

Comparative analysis of royalty and bonus fee in oil production sharing contracts of the African Continent

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Abstract

More than 9% of world crude oil is reserved in the African continent. Except for some of the African countries that were previously oil producers such as Libya, Algeria, Angola and Nigeria, in recent years other countries in Africa have joined oil producers' club. Creation of motivation for attracting foreign investors in oil industry in one of the most important issues of these countries because exploration and development of African oil fields need a high level of technical knowledge and know-how and also it involves the incurring of great costs, a huge financial burden for the said countries.. Thus by investing of American, European and in recent years Chinese companies in this continent the capacity of oil production and exports has increased. The most important contract concluded between the African countries and international oil companies (IOCs) is production sharing contract (PSC). Some of the most important economic factors of PSCs are royalty and bonus fee. In this article the rate and kinds of royalty and bonus fee in the laws and PSC models of oil producing countries of Africa is considered with the aim of recognizing the mechanisms and rates of royalty and bonus fee these countries enjoy better and suitable varieties to attract more foreign oil investors. The results of this study show that only the laws and PSCs of some limited African countries such as Libya, Equatorial Guinea, Angola and specially Nigeria enjoy better, transparent and suitable varieties to fix the royalty and bonus fee at the time of negotiating and concluding contracts with IOCs.

Keywords: Bonus fee, continent of Africa, oil production, production sharing contracts, royalty.

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Balancing water resources in light of amendment to the private property of exploitation right

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Abstract

While for centuries the legal system of water resources, especially in arid regions of central Iran had been established on systematic and public institution of Qanat-subterranean water- in order to protect and use scarce water resources sustainably with an approach to the public interest and welfare, the arrival of modern drilling and suction technologies led to the emergence of deep wells and granting private owners the right to exploit water wells. Furthermore, using this “common resource” fell in the competition for wasteful exploitation and in this regard long-term public and intergenerational interests diminished to short-term unstable private interests which led to the deterioration of underground aquifers and to the destruction of thousand-year-old ecosystem. On the basis of juridical and legal arguments for the conflict between private interests and public interests, this article tries to explain the reasons and the legal nature of amendment and expropriation of private property of exploiting numerous water wells in order for the equilibrium and balancing of this common resource.

Keywords: common resources, exploitation right, expropriation of private property, necessity, no loss, public interest, public service.

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Bilateral extraction of common oil and gas fields considering international law with emphasizing on Parse Jonoobijoint field

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Abstract

Unlike solid minerals which are dividable between countries on the basis of borders, oil and gas resources are immigrabledue to their fluidity and by creating any way out from their reservoir. Accordingly, if each State in its boundaries, extracts oil and gas from joint fields, it can cause fluid movements of resources, especially gas, in all reservoir and can move all or significant portion of the existing reservoir of adjacent country toward its side. Based on international law, States are responsible for unfair extraction of joint fields and they cannot violate the ruling right of a neighbor State. Compensation for infringing of this right/duty, is both calculable and demandable. Based on extant evidence, Iran boundary and rights in joint field of Pars-e-Jonoobi has been violated and Qatar government is responsible for compensation due its violating the rights of Islamic Republic of Iran.

Keywords: Bilateral extraction, common heritage, exclusive exploitation, fair extraction, in joint fields, international law, oil and gas resources.

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Integrity in public procurement

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Abstract

Public procurement is process of supplying goods and services by Governments from the private sector. This process consists of several stages and because of conflict of interest public and private sector is vulnerable to corruption and misuse by Government. In this regard, one of the topics discussed at the global level, is integrity in public procurement, which means the use of public resources in the public interest. Given the importance of public procurement in the economy, government agencies and public institutions and also the vulnerability of various stages of providing public goods and services, calls for the prevention of dangers and threats against public procurement is heard all the more louder. Principles and mechanisms of government funds can be better. In this paper, the concept and principles of integrity, public procurement, principles, standards and procedures governing integrity promotion is discussed in public procurement. The aim of this study is to evaluate the integrity of the public and the principles governing its public procurement Integrity promotion to achieving the objectives of public procurement.

Keywords: good management, integrity, preserves the value of money, the principles of integrity promotion, public procurement, public resources, purpose of public procurement.

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U.S.- Mexico agreement on trans boundary hydrocarbon reservoirs in the Gulf of Mexico, historical and legal analysis

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Abstract

After decades of tough negotiations, U.S. and Mexico signed an agreement concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico on 12 February of 2012. Unitization is the approach that has been chosen by two countries to develop Gulf of Mexico's oil and gas transboundary resources. Due to legal, structural and historical similarities between Iranian and Mexican oil and gas industries, and the existence of Iran's multiple transboundary hydrocarbon resources, assessment and analyzing of US-Mexico negotiations in order to have an understanding of why they negotiated and how they could be able to handle their issues would be very helpful to Iran's oil and gas policy makers. Mutual understanding, providing enough negotiation time ,doing geological studies, enhancing historically faded confidence between two nations, avoidance of unilateral actions, long term approach and most importantly finding and generating common interests are the main success factors of the two countries.

Keywords: Gulf of Mexico, marine delimitation treaties, transboundary hydrocarbon resources, unitization.

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Insuring risks of petroleum projects

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Abstract

Petroleum industry is a risky one. There are a lot of risks in this industry, especially in the upstream field where activities such as exploration, development, and production should be taken over. In every different paces, there are many risks which threaten both the benefits of employer and contractor. On one side, the employer is concerned with the project and environmental pollution and on the other side the contractor is worried about his large amount of investment spent on the project. Hence both parties need to manage their risks. One of the most important methods of managing risks is insurance coverage for the risks. According to the risks there is variety of insurance coverage, in this article the existing risks in petroleum industry and diverse kinds of insurance coverage has been explained. And generally the role of insurance in this industry will be discussed. And also insurability of different risks has been elaborated and a criterion has been suggested.

Keywords: contractor, employer, insurance, loss, oil contracts, risk, petroleum industry.

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Protection of renewable energies in light of WTO's regulations and case law

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Abstract

Protection of renewable energies development has a key role in recent decade's energy policies. States environmental and human rights commitments pursuant to international documents and treaties like the United Nation framework Convention on Climate Change, Rio Declaration on Environment and Development and International Covenant on Economic Social and Cultural Rights are the bases of this protection. As about 70 percent of the trade around the world is taking place in the territory of the WTO Member States, and considering the fact that renewable protection policies shall not be inconsistent with their obligation under the WTO rules and regulations, hence, they shall strike a balance between their trade and environmental obligations. WTO's recent judicial proceedings show some criteria to make that balance. While Iran is going to access to the WTO, so regulations in some sections such as renewable energy protection policies and power purchasing agreement (PPA) need to be consistent with WTO rules and regulations. In this article, some criteria will be suggested on balancing trade and environmental obligations on renewable development protection.

Keywords: case law, discrimination, electricity, obligations, protection, renewable, WTO.

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In the name of God

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