Contents

	Abstract	xi
	List of selected acronyms	xiii
	Key definitions	XV
	Acknowledgements	xvii
L	Introduction	1
	1.1 Classic concession contract 1	
	1.2 New concession contract 1	
	1.3 Need for Iran to transition to NCC 2	
	1.4 Main question 3	
	1.5 Background of Iran's oil and gas contracts 4	
	1.5.1 Pre-nationalisation period (1901–1951) 4	
	1.5.2 Hybrid period (1951–1979) 5	
	1.5.3 Contemporary period (1979–2018) 6	
	1.6 Overview of Iran's oil and gas legal development 6	
	1.7 Methodology 10	
	1.8 Book structure 11	
	1.9 Conclusion 12	
2	History and legal framework of Iran's oil and gas	
	contracts and sectors of oil and gas industry	13
	2.1 Oil and gas industry of Iran 13	
	2.1.1 The upstream sector 13	
	2.1.2 The downstream sector 15	
	2.2 History and legal frameworks of Iran's oil and gas 16	
	2.2.1 From exploration to nationalisation (1901–1951) 16	
	2.2.2 From nationalisation to revolution (1951–1979) 18	
	2.2.3 From 1979 Islamic Republic of Iran's revolution	
	to the present day 26	

	2.3 Legal and comparative analysis 322.3.1 Ownership 332.3.2 Duration 332.3.3 Income 33	
	2.4 Conclusion 33	
3	The nature and Control Control	
3	The nature and features of classic and new oil and gas concession contracts	
	3.1 Definition of concession agreement 35	35
	3.2 Classic concession contracts 35	
	3.2.1 Definition 35	
	3.2.2 The legal nature of oil and gas concession contracts	26
	3.2.3 Features 39	30
	3.3 New concession contracts 44	
	3.3.1 Features 45	
	3.4 Distinguishing between the classic concession and the	
	new concession contract 52	
	3.4.1 Party 52	
	3.4.2 Method of awarding 52	
	3.4.3 Area of concession 52 3.4.4 Duration 52	
	3.4.5 Ownership 52	
	3.4.6 Government revenue 53	*
	3.4.7 Taxation 53	
	3.4.8 Participation 53	
	3.4.9 Control 53	
	3.4.10 Renegotiation 54	
	3.4.11 Settlement of dispute 54	
	3.5 Conclusion 54	
4	New concession contract: comparative national framework	55
	4.1 Brazil 55	33
	4.1.1 Brazilian rounds: granting of exploration	
	and production rights 56	
	4.1.2 Main contractual terms 57	
	4.2 Thailand 60	
	4.2.1 Parties to the contract 61	
	4.2.2 Reserve ownership in Thailand 61	
	4.2.3 Main contractual terms 61	r.
	4.3 Australia 67	
	4.3.1 Ownership and accessibility 67	
	4.3.2 Licence and modern licensing regime 73 4.3.3 Australian modern licensing regime 76	
	Zaocianan modern nechanig regime /0	

	United Kingdom 79 4.4.1 Licensing system 79 4.4.2 Features 80	
4.5	Norway 83 4.5.1 Licensing regime 84	
	4.5.2 Licensing system in Norway 86 Conclusion 87	
Cui	rrent oil and gas contract framework in the world	
	comparisons between them	89
	Production Sharing Agreement (PSA) 89	
	5.1.1 Definition 89	
	5.1.2 Legal nature 90	
	5.1.3 Structure 90	
	5.1.4 Main terms and features 91	
5.2	Joint venture (JV) 98	
	5.2.1 Legal nature 99	
	5.2.2 Main terms 100	
5.3	Service contract 103	
	5.3.1 Legal nature 105	
5.4	Iranian Buy-Back Contract 106	
	5.4.1 Definition 106	
	5.4.2 Why and how Iran acceded to buy-back 107	
	5.4.3 Buy-back generations 109	
	5.4.4 Main terms of IPC 110	
	5.4.5 Critical analysis of IPC 113	
	5.4.6 Features of buy-back 114	
	5.4.7 Result and analysis criticism 116	
5.5	Criteria for evaluating and comparison between oil and	
	gas contractual framework 122	
	5.5.1 Objective 122	
	5.5.2 Ownership 122	
	5.5.3 Management 122	
	5.5.4 Cost and risk 123	
	5.5.5 Government revenue 124	
5.6	The NCC positive and negative points compared with	
	other oil and gas contract form 124	
	5.6.1 Objective 124	
	5.6.2 Ownership 125	
	5.6.3 Management 125	
	5.6.4 Cost and risk take 125	
	5.6.5 Government revenue 125	
5.7	Conclusion 126	

5

6	bropout a new	
	concession contract for Iran's oil and gas industry	127
	6.1 Islamic (Sharia) law 127	
	6.1.1 Sources of Islamic law 129	
	6.1.2 Islamic denominations 131	
	6.1.3 Islamic jurisprudence and its major schools 132	
	6.1.4 Shi'a perspective on natural resources 135	
	6.2 Oil and gas legal framework in Iran 136	
	6.2.1 Constitution 136	
	6.2.2 Petroleum Act 1987 139	
	6.2.3 Foreign Investment Promotion and Protection Act (FIPPA) 141	
	6.2.4 Five-year economic, social and cultural	
	development plans 143	
	6.2.5 The Act to Modify Petroleum Act (1987)	
	of 2011 146	
	6.2.6 The Duty and Authorities of Oil Ministry Act (2012) 147	
	6.3 Challenges of adopting new concession contract in Iran 148	
	6.3.1 Opportunities 148	
	6.3.2 Barriers 152	
	6.4 Efficiency of new concession contract in Iran's oil and	
	gas industry 154	*
	6.5 Modernising Iran's oil and gas contract framework and	
	regulation 155	
	6.5.1 Modernising Iran's oil and gas contract framework	156
	6.5.2 Modernising Iran's oil and gas regulation 157	100
	6.6 Proposing new concession contract (NCC) framework 159	
	6.6.1 Ownership of oil and gas in NCC 159	
	6.6.2 Control and management over oil operations 160	
	6.6.3 Financial regime in NCC 163	
	6.6.4 Build-Operate-Transfer (BOT) 166	
	6.6.5 Leasing and license 166	
	6.7 Conclusion 166	
7	Conclusion	168
	7.1 Financial issue 168	
	7.2 Geological factors 169	
	7.3 Challenging the Status Quo 169	,
	7.4 Future proposals of NCC 170	20
	* *	
	Pillia mag bles	
	Bibliography Index	173
	TIVWON	195