

'Perfect Storm': Central African Oil Investment at Risk Amid FX Row

Media Mentions

July 03, 2025 | *S&P Global* | 1 minute read | Paris

For seven years, international oil companies have been locked in negotiations with a cluster of Central African states over what the industry sees as unreasonable foreign exchange policies. But one in particular, related to environmental restoration funds for oilfield cleanup, has become a massive sticking point, pitting the Bank of Central African States, or BEAC, against some of the world's largest oil companies.

Bracewell's **Simon Cudennec** told *S&P Global* the dispute marks "a significant shift in paradigm" amplified by "BEAC's newly asserted regulatory authority, including the power to impose direct sanctions and financial penalties on non-compliant operators."

"For many industry stakeholders, this raises concerns about the erosion of legal predictability and operational autonomy in a sector where contractual stability and the sanctity of sovereign agreements are foundational," he said.

Related People

Simon Cudennec

Partner

PARIS

+33 1 87 70 62 70

simon.cudennec@bracewell.com

Related Industries

[Energy](#)

Related Practices

[Energy Commodities & Trading](#)

[Oil & Gas Regulatory](#)

[Government Relations](#)

[Environmental Litigation](#)