

## inBrief



### Doing Business in Sudan – A New Era

18 April 2021

#### Lifting of US Sanctions

The US Government announced the removal of Sudan from the US list of state sponsors of terrorism effective as of Monday 14 December 2020.

After 27 years of US sanctions, such step restores sovereign immunity for the Sudanese government in US Courts. It is also a critical step in the process of reintegrating Sudan into the global economy and offering a lifeline of international financial aid to Sudan.

While the Obama administration took steps to lift sanctions, unfreeze assets and remove financial sanctions in January 2017, the recent declaration that Israel and Sudan intend to normalize relations has played a major role in Sudan's delisting as a state sponsor of terrorism.

#### Sudan

Sudan is one of the largest and most geographically diverse states in Africa, recently having been split into two countries (Sudan and South Sudan - July 2011) after the people of the south voted for independence. It borders Egypt, Libya, Chad, the Central African Republic, South Sudan, Ethiopia and Eritrea. Sudan is also a country of great economic potential: strategic location, gold reserves, oil and gas fields, mineral resources, a favourable climate, as well as excellent irrigation and soil conditions.

#### Investment Law

Sudan's National Investment Encouragement Act (the "Act") of 2013 promotes foreign direct investment and prohibits discrimination against foreigners in investments. The Act defines three types of investment projects: national, strategic and state. Sudan has put in place an open investment legislative framework with several laws and regulations that are modern and based on best practices. The Act also establishes the National Investment Council, chaired by the President of Sudan. The focus and objective

#### The Team



**Shahram Safai**  
Partner  
ssafai@afриди-angell.com



**Omer Bakri**  
Senior Associate  
obakri@afриди-angell.com



**Silvia Pretorius**  
Senior Associate  
spretorius@afриди-angell.com



**Nazim Hashim**  
Senior Associate  
nhashim@afриди-angell.com

of this council is to facilitate investment in all sectors of the Sudanese economy. The Act allows foreign and domestic private entities to establish and own business enterprises and to repatriate capital and profits.

## New Era

Given the recent removal of Sudan from the US list of state sponsors of terrorism and given the normalization of the ties between the US and Sudan, investment opportunities in Sudan have opened up. It has been reported that multinational US corporations have already signed MOUs to invest in Sudan. This is the beginning of a new era for Sudan and a promising time to invest. Early movers are likely to reap the benefits, provided investments are structured in a prudent manner. ■



**Mamoun Osman**  
Associate  
mosman@afridi-angell.com



**Anna White**  
Associate  
awhite@afridi-angell.com



**Ragai Ali**  
Paralegal  
ragai@afridi-angell.com

## The Author



**Shahram Safai**  
Partner  
ssafai@afриди-angell.com  
Tel: +971 4 330 3900  
M: +971 50 459 8106

Shahram's practice consists of corporate law, real estate law, disputes, and advising on the legal aspects of doing business in the region. He also advises on private equity and venture capital transactions. He heads the firm's real estate and venture capital teams and has been highly sought after by boards and shareholders for strategic legal advice. He is active in lobbying for, providing constructive feedback to and advising government organizations regarding regional laws and regulations pertaining to doing business, real estate and venture capital investment.

His practice involves advising clients with respect to investments, joint ventures, as well as introduction to sector specific private and public entities. Such advice generally involves franchise and agency matters, build-operate-transfer transactions, regulatory compliance and strategies, foreign investment protection regimes, sanctions and anti-money laundering implications. Shahram is fluent in Farsi and he is a qualified solicitor in England and Wales and a member of the California State Bar. He is also a registered professional engineer.

Shahram's specific doing business in the region related work has included advice relating to:

- Manufacturing sector joint ventures, commercial agency arrangements and local partner introduction.
- Onshore and Free zone entry advice, incorporation and liaison.
- Private equity transactions involving financial institutions.
- Build-operate-transfer arrangements related to the oil and gas sector.
- Hospitality industry legal and regulatory matters as well as related construction matters.

Shahram is described as "a cut above the rest with thorough knowledge, sharp analytical prowess, understanding of the industry, good relationships with government authorities and the best of communication skills" (Legal 500 EMEA). He is described as "quick, responsive and forthright" and a "Leader in [his] Field" (Chambers Global).

## Afridi & Angell

Founded in 1975, Afridi & Angell is a full-service UAE law firm in its fifth decade at the forefront of the legal community. From the beginning, our hallmarks have been a commitment to quality, unsurpassed knowledge of the law and the legal environment, and crafting of innovative business solutions. Licensed in the three largest Emirates of Abu Dhabi, Dubai and Sharjah as well as the Dubai International Financial Centre, our practice areas include banking and finance; corporate and commercial law; arbitration and litigation; construction; real estate; infrastructure projects; energy; project finance; maritime (wet and dry); and employment. We advise local, regional and global clients ranging in size and sophistication from start-ups, sole proprietorships, family-owned businesses, entrepreneurs and investors to some of the world's largest public and private companies, governments and quasi-government institutions. We attract and retain clients with our dedication to practical guidance focused on their business needs supported by decades of experience here in our home jurisdiction, the UAE.

Afridi & Angell is the exclusive member firm in the UAE of top legal networks and associations, most notably Lex Mundi, the world's leading network of independent law firms, and World Services Group.