

Africa's Upstream M&A Market Offers a Slow Road to Completion

Media Mentions

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Bracewell's **Adam Blythe** commented at an industry event held by the firm in late June – which was covered by *African Energy* – that there had been an explosion in African deal activity in recent years, with existing equity holders engaged in a significant push to make their assets sale-ready and scope out potential buyers.

However, the action has largely been focused on the early stages of the merger and acquisition process and rather less towards the signing and completion of deals.

"While we're seeing lots of assets put up for sale, we're not necessarily seeing all of those go through to successful deal signing. And even those that proceed to signing, we're seeing the road to completion and the handover of the asset taking longer and longer," Blythe said.

Despite a period of intense activity in markets such as Namibia and Nigeria, merger and acquisition deals around the continent are taking longer to get over the line, reflecting the more complex structures being adopted and the need to tap fewer familiar sources of funding.

The process of securing government consent, raising finance and working through transfer restrictions has become ever more complex, according to Blythe. "When we look at activity in 2024, we have some exciting new deals," he said, but added "deals we were working on in 2023 and even 2022 ... are on that slow march to completion."

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