

AN LDI TRAINING COURSE

LNG SALES AGREEMENT

(Designing, Pricing and Negotiation Winning LNG Deals)

Instructor
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PROGRAM OVERVIEW

Liquefied Natural Gas (LNG) is now a critical pillar of global energy security, enabling long-distance gas trade and supporting the transition toward lower-carbon energy systems. As LNG markets mature, commercial success is no longer driven only by volume, but by how well LNG Sales Purchase Agreements (LNG SPAs) are structured, negotiated, and managed.

Modern LNG contracts have evolved from rigid long-term, oil-indexed structures into flexible, portfolio-based, and spot-linked arrangements. While this evolution creates significant commercial value, it simultaneously increases contractual, financial, and operational risk.

This program provides a practical, integrated, and deal-driven understanding of LNG Sales Agreements, combining commercial strategy, legal frameworks, and operational execution based on real industry practice.

WHY YOU SHOULD ATTEND

Participants will gain the capability to:

- Structure bankable LNG SPAs aligned with market realities
- Understand pricing mechanisms, flexibilities, and risk allocation
- Navigate the full negotiation lifecycle from MOU to executed LNG SPA
- Anticipate and manage operational challenges during contract performance

- Interpret LNG market dynamics and competitive positioning

PROGRAM LEARNING OUTCOMES

By the end of the course, participants will be able to:

- Understand, analyse, and structure LNG Sales Agreements
- Evaluate commercial risks and contractual remedies
- Apply flexibility mechanisms without jeopardising project bankability
- Interface LNG SPA terms with shipping and transportation agreements
- Strengthen negotiation positions in long-term, short-term, and spot LNG deals

PROGRAM CONTENT

1. LNG Sales Purchase Agreement Fundamentals

- Overview of Gas Sales Agreements (GSA) and LNG SPA
- Negotiation pathway: MOU / LOI / HOA / LNG SPA
- Contract duration: long-term, short-term, and spot sales
- Contract models: supply contracts, dedicated contracts, seller nomination
- Conditions Precedent (CP) and their commercial implications

2. Key Commercial & Legal Clauses

- Quantity, quality, destination, pricing, and flexibility
- Take-or-Pay (TOP), Take-and-Pay, Deliver-or-Pay (DOP)
- Compensation fees and contractual remedies
- Rights and obligations of buyers and sellers
- Hardship clauses, force majeure, and arbitration

3. Commercial Flexibility & Operational Execution

- Price review and re-opener mechanisms
- Destination and diversion flexibility

- Off-take volume reduction
- Lifting schedules and LNG operations
- BTU balancing mechanisms
- Master Sales Agreement (MSA) and Confirmation Notice (CN)

4. LNG Value Chain & Stakeholder Interface

- Producers, sellers, buyers, traders, and aggregators
- Linkages between LNG SPA, Transportation Agreements, and GSA

5. LNG Transportation Agreements

- Contract structures: bareboat charter and time charter
- Charter period, hire rate, vessel delivery and redelivery

6. LNG Market Outlook & Competition

- Global LNG competition: Qatar, USA, Australia, Russia
- Domestic LNG supply and demand outlook
- LNG and gas infrastructure development
- LNG retail market prospects
- RUEN and national energy planning
- LNG as a transition fuel toward green energy

7. Commercial Risk Management & Mitigation

- Buyer creditworthiness and off-take guarantees
- Market volatility and competitive risk
- Growing role of aggregators and traders
- LNG commercial innovation: derivatives and hedging instruments

WHO SHOULD ATTEND



This program is designed for professionals involved in LNG and gas commercial activities, including:

- LNG Commercial & Marketing Teams
- Business Development & Strategy Professionals
- Legal and Contract Management Teams
- Finance, Treasury, and Risk Management
- Gas & LNG Project Teams
- Shipping and Supply Chain Professionals
- Government and Regulatory Representatives
- LNG Traders and Portfolio Managers
- Professionals seeking deep practical knowledge of LNG SPAs

ABOUT THE INSTRUCTOR

Ir. Agoes Sapto Rahardjo Moerdi Hartono has more than 25 years of hands-on experience across the oil, gas, and LNG value chain — spanning plant design, operations, transportation, commercialisation, financing, and LNG sales negotiations.

He is a guest lecturer at leading universities (UGM, ITB, ITS, UI), a frequent speaker at national and international oil & gas forums, and author of “Industri LNG dan Evolusinya di Indonesia.”

He has participated directly in LNG negotiations with the USA, Japan, South Korea, China, and Taiwan.

REGISTRATION & ENQUIRIES

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