

Lebanon's Oil and Gas: 2014 Review

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Lebanon is a small country in the Middle East. However, it is famous, Better "Notorious". In movies, when bullets fly, "Beirut" comes as a key word.

Only recently, did Lebanon hit the headlines as a country with possible Oil and Gas (O&G) wealth. The oily news made many people think of jackpots. The headlines and critics were many: "The country would finally solve its energy crisis", "the deficit will be cleared off", "we'll have electricity 24/7 like other modern countries" as example... The year 2014 was expected to be different and the future looked bright. Unfortunately, or perhaps fortunately, nothing substantial has happened to put Lebanon one-step closer to capitalizing on its wealth.

Unlike the urban legend that whole sector is cursed, or the list of conspiracies behind it, Lebanon's O&G delay is just the work of its own hands.

Despite the major progress that the Lebanese Petroleum Administration (LPA) has done since its appointment in 2012 in advancing the legal and environmental frameworks of the O&G sector, with the limited authority it has, no company can bid until the two decrees of "how many" and "how" will be signed by the parliament.

Many conferences were held during the year. All the talks are boiled to the same conclusions:

- We need to work fast to capitalize on the wealth
- If too little is available, we'll keep and utilize it internally, otherwise we'll export to Europe and Asia.
- We should think of down streaming and having our own petrochemical industry
- The government and institutions should prepare the right framework to maximize wealth.

- Some gas might be siphoned through horizontal piping and new technologies by neighboring countries
- Piping agreements must be done with neighboring countries as solution to transporting to EU, NEA, MENA
- the region must find a solution to Lebanon's Economic Exclusive Zone Dispute
- The draft must be signed before the companies lose all their interest
- We should develop transparency methods and reports.
- The public should be educated on what O&G can do.
- Universities are preparing new curricula for O&G – engineering, chemistry, project management, oil and Gas supply chain.

Lebanon's sluggish O&G topic is put on the backseat, as the international Oil prices are nose-diving. This will buy time to the government to set its things straight, while drilling and supply chain bottom line become more and more expensive to justify a project.

Lebanon however, is an optimist country, with everyone's opinion mattering from politics to the number of pepperoni in my pizza, what is yours?

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