



LICENSE
ROUND
SOMALIA

Somali is offering promising exploration opportunities

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Somalia has high potential for significant hydrocarbon discoveries with attractive fiscal and legislative framework:

- Petroleum Law
- Production Sharing Contract Model
- Contemporary offshore 2D seismic data



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Somali Petroleum Law 2020 is designed in a way that:

- Protects investors' money
- Maximize a complete petroleum resource exploration & exploitation
- Promotes cooperation between IOCs/consortiums
- Provide long-term legal & regulatory stabilization



Somali Production Sharing contract model has been amended to encourage exploration and optimize 2020 bid round interest.

The amended PSA gives emphasis on the following:

- Achieving an investor friendly, flexible and top quartile fiscal framework
- Incentivizing new and sustained investment
- linking subsurface opportunity (maturity, risk, uncertainties) with the country risk-perception and shape an attractive fiscal policy



- being fiscal terms that reflect TECOP (technical, economic, commercial, operational and political) consideration and incentives
- Optimizing 2020 bid round interest and ensure the bid round is competitive and exceeds expectation



Somalia is an opportunity today for oil companies in the light of the following:

- Acquisition of high quality geological & geophysical data
- High potential hydrocarbon prospectivity based on multidisciplinary studies on existing data
- Other East African hydrocarbon finds point to high prospectivity in Somalia
- Country is 'open for business'



This licensing round means to my country that:

- Somali government will offer seven most potential offshore oil blocks under the first country's licensing round to reap substantive benefits from its hydrocarbon resources. And the prospective blocks for this round are block 152, 153, 164, 165, 177, 178, and 204.
- Highly competent and experienced companies (TGS & IHS) are partnered to support Somali government in international promotion activity and to effectively develop, hold and manage the licensing rounds.
- Equitable and transparent framework that brings opportunity to all investors.



Timeline of the License Round:

Opening on 4th August 2020

Closing on 12th March 2021