

COURSE OVERVIEW FM0646

**International Oil Supply, Transportation Refining & Trading SPI
(E-Learning Module)**

Course Title

International Oil Supply, Transportation Refining & Trading SPI (E-Learning Module)

Course Reference

FM0646

Course Format & Compatibility

SCORM 1.2. Compatible with IE11, MS-Edge, Google Chrome, Windows, Linux, Unix, Android, IOS, iPadOS, macOS, iPhone, iPad & HarmonyOS (Huawei)

Course Duration

30 online contact hours
(3.0 CEUs/30 PDHs)



Course Description



This course is designed to provide participants with a detailed and up-to-date overview of international oil supply, transportation refining and trading SPI. It covers the value of crude oil based on product market prices; today's crude oil and product markets; the financial markets and crude oil prices including the benefits of futures markets; the distribution and marketing; evaluating spot tanker freight costs and tankers chartered; the basics of the tanker shipping market, cost structure, tanker customers, key market drivers, trade routes and dynamic market; the regulation of assets and operating businesses as well as seasonality and cyclicity; and the credit risk management, market risk management, supply security and crude oil transportation method.

During this interactive course, participants will learn the pipeline transportation of crude oil by ship, rail and truck; the role of quality in the oil and gas industry; the fundamental economic drivers of the supply chain; the role of the clearinghouse, margin requirements, market structure, daily price limits, risk & return characteristics of futures contracts and the general principles of hedging with futures; the risk associated with hedging; and the basic use of hedging within trading environment and the disadvantages of hedging.



Course Objectives

By the end of this training seminar, participants will be able to:-

- Apply and gain a comprehensive knowledge on international oil supply, transportation refining and trading SPI
- Understand upstream oil exploration, production, supply principles and practices
- Understand refining process, compute refinery gross and net margins
- Understand LP models, and develop crude oil selection criteria
- Apply petroleum economics, calculate financial benchmarks and prioritize projects
- Estimate costs, negotiate and compare physical deals and help write contracts for the sale of crude oil and refined products
- Use worldscale reference to charter a ship and to calculate the profitability
- Understand the international markets, their risks and how prices are formed and disseminated
- Understand the hedging instruments, determine the price risk exposure and manage price risk
- Acquire legal and regulatory issues relating to the International aspects of oil trading
- Value crude oil based on product market prices and discuss today's crude oil and product markets
- Identify financial markets and crude oil prices including the benefits of futures markets
- Illustrate distribution and marketing and evaluate spot tanker freight costs and tankers chartered
- Discuss the basics of the tanker shipping market, cost structure, tanker customers, key market drivers, trade routes and dynamic market
- Review the regulation of assets and operating businesses as well as seasonality and cyclicity
- Employ credit risk management, market risk management, supply security and crude oil transportation method
- Describe pipeline transportation of crude oil by ship, rail and truck as well as discuss the role of quality in the oil and gas industry
- Recognize the fundamental economic drivers of the supply chain including the obstacles to achieving strategic fit, commodity futures markets and mechanics of futures trading
- Identify the role of the clearinghouse, margin requirements, market structure, daily price limits, risk & return characteristics of futures contracts and the general principles of hedging with futures
- Explain the risk associated with hedging including the basic use of hedging within trading environment and the disadvantages of hedging

Who Should Attend


This course provides an overview for all significant aspects and international oil supply, transportation refining and trading SPI for business development managers, corporate planning professionals, lawyers and law firms' personnel, geoscientists, engineers, refiners, bankers, accountants, auditors, members of board and senior oil executives, media personnel who interface with traders and trading, government regulators, tax and finance advisors, compliance officers, equity & financial analysts and bankers, joint venture officers and contract negotiators.

Course Certificate(s)

Internationally recognized certificates will be issued to all participants of the course.

Certificate Accreditations


Certificates are accredited by the following international accreditation organizations: -

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USA International Association for Continuing Education and Training (IACET)

Haward Technology is an Authorized Training Provider by the International Association for Continuing Education and Training (IACET), 2201 Cooperative Way, Suite 600, Herndon, VA 20171, USA. In obtaining this authority, Haward Technology has demonstrated that it complies with the **ANSI/IACET 1-2013 Standard** which is widely recognized as the standard of good practice internationally. As a result of our Authorized Provider membership status, Haward Technology is authorized to offer IACET CEUs for its programs that qualify under the **ANSI/IACET 1-2013 Standard**.

Haward Technology's courses meet the professional certification and continuing education requirements for participants seeking **Continuing Education Units (CEUs)** in accordance with the rules & regulations of the International Association for Continuing Education & Training (IACET). IACET is an international authority that evaluates programs according to strict, research-based criteria and guidelines. The CEU is an internationally accepted uniform unit of measurement in qualified courses of continuing education.

Haward Technology Middle East will award **3.0 CEUs** (Continuing Education Units) or **30 PDHs** (Professional Development Hours) for participants who completed the total tuition hours of this program. One CEU is equivalent to ten Professional Development Hours (PDHs) or ten contact hours of the participation in and completion of Haward Technology programs. A permanent record of a participant's involvement and awarding of CEU will be maintained by Haward Technology. Haward Technology will provide a copy of the participant's CEU and PDH Transcript of Records upon request.

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British Accreditation Council (BAC)

Haward Technology is accredited by the **British Accreditation Council** for **Independent Further and Higher Education** as an **International Centre**. BAC is the British accrediting body responsible for setting standards within independent further and higher education sector in the UK and overseas. As a BAC-accredited international centre, Haward Technology meets all of the international higher education criteria and standards set by BAC.

Training Methodology

This Trainee-centered course includes the following training methodologies:-

- Talking presentation Slides (ppt with audio)
- Simulation & Animation
- Exercises
- Videos
- Case Studies
- Gamification (learning through games)
- Quizzes, Pre-test & Post-test

Every section/module of the course ends up with a Quiz which must be passed by the trainee in order to move to the next section/module. A Post-test at the end of the course must be passed in order to get the online accredited certificate.

Course Fee

As per proposal

Course Contents

- How to Value Crude Oil Based on Product Market Prices
- Understanding Today's Crude Oil and Product Markets
- Overview
- Oil – Refined Products Power the World
- International Crude Oil Market
- Supply – The World Wants More
- Physical Markets and Oil Prices
- Changes – Market Structures are Transforming
- Financial Markets and Crude Oil Prices
- Spot Markets versus Futures Transactions
- Benefits of Futures Markets
- Movement – The Forces of Supply and Demand at Work
- Distribution and Marketing
- Growth – The Markets Determine the Price
- How to Evaluate Spot Tanker Freight Costs and Tankers Chartered
- The Basics of the Tanker Shipping Market
- Where do Crude Tankers Sit Within the Value Chain?

- The Asset
- The Cost Structure
- Gross Revenue
- Voyage Expenses
- Vessel Expenses (OPEX)
- Interest
- Debt Repayment
- Maintenance Capex
- Tanker Customers
- How the Price of Freight is Set
- Price of Oil – impact on Tankers
- Oil Price vs. Oil Demand Growth
- Key Market Drivers – Demand for Oil
- Key Market Drivers – Supply of Oil
- Key Market Drivers – Vessel Supply
- Trade Routes & Dynamic Market
- Regulation of Assets and Operating Businesses
- Seasonality and Cyclicity
- Summary
- How Spot Oil Purchase/Sale Contracts are Structured
- Term and Spot Contracts -- Finding a Balance
- What are Spot & Term Contracts?
- Why Term Contracts?
- Figure 1 - Cash-Flow Scenarios of Various Term-Spot Ratio Profiles
- Credit Risk Management
- Market Risk Management
- Structural Trade Flow
- Market Behavior
- Security of Supply
- Figure 2 - Decision Variables in Term Contracting
- Counterparty Relationships
- Spot Market Dynamics
- Risk Profile of a Company



- Conclusion - Finding a Balance between Term and Spot Contracting
- The significance of Non-Tanker Logistics - Pipelines, Storage, Rail and Road
- Introduction
- Which Crude Oil Transportation Method is Best?
- Pipeline Transportation of Crude Oil
- Crude Oil Transportation by Ship
- Top World Crude Oil Choke Points
- Transporting Crude Oil by Rail
- Crude Oil Transportation by Truck
- Quality in the Oil and Gas Industry
- Step One: Create a Quality Plan for you Oil & Gas Company
- Step Two: Align Quality Targets with Quality Policies
- Step Three: Quality Assurance and Quality Control
- Step Four: Develop Quality Measurement Techniques
- Step Five: Quality Improvement
- The Role of Quality in the Oil and Gas Industry
- Role of Quality
- Determine Customer Requirements
- Implement Customer Requirements
- Production
- Risk Evaluation
- Bottom Line
- Top Line
- Fundamental Economic Drivers of the Supply Chain
- Drivers of Supply Chain
- Drivers of Supply Chain Performance
- Facility
- Transportation
- Information
- Sourcing
- Pricing
- Obstacles to Achieving Strategic fit
- Commodity Futures Markets Introduction



- What is a Futures Contract?
- Who Uses Futures Contracts Markets?
- Mechanics of Futures Trading
- Liquidating a Position
- Clearinghouse
- The Role of the Clearinghouse
- Margin Requirements
- Market Structure
- Daily Price Limits
- Futures Contracts vs. Forward Contracts
- Risk & Return Characteristics of Futures Contracts
- General Principles of Hedging with Futures
- Risk Associated with Hedging
- Cross-hedging
- Long Hedge Versus Short Hedge
- The basic use of hedging within trading environment
- What is Hedging?
- Understanding Hedging
- Disadvantages of Hedging
- What Hedging Means for You
- Example of a Forward Hedge
- The Bottom Line
- Recap