
Disputes Settlement in Project Finance with Emphasis on Transactional Unity

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(Date of Submission: Mar. 29, 2017, Date of Acceptance: Aug. 06, 2017)

Abstract

Project financing is treated as the most common methods of investment. In this method, there are no general negotiations to enter into a single contract, but a series of contracts, which, once entered into, are called “transactional unity”. Therefore, the participants must recognize the concept of transactional unity with respect to the resolution of their disputes and reflect this unity in their future transactions. Any conflict would dissolve the transactional unity of the structure and jeopardize the project’s viability. Thus there must be an investigation between the relationships between the various contracts and sub-contracts, and the hierarchical structure specified therein, since, the failure to exercise or partial performance of a contract can have adverse effects on other contracts.

Keywords: Litigation, Arbitration, Horizontal and Vertical Contractual Relationship, Interrelated Contracts.

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“A Comparative Study of Integrity Promotion in Iran Tender Regulation and Organization for Economic Co-operation and Development (OECD) Guidelines”

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(Date of Submission: Apr. 24, 2017, Date of Acceptance: Aug. 06, 2017)

Abstract

Public procurement is purchasing a wide variety of goods, services and public works from the private sector by a public authority. Public procurement is a key activity of governments with 10-15% of GDP across the world. An effective Public Procurement system plays a strategic role in preventing fraud, waste and corruption and prevents mismanagement and waste of public funds. Several key principles emerge from discussion about the ways of promoting integrity and having more efficient and healthier public procurement procedures. These principles include transparency, competition, control, equal treatment, use of an independent body for complaints settlements, prevention of collusion and cartel formation, avoiding participation of public entities in winner benefits, avoiding undue leverage, prevention of dominant abuse, and cancelling the complicated and Non-effective regulations. These principles are discussed in Iran Tenders Regulations and Organization for Economic Co-operation and Development (OECD) guidelines. The current paper is analyzing the principles to help the public authority achieve integrity and efficiency in public procurement system and reduce corruption.

Keywords: Public Procurement, Integrity, Competition, Transparency

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Analysis of Risk Allocation of Blowout and Kick in Offshore Drilling Contracts and Insurance Coverage of those Risks

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(Date of Submission: Apr. 24, 2017, Date of Acceptance: May21, 2017)

Abstract

Since 150 years ago, when oil exploration began, significant advances have been made in exploration technologies. Notwithstanding this, drilling is still the only definitive method for determining the presence of the hydrocarbon reservoirs in a formation. Due to the nature of the drilling and lack of sufficient information in the oil and gas fields, exploration projects carry hidden risks. "Loss circulation" that can cause "Blow-out" and "Kick" is one of the most prominent hazards in Exploration Drillings. Risk management in offshore exploration contracts is of the utmost importance and one of the efficient risk management's methods is "Insurance". In this article the allocation of risks in Day rate, Turnkey, and Footage Drilling Contracts for "Blow-out" and "Kick" risks will be examined and according to the Insurability Criteria and Energy Exploration and Development (EED) policy wording it will be showed that "Kick" as a drilling risk and a kind of "Blow out"-depending on the situation- is not insurable through the standard available insurance policies in the market.

Keywords: "Day rate contract", "Turnkey Contract", "Footage Contract", "Kick", "Blowout", "Energy Exploration and Development Insurance", "Insurability"

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A Survey on Efficiency of Different Upstream Contracts to Conservative Production from Gas-Condensate Reservoirs¹

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(Date of Submission: Apr. 24, 2017, Date of Acceptance: May 22, 2017)

Abstract

Gas reservoirs are divided into two conventional and unconventional categories. The conventional gas reservoirs are containing dry, wet and condensate reservoirs. The condensate reservoirs enjoy a higher economic value for the gas condensate extracted with the products from natural gas field. Yet non-conservative production from these sorts of reservoirs would make more serious harm, comparing with other conventional reservoirs. Considering the unique specifications of these sorts of reservoirs, we try to analyze the proficiency of conventional upstream contracts for conservative producing from these reservoirs, in this survey. Contracts are divided into two groups. First group are those which are efficient up to the beginning of the production step. Different forms of service contract, such as buyback contract models and EPC contract models are considered as this type. The second category of contracts that provide opportunity for oil companies operating in the production stage too. Iran new oil contracts as well as the production participating contracts belong to this second category. The results show that there is a contrast between safe keeping of principles and measures of conservative production from condensate gas reservoirs, and participant production contracts and buyback contracts. Also EPC contracts are in a better position compared to Iran new oil contracts which are subject of this survey.

Keywords: Production Sharing Contracts, Service Contracts, Iran Petroleum Contract, Conservative Production, Gas-Condensate Reservoirs.

JelClassification: D86, N55, Q49

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1. This Article is obtained from the “Energy Law and International Trade” research core of Allameh Tabataba’i University
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Legal Implications of Corruption for Oil and Gas Contracts

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(Date of Submission: Apr. 24, 2017, Date of Acceptance: June 10, 2017)

Abstract

As a strategic commodity, oil and gas can pave the way for corrupt measures and undertakings in oil projects. This study conducts a case study to survey consequences of corrupt measures in a gas contract. The study begins by introducing a list of major sources of corruptions. It then analyses the related arbitral awards and court decisions to examine the validity of the main contract, the role of the substantive law and the law governing the arbitration. An attempt in corruption in comparison with substantive corruption in contracts, independence of the arbitration agreement, wrongful selection of the seat of arbitration, and impossibility of discontinuance of the proceedings, are among the issues discussed in section two of the paper. The study concludes with a list of strategies to battle corrupt measures in oil projects with a view to the local and international laws and regulations.

Keywords: corruption, attempted corruption, Crescent, oil contracts, arbitration, governing law of arbitration

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The Challenge of Legal Status of Administrative Justice Court in Resolving of Disputes in the Field of Water

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(Date of Submission: Apr. 24, 2017, Date of Acceptance: June24, 2017)

Abstract

According to the Act of determining the wells without license, after reviewing of individuals' complaints against the state in "Commission of matters relating to groundwater", the sentence will be issued by a judge, a member of the Commission. The sentences issued by this Commission are reviewed by the Administrative Justice Court within 20 days after the notification. While, according to Articles 10 and 63 of AJC Act, this court is basically a judicial authority that firstly, the sentences of other courts are not within the competence of it; and secondly, it follows a different procedure for reviewing the commissions' rulings. Therefore, this paper seeks to put forward that the supervisory jurisdiction of AJC on aforesaid Commission is a specific jurisdiction and it varies from AJC' jurisdiction under paragraph 2 of Article 10 of the AJC Organization and Procedure Act. It includes the appellate jurisdiction of AJC against the sentences of a particular judicial authority.

Keywords: Appeal; Water Law; Wells without license; Resolving of Disputes; Administrative Justice Court (AJC); Commission of matters relating to groundwater; Judicial Review.

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The Water Proceedings In The Commission on the Status of Groundwater; Challenges and Solutions

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(Date of Submission: Apr. 24, 2017, Date of Acceptance: July 19, 2017)

Abstract

Commission on the Status of subterranean waters, with the ratification of the ambiguous 2010 legislation relevant to determination of the status of illegal well, found a legal standing. Apparently, the basic philosophy of the establishment of quasi-judicial authority was to consider and decide on the status of illegal wells before 2006, but in the law of determination for illegal well, the competencies that others also have been added. This research is carried out through analysis and data collection, library and study the judicial decisions. This research aims to identify legal and administrative challenges faced by the Commission in violation of the votes of the commission in administrative justice of court and finding appropriate solutions. The results of the study show that the main challenges for the Commission to decide on the legal ambiguity and lack of competence of the Commission and the soundness of the votes of the Commission document refers. Therefore, the need to uphold the principles of fair trial in connection with the rights of citizens and the need to avoid social and political consequences of water, in addition to removing ambiguity about the jurisdiction of this authority, the Commission shall issue a vote in addition to complying with the legal requirements of the law to determine, consistent layout the administrative justice of Court reasoned issued to breach and violation of the rights of not citizens.

Keywords: Well, Administrative justice of court, Regional Water Company, Law of determination for illegal well, Commission on the Status of groundwater, Quasi-judicial authorities, Ministry of energy.

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