

LEBANESE MINISTER OF ENERGY'S SPEECH AT THE 2ND LIOG SUMMIT 2013

By: Karen Ayat

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The [2nd Lebanon International Oil and Gas Summit](#) (LIOG) took place on fourth and fifth December 2013 at the Phoenicia Hotel in Beirut. The LIOG Summit was held under the patronage of the Ministry of Energy and Water (MEW), in collaboration with the Lebanon Petroleum Administration and was endorsed by the International Gas Union (IGU). H.E. Eng. Gebran Bassil, Minister of Energy & Water officially inaugurated the first day of the conference.

In his speech, Bassil talked about what he called the 'golden era' of natural gas that the world is entering today. He tackled the question of whether Lebanon will be able to enter the game in time or whether Lebanon will be a [late comer](#) that will eventually only benefit partially. Bassil answered by stressing that it is crucial for Lebanon not to enter the market too late, highlighting however that a precipitated entry would be equally detrimental.

Bassil added that despite the several [delays](#) in the bidding round, investors should not lose hope as Lebanon will certainly overcome all obstacles. Its need for stability and its determination to monetize its riches and achieve energy security will prevail and turn it into an energy producer. The ministry of energy and the petroleum administration are both working hard towards this goal, balancing speed and precision and putting transparency, professionalism and expertise at the core of their efforts, he added. Lebanon's strategic geographic location and cultural diversity will allow it to be the ideal working partner of major international oil and gas companies. Lebanon offers a favorable economic environment for companies to operate freely taking advantage of the advantageous tax system, said Bassil.

Lebanon has achieved good [progress](#) in the recent years: to name just a few the petroleum law was issued in 2010 followed by several decrees, the petroleum administration was formed, a pre-qualification round was completed and received substantial interest from major international companies (at the end of which 46 companies were successful: 12 as operators and 36 as non operators) and the Lebanese waters were surveyed.

Despite the fact that [two crucial decrees](#) are still pending (one delimitating offshore blocks and their coordinates and the other approving the model exploration and production agreement), Bassil insisted that the first licensing round will be opened by [10](#)

January 2014. Bassil added that it would be a great loss for Lebanon not to take advantage, and in a timely manner, of the natural wealth in its waters and on its shore. According to the most recent estimates, there is a 50% chance that 45% of Lebanon's waters contain 96 Tcf of natural gas and its shore 850 million barrels of oil. The hydrocarbon wealth offshore and onshore Lebanon will allow the country to readjust its economy and achieve major projects that will benefit all Lebanese.

Bassil assured that the oil and gas deposits will be a source of stability and cooperation amongst the Lebanese and in the region rather than a new cause for discord. He added that there should be no room for doubt in the country's capability to bring its national energy project to fruition and that disagreement should be leveraged to ensure that Lebanon benefits fully from its wealth and for the longest period of time possible. Bassil also mentioned the importance of creating jobs for the talented and skilled Lebanese workforce and ensuring that 80% of new jobs created are filled by Lebanese. He ended his speech with a message of hope saying that they will continue believing in what they do and doing what they believe in to achieve Lebanon's national goal.