



African Legal Support Facility Overview and Description

The African Legal Support Facility (ALSF) is an international organization dedicated to providing legal advice and technical assistance to regional member countries in matters pertaining to creditor litigation and complex commercial transactions. The ALSF was created as a response to calls from African finance ministers for assistance in these key areas. The goal of the ALSF is to remove asymmetric technical capacities and level the field of legal expertise among parties to litigation and negotiations.

The ALSF strives to further development in Africa by removing obstacles to realizing the benefits of debt relief through its work in Vulture Fund litigation. The ALSF also provides advisory services to improve the negotiating capabilities of its member countries. Through all of its activities the ALSF aims to build additional legal capacity on the continent. The ALSF has officially approved three projects. The current pipeline includes 15 additional requests, with 14 of these requests related to negotiations.

Membership in the ALSF is open to all sovereign nations, the African Development Bank (AfDB), and other international organizations. Currently, 42 member countries and 3 international organizations have signed the Treaty Establishing the ALSF. The ALSF is actively recruiting additional members and support for its operations.

The ALSF is currently supported by voluntary contributions and allocations of net income from the AfDB and income accruing from the ALSF's endowment fund (the AfDB contributed an initial US\$16 million to help establish the Facility). The ALSF is currently hosted by the AfDB, but operates independently and maintains the same privileges and immunities of other international organizations.

A Governing Council and Management Board represented by leading highly respected legal and financial experts oversee the ALSF. The staff of the ALSF consists of a Director and internationally trained and qualified legal professionals.

Requests for Assistance

If you wish to receive more information about the Facility, please feel free to contact the ALSF. All regional member countries of the African Legal Support Facility are eligible to receive assistance.

In order for a member country to receive assistance, an official letter of request should be addressed to the Facility indicating the type of assistance required. The ALSF works on a project basis, so please identify the specific project for which you are seeking assistance.

ALSF staff will then work with the country to identify how the ALSF can help. The ALSF can grant or advance funding for legal fees only after receiving an official request.

African Legal Support Facility

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Services Offered

Vulture Funds

A vulture fund is a name given to a company seeking to make a profit by buying up 'bad' debt at a cheap price, then trying to recover the full amount through aggressive litigation in the courts. It is estimated that over 54 companies have taken actions against the 12 poorest countries in recent years for claims amounting to nearly \$1.5 billion. The World Bank estimates that there is over \$12 billion in external commercial debt owed by African countries. These lawsuits prevent countries from fully realizing the benefits of debt relief by shifting the benefits from development goals to the pockets of vulture funds. This happens at the expense of the countries and institutions that have forgiven debt. The ALSF provides legal and technical assistance to African countries facing lawsuits by these commercial holdout creditors. The ALSF seeks to level the field by supporting regional member countries to ensure their legal rights are represented.

Advisory Services

It has been recognized that African countries often lack the expertise and capacity in negotiating complex commercial transactions. Their ability to acquire such expertise and capacity is often constrained by financial and institutional limitations. The ALSF provides technical legal assistance to African countries to strengthen their legal expertise and negotiating capacity. In particular, the ALSF focuses on matters pertaining to: (a) debt management and litigation, (b) natural resources and extractive industries management and contracting, (c) investment agreements and concessional financing agreements, and (d) other related complex commercial transactions. The ALSF grants and advances funds to African countries for legal advice from the top legal counsel in these areas. The ALSF's goal is ensure fair and balanced negotiations.

Capacity Building

One of the primary areas of need identified during the creation of the Facility was the recognition that there is a shortage of qualified African lawyers to advise on complex commercial transactions and vulture fund litigation. The Facility is attempting to address that need by focusing on developing legal capacity across the continent. Currently the ALSF is organizing events in coordination with the Pan-African Lawyers Union to conduct trainings and workshops to help develop this capacity. Also, a key pillar of the Facility is to require law firms that provide legal services to member countries to transfer skills to their local counsel and counterparts. The ALSF wants to help efforts in building legal capacity on the African continent. If you are aware of a program or area of need, please contact the ALSF for assistance.