

## A Comparative Study of the Transparency of Environmental Requirements in Upstream Oil and Gas Contracts in Iranian and American Laws

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### Abstract

The purpose of this study is to identify the degree of transparency of information on the environmental requirements of upstream oil and gas contracts in Iranian and American law. In addition to the library and documentation study, with emphasis on the Delphi method, a questionnaire containing 24 questions was used that assesses the transparency of the phases in the life cycle of the hydrocarbon project, including approvals, operations and closure. This questionnaire is developed by the British Company Worley Parsons in partnership with API and is approved by the jurisdictions of ten countries. The statistical sample consists of 12 experts. Acquiring of an approval in both countries, an environmental assessment is required. Gaining this approval in Iran costs \$75000 employing less than 10 people, but in the US, it costs \$2000000 employing 50 to 100 people. There is no law of freedom of environmental information in Iran, while such a law is enforced in the US. In the phase of operations, the environmental requirements in the US are more

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obvious. Contrary to the US, the project closure plan is not available to the public in Iran. Totally, Iran has 9 scores and the US 26 scores at the level of transparency, so in the life cycle of a hydrocarbon project, the United States are more transparent than Iran.

**Keywords:** Transparency; Requirements; Approval; Operation; Closure.

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