

A Live Online Course

# Cost Recovery & Reporting System Under PSC

Led by  
Dr. Wiwiek M. Daryanto, SE-Ak, MM, CMA.

## Introduction

A deep understanding of expenditure that will be recoverable through cost recovery mechanism is a mandatory to avoid unnecessary losses in upstream operations.

This course will explain the elements of costs that classified as recoverable costs, how to calculate them. Participants will learn depreciation methods, what are capital and non-capital expenditures, tangible and intangible cost are example of items that will be elaborated in this course. The discussion will also cover First Tranche Petroleum (FTP), Before-tax contractor share, Cost Recovery, Profit Oil, Income Tax, Net Cash Flow, State Take, Domestic Market Obligation (DMO).

Participants will understand the use of oil and gas reserves in computing depreciation, depletion, and amortization (DD&A) using the units-of-production method in complying with disclosure requirements.

Here are the benefits of attending this course:

- Understand the concept of Cost Recovery and Equity Split Mechanism between State and Oil and Gas Companies.
- Understand the process of calculation and allocation of operating costs.
- Understand how to calculate the share of production and how the incremental costs will affect the net contractor share.
- Understand the Basic Philosophy of the Integrated Financial Aspect
- Understand of the Fiscal Aspect of Oil & Gas Law Foundation, Fiscal Aspect of Oil & Gas Law Foundation, Fundamentals of Exploration Agreement, Taxation and its Implications on the Field Development Economic Calculation

## Course Contents

- Petroleum Operation Investment Consideration
  - Economic Consideration of Exploration Aspect
  - Field Development
  - Field Operation
  - Selling Price Issue
  - Income Sharing Issue
  
- Principals in Oil & Natural Gas Exploration Agreement
  - Land Acquisition
  - Control Mechanism of Host Country Operation
  - Mineral Right Ownership
  
- Financial Aspect of Oil & Gas Law Foundation and Land Acquisition Process
  
- Production Sharing Contracts
  - Basic Principals
  - Management Control
  - Financial Aspect
  - Accounting Procedure
  
- Development of Production Sharing Contract Generation
  - Concession Agreement
  - Work agreement Contract
  - Production Sharing Contract
  - Technical Assistance Contract
  - Contract Production Sharing
  - Joint Operating Agreement
  
- Financial and Economic Aspects of Production Sharing Contracts
  - First Tranche Petroleum (FTP)
  - Investment Credit
  - Domestic Market Obligation (DMO)
  - Income sharing
  - Operation Costs
  
- Comparison of Accounting Methods
  - Successful Effort
  - Full Costing
  - Production Sharing Contract

- Incentive Package and its Implication
- Oil & Gas Mining Taxation
- Case Study

### Your Course Leader

**Dr. Wiwiek Mardawiyah Daryanto, S.E., Ak., MM., CMA** is an expert in accounting and finance. She has a Doctoranda degree in accountancy from the University of Gadjah Mada, Master of Management from the University of the Philippines and a Doctoral degree from Institute Pertanian Bogor.

She is a Certified Management Accountant from the Institute of Certified Management Accountant, Australia, and has an Education Certificate for Lecturers and Assistant Professor.

She has more than 25 years of experience in consulting and teaching at universities, conducting public training and teaching business professionals. She is currently Director of Research & Community Empowerment Center Faculty Member of IPMI International Business School Jakarta - Indonesia

She has been teaching for LDI Training since 1995. Her major areas of interest are in Accounting, Financial Management, International Finance, Agribusiness Management and PSC Accounting for Oil and Gas Industry.

### Course Delivery

- This is a live online course delivered via Zoom from 9:00 to 15:00 WIB.
- Participants need to prepare a computer to join this program.
- Participants will receive the course manual before the training begins.
- Participants will receive a certificate after the training is complete.

### Two ways to register:

1. Register online on [www.liditraining.com](http://www.liditraining.com)
2. Email your enrollment message to [liditrain@indo.net.id](mailto:liditrain@indo.net.id)



LDI Training will send a training access code to participants who have registered and provided email address and WA number.

**For more information about the course, please contact PT Loka Datamas Indah by:**

**Phone: 62-21-632-6911**

**Email: [lditrain@indo.net.id](mailto:lditrain@indo.net.id)**