

Course No. 2082

Advanced Oil & Gas EPC Contract Drafting, Review & Negotiation

**LEGAL, CONTRACTS & COMPLIANCE
OIL & GAS**

DURATION

5 Days

DELIVERY

Classroom



Course Overview

Advanced Oil & Gas EPC Contract Drafting, Review & Negotiation is a specialized professional training course designed for legal, commercial, procurement, contracts, project, and engineering professionals involved in complex international oil and gas projects. The course focuses on the practical skills required to draft, review, negotiate, and manage EPC and equipment supply contracts while addressing the commercial, technical, legal, and risk-allocation issues that directly influence project execution and contractual performance.

The program provides a structured approach to developing robust contractual provisions for major project risks, including liability caps and carve-outs, consequential loss, indemnities, delay and performance liquidated damages, warranties, performance testing, acceptance, change orders, extensions of time, guarantees, and contractual remedies. Participants examine how individual clauses interact with the broader contract structure and how poorly aligned provisions can create commercial exposure, disputes, or uncertainty during project execution.

Particular emphasis is placed on international EPC and equipment supply contracts in the oil and gas sector. The course addresses Incoterms® 2020, governing law, international arbitration, payment and security mechanisms, sanctions and export-control considerations, and the allocation of responsibilities between owners, EPC contractors, suppliers, subcontractors, and other project stakeholders. Participants also explore how technical requirements, commercial terms, and legal provisions should be aligned before contract execution.

Through practical drafting, contract review, redlining, negotiation simulations, and clause-by-clause analysis, participants develop the ability to identify contractual risks and translate business requirements into clear and enforceable contractual language. The program is particularly relevant to organizations seeking stronger contract governance, improved negotiation preparation, more consistent risk allocation, and better commercial control throughout the EPC contract lifecycle.

Objectives

- By the end of the course, participants will be able to:
- Analyze the structure and commercial logic of international Oil & Gas EPC contracts and identify the principal contractual obligations, interfaces, and risk-allocation mechanisms.

- Develop and review contractual provisions governing scope of work, contractor responsibilities, technical requirements, deliverables, milestones, completion, and acceptance.
- Evaluate liability caps, exclusions, carve-outs, consequential loss provisions, indemnities, and insurance-related obligations to identify potential areas of contractual exposure.
- Apply appropriate drafting and negotiation techniques to delay damages, performance liquidated damages, performance guarantees, and contractual remedies.
- Assess warranty, defects liability, performance testing, commissioning, acceptance, and completion provisions against project requirements and commercial objectives.
- Design effective change order, variation, claims, and extension-of-time provisions that establish clear procedures, notice requirements, entitlement criteria, and supporting documentation.
- Improve the review and redlining of EPC and equipment supply contracts by identifying ambiguous, inconsistent, commercially unbalanced, or operationally impractical provisions.
- Evaluate performance guarantees, advance payment guarantees, retention mechanisms, bonds, and other contractual security instruments within the overall project risk framework.
- Apply Incoterms® 2020 principles to international equipment supply arrangements and assess their relationship with delivery, risk transfer, insurance, customs, and payment obligations.
- Assess governing law, dispute resolution, arbitration, sanctions, export-control, and compliance provisions in international oil and gas contracts.
- Strengthen negotiation strategies by preparing positions, identifying priorities, developing fallback positions, and addressing commercial and legal issues through structured negotiation techniques.
- Implement a practical contract review and negotiation framework that can be applied to future EPC, procurement, equipment supply, and project-related contractual assignments.

Who Should Attend

This course is designed for professionals responsible for drafting, reviewing, negotiating, administering, or managing contracts within oil and gas, energy, engineering, construction, and industrial organizations. It is particularly relevant to Contracts Managers, Contract Engineers, Contract Specialists, Commercial Managers, Commercial Specialists, Legal Counsel, Legal Managers, Procurement Managers, Procurement Specialists, Supply Chain Professionals, Project Managers, Project Controls Professionals, and EPC Contract Administrators.

The program is also suitable for executives, department heads, project directors, engineering managers, procurement and commercial decision makers, and professionals working with

international contractors, equipment manufacturers, suppliers, subcontractors, joint venture partners, and project owners. It is relevant to professionals involved in upstream, midstream, downstream, petrochemical, energy infrastructure, industrial construction, and major capital project environments where contractual risk and commercial performance are critical.

Participants from government entities, ministries, national energy organizations, oil and gas companies, engineering and construction organizations, banks and financial institutions supporting project transactions, and large corporations involved in international procurement or infrastructure projects can also benefit from the course when their responsibilities involve contractual risk, project delivery, commercial negotiations, or supplier and contractor relationships.

Learning Outcomes

- By the end of the course, participants will be able to:
- Structure and review the key components of an international EPC contract from scope definition through completion, acceptance, warranty, and final close-out.
- Identify contractual inconsistencies between technical specifications, commercial terms, schedules, payment provisions, and legal obligations.
- Redline contract clauses to improve clarity, define responsibilities, and reduce ambiguity in critical commercial and legal provisions.
- Draft and negotiate liability caps, exclusions, carve-outs, indemnities, and consequential loss provisions based on identified project risks.
- Review delay and performance liquidated damages provisions and determine how triggers, caps, calculation mechanisms, exclusions, and remedies should be structured.
- Assess performance testing, commissioning, acceptance, completion certificates, and warranty provisions from both contractual and project execution perspectives.
- Develop practical change order and extension-of-time mechanisms covering notification, substantiation, valuation, approval, and time-impact considerations.
- Review performance guarantees, advance payment guarantees, retention provisions, and other forms of contractual security and understand their commercial implications.
- Apply Incoterms® 2020 correctly when reviewing international equipment supply contracts and identify the contractual consequences of different delivery arrangements.
- Examine governing law and international arbitration provisions and identify key issues affecting contractual dispute resolution.

- Review sanctions and export-control clauses and recognize the importance of compliance obligations within international EPC and equipment supply transactions.
- Conduct a structured contract negotiation exercise, document agreed positions, identify unresolved issues, and prepare a practical negotiation and contract-management action plan.

Course Outline

DAY 01

International Oil & Gas EPC Contract Structure and Risk Allocation

- Anatomy of an international EPC contract and relationship between contractual documents
- Scope of work, technical specifications, employer requirements, contractor obligations, and document precedence
- Contract interfaces between owner, EPC contractor, subcontractors, suppliers, and project stakeholders
- Commercial terms, milestones, payment structures, completion requirements, and contractual responsibilities
- Allocation of project risks across technical, commercial, schedule, cost, performance, and legal dimensions
- Identifying ambiguity, conflicting provisions, gaps, and unintended risk transfer

PRACTICAL APPLICATION

Clause-by-clause review of a representative Oil & Gas EPC contract and identification of key contractual risks

DAY 02

Advanced Contract Drafting, Liability, Indemnities and Damages

- Principles of effective contractual drafting for complex energy and infrastructure projects
- Liability caps, aggregate liability, exclusions, exceptions, and negotiated carve-outs
- Direct loss, indirect loss, consequential loss, and contractual limitations of recovery

DAY 02 — CONTINUED

- Indemnities, third-party claims, intellectual property risks, property damage, and personal injury considerations
- Delay liquidated damages and performance liquidated damages: triggers, calculation, caps, and contractual remedies
- Interaction between damages provisions, termination rights, warranties, and other remedies

PRACTICAL APPLICATION

Drafting and redlining liability, indemnity, damages, and limitation-of-liability clauses

DAY 03

Performance, Acceptance, Warranties, Change Orders and Guarantees

- Performance testing, commissioning, mechanical completion, substantial completion, and final acceptance
- Performance guarantees and contractual consequences of failure to achieve specified requirements
- Warranty periods, defects liability, latent defects, replacement, repair, and corrective obligations
- Change orders, variations, scope changes, and contractual authorization procedures
- Extension-of-time provisions, delay notices, critical path considerations, and entitlement documentation
- Performance guarantees, advance payment guarantees, retention, bonds, and other security mechanisms

PRACTICAL APPLICATION

Reviewing a project scenario involving performance failure, change orders, delay, and warranty claims

DAY 04

International Equipment Supply, Incoterms®, Governing Law and Compliance

- Structure and negotiation of international equipment supply contracts within EPC projects
- Incoterms® 2020: delivery obligations, transfer of risk, insurance, customs, and logistics responsibilities
- Payment terms, delivery milestones, inspection requirements, title transfer, and risk of loss
- Governing law provisions and their relationship with contractual interpretation and enforcement
- International arbitration clauses, seat of arbitration, procedural considerations, and dispute escalation mechanisms
- EU sanctions, export-control considerations, restricted-party screening obligations, and contractual compliance requirements

PRACTICAL APPLICATION

Review and redline of international equipment supply clauses covering delivery, payment, governing law, arbitration, sanctions, and export controls

DAY 05

Contract Negotiation Strategy, Redlining and Integrated EPC Contract Workshop

- Preparing for complex EPC contract negotiations and establishing negotiation priorities
- Distinguishing mandatory requirements, commercial priorities, acceptable alternatives, and fallback positions
- Negotiation strategies for liability, indemnities, LDs, warranties, guarantees, changes, extensions of time, and termination
- Managing contractual comments, redlines, deviations, exceptions, and unresolved commercial issues
- Negotiating with owners, EPC contractors, suppliers, subcontractors, and international counterparties
- Documenting negotiated positions and maintaining consistency between commercial agreements and final contract language

DAY 05 — CONTINUED

FINAL WORKSHOP

Comprehensive EPC contract review, redlining exercise, negotiation simulation, issue resolution, and individual contract-management action plan

Register or Request More Information

Course page: <https://quest-training.com/courses/advanced-oil-gas-epc-contract-drafting-review-negotiation>

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