CORE CONCEPT

Privatization Transactions and Contracts: Readiness, Valuation and Sale Agreements

4 – 8 October 2027
London - Central London four-star

Privatization Transactions and Contracts: Readiness, Valuation and Sale Agreements

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Introduction:

Privatization transactions often lose value before any bidder is invited: the enterprise is offered for sale with unclear title, tangled cost structures and open disputes, the sale method does not match investor appetite, and contract terms leave the state carrying risks it meant to transfer. This Core Concept course equips government transaction teams, enterprise managers, advisers and lawyers to prepare an enterprise for sale, run a competitive divestment process and negotiate the privatization contracts that close it. Participants produce a Privatization Transaction Plan and Sale Contract Term Sheet for an enterprise or asset from their own portfolio.

Course Objectives:

- Select a privatization method for a state enterprise or asset by weighing sale objectives, sector features, market depth and residual state interests
- Diagnose sale readiness and plan pre-privatization restructuring of legal form, balance sheet, land and asset title, and workforce
- Apply valuation approaches to set a reserve price and defend it to approval committees and oversight bodies
- Run a privatization sale process from mandate and data room to investor marketing, bidder qualification and preferred bidder selection
- Draft and negotiate key terms of share purchase agreements, asset purchase agreements and concession contracts, including warranties, investment undertakings and state protections
- Design employee transfer, social mitigation and post-sale regulation and monitoring arrangements that sustain public confidence after closing

Target Audience:

- Managers in privatization and state asset divestment units who plan and run sale transactions
- Managers of state-owned enterprises preparing their organisation for a change of ownership
- Transaction advisers who lead valuation, marketing and sale process workstreams for public sellers
- Legal counsel who draft and negotiate sale agreements, concession contracts and closing documents
- Sector regulators and ministry managers who set post-sale tariff, service and monitoring terms
- Finance and treasury managers who manage sale proceeds, retained stakes and residual state exposures

Course Outline:

Day 1: Privatization Objectives, Methods and Sale Readiness

- Privatization Objectives Matrix: Fiscal Proceeds, Efficiency, Market Depth and Service Quality
- Method Comparison: Share Issue, Trade Sale, Asset Sale, Management and Employee Buyout
- Partial Divestment Options: Concession, Lease, Management Contract and Corporatization
- Sale Readiness Diagnostic: Legal Status, Asset Title, Liabilities and Data Quality
- Stakeholder and Political Economy Map for a Divestment Programme

Day 2: Pre-Privatization Restructuring and Enterprise Valuation

- Corporatization Roadmap: Legal Form Conversion, Charter and Transitional Board
- Balance Sheet Clean-Up: Historic Debts, Arrears and Non-Core Asset Carve-Out
- Discounted Cash Flow Valuation of a State Enterprise with Tariff and Subsidy Scenarios
- Comparable Transactions, Trading Multiples and Net Asset Value Cross-Checks
- Reserve Price Setting and Valuation Report Review for Approval Committees

Day 3: The Privatization Sale Process and Investor Marketing

- Transaction Mandate, Adviser Appointment and Sale Timetable Governance
- Information Memorandum, Teaser and Virtual Data Room Preparation
- Investor Roadshow, Expression of Interest and Pre-Qualification Criteria
- Two-Stage Bidding: Indicative Offers, Vendor Due Diligence and Binding Bids
- Bid Evaluation Matrix Weighing Price, Investment Plan and Operator Credentials

Day 4: Privatization Contracts, Employees and Post-Sale Regulation

- Share Purchase Agreement Terms: Warranties, Indemnities, Conditions Precedent and Completion Accounts
- Asset Purchase Agreement Terms: Transferred Assets, Excluded Liabilities and Title Transfer
- Concession Contract Terms: Exclusivity, Investment Undertakings, Fees and Asset Reversion
- Golden Share, Lock-Up and Claw-Back Provisions Protecting Residual State Interests
- Employee Transfer Protocol, Pension Arrangements and Voluntary Separation Schemes

Day 5: Privatization Case Work and the Transaction Plan

- Utility Divestment Case Study: Tariff Regulation and Service Obligations After Sale
- Airport Concession Case Study: Renegotiation Pressure and Monitoring Failures
- Post-Privatization Monitoring Dashboard: Investment Delivery, Service Levels and Undertaking Breaches
- Privatization Transaction Plan and Sale Contract Term Sheet Drafting
- Approval Committee Panel Review and Term Sheet Defence

Skills You Will Gain:

- Privatization Method Selection
- Sale Readiness Diagnosis
- State Enterprise Valuation
- Divestment Process Management
- Bidder Qualification and Evaluation
- Sale Agreement Drafting
- Concession Contract Negotiation
- Post-Sale Monitoring Design

Why Attend This Course:

- Leave with a Privatization Transaction Plan and Sale Contract Term Sheet for an enterprise or asset you are responsible for, tested by an approval committee panel
- Spot the title, liability and workforce issues that delay a sale or depress bids before investors find them
- Negotiate warranty, indemnity and investment undertaking packages that keep transferred risks with the buyer
- Compare divestment experience with transaction teams, enterprise managers and lawyers from other sectors and jurisdictions

Conclusion:

A privatization succeeds when the method, the preparation of the enterprise, the price and the contract terms are decided together rather than in sequence. The week moves from sale objectives and method choice, through corporatization, balance sheet clean-up and valuation, to the sale process, investor marketing and bid evaluation. It then covers share purchase, asset purchase and concession contract terms, residual state protections and employee transfer, and closes with case work and a Privatization Transaction Plan and Sale Contract Term Sheet for each participant.