

INSIGHTS

## Africa Energy Update

April 4, 2016

By: [Ben James](#)

*The latest news on legal and regulatory developments in Africa's energy sector with perspectives from our offices in London, New York and Seattle.*

### Bracewell Alerts and Publications

#### [\*\*Regional Enforcement Snapshot of Southern Africa\*\*](#)

22 March 2016 | *Energy Legal Blog®*

Our New York and Seattle offices report on FCPA enforcement action in Southern Africa.

#### [\*\*Shale Play South Africa - An update on shale gas exploration\*\*](#)

16 March 2016 | *Energy Legal Blog®*

An update on regulations affecting shale gas exploration in South Africa.

#### [\*\*In the eye of the storm\*\*](#)

January 2016 | *Petroleum Review*

We review changes to contracting strategies that are rapidly being deployed across the LNG market and will affect a raft of LNG projects earmarked for development in Africa.

#### [\*\*What Constitutes a Reasonable and Prudent Operator?\*\*](#)

13 November 2015 | *Energy Legal Blog®*

The English Commercial Court interprets the definition of the standard of a “Reasonable and Prudent Operator” - a timely reminder to operators everywhere to carefully consider the scope of the obligations by which they are bound.

### Deal spotlight

Bracewell advises Impact Oil and Gas, the African-focused pure exploration company, on its farm-out of a 65% participating interest in the Senegal and Guinea-Bissau AGC Profond block to Woodside Energy. [more...](#)

### In the news

#### [\*\*Sudan: Oil Ministry Renews Its Commitment On Application of International Standards in Petroleum Waste Management\*\*](#)

14 Mar 2016 | *allAfrica*

Khartoum - The Ministry of Oil and Gas stressed its commitment on application of international standards in the petroleum waste management and laws governing the oil industry in order to achieve environmental safety and protection.

### **Investment expected to shift from oil to gas in West Africa**

11 Mar 2016 | OSJ Magazine

There will be a shift in investment focus towards natural gas in West Africa if oil prices remain at levels below US\$40 per barrel. Energy companies are completing existing oil projects, but future developments and demand for offshore vessels will increasingly be on gas projects.

### **S.African regulator finalising shale gas exploration applications**

8 Mar 2016 | Reuters Africa

South Africa's Petroleum Agency expects to make its recommendations on the first two of five shale gas exploration license applications by early May, the acting chief executive said on Tuesday.

### **African oil and gas deals dropped by 33 and 67 percent in volume and value in 2015**

7 Mar 2016 | Business Day

The total deal transactions in the upstream sector of the Oil and Gas industry in Africa in terms of volume and value in 2015 were at their lowest levels since 2010, according to Ernst & Young's Global oil and gas transactions review 2015 . In volume and value, the total deals in the upstream sector...

### **Nigeria to split up state-run oil firm**

4 Mar 2016 | BDLive

ABUJA - Nigeria is to break up its state-run oil and gas firm into 30 separate companies, the country's junior oil minister announced, as part of wider plans to overhaul the corruption-ridden operation.

### **Uganda says receives seven bids in oil exploration licence round**

2 Mar 2016 | Reuters Africa

KAMPALA, March 2 (Reuters) - Uganda has received seven bids for six oil exploration blocks offered in a licensing round and it plans to chose the winners and sign deals by the end of June, the Ministry of Energy and Mineral Development said on Wednesday.

### **Ghana moves to reform oil industry**

19 Feb 2016 | The Africa Report

Ghana has moved to open up its oil industry to encourage investment and boost government revenues. Kwame Ampofo, the Energy Commission's chairperson, said the move to liberalise the allocation of oil blocks would also ensure transparency in the industry.

### **PwC: Oil & Gas in Africa - Planning a Response to the Price Drop**

29 Jan 2016 | Capital Finance International

Overall, activity in the oil and gas industry across the African continent has slowed in the wake of the declining prices in late 2014. Oil production in Africa has fallen from 10.1% to 9.6% of the world's total in 2014. This has forced successful oil producers to re-strategize and plan ahead for an enduring low price environment, employing measures such as downsizing their workforce and re-evaluating their business strategies. These are some of the highlights from PwC's Africa Oil & Gas Review 2015.

### **Tanzania finalises land deal for delayed LNG project**

29 Jan 2016 | Reuters

Jan 29 Tanzania said on Friday it had finalised a land acquisition for the site of a planned liquefied natural gas (LNG) plant and was now working to compensate and resettle villagers to move forward on a long-delayed project.

### **Oil & Gas: Sudan agrees to cut transit fees for South Sudan crude**

22 January | *The African Report*

Sudan has agreed to cut the transit fees for South Sudanese oil crossing its territory via pipeline to the Red Sea, the official Sudan News Agency said on Thursday. "President of the republic agrees to reduce South Sudan Oil's transit fees," the agency said in a brief statement. It gave no more details and it was not immediately clear what the new transit fees were. Sudan previously charged South Sudan about \$24.50 a barrel in transit fees.

### **Power hungry**

7 Jan 2016 | *The Economist*

AT THE edge of Dar es Salaam, Tanzania's commercial capital, in a space roughly the size of a football field, stands hope for Africa's industrial future: the Ubungu power plant. Gleaming pipes emerge from the ground; five modern generators hum quietly. This was where, in 2013, Barack Obama announced his Power Africa plan to electrify the continent.

## **EVENTS**

Join us at the [\*\*Oil and Gas Council Africa Assembly\*\*](#) in London on 20-21 June. We invite you to connect with Bracewell attorney [\*\*Martin Stewart-Smith\*\*](#).

Join us at the [\*\*Africa Energy Forum\*\*](#) in London on 22-24 June. We invite you to connect with Bracewell attorneys [\*\*Martin Stewart-Smith\*\*](#).

## **OUR TEAM**

Our

Our oil and gas experience includes advising on all segments of the industry, from upstream exploration and production, to midstream pipelines, transportation and storage, including LNG, and downstream refining and marketing.

Our experience in the power industry includes acting on some of the world's largest and most innovative conventional power projects and also comprises deep knowledge of the renewables sector, including solar, wind, hydro and thermal.