediary transactions with refineries, pipeline companies and other commodity counterparties

Advising on the structuring and establishment of the first agricultural investment fund in China with permitted foreign investors

Advising on the US\$100 million facility secured upon gold and diamonds and receivables from copper mines in relation to the importation of humanitarian products and medical supplies in the Democratic Republic of Congo

Advising ING Bank on various commodity-backed facilities including oil and gas, lead and grains (in aggregate c.US\$350 million)

Advising the Geneva commodity trading arm of a Central Asian NOC on its US\$150m syndicated facilities

Advising the Rompetrol Group (the international division of the Kazakh KazMunaiGaz group) on its US\$360 million borrowing base syndicated credit facilities

Advising Gunvor on an aluminium-backed borrowing base facility being used to support an acquisition finance facility

Advising Rusal on an aluminium-backed commodity "financial warehousing" facility

Advising Bank of China (HK) on a syndicated trade facility for US\$1.5 billion

Advising on the structuring and ring-fencing of a multi-jurisdictional fertiliser and inputs business, and the subsequent divestment of the African portion of the business

Advising a major international bank on the structuring and documentation of a series of pre-export financing of soft commodities in South America

Advising on the sale of a global crude oil and products trading and marketing business

Targeted Advice

The Energy and Commodities Trading Practice: Our African Focus

Advising on the joint venture arrangements to acquire storage terminals, refining units and marine infrastructure in the USA

Advising on the acquisition of a crude and natural gas trading book in the USA

Advising on the acquisition of a grains terminal in Russia

Advising on the investment and subsequent divestment of a minority stake in a Peruvian copper mine

Advising on the acquisition of a 49% stake in a palm oil refining company in Indonesia and related shareholders arrangements

Advising on the negotiation of definitive agreements regarding conversion of diesel fuel power generation stations located in US territories to liquefied petroleum gas

Advising on the joint venture arrangements for the construction of a port and grain silos in Ukraine

Advising on the potential acquisition of a sugar refining company in Italy and related commercial agreements

Advising on a multi-party joint venture arrangement in the palm oil sector in Indonesia

Advising on the subscription for a minority stake in a feed meal company in China together with the subscription for a majority stake in a related trading company

Advising on the sale of an electric generating facility and associated real property in the USA

Advising on the sale of an ownership interest in a New Jersey power generation facility

Advising on the acquisition of a tolling agreement relating to a natural gas-fired combined cycle plant in the USA

Advising on the acquisition of the stock of a physical metal concentrates company in the USA

Advising on the bid to acquire an oil and gas storage terminal business in the USA

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