
MENA Infrastructure Fund acquires GDF Suez stake in Manah power project

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Oman Daily Observer reported that French utility giant GDF Suez Group has agreed a deal with Dubai based MENA Infrastructure Fund to sell its 32.81% stake in United Power Company SAOG which owns and operates the Manah power project.

The sale is in accordance with a stipulation made by the Sultanate's power regulator back in December 2006, requiring the company to completely divest its equity interest in UPC. The divestment is in line with the provisions of the Sector Law, which limits ownership size in the Sultanate's now substantially privatized power and water sector.

It was against this commitment to sell its stake in UPC that the GDF Suez Group's successful bid for the Barka II and Al Rusail Power projects won official approval in December 2006. On last Thursday, UPC announced that it was informed by its principal shareholder GDF Suez Group of its decision to sell the equity interest in the company to the investments holding company of the MENA Infrastructure Fund. The announcement came in a notification to the Muscat Securities Market. GDF Suez's agreement to sell its take to the MENA Infrastructure Fund, the UPC notification added, has already been endorsed by the Authority for Electricity Regulation Oman, the country's power sector regulator.

The MENA Infrastructure Fund is a specialist USD 500 million private equity fund established in the Dubai International Finance Centre and regulated by the Dubai Financial Services Authority. It is a regional investor, targeting investments in the infrastructure and energy sectors across the Middle East and North Africa. The Fund is sponsored by 3 prominent business groups in the MENA region: DICAM, HSBC Bank Middle East and Waha Capital.

(Sourced from Oman Daily Observer)

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