

Banjul, Gambia, February 21 (Infosplusgabon) - The government of The Gambia has hired a UK-based international law firm, Cherie Blair, to fight back against African Petroleum company which is unwilling to withdrawal from two offshore oil blocks, which it claims to hold legally.

African Petroleum claims licensing rights over Gambia's blocks A1 and A4 which contain over a billion barrels of oil and lie next to oil blocks in neighboring Senegal, where big discoveries have been made.

However, Gambia said in August 2017 that African Petroleum's licences had expired and were open for re-licensing, accusing the company of failing to meet its commitments. African Petroleum denies the charges.

Meanwhile, officials at both the justice and energy ministries in Banjul could not be reached for comment. However, energy minister Fafa Sanyang had said in September that Gambia was ready to face the African Petroleum in court.

“Our position is very clear: they did not fulfill their work obligation as agreed; their licence expired in September last year, and they asked for an extension which was not approved,” said Sanyang.

It is not clear how much Gambia might have paid for legal services against the company but the cost for losing such litigation can be astronomical.

Gambia lost a similar case against mining company Carnegie Minerals in 2014 at the same U.S.-based International Center for the Settlement of Investment Disputes and was ordered to pay US\$23 million dollars, a fine which was later negotiated with the company by the Adama Barrow administration.

African Petroleum is an independent oil and gas exploration company listed on the Oslo Axess with an equity interest in licences in four countries offshore West Africa (Senegal, The Gambia, Côte d’Ivoire and Sierra Leone).

“Arbitration is certainly not our preferred route. However, we believe arbitration is necessary to protect our interests in these licences in which we have made significant investments over the years,” African Petroleum Chief Executive Jens Pace said.

FIN/INFOSPLUSGABON/IRT/GABON 2018

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