

Egyptian Natural Gas Holding Company "EGAS"

2021 INTERNATIONAL BID ROUND

"PROCEDURES"

Bidders shall submit their offers by the closing date in two separate sealed envelopes as follows:-

SEALED ENVELOPE (1) titled "Qualifications" and shall contain:

- 1- A preliminary bond in amount of US\$100 000 to be submitted to EGAS by an irrevocable bank letter of Guarantee or a payable check confirmed by an Egyptian bank, which shall be valid for not less than six months from the Bid Round closing date. This bond will be collected from EGAS' premises by the unsuccessful bidders upon EGAS' notification.

Within fifteen (15) days from receiving EGAS' awarding notification to the successful bidder, the above mentioned US\$ 100 000 guarantee shall be increased to an amount equal to 5% of the minimum financial commitment of the first exploration period as specified in the offer.

EGAS shall liquidate without any legal procedure the guarantee amount in the following cases:-

- i- The US\$ 100 000 bond will be liquidated, if :
 - (a) The bidder withdrew before the bid results announcement; or
 - (b) The successful bidder failed to increase the guarantee amount of US\$ 100 000 up to the amount of 5% of the minimum financial commitment of the first Exploration period as specified in the offer.
- ii- The 5% bond will be liquidated and the area awarding will be canceled if:
 - (a) The successful bidder withdrew; or
 - (b) The successful bidder failed to initial the Agreement draft within (6) months from EGAS' notification to the bidder to initial the Agreement draft; or
 - (c) The successful bidder failed to deliver to EGAS the required documents before the final signature date which will be determined by EGAS.
 - (d) The successful bidder fail to sign the Concession Agreement within six (6) months from the date the relevant law is issued.

The above mentioned bonds will be collected from EGAS' premises by the successful bidder a week after the Concession Agreement signature date and after submitting the letter of Guarantee with the minimum financial commitment of the first exploration period.

- 2- Petroleum exploration and production previous experience and company's activities all over the world including development projects, petroleum production, reserves and the latest used technology, all supplemented by the company's Annual Report.

- 3- The company's Article of Incorporation, the company's Commercial Registration and copies of all documents that proves its legal existence as well as company's shareholders and their nationalities.

Recent annual report and/or official financial documents proving the financial capability of the bidder(s) 's company(ies).

SEALED ENVELOPE (2) titled "Commercial" and shall contain:

Proposed Terms and Conditions according to the announced Main Terms and Conditions and the provisions of the Model Agreement.

The two sealed envelopes (1&2) shall be marked by "Qualifications" and "Commercial", shall be submitted and hand delivered separately at the same time. On the closing date and before 12:00 o'clock at noon Cairo local time on 30th of September 2021.

ENVELOPES (1) and (2) should be titled:

"CONFIDENTIAL"

EGAS INTERNATIONAL BID ROUND 2021

BLOCK NAME

And should be addressed to: **EGAS Chairman of the Board**

Address: **85, El Nasr Road, 1st District Nasr City, Cairo, Egypt.**

Envelope (2) "Commercial" shall not be opened unless the bidder is technically accepted as all required documents in envelope (1) "Qualifications" were found fulfilling the required documents.

Take into consideration the following:

- ❖ EGAS has the right to reject any offer without giving any reason.
- ❖ In case Bidders didn't oblige to the following, the offer shall be disregarded:
 - Bidders should submit their offers based on this Bid Round Terms and Conditions and commit to the announced Model Agreement.
 - Bidders should at least purchase the Principal Data Package or 3D seismic data for the block(s) they would like to apply for.
 - Offers shouldn't include any area out of EGAS 2021 International Bid Round blocks.
 - Each offer should include only one block.
- ❖ When evaluating the offers, EGAS shall give 20% of its evaluation to the bidders technical qualifications included in envelope 1, the other 80% shall be based on the commercial terms in envelope 2.
- ❖ The successful bidder should submit to EGAS the following documents(in English and if needed in Arabic):-
 - Article of Incorporation of the Bidder(s) 's company(ies),
 - The Commercial Registration of the Bidder(s) 's company(ies),

- All documents that prove the Bidder(s) 's company(ies) legal existence ,
- The Bidder(s) 's company(ies), shareholders and their nationalities, and
- Valid power of attorney of the successful bidder's representative, who is authorized to sign the original copies of the Concession Agreement. Such valid power of attorney will be submitted directly before the final signature and upon EGAS notification.

All submitted documents should be notarized, authenticated and legalized by the competent authorities and the Egyptian Embassy or the Consulate General of the A.R.E. in the successful bidder's country(ies) of origin and the Ministry of Foreign Affairs in Egypt.

- ❖ The successful bidder should submit, upon EGAS' Request, A check, confirmed by an Egyptian Bank, made payable to the order of EGAS or a wire transfer to EGAS' account with an amount of US\$ 80 000 (non-recoverable) in order to publish the law in the Official Gazette, this amount should be paid before the Effective date of the Agreement and after the relevant law is issued.
- ❖ The initialed agreement draft will be reviewed by the State Council; its comments (if any) should be applied.
- ❖ In the event the successful bidder fail to sign the Concession Agreement within six (6) months from the date the relevant law is issued, EGAS shall cancel the block awarding. The block shall be an open area and be offered through EGAS' future bid rounds. EGAS shall also take all necessary procedures through the competent authorities in order to cancel the issued relevant law.

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