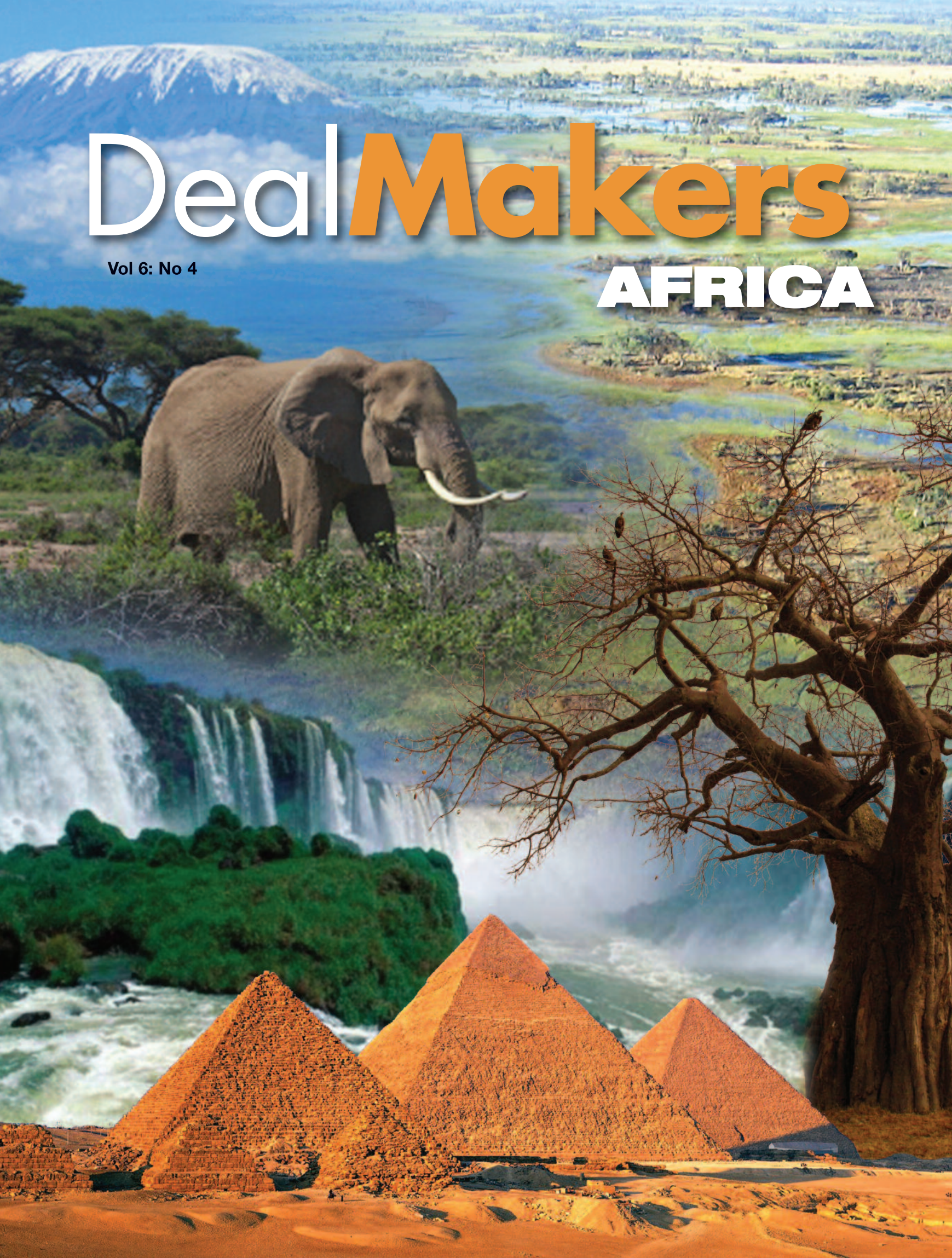


# DealMakers

Vol 6: No 4

## AFRICA



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# from the editor's desk

**M**any international businesses are still not fully aware of Africa's investment opportunities. High information costs, a fragmented continent made up of many countries and, in aggregate, a fairly small economy, has meant past investor ignorance has not mattered. With a few exceptions Africa's economies were too badly run for there to be many opportunities for firms of integrity.

But this has slowly been changing — Africa, helped by the Eurozone crisis, now offers many opportunities particularly in Africa's five largest consumer markets Alexandria, Cairo, Cape Town, Johannesburg and Lagos.

Reform has become all-important for emerging markets, and governments realise the need to make some tough and politically contentious decisions to revive their country's investment attractiveness.

With a changing global economic landscape and declining global liquidity, it is structural reforms aimed at improving economic competitiveness, reducing the dependency on commodities, shrinking income disparities and consolidating public budgets that are necessary for emerging markets in Africa to survive and thrive.

Companies such as MTN, Standard Bank, Tiger Brands, SAB Miller and Shoprite whose thinking ran ahead of the pack's are now relatively big players on the African continent.

Now all South African corporates have an African strategy. There is room for loan growth by banks across the continent as financial markets deepen. Telecommunications penetration continues with the increased spend by these companies on improving and expanding networks and retailers are benefitting from increased consumption as people move away from staple goods into more discretionary or cyclical items. Agriculture is an essential element in Africa's growth story.

The continent's economic outlook for 2014 is promising, confirming its healthy resilience to internal and external shocks and its role as a growth pole in an ailing global economy. The sub-Saharan economy is projected to grow 6.1% in 2014 according to the IMF's World Economic Outlook report.

A report released last month by New World Wealth ranks SA with the highest (coming off a high base) average individual wealth on the continent, ahead of Namibia and Botswana. However, when it comes to the fastest growing countries by economic growth (2000 to 2012) per capita it is Angola that tops the list followed by Ghana and Zambia.

I take this opportunity to thank all those who have contributed articles to DealMakers Africa over the past year and in so doing helped many to make informed decisions about business ventures on the continent. •

**MARYLOU GREIG**

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## contents

From the editor's desk	
M&A in Africa over 2014	2
A future international bread basket?	4
Mauritius leading the way in arbitration	7
COMESA vs national prerogatives	8
Kenyan NGO sector	12
DealMakers Africa criteria	14
What's likely in 2014	15
2013 Transaction table	17

# M&A in Africa over 2014

## JONATHAN LANG

**A**frica continues to be an exciting option for investors with its immense opportunities and growth, which continue to inspire confidence and, over time, to drive global growth.

Positivity abounds for mergers and acquisitions (M&A) for 2014 and onwards and the general consensus is that the most active areas for deals will continue to be the energy, mining and utilities sector which, according to Mergermarket's report on Africa and the Middle East, enjoyed 7 out of the 10 largest deals, in both value and volume, in 2013. The consumer sector followed next and, thereafter, with the increasing need to develop new technological solutions, the media, technology and telecommunications sector.

Much attention has been put on Africa's consumer sector with its increasingly active expansion. Global consumer brands are targeting brand-hungry consumers, while at the same time enjoying the expanding consumer market as the middle class continues to grow in spending size. This does not apply only to foreign companies but local companies too, as they grow their businesses regionally. This means that the consumer sector is expected to be one of the busiest in the year ahead and well worth watching.

While the rest of the world continues to experience relatively flat M&A activity,

Africa's rate of growth attracts investor interest even with the lack of transparency often found, the disturbing corruption, and the uncertainty that political risks on the continent can create. However, while the political environment is certainly not to be ignored, sub-Saharan Africa has never been as politically stable as it is now and with its improved fiscal, regulatory and financial conditions, investor confidence is at an all-time high.

All these positives mean that private equity firms are showing increased interest in the continent. They are in search of opportunities in emerging markets and where better currently to look than Africa. It is expected that in 2014 private equity activity will be an even blend of international and domestic companies.

Of course, these days one cannot mention Africa without bringing China into the equation and Chinese interest is expected to be a key factor in driving M&A. Many of these will be in the energy, mining and utilities sectors given China's need to satisfy the huge demands it has on its raw materials industries. This applies to India too.

In addition, Chinese companies are obtaining their own facilities on the continent by purchasing African companies to meet the high volume demands required to fulfil sales in Africa, where Chinese products are very popular. However, it is not entirely accurate to say that China is the only driving factor of growth in Africa as African investors also play a key role.



Lang

Much attention has been put on Africa's consumer sector with its increasingly active expansion. Global consumer brands are targeting brand-hungry consumers, while at the same time enjoying the expanding consumer market as the middle class continues to grow in spending size.

When considering the main hurdles M&A faces over the year ahead, economic stability is undoubtedly a key factor with investors looking for stability so as to minimise risk. Due diligence is often restricted by the lack of facilities available and with transparency being key to successful due diligence, it is a concern where these are lacking.

Possession of reliable data is essential for investors before making decisions. As mentioned, political uncertainty and corruption are both a concern and a deterrent and these negatives are too frequently factors in breakdowns when it comes to closing deals.

Generally, foreign investors enjoy returns that are high, with attractive prices and many are taking advantage of the low interest rates, valuations and minimal regulatory hurdles that Africa offers, to invest in a continent where their profits and shareholder value are maximised.

It is evident that while the rest of the world is slow-moving in its M&A progress, Africa inspires confidence and an exciting opportunity for those seeking investment in a unique continent. There's no reason to think these same factors won't prevail well after 2014. ●

*Lang is the head of Bowman Gilfillan Africa Group*

# Investment destination drivers

## SCOTT NELSON

**T**he factors that determine into which jurisdiction capital flows, are clearly a function of multiple influences, not least clearly the robustness of the destination economy and its prospects for growth. However, there are other equally imperative issues that can influence such decisions, and these are borne more from the applicable legal/regulatory framework, than the allure of meaningful economic returns.

Much is often said in an African context of the various geographies around the continent that are, or are perceived to be, the 'gateways' or the 'springboards' or the 'launch pads' by or through which investors seek to flow their capital in. South Africa has for some time been, and clearly remains, a country in this class, but is by no means the only one.



Nelson

Significant competition in this regard can clearly also be seen on a number of fronts, Kenya and Nigeria, being particularly relevant, whose stature as economies and relative rates of growth are clearly allowing them to very much 'nip at the heels' of Africa's largest economy, and increasingly close the large gap which once existed.

Another relevant consideration to bear in mind is whether foreign inbound investment is focussed on investment opportunity in a single jurisdiction (often the hallmark of the approach of the DFI's with a particular infrastructure focus) or whether it is rather to acquire, fund or grow an enterprise which operates across multiple jurisdictions – often referred to as 'platform' based investment, and very much the approach of many of the Africa focussed private equity funds that are prevalent on the continent.

This approach carries the dual benefits of both the attractiveness of a scalable business as a driver of returns, but also the avoidance of excessive country concentration risk, significantly mitigating exposure to disproportionate levels of EBITDA generated from any one jurisdiction.

Whether investment is destined for one, or a number of potential destinations (where the gateway approach is clearly of most relevance), the desirability of the plethora of countries now voraciously seeking foreign capital, in many respects depends on the functionality of the core institutions and the dependability of, and reliability on, the organs of the state that will be so essential in creating a stable and 'investor friendly' environment.

With very few countries on the continent having effective and liquid capital markets, but simultaneously having a growing need for investment to fund essential infrastructure and other enterprise based needs in country, focussing on the creation of such an environment has become of the highest priority. However, it is clearly also safe to say that while there have been significant improvements in this area in many countries, there is still a long way to go to address some of the concerns set out, and it is my view that the race to the 'top of the podium' on all of these issues, will be won by those countries who make their national integrity an issue of the highest priority and ensure that those legal, regulatory and institutional aspects of state, which are so critical to the foreign investment community, are truly something of which to be proud.

Robustness of property rights, the rule of law/independence of the judiciary and the efficiency and dependability of the legal system, the burden of government regulation, transparency and trust of government and politicians, the strength of audit and financial reporting standards, the soundness of banks and financial institutions and the regulation of financial markets, all these are of the greatest importance to ensuring that a country is one which stands the greatest possible chance of attracting the greatest possible amount of investment. Layering over the top of all of this is, of course, the spectre of corruption, which has the ability to not only cause devastating harm to a country internally, but to also effectively render it 'off limits' to the international financial community at large.

As I have noted, many African countries have made tremendous strides in this area and there have been impressive and demonstrable improvements over recent years. However, there is still much room for improvement, including in South Africa itself. The prize is very significant and, as with many things in life, you can only ever really hope to get out of any endeavour a return commensurate with the effort that you are prepared to invest in it. ●

*Nelson is an executive and head of the Africa practice area at ENSafrica*

# Africa as a future international bread basket

## HALE MATSIPA AND PUSO MANTHATA

**T**he agricultural sector is proving to be an essential element of Africa's growth story and its goal to reduce the level of poverty. The World Bank estimates that the agricultural sector employs around 65% of Africa's labour force and accounts for 32% of the continent's GDP. International investors are starting to identify the opportunities the sector presents.

Global consulting group McKinsey & Co estimates that around 60% of the world's arable uncultivated land is situated in Africa. 183 million hectares of land are under cultivation in sub-Saharan Africa, mainly by smallholder farmers, with approximately 452 million hectares of additional suitable land currently not being cultivated.

The amount of uncultivated arable land, coupled with significant investment in infrastructure development, can potentially assist the sub-Saharan African economy to become a net exporter of food (most countries across sub-Saharan Africa are currently net importers). This will improve the region's trade accounts, increase foreign earnings and help create employment. The agricultural sector has the potential to lead growth and transform the economic landscape across some sub-Saharan Africa economies.

China, with one-fifth of the global population, high income growth and an expanding agri-food sector, is projected to be a major consumer of agricultural products. However, China is faced with internal constraints of limited capacity to increase agricultural production (the country has little arable land and water supplies relative to its total population base) and strong demand for growth. As a result, additional agricultural imports will likely be required to match domestic demand and consumption.

As China's consumption growth outpaces its production growth, an increase in global agricultural trade is expected. With this opportunity in mind, Africa is well positioned to restructure its agricultural sector so that it takes advantage of globalisation and trade liberalisation to bolster its exports to key high-growth emerging markets.

Global consulting group McKinsey & Co estimates that around 60% of the world's arable uncultivated land is situated in Africa. 183 million hectares of land are under cultivation in sub-Saharan Africa, mainly by smallholder farmers, with approximately 452 million hectares of additional suitable land currently not being cultivated.

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2013 saw a number of transactions being announced in the agricultural sector across the continent, a sign that investors have started to recognise the opportunity that exists to unlock sub-Saharan Africa's potential as the world's food basket. South African companies have also recognised the opportunity and are expanding into Africa. For example, food manufacturer RCL Foods entered into a joint hatchery operation in Zambia with Zambeef. South African companies continue to position themselves as a gateway for investments into Africa and leverage their competitive advantage in the domestic market for the rest of the continent.

Funds that have been established with a specific agricultural investment mandate have also started deploying capital into the sector. Phatisa Fund Managers, a South African-based agricultural fund, made an investment in Farming & Engineering Services, a Malawian-based company engaged in providing agricultural and engineering, and equipment distribution services.



Other notable transactions by private equity funds include Pembani Remgro Infrastructure Fund's investment of US\$210m in Tanzanian-based Export Trading Group, an African agricultural commodities supply chain manager.

In a transaction that tapped into new investor capital for the African agricultural sector, AgriGroupe, a private North American based investor with a longstanding investment thesis for African agriculture as well as expertise in investing in Africa, made a cash offer to acquire South African company AFGRI, an integrated agricultural services company operating across the primary agricultural production value chain.

Due to food security being a politically sensitive subject and the increasing need of governments to address food security for their growing population, the transaction had to be structured so that it allowed for the participation of black investors as well as the South Africa government in the form of the Public Investment Corporation. The transaction structure has resulted in the newly delisted AFGRI being around 50% held by local investors with the balance held by offshore investors. The transaction represents confidence by offshore foreign investors in South Africa as well as in the rest of sub-Saharan Africa.



In order to minimise transaction execution risk, and especially the risk that the transaction might earn the disapproval of the regulatory authorities (given government's priority to revitalise and transform the agricultural sector), AgriGroupe engaged various stakeholders to outline the merits of the transaction. These included the South African government's cabinet economic cluster, trade unions and certain development finance institutions as well as regulatory bodies.

AgriGroupe has committed itself to support the development of rural farmers in South Africa and the rest of sub-Saharan Africa. As a vehicle for AgriGroupe, AFGRI will support small-scale farmers and facilitate access to farming equipment and crop storage infrastructure.

Agricultural-led growth is at the centre of food security and is expected to be a significant contributor to the wellbeing of Africa's vast growing population (sub-Saharan Africa has a strategic goal of eradicating poverty). Greater priority is being placed by African governments on agricultural development as the sector is critical to employment and economic growth. Investors also recognise agriculture as a key investment theme. The combination of these factors is expected to position the continent for a growing trend in the number of M&A transactions in the sector. ●

*Matsipa and Manthata are corporate finance transactors at Rand Merchant Bank*



# Mauritius getting out front in international arbitration

MARC HEIN

**A**rbitration has been firmly established in Mauritius since the Constitution of 1791 and the island has travelled a long way since then. Mauritian arbitration is now moving ahead to establish itself as a jurisdiction of choice for international arbitration. The island is a logical choice as it is a safe, stable and democratic jurisdiction where the Rule of Law prevails with regular democratic elections entrenching the separation of powers.

In the last 20 years Mauritius has developed into an international financial centre attracting multinational business and finance to its shores.

It is a corollary of any decent international financial centre to provide to the investors, shareholders and business entities using it, for ways and means to settle their disputes when the latter arise.

The country is now firmly committed to promote Alternative Dispute Resolution as a valuable alternative to litigation, for local and international business. The development of international arbitration worldwide has facilitated the creation of a new international legal practice, autonomous from the national laws and attuned to the necessities of the business world.

To provide an adequate framework to international arbitration, Mauritius enacted the International Arbitration Act of 2008 influenced by the UNCITRAL model. The law was amended subsequently to refine certain aspects and keep abreast of international developments.

What is interesting to note is that there is unanimity within the business community, the political class and the judiciary in promoting international arbitration as a credible means of settling disputes within the parameters of the Mauritian jurisdiction and of its arbitration legislation. In 2016 Mauritius will host the International Congress of the International Council for Commercial Arbitration thereby establishing itself clearly on the world map of international arbitration. This will be the first time the Congress, which puts together some 3,000 arbitration experts in one conference every four years, will be held in Africa.

At the level of international financial services, global business companies (previously known as offshore companies) are now being encouraged to establish more commercial and economic 'substance' in Mauritius and amendments were recently introduced by the Financial Services Commission in its Guide on Global Business to consider arbitration in Mauritius as one such additional criteria to establish 'substance'.

This means that multinational businesses have an incentive to introduce arrangements to resolve disputes between shareholders through arbitration in Mauritius. This measure helps to consider such global business companies being regarded as 'controlled and managed' from Mauritius and has established the country as a pioneer in the field of international financial services. Many South African investors using companies on the island need to take note of this development.



Hein

In the last 20 years Mauritius has developed into an international financial centre attracting multinational business and finance to its shores.

Mauritian jurisdiction is today at the centre of a large number of cross-border transactions involving parties from developing nations. International arbitration can only be truly international if developing countries of the world are also truly participative. Hence arbitration centres have a duty to progress so as to provide viable and workable alternatives to developing nations and business originating in those nations.

International arbitration shouldn't be regarded as a tool to be used exclusively by developed nations. Mauritius is a good example of what can be achieved in a developing country. ●

*Hein is head of practice, JuristConsult Chambers, Mauritius - a member of the DLA Piper Africa Group*

## The dichotomy between COMESA and national prerogatives

### ZAMASWAZI LEKOMA AND NKONZO HLATSHWAYO

**T**he Common Market of Eastern and Southern Africa (COMESA) Court of Justice recently issued a ground-breaking judgment in relation to the enforceability of the COMESA Treaty within COMESA Member States, including Member States that have not yet domesticated the Treaty in their national jurisdictions.<sup>1</sup> This was in the case of *Polytol Paints and Adhesives Manufacturers Co. Ltd vs The Republic of Mauritius*.

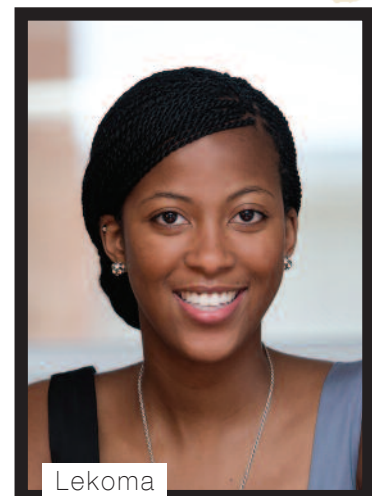
Mauritius ratified the COMESA Treaty on December 4, 1994 and thus became a member of COMESA on the same date. Under Article 46 of the Treaty, Member States were required to eliminate customs duties on goods originating from other Member States by the year 2000. While Mauritius initially complied with this provision by the due date, it subsequently entered into a bilateral agreement with Egypt that effectively reintroduced duties on Egyptian products contrary to the purpose and objectives of the Treaty.

The Applicant, a paint manufacturing company, challenged the reintroduction of the customs duty arguing that similar paint products from other Member States were not subject to customs duties in Mauritius.

At national level, the Supreme Court of Mauritius (the Supreme Court) ruled that it could only take cognisance of the provisions of the Treaty to the extent that they had been incorporated into municipal law. In the absence of any legislation giving effect to the Treaty, therefore, non-fulfilment by Mauritius of its Treaty obligations is not enforceable by the national courts.

The view taken by the Supreme Court was thus that, because Mauritius had taken no further steps to adapt its laws to conform to the Treaty or to incorporate the Treaty, it could not be claimed that the Treaty had become part of Mauritian law and Mauritius was not bound by its obligations under the Treaty.

The Supreme Court adopted a very sovereign stance in this matter; only considering the benefits of the bilateral agreement to Mauritius and neglecting the obligations that the country had under the Treaty.



Lekoma



Hlatshwayo

When this case came before the COMESA Court of Justice (the Court), it upheld the interests of the region in a landmark decision effectively stating that the rights and obligations created by the Treaty are enforceable against Member States irrespective of whether or not they had incorporated the Treaty.

The Court acknowledged that Member States were free to enter into bilateral agreements with each other, but emphasised that this should not be construed as giving Member States the right to enter into agreements that would defeat the main purpose of the Treaty.

This decision has far-reaching implications for regional economic integration among COMESA Member States as it makes the Treaty legally relevant for individuals at national level irrespective of the judicial philosophy that informs each member state. According to the judgment, the Treaty is binding on states that are signatories to it regardless of whether they choose to incorporate it into their domestic laws.

This is significant, because efforts to achieve regional economic integration through legal mechanisms such as treaties and protocols are sometimes undermined by prevailing legal regimes that exist within Member States.

The relationship between international law and municipal law has traditionally been construed from either a monoist or dualist perspective. Monoists view international and municipal law as different facets of a single universal legal order such that international law is immediately applicable within national legal systems. Article 144 of the Constitution of the Republic of Namibia, 1995, is a notable example of monoism. It declares:

*"Unless otherwise provided by this Constitution or Act of Parliament, the general rules of public international law and international agreements binding upon Namibia under this Constitution shall form part of the law of Namibia."*



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On the other hand, dualists view international law and municipal law as two distinct legal orders that have different objects and spheres of operation. International law is therefore only applicable nationally after a positive act of reception occurs. The dualist view is expressed in s231(2) of the Constitution of the Republic of South Africa, 1996:

*"An international agreement binds the Republic only after it has been approved by resolution in both the National Assembly and the National Council of Provinces."*

The only notable exception in the South African context, in terms of s231(3), is in respect of an international agreement of a technical, administrative or executive nature or an agreement which does not require either ratification or accession, entered into by the National Executive. In essence, international treaties require domestication unless they fall within the above exception.

The choice between which of these two legal regimes is adopted and to what extent is the exclusive prerogative of each Government and is largely set out in a national Constitution.

A challenge arises when countries enter into regional agreements but do not incorporate international laws where this is required, and then 'hide behind' the veil of their legal regimes to escape compliance with obligations which they had agreed upon. This creates a disjunction between national legal systems and the region's legal system; often to the extent of rendering regional integration efforts fruitless.

This practice is particularly disadvantageous to monoist countries that are immediately bound by the provisions of any treaty that they happen to adopt. Dualist countries may take their time to domesticate the treaty in question and may therefore avoid, at least momentarily, the effects of its application in their territory.

Such disjunctions are aggravated by a tendency to not provide for the direct applicability of regional law in such treaties. Treaties often leave it to the discretion of Member States to resort to their respective constitutional processes. Article 5(2) of the COMESA Treaty<sup>2</sup> is a prime example:

*"Each Member State shall take steps to secure the enactment of and the continuation of such legislation to give effect to this Treaty and in particular:*

*(a) ...*

*(b) to confer upon the regulations of the Council the force of law and the necessary legal effect within its territory."*

No time frame is defined for the legislation to be enacted and no provision is made for sanctions in the likely event of non-compliance by Member States; thus arguably rendering the provision and the entire Treaty susceptible to breach. Article 5(2) seemingly disregards the fact that Member States are sovereign and therefore naturally inclined to act independently, in their best (national) interest, irrespective of regional interests.

This is the backdrop against which the COMESA Court of Justice delivered its judgment in the recent *Polytol Paints* case.

The decision is indicative of the firm stance that will be taken by tribunals created under COMESA legal mechanisms including the COMESA Competition Commission (COMESA Commission). Theoretically, it lays to rest the concern among competition law practitioners in the region that COMESA's core value proposition as a 'one-stop shop' may be undermined as some Member States have not yet incorporated the COMESA Competition Regulations of 2004 (the Regulations) into municipal law. In terms of

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the Court's decision, COMESA's legal mechanisms are supranational in the region and are enforceable within national jurisdictions in the absence of domestication and irrespective of domestic regimes.

Be that as it may, there are residual concerns that the applicant in the case against Mauritius still has to return to the Mauritian Supreme Court for the enforcement of the Court's decision. The critical question that arises is whether the Supreme Court is enjoined to enforce the Court's decision in the absence of domestication by the Government of the relevant Treaty provisions.

It is submitted that, unless the provisions of the Treaty have been domesticated in accordance with the Constitution of Mauritius, the courts in that country are not bound to consider and enforce the pronouncements of the COMESA Court of Justice. This, therefore, still requires regional political mechanisms to be employed in order to ensure that all States are in full compliance with the COMESA Treaty.

Africa's economic integration can only be strengthened when all countries work together and do not hide behind the veil of their individual national laws. This only alienates natural and legal persons from the economic integration processes and their benefits. Until all Member States can work together, conduct that purports to undermine the purpose and objectives of the Treaty to achieve free trade within the COMESA area is likely to be sanctioned by the COMESA Court of Justice. ●

***Lekoma is a candidate attorney and Hlatshwayo a partner at Webber Wentzel***

- 1 The judgment was delivered on 31 August 2013.
- 2 Though South Africa is not a member of COMESA, the COMESA Treaty has direct implications for South Africa given that a number of South African companies do business in the COMESA region. Consequently, they are directly affected by how the Treaty is applied within COMESA Member States.

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# NGO sector under attack in Kenya

**WILLIAM MAEMA**

**T**hose who are familiar with the perennial frosty relationship between the Kenyan Government and the NGO sector over the last quarter century are perhaps not too surprised by the latest attempt first to cripple and then to kill the sector through draconian legislation.

The NGO Coordination Act, which the Public Benefit Organisations Act, 2013 is seeking to replace, was passed in 1990 at the height of the clamour for multi-party democracy when the Government believed, rightly or wrongly, that the multi party campaigns were being fuelled and funded by certain foreign governments and donors through NGOs.

One of the documents required for the registration of an NGO is a budget showing the source of funds, how they are to be spent and in which particular district. No other form of registration of a legal entity is subjected to this odd requirement. Furthermore, before any NGO is registered it must be vetted and its top officials interviewed by the National Security Intelligence Service (NSIS).

*Statute Law (Miscellaneous Amendments) Bill*, 2013 proves that the more things change the more they remain the same. This guillotine law was, among other things, widely expected to delete certain extremely controversial, confusing and impractical provisions in the Public Benefit Organisations Act, 2013.

Among these provisions was the requirement that all existing NGOs must apply for fresh registration within one year of the commencement of the Act. This oppressive and irrational requirement raised a huge public debate, prompting the NGO Board to declare and reassure the public several times that this provision was inserted in error and would be deleted in a forthcoming amendment of the law.

Indeed, the NGO Board published that assurance in a paid advertisement in the local dailies. Legal practitioners in turn assuaged the fears of their clients and, with the express encouragement of the NGO Board, proceeded with the registration of new NGOs believing that it would not be necessary to repeat the exercise after a few months and at an additional cost. NGOs themselves were relieved to learn that the operational, financial, legal and contractual implications entailed in undertaking a new registration would be avoided.

It came as a rude surprise, therefore, to learn that apart from leaving this vexatious provision on re-registration intact, the new Act introduced even more draconian requirements aimed at making it virtually impossible for the NGO sector to survive as we know it today.

This article is not about the virtues of the NGO sector. It must, however, be said that NGOs, charities and faith based organisations play a critical role in the social welfare of Kenyans, especially the most vulnerable and marginalized. Therefore,



Maema

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when these organisations are forced to re-evaluate their continued involvement in Kenya, reduce the size of their programmes or relocate to another country owing to an unfriendly legal and political environment, the ultimate loser is not the Government as such but the common man whose life depends on the presence of these NGOs in his remote village or impoverished slum area.

It is indeed quite a contradiction that the Government should, on one hand, be wooing foreign investors to bring in capital from outside while at the same time, prohibiting NGOs from fundraising abroad save to the extent of 15% of their budgets.

When the law requires NGOs to raise 85% of their funding from local sources, which sources is the Government envisaging would provide sufficient funds to enable NGOs to continue providing the services that they currently provide to the poor? Where are these Kenyan donors with the funds and philanthropic spirit to replace the current overseas donors who currently support the NGO sector?

With Kenya's myriad social and economic hardships as a developing country, what is so wrong in accepting genuine assistance from abroad? How about foreign universities which allocate huge budgets each year to research programmes in global health and have been spending millions of dollars in Kenya in the field of HIV/AIDS and other tropical diseases? Some of these reputable institutions have signed MOUs with the Government and support Government facilities like hospitals, health centres and clinics. Are we asking them to fundraise locally?

How about individual charities and philanthropic organisations such as Bill & Melinda Gates Foundation, Clinton Foundation, ActionAid, Catholic Relief Services and others which already have funds dedicated to the alleviation of poverty in the world, especially in the third world? Are we telling them to look elsewhere? Kenya seems to have a knack for making itself needlessly uncompetitive for short term political games, forgetting that its neighbours would happily welcome these charities with both hands.

The proposed law curiously provides that funding to a PBO cannot be made directly and must, instead, be channelled through the PBO Federation. For the uninitiated, this is the current NGO Council, a body so politicized and disgraced that it is almost impossible to tell who its true officials are or which of the numerous factions jostling for the control of the entity is the genuine NGO Council.



We can't help but wonder how different the world would be if great thinkers from the past had worked together. Webber Wentzel's collaborative approach to corporate law means focused solutions for clients, wherever they do business. Thanks to our alliance with Linklaters, we're utilising more minds to generate more solutions, in more of the world.

What, pray, is the justification for such an odious requirement? Is the NGO Council more credible in financial management than the professional Boards of Directors of NGOs? What assurance does a donor have that the funds channelled through the Federation will ultimately reach the intended PBO intact or at all?

What the drafters of the new law have perhaps overlooked or forgotten is that registration under the PBO Act isn't mandatory. Indeed the Act envisages the possibility of NGOs being registered under other laws and if they so wish, applying to the PBO Authority to be given the status of a PBO.

My take is that unless the three requirements, namely, re-registration, restriction on fundraising and requirement to channel funding through the PBO Federation are removed, there will be a massive exodus of NGOs from the jurisdiction of the PBO Act. Organisations intending to set up in Kenya will most likely be advised to pursue other forms of registration and give the PBO Act a wide berth. The PBO Authority may then end up with no one to regulate.

Talk about throwing out the baby with the bath water. ●

*Maema is an advocate of the High Court of Kenya and partner at Iseme, Kamau & Maema Advocates – a member of the DLA Piper Africa Group.*

## 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 AccountantsPlayers not represented in South Africa will be recorded as an adviser to the deal but will not be included for ranking purposes
4. So as to achieve fairness, rankings are to be recorded in two fields
  - Deal Value (ZAR)
  - 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 purposes 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
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# What's likely in 2014



The Competition Practice of Webber Wentzel, identifies the following likely competition law trends and developments for sub-Saharan African countries in 2014.

**Development of jurisprudence for prohibited practices** – South Africa's jurisprudence regarding prohibited practices is likely to take significant strides over the next year as a number of key matters are to be decided on by the authorities. Towards the end of 2013, the hearing of the first predatory (below cost) pricing matter commenced. The third excessive pricing case since the inception of the authorities in 1999 was also recently heard. This case will be the first application of the test for excessive pricing set out by the Competition Appeal Court in the *ArcelorMittal* excessive pricing case which was settled before the test could be applied. A case has also been heard involving *South African Breweries* and its dual distribution model. All these matters are to be decided in the course of 2014 and will have a significant impact on competition law jurisprudence in South Africa going forward.

**Development of regional competition law regulation in line with international best practice** – We expect that the recently established COMESA Competition Commission (CCC), (which became operational in January 2013) will revise its Rules, Regulations and draft Guidelines during the course of 2014 in alignment with international best practice. At present, arguably all mergers which meet the regional test (that is, "both the acquiring firm and the target firm or either the acquiring or target firm operate in two or more COMESA Member States" require mandatory notification to the CCC), even those where the target has no operations in the COMESA Member States. Proposed revisions to the merger control provisions are reported to include the introduction of proper financial thresholds (where certain mergers may be exempt from notification); and the exclusion of mergers with no target firm in any COMESA Member State. A few domestic regulators with their own national legislation require domestic notifications notwithstanding that a notification to the CCC has been made. We hope that this dispute will be resolved during 2014 and that all Member States will recognise the CCC as having exclusive jurisdiction in respect of mergers that fall within its jurisdiction.

**Establishment of new domestic competition law regimes which include public interest considerations** – Some African countries have newly established competition law legislation which is not yet enforced because the regulator has not been established (Mozambique). Other African countries have draft legislation which has not yet been gazetted (Lesotho, Uganda, Angola and Rwanda). A map highlighting African countries with domestic competition law as at January 2014 is available. During the course of 2014, it seems likely that a number of new domestic regulators will emerge through the enactment of legislation or the establishment of an authority. Some of the newly enacted legislation includes considerations beyond purely competition law matters like the public interest and other policy objectives. We are increasingly seeing these public interest and policy provisions play out particularly in merger investigations and approvals and expect to see more of this in 2014. In many sub-Saharan African countries, mergers which may result in job losses tend to face significant opposition and are likely to be approved subject to conditions. The conditions require that that no job losses result from the merger for a prescribed period of time. Local stakeholders are also often insisted upon through the public interest considerations.

**First civil damages and class action claims for anti-competitive conduct** – In 2014, South Africa is likely to see its first civil damages claims following from a contravention of the Competition Act. These damages claims follow findings of abuses of dominance in the airline industry as well as wide-spread cartel conduct in the construction industry. Certain bread producers found to have engaged in a cartel are also likely to face the first ever class action damages claim in South Africa in 2014.

**Introduction of corporate leniency policies likely to lead to increased cartel detection and investigation** – Some of the more recently established domestic regulators are moving away from the focus of the early years, being primarily merger control, and shifting towards cartel enforcement. One of the first steps in this evolution is the introduction of a corporate leniency policy.

Namibia and Botswana have both recently drafted corporate leniency policies which are likely to be adopted in 2014. Adopting these policies will result in an increase in cartel detection and investigations in these jurisdictions. Other sub-Saharan African jurisdictions with established competition legislation in place are likely to follow suit in the coming years as they mature.

### **Sector focus:**

The following sectors have been particular focus areas for some sub-Saharan African competition authorities:

**Agriculture:** Following the pro-poor agenda concerns of many African competition authorities, the agriculture sector is likely to remain a focus area. The Zambian Competition and Consumer Protection Commission continue to investigate fertilisers and have conducted dawn raids at fertilizer companies and imposed various fines for cartel conduct in the industry. The Swaziland Competition Commission is also conducting an investigation into the poultry sector. Import tariffs in the South Africa poultry sector are also being scrutinised.

**Banking:** The Competition Authority of Kenya has announced plans to conduct a market inquiry into the banking sector. The Competition Authority will review competition in the banking sector with the aim of tackling increasing interest rates. Director General of the Kenyan Competition Authority Wang'ombe Kariuki said that the findings of the inquiry will be shared with industry stakeholders before the end of 2014.

**Construction:** There is likely to be continued focus on anti-competitive conduct within the construction sector. In South Africa, the Competition Commission has been looking at cartel conduct (particularly bid-rigging) in the construction sector and has entered into a 'fast-track' settlement process with numerous construction firms totalling fines in excess of R1.46 billion. It has also been announced that researchers from Botswana, Kenya, South Africa, Tanzania, Namibia and Zambia will conduct cross-border research and consolidate studies in the cement industry with a particular focus on the increasing cost of cement in these countries.

**Healthcare:** Off the back of a newly enacted market inquiries provision, which enables the South African Competition Commission to conduct formal inquiries into the general state of competition in a market, (without necessarily referring to the conduct or activities of any particular participant within the market), a market inquiry into the private healthcare sector in South Africa commenced in January 2014. The market inquiry into private healthcare will be a key focal point in 2014 for the local regulator and will take two years to complete. The inquiry aims to identify the factors that affect competition in the private healthcare market and to provide a factual basis upon which relevant recommendations can be made in the interests of a more affordable, accessible and innovative private healthcare market in South Africa. The Mauritian Competition Commission has announced that it will conduct a market study into the pharmaceutical sector in Mauritius in 2014.

**Retail:** In the retail sector numerous mergers have been approved by the South African competition authorities subject to conditions. The conditions aim to erode exclusivity clauses found in long-term retail lease agreements in favour of anchor tenants. Further conditional approvals of this nature are expected in South Africa and possibly in other neighbouring jurisdictions which often follow suit with the established regulator. The Competition Authority of Botswana has also considered these exclusivity clauses in the retail sector and successfully unravelled such an agreement which formed the subject of a complaint. The Competition Authority of Botswana has reported that it will undertake a national market inquiry to address the anti-competitive effects of these exclusive agreements.

**Telecoms:** There is likely to be additional focus on the telecoms sector in various African countries in the coming year. In Botswana and Kenya there is an investigation into a top pay-television provider. In South Africa, a mobile operator (Cell C) has lodged a complaint against two of its leading rivals (MTN and Vodacom) alleging that they have engaged in prohibited pricing practices in relation to on-net and off-net charges. Increased merger and acquisition activity in this sector also appears likely. ●

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TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
<b>Africa</b>							
Investment by	The African Development Bank in The East African Development Bank					\$24m	Jan 17
Investment by	Leapfrog Investments (Mauritius) in Bina					\$4.25m	Feb 21
Acquisition by	Banco BTG Pactual SA of 50% of Petroleo Brasileiro SA's african operations	Standard Chartered Bank				\$1.53bn	Jun 15
Disposal by	Supersoft (Briwest) to FedEx of the courier service and freight transportation business in SA, Malawi, Mozambique, Swaziland and Zambia			Werksmans, Cliffe Dekker Hofmeyr		not publicly disclosed	not announced
Disposal by	African Eagle Resources to Blackdown Resources of a 90% stake in Blackdown Minerals (holding substantially all of African Eagle Resources Tanzanian subsidiaries)	Strand Hanson	Merchantec Capital, Ocean Equities			\$100,000	Jul 2
Acquisition by	Sanlam Emerging Markets (Sanlam) of a 49% stake in Ncor Holdings (operations in Uganda, Zambia, Tanzania and Malawi)					undisclosed	Oct 14
<b>Angola</b>							
Acquisition by	SSI Thirty One (Sonengol/Sinope International) of Marathon Oil's 10% working interest in an offshore oil and gas field (Block 31)					\$1.52bn	Jun 24
Acquisition by	Sonengol E.P. from Marathon Oil of its 10% working interest in the Production Sharing Contract and Joint Operating Agreement in Block 32					\$590m	Sep 10
<b>Botswana</b>							
Acquisition by	Paragon Diamonds of several prospecting licences across diamond-prospective terrains in Botswana					undisclosed	Jan 8
Issue (IPO)	Shumba Coal : IPO - 7.1 million shares @ P1 / share	Inera Capital Securities	Inera Capital Securities			P7.1m	Jan 21
Disposal by	RPC Data to ADSICT Links of its 33.33% shareholding in ASC Services					R1m	Feb 25
Share issue	a-cap Resources: placement of 32.5m shares @ 10c / share to fund the ongoing feasibility and development programme at the Letlakaane Uranium Project					A\$3.25m	Mar 18
Listing	Shumba Coal on the BSE : 1.68.8m shares @ P1 / share	Inera Capital Securities	Inera Capital Securities			P168.8m	Apr 8
Acquisition by	Sable Platinum from A. Madagascar in a 4% stake in Global	Java Capital	Java Capital			\$4m	Apr 11
Acquisition by	Reuber from Saso Oil (Saso) of 100% of Fosco	Investec Bank	Investec Bank	Bowman Gilfillan, Webber Wentzel		R120m	Apr 15
Acquisition by	Choppies of SupaSave and MegaSave					P42.4m	Apr 17
Acquisition by	Senior Management of shares not already held in RPC Data					undisclosed	Apr 18
Acquisition by	African Energy Resources from Aviva of Botswana Energy Solutions which owns the Mmanetswe Coal project					\$3.5m	Apr 28
Acquisition by	Desert & Delta Safaris (Chobe) from Messrs WFA Burre and WJ Brown of 100% of Moremi Safaris					P38m	Aug 27
Acquisition by	African Energy Resources from Asenjo Energy of the 2,4m tonne Mmamabula West Coal Project					\$2.5m	Oct 15
Acquisition by	Shumba Coal from Impact Minerals of four energy prospecting licences in the south east of Botswana	Inera Corporate Finance	Inera Securities	Amstungs	Grant Thornton	\$800,000	Oct 31
<b>Burkina Faso</b>							
Acquisition by	Golden Itim Resources from Epsilon Gold Mines of a 90% stake in the Korougou gold project					\$3m	Feb 1
Acquisition by	African Star Resources (Thor Explorations) from Consteler PanAfrica Resources of an 85% stake in the Bongouli and Legue gold permits located in Houmeire geestone belt (exercise of option)					\$250,000	Mar 7
Acquisition by	Kansask Capital Venture of 100% of UNZ Gold Burkina SARL					5m KNY shares	Apr 3
Acquisition by	West African Resources of Channel Resources					share swap : 4 Channel shares: 1 West African share	Aug 14
Acquisition by	BZ Gold of White Resources which holds an 81% interest in the Kiaka gold project as well as a 100% interest in 2 additional exploration projects					\$63m	Oct 28
Acquisition by	Centamin of Ampela Mining (share deal - 1 Centamin share for 5 Ampela shares)					A\$40.9m	Dec 10
<b>Cameroon</b>							
Acquisition by	IMIC of Afrero Mining (owner of the Nout Project)	Bank of America Merrill Lynch, WH Ireland;	Ocean Securities; WH Ireland; Investec;			\$200m	Jun 24
Acquisition by	Actis from AES of a 56% stake in Societe Nationale d'Electricite and 2 power plants, Krith and Dthamba	Canaccord Genuity; Investec	RBS Capital Markets			\$220m	Nov 7

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
<b>Cote d'Ivoire</b>							
Acquisition by	The African Agricultural Fund of a minority stake in Continental Beverage Company					undisclosed	Feb 28
Acquisition by	Gasol of Energie de Côte d'Ivoire, which owns a 12% interest in an offshore license area CI-27, from GDF Suez					\$116m	Oct 23
Disposal by	Emerging Capital Partners of its stake in MTN Cote d'Ivoire					undisclosed	Dec 5
<b>DRC</b>							
Acquisition by	Mukuba Resources from Benzu Resources of all the copper assets held by Benzu in the Katanga Copper Belt	Danisa Consulting Corp, Cornark Securities		Beard Winter		undisclosed	Jan 21
Investment by	XSMIL in Starz-kin					undisclosed	May 10
Acquisition by	Legend Gold from Curabab Resources of 2 licenses and 1 application					6.76m Legend shares	May 15
Acquisition by	Titan Goldwax Resources from Falcon Copper of a 70% interest in the PRL2675 and PRL2684 concessions in Katanga province as well as a 90% interest in PRL2116					undisclosed	Aug 16
Acquisition by	Bharti Airtel of World Group telecommunications business in the Republic of the Congo					undisclosed	Nov 6
Acquisition by	Glenora Xstrata of an additional 14.5% stake in Miranda Mining Sari from High Grade Minerals S.A (total stake now 69%)					\$430m	Dec 19
<b>Egypt</b>							
Acquisition by	Hilina of the Egyptian Company for Pharmaceuticals & Chemicals Industries					EGP 142.4m (\$22.2m)	Jan 9
Acquisition by	Dahier of Delta Ammatic's Fruit and Flavours unit					undisclosed	Feb 25
Acquisition by	Nutreco of the remaining 67% share of Hendrix. Misc. Not already held					undisclosed	Apr 26
Acquisition by	OGEI of all the outstanding shares in Orascom Construction Industries not already held					share or cash offer (\$36.4)	Jun 3
Acquisition by	Emirates NBD of a 95.2% stake in BHP Pentbas					\$500m	Jun 12
Acquisition by	Acis of a 30% stake in Edita Food Industries					\$102m	Jun 24
Acquisition by	Sinopeq International Petroleum Exploration and Production from Apache Corp of a one-third participation in Apache's Egypt oil and gas business					\$3.1bn	Aug 30
Acquisition by	Total and Belfone Private Equity managed-funds (Belfone Capital and BPE Energy) from Cerron of its retail network, general retail and aviation businesses in Egypt					undisclosed	Aug 30
<b>Ethiopia</b>							
Acquisition by	Catalyst Principal Partners of a 50% stake in Yes Brands Food & Beverages					undisclosed	May 14
Acquisition by	Brookshire Dairy of a 20% stake in Elemen Milk					undisclosed	Sep 15
Acquisition by	KEFI Minerals of a 75% stake in Nyoya Minerals (Ethiopia), which owns 100% of the Tulu Gold Project					£1m + 107m KEFI shares	Dec 11
<b>Ghana</b>							
Investment by	Yanagee Risk Capital in Geeser Energy Ghana					\$30m	Apr 4
Acquisition by	Old Mutual of a majority stake in Provident Life Assurance	IC Securities Ghana	Merrill Lynch, Netbank Capital			undisclosed	Jun 3
Acquisition by	Abraaj Group and Danone of Fan Milk International (51% - 49%)					undisclosed	Jun 19
Disposal by	Abraaj Group of its stake in HFC Bank to Caribbean Bank Republic Bank					undisclosed	Jul 31
Acquisition by	Vivo Energy of a majority shareholding in Shell Ghana					undisclosed	Aug 8
Acquisition by	Times Media of a 32.26% stake in the Multimedia Group					R144m	Sep 16
Acquisition by	Genkey of ClaimsSync					undisclosed	Oct 14
Acquisition by	Fortis Private Equity of a 90% stake in Merchant Bank Ghana					undisclosed	Nov 1

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
<b>Ghana (continued)</b>							
Disposal by	Leapfrog Investments to Prudential Plc of its 90% stake in Express Life					undisclosed	Dec 5
<b>Guinea</b>							
Acquisition by	Anglo-African Minerals of Forward African Resources SA					6.15m Anglo-African shares	Feb 7
Acquisition by	Sovereign Mines of a new exploration concession contiguous to the south of its flagship Mandiana-Megane gold concession					undisclosed	Nov 12
Acquisition by	(AMM Overseas) Anglo-African Minerals of Mineral Technology Exploration Production SA and Societe Miniere d'Alumine SA					30m new Anglo-African shares	Dec 6
<b>Kenya</b>							
Acquisition by	Centum of a 45% shareholding in Platcorp					undisclosed	Jan 25
Acquisition by	Kileleshwa 79% - Cassia Capital Partners 21% of a 45% stake in Platcorp					undisclosed	Jan 28
Listing	Centum Investment Company - Bond listing on the NSE Fixed Income Securities Market Segment, 5 year bond					KSh4,19bn	Feb 25
Investment by	Aneasis Finance in Chase Bank	Georgis Capital Corporate Finance				\$10.5m	Mar 6
Acquisition by	Dimension Data of Accesskenya					KSh3,052bn	May 7
Investment by	Grofin in two public transportation firms - Mergon and Centaurus					\$2.3m	Jun 17
Acquisition by	Old Mutual from Faulu Kenya DTM of a controlling stake in Faulu Kenya DTM		Merrill Lynch; Nedbank Capital			undisclosed	Jul 3
Acquisition by	Guaranty Trust Bank Plc of a 70% stake in Fina Bank					\$100m	Jul 22
Acquisition by	Al-Futtaim Group of CMC Holdings					\$86m	Sep 9
Investment by	Fanisi Capital in retail pharmaceutical chain Heltans					\$1262m (\$3m)	Sep 11
Acquisition by	Centum of a 73% shareholding in Genesis Kenya Investment					undisclosed	Sep 21
Acquisition by	Brookside Dairy of Buzeti Dairy					\$11.1bn	Nov 4
Acquisition by	Britam of a 25% stake in Aorn Group					undisclosed	Nov 14
Acquisition by	British American from Royal Ngea of a majority stake in Real Insurance Company	Cit. Stanbic Bank				KES1,38bn	Dec 11
<b>Lesotho</b>							
Acquisition by	Mesa Diamonds (Paragon Diamonds) from Motbae Diamonds (Lucara Diamond) of the Kimberlite processing plant and diamond recovery located at Motbae					\$1.15m	Dec 17
<b>Liberia</b>							
Acquisition by	Kuaba Lumper Keping Bhd of 20.1% stake in Equatorial Palm Oil and a 50% stake in Liberian Palm Developments from Biopalm Energy					\$21.3m	Nov 7
<b>Madagascar</b>							
Acquisition by	Hohi Energy Group of Madagascar Northern Petroleum Company					undisclosed	Jul 23
Investment by	DataBank Agrifund Manager's AIF SME Fund in Guanomad					undisclosed	Jul 26
Acquisition by	Oyster Oil and Gas from Centax Energy of a 10% working interest in Block 1101, onshore Madagascar					\$500,000	Sep 7
<b>Malawi</b>							
Acquisition by	The African Agricultural Fund of a majority stake in Farming and Engineering Services Ltd					undisclosed	Nov 25
Disposal by	Santam to Santam of a 25,1% stake in Nico Holdings	Rand Merchant Bank	Investec Bank			R341.7m	Dec 11
<b>Mali</b>							
Acquisition by	Legend Gold from Endeavour Mining of 10 exploration licenses and one permit application in Mali					10m Legend shares plus \$750,000	May 15
Acquisition by	Alecto Minerals from African Mining & Exploration of its subsidiary AME West Africa which holds, through Central Gold Mali SARL, 100% of the Kossanah Gold Project	For-Davies Capital	Xcap Securities			£1.25m	Aug 22

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
<b>Mauritius</b>							
Share swap	Allied Technologies and Liquid Telecommunications : interests in its East African network for an equity stake in Liquid Telecommunications plus the purchase of additional shares in Liquid for \$16.5m for a total shareholding of 8.6% in Liquid	Investec Bank	Investec Bank			\$66.5m	Jan 28
Listing	Sandlam Africa Core Real Estate Fund : 90m class A shares @ \$5 each	Jaya Capital		C&A Law; Bowman Gillfillan; Ropes & Gray	Ernst & Young	US\$450m	May 9
Listing	Fayence Capital : 100 000 non-voting ordinary per value Class A participating shares @ GBP 100 per share			Mc Gaidam Ramdoyal	Morison Mauritius	£ 10m	May 28
Listing	Global Winsor Capital Fund : 200 000 participating shares @ \$100 each			Level Chambers	Morison Mauritius	US\$20m	May 28
Bonds	CIM Financial Services : 1st tranche of the MTN : 5.5% fixed rate notes due June 2018. Nominal rate MUR1m					MUR750m	May 30
Bond Issue	Alteo : 3 tranche unlisted bond issuance. MUR200m (1 year secured), MUR400m (3 year secured) and MUR400m (5 year secured). Weighted ave fixed rate of 5.28%.	AfrAsia Corporate Finance		BLC Chambers		MUR1.1bn	Jun 12
Bonds	The Mauritius Commercial Bank : 3 million floating rate subordinated notes due 2023 @ MUR 1 000 each		MCB Subscribers			MUR30m	Jun 26
Listing	Newgoldr Issuer : 400 000 Gold Debentures		Absa Capital; Ays Stockbroking	BLC Chambers		undisclosed	Jul 19
Disposed by	ZCO (Capital (Mauritius) of an 18.5% stake (247 575 741 shares) in African Copper plc	YenninDebitte	Bridge Capital; KPMG	Maitland	KPMG	undisclosed	Aug 12
Capital Raise	Bayport Management : subscription agreement with Kinnevik (300 394 shares), Grant Kuitand (281 057 shares), Grommiser (1 517 707 shares) and Iawwa (Héllos) (5 621 135 shares)	BDO Corporate Finance		ENSafrica	Deloitte	\$137.3m	Oct 22
Disposed by	Transaction Capital to Bayport Management of an 82.65% stake in Bayport Financial Services, 2010 and Zenithyme Investments	Grant Thornton; Hyve Park Capital	Danske Securities	ENSafrica; Werksmans; Bowman Gillfillan; Berwin Leighton Patisser	Deloitte	R1.33bn	Oct 23
Acquisition by	Ametris Finance of a nearly 1/3 stake in Veologic, a logistics services company					undisclosed	Dec 4
<b>Morocco</b>							
Acquisition by	Actis from Veolia Environment of it's water, wastewater and electricity services operate by Redal and Amenids					undisclosed	Mar 8
Investment by	Aburaj Group in Sierphiama					undisclosed	Sep 10
Acquisition by	Emirates Telecommunications Corp. (EISALAT) of Vivendi SA's controlling stake in Maroc Telecom SA					€4.2bn	Nov 5
<b>Mozambique</b>							
Leasing	Theo Rolling Stock Leasing leased rolling stock to Minas Moatize for use on the Sena railway line			Baker & McKenzie		undisclosed	Feb 1
Acquisition by	China National Petroleum Corp of a 28.57% stake in ENI SpA's East Africa subsidiary - this will give CNPC indirect ownership of 20% of ENI's Mozambique assets					\$4.2bn	Mar 14
Acquisition by	Neubank of a 3.6% stake in Banco Unico		Neubank Capital; Merrill Lynch; Old Mutual Investment Services (Namibia)	Werksmans		\$24.4m	May 3
Acquisition by	ONGC Videsh and Oil India from Videcon Mauritius Energy of an indirect interest in Rovuma Area 1					\$2.475bn	Jun 25
Acquisition by	ONGC Videsh of an additional 10% direct interest in Rovuma Area 1 from Anadarko Mozambique Area 1	Standard Chartered Bank				\$2.640bn	Aug 26
<b>Namibia</b>							
Acquisition by	Denison Mines of Fission Energy (including a 60% stake in the Waterbury Lake uranium project and exploration interests in properties in the Athabasca Basin)					\$70m	Jan 16
Joint Venture	Yellow Dune Uranium Resources : Epangeni Mining 5%, Repitje Uranium Namibia 85%, and Opionona Investments 10%					undisclosed	Jan 22
Investment by	YPB Namibia in Ongwediva Medjapak					undisclosed	Feb 11
Acquisition by	Afri-Can Marine Minerals of a 20% stake in Thyne Investments which owns the PFL 3403 (exercise of option)					\$100 000 plus 9.75m IMDH shares and 3.25m BVI shares	Feb 15
Acquisition by	Labat Africa from Amichita of Palatinia Petroleum		Arcay Meola Sponsors	ENSafrica		\$1.4m	May 21
Acquisition by	Sontara of a 40% stake in Western Group, Namibia					not publicly disclosed	not announced

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
<b>Nigeria</b>							
Merger of	Consolidated Breweries, DIL Maltex and Benue Brewery	Stanbic IBTC Bank				1 Consolidated share for every 20 DIL shares held	Jan 14
Acquisition by	Dangote Sugar Refinery of a 95% stake in Savannah Sugar Company					undisclosed	Jan 28
Acquisition by	Cadbury Nigeria of the 2% it does not already own of Stanmark Cocoa Processing Co	Stanbic IBTC Bank				1 Cadbury share for every 5.58 Stanmark shares	Feb 6
Acquisition by	MarshAfrica of Feni Johnson & Company					undisclosed	Feb 20
Acquisition by	Xcelis Global Investments and Copperbelt Energy (KANN Consortium) of a 60% stake in Abuja Electricity Distribution Company					\$1.64m	Mar 5
Investment by	Summit Partners in the Jumia brand					\$26m	Mar 19
Acquisition by	Bonny Gas Transport (Nigeria LNG) from Samsung and Hyundai of 6 new shipping vessels					\$1.6bn	Mar 24
Acquisition by	(BBO Oil and Gas FHM Investment Services)Afen of an additional 10.4% interest in First Hydrocarbon Nigeria (exercise of put option - 15m shares)					\$37.65m	Mar 25
Acquisition by	Southern Sun Africa of a 75% stake in Iyoyi Hotels	Standard Bank				\$70m	Apr 29
Acquisition by	Imperial Mobility International (Imperial) from UAC of Nigeria of a 49% stake in MDS		Merrill Lynch			\$26.68m	May 13
Acquisition by	Public Investment Corporation from Dangote Industries of 1.5% of it's stake in Dangote Cement					\$289.3m	Jun 10
Investment by	Shertree Capital in two e-commerce sites - sunglasses.com.ng and glenmour.com.ng					undisclosed	Jun 18
Acquisition by	Lekoil from Panoro Energy of a stake in the OML 113 license					\$30m	Jun 18
Acquisition by	Swift Networks of the 4G business of Direct on PC					undisclosed	Jun 19
Acquisition by	Investment One Financial Services of a 99.9% stake in Royal Trust Pension Fund Administrators					undisclosed	Jun 25
Acquisition by	UAC of Nigeria of a 51% stake in Portland Paints and Products	Stanbic IBTC Capital				N911.88m	Jun 28
Investment by	Hears Holdings in the new National Association of Securities Dealers launched on 1 July 2013 (OTC trading platform)					undisclosed	Jul 23
Disposed by	MPI to Mercia Capital Partners (6%) and Bhelemy Management (4%) of 10% of it's 45% interest in SEPLAT	Standard Bank Plc				\$98m	Aug 22
Acquisition by	Famous Brands from UAC Restaurants of a 49% stake in Mr. Bigg's	Standard Bank				undisclosed	Sep 16
Acquisition by	Oando from ConocoPhillips of a 17% stake in Brass LNG	Standard Bank	Macquarie First South Capital			\$1.06m	Sep 17
Acquisition by	Imperial Car Imports (Imperial) of a further 11% stake in Renault SA JV					undisclosed	Oct 10
Acquisition by	Naiapak from Clients Nominees of Alucan Investments (Alucan Packaging)		UBS	Cliffe Dekker Hofmeyr		\$301m	Nov 18
Investment by	Rise Capital, Tiger Global and Komek in IRONViv, a consumer entertainment company					\$8m	Dec 17
<b>Rwanda</b>							
Acquisition by	Royal Sapphire Corp of Yancoover from Afrim Resources of a 100% stake in the Rubombo property license					\$1m	Sep 30
<b>Senegal</b>							
Joint Venture	Goldstone Resources and Ranigold Resources (Senegal) - Senigalia Project		Norton Rose Fulbright			undisclosed	May 5
Investment by	Cauris Management in Axvent Corporation					€5m	Jun 10
<b>Sierra Leone</b>							
Joint Venture	Fermica Africa and Songa Lemon Grass Group - cultivate the production of lemon grass, its byproducts and marketing of the finished products					undisclosed	Dec 11
<b>Swaziland</b>							
Rights Issue	Swazisea - 3 614 458 shares @ E8.30	Imesec Bank	African Alliance Securities	Clare Henwood Associated	PricewaterhouseCoopers	E30m	May 24
Disposed by	Sagpi Southern Africa (Sagpi) to Monigny Investments of Usutu Forest Products		UBS	Bowman Gilfillan		R1bn	Jul 1

TRANSACTION TYPE	DETAILS	INVESTMENT ADVISER	SPONSOR	ATTORNEY/ LEGAL ADVISER	REPORTING ACCOUNTANT	ESTIMATED DEAL VALUE	ANNOUNCEMENT DATE
<b>Tanzania</b>							
Financing	Shantia Gold : medium term facility with First National Bank secured over shares and assets of Sientia Mining Company					\$30m	Jan 10
Investment by	Consortium of Omanii Investors into Air Tanzania					\$100m	Jan 11
Acquisition by	Catalyst Principal Partners of Chai Bara from TransCentury					undisclosed	Jan 16
Financing	Africon Barrick Gold : syndicate of commercial banks, led by Standard bank, for an export credit-backed term loan facility for expansion of its Buleyuhulu process plant					\$142m	Jan 22
Acquisition by	Sandam Capital Markets of a property portfolio			Norton Rose SA		undisclosed	not announced
Disposal by	Heritage Insurance Company of a 45% stake in Alliance Insurance			Norton Rose SA		undisclosed	not announced
Disposal by	Vodacom to Helios Towers Africa of 1,149 phone towers in exchange for a 24.5% stake in Helios Towers Tanzania					undisclosed	Jul 23
Investment by	Jacana Partners and Sons Economic Development Fund in DSM Corridor Group					undisclosed	Sep 30
Acquisition by	Panilion Energy of a 20% stake in three offshore gas blocks from Ophir Energy					\$1.3bn	Nov 14
Acquisition by	Vodacom from Cavari of an additional indirect 17.2% interest in Vodacom Tanzania (through stake in Cavari)	UBS	UBS			R460m	Nov 26
Acquisition by	Kibao Mining from Vitorantim Metals Participacoes of the remaining shares in its Haveli nickel-PGM project	River Group	River Group			undisclosed	Dec 5
<b>Tunisia</b>							
Investment by	International Finance corporation and two funds managed by IFC Asset Management Company in Almet Bank					\$48m	Jan 25
Acquisition by	Recredit of an initial 67% of Opalea Pharma			Eversheds		€22.6m	Oct 31
Disposal by	Emerging Capital Partners of its stake in Societe d'Articles Hygieniques (SAH) via an IPO					undisclosed	Dec 23
<b>Uganda</b>							
Investment by	Alrajai Group in Vine Pharmaceuticals					undisclosed	Jan 30
Disposal by	Actis to Kelo Development Bank and Norfund of a 45.02% stake in DFCU	Stanbic Bank Uganda	Stanbic Bank Uganda			\$43.28m	May 3
Acquisition by	Unga of an additional 40% stake in Uganda Millers (total stakeholding now 65%)					undisclosed	Sep 30
Acquisition by	Tourvest of a controlling stake in Adrift					undisclosed	Sep 18
<b>Zambia</b>							
Acquisition by	Standard Chartered PE and Ashmore Investment Management of a minority stake in GZ Industries					undisclosed	Jan 14
Acquisition by	Rainbow Chicken from Zambef of a 49% stake in Zam Chick	Rand Merchant Bank	Rand Merchant Bank			\$14.25m	Feb 5
Joint Venture	Rainbow Chicken and Zambef : Zamchick (51%:49%)	Rand Merchant Bank	Rand Merchant Bank			undisclosed	May 30
Acquisition by	Sanga Minerals : option to acquire 80% interest in 2 licenses in the Mumbwa District	Braura Equity Services				undisclosed	not announced
Acquisition by	Sanga Minerals : acquisition of a license in the Kasempa District	Braura Equity Services				undisclosed	not announced
Acquisition by	Sanga Minerals : option to acquire 79% interest in a license in the Rufuse District	Braura Equity Services				undisclosed	not announced
Acquisition by	Elephant Copper of RTG Mining's 51% interest in the Mushi copper project					\$13.1m	Aug 29
Acquisition by	Karion Exploration from African Energy resources of the Chiundi Project, plus a portfolio of uranium properties					\$2.5m	Sep 30
Acquisition by	Charyon Africa (Zafer Investments) from major shareholders of Mpungwe Milling	PSC Capital	PSC Capital	Cliffe Dekker Hofmeyr		\$27.5m	Nov 13
Acquisition by	Attaq of a 12.4% stake in African Land Investments	Java Capital	Java Capital	Java Capital; EKSatrica		undisclosed	Nov 27
Acquisition by	Hyprop Investments of an 87% stake in African Land Investments	Java Capital	Java Capital	Java Capital; EKSatrica		undisclosed	Nov 27
<b>Zimbabwe</b>							
Disposal by	Impala Platinum to indigenous entities (Zimplats Mtshondzo-Mgeri Chegutu Zimba Community Trust 10%, an employee share ownership trust 10%, National Indigenisation & Economic Empowerment Fund 31%) of a 51% stake in Zimbabwe Platinum Mines					\$97.1m	Jan 14
Acquisition by	Vunani of a 50% stake in Purpose Asset Management					undisclosed	Feb 28
Acquisition by	Kansai Paint and management and staff of Astra Industries from the Finance Trust of Zimbabwe, of a 63.25% stake in Astra Industries					\$5.5m	Jul 29
Disposal by	African Sun to Lengah Investments of a 12% stake in Dawn Properties					\$4m	Oct 2
Disposal by	Oando to Seven Energy International of the East Inoison Gas Company	Macquarie First South Capital	Macquarie First South Capital			\$250m	Dec 27