

Global Projects & Infrastructure

NEWS AND RECENT DEVELOPMENTS

Periodically we like to update our clients on the latest deals and news at Mayer Brown. In doing this, we hope you gain a broader understanding of our global capabilities in the projects and infrastructure sectors.

Our Düsseldorf office opened on February 6. It will focus on matters related to industrial companies, funds, banks and real estate law. Additionally, our Singapore office, which opened in October 2011, is supporting clients in the areas of asset finance, project finance, energy and international arbitration.

We are proud to report that we have been involved in another award-winning transaction. *Project Finance International* named the Kwale mineral sands project in Kenya its 2011 Middle East and Africa Mining Deal of the Year. We represented the lead arrangers in a syndicated loan for the Australian mining company that financed this titanium-mining project.

Finally, we have recently been working on numerous new transactions, including the Reficar project, which is the largest-ever Colombian financing involving export credit agencies. More details on the rest of these deals are provided below.

We hope you find this update of interest.

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A New Face



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TAUIL & CHEQUER

Eduardo Lima has joined Tauil & Chequer Advogados (T&C) as a partner in their São Paulo office. T&C is our association firm in

Brazil and has offices in both São Paulo and Rio de Janeiro. Eduardo represents financial institutions, multilateral organizations, equity sponsors and corporate clients in financing transactions, banking regulatory and related matters, including project financings (with experience of wide range of

infrastructure and energy transactions), acquisition financings, asset-based loans and structured trade finance. He has advised some of the earliest Brazilian PPP programs, including the IFC in the design of first PPP project on the federal level in Brazil. He also has significant experience with structuring, financing and construction concerns with regard to energy and infrastructure projects, including power generation (especially renewable) and transmission, ports, roads, refining and water projects. Eduardo is ranked in band 2 for Projects in Brazil by Chambers Latin America and so he is an excellent complement to the Mayer Brown projects team, which is ranked in band 1 for Projects in Latin America.

Recent Engagements

Reficar

We advised Ecopetrol S.A. in connection with the granting of a guarantee for a \$3.5 billion project financed by its subsidiary, Refinería de Cartagena S.A. (Reficar), for the modernization and expansion of the Cartagena refinery, which includes the construction of a new complex with a capacity of 165,000 barrels per day. The financing, granted by a group of export credit agencies and commercial banks, is the largest Colombian operation with export credit agencies, and the second largest transaction in the history of US Ex-Im Bank.

Fire Island Wind

We represented Cook Inlet Inc. and its subsidiary, Fire Island Wind LLC, in connection with construction financing for a 17.6 MW (11 GE 1.6 MW xle turbines) wind power project on Fire Island, Alaska.

Goethals Bridge Replacement Project

We are acting as designated lenders' counsel in a bid for the Goethals Bridge Replacement Project being procured by the Port Authority of New York and New Jersey as a PPP project.

Knik Arm Bridge

We are acting as sponsor's counsel to one of the three shortlisted proposers for a toll-supported availability transaction being undertaken by the Knik Arm Bridge and Toll Authority in Alaska.

Post Rock Wind Farm

We represented the equity investors on the commitment-closing of an approximately \$248 million structured equity investment in order to finance the 201 MW Post Rock wind farm located in Kansas and being developed by Wind Capital Group.

Guatemala Hydropower

We have been retained by a lender in a 114 MW run-of-river expansion of a hydropower project in Guatemala.

Quellaveco Copper Project

We represented MCQ Copper Ltd, a wholly-owned direct subsidiary of Mitsubishi Corporation, on its acquisition of an 18.1 percent interest in Anglo American Quellaveco S.A., which is developing the Quellaveco copper project in Peru, from International Finance Corporation.

Upcoming Events

Australia's Experience in Infrastructure Development and Public-Private Partnerships

On March 29, 2012, Mayer Brown, the Metropolitan Planning Council and the Australian Trade Commission will be hosting a presentation from Australian experts, Chicago stakeholders and other industry participants to exchange ideas and experiences regarding Australian PPPs and infrastructure issues. This inaugural event is focused on bilateral trade and investment opportunities in Australia.

Australia's Ambassador to the United States, the Hon. Kim Beazley, will be opening the presentation.

6th Annual Latin America Energy & Infrastructure Finance Forum

On February 28-29, 2012, we are sponsoring the

6th Annual Latin America Energy & Infrastructure Finance Forum, taking place at the Biltmore Hotel in Miami, Florida. Christopher Erckert, a finance partner, will be moderating the panel: "What role can ECAs play in the Latin American project finance market?"

Project Finance Deals of the Year 2011

On March 1, 2012, we are sponsoring the Project Finance Deals of the Year 2011 Americas awards dinner in New York City at Cipriani Wall Street, with an anticipated attendance of more than 500 people. Paul Astolfi, a leading partner in our renewable energy practice, will be announcing the award winners for North America.

Mayer Brown Articles

Shale Gas in Today's Context

January 3, 2012

By Dallas Parker

Published in *Law360* and *Pipeline & Gas Journal*

[Read the article >>](#)

Moving Toward Efficient Risk-Sharing For Wind Farms

December 22, 2011

By Joanna Horsnail and Nate Galer

Published in *Law360*

[Read the article >>](#)

Boosting Foreign Investment in Oil and Gas Exploration and Development in Vietnam

December 8, 2011

By Kevin B. Hawkins, Toshi Yoshida

[Read the article >>](#)

The United Kingdom Seeks to Stimulate Renewable Energy Investment

December 8, 2011

By Michael Hutchinson

[Read the article >>](#)

The German Renewable Energy Act of 2012

December 8, 2011

By Dr. Marius Boewe, Andrea Stratmann

[Read the article >>](#)

Upstream Opportunities in Mexico: Bidding Rounds and New Contracts

December 8, 2011

By Gabriel Salinas

[Read the article >>](#)

"Natural" Project Funding: Refinancing Risk Explored

October 25, 2011

By Paul Forrester

Published in *Infrastructure Journal*

[Read the article >>](#)

Legal Updates

ENERGY

US Supreme Court Issues Opinion in *Pacific Operations Offshore, LLP v. Valladolid*

Legal Update – January 12, 2012

The Outer Continental Shelf Lands Act ("OCSLA") extends worker compensation benefits for "disability or death...resulting from any injury occurring as the result of operations conducted on the outer Continental Shelf." 43 U.S.C. § 1333(b). On January 11, 2012, in *Pacific Operations Offshore, LLP v. Valladolid*, No. 10-507, the Supreme Court held that an injury is covered by the OCSLA when there is a "substantial nexus" between the injury and extractive operations on the Outer Continental Shelf ("OCS").

[Read the article >>](#)

New US Sanctions Legislation Tightens Restrictions on Transactions with Iranian Banks

Legal Update – December 28, 2011

On December 21, 2011, Congress sent to the President legislation to tighten sanctions against Iran. The new

sanctions are part of the 2012 National Defense Authorization Act. The legislation, citing Iran's nuclear technology development activities, targets the Central Bank of Iran (CBI) and other Iranian financial institutions as a way of increasing pressure on Iran's petroleum sector. The President is expected to sign the bill.

[Read the article >>](#)

US Treasury Provides Guidance on Change in Ownership for Section 1603 Cash Grant Program's 5% Safe Harbor

Legal Update – December 15, 2011

The US Department of the Treasury has posted additional guidance for the Section 1603 cash grant program. This guidance addresses the application of the 5% safe harbor where there has been a change in ownership of the energy property or the entity that satisfied the 5% safe harbor.

[Read the article >>](#)

CONTINUED 

Reshaping of the Energy Taxation Directive— The European Parliament joins the battle

Legal Update – November 2011

The European Commission (the “EC”) proposal (the “Proposal”) for a Council Directive amending Directive 2003/96/EC and restructuring the Community framework for the taxation of energy products and electricity (the “Energy Taxation Directive”) is facing hard times due to lack of consensus amongst the Member States. Preliminary work presented last week by the European Parliament (the “EP”) shows the EP is joining the battle on key but very specific aspects of the Proposal, mainly the one that could affect motor fuel taxation.

[Read the article >>](#)

The Energy Bill Receives Royal Assent

Legal Update – October 19, 2011

The Energy Bill received Royal Assent on 18 October 2011, passing into law as the Energy Act 2011 (the

“Act”). The Act has three main objectives: to incentivise improvements in energy efficiency in businesses and homes by tackling lack of available finance; to promote low carbon energy production and to enhance energy security.

[Read the article >>](#)

INFRASTRUCTURE

Circular Clarifying Financial Aspects of BOT Projects

Legal Update – December 15, 2011

On 17 November 2011, the Ministry of Finance issued Circular No. 166/2011/TT-BTC (Circular 166) to guide the implementation of some articles of Decree No. 108/2009/ND-CP dated 27 November 2009 on investment on the basis of BOT (Build-Operate-Transfer) contracts, BTO (Build-Transfer-Operate) contracts and BT (Build-Transfer) contracts (Decree 108).

[Read the article >>](#)

Firm Updates



Mayer Brown JSM Singapore office

Having observed a significant increase in activity for clients in Singapore, in October 2011, we expanded our presence in Asia with the opening of an office in Singapore that is primarily focused on asset finance, project finance, energy and international arbitration. For more information, please contact [Kevin Owen](#), Partner-in-Charge of our Singapore office.

Mayer Brown is a global legal services organization advising many of the world’s largest companies, including a significant portion of the Fortune 100, FTSE 100, DAX and Hang Seng Index companies and more than half of the world’s largest banks. Our legal services include banking and finance; corporate and securities; litigation and dispute resolution; antitrust and competition; US Supreme Court and appellate matters; employment and benefits; environmental; financial services regulatory & enforcement; government and global trade; intellectual property; real estate; tax; restructuring, bankruptcy and insolvency; and wealth management.

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