

EGYPT OIL&GAS RESEARCH & ANALYSIS

The Digital Frontier of Energy

Egypt's Oil & Gas Bid Round Evolution

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Oil and gas bid rounds have undergone a major transformation, reflecting Egypt's broader push toward modernization in the energy sector. Since the launch of an online portal in 2021, international oil companies (IOCs) have been able to access more seismic data and conduct more than 1,100 3D and 2D seismic surveys, evaluate blocks, and submit bids more efficiently.

This streamlined system improves the licensing process, boosts investor confidence, and strengthens Egypt's position as a regional hub for upstream activities.

This digital pivot has paid off, awarding nearly 51 oil and gas blocks across Egypt's producing areas, drawing the interest of global giants like Eni, bp, Chevron, Shell, and ExxonMobil, and securing $1.2 billion at minimum, as reported by the Egypt Upstream Gateway (EUG) in July.

This report explores the evolution of the bidding system in Egypt and provides a comprehensive overview of both the old bidding system and the new digital bid rounds mechanism. It also sheds light on major digital bid rounds and their fruitful results.

Transitioning to A New Digital Bidding Model

Traditional Bid Round Procedures

Egypt's upstream licensing process operated before 2021 through a traditional, paper-based system. The bid round would commence with an international announcement, published on the entity's official website, detailing the available blocks and participation terms. Interested companies were required to purchase bid documentation and submit two separate sealed envelopes, one containing technical documentation and the other presenting the commercial and financial offer, according to Mondaq.

The technical submission included a bank guarantee, proof of past exploration experience, legal incorporation documents, shareholder details, and recent financial reports. Upon receipt, a committee formed by the announcing entity would open the technical envelope to assess compliance with predefined benchmarks. Only technically acceptable offers proceeded to the financial review stage. The most competitive bid, based on both technical strength and financial terms, was selected for the award.

Once a company was declared successful, it was obligated to submit notarized and legalized documents in both English and Arabic. These included corporate records and the power of attorney authorizing a company representative to sign the Concession Agreement.

The contract then followed a formal approval path, moving through the Board of the announcing entity, the MoPMR (Ministry of Petroleum and Mineral Resources), the Egyptian State Council's Legal Department, the Egyptian Cabinet, and—if in session—the Egyptian Parliament. Once ratified by law, the Concession Agreement was signed, triggering a new set of implementation procedures.

In the implementation phase, contractors were granted several exemptions, including customs duties on imported equipment and full tax relief on petroleum activities. Expatriate staff were allowed residency per local regulations, though foreign labor was capped at 10% of total employment.

Contractors were also required to establish a local affiliate company to manage operations in Egypt. The exploration phase—lasting up to six years—was divided into two periods and governed by a joint committee between EGAS and the contractor. A training bonus, block relinquishment conditions, and assignment restrictions were also embedded into the contract terms.

Upon a commercial discovery, the contractor had to notify EGAS, obtain ministerial approval, and transition the area into a development lease. A joint venture (JV) company was then established to oversee operations, subject to domestic legal compliance.

The development phase spanned up to 30 years and involved revenue-sharing mechanisms between EGAS and the contractor, along with additional financial commitments such as lease extension bonuses.

Old System Limitations

Despite offering legal clarity and structured oversight, the legacy system presented multiple challenges that hindered its efficiency and global competitiveness. Here are the most significant drawbacks:

- Heavy reliance on physical documentation and manual processes
- The approval process was time-consuming and multi-layered, involving a series of governmental entities and legal institutions
- Access to technical data was a major limitation. Companies were obliged to visit onsite data rooms operated by the MoPMR or its subsidiaries to review seismic and geological information
- Contractors faced tight operational deadlines. Exploration activities were expected to begin within six months of signing, leaving limited time for mobilization

New Digital Bidding Model

In February 2021, EUG was launched. It is a fully integrated digital platform for exploration and production (E&P) data. As Egypt's first end-to-end digital E&P data center, EUG consolidates seismic surveys, well logs, geological studies, and production figures into a unified, cloud-based system. This digital transformation eliminated data silos and streamlined access for investors and national companies alike.

EUG is built on 3 strategic pillars: promoting bid rounds globally, attracting upstream investments, and enabling real-time data access. It supports transparent, efficient decision-making through licensed access to standardized datasets, version control, and audit trails, according to the EUG Newsletter.

Bid Rounds & Exploration Opportunities

Launched Bid Rounds	Awarded Blocks
9	51
Current Opportunities	**Current Members**
48	47

Data Infrastructure

Data Rooms
95

PB Data Storage
9

Exploration Overview

Wells **>16,000**

2D Seismic Surveys **>650**

3D Seismic Surveys **>450**

Minimum Investments

~ $1.2 billion

Major Bid Rounds

Launching Overview

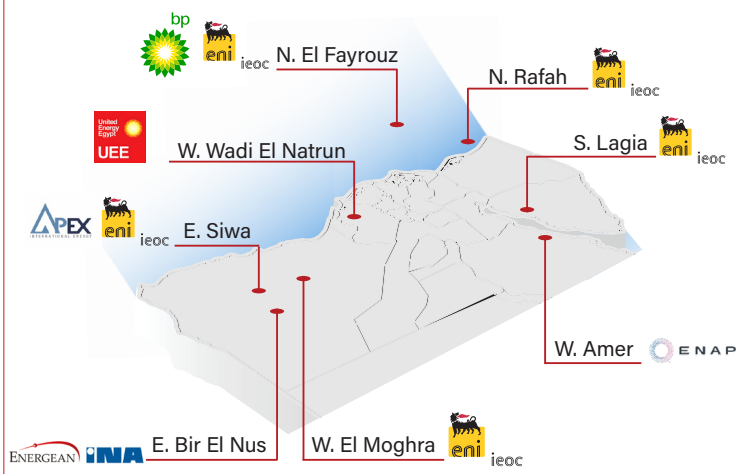
Announcement Date | Closing Date | Offered Blocks | Location

Announcement Date	Closing Date	Offered Blocks	Location
November 2021	January 2022	1	Mediterranean Sea
December 2022	April 2023	12	Mediterranean Sea & Nile Delta
August 2024	July 2025	12	Mediterranean Sea & Nile Delta
March 2023	June 2023	8	Eastern Desert & Gulf of Suez
September 2023	April 2024	23	Western Desert, Eastern Desert, Gulf of Suez & Red Sea
February 2021	September 2021	24	Mediterranean Sea, Western Desert, & Gulf of Suez

EGAS | EGPC | Ganope

Remarkable Results

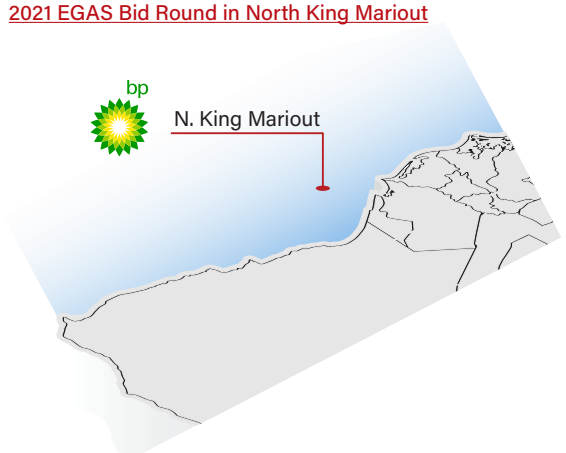
2021 EGPC/EGAS Bid Round



Minimum Investments **$250** million

Minimum Wells **33**

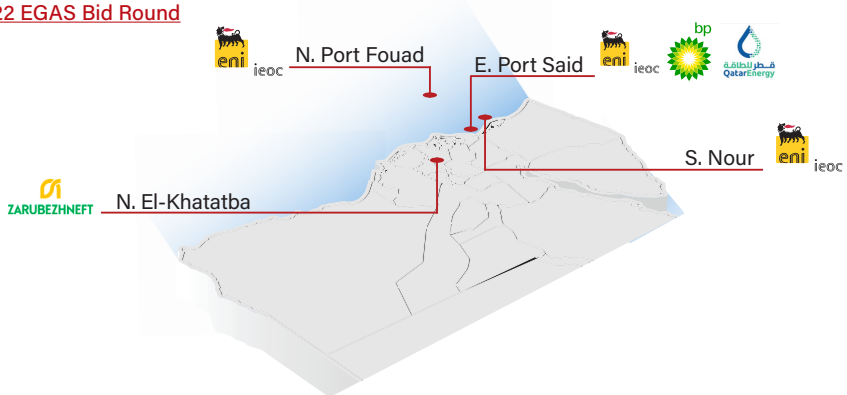
2021 EGAS Bid Round in North King Mariout



Minimum Investments **$99** million

Minimum Wells **3**

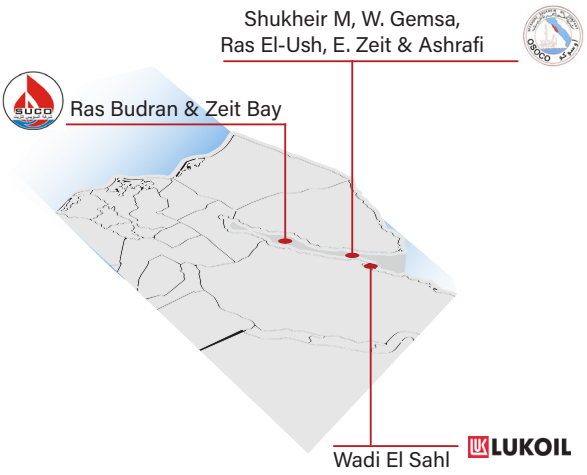
2022 EGAS Bid Round



Minimum Investments **$281** million

Minimum Wells **12**

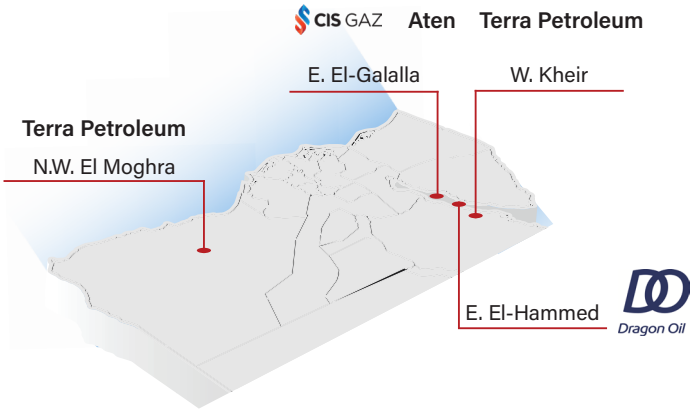
2023 EGPC Brownfields Bid Round



Minimum Investments **$76** million

Minimum Wells **15**

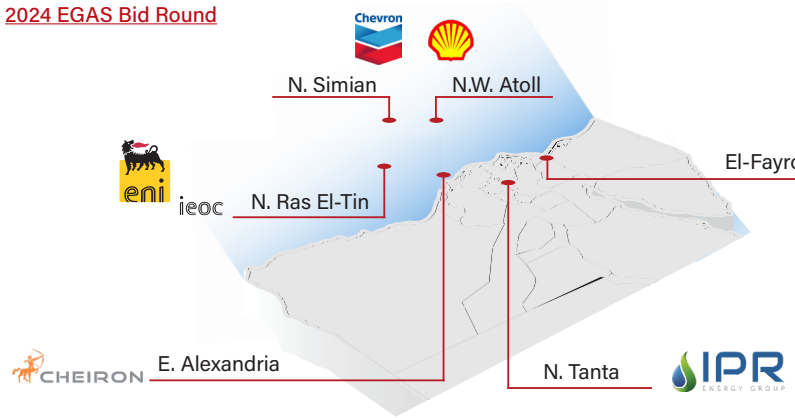
2023 EGPC/GANOPE Bid Round



Minimum Investments **$71** million

Minimum Wells **14**

2024 EGAS Bid Round



Minimum Investments **$245** million

Minimum Wells **13** Exploratory

Other Investment Opportunities

EGAS · EGPC · Ganope

Announcement Date	Closing Date	Offered Blocks
March 2025	July 2025	13 — 7 Undeveloped Discoveries; 6 Exploration Areas

Blocks Details

Mediterranean Sea

- Cluster 1: Rahamat, Aten, Merit
- Cluster 2: Satis/Salmon, Salamat, Notus

Western Desert

- Exploration Blocks: N.E. Bir Elnus, S. El Fayoum, Waadi Sannur

Gulf of Suez

- Exploration Blocks: E. Gebel El Zeit, E. Geisum, E. Shadwan

Launching OBLP for New Blocks

Launched in August 2024, the Open Blocks Licensing Program (OBLP) is a strategic initiative by the EUG designed to boost investment in Egypt's upstream oil and gas industry. According to the EUG, the program provides a transparent, digital platform for licensing new exploration blocks, brownfields, and other vital assets, streamlining access to essential industry data, and encouraging competitive bidding.

OBLP is instrumental in drawing fresh investments and positioning Egypt as a key destination for international energy companies. It also contributes to expanding the EUG's membership, enhancing industry collaboration, and strengthening strategic partnerships. By stimulating activity in the upstream sector, the program fosters stakeholder engagement, encourages innovation, and drives overall industry growth.

OBLP Recently Announced Results

CHEIRON	Apache	PHAROS ENERGY	IPR ENERGY GROUP	
Awarded Block	Awarded Block	Awarded Block	Awarded Block	Awarded Block
N. Sitra | E. Sidi Barrani	W. Kanayis K	S. Abu Senan	S. Wadi El-Rayan	W. Gharib-G & HNW



Minimum Wells **17** Exploratory

Sector's Efforts to Open up New E&P Opportunities

Investment Incentives & Prominent Concession Agreements

The MoPMR has launched new measures and incentives to attract more investment in oil and gas exploration and production, aiming to boost output and strengthen confidence among international partners. The package includes linking incentives to higher production rates, ensuring regular monthly payments to foreign partners, and launching new global bid rounds for gas exploration in the Mediterranean.

It also supports Egypt's regional natural gas hub strategy through cooperation with Cyprus and international companies to develop Cypriot natural gas fields and export their output via Egypt to global markets.

During the past two years, the MoPMR significantly accelerated the pace of petroleum agreement signings to attract fresh upstream investments and boost oil and gas development. The signed agreements span key regions, including the Mediterranean Sea, the Gulf of Suez, the Western Desert, and the Eastern Desert. As a result, the total number of active agreements reached 112 by July 2025, reflecting the sector's growing appeal to international investors.

In July 2024, the MoPMR signed two major development agreements. Shell and Petronas committed $222 million for Phase 10 of the West Delta Deep Marine (WDDM) project, including 3 wells. Meanwhile, Cheiron and KUFPEC agreed to invest $120 million to drill nine wells in Geisum and Tawila West in the Gulf of Suez, aiming to raise production up to 26,000 barrels per day, according to MoPMR.

In February 2025, the Cabinet approved five petroleum concession agreements with international partners through EGPC, EGAS, and the South Valley Egyptian Petroleum Holding Company (Ganope). The agreements cover a minimum investment of $225.3 million and include the drilling of at least 40 wells in blocks such as Merneith Offshore, South East Meleiha, West Razzak, Wadi El Sahel, and North Sinai Offshore, according to the Egyptian Cabinet.

During the EGYPT ENERGY SHOW (EGYPES) 2025, EGPC signed two separate agreements. The first, with IPR Energy Group, involves developing the Yidma-Alamein block with a $10 million investment, including four development wells and a $3 million signature. The second, with HBS, covers South Dabaa, with a $3.5 million investment for four development wells and one exploratory well, along with a $2 million bonus, according to MoPMR.

In May 2025, EGPC approved the consolidation of eight Capricorn concessions operated in partnership with Cheiron into a single integrated agreement valid for 20 years. The agreement includes improved commercial terms, with a profit share range of 27%–29%, a 40% cost recovery ceiling over four years, and an additional 20% excess cost recovery, according to Capricorn website.

In May 2025, the Cabinet approved another five concession agreements worth $221.23 million, along with $31.5 million in non-refundable signature bonuses. These deals aim to drill a minimum of 24 wells in Northwest El-Maghara, East El-Hamd, East Gemsa Offshore, and North Damietta Offshore, according to the Egyptian Cabinet.

Egypt's transition to a fully digitized oil and gas bidding system represents a major leap toward modernizing its upstream sector and strengthening its global investment appeal. Through the launch of EUG and strategic initiatives like the OBLP, the MoPMR has established a transparent, efficient, and investor-friendly model that aligns with international standards. These digital initiatives, coupled with improved concession terms and consistent arrears settlement, not only unlock new exploration potential but also reinforce Egypt's position as a dynamic regional hub for energy.

To further stimulate investment in exploration and field development, the MoPMR has outlined a comprehensive set of plans to overcome key challenges, such as regional competition and slow execution rates. In parallel, the MoPMR is intensifying upstream activities through a robust drilling program and active partnerships. Egypt aims to drill 586 wells by 2030, backed by total investments of $7.2 billion, as announced by the Ministry in July 2024. These efforts reflect a strategic push to unlock the country's hydrocarbon potential and ensure the sustainability of production growth.

With these forward-looking strategies, Egypt is reinforcing its commitment to expanding exploration activities and increasing production, while placing digitalization, tailored incentives, and global engagement at the core of its long-term energy vision. Ultimately, these efforts not only enhance investor confidence and streamline market entry, but also contribute to Egypt's broader economic growth and energy security.



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