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**Comparative Analysis of Oil and Gas Contract Planning
Agreement Between Kurdistan Regional Government (KRG) and
Norway**



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Comparative Analysis of Oil and Gas Contract Planning Agreement Between Kurdistan Regional Government (KRG) and Norway

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Introduction

This research study throws light on contract planning agreements practiced over the sector of oil and gas in Norway and KRG. The research study helps the researcher to understand and evaluate the different contract planning agreements that are followed by both the above-mentioned countries. The research study involves the discussion about the issue that is present in the oil sector of the KRG and Norway. The purpose of the research was to compare the contract agreements of Norway and KRG and find ways to improve the economy of the KRG. The impact of the issue in oil and gas contracts on the economy of the KRG and the development of the industry of oil and gas has also been discussed. The researcher has analyzed the data gathered from various sources to meet the objectives of the research. The recommendation for the issue identified in contract agreements has been made by the researcher in the research study in order to improve the economic condition of the KRG. The topic has been chosen because no research work is available, and it is of vital importance for KRG and readers. The primary question for the research study is the identification of the issues oil and gas that is affecting the economy of the KRG. The issues are making the KRG oil industry to struggle for development, so this question has been chosen as the primary question.

The researcher has also made the recommendation for the improvement of the KRG's oil sector. The recommendations involve the settling of the disputes between governmental bodies. It also involves the use of different contrast techniques in order to attract more investment in the O&G sector of the KRG. The recommendations will help to improve the economy of the KRG.

In the recent year, the countries producing natural gas and oil have shown a rapid increase in the interest in the adoption of various service type contracts. The variation in the service type contract is seen to be preferred more than the concessions or production sharing contracts. The countries are using this

contract for the exploration of the project and the development of oil and natural gas of the country, A service contract is considered as a long contractual framework which helps in governing the relation between the host government and the IOCS or the International Oil Companies. In this, the IOCS explores and develops oil refineries on behalf of the government. The oil and gas sector is among the other industries which play a significant role in the influencing of the all the vital sections of the economy. The oil and gas production in Norway has also gained significant importance in the European market. However, evidence shows that there has been a decrease in the production of petroleum since the year of 2001. The research involves the comparative analysis of the contract planning agreement of Kurdistan (KRG) and Norway. This chapter involves the development of the research aims and objectives that help the researcher to comprehend the development and success of the petroleum rich nation of Norway. It also contributes to finding the reason of the struggle of KRG towards development in its natural gas and oil sector.

The nation of Iraq plays a vital role in the political development as well as the setting of the economic trend of the international market for oil & gas. The development in the oil & gas sector of the nation is evident both in the present times and in the history. The resource base of the Iraqi people along with KRG is considered to be second largest among the other reservoirs in the world. The policy of the export of the state of KRG has been identified as the major element in the determination of the price of the oil & gas supply in the international market. The KRG or the Kurdistan Regional Government is a semi-autonomous body of the northern region of Iraq. The Kurdistan region emerged in the year of 1992 and developed its institution, including a sector of oil and gas and a parliament. The region was developed following the fall of the Baath party during the invasion by the US in the year of 2003. The (KRG)

Kurdistan Region Government got its official recognition in the Constitution of Iraq as a semi-autonomous federal political region in the year of 2005. The nation of Norway is a petroleum rich state, and it has been recognized as a significant supplier of oil and gas in the European countries. By the end of the year 2014, the proven reserves of oil and gas were about 6.5 billion barrels and 1.9 trillion cubic meters. However, the study has suggested a decline in the production of petroleum since the year of 2001. The production of oil and natural gas in Kurdistan region (KRG) stands at around 2 million barrels per day, which represents 2.5% of the total world supply. The production of oil and gas in Iraq in the year of 1979 stood at around 4 million barrels per day. During the time of action by the US military, the production rate of the company was around 2.5 to 2.7 million per day. The statistics show that there has been a decrease in the oil, gas production level in the recent years. In the year of 2003, the production was at 1.5 million barrels per day, 2 million in 2004 and 1.8 million in the year of 2005. In the early period of 2006, the oil production rate was 2.06 in comparison to the target of government which was around 2.5 million/ day. The problems over the production have been detected in the recent years due to the inadequate maintenance of the pipelines, pumping stations, and infrastructure. An acute shortage related to the facility of crude oil storage has added it to the worse of the country's oil production rate. The development of new fields has also been impacted due to the lack of investment because of the politicization of the oil ministry of Iraq and the absence of trained personnel.

The issue related to the oil as well as the gas production of the Kurdistan Region Government (KRG) deals with the legalisation of the proposed package associated with the sharing of the hydrocarbon sector. The issue also deals with the sharing of the revenue from the production of oil and gas which has been stalled or stayed. The legalisation of the proposal for the sharing of revenue and

hydrocarbon will lay down the definition of the term for the development and management of the resource of oil in the Kurdistan (KRG) region. The decrease in the production of petroleum in Norway has also been witnessed since the year of 2001. However, despite the problems in the oil and gas economy of Norway is improving while Kurdistan is struggling.

The legalisation of the revenue and the hydrocarbon sharing proposal is a matter because of the ongoing dispute between the Iraqi over the political questions on a larger front. The legislation is posing as an issue because it is hampering the development and management of the sector of oil and gas of Kurdistan (KRG). The nation of Norway, which is a petroleum rich country has gained significance in the market of Europe despite its decrease in production. The continuous development of Norway's oil and gas sector in comparison to the struggle of Kurdistan is a major form of issue.

The issue related to the legalisation of the sharing of hydrocarbon and sharing of revenue is posing as a matter at present because it has stalled the development and management of the oil and gas in the KRG region. Due to the stalling of the proposal, the development of oil industry has been halted. The unstable nature of the security in the Kurdistan Region has affected the investment by acting as a major barrier to the investments in large scale. The international companies are refusing to invest in the oil and gas industry of state because of the conflict between the people of Iraq and Kurdistan related to the implementation of. This has resulted in the inadequate maintenance of pipelines, infrastructures and pumping stations. The shortage in the facility for the storage of crude oil is also affecting the production of oil from the region. The research sheds light on the identification of opportunity for the improvement of

Kurdistan Region Government dominance in the sector of the oil and the sector of gas in the industry.

The taxation rate of oil in Kurdistan (KRG)

There are different taxes and rates applicable in the O&G industry of Kurdistan (KRG). It involves the corporate income tax that is applied to the upstream of the oil and gas corporation, and its rate is 35% whereas the activities that are not falling under the scope of oil and natural gas law involves a rate of 15%. In Kurdistan (KRG) the main source of the tax law is the federal tax law, and the country has no other form of state level or municipal law.

According to the federal tax law of Kurdistan (KRG) the type of income which is taxable are as follows:

- The tax shall be deducted from any profit from the commercial activity and the activities that are having a commercial nature including contracts and undertakings.
- Discount, commission, interest, and profit that arise from the trading in securities and bonds

The Law of Kurdistan Region for Oil & Gas Production

Scope of act

The first law applies to the operations of petroleum that are carried or done by the public and the private sector and to all the activities related to operations in petroleum.

The second law is related to article 115 and article 121 of the federal constitution of Kurdistan (KRG) and states that no Federation legislation, agreement contract can have application except the application from relevant authority of region.

The law states that the contractor can freely use the produced natural gas for the requirement in operation of petroleum. If the contractor technically and economically matches the criteria, then it may use the natural gas for the recovery of the crude oil as per the standard practices of the petroleum industry. In the case of discovery of any known associated natural gas within the area of contract. A new agreement needs to be implemented by the party for the development and marketing of natural gas. If the parties do not reach the agreement within six months of discovery, the natural gas will be owned by the government, and it will look after the development of oil and gas. All the necessary actions will be taken by the government to prevent any effect on the petroleum operation during the production of crude oil. The parties will need to agree on the share of the government over the revenue generated.

Domestic industrial production

The Kurdistan (KRG) at present produces about 3 million barrels of oil per day, and the country is planning to increase the oil and gas production rate to around 9 million per day by the end of the year 2020. The production target may change on the basis of the situation. It is evident that the earlier decided targets have been turned down due to the lack of investment for the maintenance of the infrastructure. The production of natural gas remains low for the country in relation to the availability of 22.81 billion cubic feet reserves. The maximum amount of gas produced in Kurdistan (KRG) is flared.

The import and export market of Kurdistan (KRG)

Oil - The average export of crude oil by the regional of Kurdistan (KRG) stands at around 2.4 million barrels per day. The maximum amount of the exported oil is produced in the disputed area of Kirkuk as its located under the control of

KRG currently. The oil consumption rate by the local population of the country is around 0.7 million barrels per day (Kilian and Murphy, 2014). The original of Kurdistan (KRG) has been listed as the sixth largest exporter of petroleum in the world as per the financial year report for 2012. The biggest export market of the country is the United States and the Asian sub-continent.

Gas - the major portion of the gas produced in Kurdistan (KRG) is flared, however the country is trying to bring down the amount of gas being flared so that the nation can start the export of gas. The Kirkuk gas project is an initiative by the government to reduce the level of gas consumption.

The main objective of the federal government deals with the increase in the production of oil and gas in the production field nearly about three times of the present rate. The government also aims to halt the flaring of gas and capture gas from the southern fields of the Basra region.

Current market trends in Kurdistan (KRG)

With the Technical Service Contract being awarded for the production in most of the field, the federal government of Iraq is planning to improve and encourage the exploration of new blocks. However, the main aim of the government of Kurdistan region is to develop the petroleum wealth of the Kurdistan region and that of Iraq in such a way that the people of Kurdistan are the highest beneficiaries. The benefit is made available to the people by the use of latest technologies based on marketing principles and the investments in consistency with the article 112 of the Iraqi constitution.

The key Issues of Sovereignty and Taxation in the Production of Oil and Gas in Kurdistan Regional Government (KRG).

Several issues are present in the sovereignty and taxation of the production of oil and gas in the Kurdistan Region Government (KRG). Few of the prominent issues are discussed below:

Legislation for the drafting of Hydrocarbon

The issue is majorly associated with the legalization of the proposed package for the sharing of the revenue of oil production and the sharing of hydrocarbon sector which has been stayed. The stay over the proposal is the result of the dispute between the Iraqis over the political question on a broader front. The definition of the terms of management of the oil sector and the development of the industry in the KRG region will be led by the legalisation of the proposal Klee, (2015). The legalisation of the proposal will further set a benchmark for the government of Iraq, indicating the commitment of the government towards the promotion of political reconciliation. The legislation will represent the positive economic development of (KRG) Kurdistan.

The potential issues exist in the form of disputes between the politicians and the citizen's group of Iraq. The issue is associated with the policies of the oil and gas energy that helps in laying down the effective roles and authorities of the regional bodies of Iraq including Kurdistan and the federal government of the Iraq. The issue also deals with the term and the potential contribution of the regional and governmental bodies towards the development of the oil and gas production of the state. The issue generally deals with the lack of transparency within the internal and external environment of the system in the production of oil and gas of the country. The purpose of reflection of self-priority has also forced some of the blocks in the council of representatives to oppose the legalisation of contract for the sharing of revenues and the hydrocarbon sector.

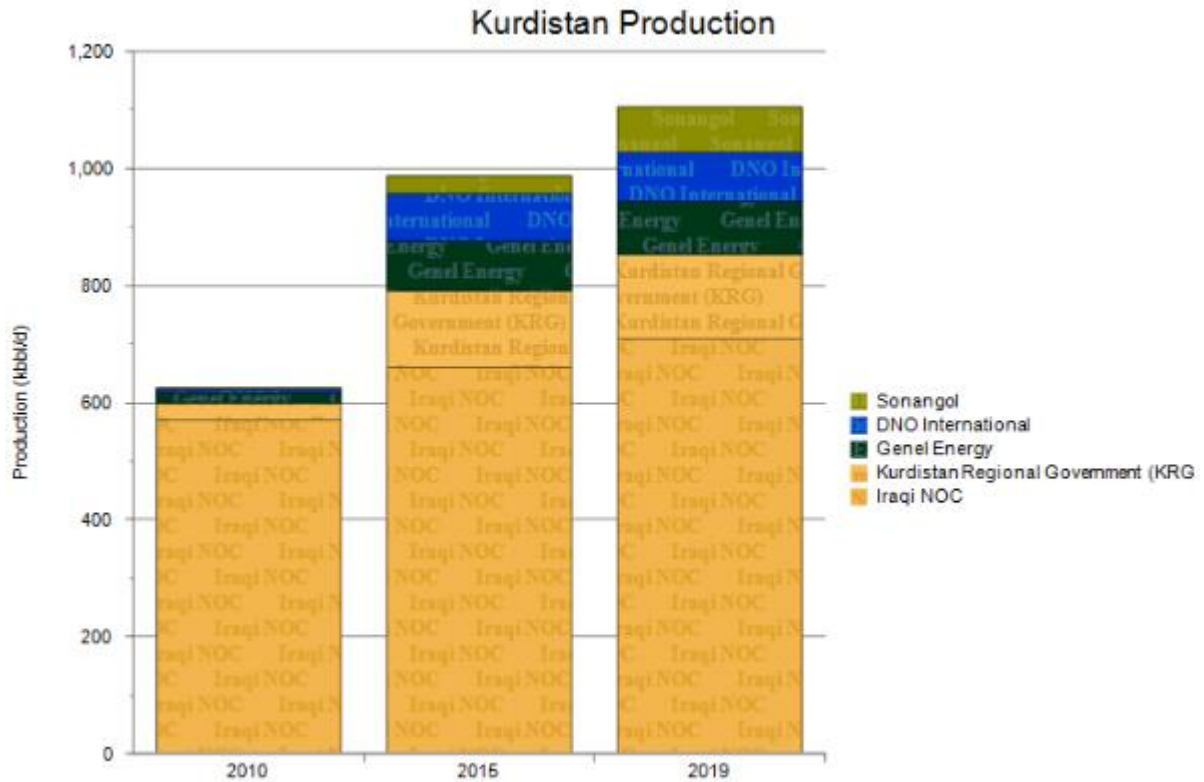
The concern has been generated by the Iraqi nation, the United States and the other international observers over the violence and the political tension that is brewing within the country. The violence and political tension are evident from

the report of recent years. It has been decided by the committee of oil and gas that, they as a body are not going to proceed with the legislation until the time the federal government and the KRG government make an effort towards the reaching of political agreement for the sharing of management sector. The decision taken by the committee has halted the development of the oil sector of the country.

The unstable nature of the security situations in Iraq and Kurdistan are resulting in the form of a major obstacle for the large-scale investment by the international companies/entities in the oil as well as the gas sector of the country. There is a continuous conflict going on between the political powers and some other potential bodies of Iraq and Kurdistan. The reason for the conflict deals with some of the people favoring foreign participations and technological investment for the development of the oil and gas sector. Whereas, few of the officials of KRG are strictly against the involvement of foreign participants in the form of technical service contracts in the sector of oil and gas of the company. The officials are also opposing the use of technologies from the foreign nation which in turn is affecting the development of oil sector of the KRG. The Kurdistan government prefers the use of production sharing as a form of the contract while the federal government and the oil ministry of Iraq are favoring the use of technical service contracts. These differences in the preference for oil and gas contracts are giving rise to various controversies within the country.

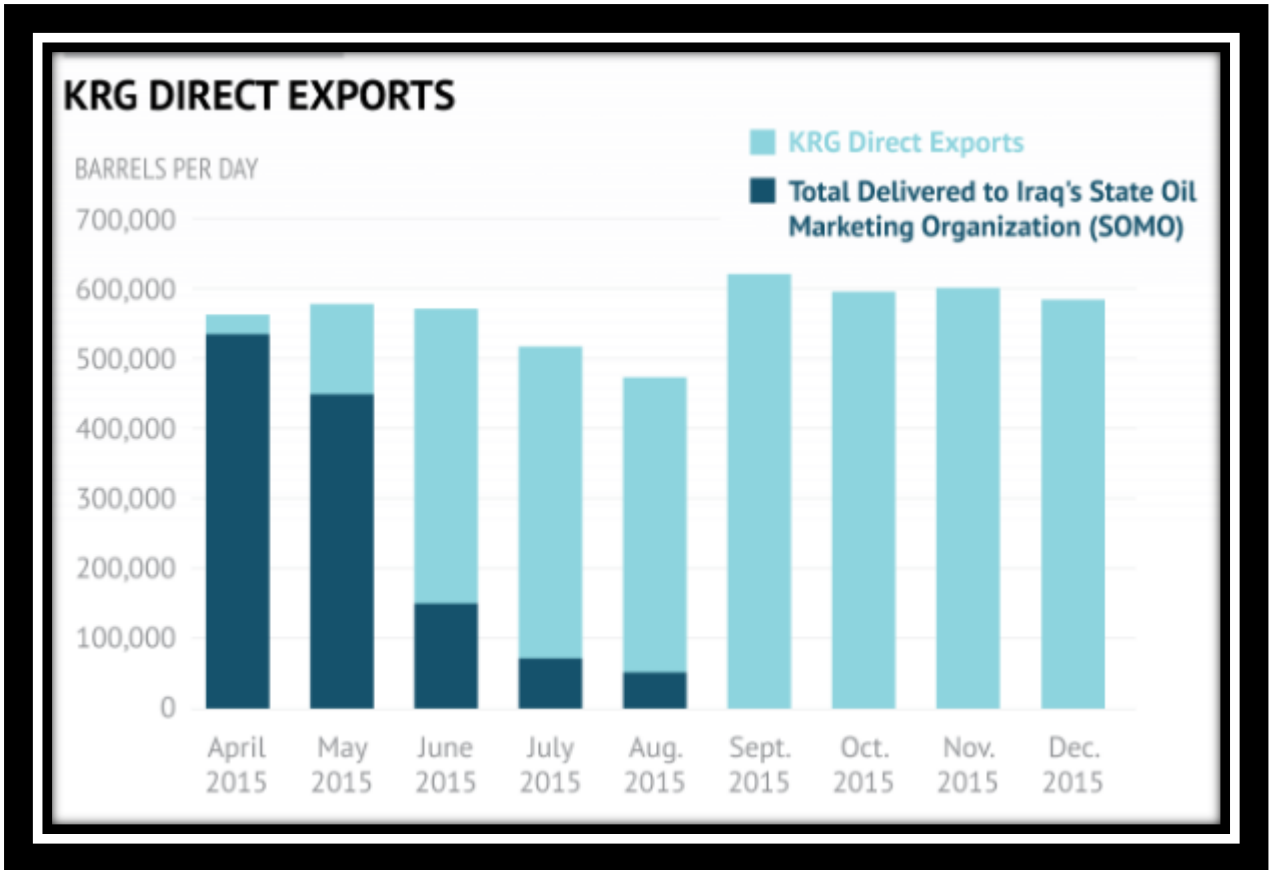
Lower price rates

Despite the success of Kurdistan government in the independent exporting of the oil of Baghdad, the low price of the oil in the international market has prevented the Kurdistan region energy revenue to rise . The growth in the output of oil production has been witnessed in the region, however, the low oil price is preventing the revenue of energy of Kurdistan to rise.



Oil Production of KRG

The lower rate of global oil prices is one of the several issues that are affecting the improvement and development of the oil and gas sector of KRG. The lower price rates are wreaking havoc over the financial condition of the Kurdistan. As per the report, the government of Kurdistan with its weaker financial situation has somehow managed to export oil independently of Baghdad since 2015. However, the government will continue to depend on the foreign investment as long as the price of oil in the global market remains low, regardless of its effort to control the oil export revenue. The government of the Kurdistan region relies heavily on the Turkish nation, for the constant flow of its revenue and export of oil. The main reason for relying on Turkey is the struggle of KRG towards the addressing of its disintegration and the effect of financial strain on its morale to fight with the Islamic State.



Graph Showing Export of Oil of KRG

Lack of investment

The Kurdistan region is also suffering from the issues of low investment. The reason behind the report is that operating in the Kurdistan region is not an easy task for the foreign companies. This is so because the relationship of foreign companies with the Erbil's has been long complicated. This is due to the fact that one of the core imperative of Baghdad is to keep the Kurdistan Region Government under its control. In order to end the investment of foreign countries, the oil and gas government of Baghdad has threatened to blacklist the foreign companies. The reason of the blacklist is being the doing business in the Kurdistan region or entering into a contract with the KRG. Several efforts have been made by the Kurdish government to counteract the action of Baghdad.

This is done by presenting themselves as the most favorable and attractive region for the oil export and production. Few of the major oil companies doing business with the KRG are ExxonMobil which has done some of the exploratory works in the region. The small companies doing business with KRG are Norway's DNO, Gulf keystone petroleum of United Nation and Genel energy of Turkey. The dispute between the KRG and the Baghdad is serving as the major reason for the problems of investment that the Kurdistan region is suffering from. The presence of strong competition over the natural resources of Kurdistan Region Government and Baghdad (that is having control over Kurdistan region in the northern Iraq) has been considered as a vital component for the dispute. The Kurdistan government in the earlier phase agreed to the sharing of hydrocarbon sector and formulates a federal law for hydrocarbon. However, the encountering of several disagreements, like the use of production sharing contracts by the KRG and the rights over the extraction of oil from the disputed territories of Kirkuk, forced the KRG to withdraw from the negotiations with Baghdad. In the year of 2007, the KRG parliament passed its own laws of petroleum which were regarded as the Hydrocarbon law in the year of 2009. The laying down of the law marked the KRG's independent contract with the oil companies, and the beginning of dispute with Baghdad has affected the development of oil and gas sector of KRG.

The lack of investment is resulting in the less availability of the facility for the proper storage of crude oils. The problem over the efficient storage of crude oil is reducing the petroleum production of the region. This problem, in turn, is affecting the economic growth of the Kurdistan Region Government that is affecting the people of the region. The oil and gas sector due to lack of financial support has been incompetent in providing salary to its workers since past few months. The cost of the maintenance of the existing pipeline of oil and gas

production is adding worse to the struggle of KRG for bringing improvement in its oil and gas sector.

Contract Planning Agreement in the Oil Industry of Norway.

The country of Norway has been producing gas and oil since the year of 1971. However, in the last few years, the production of oil in Norway has decreased to level much lower than its peak production. The contract planning law of Norway has a different approach. The main factor that provides the legal framework associated with the petroleum activities on the Norwegian Continental Shelf is the Petroleum Act. This Act can be considered as a law which regulates the onshore as well as the subsea activities. The Petroleum Act was passed on 29th November 1996 article number 72, for the sound management of the resource provides a legal basis for the general form. The legal basis provided for sound management includes the licensing system. These activities are the basic integrated part of the production of petroleum taking place offshore. The petroleum activities of the Norwegian Continental shelf are regulated by the system of licensing which is being administered by the MPE or the Ministry of Petroleum and Energy. It is also administered by the petroleum department of Norway. According to the laws and acts, the licensing based on exploration of gas is not beneficial since it provides the right of exploration only. The allocation of production license, on the other hand, is preferential as well as exclusive since it provides the contractors or the licensee with the sole right to conduct the survey. The production license also enables the contractors with the ability of exploration and production with the area or block that is predefined in the contract. The Petroleum Act stipulates that the Norwegian country is having the proprietary rights over the subsea deposits of petroleum on the continental shelf of Norway. The petroleum industry has been

considered as the largest and most significant industry in the production of oil. It is also vital for the measurement of the economy of Norway in terms of value added, investments, revenues of government and the export value. Therefore, it is essential for the Norwegian government to take into account all the public interests during the time of division of that ensure the creation of value for the petroleum resources.

The awarding of the production licence is given on the basis of the Hydrocarbon licensing directive (94/22/EC). This directive is made on the nondiscriminatory, impartial and objective criteria and also on the technical expertise of the applicant. The awarding of the production license in the Norwegian Regime also depends on the financial strength, experience as well as the geological understanding of the contractors. The licensing system provides the foreign companies with the right to perform its operation in the petroleum sector of the country. The areas of offshore which are regarded to as the mature parts of Norwegian Continental Shelf are a subject to the simplified licensing round. This round is generally known as the awards in predefined areas or APA.

On the other hand, the areas which are not considered to be mature are subjected to the ordinary licensing procedure. The ordinary licensing process or round is held on an interval of two years. The contractors who are pre-qualified and are applying for the contract in the form of licensing may apply individually or as a group. The companies very often enter into joint venture with the Norwegian government for getting the production license.

The joint venture of the companies is governed by the standard Joint Operating Agreement (JOA) and by the accounting agreement that stipulates the rules in detailed form pertaining to the internal alliance, the role of the operator and the management committee. It also stipulates the rights and obligations associated with the oil and gas contractors.

For the oil and gas contractors planning towards the development of petroleum deposits, the licensees need to submit a plan based on the development and production to the ministry of petroleum and energy. Only after gaining the approval from MPE, the contractors can move ahead with the development of petroleum deposits. This rule is in accordance with the section 4-2 of the Petroleum Act. Apart from the system of ordinary awards, the contractors can also avail the licenses for operation on NCS by the process of transferring of assets. The transfer of assets for obtaining the license can only take place after receiving consent from the MEP and the Ministry of Finance. This is in accordance with the rule led down in the section 10-12 of the Petroleum Act of 13 June volume no. 35.

The NPD is considered as the subordinate of MEP which is responsible and plays a key role in the management of activities related to petroleum. It is the NPD that maintains as well as publishes the statistics related to the production import and export of oil. In order to meet the requirement, the Norwegian government has placed into account several extensive legislations. These legislations require the company to obtain licenses as well as approval for all the phases of petroleum activity from the respective authorities of the oil and gas ministry.

The concessionary regime of Norway

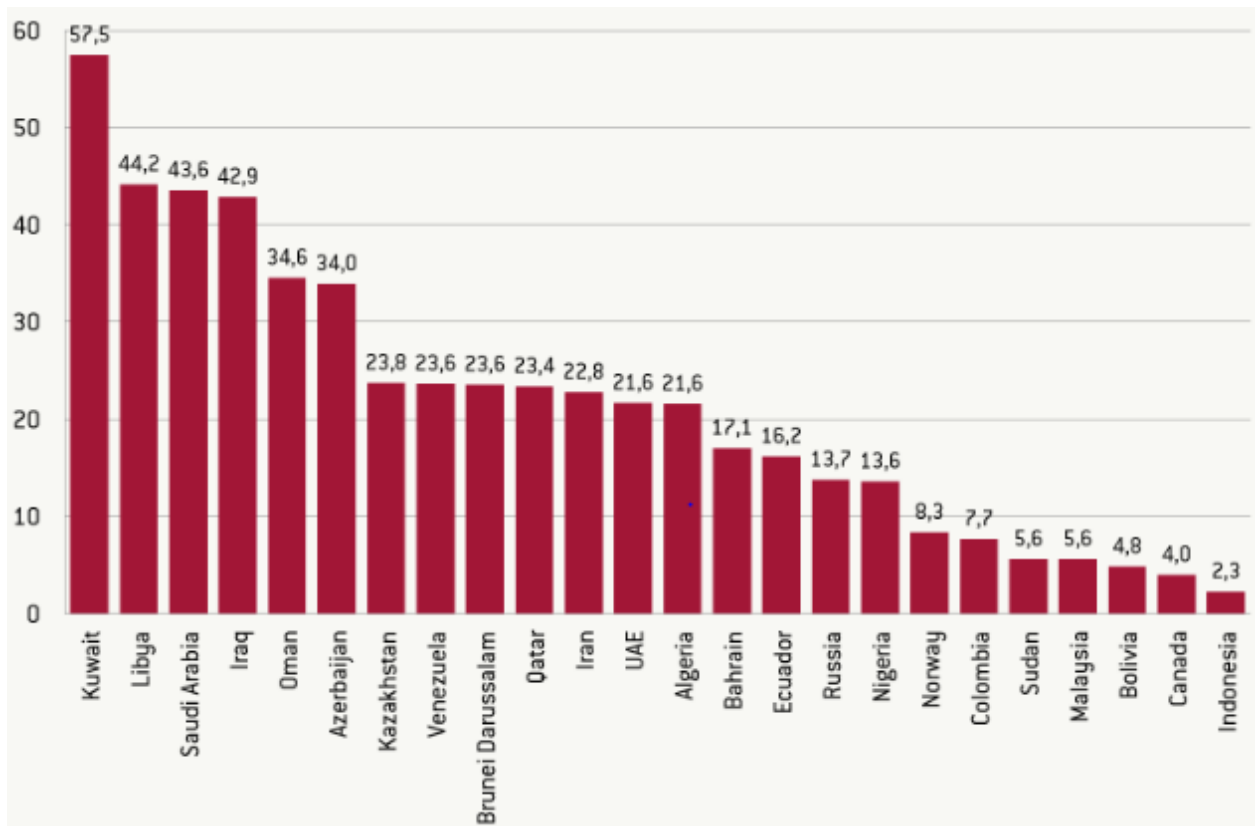
The presence of the concessionary regime of Norway allows the foreign companies with the right to produce and explore petroleum on the basis of the licence. The petroleum and energy Ministry of Norway is responsible for the administration of the licences. There are two kinds of licences that are necessary for the operational upstream. The first licence is the exploration licence which is not exclusive and allows the exploration of petroleum through the means of a seismic survey and other methods. However, it does not allow the foreign companies with the right for the production of petroleum in a particular area.

The second licence is the production licence it provides the foreign companies with the right for the exploration drilling and production of petroleum in the areas or blocks covered in the agreement.

Awarding of the production licences

The awarding of production licence to the foreign companies grants them with the rights for the exploration of the petroleum, exploration drilling and the production of petroleum over the areas covered by the licence. The regulation of the other duties and rights of the licence is also done in the Norwegian State. The production licences act as legislations for the petroleum production and also lays down the detailed condition for the performance of the activities in the region. The companies obtaining the licences get the ownership of a share of gas and oil produced.

The awarding of the production licence in the Norwegian state is generally done through licensing rounds. The licensing rounds involve the announcement by the ministry for the companies to apply for the production licences in particular areas or blocks. On the basis of the application, the ministry of oil and gas of the Norwegian state provides licences to the companies. The awarding of the licence is done over the fair objective and the criteria of non-discrimination which is announced prior to the application process.



Data Showing Oil Export Rate of the World

Petroleum policies of Norway

The policies of petroleum followed by the Norwegian State are:

- The right to subsea deposit of petroleum is vested in the section (PA section 1-1) in the state
- The deposits of petroleum should be managed for the benefit of people of Norwegian society as a whole under the PA section 1-2.
- The participation of the international petroleum industries in the petroleum activities of the country.
- The development of national expertise of the Norwegian state.

The main aims of the petroleum policies of Norwegian state deals with the

- Maximization of the creation of value of petroleum activities

- Placing Norway, the significant producer of petroleum as the environmental forefront
- The other aim deals with the internationalisation of the petroleum industry of Norway

The legal framework of the Norwegian Oil and Gas industry

The legal frameworks for the performance of the activities that are involved in the petroleum production and exploration in Norwegian state are as follows:

- The passing of the Act (Petroleum Act) on 29th of August 1996 act number 72 pertaining to the activities of petroleum.
- The regulations related to the petroleum act which was laid down by the royal decree on 27th June 1997 termed as the 'petroleum regulation.'
- The technical regulations of the petroleum act
- (HSE) safety regulations

The country of Norway is having a huge quantity of natural gas available in the seabed of its continental shelf. The country is considered as one of the largest producers of natural gas in the world. The country is also involved in the shipping of most of its natural gas produced to the European market by means of export pipelines. The total natural gas export of the Norwegian state was found to be around 114 billion cubic meters for the year of 2015. The Norwegian natural gas has been successful in maintaining its market shares in the market of Europe. Whereas the market share of the Kurdistan Region Government in the oil and gas exploration and production is reducing in recent years.

The Norwegian government has introduced a special tax regime for the activities related to upstream which was earlier established in the year of 1975

under the Petroleum Tax Act of Norway. The country has imposed a special tax rate of 53% over upstream petroleum licence as a form of participation interest along with 25% of corporate income tax rate in 2016.

Issues in the Contract Planning Agreement of Norway.

The Norwegian O&G sector, on the other hand, is having less or very limited disputes in comparison to the concern that can be seen in the oil and gas contract laws between federal Iraq and KRG. The Norwegian concessionary regime allows the foreign companies for the production as well as the exploration of petroleum on the basis of the licences. The Norwegian reserves also suffer from the problem of low infrastructure management due to fewer investments. Norway is the petroleum rich state, now an important supplier of both oil and natural gas to other European countries. By the end of the year 2014, the proven oil and natural gas reserves of Norway were about 6.5 Billion barrels and 1.9 trillion cubic meters, respectively. However, its petroleum production has gradually declined since the year of 2001. The petroleum industry of the Norway continental shelf is facing several challenges in the form of lower prices for oil and gas in the international market and involvement of high-cost involvement. However, the government of Norway has not yet taken any fiscal regime amendment for solving and eliminating the challenges.

Comparison of the Contract Agreement Laws of Kurdistan Region Government and Norway

A study based on the various literature resources available shows that several Danish contractors are seeking to enter the market of the Norwegian offshore. This is because of the presence of high demand for labour and services. The

demand is also increasing because of the huge investments present there. On the other hand, the oil and gas industry of KRG is not able to attract contractors and investors in the form of foreign companies. The main reason behind the inability is because of existing conflict between the federal government of Iraq and the KRG. The pressure over the foreign investors by the government of Baghdad is also considered as one of the several reasons that are hampering development. Due to the fear of being blacklisted from doing business in the Erbil state, the contractors are not investing in the oil and gas production of the KRG.

The KRG state can benefit from the basic knowledge of the contract standards of Norway. The contract agreement regulates the transactions between the suppliers and the clients.

Basic requirements

The KRG should adopt the following traits of the Norwegian contract planning agreement in order to bring success:

- Settling of the existing disputes with the federal government
- The HSE, commercial requirements and quality of the customers by taking the Norwegian context as an example
- Achilles and several other pre-qualification schemes that exist in the Norwegian continental shelf
- Any kind of relevant contract law existing in the Norwegian market

Standard of contracts in the oil and gas industry of Norwegian regime

The oil and gas market of Norwegian offshore is different from the KRG in several potential ways.

- The offshore industry of Norway is larger than KRG in terms of investment but not in terms of production.
- The country is having a limited number of operators, and the industry can focus on the production and development. Whereas the KRG oil and gas industry is having a wide range of operators that are conflicting among themselves. This, in turn, is affecting the growth and development of the oil sector of the country.

On the basis of the study and the findings, the researcher has come across several research literature that were done earlier by other researchers. The research literature available throws light on the various contracts that exist in the operation of the oil and gas industry of both the countries. The researcher has studied the earlier research work in order to gain proper knowledge about the contract planning agreement laws that is present between the regimes of both the countries. The research literature that the researcher has studied involves the comparative analysis of the oil resource management in Norway and Nigeria. This literature helps the researcher to understand and evaluate the oil and natural resource management of Norway and Nigeria. The research literature also helps us to evaluate the factors that enhance the performance of Norway in the oil and gas sector of the global market.

The other literature work that the researcher has come across involves the research on the battle over ethnicity and energy in modern Iraq. This literature deals with the examination of the political and the legal impediments to the contract of oil and gas exploration in the Kurdistan Regional Government (KRG). The literature focuses on the disputes between the KRG and the Baghdad government due to which the Baghdad government has refused to recognize the oil and gas production contracts of Kurdistan. The literature also discusses the difference that exists in the form of issues between the federal

government of Iraq and the regional powers. The paper analyses the controlling legislation and the Iraqi constitution over the current exploration and production policies of oil and natural gas in the region. The analysis of the constitution of Iraq and the control legislation helps to determine which government authority of the region has the right to sign the contract agreements of oil and gas production and exploration. The literature work over the contracts in the oil and gas industry of Norway helps the researcher to get a brief overview as well as the introduction to the oil and gas contract standards of Norwegian regime. The literature work over the Norwegian petroleum sector provides the researcher with the in-depth knowledge related to several laws of petroleum existing in the Norwegian regime. The literature shares the information related to the impact assessment and the opening of new acreage. The discussion related to the procedure for the provision of licences and rights for exploration and production of petroleum in the region of Norway is covered in the literature work.

Future Scope of the Study

The researcher has done the research study based on the comparative analysis of the O&G contract planning agreements between Norway and Kurdistan. With the help of the research study, the readers and the significant officials of KRG will be able to evaluate and understand the issue that is present in the industry. It will also help them to proceed with the recommendation provided to reduce the issue and improve the economy. The study of the research will help the KRG to end its struggle to bring development in its oil sector. The proper knowledge will help the researchers to carry the research forward.

Conclusion

The conclusion drawn from the overall finding and analysis of the research study provides the reader with the knowledge of the contract agreements of oil and gas that exists in both the mentioned countries. The research study has helped the reader to understand the different contract planning agreements that are followed in Norway and KRG. The research study has also helped, to find out the issue that is present in the oil industry of the KRG and Norway. The researcher in this research study has thrown light over the several areas of the oil industry that is suffering due to the existing dispute between the governing body of Iraq and the Kurdistan Regional Government.

