

# ZAMBIA

## One of Africa's most mineral-rich nations, Zambia is now inviting bids for oil exploration projects.



Maxwell Mwale  
Minister of Mines



Godwin Beene  
Perm. Sec. of the  
Ministry of Mines

**F**amed for its magnificent landscapes and spectacular Victoria Falls, Zambia is poised to make a splash in the oil and gas sector as leading international companies rush to the landlocked country in search of potentially lucrative oil exploration opportunities.

With a wealth of natural resources such as copper, cobalt, and manganese generating huge revenues for the ambitious country of 12 million people, the 2007 discovery of oil and gas residues has sparked a cascade of interest from foreign firms looking to strike it rich.

In order to ensure that the country makes the most of these expected oil and gas reserves, Zambian President Rupiah Banda has appointed a special ministerial committee to oversee the issuing of licenses for 23 exploration blocks situated in the northwestern, western, southern, and eastern provinces.

Interested parties have until June 30th, 2010 to submit bids for the blocks, with government officials anticipating a wave of interest from major industry players, as witnessed during the first round of licensing in early November 2009 when permits were issued for 11 exploration blocks.

The Ministry of Mines and Minerals Development is the government department given responsibility for developing this emerging oil and gas sector in a country that has traditionally relied on its huge deposits of metals and other precious

**"Our strong legal framework and policies protect foreign investors."**

Godwin Beene, Permanent Secretary of Ministry of Mines

minerals to buoy the economy. "While we are diversifying our economy and moving into sectors such as tourism and agriculture, mining will continue to play a significant role in Zambia and will help finance this diversification," says Maxwell Mwale, Minister of Mines and Minerals Development.

"We have every chance of finding petroleum in Zambia. Our neighbor, Angola, has onshore reserves, and we are therefore very optimistic these exploration projects will have a positive outcome. We have identified a number of potential sites for oil and gas reserves, and at this stage are inviting investors to carry out detailed geological explorations."

As part of its Vision 2030 socioeconomic development plan, and following amendments to the Petroleum Act in 2008,

international oil and gas companies will be expected to train and hire local workers and comply with strict environmental laws and tough health and safety regulations.

In addition, the government has pledged to establish a state-owned oil enterprise that will regulate activities throughout the industry and ensure that all rules and protocols are adhered to.

### Safe and Investor-Friendly

While Zambia is fully committed to the development of value-added activities across the board, Minister Mwale explains that mining will remain the driver for better infrastructure, with the fledging oil and gas sector also playing a key role in the country's emergence on the global stage.

Investors will be able to take advantage of a wide range of tax breaks and government concessions, and can rest assured they are investing in one of the safest countries in the region.

"We offer many incentives to investors, but political stability is our biggest draw," Minister Mwale explains. "Moreover, we are reducing the cost of doing business in Zambia and streamlining the licensing process."

This optimistic outlook for the mining industry and the general economy is shared by Mwale's ministerial colleague Godwin Beene, Permanent Secretary of the Ministry of Mines and Minerals Development.

"When you take the mining history of Zambia and add oil and gas, you have a very exciting scenario," Beene states. "We are very pleased with the amount of interest generated by our oil exploration blocks because this is virgin territory.

"Seven companies have been awarded exploration rights so far, and we are very confident about our prospects due to the amount of interest that leading prospectors have shown in Zambia. The Zambian companies involved must take credit because these ventures are strongly backed by the best professionals in the industry. They bring to the table years of experience in oil and gas that is invaluable."

Beene emphasizes that "Zambia has come a long way with regard to investment," and that now is the ideal time for foreign investors to launch operations there.

"We have a strong legal framework in place and there has never been a better time to do business in our country," he says. "Our message to investors is that you are welcome in Zambia. The government has put in place a series of policies to protect you and your investment." ●



THE GOVERNMENT OF  
THE REPUBLIC OF ZAMBIA

# ZAMBIA

MINISTRY OF MINES AND MINERALS DEVELOPMENT

## Invitation for bids

*Following the successful round of bidding on November 6th 2009, the Ministry of Mines and Minerals Development is now offering another 23 blocks for oil and gas exploration.*

1. The Government of the Republic of Zambia through the Ministry of Mines and Minerals Development in accordance with the Petroleum (Exploration and Production) Act 2008, invites sealed bids for petroleum exploration licensing round for 23 blocks in the North Western, Western, Southern, Eastern, Luapula and Northern Provinces of Zambia.
2. The bidder must be able to demonstrate a proven ability to raise the necessary funds, assets, machinery, equipment, tools and technical expertise to explore for, produce, sell and dispose of petroleum in an environmentally sustainable manner.
3. A complete Data Package in English should be purchased by interested bidders from the Director, Geological Survey Department, Ministry of Mines and Minerals Development, Corner of Government and Nationalists Roads, P.O. Box 31969, Lusaka upon payment of a non-refundable fee of US\$10,000 (or Zambian Kwacha equivalent). Some of the data may be purchased electronically by e-mail at the Geological Survey Department.
4. Bids in one original and three copies enclosed in sealed plain envelopes accompanied by a non-refundable application fee of US\$10,000 (or Zambian Kwacha equivalent) per block must be delivered by courier to be deposited in the Tender Box located at the Ministry of Mines and Minerals Development, 14th Floor, New Government Complex, Independence Avenue, P.O. Box 31969, Lusaka, Zambia by 30th of June 2010. Electronic, telex and telefax offers and late bids shall not be accepted irrespective of circumstances.
5. All bids shall be opened in public at the Ministry of Mines and Minerals Development, Conference Room situated on the 14th Floor, New Government Complex, Independence Avenue, P.O. Box 31969, Lusaka, Zambia immediately thereafter. Bidders and/or their representatives who choose to attend the tender opening are free to do so.

# 30 JUNE

A very important date for all companies in the oil and gas exploration industry, deadline day for bidding in one of Africa's most lucrative exploration projects



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