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<b>REPORTER:</b>	Mohamed Ayyad

### Talks with Fenosa, **BG** remain ongoing to contain dispute

*Diesel and butane gas storage is enough to cover Egypt's requirements, fuel of various kinds will be provided in holiday period and beginning of academic year, says El Molla*

By Mohamed Ayyad

Petroleum Minister Tarek El Molla said talks with Spanish firm Fenosa and Britain's British Gas (BG) Group are still ongoing. El Molla added that they will be part of the solution to the energy shortage crisis in Egypt in the next period.

Both Fenosa and BG Group have resorted to international arbitration against Egypt, due to the country's

suspension of the gas supply that was to be exported according to their agreement with the government. The two companies demanded the Egyptian government allow them to import Israeli gas, which has not been decided upon yet.

Talking to Daily News Egypt, El Molla refused to discuss whether the two companies will be allowed to import Israeli gas, or to have a share of the recently discovered Shorouk gas

field. El Molla said: "Both companies that you are talking about will be part of the solution of the energy shortage crisis; all the scenarios are on the table."

El Molla revealed that the ministry has completed the technical evaluation of the second tender to import gas, launched by the ministry to import gas. However, he refused to name these offers, saying "the financial evaluation is very soon".

He added that he will work on intensifying the prospecting and exploration plans undertaken by foreign companies in Egypt, in order to increase the country's petroleum products reserves.

Egypt suffers from a deficit in fuel supplies alongside the escalation of foreign exchange crisis and the low local production, which pushed the government to gradually remove energy subsidies.

However, there are incoming fuel shipments adequate for the country's needs, and the storage of diesel and butane gas are enough to cover Egypt's requirements. Regarding the completion of the smart cards system, El Molla said the remaining key points for completing the system will be carried out.

The coming period will witness the expansion in the range of foreign investments to reach all petroleum

activities, according to El Molla. He asserted that he would work on following-up with most of the ongoing petroleum projects in the field of developing discovered oil and gas fields, in addition to refining projects.

"In the oil sector, we are committed to paying all the accumulated dues to foreign partners, which will reflect positively on increasing investments and accelerating the projects of developing the discovered field," El Molla added.