

PM Ciuca: Offshore drilling law will bring competitive taxation and free up gas exploitation investment

Prime Minister Nicolae Ciuca said on Friday in southeastern Braila that the offshore drilling law will ensure predictability for investors and competitive taxation through which the government will take in 60% of revenues and investors 40% of them.

He added that this law will free up investment in the exploitation of resources in the Black Sea and in Buzau County.

"Today, together with the other two leaders of the coalition, Mr Marcel Ciolacu and Mr Kelemen Hunor, we signed the offshore drilling law together, a long-awaited law, because once it enters into force, legislative predictability for investors will be ensured, investment in both onshore and offshore drilling will be freed up, so that Black Sea resources can be exploited and also the deep-sea onshore resources of Buzau County. The novelty this law brings is competitive taxation through which the government secures 60% of revenues and investors 40% of them. Because of this law, we will have for the first time the Black Sea Oil Gas company delivering natural gas, I think that no later than the middle of the year, it exploits a block where it will be able to provide approximately one billion cubic metre a year. Exploitation in the Neptune Deep block will begin as early as late 2026, early 2027," said Ciuca.

He added that the bill submitted on Friday will make it possible for deep gas exploitation in Buzau County to start in 2024.

He said that a sufficient amount of gas will allow the development of the chemical industry and lower prices.

The ruling coalition on Friday tabled an offshore drilling bill with Parliament.