

# **PRE-QUALIFICATION RULES AND CRITERIA**

**REQUIRED TO PARTICIPATE IN HYDROCARBONS'  
UPSTREAM OPPORTUNITIES IN ALGERIA  
(PROSPECTION, EXPLORATION AND  
EXPLOITATION )**



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**In virtue of the provisions of Law No. 05-07, AS amended and supplemented, relating to hydrocarbons.**

**Executive Decree (ED) N° 07-184, AS amended and supplemented,**

**ED No. 07-294, as amended and supplemented,**

**any person wishing to**

**participate in a bid  
round for R&E  
contracts**

**And / or**

**conduct Prospection  
activities, under the  
provisions of ED No.  
07-294**

**must obtain a valid  
pre-qualification certificate  
issued by ALNAFT**



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## Information related to legal aspects

1) Applicant Name:

2) The pre-qualification type required (put a cross where applicable)

a) Operator/ Investor

Onshore only.....

Onshore and offshore.....

b) Investor /non Operator.....



## Legal aspects (continue)

- 3) The Articles of Association : certified true copies of the articles of association in the original language and the translation of such articles of association into Arabic, and French,
- a) type of the company ;
  - b) a list of the main shareholders and their participation rate;
  - c) a brief report on the company's legal evolution since its creation.



## Legal aspects (continue)

- 4) Applicant legal status in Algeria: in the case when the applicant is present in Algeria (precise the company's type and provide the copy of the documentation that confirms the applicant legal status).
- 5) First name, address and telephone number of the person of Algerian nationality with a permanent residence in Algiers, and designated to act as the applicant legal representative in Algeria, for legal and financial ends.
- 6) Does the applicant seek a pre-qualification based on his own experience and Background ?.....yes.....no



## Legal aspects (continue)

**7)** If the applicant is a subsidiary company or a branch and wishes to be pre-qualified on the basis of backgrounds of the company that controls him,

Specify/ supply :

- a-** Name of the company which backgrounds are wished for such pre-qualification;
- b-** Legal relationships between the applicant and the relevant company;



## Legal aspects (continue)

**c-** company details, Address:

Name and title of the person to contact (including the email, phone and fax numbers);

Name and title of another person to contact (including the email, phone and fax numbers);

**d-** Written authorization for the applicant to be pre-qualified on the basis of his/her background);



## Legal aspects (continue)

e- A written commitment signed by a duly authorized executive of the company, stipulating this company will supply its subsidiary or branch, in case it is pre-qualified with all necessary technical, human, financial and any other resources, since such company shall need to observe its obligations at the proper time, under whichever contract;



## Legal aspects (continue)

- f-** A written testimony of such company, proving the legal authority of the executive signer of the company d) and e) to supply such authorization and issue the commitment;
- g-** In case the applicant or person wishing to be pre-qualified is not quoted in an international stock exchange, it shall indicate the identity and nationality of shareholders who hold or control directly or indirectly 20% or more of the company's shares.



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## Information related to financial aspects

Every applicant, whether as operator/ investor or investor/ non operator, should provide this documentation relating to the request, certifying the position and the financial capacities of the entity under which name he wishes to be pre-qualified, and shows in particular the assets and liabilities, debt ratio and solvency ratio.

Such documentation shall generally include:



## Financial aspects (continue)

- Copies of financial statements and annual reports for the five (5) fiscal years prior to the pre-qualification request date;
- In case the financial statements are not included in the annual reports, such financial statements should be certified by an independent internationally renowned auditor;
- Applicant's current and past categorization by Standard's & Poors Rating Services, Moody's Investor Services, Dunn and Bradstreet or any other financial evaluation services providers.



## Financial aspects (continue)

- Description of available credit lines; credits' agreements and other banking references.
- Long run debt term description, including major obligations of the leasing and the naming of the main assets engaged as loans guaranty.
- All other information that may add to the applicant's financial capacity.



## Financial aspects (continue)

With such request, the applicant shall have to itemize the way he will provide for his financial commitments during the first ten years (10) of each project for which he may be pre-qualified to make a bid or take part in it in Algeria.

The annual reports and audited financial statements shall be presented in their original language, with a translation in French, unless the original copy is in French, English or Arabic.



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## Information related to Technical aspects

A.To be pre-qualified for the technical plan as  
**Operator/ Investor**

the applicant is requested to supply a detailed description of his capabilities and experience as operator, which shall include:

**A.1. A decreasing list in terms of exploration projects in which he has worked as operator, during the past seven (7) years,**

**and specify for each project:**



## Technical aspects (continue)

- ✓ the place (country),
- ✓ the exploration zone size, and specify whether such zone was on onshore or offshore,
- ✓ a description of exploration program performed in terms of program, work and cost, achieved results,
- ✓ particular challenges on the environmental level or any other encountered in connection with the project,



## Technical aspects (continue)

- ✓ names of partners; if any :
- the percentage of interest of each one of them
- the period during which the applicant has been carrying out works as operator.



## Technical aspects (continue)

**A.2 .** A decreasing list in terms of importance of the development and exploitation projects in which he has worked as operator at any period of time during the last 7 years, and specify for each project :

- ✓ the place,
- ✓ the exploitation zone size; specify whether it was on onshore or offshore,
- ✓ the type of hydrocarbon(s),
- ✓ the discovery size in terms of reserves and daily production,



## Technical aspects (continue)

- ✓ scope of the project in terms of investment,
- ✓ the laps of time between the first discovery and the first production,
- ✓ the particular challenges on the environmental level or any other encountered in connection with the project,
- ✓ the developed/ used special technology,



## Technical aspects (continue)

- ✓ names of partners; if any :
- the percentage of interest of each one of them, as well as,
- the period during which the applicant has been carrying out works as operator.



## Technical aspects (continue)

**A.3** . A description of the applicant's capacities in house in all important fields and relating to sub-surface technologies, development and production, human resources management, health, safety and environment management (HSE).

**A.4** . A description of the applicant's capabilities in terms of management and endowment with personnel and offices for operator and on site activities in Algeria.



## Technical aspects (continue)

**A.5.** A decreasing list of projects, in which the applicant has participated without being operator/ investor during the last seven years (7), and indicate the project phase, name of the operator and the other participants' as well as the achieved results.



## Technical aspects (continue)

### **B. To be pre-qualified for the technical plan as Investor/ non Operator**

the applicant is requested to supply a detailed description of his commercial activities and capabilities which shall include :



## Technical aspects (continue)

- ✓ a description of his main commercial activities;
- ✓ reasons that had led him to pre-qualify as investor/ non operator;
- ✓ names of the operator or operators with whom he should like to invest;



## Technical aspects (continue)

- ✓ the list of hydrocarbon exploration and/ or exploitation projects in which projects had he participated during the last seven years (7), if any, and indicate :
  - the place and the operator's name;
  - describe the expertise or other advantages he believes he shall add to a consortium carrying out works in Algeria, in the hydrocarbons exploration and exploitation.



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**Pre-qualification  
application  
with required  
information**



**Documents examined  
by ALNAFT services,  
according to ED-07-184**

