

Market Entry

Market entry in the oil sector must be performed in a different manner because of the legislation that assigns the role of both the state and private enterprise. To reiterate some of the points mentioned in section 4.5 on legislation, state rights and duties regarding exploration and production of hydrocarbons now have been transferred from ENAP to the Ministry of Mining. Therefore the Ministry of Mining is authorized to enter into contracts regarding oil operations. This is the usual way the "door is opened" to private investors to participate in exploration and production projects in the country. Most private companies operating within the sector do so in the areas of distribution and storage, although the government is always open, as Enap authorities have expressed, are always open to doing business with foreign companies in the production and exploration areas. See section 4.5 for further details on this legislation.