PM019:
Contract Management in Offshore & Marine, EPCIC and Shipyard:
Essential Skills for Oil and Gas & Maritime Professionals
Training Description:

For complex offshore and onshore projects, the preferred contract module used is the EPCIC (Engineering, Procurement, Construction, Installation & Commissioning) Contract. Understanding the allocation of risk by mastering the ins and outs of EPCIC contracts will prove to be a valuable tool in driving effective contracting strategies to minimize liabilities.

This intensive training course is specifically designed to provide participants with a well-tested and practical guide on:

➢ Putting EPCIC in the context of the different models of EPC Contracts
➢ The inherent risk, liabilities and benefits of employing various contracting strategies
➢ The challenges of EPCIC lump sum contracts and the ways to manage cost over-runs
➢ Structuring the contract to address the issues of the several parties to the contract to ensure a positive project outcome. Pros and Cons of the split EPCIC contract form
➢ Insights into the current issues affecting EPCIC contracts like pollution, HSE and local content; managing contractor concerns

Training Objectives:

By the end of the training, participants will be able to:

✓ Understand the current global, local and financial environment for EPCIC contracts and assess operational, commercial, legal and financial risks in EPCIC contracts
✓ Examine and analyze the difference between with EPCIC contracts & EPCM and appreciate the underlying legal principles
✓ Appreciate the essential element of the different contract stages from pre to post tender to completion and delivery of project
✓ Address key issues faced during project lifecycle and how to tackle these through enforceable contractual clauses
✓ Avoiding drafting pitfalls and ambiguous contractual term

Training Designed for:

This course is intended for Contracts Professionals and Project Managers operating in complex offshore and onshore projects in marine and shipyard construction and engineering, whether at beginner or intermediate levels, Commercial Contract Professionals, Commercial Operation Professionals, Contract Engineers, Procurement Supply Chain Professionals, Risk Manager / Contract Risk Professionals.

Training Program:

DAY ONE:

❖ PRE-TEST
❖ Introduction
❖ EPCIC Overview, Legal Framework & Contract Structure and Risk Allocation
  • Maximizing parties’ rights and interests with appropriate contracting strategy
  • Contractor’s single point of responsibility, Split contract structures
  • EPCIC aspects in Shipbuilding Contracts for “Floaters”
  • Choosing the right contract structure for your project
• The tender process, tender and award. Discussing and analyzing different strategies

**DAY TWO:**

❖ **Tender Process Leading to an EPCIC Contract**
  • Legal, Technical and Commercial Pre-qualification of tenderers
  • Best practices in tender evaluations and selection of tenderer
  • Important of scope of work and specifications and terms and conditions
  • Exceptions – what to accept and what to deny
  • Finalizing tender negotiations & Award, LOI and LOA essential terms and legal effects
  • Exercise on the selection process and main elements to ensure a successful tender exercise

**DAY THREE:**

❖ **Negotiating Essential Contractual Terms of EPCIC Contracts**
  • Identifying critical issues in the project life-cycle
  • Managing cost impact clauses like delay, price fluctuations
  • Indemnities and other liabilities, MAC clauses, HSE
  • Changes in Law and regulations in host country & stabilization clauses
  • Political Risk Insurance, Force Majeure & Termination for cause and without cause
  • Case study & drafting exercise Issues Faced During Contract Life Cycle by Aligning Contractual Terms to Project Management
  o Managing Coordination Issues
  o Handling Completion Issues
  o Liquidated Damages
  o Dispute Resolution
  o Enforcing of Commencement and Completion Dates

**DAY FOUR:**

❖ **Essential Aspects of Risk Management Strategies**
  • Design, Technology & Process Risk, Procurement & Specification risk
  • Variations and cost impact, Payment and multi-currency contracts
  • Delay and liquidated damages, Completion and testing & effects of acceptance
  • Using contractual clauses to manage liabilities and risks

**DAY FIVE:**

❖ **Contract Completion – Critical Issues**
  • Acceptance of punch list of defects - what is the effect?
  • Passing of tile and risk - safety & insurance, Warranties and Guarantees
  • Passing of Intellectual Property rights, Defects - Exculpatory Clauses
  • Dealing with disputes – considering the different options
  • Discussion on issues participants have faced and how it was handled

❖ **Course Conclusion**

❖ **POST-TEST and EVALUATION**

**Training Requirement:**

“Hand’s on practical sessions, equipment and software will be applied during the course if required and as per the client’s request”.
Please note that the above topics can be amended as per client’s learning needs and objectives. Further, it should be forwarded to us a month prior to the course dates.

**Training Methodology:**

The course will utilize a variety of proven adult learning techniques to ensure maximum understanding, comprehension and retention of the information presented. This includes exercises designed to improve and sharpen the skill sets of participants in planning, negotiating and managing EPCIC contracts through interactive session with role playing, case studies, discussion groups and scenario building. 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 EPCIC contract. This will help participants gain practical insights into managing the risks and enhancing their rewards.

This interactive training course includes the following training methodologies as a percentage of the total tuition hours:

- 30% Lectures, Concepts, Role Play
- 70% Workshops & Work Presentations, Techniques, Based on Case Studies & Practical Exercises, Software & General Discussions
- Pre and Post Test

**Training Certificate(s):**

Internationally recognized certificate(s) will be issued to each participant who completed the course.

**Training Fees:**

As per the course location - This rate includes participant’s manual, hand-outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Note: The 5% VAT (Value Added Tax), will be effective starting 01st of January 2018 as per the new regulation from the UAE Government. The VAT applies for all quotation both for local and abroad.

**Training Timings:**

Daily Timings:

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>07:45 - 08:00</td>
<td>Morning Coffee / Tea</td>
</tr>
<tr>
<td>08:00 - 10:00</td>
<td>First Session</td>
</tr>
<tr>
<td>10:00 - 10:20</td>
<td>Recess (Coffee/Tea/Snacks)</td>
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<tr>
<td>10:20 - 12:20</td>
<td>Second Session</td>
</tr>
<tr>
<td>12:20 - 13:30</td>
<td>Recess (Prayer Break &amp; Lunch)</td>
</tr>
<tr>
<td>13:30 - 15:00</td>
<td>Last Session</td>
</tr>
</tbody>
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**For training registrations or in-house enquiries, please contact:**

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Training & Career Development Department