

LEGAL ALERT

BIDDING FOR NEW PETROLEUM CONCESSIONS

In a bid to incentivise investment into frontier exploration, the National Agency of Petroleum, Gas and Biofuels (ANPG) announced its second oil and gas licensing round, as part of its six-year licensing strategy that began in 2019. On 31 December 2020, ANPG published, in its capacity as National Concessionaire and holder of petroleum mining rights in Angola, an “[Announcement of the Intention to Grant Petroleum Concessions 2020](#)”.

Potential interested players are informed that the “2020 Bidding” process will commence on 30 April 2021, referring to the oil exploration of the onshore Lower Congo and Kwanza basins.

Amongst other goals, it is intended to relaunch the exploration and production of hydrocarbons in these areas, as well as increasing overall production. The expected objectives of boosting Angolan entrepreneurship and its qualified national workforce are also present.

The blocks on offer are CON1, CON5, CON6, KON5, KON6, KON8, KON9, KON17 and KON20, three in the onshore Lower Congo basin and six in the onshore Kwanza basin.

An entry fee in the amount of USD 1.000.000,00 is foreseen, which will provide access to the Data Packages referring to these blocks.

Under the terms of the Presidential Decree no. 52/19, of 18 February 2019, petroleum concessions are to be awarded through three mechanisms: public bidding, limited public bidding and direct negotiation. This means that some of the blocks may still be available for direct negotiation. Eligible bidders are selected from companies that have demonstrated knowledge, expertise and technical and technological competence operating in Angola. Under direct negotiation, successful

companies must enter into a risk service contract, *i.e.*, the company bears all exploration costs and, in return, recovers costs through the sale of the oil or gas if exploration proves successful.

The ceremony to open the bids is scheduled for 10 June 2021.



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