

E&P Terms and Above-Ground Risk

Comprehensive Above-Ground Country E&P Information
and Petroleum Sector Risk Analysis



A comprehensive solution for Above-Ground Country E&P Analysis

E&P Terms and Above-Ground Risk is a comprehensive and integrated package of information and tools that enable in-depth understanding and holistic cross-country comparisons of upstream investment terms, economics, and petroleum sector risk worldwide.

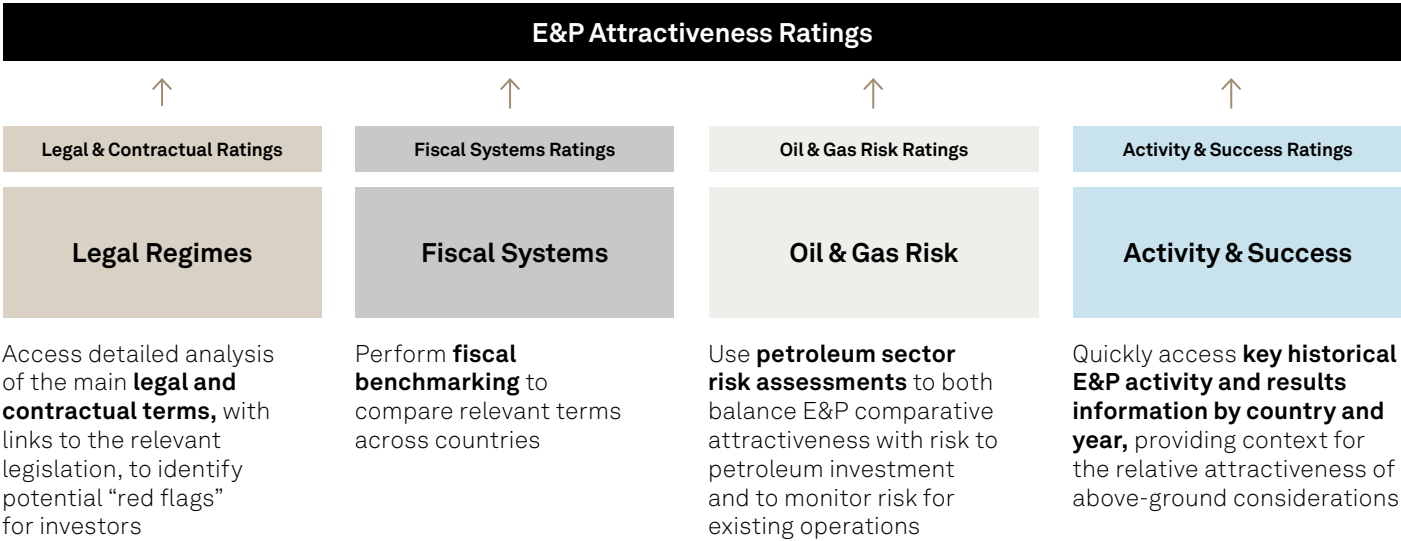
- Quickly evaluate and compare historical legal and contractual considerations, fiscal terms, and E&P activity
- Monitor and understand the full range of above-ground risk factors, from changes to terms to operational disruptions

Providing answers to key workflow questions

E&P New Ventures/ Business Development	and Risk Management	or Frontier Countries
<ul style="list-style-type: none">– How do fiscal regimes stack up—how do government and investor cash flows vary and compare under different size, cost, and oil price scenarios?– What are the details of other important contractual terms?– Does analysis of legal and contractual terms reveal “red flags” (e.g., onerous local content requirements)?– Which above-ground risks could affect investment?– How do historic E&P activity and results compare?	<ul style="list-style-type: none">– Where might changing above-ground risks affect current company operations?– Where does the company need to prioritize planning and mitigation efforts to deal with emerging concerns?– How does the projected future risk environment play into acquisition and divestment strategy?	<ul style="list-style-type: none">– How attractive is my country when compared to peer countries and neighbours?– Why do investors view a peer country as more attractive than my country?– What terms are other countries offering?– How do our peers regulate other factors such as: arbitration, local content, environmental protection?
Regulators/NOCs in Producing		

E&P Strategy, Planning,

With integrated product modules that cover above-ground aspects of upstream investment consideration



Key differentiators

Comprehensive and Integrated

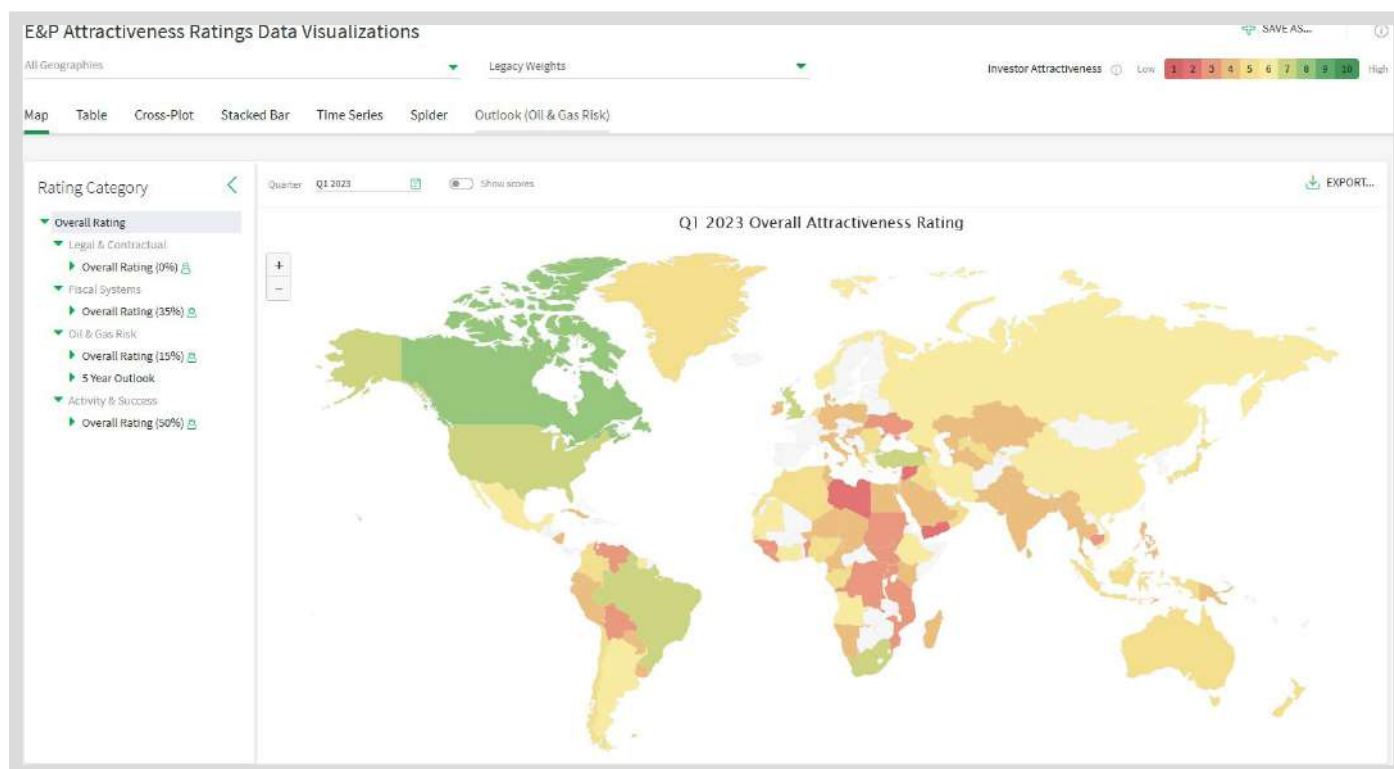
- Enabling holistic cross-country comparison of legal and contractual considerations, fiscal attractiveness, and petroleum sector risk.
- Answers to key country screening and risk assessment questions provided all in one place – customized reports are easy to generate.
- Active monitoring of 110+ producing and frontier countries/territories around the world.
- Integrated content – e.g., fiscal analysis links to underlying legal documents and analysis, risk ratings assess potential for changes to upstream terms .

Superior legal content and expertise

- Legal and contractual analysis is produced by a team of petroleum lawyers with regional expertise.
- Largest upstream legal library in the world (4,200+ documents available to users online) - laws, regulations, and contracts – assembled and translated over decades.
- All legal and contractual analysis is directly linked to the actual underlying legal documents.

Tested methodology and trusted experts

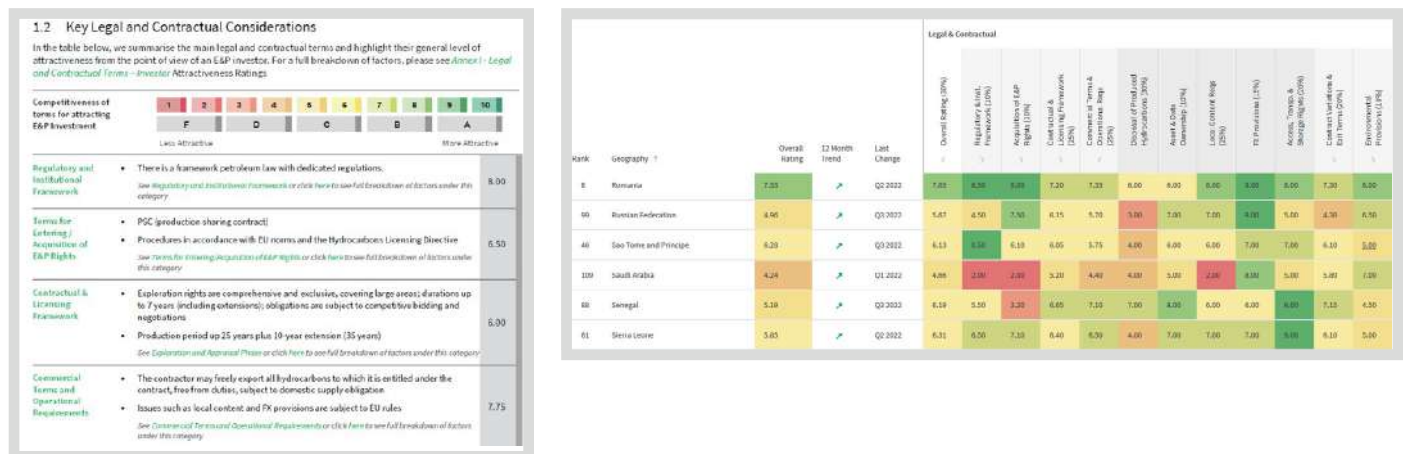
- Used by leading E&P companies and petroleum sector regulators since 1996.
- Ratings and assessment methodology has been fully vetted across numerous market cycles.
- Large team of petroleum lawyers, economists, and petroleum sector risk analysts with extensive regional and subject matter expertise – available to clients for questions and clarification.



Legal Regimes

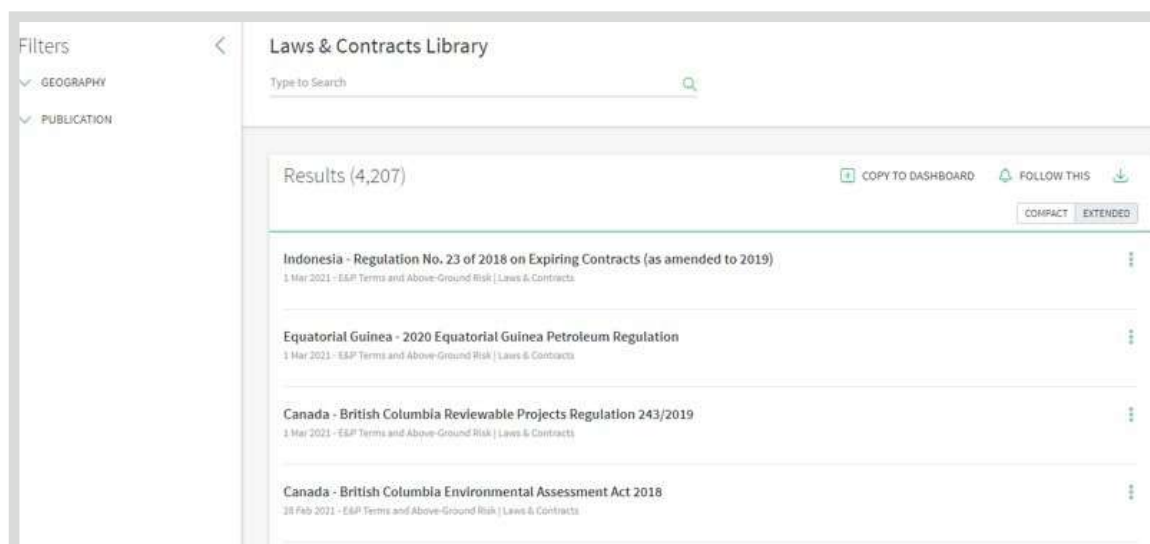
Detailed analysis of legal and contractual terms for 110+ regimes, including

- Detailed E&P regime analysis reports, providing a thorough breakdown of all key legal and contractual requirements and potential "red flags" for investors.
- Environmental regulatory analysis.
- Historic evolution of contractual terms and developments in fiscal terms (including worked cash flow examples).
- Regime overview reports in Power Point format offering a graphic overview of terms on offer.
- Attractiveness ratings for 24 key legal, regulatory, and commercial factors impacting upstream investors, as well as tools for quickly benchmarking countries across these factors.



Full library of laws, regulations, and contracts – assembled and translated over decades

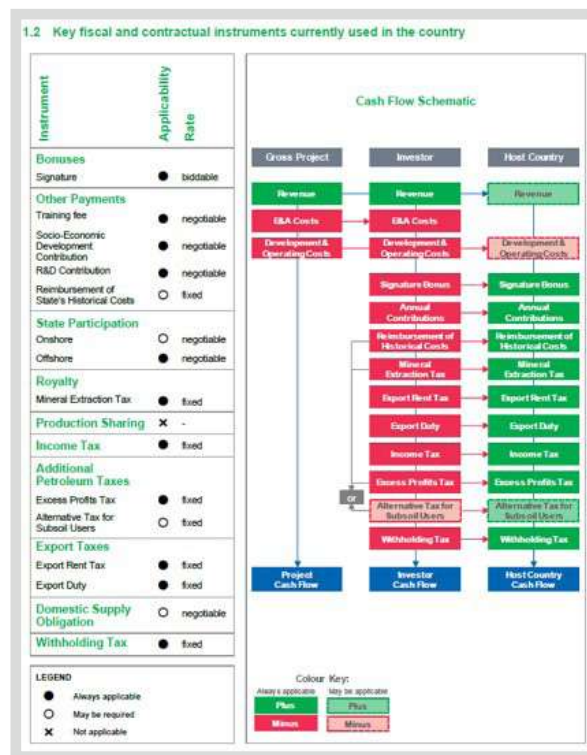
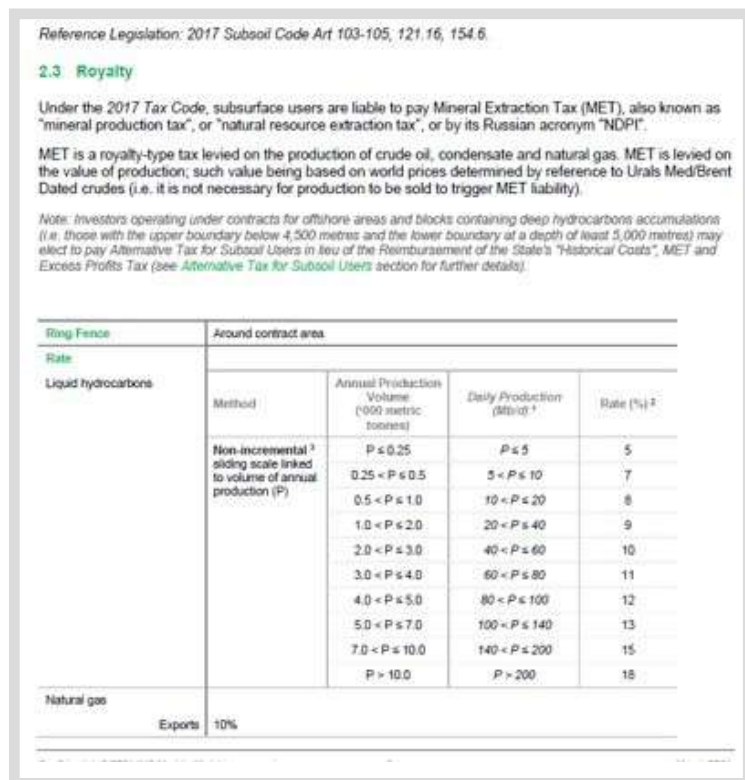
- Petroleum laws and regulations
- Bidding documents, model contracts and licenses
- Tax legislation (income tax, petroleum tax, etc.)
- Foreign investment and other commercial laws



Fiscal Systems

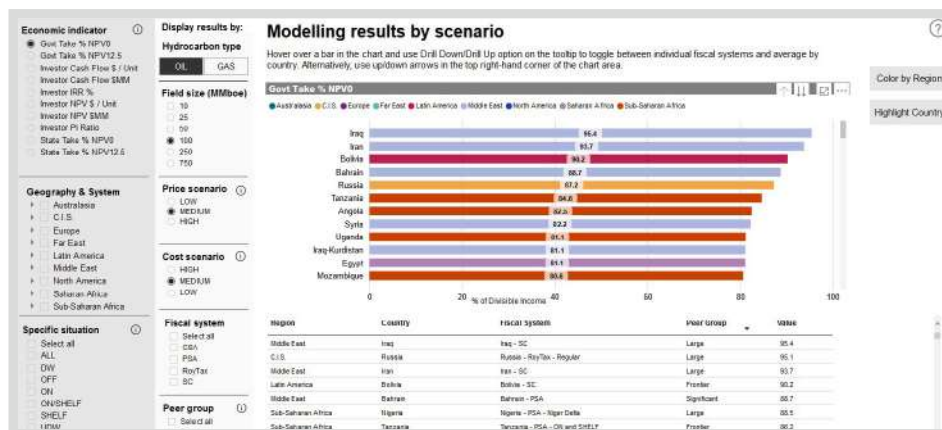
Fiscal terms for 190+ regimes

- Fiscal terms-at-a-glance table – provides a snapshot view of all key terms for quick comparison.
- Fiscal terms for new E&P ventures – with detailed analysis of fiscal terms and clear explanations regarding the assumptions made by our analysts.
- Clear references to the actual contracts and legislation, enabling clients to identify the underlying legal documents upon which the analysis is based.



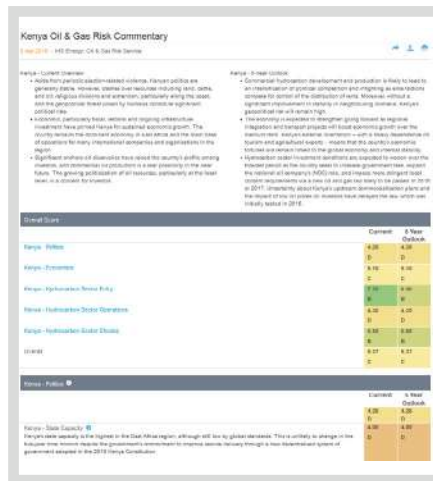
Fiscal benchmarking tool

- Numerical analysis is done by examining the effects of the 190+ fiscal regimes on hypothetical oil and gas projects.
- Multiple visualization tools allow for quick analysis and understanding of how economic results for fiscal regimes vary and compare to each other under different modelling scenarios.
- Clients can access the fiscal results table that underpins the benchmarking tool (fiscal results for each of the 190+ regimes can be filtered by cost category, field size, price, etc.).



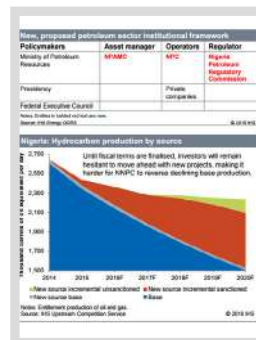
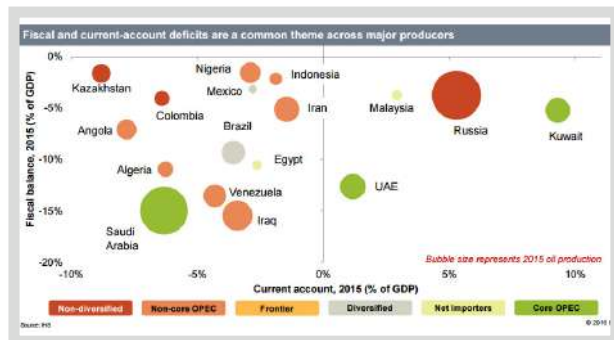
Oil & Gas Risk - Hydrocarbon Sector Operations

Risk Factor	Kenya 4.3	Mozambique 6.3	Tanzania, United Republic of 5.3
Security of Contract	5.0	8.0	4.0
Regulatory Burden	4.0	8.0	5.0
Civil Society Bias	3.0	8.0	8.0
Corruption	3.0	4.0	4.0
Rule of Law	3.0	4.0	4.0



Customizable tool to visualize and evaluate risk for 110+ countries and territories over the immediate and five-year time-horizons, underpinned by assessments on 21 upstream risk factors.

Overview and analysis of the country-level drivers for each of the risk rating components.



Ongoing monitoring and timely analysis of changes to energy policy, investor relations and operational risks tied into to oil & gas risk factors.

Detailed analysis of emerging trends affecting investors on a regional, thematic and country level.



Analysis of government policy and decision-making, energy fundamentals, and competitive environment in top hydrocarbon-producing countries.

E&P Activity and Success

License Activity				Filter...
Year	Country/Territory	New Exp Awards Total	Total Exp Licences Total	Licensed Areas On (
2019	Divided Zone			
2019	Ghana	2	23	
2019	Grenada		1	
2019	South Africa	5	144	
2019	Trinidad and Tobago		103	
2019	Uganda		15	
2019	Sudan		7	
2019	Slovenia			
2019	Indonesia	14	342	
2019	China	5	2,804	
2019	Kyrgyzstan		56	
2019	Slovakia	2	35	
2019	Barbados		4	
2019	Bulgaria	1	33	
2019	Myanmar		60	
2019	India	55	676	
2019	Nigeria-San Tome IDZ			
2019	Colombia	13	399	

E&P data

- Past performance data and summary statistics on licensing activity, exploration and production activity and exploration success.
- E&P data presented in tabular format to allow easy and quick comparison between countries.

Some examples of how E&P Terms and Above-Ground Risk has helped our clients

- In order to negotiate with a prospective partner, a multinational energy, fuels, and power company needed to understand the level of prior offshore experience being required by host governments. The company used E&P Terms and Above-Ground Risk to compile a report that indicated clearly which countries required prior offshore drilling experience and which ones didn't—as well as the specific requirements in each case.
- The business development manager of a large petroleum company asked to meet with one of our analysts to get further advice on a country in which his company has a particular investment interest. During the meeting the manager noted that the company relies heavily on E&P Terms and Above-Ground Risk to gather all the initial information it needs to make the investment decision.
- An E&P company was preparing an investment presentation in which it wanted to show how Brazilian terms compared to those of other countries. The company used E&P Terms and Above-Ground Risk to gather all the necessary information and perform the comparison.
- A client in a large E&P firm explained that the company uses E&P Terms and Above-Ground Risk during the initial stage (screening/ preparation/ pre-negotiation) of the investment process because its new ventures and legal teams prefer to conduct assessments without alerting the potential investment recipient and any related company.

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