



REPUBLIC OF ALBANIA
MINISTRY OF ENERGY AND INDUSTRY
THE MINISTER

ORDER

NR.121, DATE 08.05.2015

FOR SOME AMENDMENTS AND ADDENDUMS TO THE “REGULATION FOR APPROVAL PROCEDURES OF HYDROCARBON AGREEMENTS AND AGREEMENTS LICENSE, AND RESPECTIVE DEADLINES”

Pursuant to Article 102 of the Constitution, to Article 9 of Law No 7746, dated 28.7.1993 "For hydrocarbon (exploration and production)", as amended

I ORDER:

In the "Regulation for Approval Procedures of Hydrocarbon Agreements and Agreements License, and Respective Deadlines", the following changes shall be made:

1. Point 1 is amended as follows:

Pursuant to point f, of Article 9 of law nr. 7746, dated 28.07.1993 "For hydrocarbon (exploration and production)", as amended, the Regulation for establishing approval procedures for the hydrocarbon agreement, the license agreement and the relevant deadlines for their approval is drafted.

2. The first paragraph, of point 2 is amended as follows:

The procedure for preparation and approval of a Hydrocarbon Agreement, by the Ministry of Energy and Industry (MEI), AKBN and Albpetrol, in accordance with the areas they have under management and the timelines for their approval are as follows:

3. Subparagraph (a), of point 2 is amended as follows:

MEI and AKBN shall publish on their website the map of the free blocks of oil and gas in the Republic of Albania as well as the application form. The application form must include the deadline of submission of applications for the free blocks.

The interested companies shall submit to MEI, AKBN or Albpetrol (when the areas are administered by Albpetrol) an application to enter into a Hydrocarbon Agreement. When the application is submitted to MEI, it will be sent to AKBN for review within 10 days.

AKBN examines the application according to the following procedure:

- In the case when AKBN or Albpertol receives an application from a single company for a free block or oil field, AKBN or Albpertol accordingly, within 10 days from the deadline of the applications, shall submit to the Ministry of Energy and Industry (MEI) the necessary documentation and a request for approval of the beginning of negotiations. MEI gives its approval or rejection to start negotiations within 7 days of receiving the proposal from AKBN or Albpertol.
- When there is more than one application for a free block or oil field, AKBN or Albpertol accordingly, shall forward to MEI the documentation of the applying companies and the evaluation of AKBN or Albpertol, based on the technical and financial capacity, as well as based on the basic terms and conditions of the hydrocarbon agreement. Based on the documentation submitted, MEI approves or rejects the winning company.

4. The first paragraph, of subparagraph b, of point 2 is amended as follows:

If the request of AKBN or Albpertol is approved by MEI, the representatives of AKBN or Albpertol start the negotiations with the winning company, selected from MEI based on the Basic Terms and Conditions of the Hydrocarbon Agreement and on the application submitted by the winning company. By order of the Minister, MEI representatives or external experts will be appointed as part of the negotiating group. Once the parties agree, the document is signed by both parties and forwarded to MEI for approval. Minutes of meeting will be kept during the negotiation process.

5. For the implementation of this Order I charge the Directorate of Policy and Development of Hydrocarbons, AKBN and Albpertol Sh.A..

This Order shall take effect immediately.

THE MINISTER

DAMIAN GJIKNURI