

GETTING THE DEAL THROUGH: MARKET INTELLIGENCE - M&A - AFRICA, FRANCE AND RUSSIA

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Legal Briefings - By **Contributing authors Gavin Davies, Rudolph du Plessis, Hubert Segain, Richard Woods, Alexei Roudiak, Justin Vaughan, Stefan Kecman, Christopher Theris and Noémie Laurin**

Our leading M&A lawyers share their views on the current legal and regulatory landscape in M&A in Africa (regional overview), France and Russia.

AFRICA

Despite healthy M&A activity in other parts of the world, M&A activity in Africa has seen a significant slowdown. This is true across sectors and countries. There are a number of factors causing the slowdown, but political and policy uncertainty seem to be major contributing factors. The slowdown, of both deal value and deal volumes, also covers inbound, outbound and domestic transactions. Market statistics say the decline in M&A deal volumes in Africa is as much as 44 per cent and in deal value 57 per cent, compared to 2017. North Africa and West Africa have seen a number of the larger transactions, Nigeria and Egypt being the most active. In M&A deal flow, West Africa was ahead with 66 deals followed by Southern Africa with 54 deals. [Read more](#)

FRANCE

In the first half of 2018, announced M&A deals in Europe have approximately doubled in terms of value for the same volume of deals compared to the first half of 2017. Despite an overall decrease in deal value, French targets continue to attract foreign investors investing in Europe. France is ranked third place behind the United Kingdom and Germany in deals volume. In the first half of 2018, acquisitions made by French companies abroad significantly increased in terms of value (a 73.6 per cent increase compared to first half of 2017) to reach €48 billion representing the best result for a six-month period since the second half of 2000, while the number of deals remained at the same level with 343 completed deals over this period. Following the same trend, French domestic M&A activity reached its highest level in terms of volume since the first half of 2015 with 723 completed deals over the first half of 2018, while value increased by 97 per cent as compared with the same period in 2017 to reach €32 billion. [Read more](#)

RUSSIA

Although market conditions are generally improving, it has been a mixed year for Russian M&A: on the one hand, the value of Russian rouble has stabilised over the past couple of years and the economy continues to strengthen following a short period of technical recession; on the other hand, investment conditions remain challenging due to continuing geopolitical risk. Although investors have started to come back to the Russian market, having adapted to the new economic and geopolitical realities, certain foreign investors from the United States and European Union remain deterred from entering the market. For several years now, various sectors of the Russian economy (including defence and arctic offshore drilling) and certain major market participants (including Gazprom, Rosneft and Sberbank) have been targeted by US and EU sanctions imposed following Russia's actions in Crimea and mainland Ukraine starting in 2014. [Read more](#)

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If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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