

ALSF

African Legal Support Facility
Facilité africaine de soutien juridique

AFRICAN LEGAL SUPPORT FACILITY

ENHANCING **SUSTAINABLE**
ECONOMIC DEVELOPMENT AND INCLUSIVE GROWTH IN AFRICA



**ALSF
IN BRIEF
2015**

OUR STORY

A vision for achieving sustainable legal
capacity for Africa



About Us

MANDATE

The African Legal Support Facility is an international organization dedicated to providing legal advice and technical assistance to African countries in matters pertaining to creditor litigation and complex commercial transactions.

The goal of the Facility is to remove asymmetric technical capacities and level the field of legal expertise among parties during litigation and negotiations. The Facility strives to further development in Africa by removing obstacles to realizing the benefits of debt relief through its work in vulture fund litigation. It also provides advisory services to improve the negotiating capabilities of its member countries. Through all of its activities the Facility aims to build additional legal capacity on the continent.

MISSION

To provide legal advice and capacity building to African countries on vulture fund litigation, complex commercial negotiations and related sovereign transactions.

VALUES

The Facility is founded on the values of respect for the rule of law, equity, transparency and good governance. These values are grounded on its "African character" as the Facility is a partner of all African countries and respects the diversity of the continent. The staff of the Facility are committed to uphold ethics, accountability, excellence, professionalism, probity and a team working spirit.

OUR 4 STRATEGIC AREAS



ADVISORY SERVICES

The Facility helps African governments to strengthen their legal expertise and negotiating capacities, particularly in the areas of natural resources and extractive industries, investment agreements and public-private partnerships (PPPs), including large-scale infrastructure as well as other related complex commercial and business transactions.

CAPACITY BUILDING

The ALSF provides assistance to develop legal capacity throughout the continent. Its capacity building model focuses on a real transfer of knowledge and skills development to nationals by means of workshops, conferences, seminars and other such activities. To date, the Facility has trained over 1000 experts in commercial legal issues from more than 45 African States.

CREDITOR LITIGATION

The Facility provides African countries with financial resources to obtain specialist legal assistance for the negotiation and settlement or litigation of creditor claims. The aim is to ensure that they achieve equitable outcomes that allow them to fully realize the benefits of the HIPC Relief Initiative.

KNOWLEDGE MANAGEMENT

The ALSF provides assistance relating to the development, collection, and management of knowledge products including academic and legal manuals and publications, model documents and transaction facilitation tools, databases of case law, legislation and contracts.

FAST FACTS

OPERATIONS BY PRIORITY AREAS 2010-2015

● Advisory Services	USD 20.88 M
● Capacity Building	USD 7.39 M
● Litigation Services	USD 7.15 M
● Knowledge Management	USD 0.64 M

TOTAL CUMULATIVE OPERATIONS BY SECTORS 2010-2015

● Infrastructure and PPPs	USD 15.37 M
● Extractives	USD 10.62 M
● Debt Services	USD 7.82 M
● Other	USD 2.24 M

USD **81.97M**
Total cumulative donors commitments

USD **24.88M**
Total cumulative disbursement

USD **36.06M**
Total cumulative operations 2010-2015

88
Cumulative approvals 2010-2015

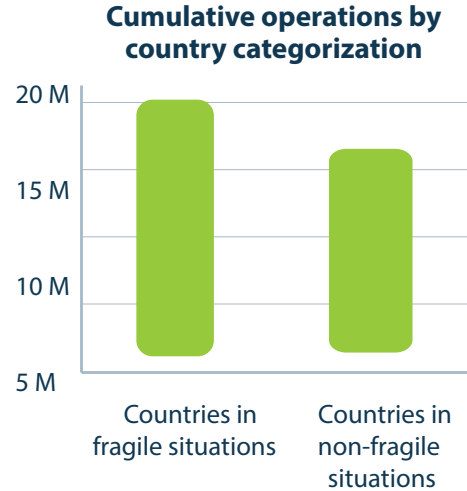
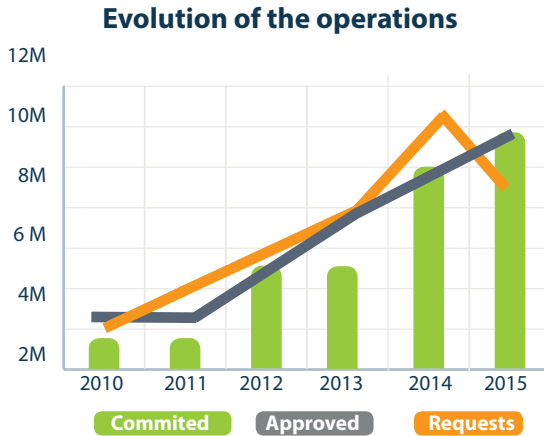
TOTAL CUMULATIVE OPERATIONS BY REGIONS 2010-2015

● West	USD 14.19 M
● East	USD 7.10 M
● Central	USD 5.95 M
● Regional	USD 4.54 M
● South	USD 2.55 M
● North	USD 1.73 M

TOTAL CUMULATIVE OPERATIONS BY COUNTRY CATEGORIZATION

● Countries in fragile situations	USD 20.22 M
● Countries in non-fragile situations	USD 15.83 M

HISTORICAL OVERVIEW OF OUR OPERATIONS 2010-2015



81 Projects

IMPLEMENTED ACROSS 4 PRIORITY AREAS

31

UNDER
ASSESSMENT

52

ON-GOING
IMPLEMENTATION

18

EVALUATION /
CLOSED

BY PRIORITY AREAS



Advisory Services **81%**



Capacity Building **11%**



Creditor Litigation **8%**

BY SECTORS

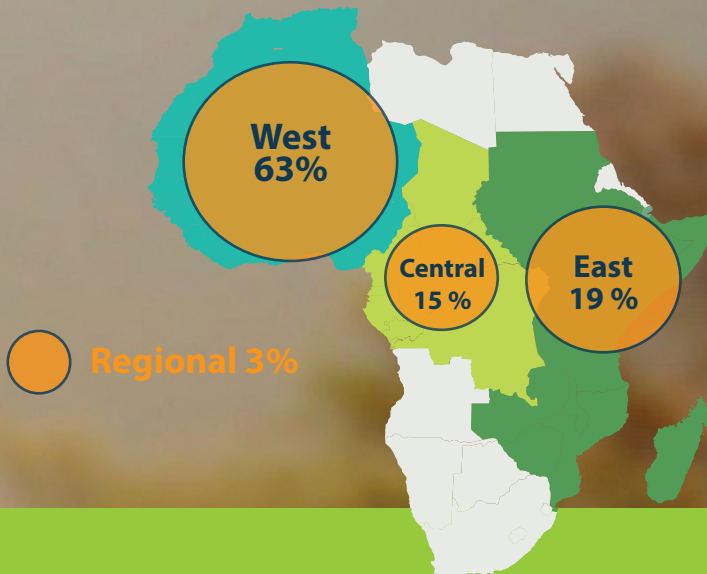


Infrastructure **48 % 5.52 M**

Extractives **39 % 4.57 M**

Debt **13 % 1.47 M**

BY SUB-REGION



DISBURSEMENTS

The ALSF disbursed **USD 7.8 million**, an amount close to the peak levels of 2014. This good performance is linked to improvement in the quality at entry of projects, adequate policy dialogue, sufficient field presence, timely responses by clients and increase in the number of staff working on the operations.



OUR IMPACT

Achieving sustainable legal
capacities for Africa

USD **36 MILLION** FOR **101** OPERATIONS IN
36 AFRICAN COUNTRIES

SUPPORTED NEGOTIATIONS
FOR PROJECTS VALUED AT

30.5 BILLION

Cumulative value USD

SAVINGS FOR
GOVERNMENTS

548 M

USD



OVER **1000** EXPERTS TRAINED
FROM ALL AFRICAN COUNTRIES

CONCRETE RESULTS

OF OUR OPERATIONS



ADVISORY SERVICES

Between 2010 and 2015, the ALSF has facilitated the negotiation and review of **53 contracts** and advised on **4 tender processes**. For example the Facility :

- Successfully assisted the Republic of Niger in negotiating uranium agreements with the French multinational Areva Group that will potentially result in an increase of USD **220-330 million** in additional revenues for the host country (depending on global uranium prices);
- Supported the Ethiopian government to negotiate the **first geothermal independent Power Purchasing Agreement (PPA) – 1000 MW** – in the country;
- Advised Guinea on the Simandou South and North mining projects and assisted the government in negotiating those issues with the private investor;
- Assisted Cameroon in the issuance of a USD **750 million** Eurobond;
- Supported Benin in the negotiation of two PPAs. Specifically, the Facility advised on the 120MW Genesis Energy thermal power plant with an estimated value of USD **200 million** and on a 10 MW Danish Gateway solar power plant;
- Negotiated a solar project concession worth USD **24 million** in Rwanda;
- Developed 1 PPA and 1 transmission and distribution agreement in The Gambia;
- Financed a detailed review of a PPA in Togo;
- Advised on 2 complex commercial transactions to build a dam in Mauritius;
- Analyzed existing gas Production Sharing Agreements in Tanzania;
- Evaluated 4 mining conventions and drafted 1 convention in Liberia;
- Reviewed commercial contracts in Djibouti;
- Negotiated 2 PPA and related contracts in Benin; and negotiated on a concession related to a factory to produce milk for infants in Rwanda.

“ **Offering African Governments access to timely and high quality legal support that is tailored to their specific needs.** ”

"The role played by the ALSF was decisive and valuable in the context of the implementation of the Beninese National Emergency Energy Programme (PEUN) whose aim is to increase the national production of power – which is currently chronically deficient – in order to secure the supply of electrical power in Benin.

From the viewpoint of the legal, financial and technical complexity of power purchase agreements and taking into consideration the lack of experience in this field in Benin, the ALSF's legal assistance consisted of mobilizing the necessary funds to recruit legal and financial advisers. The ALSF thus allowed the Beninese Government to benefit from the participation of talented experts who, with the support of local technical competences, reflected upon the matter and drew up bankable model power purchase agreements that are in line with international standards and respect the national and community legal frameworks.

In addition, the ALSF is able to ensure the durability of this project and the transfer of competences between the recruited advisers and the Ministry's Cabinet, the local adviser and the legal department of the national electricity company. The ALSF also guarantees a consistent and admirable follow-up of the implementation of the project by the firms recruited in compliance with the technical specifications and the guidelines for the project selected by the Government. Good governance rules shall be respected throughout.

The intervention of the ALSF has been a true asset for the PEUN, by granting credibility to the entire process, guaranteeing transparency and ensuring a balance is struck in the negotiations with the private investors. The ALSF acted fast and efficiently to give us valuable and decisive support in the operationalization of the PNEU, as can be seen by the construction of solar and thermal plants in Abomey-Calavi and Djougou."

HE. Spéro Mensah, Minister of Energy, Oil and Mining Research and of the Development of Renewables – Benin, 2015.

CONCRETE RESULTS

OF OUR OPERATIONS



CAPACITY BUILDING

The Facility has financed capacity building programs to transfer knowledge and skills to African officials in relevant ministries, contracting authorities and private lawyers to enhance their negotiation capacities. To date the Facility has trained over **1000** professionals including key governments' officials, lawyers, targeted groups of professionals and civil society representatives, involved in contract negotiation and creditor litigation across Africa.



“The ALSF Nomadic workshop gave me the opportunity to work on actual case studies and legal questions similar to issues I am dealing with in my country. The skills I acquired during the training will help me handle legal matters relating to PPP and negotiate contracts much more effectively.”

Abdoulaye Gounou, Technical Advisor of the Prime Minister of the Republic of Benin in Public Private Partnership Development.

“We consider the training provided by the ALSF to have been a great privilege, on the basis of its in-depth contents and the huge impact it has had on our ability to analyse PPPs. Thanks to this course, we have been able to meaningfully contribute to the drafting of the Law concerning PPPs. We sincerely thank the ALSF.”

António Aguiar, Director of State Heritage, Ministry of Finance, Democratic Republic of São Tomé and Príncipe

“The African Legal Support Facility has been very instrumental in supporting the Ministry of Infrastructure with legal advice for strategic projects ranging from affordable housing to energy related projects.”

Alain Harelimana, Advisor to the Ministry of Infrastructure Development and Capacity Building, Republic of Rwanda

“Transferring knowledge to enhance capacities of African Experts to negotiate sustainable agreements that maximize their economic benefits.”

CONCRETE RESULTS

OF OUR OPERATIONS



CREDITOR LITIGATION

The ALSF has been providing debt management services and creditor litigation support to African countries. Our interventions:

- Successfully helped the Government of Tunisia to recover USD **28 million** in misappropriated assets; and
- Financed the successful appeal of a US Court decision that would have cost the DRC over USD **100 million**.



"Since 2010, my country, the DRC, has benefited from support from the African Legal Support Facility in its dealings concerning two vulture fund cases.

The proceedings are ongoing, because there were dealings in Hong Kong, Jersey, France... There were deals scattered all over the place. Unfortunately, in all these countries, the DRC was not represented or it was badly represented, thus resulting in the seizure of State property along with extremely negative messages for potential investors who may well have come to our country. I believe that this is the great battle that the Facility has helped us fight.

Due to the fact that we were badly represented, we were losing the lawsuits there too. Thanks to the law firm recruited by the Facility and the ALSF's intervention, the situation is changing, to the extent that in both cases, the two vulture funds in question are now practically negotiating an amicable settlement with the country. So I must say that the Facility has done great work."

HE. Patrice Kitebi Kibol Mvul Minister Delegate to the Prime Minister for Finance Democratic Republic of Congo (DRC), May 2014.

“ Rebalancing commercial negotiations by providing high level legal experts to represent African Governments facing vulture fund litigation. ”

CONCRETE RESULTS

OF OUR OPERATIONS



KNOWLEDGE MANAGEMENT

The ALSF developed 11 curricula in mining negotiations, investment treaties, production sharing agreements, loan agreements, power purchase agreements, public private partnerships. The facility also developed a Toolkit specific to the power sector, 5 Model mining agreements, PPA Negotiation Handbook. Further more, the ALSF has also contributed to 4 research papers and established an information knowledge management centre. With regards to Model agreements, the Facility :

- Financed the government of Rwanda to develop a model mining agreement for Artisanal and Small Scale Mining projects;
- Supported The Gambia to develop a model PPA along with the model concession agreement and supporting documentation. This model is now being implemented in an actual project;
- Facilitated Benin to develop two model PPAs. One for solar plants, and the other for thermal plants; and
- Assisted Tanzania to develop a model PPA along with model concession agreements, land lease agreements, and other supporting documentation. The project is still being implemented and has been extended to include a renewable energy project.

Additionally, the ALSF has developed the following websites, publications and papers related to litigation and complex transactions:

- African Mining Legislation Atlas – <http://www.a-mla.org>
- PPIRC PPP Contract Database
- Tanzania PPP Toolkit
- ResourceContracts.org – <http://www.resourcecontracts.org>
- 2014, September - Abellard, Louise – Vulture Fund Litigation, FG Hemisphere vs DRC Masters Thesis;
- 2014, November - Understanding Power Purchase Agreements. Translated into French in 2015. <http://goo.gl/hSH2E5>
- 2014, August – Unsolicited Proposals, An Exception to Public Initiation of Infrastructure PPPs. <http://goo.gl/PXm2Gx>
- 2015, January – Africa Debt Rising. Available at: <http://goo.gl/HfEUMC>

OUR SUCCESSFUL KNOWLEDGE MANAGEMENT PROJECTS

UNDERSTANDING POWER PURCHASE AGREEMENTS BOOK— Available at <http://www.afsf.org/public-resources/publications> or <http://ppaguide.org>

The ALSF, in conjunction with the **Commercial Law Development Program of the United States Department of Commerce** (CLDP) gathered a group of leading experts to jointly write a book which explains the role of PPAs in power projects. Experts from law firms, the AfDB, World Bank, OPIC, EWURA, NBET and others gathered to write the book. The book is complete and has been translated into French. The book is being distributed across the continent. Over 10,000 copies have been distributed. The ALSF and CLDP are working on converting the book into a continuing education program.

PPPIRC DATABASE PROJECT—Available at <http://ppp.worldbank.org>

The Facility also partnered with the World Bank's Public Private Partnership Infrastructure Resource Centre to provide model agreements for PPP projects. Particularly, the ALSF supported the expansion of current materials on the website, the use of standardized provisions in PPP project agreements, develop new multi-media training materials and additional materials in languages other than English. The website averages over 22,000 visitors per month from 180 countries.

AFRICA MINING LEGISLATION ATLAS (AMLA) —Available at <http://www.a-mla.org>

The Facility is financing the Africa Mining Legislation Atlas (AMLA) project to collect process and transform all of Africa's mining law and regulations into an online database with interactive features to provide comparative data. This project will also prepare a guiding template with a menu of options and examples for the full range of issues covered under mining law. The AMLA project is still on going and it will strengthen the ability of countries to produce good and transparent law in the important field of minerals and mining.

PARTNERS VOICES

« DFID's work in Africa focuses on promoting stability and economic development to help ensure the continent realises its extraordinary potential. Balanced commercial agreements that are in the long-term interests of citizens, governments and investors are essential ingredients of success. Lasting agreements need to fully reflect local circumstances and priorities which is why The Facility's work to expand the knowledge and expertise of African legal professionals is particularly important.»

Nick Hurd, Parliamentary Under Secretary of State, Department for International Development.

«Power Africa identified ALSF as a key tool for expediting power project development in sub-Saharan Africa as soon as Power Africa was launched. The top notch legal assistance ALSF provides to African governments to advance power projects goes to the heart of Power Africa's model for driving forth deals. Already ALSF has helped advance the first ever private sector energy deal in Ethiopia and also supported the Government of Benin in its negotiations of several Power Purchasing Agreements. ALSF was one of several Power Africa partners that worked together to produce two critically acclaimed handbooks that government officials are now using when negotiating project finance deals. ALSF continues to prove that the best way to advance the power sector is by giving governments the tools they need to negotiate fair, sustainable deals themselves.»

Andrew M. Herscowitz, Coordinator for Power Africa.

“Global Affairs Canada through its EXCEED program has identified the African Legal Support Facility (ALSF) as a key partner in helping African countries maximize the benefits and mitigate the risks related to the development of their natural resources. When managed responsibly natural resources can bring about inclusive and broad based economic growth and poverty reduction including in fragile states. The responsible development of natural resources can lead to job creation, innovation and investments in critical infrastructure. By increasing the legal capacity of African governments and building stronger regulatory and policy framework, ALSF helps African countries negotiate fairer and better quality contracts in the extractives sector by putting them on a more equal footing with legal teams from private sector companies.»

Jennifer Mullowney, Extractives Cooperation for Enhanced Economic Development, Sub-Saharan Africa, Global Affairs Canada.



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Government of India



Ministry of Foreign Affairs
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