



## NEWS RELEASE

### **The Ministry of Petroleum and Mineral Resources of the Federal Republic of Somalia**

#### **ESTABLISHMENT OF THE SOMALI PETROLEUM AUTHORITY (SPA)**

*30 July 2020 Mogadishu, Somalia.* The Ministry of Petroleum and Mineral Resources of the Federal Republic of Somalia announces that the Government's Cabinet Ministers has today Approved the Board Members of The Somali Petroleum Authority ("SPA") and appointed Ibrahim Ali Hussein its first Chairman and Chief Executive Officer.

The Petroleum Law, ratified on 8<sup>th</sup> February 2020, provided for the establishment of SPA to be the competent Government authority to regulate the development of the oil & gas industry, applying regulatory principles of equality, openness, accountability, transparency and non-discrimination in the interests of all the Somali people.

Ibrahim Ali Hussein has been Senior Economic Advisor to The Ministry of Petroleum and Mineral Resources of the Federal Republic of Somalia since November 2014, playing a leading role in the development of the regulatory and commercial framework for the development of the oil and gas industry.

The Petroleum Ownership Management and Revenue Sharing Agreement between the Federal Government of Somalia and its Member States enshrines that Somalia's mineral and natural resources are owned by the Somali people and mandates how future revenues from the development of the petroleum industry will be shared between the Federal Government, the country's six constituent Member States and their local communities. The basic principles of the Agreement are designed to ensure equitable investment in development across the whole country while recognising the differing requirements in regions that will be closely involved in production.

**Commenting on the establishment of The Somali Petroleum Authority, H.E. Minister Abdirashid Mohamed Ahmed said:** The establishment of the Somali Petroleum Authority is one of the first critical milestones of the implementation of the Petroleum Law. The Authority comes into existence when the country is commencing its first exploration activities. The Ministry and the SPA will work hand in hand, according to the Petroleum Law, to achieve the government's vision towards the development of oil and gas sector of the country.

**Also commenting on the establishment of the SPA, Mr. Ibrahim Ali Hussein said :**

“Establishing SPA is another important landmark in the development of Somalia’s oil and gas industry. I am deeply honoured to be appointed its first Chairman and Chief Executive Officer and look forward to working with my colleagues on the Board to lead the commercial exploration and development of the country’s oil and gas reserves with our international partners. Our objective is to ensure that the fiscal and regulatory regime is internationally competitive to attract investment, whilst delivering an equitable proportion of any future revenues to the Somali people. We have been encouraged by the level of interest being expressed in our first forthcoming licensing round opening next week.”

Media Enquiries: [inquiry@mopmr.gov.so](mailto:inquiry@mopmr.gov.so)