FISCAL AND TAX REGIME IN THE OIL & GAS INDUSTRY



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TRAINING CENTER

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Introduction

Fiscal and Tax Regime in the Oil & Gas Industry Training Course gives finance, tax and commercial professionals the tools to work confidently with petroleum fiscal systems. Participants learn how governments and companies share revenue under concessions, production sharing contracts and service agreements. The programme covers royalty, cost recovery, profit oil split, ring-fencing and tax computation across major producing regions. Furthermore, it links fiscal terms to project economics, so teams can model government take and contractor return accurately. As a result, delegates can compare regimes, assess fiscal stability risk and support negotiations with authorities and partners. Gentex Training Center delivers the programme through fiscal model workshops and comparative case studies.

Fiscal and Tax Regime in the Oil & Gas Industry Course Objectives

- Explain the main petroleum fiscal systems and how each shares value between state and contractor.
- Interpret concession, production sharing and service contract terms clause by clause.
- Calculate royalty, cost recovery ceilings, profit oil split and contractor entitlement.
- Model government take, contractor take and effective tax rates.
- Apply ring-fencing rules and handle loss carry-forward and cost pooling.
- Compute petroleum income tax, stability clauses and fiscal incentives.
- Evaluate fiscal stability, renegotiation and change-in-law risks.
- Compare fiscal regimes across different producing countries and contract types.
- Build fiscal models in Excel linked to field production and cost profiles.
- Prepare fiscal analysis that supports negotiation and investment decisions.

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Course Methodology

The course combines concise technical briefings with hands-on fiscal modelling workshops and comparative country case studies. Participants build Excel fiscal models, calculate government take and run term-change scenarios for negotiation. In addition, structured peer review and group debate sharpen commercial judgement, and each day closes with an applied fiscal task.

Who Should Take This Course

- Petroleum economists and fiscal analysts.
- Tax and finance managers in oil and gas companies.
- Commercial, negotiation and business development staff.
- Government and national oil company fiscal officers.
- Auditors, controllers and advisers serving the energy sector.
- Legal and contracts professionals working on petroleum agreements.

Fiscal and Tax Regime in the Oil & Gas Industry Course Outlines

Day 1: Petroleum Fiscal Systems and Value Sharing

- Overview of concession, production sharing and service contract systems.
- State objectives versus contractor objectives in fiscal design.
- Government take, contractor take and the fiscal package concept.
- Licence fees, rentals, signature bonuses and production bonuses.
- Fiscal versus production sharing approaches to revenue split.

- Fiscal instruments used in mature and frontier provinces.
- Workshop: comparing two fiscal systems on one field profile.

Day 2: Contract Terms and Fiscal Mechanics

- Reading a production sharing contract clause by clause.
- Royalty calculation and cost recovery ceilings and their treatment.
- Profit oil split, sliding scales and contractor entitlement.
- Cost oil, cost pool treatment and recoverable versus non-recoverable costs.
- Ring-fencing rules and their effect on taxable income.
- Depreciation, amortisation and uplift under petroleum tax law.
- Workshop: building a fiscal calculation sheet for a production sharing contract.

Day 3: Petroleum Taxation and Government Take

- Structure of petroleum income tax and additional profits taxes.
- Effective tax rate, marginal government take and progressivity.
- Loss carry-forward, transferability and decommissioning treatment.
- Stability clauses, change-in-law provisions and fiscal incentives.
- Withholding taxes and cross-border payment considerations.
- Anti-avoidance and transfer pricing dimensions in petroleum taxation.
- Workshop: calculating government take and effective tax rate.

Day 4: Comparative Fiscal Analysis Across Countries

- Fiscal systems in Gulf, North African, West African and Asian provinces.
- Comparing regimes on take, progressivity and risk allocation.
- Fiscal stability risk and renegotiation experience in practice.

- Fiscal attractiveness versus resource quality and above-ground risk.
- Marginal field economics and fiscal incentives for incremental investment.
- Building a country comparison matrix for portfolio screening.
- Workshop: ranking three fiscal regimes on one comparable field.

Day 5: Fiscal Modelling, Negotiation and Investment Decisions

- Building an Excel fiscal model linked to production and cost profiles.
- Modelling royalty, cost recovery, profit oil and tax in one integrated sheet.
- Scenario testing for price, cost and term changes.
- Break-even analysis and contractor cash flow under negotiation positions.
- Preparing fiscal negotiation briefs and term comparison summaries.
- Presenting fiscal analysis to management, partners and authorities.
- Workshop: defending a fiscal position before a negotiation panel.

Conclusion

By successfully completing Fiscal and Tax Regime in the Oil & Gas Industry Training Course, participants will have acquired the knowledge to interpret petroleum fiscal systems and quantify their impact on project value. They will understand royalty, cost recovery, profit oil split, ring-fencing, petroleum taxation and government take, and they will know how to compare regimes and support negotiations. As a result, delegates make better fiscal and investment judgements. Gentex Training Center builds the programme around current industry practice.

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FAQs for the Fiscal and Tax Regime in the Oil & Gas Industry course

Q1 What is the "Fiscal and Tax Regime in the Oil & Gas Industry" course about?

It explains how petroleum fiscal systems share revenue between governments and companies. You learn concession, production sharing and service contract mechanics, royalty, cost recovery, profit oil split and petroleum taxation, then model their effect on project value.

Q2 What are the key benefits of the "Fiscal and Tax Regime in the Oil & Gas Industry" course?

You gain the ability to quantify government take and contractor return accurately, which improves investment screening and negotiation leverage. You also reduce fiscal modelling errors, compare regimes fairly, and anticipate the cost of term changes and renegotiation.

Q3 What skills will I gain from the "Fiscal and Tax Regime in the Oil & Gas Industry" course?

You will gain petroleum fiscal system analysis, production sharing contract fiscal modelling, government take and petroleum tax computation, and fiscal regime comparison and negotiation support.

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Q4 What tools, methods, or standards are covered in the "Fiscal and Tax Regime in the Oil & Gas Industry" course?

The course covers production sharing contract mechanics with royalty and cost recovery ceilings, profit oil split and sliding scales, ring-fencing rules, petroleum income tax and additional profits tax, effective tax rate and government take calculations, stability and change-in-law clauses, and Excel fiscal models with break-even and scenario analysis.

Q5 How is the "Fiscal and Tax Regime in the Oil & Gas Industry" course applied in real-world practice?

Graduates apply it to screen countries for investment, model government take on new acreage, support fiscal term negotiations with authorities, assess change-in-law exposure on existing assets, evaluate incremental project incentives, and prepare fiscal briefs for management and partners.