

Directive 94/22/EC of the European Parliament and of the Council of  
30 May 1994 on the conditions for granting and using authorizations  
for the prospection, exploration and production of hydrocarbons

*Article 5*

Member States shall take the necessary measures to ensure that:

1. authorizations are granted on the basis of criteria concerning, in all cases:
  - (a) the technical and financial capability of the entities; and
  - (b) the way in which they propose to prospect, to explore and/or to bring into production the geographical area in question;and, where applicable:
  - (c) if the authorization is put up for sale, the price which the entity is prepared to pay in order to obtain the authorizations;
  - (d) if, following evaluation under the criteria (a), (b) and, where applicable, (c), two or more applications have equal merit, other relevant objective and non-discriminatory criteria, in order to make a final choice among these applications.

The competent authorities may also take account, when appraising applications, of any lack of efficiency and responsibility displayed by the applicants in operations under previous authorizations.

Where the competent authorities determine the composition of an entity to which they may grant an authorization, they shall make that determination on the basis of objective and non-discriminatory criteria.

Where the competent authorities determine the operator of an entity to which they may grant an authorization, they shall make that determination on the basis of objective and non-discriminatory criteria.

The criteria shall be drawn up and published in the *Official Journal of the European Communities* before the start of the period for submission of applications. Member States which have already published the criteria in their official journals may limit the publication in the *Official Journal of the European Communities* to a reference to the publication in their official journals. However, any change in criteria shall be published in full in the *Official Journal of the European Communities*;

2. the conditions and requirements concerning the exercise or termination of the activity which apply to each type of authorizations by virtue of the laws, regulations and administrative provisions in force at the time of submission of the applications, whether contained in the authorization or being one of the conditions to be accepted prior to the grant of such authorization, are established and made available to interested entities at all times. In the case provided for in Article 3 (2) (a), they may be made available only from the date starting from which applications for authorization may be submitted;
3. any changes made to the conditions and requirements in the course of the procedure are notified to all interested entities;

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4. the criteria, conditions and requirements referred to in this Article are applied in a non-discriminatory manner;
5. any entity whose application for an authorization is unsuccessful is, if the entity so wishes, informed of the reasons for the decision.