



## **A Comparative Study of *force majeure* and Hardship in Oil and Gas Investment Contracts with an Emphasis on International and Regional Instruments**

**Mohammad Taqi Rafiei\***

*Associate Professor, Department of Energy and International Trade Law,  
Faculty of Law, University of Tehran (College of Farabi).*

**Eisa Rajabi**

*PhD in Oil and Gas law, Faculty of Law, University of Tehran.*

### **Abstract**

During the performance of Oil and Gas contracts, which are usually one of the longest investment contracts, there may be incidents in which the relations between the parties and the fulfillment of obligations, change and become unstable. In order to deal with the new situation, which may prevent the fulfillment of the obligation or make its performance difficult, various theories have been expressed, which we have examined under the heading of contractual excuses. Contractual excuses, which are also considered as an exception to the principle of the necessity of contracts, have been identified under different titles and chapters in international and regional instruments, and the effects and remedies of that will also differ on the contract. In this article, while emphasizing the difference between contractual excuses from the “stabilization clause” which is used in Oil and Gas contracts, by examining the practical procedure of arranging and inserting the excuses clauses in several examples of these contracts, the authors at first try to introduce the types of terms and after pointing out the defects of each one, they have mentioned the necessary cases of amending and changing these contracts in order to comply with international and regional instruments.

**Keywords:** Contractual Excuses, *Pacta sunt servanda*, *Rebus sic stantibus*, Foreign Investment, Oil and Gas Contracts.

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\* Corresponding Author  
Received: 31 October 2020, Accepted: 20 June 2022

Email: rafiei@ut.ac.ir  
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## Legal- Commercial Challenges of LNG Projects in Iran

**Hosein Simaei Sarraf\***

*Associate Professor, Private and Islamic law department, Shahid  
Beheshti University*

**Seyyed Mostafa Zeinoddin**

*PhD in International Law, University of Nottingham, Nottingham, UK*

**Abdorrezza Shojaei**

*PhD in Oil and Gas Law, Shahid Beheshti University*

### Abstract

Although economic sanctions over the past two decades have created a serious obstacle to the implementation of LNG projects in our country, but the realization of these projects seems to face some other legal and commercial challenges. The multiplicity of laws and regulations in this area and the lack of a coherent law for the management of LNG projects and contracts and the subsequent issues such as integration or non-integration of the LNG project with upstream activities as well as doubts in the legal framework of these projects can be the source of some ambiguities and, along with some other legal restrictions, increase the risk of these projects. Challenges arising from rapid and profound developments in industry, market, trade and LNG sale and purchase agreements are also among the issues that can affect the implementation of LNG projects in Iran and so must be considered in the correct structuring of future LNG projects in our country.

**Keywords:** Governing laws and regulations, LNG market, LNG project, LNG sale and purchase agreement.

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\* Corresponding Author  
Received: 6 February 2021, Accepted: 20 June 2022

Email: h\_simaei@sbu.ac.ir  
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## Analysis of Produced Hydrocarbon Contracts

**Farideh Shabani Jahromi\***

*Assistant Professor Energy and International Trade Law Department, Law  
Faculty, College of Farabi, University of Tehran*

**Fareed Shabani Jahromi**

*PhD Student in Oil and Gas Law, Law Faculty; College of Farabi  
University of Tehran*

### Abstract

Investors under concession regimes and some main upstream petroleum contracts including production sharing agreements, are entitled to produce hydrocarbons from fields which are subject of petroleum operation. With regard to the high amount of investment required for exploration and development of petroleum fields, investors consisting of more than one person, who carry out operations which result in contract between group of companies and the host country and also joint operating agreements among the members of investors which increase the operational complexity and legal issues. Regarding shares of each member and entitlement to produced hydrocarbon, the required provisions and petroleum management contracts shall be agreed upon to allocate and balance the produced petroleum. Although Iran Petroleum Contracts do not transfer the title of hydrocarbon to investor, NIOC may at its discretion, recover costs and pay fee in kind and under particular arrangement which require agreeing upon allocation and balancing mechanism.

**Keywords:** Joint Operating Agreement, Oil Allocation, Gas balancing, Hydrocarbon Management

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\* Corresponding Author  
Received: 25 May 2021, Accepted: 25 June 2022

Email: faridehshabani@ut.ac.ir  
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## **Analysis of the Legal Requirement for Designing an Appropriate Model Contract for EOR/IOR Projects**

**Navid Sheydaei Ashtiani**

*PhD Student of Public Law at the Faculty of Law University of Tehran*

**Seyed Nasrollah Ebrahimi\***

*Associate Professor in Private Law at the Faculty of Law and Political Science  
University of Tehran*

### **Abstract**

considering the status of Oil and Gas Industry, for Increasing oil production capacity, there are only two ways ahead; Firstly, further exploration and discovery of new oilfields and secondly increasing and improving the oil recovery of reservoirs which is known in the industry literature as "Enhanced Oil Recovery" and "Improved Oil Recovery". Increasing the recovery rate by a few percent can have a significant impact on the daily output volume and ultimately on the country's oil revenues. This article seeks to analyze and represent the position of this concept in the legal and contractual system of the country, especially the new model of Iranian Oil Contracts (IPC), to offer suggestions for establishing a suitable contractual framework for such projects. Analysis of the legal system of Iran and the contractual models used (such as Buy-back contracts) indicate that these contracts do not meet the requirements and risks of these fields. It seems that the suggestions presented in this article could act as general conditions governing contracts in this field and serve the interests of the country in these contracts.

### **Keywords**

Enhanced oil recovery, Improved oil recovery, Iran Petroleum Contract, Mandatory rules, Risks.

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\* Corresponding Author  
Received: 18 April 2020 , Accepted: 20 June 2022

Email: snebrahimi@ut.ac.ir  
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## Investigating the Effect of Oil Price Fluctuations on Indices Affecting Corruption in Rentier states

**Mohammad Ali Shirkhani\***

*Professor, International Relations Department, Faculty of Law & Political  
Science, University of Tehran, Iran*

**Arash Sabahi Fard**

*PhD in International Relations, Faculty of Law & Political Science,  
University of Tehran, Iran*

### Abstract

Oil price fluctuations have political, social and economic importance to rentier States, and a kind of asymmetry can be seen in the affecting factors on when oil prices rise and fall in. In this paper, the data of 31 selected oil revenue dependent countries are examined in the form of panel data using the ordinary least squares method. This article studies and determines the factors affecting corruption in two time periods, one between 2003 and 2008 and the other between 2009 and 2014. A comparison of the results obtained in these periods shows that with the change in oil price trends, the major factors affecting corruption also change. In the first period and simultaneously with the increase in oil prices, good governance and government spending will reduce corruption and instead unemployment will lead to the spread of corruption. In the next period and with the change in the trend of oil prices, the factors affecting corruption also change. In this period, which is accompanied by a decrease in oil prices, the degree of market freedom and the shadow economy contribute to the spread of corruption and the human development index reduces corruption.

**Keywords:** Corruption, Curse of Natural resources, Factors Affecting corruption, Oil Prices, Ordinary Least Squares Method, Rentier State.



## Investigation of Flexibility of Charterer Legal Obligations in Crude Oil Mostly Used Voyage Standard Forms of Charter Party Agreements

**Abdolhossein Shiravi Khozani\***

*Professor of Law Faculty at Frabi Campus of Tehran University*

**Somayeh Souri**

*PhD Student of Oil and Gas Law at Frabi Campus of Tehran University*

### Abstract

By considering the complexities of seaborne carriage of crude oil on the one hand and the traditional restrictions of voyage charter parties from the other, this Article tends to study the effects and the number of contractual flexibilities of under-investigation standard forms of agreements on the charterers' legal obligations in crude oil voyage charters. Investigation of mostly used standard forms of charter party agreements including BPVOY4, SHELLVOY6 and ExxonMobil VOY2005 indicates that charterer obligations in those agreements, in the light of high bargaining power of voyage crude oil charterers due to the reasons such as high price of crude oil in comparison with other cargos and even in comparison with price of tanker itself and the strategic nature of crude oil in contrast with other cargos, has taken distance from its traditional strict framework and has found remarkable flexibilities.

**Keywords:** Freedom of will, Tanker, Charterer, Seaborne carriage of crude oil, Standard charter party agreement, Seaborne carriage of crude oil, Obligations.

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\* Corresponding Author  
Received: 10 May 2020, Accepted: 20 June 2022

Email: ashiravi@ut.ac.ir  
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## **A Review of International and Regional Documents in Connection with Prevention of Marine Oil Pollution and Damage Compensation**

**Youssef Ali**

*PhD of Oil and Gas Law, School of Law and Political Sciences of The  
University of Tehran, Tehran, Iran.*

**Seyed Fazlollah Mousavi\***

*Professor, Department of Public Law, School of Law and Political Science,  
University of Tehran, Tehran*

**Ahmad Amiri**

*PhD of Private Law, School of Law and Political Sciences, Shiraz University,  
Shiraz*

### **Abstract**

Although a lot of credible studies show that the trend of oil pollution of the marine environment is going down, unfortunately, the said pollution still continues. The most important reasons for the continuation of marine pollution by oil are the following: the exceptions concerning the internal waters of states and concerning the ships and aircraft that have sovereign immunity, discharge of specified quantities of oil and garbage by most international and regional documents, a lot of international and regional documents having only general and non-technical obligations and lack of effective guarantees that ensure the respect of the rules of the international and regional documents by the member states. Lack of liability and compensation rules in some of the international and regional documents, non-existence of observing organizations to monitor the consistency of the states' behaviors with the conventions, in addition to the logistical problems like lack of port facilities in connection with discharging ship's wastes are other reasons why the maritime pollution by oil is still unresolved.

**Key words:** Marine Damage Due to Oil Pollution, International Responsibility, Damages Compensation, Internal Waters of States, International and Regional Documents.



## **Energy Regulatory Entity and its Legal Capacities in the Non-Oil Economy (Case Study of the Ministry of Energy Quasi-Regulatory Entity: Iranian Electricity Market Regulatory Board)**

**Mahsa Olyae**

*M.Sc in Oil and Gas Law at Petroleum University of Technology, Tehran  
Faculty of Petroleum*

**Vali Rostami\***

*Associate Professor of Public Law at Faculty of Law and Political Science,  
University of Tehran*

### **Abstract**

In non-oil economies, the main reliance on revenue and currency is removed from oil resources and other sources are considered. This reduction in the concentration of energy resources, especially oil resources, has had a profound effect on the framework of energy laws, as well as the legal status and capacity of energy regulators, resulting in greater assurance of energy efficiency and related institutions. In this study, the legal capacity of regulatory institutions as an indirect tool in the non-oil economy is considered. Also, since the Iranian Electricity Market Regulatory Authority is an institution with similar powers to a regulatory body, although more limited, in this study it is considered as a quasi-regulatory body of its powers and functions as if the main foundations of the economy are not oil-based.

**Keywords:** Economic shocks, Energy law, Energy Management, Energy regulatory, Regulatory organization.

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\* Corresponding Author  
Received: 11 January 2021, Accepted: 20 June 2022

Email: vroostami@ut.ac.ir  
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## **Project Finance for Renewable Energy: The Interaction of Regulatory and Contractual Requirements**

**Shadi Kasnavi**

*PhD in Oil and Gas law, Faculty of Law and Political Science, University of  
Tehran, Tehran, Iran*

**Mahmood Bagheri\***

*Associate Professor of Department of Private Law, Faculty of Law and  
Political Science, University of Tehran, Tehran, Iran.*

### **Abstract**

The global demand for electricity continues to grow, fueled by industrialization and urbanization in many parts of the world. At the same time, power generation is the largest single source of CO<sub>2</sub> emissions and needs to be transformed fundamentally. While power generation has always been an asset-heavy industry, capital intensity is even higher for most renewable energy sources as compared to fossil fuel-based plants. Thus, policy makers worry about the availability and cost of capital for low-carbon power plants. A critical method for getting renewable energy infrastructure built is project finance that is designed to identify, allocate, and mitigate risks through project structuring and contracting. These techniques can be utilized to address risks specific to renewable projects. The project finance structures used for renewable energy projects must manage the complex risks. The aim of this paper is to comprehensively present current risks and risk management solutions of renewable energy projects to project finance.

**Keywords:** project finance, renewable energy, risk allocation.

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\* Corresponding Author  
Received: 20 February 2021, Accepted: 20 June 2022

Email: mahbagheri@ut.ac.ir  
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## UNEP Environmental Performance Assessment: From Expectations to Facts

**Vahid Kosari**

*PhD Student in International Law, Faculty of Law, University of Qom.*

**Ali Mashhadi\***

*Associate Prof., Department of International Law, Faculty of Law, University of Qom.*

### **Abstract**

The UNEP is at the heart of the current United Nations environmental structure and is the most important international environmental institution. The present study, due to the increasing prevalence of environmental problems, seeks to answer this fundamental question: has the UNEP, among a multitude of environmental norms and the multiplicity of related institutions, been able to play a pivotal role in international environmental governance in practice? Has its environmental performance met expectations? The present article will conclude that despite all the successes recorded in the available statistics and reports, the current structure of the UNEP cannot meet the environmental problems of the planet and it is unable to manage efficiently the planet's environmental problems and be able to monitor the performance of governments on the environmental commitments. Therefore, several suggestions have been made in this regard.

**Keywords:** UNEP; environmental performance; international environmental governance; International Environmental Law; environmental problems.



## ITLOS Practice on Prompt Release of Vessels

**Mohammad Mehdi Moradi**

*PhD Student Department of Humanitarian and Law, Isfahan (Khorasgan)  
Branch Islamic Azad University, Isfahan, Iran*

**Mahmoud Jalali\***

*Associate Professor Law Department, University of Isfahan*

### Abstract

Sometimes the competent authorities of the coastal state detain foreign ships for violating national or international law and regulations. As a rule, the ship suspected of committing an offense should remain in custody until the end of the investigation so that judicial or administrative authorities can rule out the possibility of enforcement. Prolonging the time and process of detention can have a lot of losses. One cannot justify unilaterally the immediate and unconditional resolution of some problems, since the possibility of enforcement by the coastal judiciary will be lost. Has the ITLOS been able to establish a uniform and coordinated approach to immediate release? This mechanism is embodied in the 1982 Convention, and the Tribunal in its various judgments has balanced the interests of the coastal states and the flag-bearer with regard to the conditions of immediate release and the determination of the standards for reasonable guarantee, and the appropriate procedure in this regard. The Tribunal's approach to immediate release was initially economic, but gradually shifted to human rights issues, and is now a top priority for the immediate release of the captain and crew, and ultimately the ship itself.

**Keywords:** Convention on the Law of the Sea, International Court of Justice, Prompt Release, Ship and Crew.

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\* Corresponding Author  
Received: 15 August 2020, Accepted: 20 June 2022

Email: m.jalali@ase.ui.ac.ir  
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## Comprehensive and Integrated Legal Management of Oil and Gas Reservoirs

**Jafar Nory Yoshanloey\***

*Associate Prof, Department of Private Law, Faculty of Law and Political  
Science, University of Tehran*

**Nasim Barkhi**

*PhD Student in Oil and gas Law, Faculty of Law and Political Science,  
University of Tehran*

### Abstract

In countries such as Iran, which have old and aging reservoirs and most of these reservoirs are in last years of their lives, optimal operation and increase of productivity in the oil and gas industry through management systems has been predicted in the energy strategy documents. This indicates an integrated legal management approach to oil and gas reservoirs in the Country is necessary. Not only is this concept not standardized in the laws and regulations of the Country, its elements and processes are not properly explained yet. Therefore, in this article, while explaining the nature of this concept and its elements and processes, the theory of comprehensive and integrated legal management of oil and gas reservoirs is proposed. And the elements of integrated management of oil and gas reservoirs, including environmental, geological, technical, technology, economical, financing and legal and contractual considerations were determined. On the other hand, the implementation of this concept and its elements require the appointment of its responsible institution. Therefore, the National Iranian Oil Company has been introduced as the responsible institution to monitor its proper implementation of comprehensive and integrated legal management of the country's oil and gas reservoirs.

**Keywords:** Oil and Gas Reservoirs, Legal Management, Comprehensive and Integrated, National Iranian Oil Company, Reservoir Owner.

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\* Corresponding Author  
Received: 24 April 2021, Accepted: 20 June 2022

Email: jafarnory@ut.ac.ir  
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