

Consortia

While companies that are classified as (Co)-Operators (“Lead Contractor” or “Contractor’s Operator” in the Contract) may bid singly for those Contract Areas for which they have been qualified, the Ministry of Oil encourages the development of consortia between the prequalified companies.

In order to participate in Iraq’s First Petroleum Licensing Round, all companies must have been prequalified individually. Prequalified companies will be free to form bidding consortia up to the deadline for submission of bids for each Contract Area described in this Final Tender Protocol. The only restrictions that will apply are:

- (a) Each consortium must contain a company qualified as a (Co)-Operator for the Contract Area in question;
- (b) The (Co)-Operator must have a minimum 30% interest in the consortium (prior to the participation of the State Partner);
- (c) The minimum interest that may be held by a member of a consortium is 5% (prior to the participation of the State Partner);
- (d) While companies may bid on any Contract Area for which it had paid a Participation Fee and it (or a member of its consortium) has been qualified, awards are limited to a single Contract Area as Lead Contractor or Contractor’s Operator and participation in a maximum of three Contract Areas;
- (e) No company will be permitted to make more than one offer for the same Contract Area, whether individually or in consortia. A company may, however, participate in different consortia in order to make offers for different Contract Areas; and
- (f) In the event a company wishes to withdraw from a consortium following submission of a successful bid but before signing the contract, the remaining consortium member(s) must assume the obligation of the withdrawing company. In no circumstances will new companies be permitted into the consortium during this period.

*Source: Iraq Oil Ministry Data
www.iraqoilforum.com*