



PETRAD

# 8-weeks programme

24th September – 16th November 2018

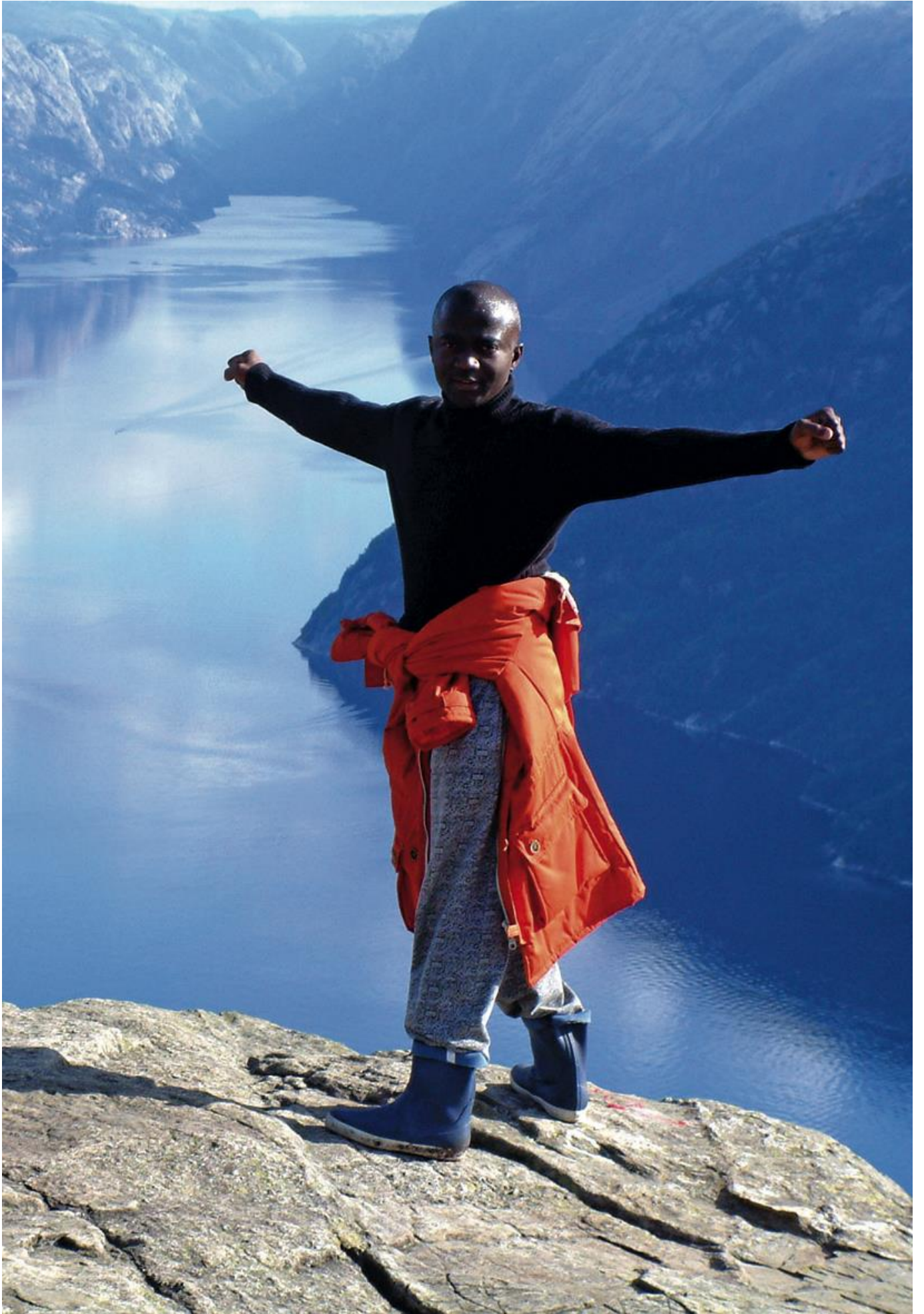
Stavanger, Norway

**Petroleum policy  
and resource management**

Programme information and  
Application procedure

2018





# Contents

Page	
05	Programme objective
05	Programme outline
06	Who should attend
07	Programme
10	Resource persons
10	General information
13	Financial requirements
13	Application procedure
14	PETRAD information

# Petroleum Policy and Resource Management

The 8 weeks programme in Petroleum Policy and Resource Management addresses the overall direction and framework for petroleum operations in a country.

Starting from the premise that petroleum resources in the ground (in most countries) are designated as property of the nation, national institutions must provide for the resources to be transformed to benefits for current and future generations of the people. Petroleum policy is the set of high-level guidelines that a nation decides as the basis for exploiting its petroleum resources. It should point the direction for how, and how fast, the nation wants to exploit resources, how to build knowledge of the resources and how to manage the sector. Commercial enterprises can bring essential capabilities for finding and producing the resources, but their interests are different from those of the nation.

The programme covers the activities needed for producing oil and gas over the life cycle of resources. The main focus here is on the early stage of the cycle, when petroleum rights are licenced (contracted) to petroleum firms, and potential resources in the ground are explored. The programme reviews the societal implications of petroleum resources, including issues of transparency, revenue management and the forms of State involvement.

## Programme objective

The main objective of the programme in Petroleum Policy and Resource Management is to strengthen the participants' capabilities for contributing to the effective management of petroleum resources in a context which involves commercial enterprises, national authorities and civil society. The programme aims to enable participants as follows:

1. Understand the petroleum value chain in terms of the main activities required to find, produce and sell petroleum.
2. Understand the key responsibilities of national authorities and commercial firms for petroleum activities in a modern regulatory framework.
3. Understand the essential geological conditions of petroleum resource formation.
4. Understand the processes of licensing and development planning in national petroleum resource management.
5. Understand the essential requirements for protecting people's health and safety, and protecting the environment from the potential negative impacts of petroleum operations.
6. Understand the common methodology for assessing the economic attractiveness of petroleum activities, including the implications of fiscal terms and uncertainties.
7. Understand common contracts for licensing petroleum rights to commercial firms.
8. Recognise the main impacts of petroleum activities on society and the requirements for transforming petroleum resources into lasting benefits for society.
9. Contribute effectively to solving complex tasks in a multi-disciplinary team context.

# Programme outline

The programme comprises five topical parts:

- Part 1 Policy and main framework
- Part 2 Exploration and licensing
- Part 3 Development
- Part 4 Production and abandonment
- Part 5 Capabilities and human resources

They are described on the following pages, followed by parts 6 and 7, which concern assignment tasks during the programme.

The programme combines lectures, discussions, practices, excursions and an extensive group work assignment. There will be visits to national institutions and company sites, as well as social events and excursions of a more adventurous kind. Participants will be guided by experienced industry professionals with backgrounds from petroleum authorities, petroleum companies, consultancy and academia. The programme has a busy schedule, with lectures and other learning events during 08:30 – 16:30 on weekdays as well as events during some evenings and week-ends. Participants should not plan to do any significant amount of work from the regular job while on this course.

Comprehensive documentation will be available during and after the course on an electronic site. Each student will borrow a computer from PETRAD with access to the internet at the training venue and at the hotel.

The PETRAD twin programme “Petroleum development and operations” complements this programme with a larger emphasis on the technically oriented tasks of field development and operations. Some lectures are common to both programmes. The student facilities and environment will be the same for both programmes.

## Who should attend

The programme is intended for candidates who hold, or are in line to be promoted to, managerial or senior professional positions within government institutions and national oil companies with responsibilities related to petroleum sector management. It is also relevant for professionals from non-state enterprises with responsibilities in relation to the interface between state and companies. Candidates should have academic education at Master or Bachelor level and at least four years of significant work experience.

When selecting participants among applicants, PETRAD aims for a suitable balance of the most relevant professional discipline backgrounds, a wide spread of nationalities and a reasonable balance of female and male participants.

# Programme

## PART 1: Policy and main framework

This part will be taught concurrently with the other parts. It covers the following themes, most of which comprise several lectures:

- Global energy perspectives
- Petroleum sector policy
- Petroleum legislation
- Petroleum sector organisation
- Licensing regime and fiscal regime
- Financial management and integrity
- Safety management
- Environmental management

Global energy perspectives include international energy sector developments, and dilemma of energy and climate. A national policy for petroleum can be seen as part of a broader energy policy, which also addresses the challenge of supplying the nation with its energy needs. The programme introduces energy policy in the context of both developing and industrialised countries, and discuss the global implications. Examples of policy objectives and the role of government in the sector are reviewed.

Legislation and regulatory framework for petroleum operations needs to reflect petroleum policy. The programme introduces the legal framework and reviews key regulatory provisions. The policy and regulatory functions and the business interest of the state are often assigned to separate state institutions. Examples of different institutional solutions to efficient petroleum sector management will be discussed.

There is a variety of licensing regimes and contracts in the petroleum sector internationally, including concessionary and contract-based systems. Licensing rounds versus licensing on an “open door” basis is a consideration in many countries. The programme reviews how the various contracts may serve different purposes, and review trends in contracting regimes. Efficient functions of government in petroleum policy formulation and activity regulation facilitates oil company activities and ensures adherence to national policies. Countries in early stages of petroleum sector development and countries undergoing major institutional change often see the need to redevelop these functions. Issues of particular concern include good governance, transparency, accountability and the prevention of corruption. The programme also covers fiscal design and revenue management consistent with national goals.

Investment projects in business are generally evaluated by methods featuring cash flow discounting and present value. The programme will introduce this methodology with key terms and application in spreadsheets. Project economic analysis will be reviewed in the context of deciding on investments in petroleum projects. This section will introduce concepts and terminology that will be applied.

Efficient regulatory functions include the continued monitoring and follow-up of oil company activities. This is necessary both to ensure adherence to national regulations and to license and contract terms and respond efficiently to requests and proposals by all licensees. Petroleum production involves numerous operations that may cause damage and loss of life unless appropriately designed and carried out. Good safety management is a requirement for minimum damage and disruptions. Environmental management entails the application of management principles and techniques for protecting the environment from disruptive impacts of the petroleum activities. In many countries the responsibility rests primarily on the operating company, but certain elements, such as setting objectives and defining acceptance criteria, is a responsibility of government.

## Part 2: Exploration and licensing

This part covers the following themes:

- Resource assessment and prospect evaluation
- Exploration analysis and decisions
- The licensing process
- Drilling
- Data management

An effective licensing process requires that both government and the oil companies have a good understanding of the resource potential. This is established through pre-license reconnaissance. The programme addresses different mechanisms for financing and carry out seismic and other data acquisition prior to licensing.

Licensing is the key decision process in which government sets the scene for exploration, development and production. The licensing strategy involves definition of contract areas in which companies may participate, contract options, work obligations, terms, and the licensing process. Promotion is a tool for countries to attract suitable investors at acceptable terms. The programme will review determining factors in exploration investment. Negotiating with resourceful petroleum firms requires good preparations and a professional approach.

Petroleum data is a valuable asset for building knowledge of a country's resource base. National control and management of petroleum data is a strategic issue for the authorities. Access to data is important for both the authorities and petroleum companies for their assessment and optimal management of resources.

## PART 3: Development

The course on Petroleum Policy and Resource Management provides a lighter coverage of the development, production and abandonment stages than the parallel course on Petroleum Development and Operations, providing instead a broader coverage of the two stages described above. Part 3 of this course covers the following themes at introductory or extended level:

- Plan for development and operations
- Selection of technology
- Project management
- Natural gas
- Oil markets and downstream petroleum
- Petroleum economics and decision support
- National engagement in the petroleum sector

Permission to develop a hydrocarbon field is usually subject to the Government's approval of a plan submitted by the operating or contracting companies. The process of preparing and approving the plan provides opportunities for dialogue between oil firms and Government on how the field will be developed and produced. The programme will discuss key policy considerations and activities in this regard, and the importance of early interaction with the companies.

Natural gas has historically often been regarded as a troublesome by-product of oil production but is a valuable resource and a preferred energy product in its own right. The gas extracted from reservoirs must be processed for transportation and marketing. Global gas markets operate differently from oil markets due to the particular physical challenges of gas logistics. This section will also review the applications and markets for natural gas liquids, which are often produced in association with natural gas.

The downstream petroleum sector includes those industrial and marketing activities which are required to convert crude oil into products that are useful and available to consumers. This section of the programme will provide a brief overview of oil refining, trading of crude oil and products, retailing and petrochemicals.



# PART 4: Production and abandonment

This part of the Petroleum Policy and Resource Management programme provides introductory coverage of petroleum operations, including reservoir management, and decommissioning after termination of production from installations.

Efficient reservoir management is systematic use of technology and information to optimise production and recovery from the reservoir. This is a critical exercise that requires government monitoring and independent evaluation. Reservoir recovery factors have increased considerable over the last decades. This is a result of improved reservoir management and enhanced and improved recovery technology. Enhanced recovery technologies and their application will be discussed.

Production installations may be in use for 30 years or more. Good maintenance strategies are required to prevent accidents, pollution or production disruptions. Quality audits are used to determine compliance with specified requirements. These requirements should be part of operations regulations and refer to applicable industry standards.

With increasing awareness of the environment, removal of installations and clean up at the end of production must be provided for. The programme reviews international regulations, responsibilities and finance of abandonment and restoration.

## PART 5: Capabilities and human resources

This part will covers the following themes:

- Industrial relations
- Capacity building for the petroleum sector
- Management skills
- Team development

The functions of government in petroleum policy formulation and regulations require highly specialized skills and sophisticated management tools. The programme reviews manpower requirements at different activity levels and the authorities' possibilities to develop and manage human resources.

Developing managerial skills is fundamental to have success as a leader or manager. During the team project assignment work participants will be exposed to situations requiring various management skills. Although the 8-weeks programmes are not management skills development programme, they offer at least a flavour of some skills needed to be a good manager.

## PART 6: Challenges

The Challenges process lets participants work in groups and under guidance on a selected topic of particular relevance to their own situation at home. The process extends over several group sessions during the programme.

## PART 7: The “case” assignment

The group work assignment, which we refer to as the “case”, concerns a realistic scenario of a process for licensing petroleum rights in the imaginary countries of Eureka and Eastland. Teams represent the Ministries of Energy of each country and two oil firms, carrying out a process of bidding and negotiating licence terms. In preparation for this, they must assess the attractiveness of the areas on offer and of the prospects which have been identified there. The ministry teams develop revised petroleum policies for the two countries, while the company teams develop strategies for their long-term businesses there.

## Resource Persons

See Petrad Faculty (<http://www.petrad.no/about-petrad/petrad-faculty-0>).

## General Information

### Location

The programme will take place at the PETRAD training venue located in the same office building as Norwegian Petroleum Directorate (NPD) and Petroleum Safety Authority, Norway (PSA) in Stavanger, which is situated on the South West Coast of Norway.

### Time

The programme commences September each year, see [www.petrad.no](http://www.petrad.no) for specific dates.

## Evening programme & excursions

There will be special evening programmes with presentations on topics that constitute the framework of the programme. During the programme there will also be excursions to sites and institutions that can help visualise the importance of efficient petroleum policy and management practices.

# Admission

Admission to the programme will be based on the following criteria:

## Professional Qualifications

Minimum professional qualifications are university degrees equal to Master or Bachelor levels and four to five years of relevant working experience.

## Language proficiency

Good working knowledge of the English language is necessary and most important. Applicants must document a good working knowledge of English by either:

- Submitting documentation of their knowledge of English
- Accept to be interviewed, as advised by PETRAD
- Undergo one of the following tests
- TOEFL – Test of English as a Foreign Language. Minimum score required: 500
- IELTS – English Language Testing Service (General section & general academic module) Minimum score required: 5.5

## Experience in using PCs

The applicant must be able to use a PC and the following applications: a word processor, a spreadsheet and a presentation tool (e.g. MS Word, Excel, PowerPoint)

## Participation of Women

It is considered important to open for a broader recruitment of women to petroleum management. Qualified women are encouraged to apply.

## Group Composition

The group composition is essential for the successful conduct of the programme. This means that participants will be admitted with different educational backgrounds and experience in order to facilitate optimal management teams for project team assignment work.

## Attendance

Participants must attend all programme lectures, project team assignment work and one weekend excursions. Be aware that the project team assignment work also requires work during evenings and weekends. There will in addition be evening lectures, company visits and a large social activity programme.

The participants should be relieved of all other duties for the duration of the programme. Because of the workload and intensity of the programme it is not recommended to bring family and/or friends. Our experience is that one will benefit more from the programme coming alone.

## Personal Computers (PCs)

A Laptop is provided to each participant for the duration of the programme and print facilities will be available both at the Training Venue and at the hotel for use by the programme participants. The laptops are equipped with Standard Microsoft Office software: Word, Excel and Power Point, and will all have access to Internet via wireless network both at the training venue and at the hotel. The programme schedule, information and programme documentation will be found on a virtual collaboration site on the Internet called SharePoint.

## Employer's Support

Applications should be supported by the top management of the participant's organisation. It should be clearly understood that the objective of the programme is to facilitate the participants ability to develop managerial skills in practice, and that the value of the programme can only be realised by exposing the participant to responsibilities that are relevant in this respect upon return.

## **Accommodation**

Programme participants will be accommodated in a centrally located hotel in Stavanger. It is important that all participants live in the same hotel because numerous activities and much of the project team assignment work will take place there. PETRAD has secured accommodation at reasonable rates.

## **Insurance**

All participants should get the travel/medical insurance, paid by the participants, their employers or donors, as required for the Schengen Visa applications.

## **Schengen Visa requirements**

Since year 2004 a travel / medical insurance is required to obtain a Schengen-visa, confer website for the Norwegian Directorate of Immigration, (UDI) <http://www.udi.no/templates/Tema.aspx?id=7405>

## **Physical Fitness**

Participants are encouraged, but not required, to engage in physical activities during leisure hours. Stavanger and its surroundings offer ample opportunity for outdoor walks around lakes, in the mountains, on the North Sea beaches or in the near town woodlands. Swimming pools, tennis and squash courts, golf programmes, windsurfing facilities, aerobic facilities etc. are available in and around the city.

## **Climate and Clothing**

Normal air temperatures vary from 13°C in September to 5°C in November. Extreme temperatures in the two months are 15°C on the high side to minus 5°C on the low side. Normal rainfall is 150 mm pr. month distributed over 22-25 days. It is advisable to bring appropriate clothing, including leisurewear and sport shoes.

# Financial requirements

## 1. Tuition Fee

The tuition fee is Norwegian Kroners (NOK) 150 000 (approximately EURO 15 000\*). The fee covers the entire 8-week period and includes all scheduled tuition, coaching sessions, course material and tools, local transport, excursions and social events in accordance with the schedule. Lunch and coffee/tea breaks will be provided at campus during the week and when on scheduled excursions. The fee does NOT include travel, accommodation and dinners/meals outside programmed events.

## 2. Accommodation cost

Please note that all programme participants stay at the same hotel to facilitate evening sessions and local transport. Petrad have negotiated favorable rates for long term residency at a selected hotel. The hotel rate includes breakfast, and the total cost of accommodation at this hotel for the 8-week period is approx. NOK 42 000 (EURO 4 200\*) or NOK 750 (EUR 75) per night.

## 3. Subsistence cost

Participants should count on bringing with them sufficient funds for daily evening meals plus for weekends and for other miscellaneous expense requirements during their stay. The requirements may vary from person to person, and subsistence allowance / per diem amounts vary between different employers. However, as a minimum, participants can expect to spend an average of 300-350 NOK per day for regular evening and weekend meals.

## 4. Cancellation fee

If participants cancel their participation after September 9th 2018, they must pay a cancellation fee of EURO 1000. If the cancellation is due to sudden illness, a doctor's certificate is required.

PETRAD must, however, be notified of any cancellation at the earliest possible moment to enable PETRAD to offer the vacant seat other applicants on the waiting list.

\*) The amount to be paid in EURO will be according to the current rate at the time of payment.

# Financing of the Programme

## 5. Self-financing

This is a self-funded programme. Petrad does not provide scholarships for the 8-weeks programme. Applicants should seek for scholarships from their own organizations, national and international oil companies, embassies, donors, etc.

# Application procedure

To apply for the PETRAD 8-week programmes please visit us at: [www.petrad.no](http://www.petrad.no) and complete your application form.

The application deadline is application deadline on 15th June 2018.

All correspondence will be through e-mail: [8weeks@petrad.no](mailto:8weeks@petrad.no) or [kct@petrad.no](mailto:kct@petrad.no)

# International programme for petroleum management and administration (PETRAD)

PETRAD is a non-profit Norwegian Government Foundation established in 1989 to facilitate sharing of knowledge and experience on Petroleum Management, Administration and Technology between managers and experts within Governments and National Oil Companies. PETRAD arranges tailored programmes and seminars covering a wide range of topics on the management of petroleum resources. The activities are conducted in Norway and abroad lasting from 1 day to 10 weeks. The programmes and seminars have a practical focus. PETRAD also conducts Training Needs Assessments and assistance with Institutional Development. PETRAD draw on resource persons and lecturers from the total Norwegian and International petroleum industry. They hold considerable experience from senior managerial and technical positions with Government, Operating-, Engineering and Service Companies, Consultancies, R&D Institutions and Universities. PETRAD has arranged a total of 600 programmes and seminars with more than 20.000 participants from 104 countries.

# Petrad products & services

## **8-WEEKS PROGRAMMES (Stavanger, Norway – annually)**

**Petroleum Policy and Resource Management**

**Petroleum Development and Operations**

## **2-WEEKS COURSE (Stavanger, Norway – annually)**

**National Management of Petroleum Resources**

## **Training Modules – (World wide – On request)**

- Policy and Management of Petroleum Sector Development
- Good Governance
- Resource management
- Revenue management
- Environment management
- Legislation
- Licensing
- Contracts for the Petroleum Sector
- Local Content
- Anti-corruption
- Petroleum Sector Understanding for the Civil Society
- Fiscal Metering
- Data Management
- Downstream Petroleum Management
- HSE - Health, Safety and Environment Management
- Gas Utilization and the Downstream Market
- Petroleum Economics
- Gender Equality in the Petroleum sector

## **Tailor Made Programmes**

(World Wide – On request)

All topics within petroleum management, administration and technology

## **TNA – Training Needs Assessment**

(World Wide – On request)

## **Capacity and Organizational Development**

(World Wide – On request)

For further information please contact:

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