



“Ukrgezvydobuvannya makes all efforts to increase domestic production of natural gas within the resource base, which we have. We have launched the project Production Enhancement Contract on intensifying extraction at mature and depleted fields, offering cooperation to oil and gas companies that have hi-end technologies. In the first quarter of 2019, we plan to sign the first such contract with foreign or Ukrainian enterprises, which will allow to increase gas production in existing deposits”.

Oleg Prokhorenko
Chairman of the Board
JSC Ukrgezvydobuvannya

GEOLOGICAL DATA DISCLOSURE AND LIBERALIZATION OF ITS TURNOVER

The government has updated resolution No.423, dated 1995, having liberalized the geological data turnover and facilitated access to it. These developments will foster its digitalization for faster engagement of investors in the exploration of hydrocarbons.

Key innovations:

- secondary state geological data is provided for free in open access;
- primary information will be arranged in the open Directory;
- requirement for consent of the state for the transfer of geological data is replaced by simple informing.

Private companies also have being started to open their geological data, Poltava Petroleum Company made it first.

APPROVAL OF THE NEW GAS TRANSMISSION TARIFF FOR UPSTREAM COMPANIES

Starting from January 1, 2019, entry fee for gas transmission system for upstream companies will be UAH 91.87 per 1,000 m³ per day. The adoption of this decision will have positive impact in three aspects:

- harmonization of domestic legislation with European regulations;
- improvement of competitive positions in the region and investment climate;
- increase of own gas production and loading of Ukrainian GTS.

AGPU jointly with its partners built an **investment scrutiny Ukraine: Natural Gas Production. Playbook 2018**. This is a guide for potential investors, which presents the industry and opportunities for investments. The Playbook can be downloaded at the following link www.agpu.org.ua.

Since November 1, the price of gas for households is UAH 8550 per 1000 m³. This decision allows Ukraine **to continue its cooperation with the IMF**, as well as aimed at developing the gas market and creating transparent competition.

The government updated the Action Plan on **the Implementation of the Concept for the Development of Ukraine's Gas Production**, which envisages holding of licensing rounds and PSA tenders, reform of the State Geological Service, modernization of the Law "On Oil and Gas" and development of the new Subsoil Code.

The Petroleum Economist **marked Ukraine on the world map of oil and gas licensing rounds**. According to the publication, in the first half of 2019, oil and gas rounds will be held in 13 countries.

LAUNCH OF OIL AND GAS AUCTIONS AND INTERNATIONAL PSA TENDERS

The State Geological Service has released 30 onshore petroleum blocks for sale in online auctions at the public trading platform ProZorro.Sale.

The total acreage of the concessions is 4.63 thousand km².

Auctions will take several rounds. On the first round, which started on December 6, 10 concessions in six regions will be sold.

The winner will be determined in March 2019.

Also, the government approved tender terms for 12 PSA projects.

After the publication of the tender documentation, the applicants will have 90 days to review, make a decision and register the bid.

In total, in 2019, the state will offer potential investors more than 40 oil and gas concessions and PSA projects with a total acreage almost 20 thousand km².

For detail information, please visit www.GOukraineNOW.com



