



# **TANZANIA PETROLEUM DEVELOPMENT CORPORATION**

## **AWARD OF THE LAKE TANGANYIKA NORTH OPEN ACREAGE**

### **1.0 INTRODUCTION**

In March 2011, the Government of the United Republic of Tanzania through the Tanzania Petroleum Development Corporation invited oil exploration companies to bid for hydrocarbon exploration rights over the Lake Tanganyika North Area (Tanzania portion). The invitation for Bids was publicly advertised in local newspapers, TPDC's website, the Public Procurement Regulatory Authority (PPRA) website and international publications for 60 days up to 7th June 2011. The validity period of the bids is (ninety) 90 days after the opening date i.e. up to 5th September, 2011. The tender closed on 07 June 2011, and the bids were publicly opened the same day.

### **2.0 BIDS SUBMISSION AND BIDS OPENING**

Nine (9) bidding documents were received before the deadline.

Bids that were received and opened were from:

- (1) Swala Energy Ltd of UK,
- (2) Fort Calgary Resources Ltd of Canada,
- (3) Aminex PLC in association with Adamantine Energy Limited of UK,
- (4) Total E&P Activites Petrolieres of France,
- (5) Beach Energy Ltd of Australia,
- (6) Kosmos Energy Tanzania of USA, (7) Lake Tanganyika Exploration Ltd of UK,
- (8) ERHC Energy INC. of USA, and
- (9) Ophir East Africa Ventures Ltd of UK.

### 3.0 BID EVALUATION

Bids were evaluated in accordance with the requirements of the bidding document and the Public Procurement Act of 2004 and the Public Procurement Regulations of 2005 by the Evaluation Committee appointed by the Managing Director.

Five bidders were disqualified in the preliminary examination for having not met the bidding requirements. The disqualified companies were:

- (1) Swala Energy Limited,
- (2) Fort Calgary Resources Limited,
- (3) Aminex PLC in association with Adamantine Energy Limited,
- (4) Lake Tanganyika Exploration Limited and
- (5) ERHC Energy Inc.

Four bidders fully complied with the Instructions to Bidders and were considered for Detailed Evaluation. Those were:

- (1) Total E&P Activities Petrolieres,
- (2) Beach Energy Limited,
- (3) Kosmos Energy Tanzania and
- (4) Ophir East Africa Ventures Limited.

The main parameters that were considered for Detailed Evaluation were Technical capability, Work Programmes, and Fiscal Packages.

### 4.0 RESULTS

Each Bidder had a chance of scoring a maximum of 93 points (= 100%) as provided in the score card in the bid document. Each bidder was evaluated separately and corresponding scores were given. The overall scores and ranking for each bidder is as shown in .

**Table 1: Overall Scores and Ranking**

<b>Bidder</b>	<b>Overall Score</b>		<b>Ranking</b>
Total E&P Activites Petrolieres	84.69	91.1%	1
Beach Energy	84.12	90.4%	2
Kosmos Energy	81.74	87.9%	3
Ophir	75.46	81.1%	4

## 5.0 AWARD RECOMMENDATION

The Evaluation Committee established that four (4) companies were substantially responsive to the Lake Tanganyika North Area open acreage Tender. Of the four companies, **Total E&P Activites Petrolieres** has shown to be able to comply with the minimum work commitment and has superior technical as well a financial capability over the other bidders to undertake Exploration in the Lake Tanganyika North area. The Evaluation Committee recommended that **Total E&P Activites Petrolieres** be invited to negotiate for a PSA for Hydrocarbon Exploration in the Lake Tanganyika North Area (Tanzania Portion).

In a meeting held on the 13<sup>th</sup> June 2011, TPDC Tender Board scrutinized the Evaluation Report, and was satisfied that the Public Procurement Act, 2004 and the Public Procurement (Goods, Works, Non-Consultant Services and Disposal of Public Assets by Tender) Regulations, 2005 were followed to determine the most responsive bidder.

The TPDC Board of Directors at its meeting that was held on 13<sup>th</sup> July 2011 reviewed the Management recommendation and approved the award of tender for PSA application proposals for Hydrocarbon Exploration in Lake Tanganyika North Area - Tanzania Side to **Total E&P Activites Petrolieres**.

TPDC would like to thank all bidders for the interest they have shown to work with TPDC in the exploration for hydrocarbons in this frontier region.