



## Megan Rodgers

Director | Oil & Gas Sector Head



### Q *What led you to pursue a career in corporate & commercial?*

A Lawyers in corporate and commercial law often play a pivotal role in shaping business decisions and strategies, with corporate and commercial law frequently involving international transactions and cross-border issues, offering exposure to different legal systems and cultures. These aspects were particularly appealing in my decision-making process. Added to this, abstract thinking and practical problem-solving have always been my strengths, so I trained as an upstream M&A corporate and commercial lawyer. For the past decade, I have been fortunate to have a fulfilling and fast-paced career in this unique area of law.

### Q *What is your favourite sector in which to do a deal and why?*

A The oil and gas sector is an extractives industry and energy focused sector – this is my favourite sector. I work with frontier energy companies, major and supermajor energy companies, as well as national oil companies and regulators with upstream mandates. An upstream oil and gas skill set is cross-border and translatable, and I have had the opportunity to work on M&A transactions and oil and gas development projects in over thirteen countries, and across four continents.

### Q *Thoughts on energy diversification in South Africa?*

A Energy in South Africa should be viewed from an Africa perspective. It should never be separated or viewed in isolation from the African continent as a whole. Regional integration through shared infrastructure domesticates the use of natural resources, promotes bankability, and changes the value proposition for investors by providing access to a larger market. In addition to this, the African

continent must be allowed to pursue energy diversification in order to reduce dependence on any one source of energy, achieve energy security, create access to energy, and address energy poverty. Africa, and South Africa, requires a combination of energy sources in order to meet its energy consumption needs. According to the International Energy Agency (IEA), Africa accounts for less than 3% of the world's energy-related CO<sub>2</sub> emissions to date, and has the lowest emissions per capita of any region. In 2021, 43% of the population of Africa — about 600 million people — still lacked access to electricity, and of this number, 590 million reside in sub-Saharan Africa. This energy deficiency will continue to grow as the population growth outpaces access to energy, and access to electricity, specifically. It is an immediate and absolute priority for Africa to bring modern and affordable energy to all Africans. This can only be achieved through utilisation of all available energy resources. In other words, net-zero does not, and cannot, start at zero, at least not for Africa. Although the urgency for action to mitigate the risks of climate change is no longer debatable, the need to eradicate energy poverty on the continent, and recognition that developed and developing countries have different socioeconomic challenges and have contributed disproportionately to GHG emissions, is equally not debatable. The solutions are, by no means, one size fits all. The landscape for each country is diverse, and there is no single strategic response that will make sense for all. A balance must be struck, and while the developed nations disincentivise investment into fossil fuel exploration and production, Africa should be incentivising such investments, while simultaneously incentivising the development of all other energy sources. In order to achieve this, it is necessary to ensure a stable and unwavering regulatory environment

for investors through clear policy directives which promote an energy mix, and legislative certainty.

### Q *What is your outlook for M&A activity over the next 2-3 years?*

A Industry analyst Rystad Energy reports that after hitting a record \$258m last year, upstream merger and acquisition (M&A) activity continued its momentum at the start of this year. With \$64bn worth of upstream deals announced in the first quarter of this year, deal value reached its highest first-quarter levels since 2019, and a near 145% increase compared to the opening quarter last year. Notably, deal value so far this year has already surpassed the total deal value of \$69bn recorded for the entire first half of 2023. With more than \$150bn worth of upstream assets on the market, M&A activity in 2024 is expected to remain robust, and the current indicators suggest a favourable environment.

### Q *What advice would you give a young woman working on her first deal?*

A Confidence in your abilities will help you navigate negotiations and discussions effectively. Imposter syndrome is a common experience; many successful people, including high achievers, experience imposter syndrome, but it's important to recognise that imposter feelings are not necessarily reflective of reality. So, prepare thoroughly. Understand your clients' business and the deal, and plan for all potential outcomes. Do not hesitate to speak up when you have something valuable to contribute. Whether the deal succeeds or not, every experience is a learning opportunity; remember that failure is a pitstop on your journey and never your permanent destination. Give yourself permission to learn every day, to make mistakes, and to break down new barriers. Finally, learn to accept compliments and celebrate your achievements, no matter how small they may seem. 