

# **Greenland Petroleum Services A/S**

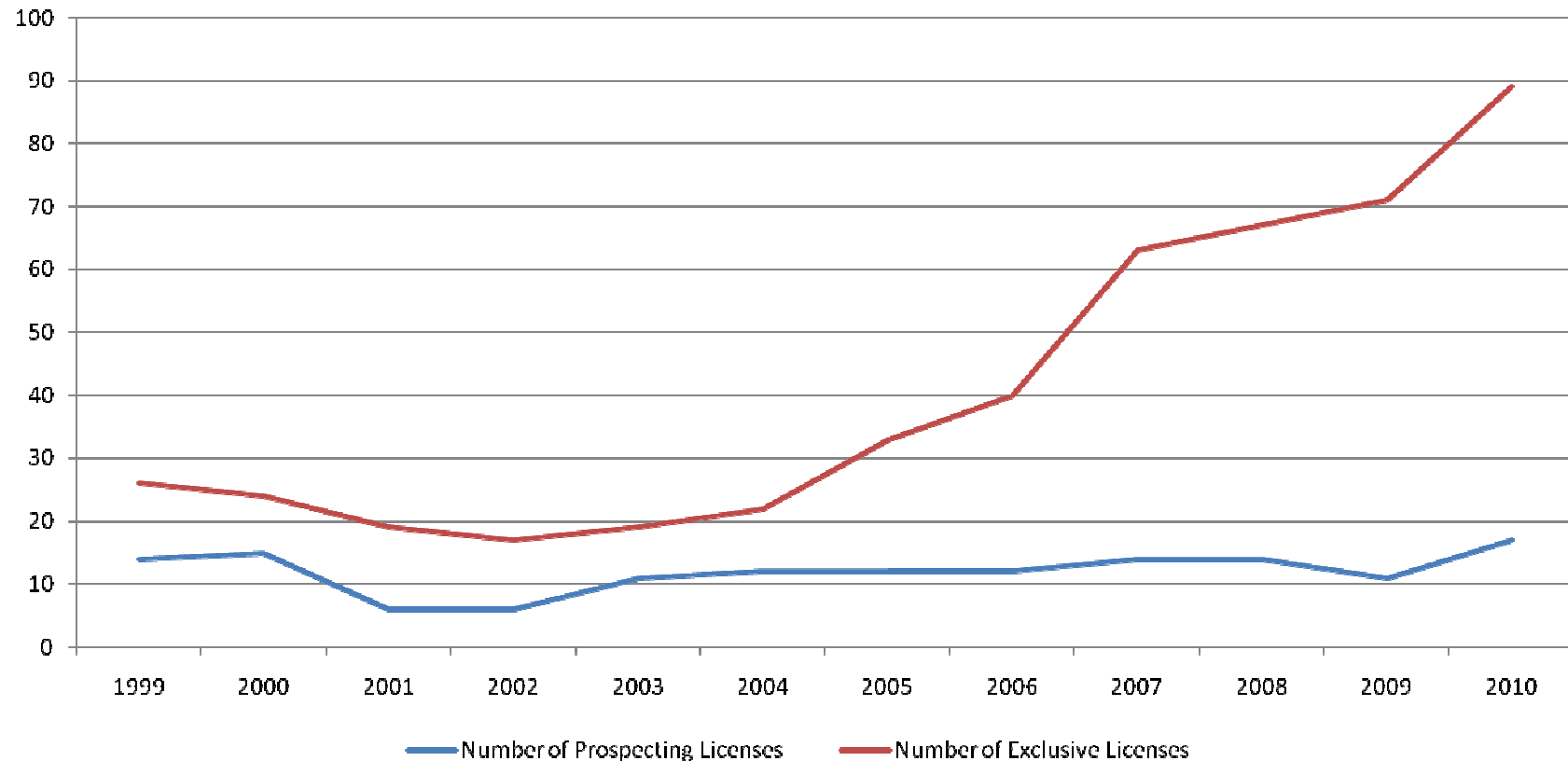
Suppliers Networking Event  
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Martin Ben Shalmi, CEO  
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## **Martin Ben Shalmi**

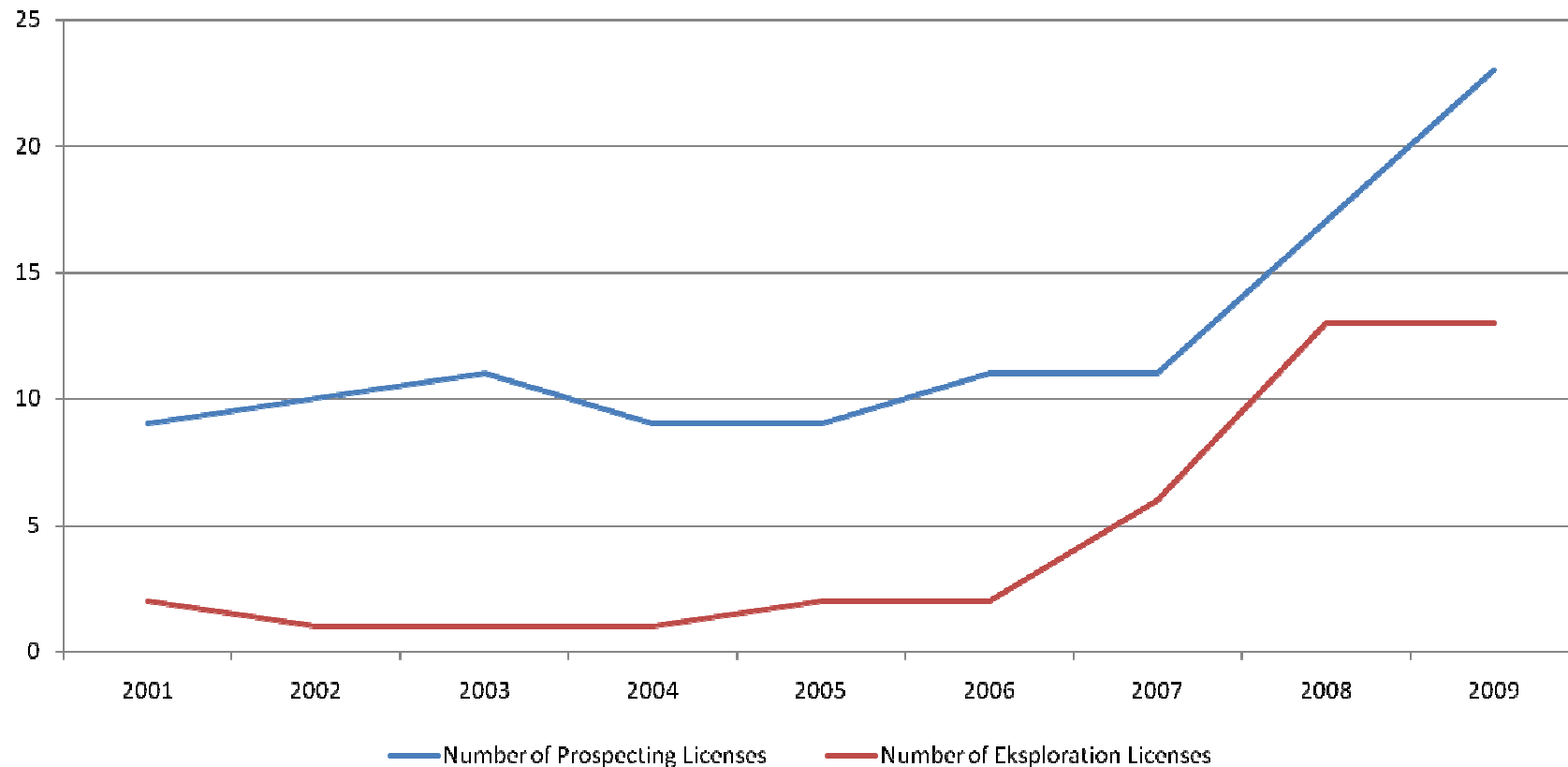
- Initiator, co founder, part owner (20%) and CEO of Greenland Petroleum Services A/S
- Founder and owner (100%) of Xploration Services Greenland ApS (Serrasoq ApS)
- 2005-2010 CFO of NunaMinerals A/S
- 2000-2005 Independent Consultant
- 1995-2000 Head of Department/Consultant of The Employers Association of Greenland
- 42 years, M.Sc. Economy & Politics 1991

# Development in Minerals Licenses



Source: BMP and own calculations  
\*2010 includes applications

# Development in Oil Licenses



Source: BMP

## Extract from standard license terms (oil)

- **Exploration license** – gives exclusive rights to an area for 10 years subdivided in 3 phases:
  - Phase 1 (2-4 years) obligation to conduct seismic surveys
  - **Phase 2 (3-4 years) obligation to drill**
  - Phase 3 (3-4 years) obligation to drill

# Self-Government and the Minerals Act

- Minerals area transferred to Greenland and a new Minerals Act in action 1 January 2010
  - No more preferential situation for Danish Companies
- New tax rules in action 1 January 2010
  - All companies must register in GER (=CVR)
  - All companies must declare taxes through a Greenlandic agent
  - All companies must declare annual income statement for their Greenlandic Branch

## **Local Content = Minerals Act § 18**

- licensee must to the greatest extent possible use labour from Greenland
- licensee must to the greatest extent possible use Greenland enterprises for contracts, supplies and services
- licensee must conduct surveys and prepare and implement plans to ensure that exploration or exploitation of mineral resources is socially sustainable
  - Licensee must document this

## **Greenland Petroleum Services A/S**

- GPS is Greenland's full service provider for the Oil Exploration Industry
- GPS creates a Greenlandic based supply network focused on the Oil Exploration Industry (§18)
  - Match-making with existing Greenlandic companies
  - Setting-up new companies / Joint Ventures
  - Educating and Training local companies and local labour
- GPS have significant industrial experience and know how about doing business in Greenland
- GPS is open to new alliances and partnerships

## **GPS offers Subcontractors:**

- A Platform for creating partnerships / Joint Ventures
- Maturing companies to become subcontractors
  - Structured and Guided implementation of HSEQ through adoption of ISO standard
  - Education and Training of both workers and management
  - Language courses from Basic to Technical English
- Formation of Syndicates
- Promotion and visualising of the companies
- Match making
- Advisory services and Consultancy services

# **Demands from Subcontractors**

- Greenlandic Company
- Implementation of HSEQ through relevant ISO standards
- Healthy Corporate Economy
  - Positive Equity
  - No arrears to the public sector
  - Necessary and sufficient insurance coverage
  - Desire to develop the Company
  - Desire to develop employees
  - Resources must be present

## **A peek into the future**

- De big players are on the move and positioning themselves for Greenland Sea 2012 & 2013
- Focus on local content and environmental issues
- International interest in Greenland
  - Atlantic Canada Opportunities Agency conduct surveys of how Canadian companies can position themselves to take part in the Greenlandic Oil Exploration Industry
  - Offshore Center Danmark just released an internationalisation survey including Greenland
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