

OIL & GAS

ALGERIA BID ROUND 2024

Algiers, 9 April 2025



Key points

- The Algeria Bid Round 2024 was launched by ALNAFT on 14 October 2024 at NAPEC, marking the first bid round since 2014 and the first under Hydrocarbon Law No. 19-13, which promotes investment through a competitive and flexible framework.
- This bid is part of the Algerian Government's five-year plan, focusing on conventional hydrocarbons in onshore perimeters, mainly in the southwestern region.
- Hydrocarbon Law No. 19-13 introduces new contract options - participation, production sharing (PSC), and risk service contracts - reintroducing the PSC model previously successful in the major discoveries made in the 1990s.
- Opportunities are available across several perimeters, primarily under PSCs, with some offered as participation contracts.
- Key milestones include the launch (14 October 2024), data room access (26 November 2024), bid submission (17 June 2025), and contract signing.

On 14 October 2024, the National Agency for the Valorisation of Hydrocarbon Resources (*"Agence Nationale pour la Valorisation des Ressources en Hydrocarbures"*, or **"ALNAFT"**) launched the Algeria Bid Round 2024 at NAPEC, North Africa's largest oil and gas conference and exhibition.

This bid round, long anticipated, is the country's first since 2014 and the first under the new Hydrocarbon Law No. 19-13 of 11 December 2019, which introduces a more competitive and flexible framework for investment, designed to attract investors with financial incentives and a clearer regulatory environment.

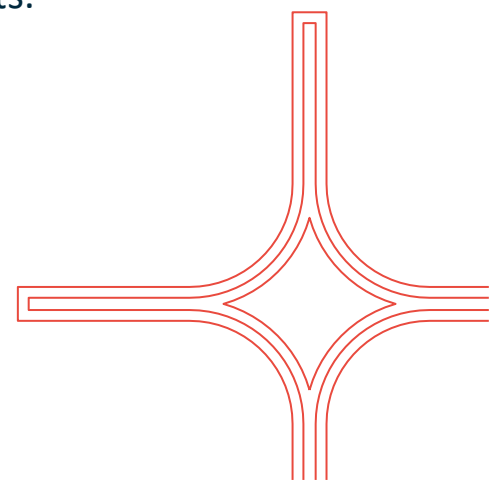
The Algeria Bid Round 2024 also marks the first phase of the Algerian Government's five-year plan, focusing on conventional hydrocarbons in onshore perimeters, primarily in the southwestern region.

ALNAFT has published the guidelines for participating in this bid ([https://www.alnaft.dz/media/file/396/algerai bid round 2024 v3 6746db9d2cdf76.01247607.pdf](https://www.alnaft.dz/media/file/396/algerai%20bid%20round%202024%20v3%206746db9d2cdf76.01247607.pdf)). A summary is provided below:

Opportunities

Opportunities are presented through production sharing contracts (PSCs) or participation contracts, a shift from the previous regime that permitted only one type of contract. Law 19-13 now allows for three contract types: participation, production sharing, and risk service contracts. This law reintroduces the PSC model, initially used under Law No. 86-14, which led to notable discoveries in the Berkin basin in the 1990s. The table below outlines the main perimeters available, primarily under PSCs, with two perimeters offered as participation contracts.

Project	Area (Km2)	Type of contracts
Le Grand M 'Zaid	12 759	PSC
Ahara	17 653,96	PSC
Reggane II	40 827,57	PSC
Zerafa II	38 697,73	PSC
Toual	6 424,02	Participation contract
Guern El Guessa II	36 374	Participation contract



Key milestones of Algeria Bid Round 2024

- **14 October 2024:** Launch by ALNAFT of Algeria Bid Round 2024.
- **7 November 2024:** Presentation of access to the tender documents and data room.
- **26 November 2024:** Open access to the tender documents and data room, and opening of clarification sessions.
- **17 June 2025:** Submission, opening and evaluation of bids. Awarding.
- Signing of the relevant hydrocarbon contracts.

Bid round procedure prerequisites

The bid round procedure prerequisites include the following:

- signing a Non-Disclosure Agreement (template is available on ALNAFT's website);
- obtaining access approval from ALNAFT;
- prequalification of candidates by ALNAFT (including those holding a valid prequalification certificate and those whose prequalification request is currently under review by ALNAFT);
- payment for access rights to the tender documents and data room usage;
- acquisition of the tender documentation.

Tender documentation

For each perimeter the tender documents include:

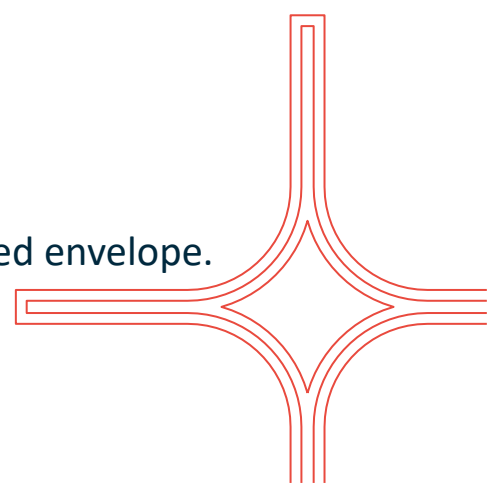
- the submission letter;
- the draft attribution deed (which is an administrative deed whereby ALNAFT grants the contracting parties the right to conduct exploration and/or production activities within a defined perimeter);
- the draft hydrocarbon contract;
- the templates for the technical bid and the techno financial bids;
- the technical data ; and
- the evaluation matrix and scoring.

Bid documents

Bids must include the following documents:

- the submission letter, initialed and signed, along with the signatory's power of attorney;
- the technical or techno-financial offer, conforming to the provided template;
- the draft hydrocarbon contract and its appendices, initialed on every page;
- the draft operations agreement, initialed on every page;
- the bidder's prequalification certificate issued by ALNAFT;
- access certificate to the tender documents issued by ALNAFT.

Bids must be submitted to the ALNAFT Bid Round Committee, on **17 June 2025**, in a double-sealed envelope.



Bid evaluation criteria

Bids are assessed based on technical criteria for the TOUAL and GUERNE EL GESSA perimeters, while both technical and financial criteria apply to the GRAND M'ZAID, AHARA, REGGANE II, and ZERAFA II perimeters. The technical criteria are defined for each perimeter in accordance with the nature of the required investment, which includes: exploration activities, development activities and production optimization.

The evaluation of the financial bid is determined by the bidder's participation rate in financing upstream operations and applies exclusively to PSCs. For Participation contracts, the bidder's participation rate in financing upstream operations is predetermined and specified in the draft contract.

Conclusion process

- **Bid submissions:** Bids must be submitted to the Bid Round Committee established by ALNAFT on **17 June 2025**.
- **Bids opening:** Bids will be opened publicly by the BR Committee in Algiers on **17 June 2025**.
- **Bids selection:** After opening the bids, reading and assessing them on the basis of the evaluation matrix, specified in the tender documents, the BR Committee announces the results of the Algeria Bid Round 2024 process, and declares the winning bid for each perimeter.
- **Signature of the hydrocarbon contract :** Issuance of the attribution deed and signing of the hydrocarbons contract for each perimeter. A parent company guarantee will have to be provided. The hydrocarbon contract is approved by a decree enacted by the Council of Ministers, and the contract enters into force only when such decree is published in the Official Gazette.

Should you have any inquiries or require legal assistance in navigating this new bid round, do not hesitate to reach out. We would be delighted to assist.

CONTACT:



Rym Loucif

PARTNER
LOUCIF+CO

19, Rue des Pins,
16035 Hydra, Algiers, Algeria
Email : rloucif@loucif-law.com
T. (Algiers): + 213 (0)5 52 58 28 93
T. (Algiers): + 213 (0)7 70 07 21 16
T. (Paris): + 33 (0)6 29 27 13 34

