Petroleum Economics and Policy Solutions
Complete Above-Ground Country E&P Information and Petroleum Sector Risk Analysis
A Complete Solution for Above-Ground Country E&P Information and Petroleum Sector Risk Analysis

IHS Markit Petroleum Economics and Policy Solutions (PEPS) is a complete and integrated package of information and tools that enable in-depth understanding and holistic cross-country comparison of E&P activity and results, upstream investment terms, and petroleum sector risk.

- Quickly evaluate and compare historical legal and contractual considerations, fiscal terms, and E&P activity
- Monitor and understand the full range of above-ground risk factors, from changes to terms, to operational disruption

Providing Answers to Key Workflow Questions:

**E&P New Ventures/ Business Development**
- How do recent E&P activity and results compare? How can we compare key information about past license awards?
- How do fiscal regimes stack up – how do government and investor cash flows vary and compare under different size, cost, and oil price scenarios?
- Does analysis of legal and contractual terms reveal “red flags” (e.g., onerous local content requirements)?
- Which above-ground risks could affect investment?

**E&P Strategy, Planning, and Risk Management**
- Where might changing above-ground risks affect current company operations?
- Where does the company need to prioritize planning and mitigation efforts to deal with emerging concerns?
- How does the projected future risk environment play into acquisition and divestment strategy?

**Regulators/NOCs in Producing or Frontier Countries**
- How attractive is my country when compared to peer countries and neighbours?
- Why do investors view a peer country more attractive than my country? What terms are other countries offering?
- How do our peers regulate other factors such as: arbitration, local content, environmental protection?

With Integrated Product Modules that Cover All Aspects of Upstream Investment Consideration

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**Legal Regimes**
Access detailed analysis of the main legal, fiscal and contractual terms, with links to the relevant legislation, to identify potential “red flags” for investors

**Fiscal Systems**
Perform fiscal benchmarking in order to see how the relevant terms compare to those of other countries

**Country Activity and Success**
Quickly access key historical E&P activity and results information by country and year, and generate customized cross-country reports

**Oil & Gas Risk**
Use petroleum sector risk assessments to both balance E&P comparative attractiveness with risk to petroleum investment and to monitor risk for existing operations
## Detailed Look at Product Content and Tools

### PEPS Attractiveness Ratings
A proprietary rating system that integrates ratings from across fiscal, E&P activity, and oil & gas sector risk factors to enable quantitative comparison of investment attractiveness and risks across countries of interest.

### PEPS Legal Regimes
**Detailed legal, contractual and fiscal terms analysis for 150+ regimes, including:**
- The latest terms being offered in new licensing rounds
- Breakdown of all key legal and contractual requirements and potential red flags for investors
- Environmental regulatory analysis
- Historic evolution of contract terms and developments in fiscal terms
- Summary Analysis reports in Power Point format offering a graphic overview of terms on offer

**Full library of laws, regulations, and contracts – assembled and translated over decades:**
- Petroleum laws and regulations
- Bidding documents, Model Contracts and Licenses
- Tax Legislation (Income Tax, Petroleum tax, etc.)
- Foreign Investment and Other Commercial Laws

### PEPS Fiscal Systems
**Fiscal Terms for 200+ regimes**
- Fiscal Overview table – provides a snapshot view of key economic terms for all covered regimes for quick comparison
- Fiscal Terms for New E&P Ventures – detailed analysis of fiscal terms with clear explanations, including with respect to any assumptions made by our analysts
- References to the actual translated model contracts and legislation, enabling clients to see the underlying legal documents upon which the analysis is based

**Fiscal benchmarking tools**
- Numerical analysis is done by examining the effects of the 200+ fiscal regimes on hypothetical oil and gas projects
- The Data Query Tool displays and allows users to export averaged values for marginal, economic and upside fields for various economic indicators (from both the investor’s and the host country’s perspective)
- A graphical analysis tool provides the user with an interactive way of visualizing how regimes compare with respect to the impact of changes in key assumptions
- Tool allows clients to filter by region/country, fiscal regime, fields group, peer group and/or hydrocarbon
- Clients can access the fiscal results table that underpins all fiscal benchmarking tools (in it they can see the fiscal results for each of the 200+ regimes – this table can be filtered by cost category, field size, price, etc.)

### PEPS Country Activity and Success
**E&P Data**
- Past performance data and summary statistics on licensing activity, exploration and production activity and exploration success
- E&P data is presented in tabular format to allow easy and quick comparison between countries.

**License Awards**
- Detailed summaries of past exploration awards, providing:
  - Main block details and background information
  - Work commitments (e.g. seismic, wells)
  - Financial commitments

### PEPS Oil & Gas Risk (OGR)
**Risk Rating System and Benchmarking Tools**
Customizable tool to visualize and evaluate risk for 130+ countries and territories over the immediate and five-year time-horizons, underpinned by assessments on 21 upstream risk factors

**Risk Commentaries**
Overview and analysis of the country-level drivers for each of the risk rating components

**Research Notes and Briefs**
Ongoing monitoring and timely analysis of changes to energy policy, investor relations and operational risks tied into OGR risk factors

**Special Reports and Quarterly Updates**
Detailed analysis of emerging trends and themes affecting investors on a thematic, regional and country level

**Country Profiles**
Analysis of government policy and decision making, energy fundamentals, and competitive environment in top hydrocarbon producing countries
Key Differentiators

Complete and Integrated
- Enabling holistic cross-country comparison of E&P activity and results, legal and fiscal attractiveness, and petroleum sector risk
- Answers to key country screening and risk assessment questions provided in one place - customized reports are easy to generate
- Active monitoring of over 130+ producing and frontier countries/territories around the world
- Integrated content - E.g., fiscal analysis links to underlying legal documents, risk ratings assess potential for changes to upstream terms

Superior Legal Content and Expertise
- Legal analysis is produced by a team of petroleum lawyers with regional expertise
- Largest upstream legal library in the world (3,400+ documents available to users online) - laws, regulations, and contracts – assembled and translated over decades
- All legal and fiscal analysis is directly linked to the actual underlying legal documents

Tested Methodology and Trusted Experts
- Used by leading E&P companies and petroleum sector regulators since 1996
- Ratings and assessment methodology has been fully vetted across numerous market cycles
- Large team of petroleum lawyers, economists, and petroleum sector risk analysts with extensive regional and subject matter expertise – available to clients for questions and clarification

For more information www.ihsmarkit.com

About IHS Markit
IHS Markit (NYSE: INFO) is a world leader in critical information, analytics and expertise to forge solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 business and government customers, including 80 percent of the Fortune Global 500 and the world’s leading financial institutions. Headquartered in London, IHS Markit is committed to sustainable, profitable growth.