



Gide Loyrette Nouel

International Law Firm



**Oil & Gas
in Africa**

Gide Loyrette Nouel

Oil and Gas in Africa

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An International Team dedicated to Oil and Gas Law in Africa

Gide Loyrette Nouel is the only international law firm to have originated in France. Founded in Paris in 1920, the Firm now operates from 19 offices in 15 countries. It has 650 lawyers, including 100 partners, drawn from 40 different nationalities. In each of its offices in Europe, Asia, North America and Africa, Gide Loyrette Nouel puts its comprehensive knowledge of local markets, its regional expertise and the resources of an international law firm to the service of its clients. The Firm is regularly referenced in international league tables, ranking consistently No. 1 in France.

A Truly Specialised Team with Strong Sector Expertise

The Oil & Gas team has first-class expertise and experience in the oil and gas laws and regulations applicable in Africa for significant international and/or integrated transactions. The team not only has in-depth knowledge of oil and gas laws and regulations in force in Africa but also of the main specificities and features of the oil and gas industry across the continent.

Through continued exposure to the sector, the Oil & Gas team's lawyers have developed specific expertise and experience in international oil and gas transactions and provide bespoke advice to a wide variety of clients active in the sector including oil and gas companies, financial institutions, investors and governments. Our lawyers are skilled in negotiating and drafting project documentation and have broad experience in drafting and negotiating exploration and exploitation contracts with African States.

Our expertise and experience are widely recognised in Africa, both by private clients and African States and institutions. For instance, the Oil & Gas team has been retained by the **African Petroleum Producers Association (A.P.P.A.)** to perform a review and comparative analysis of the oil and gas legislations and contracts in force in the 16 member countries. The aim of the review and analysis is to draft and implement a harmonised model contract, incorporating the main standards, rules and practices in force in the international petroleum industry. A list of recent deals is attached to this brochure.

The Oil & Gas team operates out of our Paris and London offices. It currently includes six lawyers and is headed in Paris and London by **François Krotoff** who enjoys international recognition in the sector. The team's activities are managed by **Nicolas Bonnefoy** in London and by **Leïla Hubeaut** in Paris.

Countries where the Oil & Gas team is active:



"This outfit [Gide Loyrette Nouel] is unanimously regarded as having cornered the market in francophone Africa. It combines the international strength of its Paris office together with the local expertise of its branches in Algeria, Morocco and Tunisia to provide clients with all-round advice. The group is famed for its oil, gas and mining work and has been particularly successful in the project finance and PPP arena."

Chambers Global 2010

"Worldwide, the large team plays a key role in the fields of oil, gas and mining."

Chambers Global 2008

"Gide Loyrette Nouel is an exception in a field traditionally dominated by Anglo-American law firms."

EMEA Legal 500 2008

An International Network

The Oil & Gas Team can rely on the support of Gide Loyrette Nouel's network, including:

- **3 offices in North Africa:**
Algiers, Casablanca and Tunis.
- **3 offices in China:**
Beijing, Shanghai and Hong Kong.



Legal Services adapted to the Needs of the Oil and Gas Industry

Our Oil & Gas team provides tailored assistance throughout all stages of oil and gas projects in Africa. It advises oil and gas companies on structuring, securing and implementing acquisitions and disposals of, and subsequently managing oil and gas assets in Africa:

M&A and Due Diligence Review

Our team provides legal advice in the course of sale and purchase transactions of oil and gas assets in Africa in order to confirm, *inter alia*, the validity and the extent of legal rights in, and titles to, oil and gas assets and subsequently to draft and negotiate the necessary contractual documentation, such as sale and purchase contracts and joint venture agreements. In this context, our lawyers have already carried out significant cross-jurisdiction due diligence reviews for transactions in Africa.

E&P Contracts and Awards

The team advises on the drafting and negotiation of oil and gas exploration and production contracts, such as concession agreements, production sharing contracts and the award of the related exploration and exploitation permits and titles.

Ancillary Contracts

Our lawyers assist in the drafting and negotiation of all contracts ancillary to E&P contracts, such as joint venture agreements, joint operating agreements, shareholders agreements as well as engineering, procurement and construction contracts, operation and maintenance contracts and lifting contracts. The team has been involved in major integrated projects for the development of oil and gas assets in Africa.

Legal Restructuring

The team advises clients on the review and improvement of the legal structure of oil and gas companies. It has managed significant restructuring operations in Europe and Africa. We combine first-tier international expertise with a great capacity for innovation in complex optimisation issues without detriment to the requisite compliance with local laws.

Institutional and Regulatory Reforms

We regularly provide legal advice to governments on institutional and regulatory reforms. In particular, the team assists governments in reviewing and/or drafting oil and gas laws and regulations as well as concession and/or production sharing model agreements in order to encourage the development of oil and gas projects in Africa.

Project Financing and Security

The team advises governments, international financial institutions, banks as well as oil and gas companies on all oil and gas financing and security issues. It has diversified experience in the field of financial structuring and offers customised solutions, adapted to the needs of its clients and the specifics of local oil and gas security laws and regulations. We have developed specialist expertise in reserve based lending.

International Dispute Resolution

Through interdisciplinarity, and understanding of oil and gas laws, the team assists clients in preventing disputes but also managing disputes. In this context, our lawyers advise clients at all stages from prevention to pre-litigation and litigation proceedings and are involved in the drafting of arbitration agreements, strategic decision-making, and representation of clients during arbitral proceedings, as well as proceedings before state jurisdictions.

"This revered Parisian firm plays a key role in oil and gas, international infrastructure, privatization and PPP programmes worldwide. With numerous offices across North Africa, the projects team is a leader in francophone countries, although its practice embraces the whole continent."

Chambers Global 2008

Training sessions, seminars and publications

Our Team regularly runs oil & gas training sessions and seminars, in particular:

- An annual day-workshop on integrated upstream contract negotiation held in London and organised by *CWC Group*, hosted by our lawyers for the last five years.
- A two-day workshop in Marrakech (Morocco) organised in August 2008 by *Magenta Global*, on successful ways to negotiate oil & gas transactions in Africa.
- A four-day workshop organised in February 2010 in Dubai, UAE by IRR Middle East, on oil and gas contracts and acquisitions - due diligence review.
- A half-day workshop organised in April 2010 in London by SMI Group on Resource Nationalism: History & Prevention Mechanisms.

Our recent articles on the exploration and exploitation of hydrocarbons in Africa include:

- *Lessons from the first competitive tender in Algeria*, F. Krotoff and B. Brossard, *International Oil and Gas Finance Review 2009*.
- *Living with resources nationalism*, N. Bonnefoy, *International Oil and Gas Finance Review 2009*.
- *Petroleum Law in Madagascar*, N. Bonnefoy, *International Oil and Gas Finance Review 2006*.
- *The new 2005 Algerian Hydrocarbons Law*, F. Krotoff, N. Bonnefoy, S. Laghouati and A. Ghezali, *International Oil and Gas Finance Review 2006*.



Your Oil & Gas Contacts:

François Krotoff: *"has vast experience and knowledge of the African continent. He really knows it". An important figure of the mining industry is impressed by his "Synthetical mindset and shrewd insight."*

"Celebrated among his peers, François Krotoff counsels international companies on projects financing, with a special focus on oil, gas and mining matters."

"A Paris-based lawyer, François Krotoff is recognized as an expert in projects and privatizations in the field of energy and natural resources."

Chambers Global 2008



■ François Krotoff

Partner

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François heads Gide Loyrette Nouel's Oil & Gas team. He specialises in project finance, with particular emphasis on the funding of infrastructure projects and oil, gas and mining-related transactions. He has extensive international experience, especially in emerging countries (North Africa and Sub-Saharan Africa). Previously, François was the partner in charge of Gide Loyrette Nouel's offices in Riyadh and Algiers. He regularly advises major international companies on the acquisition of participating interests (farm in/out agreements and joint operating agreements) in production sharing contracts in Algeria, Chad and Madagascar. He also assists in the negotiation and drafting of hydrocarbons concession agreements (Chad), and advises bidders on hydrocarbons licences (Algeria) and/or new contracts in the course of tender offers.



■ Nicolas Bonnefoy

Senior Associate

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Nicolas is a senior associate in the Oil & Gas team, which he joined after spending six years working on energy projects in Africa and three years in the head office in Paris. He is based in London, at the heart of the oil and gas industry. He is experienced in M&A and due diligence and has advised major Arab, Chinese, European and North American companies in structuring, securing and implementing acquisitions and disposals of oil and gas and mining assets in Africa, as well as negotiating E&P contracts such as concession and exploration and production sharing contracts and other ancillary contracts such as JV, JOA, EPC, O&M, Offtake and lifting contracts. Nicolas regularly hosts seminars on oil and gas legislation and contracts in Africa. He is the Europe / Middle East / Africa Regional Vice-chair for the Energy and Natural Resources Practice Group for the Lex Mundi Association and a member of the Association of International Petroleum Negotiators.

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■ Leila Hubeaut

Senior Associate

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Based in Paris, Leila is a senior associate in the Oil & Gas team. She has been working as an associate for six years in the Firm's Paris and New York offices. She acquired general M&A and corporate experience working for a reputable Parisian firm for two years before joining Gide Loyrette Nouel. She also has extensive experience in M&A in the context of acquisitions and disposals of mining, oil and gas assets in Africa. She has advised major financial institutions and banks in the course of the financing of oil and gas and mining projects in Africa. Leila is a member of the Mining Law Committee for the International Bar Association.



Gide Loyrette Nouel
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2011

Oil and Gas in Africa

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Istanbul
Kyiv
London
Moscow
New York
Paris
Saint Petersburg
Shanghai
Tunis
Warsaw

Oil & Gas in Africa



Selected Oil & Gas Transactions in Africa

E&P Contracts

- Legal assistance to the Republic of Guinea for the review and renegotiation of certain oil and gas rights in [Guinea](#) (in progress).
- Legal assistance to a large Chinese oil & gas company for contractual matters in [Algeria](#) (in progress).
- Advising a junior independent American oil company in [Cameroon](#) and [Morocco](#) on the review and negotiation of an extension of its rights in a production sharing contract (in progress).
- Advising a large Southern-Africa oil and gas company in [Nigeria](#) and in the [Nigeria and Sao Tome & Principe](#) Joint Development Zone on the due diligence review of all its production sharing contracts (2009).
- Advising a major Russian gas company on the implementation of a gas structure in a competitive bidding process, organised by ALNAFT, for the exploration and exploitation of hydrocarbons in [Algeria](#) (2008-2009).
- Advising a major Chinese oil and gas company on the acquisition of eight petroleum licences in a competitive bidding process, organised by ALNAFT, for the award of exploration and exploitation contracts in [Algeria](#) (2008).
- Advising a North American oil and gas company on the development of the 350 million-barrel **Agadem** oil field in [Niger](#) (USD 5 billion), including drafting and negotiating the production sharing contract as well as refinery, power generation and transportation arrangements (2007-2008).
- Advising a junior Spanish independent oil company in the [Democratic Republic of Congo](#) on drafting and negotiating a production sharing agreement for the **Graben Albertine** area (2008).
- Advising a large South-East Asian oil company on the drafting and negotiation of a concession agreement and a joint operating agreement for the **Lake Tchad I, Chari-Ouest III and Chari-Sud II** areas in [Chad](#) (2006).
- Advising a junior UK independent oil company in [Congo](#) on the drafting and negotiation of a production sharing agreement for the **Mayombe** area (2006).
- Advising a UK independent oil company on the drafting of the first production sharing contract in [Sao Tome & Principe](#) (2005).

Hydrocarbons Legislation in Africa

- Advising the Republic of Gabon on the drafting of a new Hydrocarbon Code (exploration, exploitation, transport, refining and distribution), its implementation provisions and a new production sharing contract model, as well as the conduct of a limited comparative study of the hydrocarbons legislation of some countries in Africa (2009).
- Legal assistance to the African Petroleum Producers Association (APPA) in the context of the review and the comparative study of the oil and gas legislation, regulations and model contracts in force in the 16 APPA member countries with the aim of incorporating standards, rules and practices into a harmonised model contract (in progress).

Oil & Gas in Africa



Countries where the Oil & Gas team is active:



UK

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Gide Loyrette Nouel

Acquisitions and Disposals

- Advising a junior independent European oil company in **Nigeria** on the structuring of a participating interest acquisition in a joint venture (2009).
- Advising a major European oil company on the acquisition of participating interest in four production sharing contracts in **Gabon** (2009).
- Advising an Egyptian investment fund on the acquisition of a 40% stake in a listed UK oil company which included a due diligence review of participating interests in production sharing contracts in **Algeria, Tunisia, Italy and Ireland** (2008).
- Advising an English and Arabian joint venture on the acquisition of a Canadian company conducting oil and gas activities in **Algeria** (2008).
- Advising a major Chinese oil and gas company on the acquisition of a 20% participating interest in the **Bloc 32** production sharing contract in **Angola** (2008).
- Advising a major European oil and gas company on the acquisition of a participating interest in the production sharing contract on the **Bemolanga** permit in **Madagascar** (2007-2008).
- Advising a UAE oil and gas company on the acquisition of a GBP 208-million oil and gas company holding a participating interest in the production sharing contracts on the **Hassi Ba Hamou, Ferkane, Bottena and Benguecha** permits in **Algeria** (2007).
- Advising an independent American oil company in **Gabon** on the farming out to a junior independent European oil company of its participating interests in a production sharing contract on the **Etekamba** permit (2006).
- Advising a junior independent European oil company in **Chad** on the acquisition of interests in a concession agreement on the **West Chari and Largeau** permits (2006).
- Advising a major European oil company in **Algeria** on the acquisition of participating interests in a production sharing contract on the **Isarene** permit and the negotiation of a joint operating agreement (2006).

Legal Restructuring

- Advising a major Chinese oil and gas company on the restructuring of its affiliates holding participating interests in production sharing contracts and refinery facilities in **Algeria** (2008).
- Advising a major European oil company on its group restructuring in **Congo, Gabon, Tanzania, Mali, Colombia and Venezuela** (2007-2008).

Disputes

- Advising a medium-sized US independent oil company during an arbitration procedure against Sonatrach on the interpretation and implementation of production sharing contract provisions in **Algeria** further to the implementation of the 2006 Hydrocarbons Law (ongoing).

Financing

- Advising an independent European company on negotiating a reserve based loan (RBL) of EUR 350 million to finance the development of oil assets in **Gabon** (negotiation of credit facility and security package - pledges on bank accounts and financial titles accounts, oil off-take assignment and insurance policies) (ongoing).
- Advising an independent European company on negotiating a reserve based loan (RBL) of USD 350 million to finance the development of oil assets in **Congo and Columbia** (negotiation of credit facility and security package - pledges on bank accounts and financial titles accounts, oil off-take assignment and insurance policies) (2006-2008).
- Advising a major European bank on the limited recourse financing of the acquisition of participating interests in a production sharing contract for an oil field in **Congo** (drafting and negotiating loan agreements and security package) (USD 70 million) (2007).