



External Training Course

Joint Venture and Other Collaboration Agreement for the Oil & Gas Industry

From 02 Sep. To 06 Sep. 2024

Lisbon - Portugal

From 07 Oct. To 11 Oct. 2024

Milan - Italy

From 04 Nov. To 08 Nov. 2024

Barcelona - Spain

**Mr. Ghanem F. Al-Otaibi
GM & Institute Owner**

☛ **Tel.: 00965 22248901**

☛ **Fax: 00965 22204999**

☛ **Mob.: 00965 65548855**

☛ **Mob.: 00965 97273712**

☛ **Email: admin@agi-kw.com**

☛ **Email: agi-kw@hotmail.com**

W/SITE: WWW.AGI-KW.COM

External Training Course:

**Joint Venture and Other Collaboration
Agreement for the Oil & Gas Industry**

From 02 Sep. To 06 Sep. 2024

Fees: 1950 KD

From 07 Oct. To 11 Oct. 2024

Fees: 1950 KD

From 04 Nov. To 08 Nov. 2024

Fees: 1950 KD

Course Introduction

A Production Sharing Contract (PSC) is used in key oil and gas producing countries, each of these have different approaches and levels of complexity. These complex agreements include a number of clauses that have particular legal interpretation and accompanying fiscal formulas. Therefore, it is crucial to have the correct understanding of the terms in order to calculate the formulas correctly and ensure a smooth agreement implementation. During this training course, delegates will acquire a clear understanding of the fundamentals Production Sharing Contracts (PSCs), along with Joint Operating Agreements (JOAs) negotiation techniques and strategies that work in international and multicultural settings. Delegates will also master how to effectively negotiate in concert with counsel and how to get the terms negotiated incorporated into an enforceable agreement. The five-day Working in Partnership Joint Venture and Production Sharing Contract training course is specifically designed for professionals involved nationally and internationally in the oil and gas industry, it offers a unique opportunity to rapidly increase your understanding of the legal issues involved in Production Sharing Contracts (PSCs) and Joint Operating Agreements (JOAs) to in various international scenarios and to improve your techniques and skills in drafting a variety of related contracts. This training course will highlight:

- Evolution of the Production Sharing Contracts (PSCs), Service Agreements and concessionary systems.
- Joint Operation Agreements (JOAs).
- Comparisons of model Production Sharing Contracts (PSCs) in various countries.
- Negotiation techniques and the role of counsel.
- Explanation and analysis of key provisions to make the Production Sharing Contract (PSC) work.

Course Objectives

By end of this training course, delegates will:

- Understand the evolution of the Production Sharing Contracts (PSCs), Joint Operation Agreements (JOAs), and Service Agreements.
- Learn the negotiation techniques and the role of counsel.
- Differentiate the comparisons of model Production Sharing Contracts (PSCs), in various countries.
- Identify and analyse the key provisions to make the Production Sharing Contract (PSC), work.
- Know the Production Sharing Contracts (PSCs), arrangements within the host government contracts' framework.
- Avoid commonly occurring causes of disputes and to gain knowledge on International Dispute Resolution Framework and Institutions: how to negotiate arbitration clauses.
- Understand the common problems and pitfalls in negotiating Production Sharing Contracts (PSCs).

Training Methodology

This interactive training course will provide the participants an ideal opportunity to improve and sharpen their skill sets in planning, negotiating and managing Production Sharing Contracts (PSCs), Joint Operation Agreements (JOAs) through interactive session with role playing, case studies, discussion groups and scenario building and the high-point of the training course being a simulation exercise of Production Sharing Contracts (PSCs) and Joint Operation Agreements (JOAs) negotiation involving interactive role play by the participants. The objective of the interactive role play is to enable participants to apply the knowledge and understanding gained at the workshop to negotiate a more effective Production Sharing Contracts (PSCs) and Joint Operation Agreements (JOAs). This will help participants gain practical insights into managing the risks and enhancing their rewards.

Organisational Impact

Production Sharing Contracts (PSCs) are used in key oil and gas producing countries, each of these have different approaches and levels of complexity. These complex agreements include a number of clauses that have particular legal interpretation and accompanying fiscal formulas. Therefore, it is crucial to have the correct understanding of the terms in order to calculate the formulas correctly and ensure a smooth agreement implementation. Your organisation will benefit from this training course by:

- Gaining expertise and improving knowledge and skill sets of personnel dealing with Production Sharing Contracts (PSCs) on its essential clauses.
- Compare the existing Production Sharing Contracts (PSCs) arrangements from other key oil producing countries and how it compares with your own practice to work out best contract strategies.
- Understand the risk factors in Production Sharing Contracts (PSCs) and how to mitigate them before they affect profits and bottom lines.
- Enhancing ability to managing claims and disputes and avoiding adversarial approaches.

Personal Impact

Attendees will gain by participation in this training course as a result of:

- A unique opportunity to rapidly increase your understanding of the legal issues involved in production sharing contracts and joint operating agreements.
- Understanding the key players in the International Oil and Gas Industry.
- Analysis of the negotiation techniques and the role of counsel.
- Explanation & Analysis of Key Provisions in International Oil & Gas Contracts, including:
 - Operating / Joint Venture.
 - Concession / Royalty.
 - Study and Bid Group.
 - Hydrocarbon Sales.
 - Insurance & Service Company Agreements.
- Principal Standard Form Contracts Used in the Industry including the North Sea LOGIC / CRINE and the International Petroleum Negotiators (AIPN) standard form contracts.
- International Dispute Resolution Framework and Institutions: challenges unique to the oil and gas industry.
- Key Legal Contractual Risk Management Issues.
- Introduction to key English Contract Law Principles.
- Managing and mitigating risks associated with Production Sharing Contracts (PSCs) and Joint Operation Agreements (JOAs).

Course Outline

Day 1: Introduction to Upstream Agreements & Production Sharing Contracts (PSCs)

- The Legal Framework and Contract Law II.
- Contract Law II.
- Oil and Gas Contracts Fundamentals and Legal Principles.
- Agreement with Resource Holders.
- An Introduction to Production Sharing Contract (PSCs).

Day 2: Agreements Between Co-Ventures

- Agreement with Resource Holders (I):
 - Leases.
 - Service Agreements.
 - Concessions / Licensing.
 - Example from Three International Jurisdictions.
- Agreements between Co-Ventures:
 - International model form Confidentiality Agreement (CA).
 - AMI's and Bidding Agreements.
 - Joint Operating Agreements (JOA).
 - Standard Model form International Operating Agreement.
 - Drafting Issues.
 - Unit Operating Agreement / Unitization: What is it? Why do it?

Day 3: Production Sharing Contract (PSC) Structure

- Key Characteristics of Production Sharing Contract (PSC).
- The Subject of a Production Sharing Contract (PSC).
- The State as a Party to a Production Sharing Contract (PSC).
- The Exploration Activity of an Investor is at its Own Expense and Risk.
- Ownership of Production Produced under a PSC and the Contractor Nature of an Investor under a Production Sharing Contract (PSC).
- The Sharing of Product: Substance and Procedure.
- PSC Sample, Content and Format.
- Drafting Issues & Workshop.

Day 4: Minimizing Loss Through Careful Limitation of Liability Clauses

- Drafting Enforceable Liquidated Damage Clauses.
- Handling Consequential Damage Waivers.
- Mitigation of Damages Clause.
- Contractual Limitations Periods.
- Transferring Risk by Contractual Indemnity:
 - Negligence.
 - Strict Liability.
 - Pre-Existing Conditions.
- Managing Risk through Adequate Insurance Provisions:
 - Insurance Subordination Issues.
 - Effective Claims Management.

Day 5: Preventing Costly Litigation through Effective Use of Alternative Dispute Resolution Options

- Avoiding Common Contract Pitfalls.
- Types of Dispute Resolution Vehicles.
- Assessing Litigation vs. Arbitration Options.
- Mediation Considerations.
- Considerations for Selecting Effective Mediators and Arbitrators.
- Selecting Arbitration and Mediation Rules of Procedure.
- Drafting Effective Dispute Resolution Clause.