

# 2015 Startup Challenge for Lebanese Oil and Gas Sector

By Lebanon Gas and Oil

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Can Lebanon begin offshore gas drilling by the end of 2015!?!

International energy companies will be able to start drilling for gas off the Lebanese coast during the 2016 if the

decrees concerning the number of blocks and the mechanism of revenue sharing will be approved at the first quarter of 2015.

In this case companies will have sufficient time to make their bidding on September – October 2015. If everything goes according to the plan, international oil companies can start the actual drilling at the beginning of 2016 or mid 2016 at the latest.

Lebanon's economy could be significantly enhanced due to the potential of the oil and gas industry; A good plan would maximize the benefits of this sector to the economy, in terms of creating job opportunities (more than 50,000 jobs) for Lebanese in the areas of electricity production and in the petrochemical industry.

Note that Lebanese Prime minister Tamam Salam is very optimistic when asked about the subject he replied, "The petroleum sector regulatory authority shall soon submit its report to Minister Arthur Nazarian, who, in turn, will inform me of its content in preparation for it being discussed by the Council of Ministers and a decision made in its regard. The petroleum issue is a thorny and complicated one, requiring great care and attention. It must be prudently and deliberately studied, but not to the point where matters are unduly delayed and opportunities missed."

Concerning whether the obstacles presented by this issue were political or technical, Salam said, "I hope that no political obstacle arises. However, if they do I hope that such obstacles are overcome, because there is a necessity for this dossier to be resolved and relevant laws adopted."

Salam also indicated that the solid waste issue was now the first item on the agenda of the Council of Ministers meeting scheduled for January 8. "I expect a decision to be reached once the ministers express their opinions regarding the study prepared by the Minister of the

Environment Mohammad Mashnouq.

Several consecutive events and crucial declarations have recently led to open a huge window of Hope for the Lebanese people when everything will start by the decrees approval, it was remarkable the pressure from all parties even Hezbollah deputy Naim Qassem joined calls for Lebanon to start drilling for oil and gas.

After some announcement by the authorities as well as by the different political parties The Energy minister Nazarian said he is confident about the prospects of the bidding process because all parties have the intention and good will and because this is in the interest of Lebanon.

So, if everything goes smoothly, Lebanon can start extracting gas in five years after the actual drilling starts in 2015. Once the decrees are approved, the oil companies will open offices in the country and carry out technical teams to the sea; Sources monitoring the situation told Assafir last week that a number of diplomats at foreign embassies in Beirut met with Lebanese officials who are following up on the oil file.

They stressed to them that their countries are still interested in investing in Lebanon's offshore oil and gas wealth, meaning that Lebanon should exert some effort and demonstrate some seriousness in tackling this issue, reported the daily.

The official announcements, the different calls, the international interests, the local revolution and the latest reports/news left a clear and optimistic impression about the positive startup of the Lebanese oil and gas sector in 2015.