

Government of Uganda receives seven bidders for the First Licensing Round

7/3/2016

Government of Uganda through the Ministry of Energy and Mineral Development has received seven bidders for the blocks in Albertine Graben which were put up for licensing. The deadline for submission was 26th February 2016.

The firms that submitted bids are:

Armour Energy Limited of Australia, WalterSmith Petroman Oil Limited of Nigeria, Oranto Petroleum International Ltd of Nigeria, Niger Delta Petroleum Resources Ltd of Nigeria, Rift Energy Corporation of Canada, Glint Energy LLC of USA and Swala Energy Ltd of Australia. These firms are part of the 16 potential bidders that were issued with the bidding documents on 1st October 2015

The six blocks on offer comprise of the Ngassa (410 Km²) in Hoima District, Taitai & Karuka (565 Km²) in Buliisa District, Ngaji (895 Km²) in Rukungiri & Kanungu Districts, Mvule (344 Km²) in Moyo and Yumbe Districts together with Turaco (425 Km²) and Kanywantaba (344 Km²) in Ntoroko District.

Dr. F.A Kabagambe-Kaliisa, Permanent Secretary of the Ministry of Energy & Mineral Development (MEMD), said that the attraction of seven bidders is significant taking into consideration the current low Global Oil and Gas prices. He explained that the good success of the bidding process is largely attributed to geological success within the Albertine Graben and the fact that majority of the blocks on offer have proven oil and gas potential.

The Permanent Secretary further elaborated that the evaluation of the bids will be primarily based on the proposed work program, Technical and Financial capability, National Content, Health Safety and Environment, Proposed Royalty and Signature Bonus. He added that Government will conclude the licensing round by negotiating with successful bidders, sign Production Sharing Agreements and award Exploration licenses by the end of June 2016.

The bidding document comprised of the Request for Proposal, Model Production Sharing Agreement 2015 (MPSA), Model Confidentiality Agreement for sale of data, Petroleum (Exploration, Development and Production) (Data Sale) Regulations 2014 and Petroleum (Exploration, Development and Production) (Data Sale) (Amendment), Regulations 2015.

Uganda's first licensing round is guided by the National Oil and Gas Policy for Uganda (2008) and the Petroleum (Exploration, Development and Production) Act 2013. ENDS.../

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