

An LDI Training Course

HOLISTIC PSC MANAGEMENT (PSC Budgeting & Reporting, *Taxation*, *Legal and Financial Aspect of PSC*)

by
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Introduction

This 5 days comprehensive training program by LDI Training integrates key Accounting, Budgeting Reporting Systems and Legal, Financial, Taxation, under the Production Sharing Contracts (PSC) framework, covering both Gross Split and Cost Recovery models.

The program is tailored for professionals in the Oil and Gas Industry who seek a holistic understanding of the regulatory, financial, and operational intricacies associated with PSCs. By combining three core training modules—**PSC Legal & Taxation**, **WP&B and AFE**, and **PSC Financial Accounting & Reporting**—participants will gain valuable insights into the interconnected aspects of managing oil and gas projects effectively.

The **PSC Legal & Taxation** module emphasizes understanding the legal frameworks and tax implications affecting oil and gas operations. This segment provides an in-depth analysis of the regulatory environment, compliance requirements, and the financial impacts of taxation on PSCs. It is particularly beneficial for legal advisors, financial consultants, and managers who need to navigate the complexities of oil and gas regulations and provide comprehensive guidance on contractual obligations and financial planning.

The **WP&B and AFE** (Work Program & Budget and Authorization for Expenditure) module focuses on the planning and financial control processes critical to the success of oil and gas projects. This training provides detailed guidance on budgeting, cost management, and strategic decision-making within the framework of PSCs, enabling participants to optimize project execution and align financial practices with regulatory

standards. Professionals in project economics, finance, and strategic management will find this module invaluable for enhancing their skills in financial planning and project control.

The **PSC Financial Reporting** module thoroughly explores the accounting and reporting practices required under the PSC Gross Split and Cost Recovery models. Participants will learn about cost recovery mechanisms, financial reporting standards, and the development of accurate accounting procedures to ensure compliance with PSC requirements.

This module is ideal for everyone whose job is relate to the financial matters. Together, these modules provide a comprehensive learning experience that equips participants with the essential knowledge and skills to excel in the dynamic oil and gas sector.

Detail Agenda

Day 1: Introduction and Legal Aspects of PSC

- **08:00 - 08:30: Registration and Welcome Coffee**
- **08:30 - 09:00: Opening Remarks and Introduction to the Training Program**
 - Overview of the 5-day training objectives and agenda
- **09:00 - 10:30: Introduction to the Oil and Gas Industry in Indonesia**
 - Current trends and future prospects
- **10:30 - 10:45: Coffee Break**
- **10:45 - 12:00: Legal Framework of PSCs**
 - Understanding PSC Gross Split vs. PSC Cost Recovery
 - Key legal concepts and regulatory requirements
- **12:00 - 13:00: Lunch Break**
- **13:00 - 14:30: Detailed Analysis of Oil and Gas Laws**
 - Revisions of Oil and Gas Law and their implications
 - Exploration of GR 79, GR 27, GR 53, and other relevant regulations
- **14:30 - 14:45: Coffee Break**

- **14:45 - 16:00: Compliance and Legal Obligations Under PSCs**
 - Contractual obligations and dispute resolution

Day 2: Financial Aspects of PSCs

- **08:00 - 09:30: Overview of Financial Principles in PSCs**
 - Financial structures in PSC Gross Split and Cost Recovery models
- **09:30 - 09:45: Coffee Break**
- **09:45 - 11:00: Cost Recovery Mechanisms and Financial Impact**
 - In-depth discussion on cost recovery calculations and simulations
- **11:00 - 12:00: Investment Credit and Operating Costs in PSCs**
 - Analyzing investment credits and cost management
- **12:00 - 13:00: Lunch Break**
- **13:00 - 14:30: Income Sharing and Domestic Market Obligation (DMO)**
 - Financial implications and strategies for income sharing
- **14:30 - 14:45: Coffee Break**
- **14:45 - 16:00: Case Study Analysis and Discussion**
 - Practical application of financial principles in PSCs

Day 3: Taxation Aspects in Oil and Gas PSCs

- **08:00 - 09:30: Introduction to Oil and Gas Taxation Principles**
 - Direct and indirect taxes applicable to PSCs
- **09:30 - 09:45: Coffee Break**
- **09:45 - 11:00: Taxation Strategies and Financial Implications**
 - Analysis of tax planning and optimization in PSCs
- **11:00 - 12:00: Tax Compliance and Reporting Requirements**
 - Understanding GR 79/2010, GR 27/2017, and GR 53/2017 in taxation
- **12:00 - 13:00: Lunch Break**

- **13:00 - 14:30: Tax Issues and Solutions in PSC Frameworks**
 - Addressing common tax issues and their solutions
- **14:30 - 14:45: Coffee Break**
- **14:45 - 16:00: Q&A and Wrap-Up for the Day**

Day 4: PSC Budgeting and Reporting

- **08:00 - 09:30: Introduction to PSC Budgeting: WP&B and AFE**
 - Overview of Work Program & Budget (WP&B) and Authorization for Expenditure (AFE)
- **09:30 - 09:45: Coffee Break**
- **09:45 - 11:00: Developing and Managing WP&B and AFE**
 - Step-by-step guide to planning, developing, and managing budgets
- **11:00 - 12:00: Financial Reporting and Accounting Procedures under PSCs**
 - Key accounting procedures and financial reporting requirements
- **12:00 - 13:00: Lunch Break**
- **13:00 - 14:30: Simulation and Case Studies on PSC Budgeting**
 - Hands-on exercises and case studies on PSC budgeting and reporting
- **14:30 - 14:45: Coffee Break**
- **14:45 - 16:00: Q&A and Wrap-Up for the Day**

Day 5: Integrated Financial and Economic Analysis

- **08:00 - 09:30: Advanced Financial Analysis and Decision-Making in PSCs**
 - Techniques for financial modeling and economic analysis
- **09:30 - 09:45: Coffee Break**
- **09:45 - 11:00: Integrated Financial Strategies for PSCs**
 - Combining legal, financial, and taxation strategies for optimal outcomes
- **11:00 - 12:00: Risk Management and Sensitivity Analysis in PSCs**

- Identifying risks and performing sensitivity analysis for informed decision-making
- **12:00 - 13:00: Lunch Break**
- **13:00 - 14:30: Final Group Exercise and Presentation**
 - Participants work in groups to develop and present a comprehensive PSC strategy
- **14:30 - 14:45: Coffee Break**
- **14:45 - 16:00: Closing Remarks and Certificate Distribution**
 - Summary of key takeaways and distribution of training certificates

Who Should Attend

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|-----------------------------------|------------------------|
| * Accountings | * Consultants |
| * Lawyers | * Economists |
| * Financial Analysts and Planners | * Engineering Managers |
| * Company Executives | * Exploration Managers |
| * Tax Specialists | * Auditors |

Course Information

- This 5-day intensive course will be conducted in Indonesian
- Training hours are from 08:00 to 16:00 WIB per day
- LDI Training will provided training facilities including 2x coffee break and lunch
- Participants will receive hard& Soft copy manual book and materials course
- Participants will receive a certificate after completing the training.

Your Course Leader:



Dr. A. Rinto Pudyantoro is the author of:

Migas 2012: A to Z Bisnis Hulu
Migas 2014: Proyek Hulu Migas:
Analisis dan Evaluasi Petroekonomi
Migas 2015: Dialog Tanya Jawab
Migas 2019: Bisnis Hulu Migas –
Mengurai Persoalan dan Memahami Masa
Depan Bisnis Hulu Migas Indonesia
Migas 2019: Kebijakan Perpajakan:
Optimalisasi Insentif & Kesimbangan Fiskal
(collaboration with fiscal policy Agency)

2021: Bisnis Migas Menakar Persoalan

He has been working for over 31 years in the upstream Oil and Gas Industry, including 10 years in Vico Indonesia, 4 years in BP Indonesia, and in 2004 he worked as a Senior Manager - Revenue Accounting and Government Income at BP Migas and Senior Manager Taxation and Levy in SKK Migas.

In 1997 he was assigned by SKK Migas as head of SKK Migas for the Papua and Maluku areas. Finally, before retiring, Rinto served as Head of the Program and Communications Division of SKK Migas.

Currently, apart from being a permanent lecturer at Pertamina University, Rinto is the chairman of a Research Institute at Pertamina University called C-BEPES (Center for Business and Economics of Petroleum and Energy Studies)

He holds a bachelor's degree in accounting from the University of Gajah Mada (UGM)–Yogyakarta and a master's degree in international finance from the Business Institute of Indonesia (IBII)–Jakarta. He successfully earned a Ph.D. in Resources Economics from Bogor Institute of Agriculture (IPB) in the year 2012.

His experience as a trainer from 2005 – current, in Economics such as Resources Economics, Petroleum Economics, Fiscal and Regional Economics. And also in Financial and Accounting Oil & Gas: PSC accounting, Project Economics and Plan of Development, Budgeting & Reporting, PSC Taxation, and International Oil & Gas Petroleum Accounting.

This course is presented by **LDI Training**. For information about LDI Training please visit www.lditraining.com or <https://oilandgascourses.org>. If you have any question about our courses, please email your enquiry to lditrain@indo.net.id or contact to: 6326911 / 0811 812857.