DealMakers

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TRANSACTION TABLE BY COUNTRY INCLUDING RANKING OF ADVISORS | BUSINESS IN AFRICA

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from the editor's desk

As policymakers and entrepreneurs gather this week (May 7) to attend the 24th World Economic Forum on Africa in Abjua Nigeria, attention will be focused not only on issues highlighting the continent's problems but also on its potential. Seen as an important platform to promote regional economic integration, infrastructure and sustainable development and intra-African trade, the forum also provides an opportunity for African leaders to interact with the world to promote growth and development.

The release in April of the IMF's report on the regional economic outlook for sub-Saharan Africa projects economic growth to pick up from 4,9% in 2013 to approximately 5,5% in 2014. This acceleration is attributed to improved prospects in a large number of countries in the region, particularly those with oil exports. Economic activity in the region continues to be underpinned by large investments in infrastructure and mining and maturing investments. According to the report, inflation looks set to remain contained in most countries, while fiscal balances on current policies and prospects are generally projected to improve in 2014, but current account deficits look set to remain elevated. Closer to home - a budget overview of the Common Monetary Area member states can be found on pg 2.

One of the key drivers of mergers and acquisitions in Africa over the past five years has been the increased activity by private equity firms seeking exposure to sub-Saharan Africa's high growth markets (pg 5). During 2014 continued growth in the penetration and fundraising for Africa-focused funds appears set to continue, with the continent now considered amongst the most favoured global investment destinations.

The spotlight remains focused on Africa's expanding consumer sector as the middle class continues to grow in spending size and global consumer brands take up the challenge. Underpinned by strong economic growth and an expanding workforce, the stage is set for considerable growth across the continent's consumer sector, spanning a wide range of activities.

The recent unveiling by Chinese Premier Li Keqiang of additional funding by China to Africa to the tune of $12bn is over and above the existing $20bn credit line already offered. Traditionally trips to Africa by Chinese leaders have focused almost exclusively on the continent's mineral and energy wealth, but there are now signs, perhaps due to growing criticism from some quarters, that efforts will be directed towards helping improve the living standards of the continent's population.

One can no longer assume that the international banks are the only financiers with a presence in Africa. The playing fields are changing and African banks are increasingly extending their reach across the continent (pg 14). The number of M&A transactions involving a South African, Nigerian or Kenyan bank continues to grow, though for the big ticket items liquidity presents a problem and international banks become a necessity. •

MARYLOU GREIG

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Common Monetary Area
2014/15 budgets overview

CELIA BECKER

Each of the Common Monetary Area (CMA) Member States presented their 2014/15 Budgets during February 2014. An overview of the Budgets of Lesotho, Namibia and Swaziland reveals Namibia as the only country proposing fiscal amendments of any significance. A common theme of these Budgets is a concern about the increased uncertainty regarding the future of the South African Customs Union (SACU) and a firm intention to reduce reliance on SACU revenue.

Lesotho

The Minister of Finance, Dr Leketekete Victor Ketso, presented the 2014/15 Budget on February 20 2014.

Becker

Government expenditure for 2014/15 is estimated at M15,4bn (a 7,6% increase from the 2013/14 Budget), of which M10,4bn is allocated to recurrent expenditure and M5bn to capital expenditure. The Minister admitted that the growth of the wage bill is alarming and proposed an across-the-board increase in public sector salaries and wages of only 4%, despite the projected inflation rate of 6%.

The proposed financing of this Budget is estimated at M15,7bn. This will include domestic tax revenue of M6,3bn, M1,3bn non-tax revenue, M7bn from the SACU and M1bn through budget support, donor grants and loans to achieve the proposed overall fiscal surplus of 1,3% of GDP.

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Given the volatility surrounding the SACU revenue, it is proposed that, to the extent possible, SACU receipts are restricted to the investment budget and additional domestic revenues be mobilised to reduce dependence on SACU.

A draft minerals and mining policy is currently under review and expected to be finalised during the first half of 2014. With the assistance of the International Monetary Fund (IMF), the Government reviewed the fiscal regime governing the mining sector and it is expected that a new mining tax regime will be finalised as part of a wider review of the mining code.

A geological survey to determine the country's potential mineral resources will be advanced and a feasibility study will be conducted in 2014/15 for the establishment of a diamond centre, which will provide facilities for the sale of raw diamonds, cutting and polishing. The construction of the Letšeng cutting and polishing centre, aimed at supporting local production and beneficiation, has been completed and awaits agreement with Government on its operation.

The Money Transfer and Forex Regulations and Credit Reporting Regulations have been promulgated during the past year and the Insurance and the National Payment Systems Bills are being considered in Parliament and expected to become laws by end of 2014.

It is admitted that Lesotho's 'Doing Business' ranking is still very low at 136 out of 189 countries, which compares unfavourably with the rest of the sub-region. To improve the investment climate, Government intends to pursue legislative and regulatory reforms, including development of an investment policy.

In order to promote regional integration and eliminate unfair competition, it is proposed to abolish the zero corporate tax rate on extra-SACU exports and the standard 10% rate to apply to all manufacturers.

To reduce the personal tax burden and encourage tax compliance, the Budget proposes reduction in both the lower and upper personal income tax rates, from 22 to 20% and 35 to 30%, respectively.

It is proposed that the 15% Value Added Tax (VAT) rate on alcohol and tobacco be abolished in order to simplify the VAT system. With the exception of zero-rated items, electricity and telecommunications (which is subject to VAT at 5%), all items will be taxed at the standard VAT rate of 14%. To curb abuse of alcohol and tobacco that could possibly arise from a reduction in the cost to consumers it is proposed that an additional 4% levy be imposed on purchases of these two items.

In order to promote regional integration and eliminate unfair competition, it is proposed to abolish the zero corporate tax rate on extra-SACU exports and the standard 10% rate to apply to all manufacturers.

Namibia

Namibia's 2014/15 Budget presented on February 19 2014 by the Minister of Finance, Ms Saara Kuugongelwa-Amadhila, announced that the budget deficit is expected to narrow to 5,4% of GDP from 6,4% of GDP in 2013/14, while the GDP growth rate is expected to average around 5%. Government expenditure for the 2014/15 financial year is expected to increase by 26,7% to N$60,28bn. An amount of 79,6% of the spending commitment (N$48bn) is allocated to operational expenditure. Analysts questioned the considerable allocations towards wage increases for civil servants.

N$5,3bn was allocated to finance the 800 mega-watt Kudu gas-to-power plant and state-owned mining company, Epangelo Mining.

Members of the private sector raised a number of concerns at a public discussion on the Budget, including the need to start diversifying revenue sources and reduce reliance on the SACU receipts due to the uncertainty regarding the future of SACU revenues. Namibia's share of revenue from the SACU is estimated at R18,1bn in 2014, constituting 34,7% of the country's total revenue collection of N$52,5bn. Several businesses are also still facing challenges that arise from the slow processing of VAT refund claims.

It was announced that the non-mining company income tax rate will be reduced by a further 1% to 32% and the withholding tax on royalties payable to non-residents will be reduced to 9,6%. The VAT registration threshold will be increased from N$200 000 to N$500 000.

To broaden the revenue base, the introduction of environmental taxes was proposed, which will encompass a carbon dioxide emission tax on motor vehicles, incandescent light bulbs, and motor vehicle tyres. The Minister also proposed an export levy on primary commodities and natural resources including minerals, crude oil, gas, fish and game in order to promote domestic value-addition.

Government undertook to continue with tax reforms to enhance efficiency, broaden and deepen the revenue base and increase the competitiveness of the tax regime.

Swaziland

Minister of Finance, Martin G. Dlamini, presented the 2014/15 Budget on February 21 2014, announcing an expected growth rate of 2%.

The total amount of resources available in fiscal year 2014/15 is estimated at E15,3bn (a 19% increase from 2013/14). E5,9bn (51%) of the 2014/15 Budget is projected to be financed by non-SACU revenue. This is in line with Government's plan to reduce dependency on SACU receipts which stood at 56% in 2013/14.

The balance of the Budget will be financed through grants by development partners and loan funding to achieve an estimated deficit of 3% of GDP.

Overall recurrent expenditure will increase from E9,7bn in 2013/14 to E10,6bn in 2014/15, with wages and salaries increasing to E4,7bn in 2014/15.

Capital spending will increase by 44% to E3,7bn in 2014/15. Approximately 81% of this funding will be allocated to completing the ongoing projects, including the completion of Sikhuphe International Airport, the Sikhuphe-Mbadlane Road, and the Sicunusa-Nhlangano road.

New capital projects include the construction of the Hotel and International Convention Centre, the Mhlume Siphon scheme, rehabilitation of Malkerns Canal and various roads projects.

To ensure optimal and responsible exploitation of the minerals and mining sector, the Government enacted the Mines and Minerals Act and Diamond Act in 2011. Government has allocated E4,4m in the 2014/15 Budget to continue implementing the 2011 Mining legislation and to encourage mining investors to process minerals within the Kingdom.

Swaziland Railways and South Africa's Transnet have partnered to construct a railway line stretching approximately 146km from Lothair to Sidvokodvo, Lavumisa and into South Africa through Golela. Significant progress has been made towards the completion of the feasibility study which is projected to be completed in the second quarter of 2014. The project is expected to allow quicker and cheaper access to major ports.

To ensure optimal and responsible exploitation of the minerals and mining sector, the Government enacted the Mines and Minerals Act and Diamond Act in 2011. Government has allocated E4,4m in the 2014/15 Budget to continue implementing the 2011 Mining legislation and to encourage mining investors to process minerals within the Kingdom.

The Government plans to develop an Independent Power Producer policy in collaboration with the Southern African Trade Hub, to enable more power generators to enter into the electricity industry. In addition, hydro power generation capacity at the Dwaleni Power station along Ngwempisi River is to be increased and the exploration of renewable energy sources such as wind and solar power will continue to be promoted.

Government, through the Swaziland Investment Promotion Authority (SIPA), has prioritised the creation of an investment climate that is conducive for doing business in the country, through the implementation of the Investor Road Map (IRM). As a consequence of implementing the IRM, the country's ranking improved by 10 places in the Global Competitiveness Index from 134 in 2012 to 124 in 2014.

SRA, in partnership with COMESA, has embarked on upgrading the Automated System of Customs Data (ASYCUDA), which will provide an improved customs administration platform, including the direct payment of VAT refunds at the border.

Government vowed to continue supporting the Anti-Corruption Commission (ACC) and the Directorate for Public Prosecution (DPP) to enhance their fight against corruption in Swaziland and allocated E20,2m to them. •

Becker is a tax executive at ENSafrica.

Rich pickings for private equity

ANDREW NKUMBULA AND KOSHIEK KARAN

Private equity firms seeking exposure to sub-Saharan Africa's high-growth markets have emerged over the last five years as one of the key drivers of mergers and acquisitions activity on the continent. During that period, growth in the penetration and fundraising for Africa-focused funds has continued rapidly in Africa. The continent is now considered among the most favoured investment destinations globally for private equity firms.


Nkumbula


Karan

According to a recent report by the Emerging Market Private Equity Association, based in Washington, Africa has gone from being the fifth most popular investment destination in 2012 to first place in 2013. This places Africa ahead of Brazil, Russia, India and China for the first time in nine years. In the same report, the association also found that sub-Saharan Africa attracted \$3,2bn in private equity investment in 2013, up from \$1,6bn in 2012.

Most overseas private equity funds are generally interested in buying into businesses with strong track records of, or opportunities for, growth - and then profit from unlocking these businesses' next growth phase. With Africa offering many such businesses, the continent is ripe for private equity funding. The high levels of interest that private equity firms have in the continents' assets are proof of this.

The upward trend of investment flows by private equity firms into Africa is set to continue to gain momentum in the medium to long-term. More global private equity firms, international pension funds and development finance institutions – mostly from the US, Europe and Middle East – will increasingly look to close transactions in sub-Saharan Africa as they continue their search for new growth opportunities.

Africa's growth story serves as a catalyst for private equity

The key factors underlying Africa's strong growth prospects include the discovery of vast new resource deposits, such as gas and oil, changing economic ties (especially with Asia), growing economic diversification, increasing urbanisation, and increased consumer spend on the continent. Natural resource extraction aside, many observers consider a surge in population, rapid urbanisation, adoption of new technologies and a deepening financial sector as drivers likely to sustain African growth for decades to come.

To meet this growth, many companies are seeking capital for expansion. Since identifying efficient ways to manage their businesses is also a key factor, the role of private equity firms becomes critical given their capacity and experience in enhancing business efficiency and delivering investor returns.

In the past five years, global players such as Carlyle and others focused on emerging markets such as Standard Chartered Private Equity, Actis, and Abraaj, have set-up shop across the continent, signalling Africa's arrival as a serious private equity market. These global buyout firms and sovereign wealth funds, flush with cash, are likely to propel mergers and acquisition activity in Africa. Their particular combination of high liquidity, access to cheap financing and limited growth opportunities in their traditional markets (US and Europe), will continue to drive these firms to seek strategic opportunities in Africa's high-growth markets.

Key sectors targeted

Both new and established players in the African private equity market are increasingly scouting opportunities across the continent, especially in oil and gas, power and infrastructure, telecoms, retail, fast moving consumer goods (FMCGs), and renewable energy.

For the present, however, natural resource deals are expected to dominate deal activity on the continent, in terms of both deal volume and value, for as long as the global demand for metals continues. This activity is likely to be driven partly by new or recent resource discoveries on the continent, such as natural gas discoveries in Mozambique and Uganda along with offshore gas fields in Ghana. Foreign private equity players' rising levels of interest in Africa's resource assets is likely to continue to drive mergers and acquisitions activity in the mining sector. A 2014 EY report on Private equity attributes this current surge in resource led transactions to the slowdown in demand from China, creating an opportunity to buy natural resource companies at relatively lower valuation.

Power and infrastructure deficits also present firms with great investment opportunities. With Africa still facing a significant infrastructure gap, there is a great need for infrastructure investment if Africa's growth curve is to be sustained. A number of planned power generation projects are set to continue to drive growth across the region, providing opportunities for transaction activities. While not a traditional area of focus, private equity firms are increasingly getting involved in infrastructure and power generation investment. In 2012, for example, Blackstone committed $116m of equity to the $900m 250-megawatt Bujagali Hydroelectric Power Station in Uganda, demonstrating that private equity firms are now identifying opportunities, and committing equity in Africa, outside their traditional scope of investment on the continent.

Other sectors where private equity interest is visible include FMCG, telecommunications, agribusiness, retail and the financial services sectors. Given the projected increase in Africa's consumer growth and spend, these sectors will continue to act as the primary drivers of private equity interest in Africa. ●

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Navigating the Legal Waters
Oil & Gas in Kenya

BEATRICE NYABIRA AND JUDY MUIGAI

Exploration interest in Kenya has surged since the country announced its first oil strike discovery by British explorer Tullow Oil in the country's north, two years ago. This was followed by a number of subsequent finds in the same region and has led to increased interest by international oil and gas companies keen to position themselves for a stake in the industry.

In light of the increased interest in the Oil & Gas sector in Kenya, we have analysed the legal regime governing this sector and set out below some of the highlights to create an understanding of the current and potential players in this industry:

- The substantive law is contained in the Petroleum (Exploration and Production) Act (the "**Act**") and the regulations set out under it.
- Under the Act, the Government may authorise a party ("**Contractor**") to engage in petroleum operations within a specified area under a Petroleum Agreement. The Cabinet Secretary in charge of Energy is authorised to negotiate and sign Petroleum Agreements on behalf of the Government and these agreements are negotiated on the basis of a model Production Sharing Contract ("**PSC**") in the format set out under the regulations to the Act.

- Only a company incorporated or registered in Kenya under the Companies Act may enter into a Petroleum Agreement with the Government.
- The Government only enters into Petroleum Agreements with Contractors who have the financial ability, technical competence and professional skills necessary to fulfill the obligations under the Petroleum Agreement. The general terms of such agreements include obligations on Contractors to:
  i) perform certain minimum work and incur certain minimum expenditure during the course of exploration activities;
  ii) develop a work program and budget for each year of operation;
  iii) give preference to employment and training of Kenya nationals in petroleum operations; and
  iv) give preference to use of Kenyan materials and supplies as long as their prices, qualities, quantities and timelines of delivery are comparable to those of non-Kenyan materials and supplies.
- The Cabinet Secretary is authorised under the Act to map the continental shelf into areas known as “blocks” which are then opened up, in an auction-style format, to applicants for the negotiation of Petroleum Agreements.
- The Government may also elect to participate in petroleum operations and acquire a pre-agreed percentage of the total interest in any area with commercial discoveries. Once the Government exercises its option to participate, the affected Contractor must transfer to the Government the percentage interest specified by the Government.

Nyabira

- Save for petroleum to be delivered to the Government, which takes priority over any other delivery by the Contractor, a Contractor is entitled to export petroleum produced from its contract area without restriction.
- As Kenya's oil and gas industry is only just coming to life, the tax related provisions of the Act and regulations were initially designed principally to attract upstream sector players. The model PSC contains tax incentives such as the Government paying some of the corporate income taxes on behalf of the oil companies. Although significant crude deposits have been discovered in Northern Kenya, none of the players has yet reached the oil production phase so the provisions of the PSC are still relatively untested.
- Successive VAT Acts have been consistent in granting VAT exemptions for supplies to licensed oil companies but the associated administrative procedures are rather protracted. The East African Community Customs Management Act also specifically includes an exemption for supplies imported into the territory by an oil exploration company.
- With effect from January 2013, a Withholding tax that is peculiar to the oil and gas and mining sectors is levied on the sale of property or shares (including the assignment of rights or the sale of the business). This move appears to target speculators who could potentially make sizeable windfall gains on the sale of exploration blocks.
- Qualifying Petroleum Service Subcontractors (PSS) are subject to a hassle-free final Withholding tax of 5.625% on their service fees. From a VAT perspective, as the PSS's services to the oil company are VAT exempt, the PSS cannot claim the VAT on its inputs. Understandably, their service fees are increased to cushion the margins from the impact of the irrecoverable VAT.


Muigai

As the Oil & Gas sector grows from infancy, we expect to see further refinement of the regulatory framework to deal with the issues as they arise and are already aware of ongoing lobbying efforts from players in the sector. From a Constitutional perspective, oil and gas deposits fall under the control of the National Government but given the risk of disruption from local communities close to the exploration sites, it is advisable to allow for community engagement and this can potentially be managed at the County Government level.

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IP in M&A often overlooked

JOHN SYEKEI

With Africa being considered the continent of opportunity, it goes without saying that merger and acquisition (M&A) deals have been very active over the last few years with this expectation predicted for some time yet. However, it is disturbing that very often intellectual property (IP) protection is forgotten or the last aspect of the deal to be given attention.

One reason for this is the daunting task of acquiring excellent legal IP services on this often tricky and unfamiliar continent. Qualified and highly experienced IP practitioners are few and far between (although those that are based in Africa can be found via INTA or World Trademark Review). For many, Africa is the unknown and doing business is different from anywhere else in the world. It speaks a different language and without the right partner with local knowledge, it can be a cumbersome and daunting process. In addition, not all jurisdictions are well equipped to handle IP rights since, in some instances, the court systems are slow in hearing these matters or alternatively, are riddled with corruption which is frequently found on this continent of opportunity.

Syekei

Added to this, national registries may not efficiently handle IP matters due to a lack of resources such as manpower, computers or lost records of applicants, marks and patents, amongst others. It is also often not cost effective to make use of IP expertise due to the high legal costs and/or official fees for the protection of IP assets.

In some markets it is difficult to obtain information on the laws that govern IP or how IP laws work. This is because there is no incentive for publishers or law practitioners to write IP journals, law reports or reference works. In addition, difficulty in obtaining information is enhanced by the lack of or poor penetration of telecommunications, such as internet access, which hinders access to information on official websites.

In some markets it is difficult to obtain information on the laws that govern IP or how IP laws work. This is because there is no incentive for publishers or law practitioners to write IP journals, law reports or reference works.

While all of this does not exactly encourage IP protection, it remains a vital part of any M&A deal in Africa, no matter its size. New businesses interested in gaining a long-term foothold in the African market should consider all aspects of their business and identify any intellectual property protection that is required. Trade mark, copyright design and patent protection are all instrumental in ensuring the longevity and constant reinvention of any business.

Inadequate IP protection over an innovation, for example, may provide an opportunity for bigger competitors to adopt the product or service and aggressively commercialise it, thereby gaining the financial benefits that are due to the business that originally developed the product or service.

Trade mark is a territorial right meaning that it must always be protected in the countries businesses wish to penetrate. Protection of a trade mark right will require the registration in the country's national registry, in accordance with its trade mark law. However, a blanket trade mark protection in several countries is provided for under the Organization Africaine de la Proprietè ("OAPI") and African Regional Intellectual Property Organisation ("ARIPO"). These regional bodies benefit one's trade mark by allowing registration under these bodies to protect the trade mark in all/most designated members of OAPI and ARIPO.

OAPI provides protection in seventeen French speaking member countries including Benin, Burkina Faso, Guinea, Guinea Bissau, Cameroon, Ivory Coast, Central African Republic, Mali, Chad, Mauritania, Congo, Niger, Equatorial Guinea, Senegal, Gabon, Comoro Islands and Togo.

Registering a trade mark in one member state of OAPI provides protection in all member states of OAPI. This is unlike ARIPO which provides that businesses must designate the ARIPO member states they intend to protect their intellectual property rights in. ARIPO consists of eighteen countries being Botswana, Malawi, Sudan, Gambia, Mozambique, Swaziland, Ghana, Namibia, Tanzania, Kenya, Rwanda, Uganda, Lesotho, Sierra Leone, Zambia, Liberia, Somalia and Zimbabwe.

Trade mark protection may also provide a blanket protection in several member states of the Madrid Union as members of the Madrid Union are signatories to the Madrid Agreement and/or Madrid Protocol. There are currently sixteen African countries and the European Union, United States, India, Australia, Turkey, Iran, Japan and China in the Madrid Union. These African countries include Egypt, Morocco, North Sudan, Algeria, Kenya, Lesotho, Liberia, Mozambique, Sierra Leone, Swaziland, Zambia, Namibia, Botswana, Madagascar, Ghana and Sao Tome.

Protection under the Madrid Union gives companies the benefit of having a centralised single filing route registration in all or most of the designated member states.

Patents, like trade marks, are territorial rights which require that registration is done in the country a business wishes to penetrate, in accordance with the law of that country or region.

International protection of a patent is administered under the Patent Cooperation Treaty ("PCT") and there are 148 countries who are members of the PCT. Examples of African Countries which are members to the PCT include Angola, Kenya Libya, Morocco, Mali Uganda, South Africa, Zambia, Zimbabwe, Benin Botswana, Central African Republic, Congo Côte d'Ivoire, Cameroon, Senegal, Sao Tome and Principe, Chad, Togo and Tanzania, amongst others.

Businesses are able to designate protection of their trade marks in all member states or most member states of the Hague Agreement.

Protection under PCT provides a single "international" patent application which covers all or most countries designated in the application.

When it comes to industrial designs, these are again territorial rights which are protected by registering it in accordance with the law of the country intended to penetrate. However, international protection for an industrial design is given under the Hague Agreement.

The Hague Agreement consists of 61 member states which include the following African countries: Egypt, Gabon, Ghana, Mali, Morocco, Namibia, Niger, Rwanda, Sao Tome and Principe, Senegal, Tunisia, Benin, Botswana and Côte d'Ivoire.

Businesses are able to designate protection of their trade marks in all member states or most member states of the Hague Agreement.

Copyright, being a right awarded to authors of film, books, music and computer programmes among other literary works, is an automatic right given to the expression of an idea, meaning it is not necessary to register the right to get protection.

However, if businesses intend to register their copyright, they will be required to register that right with the national registry of the country they intend to penetrate.

The importance of businesses protecting their IP, whether in single or multiple jurisdictions, should never be underestimated when looking to expand into complex African markets and should always be a priority consideration in any M&A deal. ●

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Global Companies doing business in Mauritius

ASHWIN MUDHOO

The Global Business sector in Mauritius is constantly evolving to adapt to the requirements of international standard setters and also to face recent criticisms.


Mudhoo

A prime example of such evolution is the amendment brought to section 71(6) of the Financial Services Act 2007 (the "FSA") by the Economic and Financial Measures (Miscellaneous Provisions) Act 2013, in December last year. In effect this amendment now allows a holder of a Category 1 Global Business Licence ("GBC1") to conduct business in Mauritius subject to such restrictions, terms and conditions as may be provided in any guidelines issued by the Financial Services Commission (the "FSC"). This amendment is in line with the renewed effort of the Government of Mauritius and the FSC to give greater substance to the Global Business Sector.

In light of the new s71(6) of the FSA, the FSC, on February 28 2014, amended s4 and s5 of chapter 4 of the Guide to Global Business which was issued on January 25 2012 and which aims at providing guidance to investors and service providers regarding the requirements before applying for a Global Business Licence (the "Guide").

The FSC has also issued, on February 28 2014, a FAQ on the conduct of Global Business (the "FAQ").

The changes brought to s4 of chapter 4 of the Guide ("s4") are in essence relative to GBC1s holding a global headquarters administration licence or a global treasury activities licence. Section 4.2 now provides that such a licensee who operates in Mauritius and provides its services to related corporations, which are located outside Mauritius, or who are GBC1s, is deemed to be conducting business outside Mauritius.

The interest lies, however, in the amendments brought to s5 of chapter 5 of the Guide ("s5"), which gives guidance to GBC1s as to how business can be conducted in Mauritius.

According to s5, the conduct of business in Mauritius shall be in compliance with the relevant Acts and other laws applicable in Mauritius.

Section 5 further provides that such a GBC1 shall be able to demonstrate to the FSC its eligibility to a Category 1 Global Business Licence i.e. that most of its business is carried out outside Mauritius.

Finally, such a GBC1 shall submit every year, along with its audited financial statements, a report signed by the directors of the GBC1 certifying that the company has complied with all the provisions of the FSA and any regulations, FSC rules and guidelines issued under it and a certificate from its auditor confirming the percentage of the business conducted in Mauritius.

It is to be noted that pursuant to s71(6)(b) of the FSA and s5.4, the FSC may direct any GBC1 to cease part or all of its business in Mauritius or to take any remedial action that the FSC thinks fit if the GBC1 does not meet the conditions or requirements laid down in guidelines or FSC rules or if the GBC1 is conducting its activities in Mauritius in a way which is detrimental to the public or the economic interest of Mauritius.

Other than the conditions set out in s5, the FSC has not imposed any restrictions on the conduct of business by a GBC1 in Mauritius.

To have a better understanding of the approach that will be adopted by the FSC in relation to the conduct of business in Mauritius by a GBC1, the FAQ is a very useful guide.

According to the FAQ, to determine whether a GBC1 is conducting most or the majority of its business outside Mauritius, the FSC will adopt an approach based on the activity carried out by the GBC1. If the GBC1 is an investment holding company, the percentage of assets or investment held outside Mauritius shall at all times exceed the percentage of assets or investment held in Mauritius. If the GBC1 provides products or services, the percentage of revenue derived from the products or services outside Mauritius shall at all times exceed the percentage of revenue from the products or services produced in Mauritius.

Finally, a very important and novel possibility concerning holders of a Category 2 Global Business Licence ("GBC2") has been set out in the FAQ. A GBC2 may now conduct business in Mauritius if it can demonstrate that the overall group structure has strong economic impact in Mauritius i.e. whether the proposal will generate revenue in Mauritius and is likely to create employment in Mauritius or may impact on the development of the country. ●

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Infrastructure investment presents challenges and opportunities

SHABBIR NORATH AND TAPIWA SHAMU

Despite Africa experiencing solid year-on-year investment growth in 2013, the continent's infrastructure funding gap remains considerably high – with an estimated deficit of US$38bn of investment per year, according to The World Bank. A further $37bn is required for operations and maintenance per year which equates to a total of $75bn. The total spending required translates into some 12% of Africa's GDP with a current funding gap of $35bn per year[1]. While on the surface this figure makes it appear as if the main challenge facing infrastructure projects in Africa is a lack of funding, the problem is not that simple.

Part of the problem is the tendency of many non-Africans to view the African continent as a single, very large country. Apart from being a gross, and slightly comical misperception, this also has the obvious downside of preventing prospective investors from seeing the unique infrastructure opportunities and, of course, challenges, that each African country presents. So while for all intents and purposes there is always capital available for good quality projects, and many such projects exist across Africa, the continent simply isn't receiving its fair share of funding support. According to a 2013 report by McKinsey Global Institute, $57trn global infrastructure investment is needed between now and 2030 simply to keep up with projected global GDP growth. And whilst advanced economies are looking at upgrades and maintenance to their current infrastructure a large proportion of developing countries' national budgets are dedicated to meeting the basic human development needs of their citizens, such as access to water, sanitation, electricity, etc.[2]

Shamu

Norath

One of the most obvious reasons for this is the lingering perception or, in many cases, misperception, of unacceptably high levels of risk and potentially longer than acceptable project timelines. Despite the immense and well-documented progress that has been made by many African countries in terms of creating highly viable economic and political environments that are conducive to infrastructure project success, this lingering risk perception, and the associated difficulties it creates in terms of accessing credit, continues to hamstring much of the continent's development.

This is unfortunate, not just for Africa, but also for those investors whose lack of understanding and insight into the continent's infrastructure possibilities is preventing them from capitalising on potentially massive long-term returns. Granted, the adage

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about Africa not being for sissies still applies – even to those considering involvement in infrastructure investment. Most countries on the continent have a way of doing business and approaching projects that can be best described as ‘unique’. And the truth is that African infrastructure development can be expensive and protracted. Therefore, for investors seeking quick returns, there are other parts of the developed world where they may feel their money is better spent.

To add to the challenge, while Africa has massive infrastructure needs, not all of these translate into commercially fundable investment opportunities. The extensive social needs across the African continent means there are significant social infrastructure development requirements. For the most part, although not in all cases, these require massive, but often non-existent government investment - or at the very least, government involvement and commitment in order to attract private investment. While all of this may paint a somewhat bleak picture of infrastructure investment in Africa, the reality is that, for the savvy investor, many of the countries on the continent now present significant, unique, and potentially lucrative infrastructure investment opportunities. By way of example, the rapid development and stabilisation of countries like Kenya and Rwanda that have seen a massive increase in long term infrastructure investment by private business. There are many more countries across Africa that have all but shaken off their mantles of political instability and economic risk and now stand ready to build their futures on solid infrastructure foundations. All that’s required is that the still prevalent perceptions of risk be recognised as just that – perceptions – so that the reality of Africa’s many infrastructure investment opportunities can become evident.

Fortunately, there is growing, albeit gradual, recognition of this new African reality. While much of the uptick in deal activity on the African Continent continues to be evidenced in oil and gas infrastructure, and more recently in the renewable energy sector in South Africa, the underlying improvement in global investor sentiment that it reveals is reassuring. And as the continent continues to successfully address its regulatory exchange control and political stability challenges, there can be no doubt that Africa will eventually be able to rid itself of its high-risk reputation and rise to prominence as a global infrastructure investment destination of choice. •

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1 The World Bank: Fact Sheet: Infrastructure in Sub-Saharan Africa http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/0,,contentMDK:21951811~pagePK:146736~piPK:146830~theSitePK:258644,00.html

2 McKinsey Global Institute, McKinsey Infrastructure Practice, Infrastructure productivity: How to save a $1 trillion a year

African banks increase their reach across Africa

IAN LESSEM

Given Africa's colonial history and the strong economic and cultural ties that many African countries still enjoy with their former colonial “superpowers”, it is not surprising that international investors and financiers have played a significant role in the development of domestic, regional and cross-border capital markets in these countries.

London, often seen as the economic capital of the developed world, has played a major role as the most influential and significant financial centre for investment and finance into Africa over the years, whether in the form of capital or credit. The city’s influence in African capital markets may be as a result of Africa's colonial past. But as Africa's economies grow, their financial systems develop, and their capital markets evolve, London's role as the Mecca of investment and finance for Africa could be changing.


Lessem

It makes sense that the largest economies in Africa have the largest and most developed financial sectors, which speaks to the dominant role that South African, Nigerian and Kenyan banks have played in their domestic markets, and their financing of and investment in local companies and projects. In recent years, these strong banks have spread north from South Africa, east from Nigeria, and across the Comesa region from Kenya.

Less than five years ago, it would be bullish to believe Nigerian banks could finance any transaction in excess of $750m without the assistance of international lenders. But in 2013 alone, Nigerian banks have financed in excess of 70% of transactions worth $20bn, of which local corporate borrowers such as Dangote, MTN Nigeria, NNPC, Eleme, Neconde, Etisalat and Unicem come to mind.

Similarly, five years ago, it would have been outlandish to suggest South African banks were experts in oil and gas projects in Africa, given South Africa's own lack of oil and gas resources from which to draw expertise. However, today almost all the significant oil and gas financing in sub-Saharan Africa have some South African bank involvement, with the financing of many of these projects being led by South African banks. According to online investment banking information source Dealogic, of the $35bn transactions in the Southern African Development Community (SADC), approximately $23bn had some South African link.

Meaningful financings in SADC with significant South Africa bank involvement illustrate just how much these banks have evolved and increased their appetite and scale in their domestic markets while pushing north to neighbouring countries. Dollar deals in the SADC region in which South African banks have been involved include Aspen, Republic of Angola, Sonagol, Dark Fibre Africa, Afrisam, Harmony Gold, METL, Econet, Republic of Tanzania , Zesco, Mozambique Pipeline, Pioneer Foods, and Gold Fields, to name a few.

Looking to the east, with Kenya entrenching itself as the economic hub and gateway into East Africa, Kenyan banks, although not as far down the development track as their West African counterparts, are physically located in neighbouring countries such as Ethiopia, Tanzania, Uganda, Rwanda, South Sudan and even Zambia, and are starting to approach the international markets, which now include South Africa and Nigeria, for dollar financing, which they will no doubt on lend into the region. Furthermore, of the $10bn or so of financings concluded in East Africa over the last year, over 90% of these had a Kenyan financing element.

East African financing activity includes a number of transactions that perhaps in the past would have been left to international lenders alone, but now have the participation of these regionally important Kenyan banks. Transactions that come to mind include Kenyan Airways, Ethiopian Airways, Nile Breweries, KPLC, PTA, and Kwale International Sugar.

Undoubtedly, London still remains the place to raise foreign investment into Africa, but with the growth of regional African players financing from London is becoming less a necessity but rather an extra. While East African banks still have some way to go, Nigerian banks, for example, have proved that on a single financing they can comfortably raise in excess of $1,5bn from the domestic market, while South African banks can raise up to $2bn in local currency. However, when these amounts are exceeded, international banks, from a pure liquidity point of view, become a necessity.

Given that London is still considered by many to be the financial centre of the world, it cannot be ignored and should be considered for all investments where the best skills and practices are required. But Africans are making it difficult for Londoners to leverage off their colonial ties and continue influencing the investment and capital markets as they have done so brilliantly over the last decade. With African economies continuing to grow and investment on the continent increasing, African banks are set to expand their reach across the continent. ●

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DEALMAKERS AFRICA CRITERIA

This section has been added to expand DealMakers' coverage to include transactions worked on by South African industry service providers across the continent. It has been introduced in response to numerous requests made by various companies over a long period. In order to ensure its effectiveness, all firms involved in transactions of this nature are urged to provide appropriate details.

1. Entities that seek credit for involvement in M&A work and other financial transactions must demonstrate the involvement, if necessary by reference to one or several of the principals
2. The full value of each deal is credited to each entity providing a service in respect of that deal
3. Rankings are recorded in respect of South African:
   - Investment Advisers (includes Merchant & Investment Banks and others claiming this category)
   - Sponsors
   - Legal Advisers
   - Reporting Accountants
4. So as to achieve fairness, rankings are to be recorded in two fields
   - Deal Value US$
   - Deal Flow (number of deals)
5. All deals and transactions are dated for record purposes on the 1st announcement date (except for listings, for which the record date is the date of the actual listing)
6. M&A deals that are subsequently cancelled, withdrawn or which are deemed to have failed will nevertheless be included for ranking purposed and companies/units that have worked on these will be credited with them for ranking purposes provided they are able to demonstrate the work was undertaken and effected
7. Where advisers make use of other advisers (second advisers), and provided the work was undertaken and this can be verified, secondary advisers will be credited for ranking purposes
8. Schemes of arrangement, rights issues and share repurchases are valued for record purposes at the maximum number of shares and value that can be purchased or issued until such time as the results are announced
9. All deals and transactions are checked by DealMakers; any discrepancies that arise will be queried
10. Entities that claim involvement in a deal or transaction on which their name and/or company logo does not appear on the published announcement recording their specific role will be asked to provide confirmation from the principals regarding their role
11. All entities involved in deal-making and/or corporate finance transactions will be asked to sign off a summary document prepared by DealMakers to ensure that no clerical errors have occurred
12. DealMakers does not accept responsibility for any errors or omissions

TRANSACTION ACTIVITY IN AFRICA

RANKING THE TOMBSTONE PARTIES 2013

INVESTMENT ADVISERS*

RANKINGS BY VALUE

No	Company	Values $'m	Market Share %
1	Standard Chartered Bank	4,005	63.88%
2	Java Capital	454	7.24%
3	Investec	283	4.51%
4	Standard Bank	233	3.71%
5	Merrill Lynch	200	3.19%
	WH Ireland	200	3.19%
	Canaccord Genuity	200	3.19%
8	BDO	137	2.19%
9	Grant Thornton	136	2.17%
	Hyde Park Capital	136	2.17%
11	MCB Capital Markets	96	1.53%
12	Rand Merchant Bank	47	0.75%
13	UBS	45	0.72%
14	AfrAsia	32	0.51%
15	PSG Capital	28	0.44%
16	Imara	22	0.36%
17	Genghis Capital Corporate Finance	11	0.17%
18	Cadiz Corporate Solutions	3	0.04%
19	Fox-Davies Capital	2	0.03%

RANKINGS BY FLOW (ACTIVITY)

No	Company	No	Market Share %	Values $'m
1	Standard Bank	8	16.33%	233
2	Java Capital	4	8.16%	454
	Investec	4	8.16%	283
4	Rand Merchant Bank	3	6.12%	47
	Imara	3	6.12%	22
	Bravura Equity Services	3	6.12%	0
7	Standard Chartered Bank	2	4.08%	4,005
	BDO	2	4.08%	137
	MCB Capital Markets	2	4.08%	96
10	Merrill Lynch	1	2.04%	200
	WH Ireland	1	2.04%	200
	Canaccord Genuity	1	2.04%	200
	Grant Thornton	1	2.04%	136
	Hyde Park Capital	1	2.04%	136
	UBS	1	2.04%	45
	AfrAsia	1	2.04%	32
	PSG Capital	1	2.04%	28
	Genghis Capital Corporate Finance	1	2.04%	11
	Cadiz Corporate Solutions	1	2.04%	3

SPONSORS

RANKINGS BY VALUE

No	Company	Values $'m	Market Share %
1	UBS	447	17.06%
2	Absa/Barclays	430	16.40%
3	Macquarie First South Capital	355	13.54%
4	Investec	312	11.91%
5	Ocean Securities	200	7.63%
	WH Ireland	200	7.63%
	RBS Capital Markets	200	7.63%
8	Deutsche	136	5.19%
9	MCB Stockbrokers	96	3.66%
10	Merrill Lynch	51	1.95%
11	Standard Bank	43	1.65%
12	PSG Capital	42	1.61%
13	Nedbank Capital	24	0.93%
	Old Mutual Investment Services (Namibia)	24	0.93%
15	Imara	22	0.85%
16	Rand Merchant Bank	14	0.54%
	Arcay Moela Sponsors	14	0.53%
18	Java Capital	4	0.15%
19	African Alliance Securities	3	0.12%
20	Xcap Securities	2	0.07%

RANKINGS BY FLOW (ACTIVITY)

No	Company	No	Market Share %	Values $'m
1	Investec	4	8.89%	312
	Merrill Lynch	4	8.89%	51
3	UBS	3	6.67%	447
	Nedbank Capital	3	6.67%	24
	Imara	3	6.67%	22
	Java Capital	3	6.67%	4
7	Absa/Barclays	2	4.44%	430
	Macquarie First South Capital	2	4.44%	355
	Standard Bank	2	4.44%	43
	PSG Capital	2	4.44%	42
	Rand Merchant Bank	2	4.44%	14
12	Ocean Securities	1	2.22%	200
13	WH Ireland	1	2.22%	200
14	RBS Capital Markets	1	2.22%	200
15	Deutsche	1	2.22%	136
16	MCB Stockbrokers	1	2.22%	96
17	Old Mutual Investment Services (Namibia)	1	2.22%	24
18	Arcay Moela Sponsors	1	2.22%	14
19	African Alliance Securities	1	2.22%	3
20	Xcap Securities	1	2.22%	2

LEGAL ADVISERS

RANKINGS BY VALUE

No	Company	Values $'m	Market Share %
1	Bowman Gilfillan	700	25.98%
2	C&A Law	450	16.70%
	Ropes & Gray	450	16.70%
4	Cliffe Dekker Hofmeyr	365	13.54%
5	ENSafrica	282	10.47%
6	Werksmans	197	7.31%
7	Berwin Leighton Paisner	136	5.05%
8	BLC Chambers	32	1.19%
9	Eversheds	31	1.14%
10	Lexel Chambers	20	0.74%

RANKINGS BY FLOW (ACTIVITY)

No	Company	No	Market Share %	Values $'m
1	ENSafrica	7	17.07%	282
2	Bowman Gilfillan	4	9.76%	700
3	Cliffe Dekker Hofmeyr	3	7.32%	365
	Werksmans	3	7.32%	197
	Norton Rose Fulbright	3	7.32%	0
6	BLC Chambers	2	4.88%	32
	Jean-Pierre Montocchio	2	4.88%	0
	Bernard d'Hotman de Villiers	2	4.88%	0
	Java Capital	2	4.88%	0
10	C&A Law	1	2.44%	450

REPORTING ACCOUNTANTS

RANKINGS BY VALUE

No	Company	Values $'m	Market Share %
1	Ernst & Young	450	59.02%
2	Deloitte	273	35.86%
3	Morison Mauritius	35	4.60%
4	PricewaterhouseCoopers	3	0.41%
5	Grant Thornton	1	0.10%

RANKINGS BY FLOW (ACTIVITY)

No	Company	No	Market Share %	Values $'m
1	Deloitte	2	20.00%	273
	Morison Mauritius	2	20.00%	35
	BDO	2	20.00%	0
4	Ernst & Young	1	10.00%	450
5	PricewaterhouseCoopers	1	10.00%	3

* Investment Advisers incorporate Merchant & Investment Banks and others claiming this category

TRANSACTION ACTIVITY IN AFRICA

RANKING THE TOMBSTONE PARTIES Q1 2014

RANKINGS BY VALUE | RANKINGS BY FLOW (ACTIVITY)

INVESTMENT ADVISERS*

Rankings by value

No	Company	Values $'m	Market Share %
1	Macquarie	420	41.88%
2	Standard Bank	124	12.39%
3	CIBC World Markets	124	12.39%
4	Rand Merchant Bank	74	7.38%
5	Fidelity Securities	70	6.98%
6	IC Securities	70	6.98%
7	BDO	70	6.98%
8	M&S Capital Partners	46	4.62%
9	Horizon Africa Capital	2	0.23%
10	C&A Law	1	0.07%

Rankings by flow (activity)

No	Company	No	Market Share %	Values $'m
1	BDO	2	13.33%	70
	Fidelity Securities	2	13.33%	70
	IC Securities	2	13.33%	70
4	Macquarie	1	6.67%	420
	Standard Bank	1	6.67%	124
	CIBC World Markets	1	6.67%	124
	Rand Merchant Bank	1	6.67%	74
	M&S Capital Partners	1	6.67%	46
	Horizon Africa Capital	1	6.67%	2
	C&A Law	1	6.67%	1

SPONSORS

Rankings by value

No	Company	Values $'m	Market Share %
1	UBS	124	43.70%
2	Anglo-Mauritius Stockbrokers	46	16.29%
3	Merrill Lynch	28	9.76%
4	Sasfin Capital	20	7.04%
	IJG Securities	20	7.04%
6	JPMorgan	18	6.33%
7	Deutsche Securities	14	5.03%
8	Rand Merchant Bank	7	2.62%
9	Macquarie First South Capital	5	1.76%
10	Intercontinental Trust	1	0.23%
11	PSG Capital	0	0.17%

Rankings by flow (activity)

No	Company	No	Market Share %	Values $'m
1	Merrill Lynch	2	15.38%	28
	Deutsche Securities	2	15.38%	14
3	UBS	1	7.69%	124
	Anglo-Mauritius Stockbrokers	1	7.69%	46
	Sasfin Capital	1	7.69%	20
	IJG Securities	1	7.69%	20
	JPMorgan	1	7.69%	18
	Rand Merchant Bank	1	7.69%	7
	Macquarie First South Capital	1	7.69%	5
	Intercontinental Trust	1	7.69%	1
	PSG Capital	1	7.69%	0

LEGAL ADVISERS

Rankings by value

No	Company	Values $'m	Market Share %
1	Webber Wentzel	307	38.21%
2	ENSafrica	208	25.94%
3	Jean-Pierre Montocchio	66	8.20%
4	Bernard d'Hotman de Villiers	66	8.20%
5	Thierry Chellen	46	5.77%
6	Werksmans	35	4.37%
	Bentsi-Enchill, Letsa & Ankomah	35	4.36%
	Reindorf Chambers	35	4.36%
9	André Robert	4	0.52%
10	C&A Law	1	0.08%

Rankings by flow (activity)

No	Company	No	Market Share %	Values $'m
1	Webber Wentzel	5	25.00%	307
2	ENSafrica	4	20.00%	208
3	Werksmans	3	15.00%	35
4	Jean-Pierre Montocchio	1	5.00%	66
	Bernard d'Hotman de Villiers	1	5.00%	66
	Thierry Chellen	1	5.00%	46
	Bentsi-Enchill, Letsa & Ankomah	1	5.00%	35
	Reindorf Chambers	1	5.00%	35
	André Robert	1	5.00%	4
	C&A Law	1	5.00%	1

REPORTING ACCOUNTANTS

Rankings by value

No	Company	Values $'m	Market Share %
1	BDO	132	99.50%
2	Mazars	1	0.50%

Rankings by flow (activity)

No	Company	No	Market Share %	Values $'m
1	BDO	3	75.00%	132
2	Mazars	1	25.00%	1

* Investment Advisers incorporate Merchant & Investment Banks and others claiming this category

AFRICA RANKINGS

- For a transaction to qualify for the Africa tables and rankings, one of the parties or the asset has to be based in an African country other than SA.
- The Africa tables include all transactions, from mergers and acquisitions to listings and project financing.
- Proof of the firm's involvement must be provided to claim the deal.
- As many global organisations operate under specific names in certain countries, we have grouped each company under the global brand name and not under the country specific name.
- All transaction values have been converted into US$ (using the exchange rate at th date of announcement) for ranking purposes.

Should you wish to submit your firm's advisory transactions within Africa, please contact Vanessa on reception@gleason.co.za.

DEALMAKERS AFRICA Q1 2014

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
		TOMBSTONE PARTIES					
Africa							
Funding of	I H S Holdings : combination of equity and debt funding for continued African expansion	Macquarie				$420m equity + $70m debt	Mar 3
Acquisition by	Atlas Mara Co-Nvest of BancABC and ADC African Development Corporation					$265m	Mar 31
Algeria							
Acquisition by	PPC from major shareholders of a 49% stake in Hdna Cement Company		Merrill Lynch			undisclosed	Feb 10
Acquisition by	Emerging Capital Partners of a 33% stake in Atlas Bollting Corporation					undisclosed	Mar 14
Botswana							
Acquisition by	Sanlam of an additional 3% stake in Botswana Insurance		Deutsche Securities			R95m	Mar 6
Acquisition by	Vector Logistics (RCL Foods) of a 49% stake in Senn Foods Logistics		Rand Merchant Bank			R79,9m	Mar 7
Acquisition by	Business Connexion from the Tolaram Group of Ultimate Solutions Botswana			Webber Wentzel		not publicly disclosed	Mar 12
DRC							
Investment by	XSML in Inzia					undisclosed	Jan 23
Egypt							
Acquisition by	Sea Dragon Energy of an equity interest in the South Ramadan Concession					undisclosed	Jan 2
Acquisition by	Abraaj Group (through Creed Healthcare) of 41.98% of Cairo Medical Centre					EGP75 per share	Feb 23
Acquisition by	Abraaj Group (through Huxley Holdings) of Cairo for Investment and Real Estate Development					EGP20.5 per share	Feb 23
Ethiopia							
Investment by	Acumen in Mekelle Farms, through majority shareholder AGFlow Ventures					undisclosed	Mar 14
Ghana							
Acquisition by	Leapfrog Investments of a stake in Petra Trust					undisclosed	Jan 15
Acquisition by	Amethis Finance and ERES of a minority stake in Fidelity Bank Ghana	Fidelity Securities; IC Securities				$35m	Feb 26
Acquisition by	Kagiso Tiso of a minority equity stake and pref shares in Fidelity Bank Ghana	Fidelity Securities; IC Securities		Bentsi-Enchill, Letsa & Ankomah; Reindorf Chambers		$35m	Feb 26
Investment by	Duet Consumer West Africa in Shop N Save and GNFoods					$50m	Mar 13
Guinea							
Acquisition by	Sovereign Mines of Africa of an additional 15% in Sovereign Mines of Guinea (total stake now 75%), following the capitalization of an inter-company loan of £2,8m					£2,8m	Jan 21
Kenya							
Acquisition by	Actis of a 36% stake in AutoXpress			Webber Wentzel		undisclosed	Feb 3
Acquisition by	City Lodge Hotels from the Sziapak and Abbema families of the remaining 50% stake in Fairview Hotel (Fairview Hotel and		JPMorgan	ENSafrica		$18m	Feb 4
Acquisition by	Acumen of an equity stake in Miliki Afya					$600 000	Feb 10
Investment by	Agri-Vie in Kariki Group					$5m	Feb 12
Acquisition by	Metropolitan International (MMI) of a significant majority stake in Cannon Assurance		Merrill Lynch			R300m	Feb 24
Acquisition by	TransCentury of all the shares in Cable Holdings held by Aureos East Africa Fund					share swop	Feb 26
Acquisition by	Pearl Capital Partners of a minority stake in Eldoville Dairies	Horizon Africa Capital				KES200m	Mar 3
Madagascar							
Merger of	Bowman Gilfillan Africa and John W Ffooks : John W Ffooks a member of the Bowman Gilfillan Africa Group					undisclosed	Feb 3
Malawi							
Acquisition by	Gillanders Arbuthnot of Group Development (along with its three tea and macedamia selling subsidiaries)					undisclosed	Feb 19

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
Mauritius							
Acquisition by	Compagnie des Magasins Populaires through 2 subsidiaries (CMPL (Bagatelle) and CMPL (Cascavelle)) of the stock, plant and equipment of Red Apple (Bagatelle) and Red Apple (Cascavelle)	BDO & Co		André Robert		MUR127m	Jan 15
Listing of	Cargohub Capital : 1 128 000 shares @ EUR30.00 per share	M&S Capital Partners	Anglo-Mauritius Stockbrokers	Thierry Chellen	BDO & Co	€ 33,84m	Jan 23
Private Placement	CIEL Limited : 344 827 586 shares @ MUR5.80 per share	BDO & Co		ENSmauritius; Jean-Pierre Montocchio, Bernard d'Hotman de Villiers	BDO & Co	MUR2bn	Mar 13
Listing of	Atlantic Leaf Properties : 2 000 000 new shares were placed with invited investors and on March 25, 2 001 000 shares began trading on the Stock Exchange of Mauritius	C&A Law; Java Capital	Intercontinental Trust	C&A Law	Mazars	MUR20m	Mar 25
Bonds	State Bank of Mauritius : issue of listing of Class A 1 Series Floating Interest Rate Senior Unsecured Bonds, due 2024					MUR1,5bn	Mar 25
Acquisition by	CIEL of GML Investissement's 10% participation in Sun Resorts (total stake increased to 39.32%)					MUR41 per share	Mar 25
Acquisition by	CIEL : Mandatory offer to Sun Resorts shareholders @ MUR41.00 per share					to be advised	Mar 25
Acquisition by	DPI International (Distribution and Warehousing Network) from Aureos Southern Africa Fund of a stake in Plastic Investment International			Werksmans		$2,3m	not announced
Mozambique							
Acquisition by	Investec Asset Management and The Carlyle Group of an undiscolsed stake in J&J					undisclosed	Jan 24
Disposal by	RRL Grindrod Locomotives (Grindrod) to GPR Leasing Africa of locomotives			Webber Wentzel		not publicly disclosed	not announced
Namibia							
Acquisition by	Torre Industrial from Beech of a 51% stake in Power Parts (Namibia)	Afrasia Corporate Finance	PSG Capital			not publicly disclosed	Jan 13
Acquisition by	Trustco from Philco Twenty Two of Elisenheim Property Development Company		Sasfin Capital; IJG Securities		BDO	N$220m	Jan 23
Disposal by	AngloGold Ashanti to QKR Corporation of AngloGold Ashanti Namibia (Navachab Gold Mine)	Standard Bank; CIBC World Markets plc	UBS	ENSafrica; Webber Wentzel		$124,2m	Feb 10
Acquisition by	SAB [Namibia] (SABMiller) of Castle Brewing Namibia			Werksmans		not publicly disclosed	Mar 31
Acquisition by	CA Sales of A Wutow Trading Company			Cliffe Dekker Hofmeyr		undisclosed	not announced
Acquisition by	Shakespeare Masiza of a stake in Erundu Stevedoring			ENSafrica		N$2,6m	not announced
Nigeria							
Acquisition by	Oando Energy Resources (Oando plc) from an investor of a 5% stake in OML 131		Macquarie First South Capital			$5m	Jan 30
Acquisition by	FNB Life (Sanlam) of a stake in Oasis Insurance plc		Deutsche Securities			R58m	Feb 14
Acquisition by	Imperial of a 53% stake in Ecohealth	Rand Merchant Bank				$74m	Feb 26
Acquisition by	Business Connexion from the Tolaram Group of Panabiz Nigeria			Webber Wentzel		not publicly disclosed	Mar 4
Rwanda							
Investment by	Acumen in KZ Noir (convertible debt)					$1,2m	Jan 30
Swaziland							
Acquisition by	Premier Foods of Ngwane Mills					R100m	Feb 11
Acquisition by	Distribution and Warehousing Network from GI Adamson of shares in Exipro			Werksmans		R5m	Feb 18
Tanzania							
Acquisition by	Catalyst Principal Partners of a majority stake in heavy equipment rental and logistics firm, EFFCO					undisclosed	Feb 26
Tunisia							
Listing	Societe d'Articles Hygieniques (SAH) : Listing on the Tunis Stock Exchange					TND 270,5m ($163,5m)	Jan 9
Zambia							
Joint Venture	Imara and Equity Capital Resources : Imara ECR Asset Management (Imara holds 49%)					undisclosed	Jan 23
Acquisition by	Standard Chartered Private Equity of a 25.8% stake in Copperbelt Energy					$57m	Mar 11
Zimbabwe							
Acquisition by	TSL of a majority stake in Premier Forklifts					undisclosed	Jan 13