Tel No:+97126654546 |Fax No:+97126654182|Email: training@cmc-me.com|www.cmc-me.com

PM293:

Contracting Skills for The Petroleum Industry

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Training Description:

With so much riding on its suppliers, vendors, and distribution networks, the oil and gas petroleum industry faces unique risks and complexities that highlight the need for a well-defined strategy for the development and execution of long-term contracts. The ability to streamline all business operations depends on a firm grasp of critical contract governance areas. In today's volatile regulatory climate, it is essential for energy firms to have a flexible contract management system that can keep up with the demands of a wide range of stakeholders.

What makes Oil and Gas contract management successful? Due to the high stakes and intricate nature of the oil and gas industry, it is crucial to have a defined chain of command for the transfer of contracts after they have been signed. What steps are necessary for the successful execution of each contract provision, and who is accountable for carrying out and/or monitoring each action, must be established. Establishing an early detection system that enables issues and dangers to be discovered early and corrected as soon as feasible is crucial in reducing the impact of under-delivering. Unrealized returns often result from value leakage. Contracts should be fulfilled to their maximum potential with a strategy in place to track value loss and any threats.

What are some KPIs for gauging how well Oil and Gas contracts are being fulfilled? With the use of Key Performance Indicators (KPIs), contract managers may track their teams' progress toward contract-based objectives. Key performance indicators (KPIs) have a role in motivating actions and may have a major impact on outcomes and projects if they are well designed and implemented. Key performance indicators include annualised contract value, terminated contract remaining value, order value variance from original contract value, supplier malfeasance, contract adherence, and complaints resolved.

Participants will get a deep familiarity with how the modern oil and gas petroleum industry functions. Oil and gas contracts are the backbones of the company and the sector. This will provide participants with a foundation for comprehending the rights and responsibilities of both the host country and the operators, as well as how they are established and spelled out in oil and gas contracts. To offer a comprehensive grasp of the legal underpinning for licencing, production sharing contracts, and service agreements, the underlying legal structures will be identified and addressed. Common business contracts including buy and sale agreements and transportation agreements will also be covered.

This intensive training course will offer participants a grounding on the essential risk management measures included in oil and gas contracts. Participants will acquire knowledge on safeguarding capital in the oil and gas sector.

Training Objectives:

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

- ✓ Learn and understand the legal concepts that apply to oil and gas contracts
- ✓ Learn everything there is to know about contracts including licencing, production sharing, and service provision
- ✓ Learn about potential risks and use proper contractual clauses to lessen those risks
- ✓ Improve the participant's management and bargaining abilities during transactions
- ✓ Recognise, evaluate, and control the most important types of contractual risks
- ✓ Oversee the liability and force majeure clauses

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- ✓ Understand ways to examine important clauses
- ✓ Outline the most effective methods of supply chain management
- ✓ Gain knowledge of methods for settling international oil and gas conflicts

Personal Benefits:

- ✓ Gain skills needed to negotiate provisions in oil and gas contracts
- ✓ Learn to use well-drafted contract provisions, manage production and commercial risks, and ensure advancement in your career
- ✓ Develop the capacity to create a well-thought-out contracting strategy
- ✓ Gain familiarity with various contract provisions
- ✓ Manage contract term changes and the differences in approach between standard and customised contracts
- ✓ Understand various contracting tactics to achieve the organisation's objectives
- ✓ Learn approaches for managing supplier performance
- ✓ Learn to examine the most effective methods of dispute settlement
- ✓ Improve the capacity to bargain during transactions confidently and successfully

Organisational Benefits:

- ✓ Oil and gas contracts, licencing, and production rights will be familiar to the organisation's personnel, ensuring better contract management
- ✓ Understanding the legal ideas behind licencing, production sharing, and service agreements can help the organisation negotiate
- ✓ Organisations can forecast and handle energy contract difficulties and implications
- ✓ Organisation will witness better risk management strategies that are used for oil and gas contracts
- ✓ Internal management's ability to address contractual risks will be improved
- ✓ Alternative approaches to minimise the impact of risks and disagreements on the organisation will be researched

Training Designed for:

This course is intended for Contract administrators, negotiators and engineers, Business development officers, Business planners, Supplier relations professionals, Procurement professionals, Engineering, operational and maintenance personnel, Commercial, financial and insurance professionals and Project and general management team members.

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."

Contents can be adapted to your specific wishes. It is therefore possible to focus on specific modules of the training course as per client's learning needs and objectives. Further, it should be forwarded to us a month prior to the course dates.

Training Program:

DAY ONE:

- ❖ Module 1: Types of Oil and Gas Contracts
    - Principles of Oil & Gas Contracts

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- Exclusivity, Mutual Interest, and Confidentiality
- Concessions/Licenses
- Leases and Rentals
- Services and Works Agreements
- Multi-Party Contracts

DAY TWO:

- Module 2: Managing the Supply Chain Process
    - Overview of Procurement Best Practice
    - Identifying and managing risk in Supply Chain
    - Developing the Scope of Work
    - Qualifying Suppliers
    - Managing the Supply Chain
    - Contract Award and Execution
    - Bribery and Corruption

DAY THREE:

- Module 3: Key Contractual Issues and Their Management
    - Performance and Penalties
    - Liabilities and Indemnities
    - Pricing and Payment
    - Force Majeure
    - Termination
    - Local Content Requirements

DAY FOUR:

- Module 4: Managing Contractor Performance
    - Identifying and Managing Supplier Risk
    - Service Level Agreements
    - Key Performance Indicators
    - Changing the Scope of Work
    - Limiting and Excluding Liability
    - Use of Bonds, Guarantees and Warranties

DAY FIVE:

- Module 5: Dispute Management in the Petroleum Industry
    - Damages and Other Remedies
    - Negotiation, Compromise, Settlement
    - Alternative Third Party Dispute Resolution
    - Litigation or Arbitration?
    - Enforcement Measures
- Course Conclusion
- POST-ASSESSMENT and EVALUATION

Training Certificate(s):

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

Training Methodology:

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, Gamification, Software & General Discussions
- Pre and Post Test

Training Fees:

TBA 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:

07:45 - 08:00	Morning Coffee / Tea
08:00 - 10:00	First Session
10:00 - 10:20	Recess (Coffee/Tea/Snacks)
10:20 - 12:20	Second Session
12:20 - 13:00	Recess (Prayer Break & Lunch)
13:00 - 14:00	Last Session

For training registrations or in-house enquiries, please contact:
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