Fraser Institute

Global Petroleum Survey 2011

Survey coordinators: Gerry Angevine and Miguel Cervantes

FRASER INSTITUTE

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Acknowledgements

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Any errors or omissions are the sole responsibility of the authors. As they worked independently, opinions expressed by the authors are their own and do not necessarily reflect the opinions of supporters, trustees, or other staff of the Fraser Institute.

For more information on the Fraser Institute and this publication, please see the end of this document.

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The number of jurisdictions compared has been corrected in this version, but this has not changed the relative rankings in the report.

Editing, design, and production

Kristin McCahon

Cover artwork

Design by Bill Ray. Photo: copyright © Rob Ellis, iStockphoto.com. Oil rig riser and slip joint.

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Survey information

The 2011 Fraser Institute Global Petroleum Survey was distributed to managers and executives of petroleum exploration and production companies around the world and to firms that provide support services to such companies.

The analyses contained in this report are based on information obtained from 502 respondents representing 478 companies. The exploration and development budgets of these participating companies totaled about $300 billion in 2010. That represents more than 60 percent of global upstream expenditures last year, according to an estimate in the International Energy Agency's most recent *World Energy Outlook* (International Energy Agency, 2010).

Executive summary

This report presents the results of the Fraser Institute's 5th annual survey of petroleum industry executives and managers regarding barriers to investment in upstream oil and gas exploration and production in various jurisdictions around the globe. The survey responses have been tallied to rank provinces, states, and countries according to the extent of the investment barriers. Those barriers, as identified by the survey respondents, include high tax rates, costly regulatory schemes, and security threats.

A total of 502 respondents completed the survey questionnaire this year, providing sufficient data to evaluate 135 jurisdictions. This compares with the 2010 survey, in which 133 jurisdictions were rated, and the 2009 survey, in which 143 jurisdictions were rated.

The jurisdictions were assigned scores for each of 17 factors that affect investment decisions. The scores are based on the proportion of negative responses a jurisdiction received. The greater the proportion of negative responses for a jurisdiction, the greater were its perceived investment barriers and, therefore, the lower its ranking.

An All-Inclusive Composite Index derived from the scores of the 17 factors provides a comprehensive assessment of each jurisdiction. On this index, the 10 least attractive jurisdictions for investment were Venezuela, Ecuador, Bolivia, Iran, Kazakhstan, Uzbekistan, the Democratic Republic of the Congo (Kinshasa), Iraq, Libya, and Russia. All but 3 of these countries—Uzbekistan, the Democratic Republic of the Congo (Kinshasa), and Libya—were also among the 10 least desirable jurisdictions for investment in oil and gas exploration and development in the 2010 survey.

Jurisdictions within North America, Europe, Australia, and New Zealand generally received the best rankings overall again this year. The 10 most attractive jurisdictions for investment on the All-Inclusive Composite Index are Mississippi, Ohio, Kansas, Oklahoma, Texas, West Virginia, the Netherlands North Sea, Alabama, Hungary, and North Dakota. There were a number of surprises on this list: only 4 of these jurisdictions—Mississippi, Oklahoma, Texas and Alabama—ranked among the top 10 jurisdictions on the 2010 survey. Interestingly, those 4 states were also among the top 10 in 2009.

Alberta's ranking has improved following the provincial government's decision to abandon the so-called New Royalty Framework. However, the fact that Alberta ranks as the 51st most attractive jurisdiction worldwide for investment (out of 135), well down in the rankings from 2007 when this survey was initiated, indicates that the province continues to be somewhat out of favour with investors. Judging by the scores on particular questions and various comments received, Alberta's regulatory climate, including the cost of regulatory compliance and uncertainty in relation to environmental regulation, is a major reason for this.

Kansas (3rd place) moved into the top 10 (of 135) from 19th position (of 133) in 2010. Sixth ranked (of 135) West Virginia jumped from 49th position (of 133) in the 2010 survey and ninth ranked Hungary, from 43rd spot. Seventh ranked Netherlands—North Sea climbed from 26th position (of 133) in 2010, and the tenth most attractive jurisdiction overall, while 10th-ranked North Dakota, improved from 24th position (of 133). Close runners-up for top-ten honors were Saskatchewan and Manitoba, which this year ranked 11th and 12th, respectively.

In addition to West Virginia and Hungary, this year Romania, Bulgaria, and Timor Gap all moved significantly higher in the rankings. Bulgaria reached 55th spot (of 135), up from 86th position (of 133) in 2010, and Romania ranked in 63rd place (of 135) compared with 95th (of 133) in 2010. Timor Gap climbed into 47th position (of 135) from 72nd place (of 133) in 2010. This year, Mozambique, Côte d'Ivoire, Nova Scotia, Kyrgyzstan, Ghana, Norway—North Sea, and Denmark also significantly improved their overall attractiveness for upstream investment.

Not surprisingly, given the greater difficulty of obtaining drilling permits in the area in the wake of the BP oil spill, the US Offshore—Gulf of Mexico suffered a sharp decline in investment attractiveness this year, dropping from 11th position (of 133) in 2010 to 60th spot (of 135). The second largest decline was with respect to the Philippines, which tumbled from 55th position (of 133) last year to 86th (of 135) in the 2011 survey. Canada's Northwest Territories also suffered a large fall, dropping to 103rd position (of 135) this year compared with 74th spot (of 133) in 2010. Among other jurisdictions that slipped considerably in the 2011 rankings are Uganda, Brunei, Uruguay, Angola, the Democratic Republic of the Congo (Kinshasa), Cameroon, Equatorial Guinea, and the US Offshore—Alaska. The Northwest Territories and the US—Offshore Pacific stand out as the least attractive of the North American regions this year.

This year a question was added to the survey asking about the extent to which the adoption of "best practices" might increase exploration and development investment. The results indicate that the benefits would likely be considerable in Iran, Algeria, Kazakhstan, Argentina's Chubut, Mendoza, Santa Cruz and Neuquen provinces, Cambodia, India, Sudan, Libya, Iraq, Nigeria, Russia, Papua New Guinea, Venezuela, and the two Congo republics, as well as in many other countries, states and provinces. In general, the potential for increased exploration and development if transition to a "best practices" commercial environment and regulatory climate were to occur is greatest in jurisdictions that are relatively unattractive for investment under current laws and practices, assuming, of course, that the geological data are favorable.

Examination of the proved oil reserves of countries which appear to be unattractive for investment because of their fourth and fifth quintile scores in this year's survey, indicates that, together, those countries account for almost 60 percent of the world's oil reserves (excluding those of Mexico and Saudi Arabia, where the international oil companies generally can only participate in development as subcontractors). This suggests that global oil exploration and production development is likely to be slower and more costly (because of the greater expense that investors face in such regions) than would otherwise be the case.

Comments from the survey respondents highlight why some jurisdictions are considered to be attractive for investment and others not. Among other factors, investors said that they turn away from jurisdictions when confronted with onerous fiscal regimes, political instability, land claims disputes, and corruption. Similarly, investors prefer to avoid jurisdictions with costly, time-consuming, uncertain regulations. Other things being equal, competitive tax and regulatory regimes can attract investment and thus generate substantial economic benefits.

Survey methodology

Sample design

This survey is designed to identify the provinces, states, and countries with the greatest barriers to investment in oil and gas exploration and production. Jurisdictions assessed by investors as relatively unattractive may therefore be prompted to consider reforms that would improve their ranking. Presumably, petroleum companies use the information that is provided to corroborate their own assessments and to identify jurisdictions where the business conditions and regulatory environment are most attractive for investment.

The survey was distributed to managers and executives in the "upstream" petroleum industry. This includes exploration for oil and gas reserves, and the production of crude oil, bitumen, and both conventional and non-conventional forms of natural gas. It does not include the refining and processing of crude oil and raw natural gas, or the transportation and marketing of petroleum products.

The names of potential respondents were taken from publicly available membership lists of trade associations. Canadian trade commissioners abroad also provided the names of some companies and individuals in their host countries. In addition, some industry associations provided contact information for individuals with member companies.

The survey was administered from January 31, 2011 to April 25, 2011. A total of 502 individuals responded, representing 478 companies. As figure 1 illustrates, about 60 percent of the respondents identified themselves as either a manager or holding a higher-level position. The companies that participated in the survey account for more than 60 percent of the annual spending on petroleum exploration and production by the international oil companies (International Energy Agency, 2010).

Figure 1: The position survey respondents hold in their company, 2010

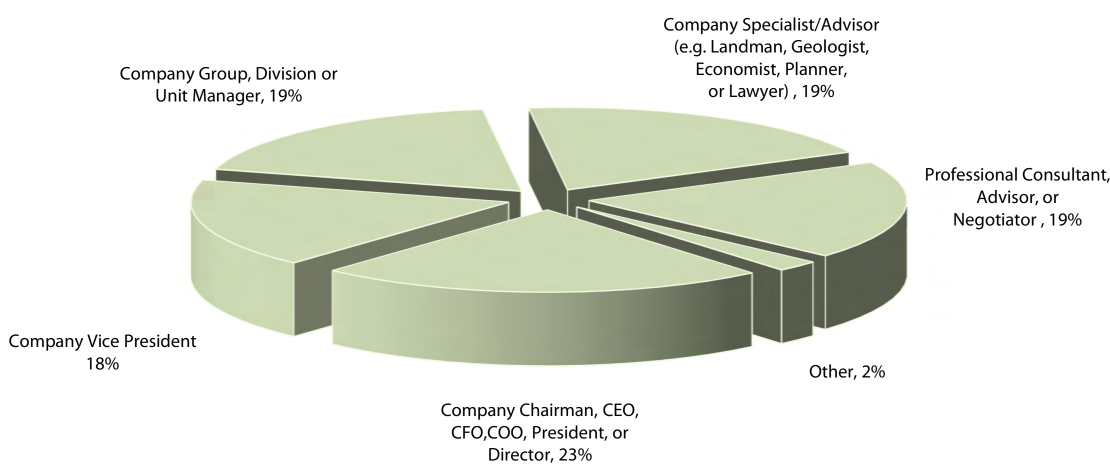


Figure 2: Company focus indicated by respondents in the petroleum exploration and development business

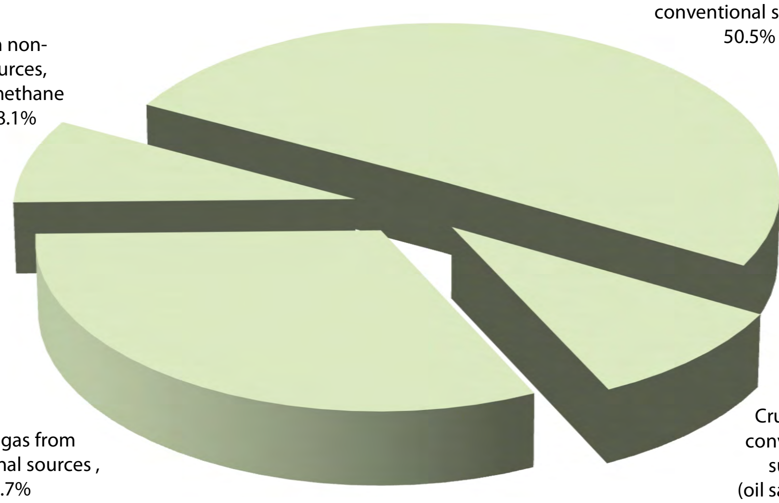


Figure 2 shows the principal focus of the petroleum exploration and development activities of companies whose managers or other representatives participated in the survey. Clearly, the primary focus of most of these upstream companies (82 percent) is on finding and developing conventional oil and gas reserves. Ten percent of the upstream activity reported by participants employed by petroleum firms involves unconventional oil resources. This focus is assumed to be entirely related to Alberta's oil sands or the tar sands in the Orinoco Belt in Venezuela, since production of oil from kerogen found in oil shales is not yet commercially viable. Unconventional natural gas exploration and development represented 8 percent of the focus.

Survey questionnaire

The survey was designed to capture the opinions of managers and executives regarding the level of investment barriers in jurisdictions with which their companies were familiar. Respondents were asked to indicate how each of the 17 factors listed below influence company decisions to invest in various jurisdictions.

1. Fiscal terms—government requirements pertaining to royalty payments, production shares, and licensing fees.
2. Taxation regime—the tax burden (other than for oil production), including personal, corporate, payroll, and capital taxes, and complexity of tax compliance.
3. Uncertainty concerning the basis for and/or anticipated changes to environmental regulations.
4. Uncertainty regarding the administration, interpretation, and enforcement of existing regulations and concern with the frequency of changes to regulations.
5. Cost of regulatory compliance—re: filing permit applications, participating in hearings, etc.
6. Uncertainty over what areas can be protected as wilderness or parks, marine life preserves, or archeological sites.
7. Socio-economic agreement/community development conditions—includes local purchasing, processing requirements, or supplying local infrastructure such as schools and hospitals.
8. Trade barriers—tariff and non-tariff barriers to trade and restrictions on profit repatriation.
9. Labor regulations, employments agreements, labor militancy/work disruptions, and local hiring requirements.
10. Quality of infrastructure—includes access to roads, power availability, etc.
11. Quality of geological database—includes quality, detail, and ease of access to geological information.
12. Labor availability and skills—the supply and quality of labor, and the mobility that workers have to relocate.
13. Disputed land claims—the uncertainty of unresolved claims made by aboriginals, other groups, or individuals.
14. Political stability.
15. Security—the physical safety of personnel and assets.
16. Regulatory duplication and inconsistencies (includes federal/provincial, federal/state, inter-departmental overlap, etc.)
17. Legal system—legal processes that are fair, transparent, non-corrupt, efficiently administered, etc.

For each of the 17 factors, respondents were asked to select one of the following five responses that best described each jurisdiction with which they were familiar:

1. Encourages investment
2. Is not a deterrent to investment
3. Is a mild deterrent to investment
4. Is a strong deterrent to investment
5. Would not invest due to this criterion

The 2011 survey included a list of 146 jurisdictions that respondents could select for evaluation, including most Canadian provinces and territories, many US states (and the Atlantic, Pacific and Gulf Coast offshore regions), all six Australian states, the Australian offshore and the Timor Gap, and countries with current or potential petroleum production capacity. Mexico and other countries where investment in upstream petroleum exploration and development is mostly confined to government-owned facilities were excluded. This year, the Faroe Islands, Israel, Mauritania, New Brunswick, and the following five Argentine provinces were added to the list of jurisdictions available for evaluation: Chubut, Mendoza, Neuquen, Salta, and Santa Cruz. Brazil *per se* was replaced by three separate categories: onshore concessions, offshore concessions, and offshore "pre-salt" regions. The "pre-salt" concession refers to the abundant petroleum reserves recently discovered in deep water locations beneath layers of salt in the Santos Basin approximately 200 kilometres off the coast of Brazil, south of Rio de Janeiro, and east of Sao Paulo.

Scoring the survey responses

For each jurisdiction, we calculated the percentage of negative scores for each of the 17 factors.[1] We then developed an index for each factor by assigning the jurisdiction with the highest percentage of negative responses a score of 100, and correspondingly lower scores to the other jurisdictions according to their ratings. Jurisdictions with the lowest scores are considered the most attractive by the upstream investors and thus rank above jurisdictions with higher, more negative scores.

Only jurisdictions evaluated on all 17 factors by at least five respondents are included in the rankings. This criterion resulted in 135 jurisdictions being ranked. The median number of responses to all questions across all jurisdictions was 21, up from 18 in 2010.

In addition to rankings for each of the 17 factors, jurisdictions were ranked on the basis of four composite indices, as follows.

1 The negative scores were determined by the number of times respondents graded a factor as "a mild deterrent to investment," "a strong deterrent to investment," or indicated that they "would not invest" in the jurisdiction because of issues related to that factor. A minimum of 5 responses per question was required to qualify a jurisdiction for ranking.

All-Inclusive Composite Index

The All-Inclusive Composite Index is derived from the unweighted scores earned by jurisdictions on all 17 factors. This index is the most comprehensive measure of the investment barriers within each jurisdiction; most of the discussion that follows is based on its jurisdictional scores and rankings. A high score for a jurisdiction on this measure indicates that investors regard it as relatively unattractive for investment.

Commercial Environment Index

The Commercial Environment Index ranks jurisdictions on five factors affecting after-tax cash flow and the cost of business:

fiscal terms

taxation regime

trade barriers

quality of infrastructure

labor availability

The index ranking was calculated by averaging the negative scores for each of these five factors. A high index value indicates that industry managers and executives consider that the commercial conditions reflected in this measure constitute significant barriers to investment.

Regulatory Climate Index

The Regulatory Climate Index reflects the scores assigned to jurisdictions for the following six factors:

the cost of regulatory compliance

uncertainty regarding the administration, interpretation, and enforcement of regulations

uncertainty concerning the basis for and/or anticipated changes in environmental regulations

labor regulations, employment agreements, and local hiring requirements

regulatory duplication and inconsistencies

legal system

A relatively high value on the Regulatory Climate Index indicates that regulations, requirements, and agreements in a jurisdiction constitute a substantial barrier to investment.

Geopolitical Risk Index

The Geopolitical Risk Index represents the scores garnered by jurisdictions for political stability and security. These factors are considered to be more difficult to overcome than either regulatory or commercial barriers because a change in the political landscape is usually required for significant progress to be achieved. A high score on the Geopolitical Risk Index indicates that investment in that jurisdiction is relatively unattractive because of political instability and/or security issues that threaten the physical safety of personnel or present risks to an investor's facilities.

Best practices

This year's survey included for a first time a question pertaining to "best practices," which also allowed us to measure the potential impact of the adoption of best practices on the attractiveness for investment in the various jurisdictions.

Global results

All-Inclusive Composite Index

Table 1 compares the 2011 and 2010 scores and rankings on the All-Inclusive Composite Index. The first column presents the 2011 ranking; the second indicates how the jurisdiction ranked in the 2010 survey. The second set of columns presents the absolute scores for each jurisdiction in 2011 and 2010, based on the percentage of negative responses to each of the 17 questions. Those at the top of the list are regarded as having relatively few investment barriers and, therefore, as being the most attractive for investment in the upstream petroleum industry.

Note that Brazil and Argentina were not dropped from the survey this year. Brazil as a single entity was replaced by 3 jurisdictions: one onshore exploration and development jurisdiction, and two offshore areas. Similarly, Argentina as a single entity was replaced by five Argentine provinces.

The 10 jurisdictions with the highest percentage of negative responses, indicating the greatest barriers to investment, are:

1. Venezuela
2. Ecuador
3. Bolivia
4. Iran
5. Kazakhstan
6. Uzbekistan
7. Democratic Republic of Congo (Kinshasa)
8. Iraq
9. Libya
10. Russia

All but 3 of these countries, Uzbekistan, the Democratic Republic of the Congo (Kinshasa), and Libya, were also among the group of 10 least desirable jurisdictions for investment in the 2010 survey. The 3 countries displaced from this group were Ukraine, Nigeria, and Turkmenistan, each of which achieved somewhat better results this year than in 2010.

Figure 3 presents the All-Inclusive Composite Index rankings for all 135 jurisdictions ranked this year.

Table 1: Jurisdictional rankings according to the extent of investment barriers (based on All-Inclusive Composite Index values)

	2011 Rank in Group of 135	2010 Rank in Group of 133	2011 Score	2010 Score
Mississippi	1	6	4.89	11.65
Ohio	2	12	10.16	13.76
Kansas	3	19	11.70	18.80
Oklahoma	4	9	11.81	13.00
Texas	5	2	12.17	9.53
West Virginia	6	49	13.35	31.93
Netherlands—North Sea	7	26	15.88	20.26
Alabama	8	10	17.00	13.41
Hungary	9	43	17.06	29.82
North Dakota	10	24	17.44	19.65
Saskatchewan	11	17	17.48	17.63
Manitoba	12	8	17.52	12.48
Illinois	13	3	17.75	9.65
Louisiana	14	15	18.87	16.62
Arkansas	15	13	19.16	15.62
New Zealand	16	18	20.33	18.32
Denmark	17	33	20.47	23.99
Utah	18	7	21.28	12.04
Victoria	19	20	21.40	18.96
Chile	20	22	21.45	19.55
South Australia	21	14	21.50	15.74
United Kingdom—North Sea	22	29	21.77	21.23
Austria	23	5	22.06	10.35
Netherlands	24	25	22.11	20.02
Ontario	25	28	22.57	21.22
Faroe Islands	26	N/A	23.33	N/A
Wyoming	27	4	23.38	10.25
Tasmania	28	23	23.66	19.61
Michigan	29	38	23.87	27.27
Northern Territory	30	16	24.87	17.14
Norway—North Sea	31	47	24.89	31.47
United Kingdom	32	32	25.35	23.55
Qatar	33	30	25.73	21.47
Nova Scotia	34	53	26.64	33.28
Germany	35	39	27.04	27.48
Poland	36	37	27.24	26.84
Western Australia	37	21	28.18	19.13

Table 1: Jurisdictional rankings *continued ...*

	2011 Rank in Group of 135	2010 Rank in Group of 133	2011 Score	2010 Score
Bahrain	38	46	28.37	30.81
United Arab Emirates	39	41	28.59	28.89
Australia—Offshore	40	31	28.61	21.93
New Mexico	41	54	28.79	34.27
Queensland	42	34	29.12	24.06
Montana	43	35	29.74	24.26
Greenland	44	56	30.08	36.04
New South Wales	45	40	30.14	28.05
France	46	58	30.65	36.43
Timor Gap (Joint Petroleum Development Area)	47	72	30.75	42.52
Colombia	48	42	31.81	29.60
Namibia	49	48	32.09	31.88
Newfoundland & Labrador	50	50	32.34	32.39
Alberta	51	60	32.73	36.70
Uruguay	52	27	32.76	21.10
Colorado	53	61	33.47	37.35
Norway	54	51	33.52	32.69
Bulgaria	55	86	33.94	49.21
Japan	56	69	33.96	42.06
Oman	57	44	34.18	30.03
Trinidad and Tobago	58	59	34.18	36.54
New Brunswick	59	N/A	35.80	N/A
US Offshore—Gulf of Mexico	60	11	36.38	13.44
Morocco	61	67	36.58	40.97
Tunisia	62	62	36.93	38.95
Romania	63	95	38.56	53.96
Thailand	64	73	39.90	43.42
Pennsylvania	65	66	40.37	40.44
Brazil—Offshore presalt area profit sharing contracts	66	N/A	40.79	N/A
Brazil—Onshore concession contracts	67	N/A	40.83	N/A
Brazil—Offshore concession contracts	68	N/A	41.22	N/A
British Columbia	69	52	41.44	33.16
Turkey	70	84	41.51	48.15
Brunei	71	45	41.51	30.46
Ghana	72	89	41.89	50.33
Albania	73	81	42.34	45.64

Table 1: Jurisdictional rankings *continued ...*

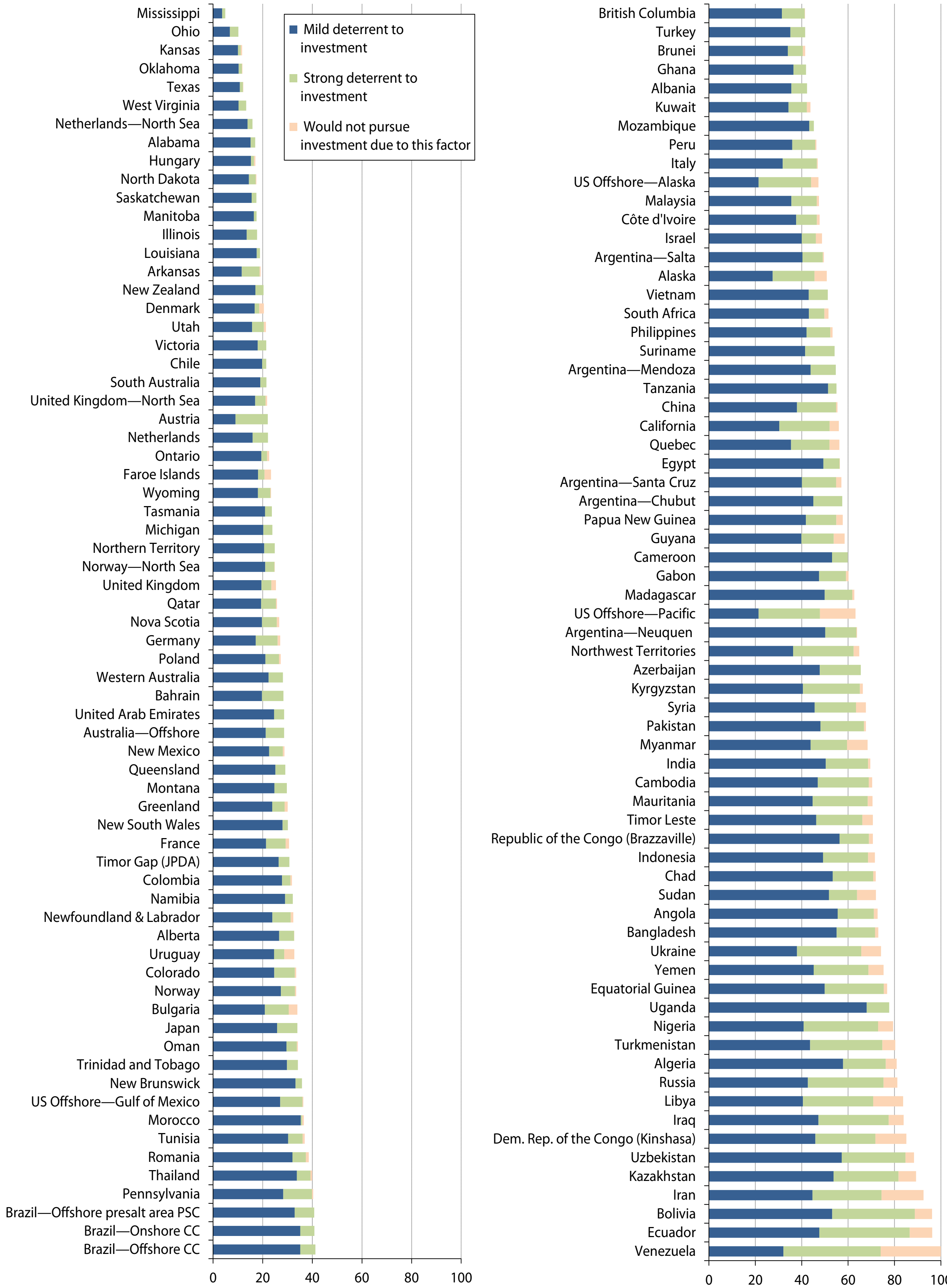
	2011 Rank in Group of 135	2010 Rank in Group of 133	2011 Score	2010 Score
Kuwait	74	83	43.76	46.10
Mozambique	75	97	45.22	55.19
Peru	76	85	46.37	48.36
Italy	77	78	46.91	45.01
US Offshore—Alaska	78	57	47.23	36.20
Malaysia	79	63	47.47	39.71
Côte d'Ivoire	80	99	47.74	55.79
Israel	81	N/A	48.73	N/A
Argentina—Salta	82	N/A	49.56	N/A
Alaska	83	68	50.84	41.80
Vietnam	84	64	51.23	40.29
South Africa	85	88	51.55	49.95
Philippines	86	55	53.31	35.68
Suriname	87	70	54.19	42.26
Argentina—Mendoza	88	N/A	54.66	N/A
Tanzania	89	82	54.95	45.66
China	90	90	55.43	51.66
California	91	87	55.99	49.35
Quebec	92	77	56.24	44.89
Egypt	93	79	56.47	45.32
Argentina—Santa Cruz	94	N/A	57.13	N/A
Argentina—Chubut	95	N/A	57.48	N/A
Papua New Guinea	96	110	57.68	65.11
Guyana	97	N/A	58.48	N/A
Cameroon	98	76	59.82	44.70
Gabon	99	91	60.23	52.10
Madagascar	100	98	62.66	55.54
US Offshore—Pacific	101	103	63.17	60.66
Argentina—Neuquen	102	N/A	63.88	N/A
Northwest Territories	103	74	64.84	44.08
Azerbaijan	104	108	65.45	64.33
Kyrgyzstan	105	123	66.34	79.74
Syria	106	96	67.69	55.17
Pakistan	107	105	67.70	62.17
Myanmar	108	113	68.42	66.59
India	109	107	69.56	63.34
Cambodia	110	92	70.38	52.35

Table 1: Jurisdictional rankings *continued ...*

	2011 Rank in Group of 135	2010 Rank in Group of 133	2011 Score	2010 Score
Mauritania	111	N/A	70.56	N/A
Timor Leste	112	118	70.68	76.06
Republic of the Congo (Brazzaville)	113	104	70.71	60.90
Indonesia	114	111	71.57	65.12
Chad	115	114	71.94	66.98
Sudan	116	120	71.96	76.23
Angola	117	93	72.70	52.65
Bangladesh	118	115	72.99	68.75
Ukraine	119	130	74.16	88.73
Yemen	120	116	75.25	69.66
Equatorial Guinea	121	101	76.85	59.16
Uganda	122	94	77.72	53.41
Nigeria	123	126	79.36	83.38
Turkmenistan	124	128	80.31	87.41
Algeria	125	109	80.93	64.37
Russia	126	131	81.24	91.45
Libya	127	121	83.69	76.60
Iraq	128	125	83.95	81.41
Democratic Republic of the Congo (Kinshasa)	129	106	85.14	62.81
Uzbekistan	130	122	88.37	78.37
Kazakhstan	131	124	89.27	80.45
Iran	132	129	92.50	87.93
Bolivia	133	133	96.18	100.00
Ecuador	134	127	96.27	85.59
Venezuela	135	132	100.00	97.18
South Dakota	N/A	1	N/A	8.82
Kentucky	N/A	65	N/A	40.33
US Offshore—Atlantic	N/A	71	N/A	42.42
Jordan	N/A	75	N/A	44.40
Brazil	*	80	*	45.58
Florida	N/A	100	N/A	57.86
New York	N/A	102	N/A	59.34
Niger	N/A	112	N/A	65.46
Argentina	*	117	*	71.07
Ethiopia	N/A	119	N/A	76.15
Yukon	N/A	36	N/A	25.50

* = Broken down into sub-national jurisdictions in 2011; N/A = Insufficient data or not included in the survey.

Figure 3: All-Inclusive Composite Index



* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Respondents ranked the following 10 jurisdictions as the most attractive for investment in petroleum exploration and development:

1. Mississippi
2. Ohio
3. Kansas
4. Oklahoma
5. Texas
6. West Virginia
7. Netherlands—North Sea
8. Alabama
9. Hungary
10. North Dakota

Surprisingly, only 4 of these jurisdictions, Mississippi, Oklahoma, Texas, and Alabama, were also among the top 10 jurisdictions worldwide in 2010. These 4 states were also among the top 10 in 2009.

Third placed Kansas moved into the top 10 (of 135) from 19^{th} position (of 133) in 2010. Sixth ranked (of 135) West Virginia jumped from 49^{th} position (of 133) in the 2010 survey and 9^{th} ranked Hungary, from 43^{rd} spot. Seventh ranked Netherlands—North Sea climbed from 26^{th} position (of 133) in 2010, and the 10^{th} most attractive jurisdiction, North Dakota, improved from 24^{th} position (of 133). Close runners-up were Saskatchewan (11^{th} of 135) and Manitoba (12^{th} of 135) this year compared with their 17^{th} and 8^{th} placed ranks (of 133) in 2010.

In addition to West Virginia and Hungary, this year Romania, Bulgaria, and Timor Gap all moved significantly higher in the rankings. Bulgaria reached 55^{th} spot (of 135), up from 86^{th} position (of 133) in 2010, and Romania moved up to 63^{rd} place (of 135) compared with 95^{th} (of 133) in 2010. Timor Gap climbed into 47^{th} position (of 135) from 72^{nd} place (of 133) in 2010. Mozambique, Côte d'Ivoire, Nova Scotia, Kyrgyzstan, Ghana, Norway—North Sea, and Denmark also improved their rankings significantly in this year's survey.

Not surprising, given the anticipated tightening of regulations in the wake of the BP oil spill, is the sharp drop in attractiveness for investment in the US Offshore—Gulf of Mexico. This jurisdiction has fallen from 11^{th} position (of 133) in 2010 to 60^{th} (of 135) this year. The second largest decline was in the Philippines, which tumbled from 55^{th} position (of 133) last year to 86^{th} (of 135) in the 2011 survey. Canada's Northwest Territories also suffered a large fall, dropping to 103^{rd} position (of 135) this year from 74^{th} spot (of 133) in 2010. Other jurisdictions that slipped considerably in the 2011 rankings were Uganda, Brunei, Uruguay, Angola, the Democratic Republic of the Congo (Kinshasa), Cameroon, Equatorial Guinea, Alaska—Offshore, Algeria, Vietnam, British Columbia, Austria, Malaysia, Quebec and Alaska. According to the survey, the Northwest

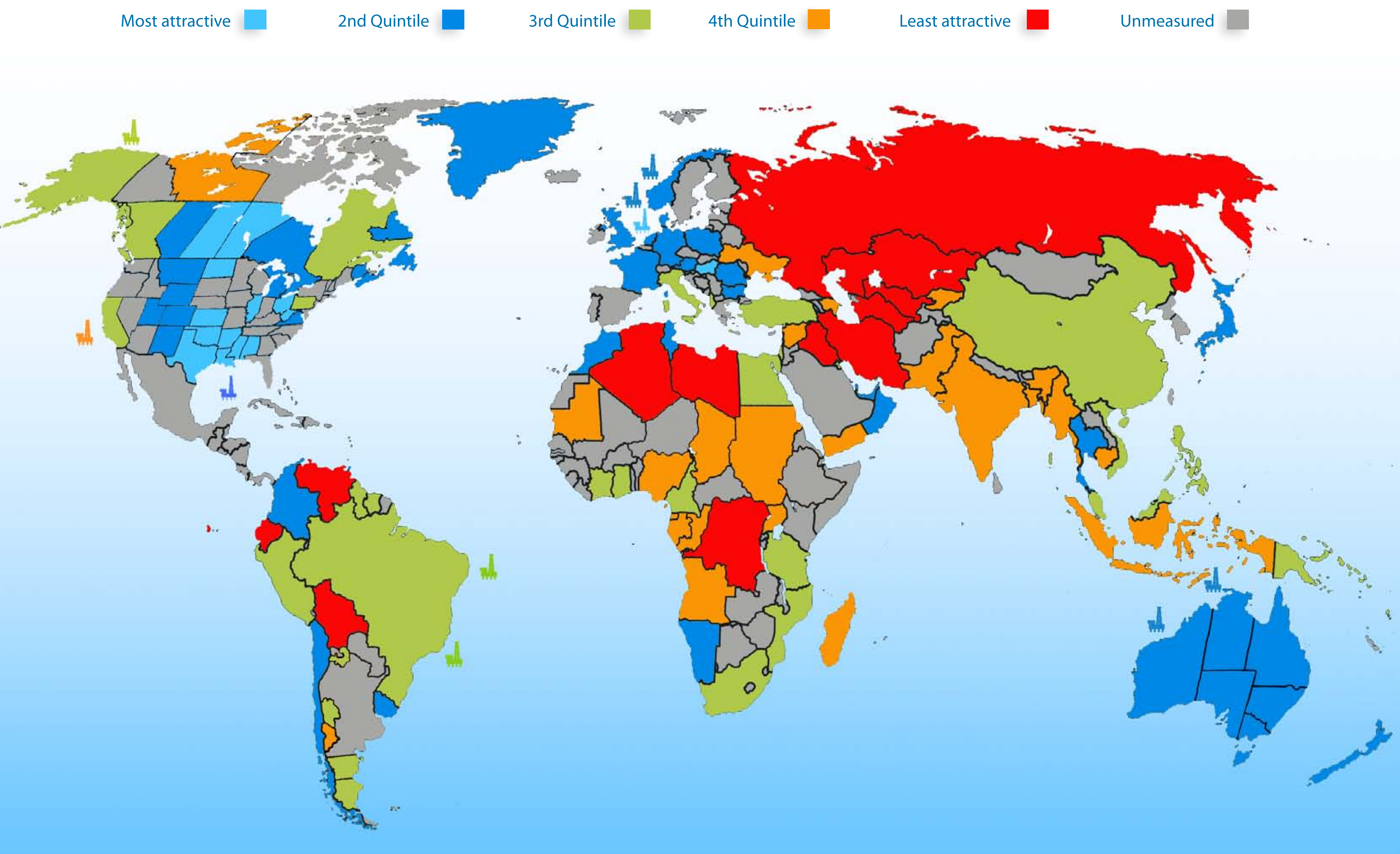


Figure 4: **2011 GLOBAL INVESTMENT CLIMATE** for petroleum upstream development

Territories, the US—Offshore Pacific, Quebec, California, and Alaska are now the least attractive of the North American jurisdictions for upstream petroleum investment.

First quintile

Figure 4 illustrates the relative attractiveness of jurisdictions around the globe for investment based on scores from the All-Inclusive Composite Index. The scores, from 0 to 100, have been divided equally into five ranges (quintiles). Those in the 0 to 19.99 range (first quintile) are rated as most attractive for investment while jurisdictions with scores ranging from 80.0 to 100 (fifth quintile) are the least attractive.

In addition to the 10 most attractive jurisdictions noted above, the 5 following jurisdictions also scored in the top range (first quintile, light blue):

Saskatchewan
Manitoba
Illinois
Louisiana
Arkansas

Only 15 jurisdictions obtained first quintile scores this year compared with 24 in 2010. All 15 except for West Virginia, Netherlands—North Sea, and North Dakota also scored in the first quintile in 2010. US jurisdictions account for 12 of the 15 first quintile scorers this year. One of the remaining jurisdictions (Hungary) is in Europe, and 2 are Canadian provinces: Saskatchewan and Manitoba.

Second quintile

The 49 jurisdictions with scores from 20 to 39.99 (second quintile) on the All-Inclusive Composite Index are shown in dark blue. This group includes 14 European countries (2 more than in 2010); all of the Canadian jurisdictions ranked this year except for the 2 provinces in the first quintile and British Columbia, Quebec, and the Northwest Territories; 10 oceanic jurisdictions (including all of the Australian states, territories and offshore regions, and New Zealand, which missed first quintile status by a very small margin); and 7 US jurisdictions. Four Latin American and Caribbean countries, 4 countries in the Middle East, 3 African nations, and 2 countries in Asia are also in this year's group of second quintile scorers.

All the jurisdictions with scores in the second quintile are listed below in the order of their rank (ie., best to worst score). Jurisdictions marked with an asterisk were in the first quintile in 2010. The second quintile group grew this year from 39 to 49 jurisdictions, an increase mainly due to larger percentages of negative responses which resulted in poorer scores. Also, 6 jurisdictions improved their scores sufficiently this year to move into the second quintile from third quintile placements

in 2010: Timor Gap (JPDA), Bulgaria, Japan, Morocco, Romania, and Thailand. The migration of some jurisdictions to the second quintile was partially offset by the fact that some others slipped from their second quintile placement in 2010 to the third quintile.

New Zealand*	New Mexico
Denmark	Queensland
Utah*	Montana
Victoria*	Greenland
Chile*	New South Wales
South Australia*	France
United Kingdom—North Sea	Timor Gap (JPDA)
Austria*	Colombia
Netherlands	Namibia
Ontario	Newfoundland & Labrador
Faroe Islands	Alberta
Wyoming*	Uruguay
Tasmania*	Colorado
Michigan	Norway
Northern Territory*	Bulgaria
Norway—North Sea	Japan
United Kingdom	Oman
Qatar	Trinidad & Tobago
Nova Scotia	New Brunswick
Germany	US Offshore—Gulf of Mexico*
Poland	Morocco
Western Australia*	Tunisia
Bahrain	Romania
United Arab Emirates	Thailand
Australia—Offshore	

* This jurisdiction had a first quintile score in 2010.

Third quintile

Investors do not generally see jurisdictions with All-Inclusive Index scores from 40 to 59.99 (ie., in the third quintile) as attractive as those with scores in the first and second quintiles. The 34 jurisdictions in the third quintile this year (down from 39 in 2010) are listed below. The 5 jurisdictions

that slipped into the third quintile this year from the second quintile in 2010 are indicated with an asterisk. The only jurisdiction that improved from a fourth quintile performance in 2010 to third quintile status this year is Papua New Guinea; its improved score resulted in a rank of 96 (of 135) compared with 110^{th} position (of 133) in 2010.

Pennsylvania

Brazil—Offshore "Pre-salt" arrangements

Brazil—Onshore concessions

Brazil—Offshore concessions

British Columbia*

Turkey

Brunei*

Ghana

Albania

Kuwait

Mozambique

Peru

Italy

US Offshore—Alaska*

Malaysia*

Côte d'Ivoire

Israel

Argentina—Salta

Alaska

Vietnam

South Africa

Philippines*

Suriname

Argentina—Mendoza

Tanzania

China

California

Quebec

Egypt

Argentina—Santa Cruz

Argentina—Chubut

Papua New Guinea

Guyana

Cameroon

*This jurisdiction dropped to the third from the second quintile in 2010.

Although still in the third quintile, Ghana and Mozambique each scored much more favorably this year. As a result, Ghana moved up in the rankings to 72^{nd} (of 135) from 89^{th} (of 133) in 2010, while Mozambique climbed to 75^{th} position (of 135) from a rank of 97^{th} (of 133). Côte d'Ivoire also improved its score and, as a result, moved up in the rankings to 80^{th} spot (of 135) compared with 99^{th} position a year ago.

Some jurisdictions had third quintile scores in both 2010 and 2011, but their rankings deteriorated considerably this year. They are Cameroon, Suriname, Quebec, Egypt, and Vietnam.

Fourth quintile

In order to score from 60 to 79.99 (the fourth quintile) jurisdictions had to receive a relatively high percentage of negative scores, indicating that investors regard them as unattractive relative to jurisdictions with lower scores, ie., those in the first, second or third quintiles. Twenty-five jurisdictions placed in the fourth quintile this year compared with 21 in 2010.

The fourth quintile jurisdictions are listed below. Jurisdictions that slipped into the fourth quintile this year as the result of poorer scores than in 2010 are marked with an asterisk. Of these, the most serious deterioration, as measured by their absolute drop in score, was in Uganda, Canada's Northwest Territories, Angola, and Equatorial Guinea.

Gabon*
Madagascar*
US Offshore—Pacific
Argentina—Neuquen
Northwest Territories*
Azerbaijan
Kyrgyzstan
Syria*
Pakistan
Myanmar
India
Cambodia*
Mauritania
Timor Leste
Republic of the Congo (Brazzaville)
Indonesia
Chad
Sudan
Angola*
Bangladesh
Ukraine
Yemen
Equatorial Guinea*
Uganda*
Nigeria

*This jurisdiction dropped to a fourth quintile ranking in 2011.

The scores of two countries improved sufficiently that they could move into the fourth quintile from a fifth quintile position in 2010: Ukraine and Nigeria. Ukraine's improvement was the more significant; Nigeria ranked at the bottom of the fourth quintile.

Of the jurisdictions that had fourth quintile scores in both 2010 and 2011, Kyrgyzstan improved the most, while the Republic of the Congo (Brazzaville) and Indonesia deteriorated the most.

Fifth quintile

The fifth quintile (shown on the map in red) is reserved for jurisdictions rated as the least attractive to investors. Their scores range from 80 to 100. This year, 12 jurisdictions are in this category compared with 10 in 2010. They are:

Turkmenistan
Algeria*
Russia
Libya*
Iraq
Democratic Republic of the Congo (Kinshasa)*
Uzbekistan*
Kazakhstan
Iran
Bolivia
Ecuador
Venezuela

* This jurisdiction dropped from a fourth quintile position in 2010.

The 4 countries marked with an asterisk dropped from fourth quintile positions in 2010. Of these, the Democratic Republic of the Congo (Kinshasa) and Algeria deteriorated the most. Both had relatively low fourth quintile scores last year. Among the countries with fifth quintile scores both this year and last only two, Russia and Turkmenistan, improved this year. This was most apparent in Russia's case; it scored 81.2 this year (almost rising into the fourth quintile), compared with 91.5 in 2010.

The world's proved oil reserves

The 2010 edition of the *BP Statistical Review* gives the location of the world's proved oil reserves. A significantly large proportion of those reserves are situated in parts of the world that survey participants regard as posing the greatest barriers to upstream petroleum investment. Led by Venezuela, Iran, and Iraq, the 10 fifth quintile countries for which reserves data are identified in that publica-

Table 2: Proved oil reserves of fifth quintile countries

	Reserves at the end of 2009* (in billions of barrels)
Venezuela	172.3
Iran	137.6
Iraq	115.0
Russia	74.2
Libya	44.3
Kazakhstan	39.8
Algeria	12.2
Ecuador	6.5
Turkmenistan	0.6
Uzbekistan	0.6
Total	603.1
World total excluding Saudi Arabia and Mexico*	1,056.8

* Canadian proved reserves include 27.1 billion barrels for oil sands "under active development."
Source: *BP Statistical Review*, 2010

tion hold approximately 603.1 billion barrels of proved reserves (*BP Statistical Review*, 2010) (see table 2). These reserves constitute approximately 57 percent of the world's total proved reserves that are accessible to international oil companies (ie., excluding those in Mexico and Saudi Arabia where involvement in petroleum development with the local national oil company is generally limited to that of a subcontractor). Together, the fifth quintile countries listed in table 2, and the 12 fourth quintile countries for which reserves data are provided (led by Nigeria and Angola with 37.2 billion barrels and 13.5 billion barrels, respectively) hold approximately 65 percent of the world's accessible oil reserves.[2] These reserves data suggest that global oil exploration and production development is likely to be slower and more costly (because of the greater expense that investors face in such regions) than would otherwise be the case. The difficulty that the world faces with respect to the pace of petroleum production development is compounded by the fact that the development and production of reserves in countries with national oil companies, such as Iran

2 The share of the world's proved oil reserves controlled by countries regarded as relatively unattractive for investment because of their fourth and fifth quintile scores would be a bit less (at about 57 percent) if Canadian oil sands reserves were not, according to the *BP Statistical Review*, restricted to volumes "under active development" (which refers to reserves from which production is now occurring or being developed). Similarly, the share represented by the fifth quintile countries would be less, but nevertheless a shocking 50 percent.

and Venezuela, generally requires the international oil companies to enter into production or revenue sharing arrangements, which investors frequently find to be relatively unattractive.[3]

Commercial Environment Index findings

Figure 5 ranks jurisdictions based on the five commercial environment index factors: fiscal terms, taxation regime, trade barriers, quality of infrastructure, and labor availability.

Based solely on the responses to these commercial factors, the 10 least attractive jurisdictions are Venezuela, Iran, Bolivia, Libya, Uzbekistan, Ecuador, Kazakhstan, Algeria, Democratic Republic of the Congo (Kinshasa), and Turkmenistan. Algeria and the Democratic Republic of Congo (Kinshasa) displaced Ukraine and Russia from the list this year.

Mississippi ranks as the most commercially attractive jurisdiction this year, followed by Oklahoma, Texas, Victoria, Hungary, South Australia, Tasmania, West Virginia, Saskatchewan, and Ohio.

Except for Hungary, New Zealand, Netherlands—North Sea, Netherlands, and Chile, the 20 other jurisdictions scoring in the first quintile according to this measure were either in the United States, Australia, or Canada. No African, Asian, or Middle Eastern jurisdictions were represented in this group. Qatar, which had a first quintile score on this measure in 2010, dropped to a high second quintile position mainly because of worse scores for its fiscal regime and general taxation.

Regulatory Climate Index results

The Regulatory Climate Index ranks jurisdictions according to investors' perceptions of the regulatory hurdles they face, including regulatory uncertainty and duplication, labor regulations, fairness and transparency of the legal system, and the cost of compliance.

As figure 6 shows, the 10 worst scorers this year on this index were Venezuela, Kazakhstan, Ecuador, Iran, the US Offshore—Pacific, Bolivia, Russia, Uzbekistan, Iraq, and Turkmenistan. Each of these jurisdictions except for the US Offshore—Pacific and Iraq, which displaced Ukraine and Nigeria, were also among those with the worst regulatory climate in 2010. Poor performance on regulatory issues is a major reason why investors consider many jurisdictions to be relatively unattractive.

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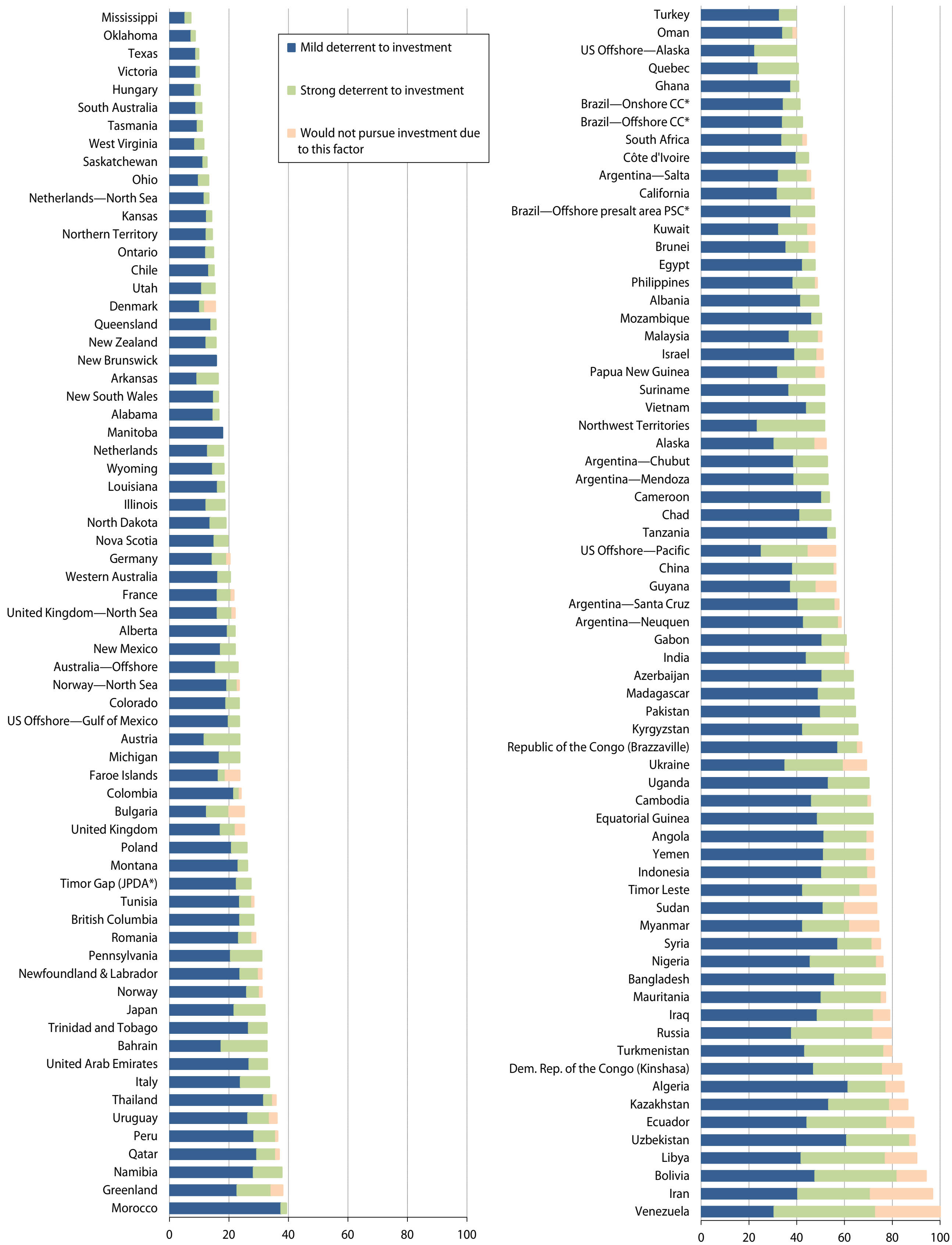
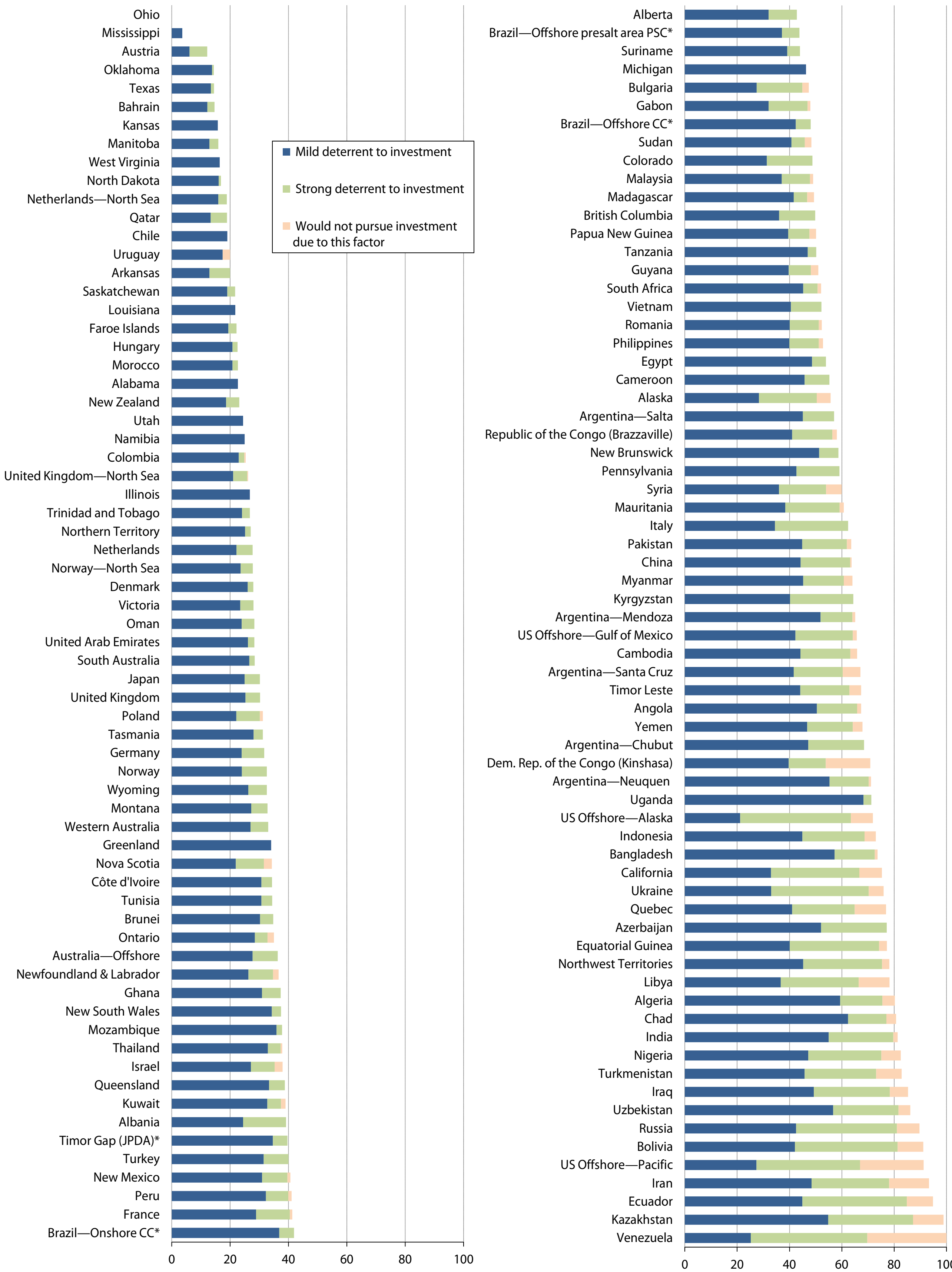
3 While the observations made in this paragraph do not take into consideration the natural gas reserves that fourth and fifth quintile countries hold, the general conclusion reached, ie., that these countries possess a dismayingly large proportion of the world's petroleum reserves, was not altered when the natural gas reserve estimates for countries around the world provided in the *BP Statistical Review* were examined.

Figure 5: Commercial Environment Index



* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 6: Regulatory Climate Index



* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

The 10 most attractive jurisdictions in terms of regulatory factors this year are Ohio, Mississippi, Austria, Oklahoma, Texas, Bahrain, Kansas, Manitoba, West Virginia, and North Dakota. Other jurisdictions whose regulatory climate scores put them in the first quintile are the Netherlands—North Sea, Qatar, Chile, and Uruguay. The US Gulf of Mexico, which placed in the first quintile on this index in 2010, scored much more poorly this year and dropped to the fourth quintile. This sharp drop was likely a reflection of the US government's reaction to the BP oil spill. Quebec's score also dropped considerably on this index this year, to 118th place from 92nd in 2010.

Geopolitical Risk Index

The Geopolitical Risk Index focuses on political risk and security. As figure 7 illustrates, 18 jurisdictions scored between 80 and 100 (in the fifth quintile) on geopolitical risk this year (up from 14 in 2010), indicating that upstream investors regard them as posing considerable political and/or security risks. These jurisdictions are the Democratic Republic of the Congo (Kinshasa), Iraq, Venezuela, Pakistan, Algeria, Yemen, Madagascar, Nigeria, Bolivia, Iran, Republic of the Congo (Brazzaville), Chad, Equatorial Guinea, Ecuador, Egypt, Timor Leste, Kyrgyzstan, and Mauritania. The 16 jurisdictions with scores of 60 to 79.99 (fourth quintile) on this index also appear to present considerable concerns to investors, especially Sudan, Côte d'Ivoire, Libya, Angola, Uzbekistan, Papua New Guinea, and Uganda.

For some countries, a relatively high percentage of the negative responses received on questions of political stability and security indicated that respondents simply "would not pursue investment" there because their geopolitical risk. These apparently high risk jurisdictions include the Democratic Republic of Congo (Kinshasa), Iraq, Venezuela, Yemen, Nigeria, and Libya.

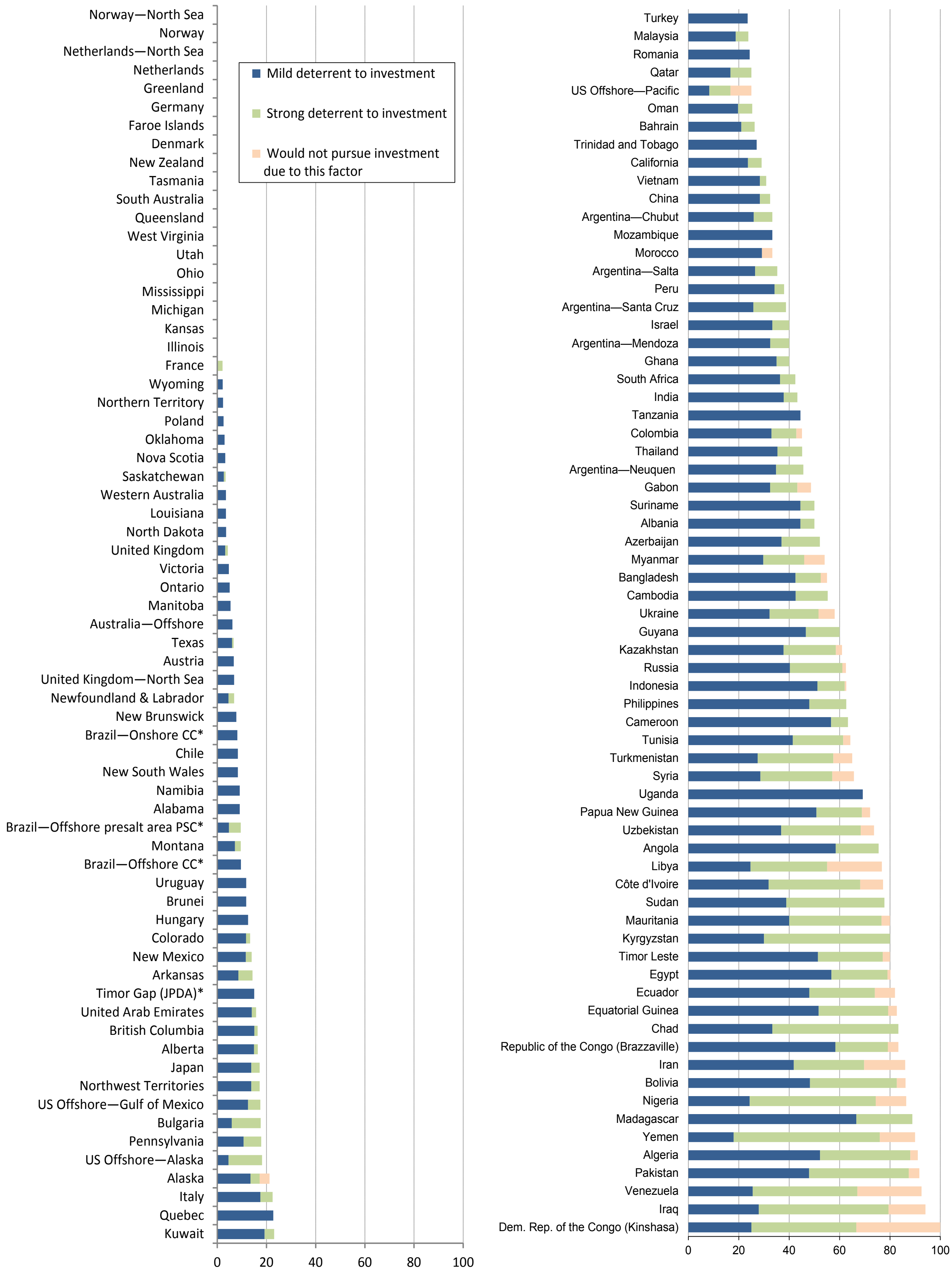
Potential for improvement

In this year's survey, respondents were asked "How much do you think oil and gas exploration and development in each of the jurisdictions with which you are familiar might increase if a full and complete transition to 'Best Practices' in relation to the main drivers of investment decisions—such as royalties, environmental regulations, cost of regulatory compliance, profit repatriation, a fair and transparent legal system, and security of personnel and assets—were to occur?"

Respondents were asked to select from one of five possible responses: 1) Not at all; 2) Only slightly; 3) 20 to 50 percent; 4) 50 to 100 percent; or 5) More than 100 percent.

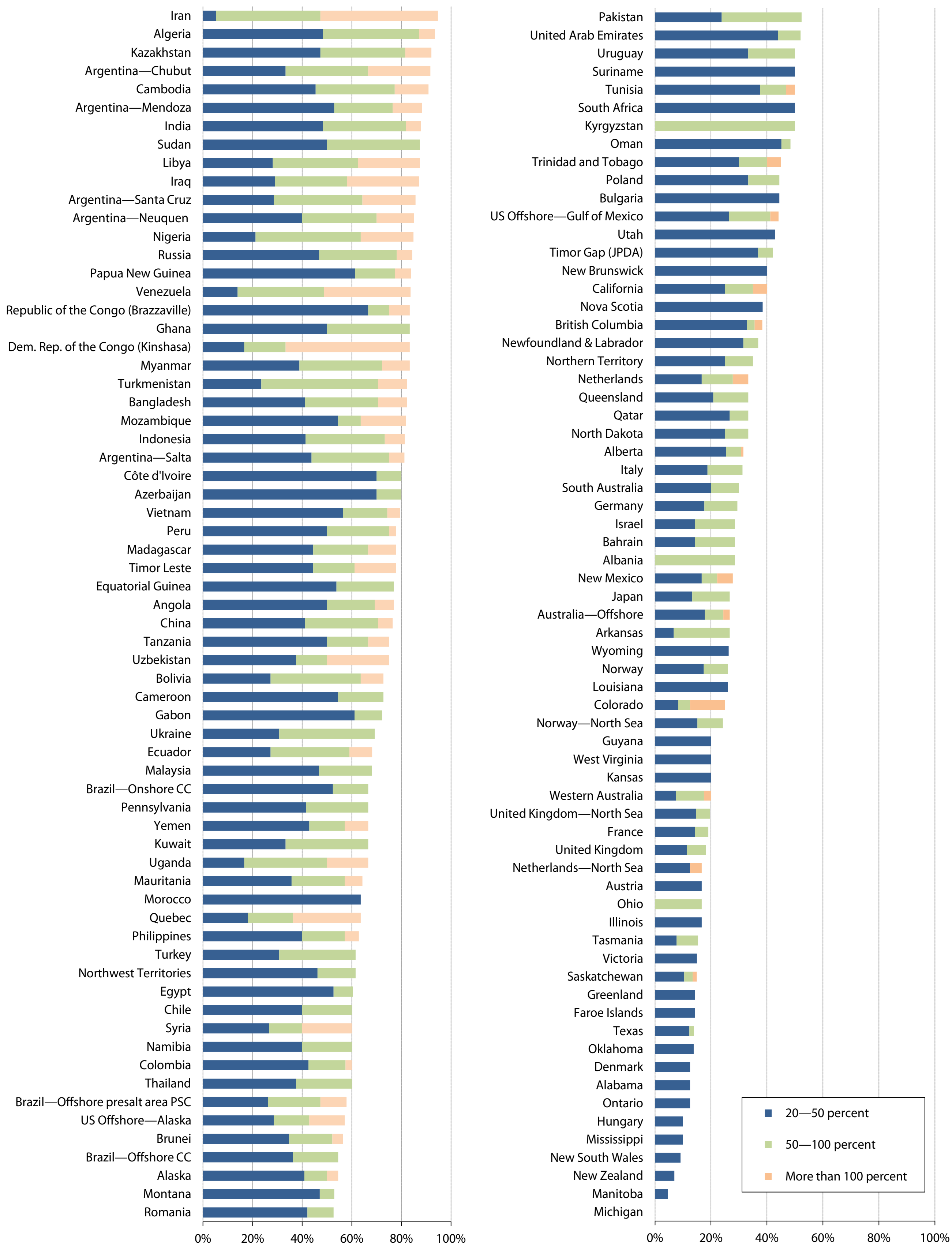
The results indicate that relatively large percentages of respondents believe that exploration and development might be likely to increase by more than 100 percent in Iran, Venezuela, the Democratic Republic of the Congo (Kinshasa), Iraq, the Argentinean province of Chubut, and Quebec if best practices were adopted. Combining all the responses that indicate that best practices could increase exploration and development by at least 20 percent (ie., the number 3, 4, and 5 responses)

Figure 7: Geopolitical Risk Index



* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 8: Transition to best practices



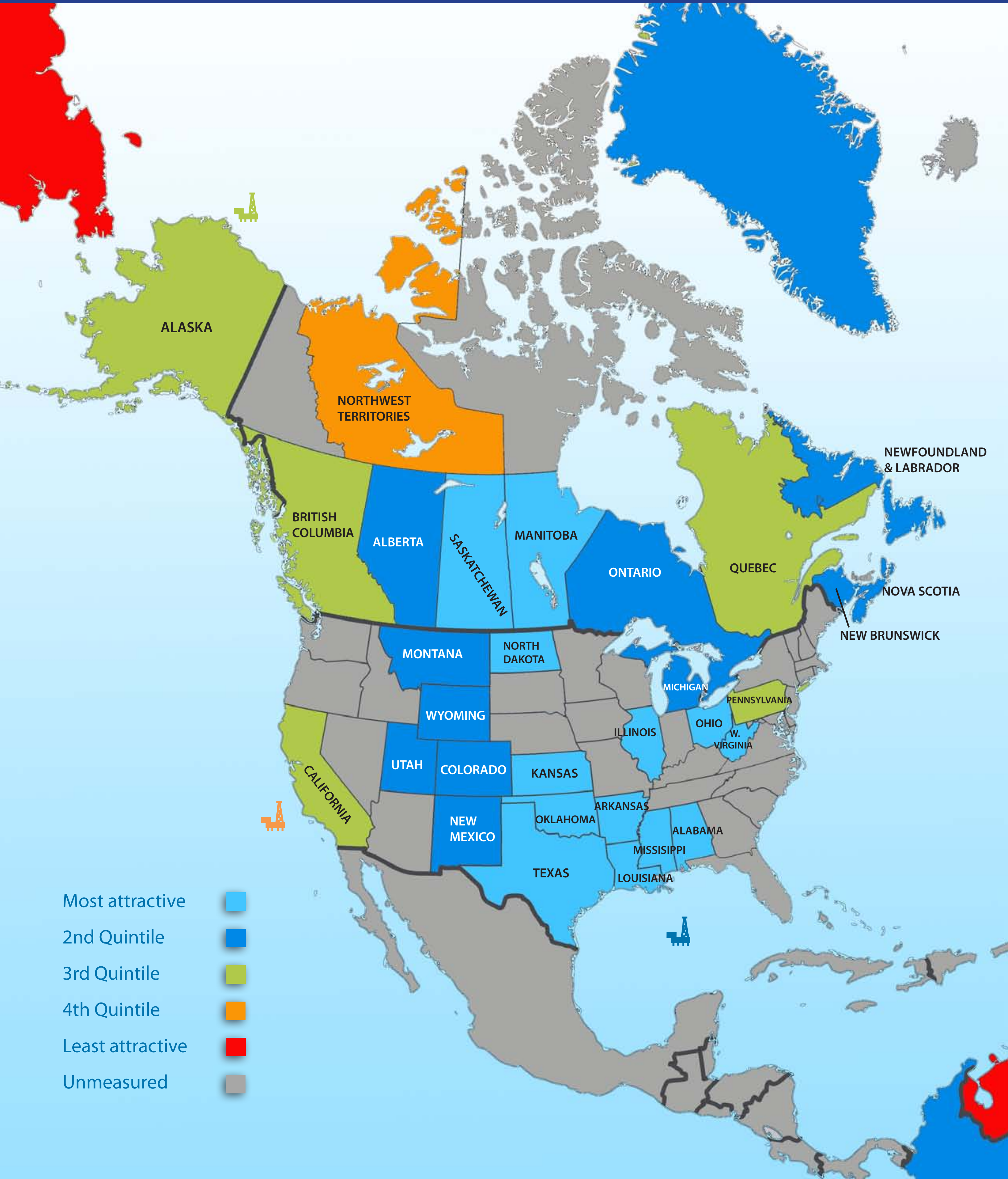
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

indicates that the survey respondents believe that activity could be boosted considerably in Iran, Algeria, Kazakhstan, Argentina's Chubut Mendoza, Santa Cruz, and Neuquen provinces, Cambodia, India, Sudan, Libya, Iraq, Nigeria, Russia, Papua New Guinea, Venezuela, the two Congo republics, and Ghana (see figure 8). Moreover, as figure 8 indicates, improvements to laws and regulations offer the promise of considerably more exploration and development in many other jurisdictions on condition that their geological potentials are sufficiently attractive.

As one might expect, generally speaking, many of the jurisdictions that investors ranked as unattractive this year, such as Iran, Venezuela and Libya, are among those that respondents feel would benefit the most from the adoption of best practices. Conversely, jurisdictions that investors considered already attractive as investment prospects are generally places where the adoption of best practices would have little impact. For example, 5 of the 10 jurisdictions where movement towards best practices is regarded as having the least potential impact are in the group ranked most attractive for investment this year. The remaining 5 jurisdictions all had respectable second quintile scores.

For jurisdictions where the adoption of best practices would have little impact, such as Michigan, Manitoba, New Zealand, New South Wales, Mississippi, Hungary, Alabama, Denmark, Oklahoma, and Texas, the findings suggest that the respondents believe that the current laws, regulations, and institutional arrangements that govern exploration activity are already closely representative of "best practices." The legal foundations in these jurisdictions would appear to offer attractive templates for officials in jurisdictions where the adoption of best practices would be most welcomed by investors.

Figure 7: NORTH AMERICA 2011



Results by continental region

North America

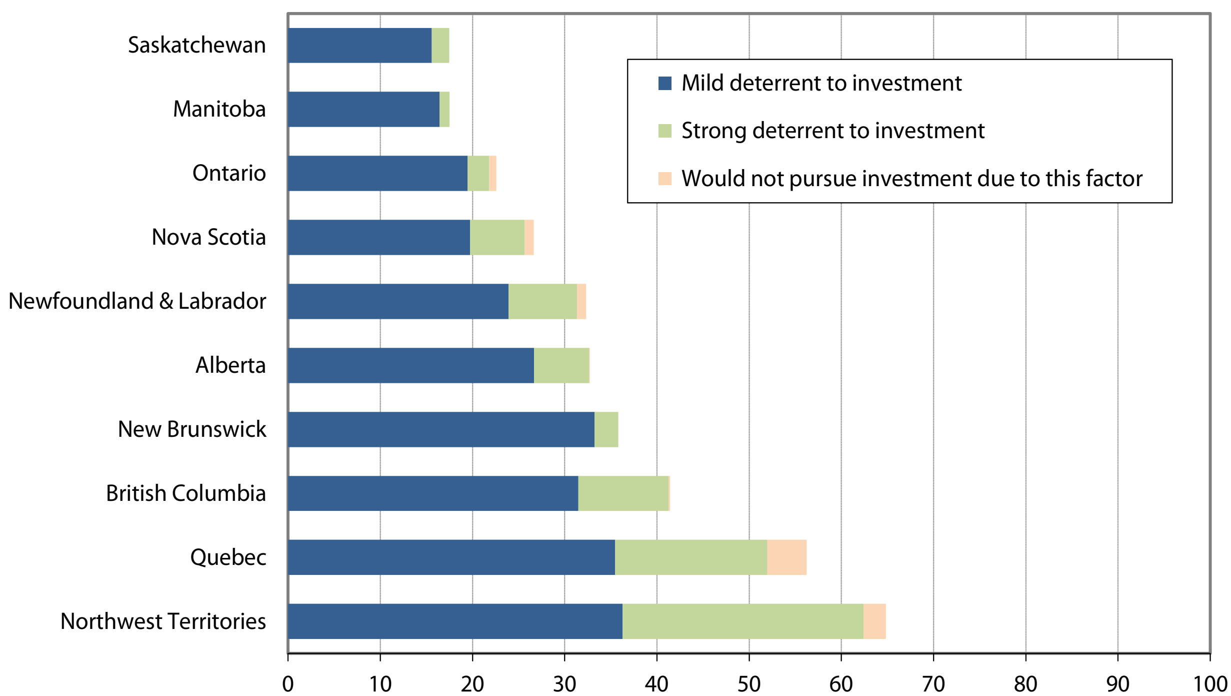
Compared to other regions of the world, many jurisdictions in Canada and the United States are rated as attractive for upstream investment.

Canada

As figure 10 illustrates, investors find the Northwest Territories the least attractive jurisdiction in Canada, mainly because of native land claims and various regulatory issues. Specifically, the Northwest Territories ranks as the least attractive jurisdiction globally for petroleum development due to obstacles posed by land claim problems. This jurisdiction is also seen as the second worst globally for its regulatory compliance and uncertainty surrounding specially protected areas. It is also the eighth worst jurisdiction worldwide in terms of uncertainty and difficulties related to environmental regulation.

The judgments by survey respondents about a number of regulatory factors related to the Northwest Territories were likely influenced by the length of time that was required by the regulator to reach a decision on the Mackenzie Gas Project application, as well as with some of the conditions that were attached to the decision when it was finally released, both of which significantly increase

Figure 10: All-Inclusive Composite Index—Canada



the project cost. The Northwest Territories' position also deteriorated from 2010 due to the poorer scores it received on the question of regulatory duplication and consistency.

The second worst Canadian jurisdiction this year is Quebec. It remained in the third quintile, but received a much worse score than in 2010. Its drop was mainly due to slippage in scores on various regulatory questions in the survey, including those on jurisdiction duplication and overlapping, administrative uncertainty related to regulations, and regulatory compliance. Quebec also fared more poorly than in 2010 on questions about socio-economic agreements and labor regulations.

Somewhat surprisingly, according to upstream petroleum investors the third least attractive Canadian jurisdiction this year is British Columbia. Its score tumbled into the third quintile following second quintile showings in prior years. The deterioration in BC's rank resulted from poorer scores on most of the regulatory issue questions, including regulatory uncertainty, cost of compliance, and environmental regulations. The province's score on the "taxation in general" question also deteriorated. British Columbia continues to be among the least attractive jurisdictions in the world on land claims issues.

As in 2009 and 2010, Saskatchewan and Manitoba are the top two Canadian jurisdictions and currently rank as the 11th and 12th most attractive jurisdictions worldwide. This year, however, Saskatchewan moved slightly ahead of Manitoba (see table 3). The strong ratings investors gave these two provinces reflect strong scores on both regulatory and commercial survey questions.

Table 3: Rankings of Canadian jurisdictions for 2011 and their All-Inclusive Index scores

Rank in 2011	Jurisdiction	Value	Rank in 2010
1	Saskatchewan	17.48	2
2	Manitoba	17.52	1
3	Ontario	22.57	3
4	Nova Scotia	26.64	7
5	Newfoundland & Labrador	32.34	5
6	Alberta	32.73	8
7	New Brunswick	35.80	N/A
8	British Columbia	41.44	6
9	Quebec	56.24	10
10	Northwest Territories	64.84	9

Ontario remained in third place in the Canadian rankings again this year, followed by Nova Scotia and Newfoundland & Labrador.

Sixth place Alberta improved slightly from its place in 2010. Its improvement was mainly a reflection of better marks for fiscal terms following the special drilling incentives that were announced in May last year after the 2010 survey had been completed. Alberta also improved its score on the general taxation question. However, Alberta only moved up to 51st spot (of 135) in the overall rankings compared with 60th position (of 133) in 2010. The rise was muted because the improvements mentioned were partially offset by investors' continued concerns about regulatory issues, especially uncertainty related to environmental regulations and the cost of regulatory compliance.

Table 3 summarizes this year's changes in the relative attractiveness of Canadian jurisdictions compared with the 2010 results.

Comments from respondents about Canadian provinces and the Northwest Territories ranged from complimentary to critical, as follows:

Alberta

> "Responding the most to shifting technology from both a regulatory and royalty perspective. Infinitely more 'user friendly' than in 2008."
>
> "While not perfect, still has relatively low political risk and an attractive royalty regime. Major companies and investors still see Alberta as an area of growth and development."
>
> "While Alberta has gone some distance to amend the royalty terms it lacks the political leadership to provide for long-term stability."
>
> "Public attitudes still reflect the widely held view that the industry is not acting in the public interest and must be 'fixed.'"
>
> "Government needs to be more consistent with policies on royalty and environmental issues."

British Columbia

> "Continues to lead the pack in terms of competitiveness."
>
> "More willing to work closely with industry to find win-win solutions."
>
> "Change of government leadership and senior bureaucrats, though, may be a problem in the future."

Manitoba

> "Qualified labor and best tax regime."

“Manitoba has a relatively small piece of the basin but is smart enough to want employment rather than worry about trying to collect royalties.”

Newfoundland & Labrador

“Unfavorable fiscal terms and difficult negotiations with provincial bodies.”

“Aggressive one-off deals required to obtain project approvals from the government.”

Quebec

“The province’s decision to halt shale gas development based on bad information and overzealous environmentalists.”

“The government should have taken the lead after the *Bureau d’audiences publiques sur l’environnement* (BAPE) public hearings on the environment, rather than allowing misinformed activists to generate stories that sell newspapers to stir up public resentment for the fledgling gas industry. Must act on the information and recommendations that operators have supplied in good faith.”

Saskatchewan

“Has a good fiscal regime and a very favorable, clear regulatory regime.”

“Long-term stability on royalties. Business-friendly government and communities.”

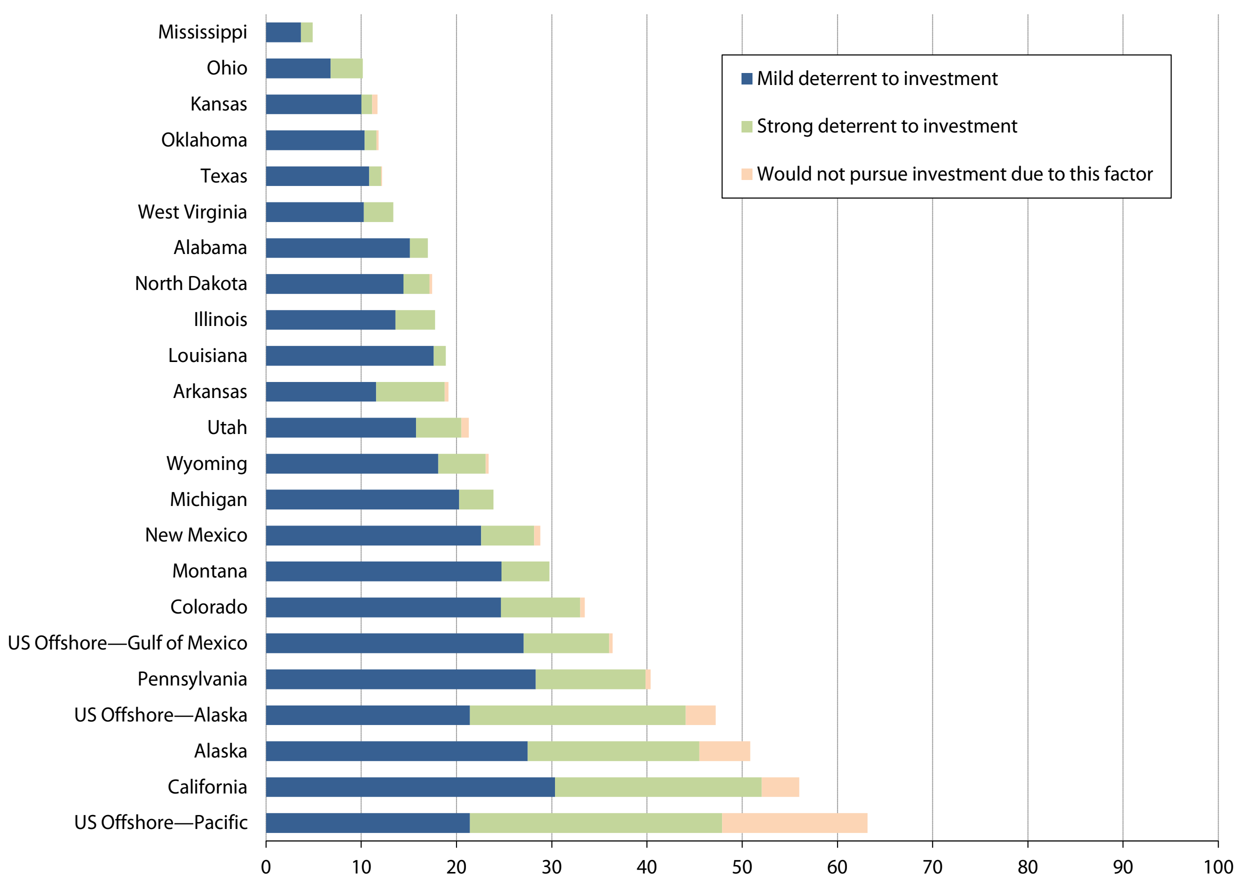
“They understand the petroleum industry is a part of the province’s business and how important it is to the cash base of the province.”

The United States

As figure 11 illustrates, the US Offshore Pacific had the worst All-Inclusive Composite Index score among the 23 US jurisdictions that were evaluated this year. The next least attractive US regions are California, Alaska, and the US Offshore—Alaska. Investors continue to be turned off by environmental regulations and related uncertainties in these areas. Of the 135 jurisdictions that were ranked this year, the US Offshore—Pacific and US Offshore—Alaska jurisdictions, along with California, were ranked as having the greatest barriers to investment on this account. The US Offshore—Gulf of Mexico, Colorado, Alaska, and Pennsylvania also scored poorly on the environmental regulation question.

Led by Mississippi, Ohio, Kansas, Oklahoma, and Texas, 11 US states are among the 15 most attractive jurisdictions for investment worldwide, as indicated by their first quintile scores. All eleven states received relatively very positive results across the full array of survey questions. Their attractiveness for investment is underscored by the first quintile or low second quintile scores each obtained on both the commercial environment and regulatory climate indices. The biggest change this year is with West Virginia, which jumped to 6th place (of 135) from 49th place (of 133) in 2010,

Figure 11: All-Inclusive Composite Index—United States



as the result of its much improved fiscal regime and taxation question scores, as well as in regard to regulatory duplication and consistency, and labor regulation issues.

Seven US jurisdictions (of 23) had relatively attractive second quintile rankings. However, the worst performer of this group, the US Offshore—Gulf of Mexico, is much less attractive to investors than it was a year ago. The decline is a reflection of the jurisdiction's much poorer scores across a broad range of survey questions following the BP oil leak disaster, most importantly those pertaining to regulatory regulation uncertainty, the cost of regulatory compliance, uncertainty regarding environmental regulation, and regulatory duplication and inconsistency.

Pennsylvania, which had a low third quintile score again this year, has about the same global ranking as in 2010. Environmental regulation issues continue to be a major obstacle to investment in that state, particularly in relation to development and production of natural gas in the Marcellus shale play.

Alaska also remained in the third quintile but dropped in the global rankings from 68th position (of 133) to 83rd position (of 135) due to poorer scores on a number of issues including fiscal terms, environmental regulation, the cost of regulatory compliance, uncertainty around the interpretation of regulations, uncertainties about protected areas, and native land claims.

Comments received with regard to a number of American jurisdictions are presented below.

USA in general

> "Stability in most fiscal terms relative to other jurisdictions, although future erosion of profitability is inevitable."

California

> "Stable regulatory environment, but some problems with environmental restrictions, especially wait times for governmental approval to drill in 'environmentally sensitive areas.'"

Colorado

> "One policy change will not materially improve the business climate. Many changes are needed starting with air regulations and their stewardship by the Department of Public Health and Environment. Second on the list would be to repeal the new onerous regulations recently adopted by the Colorado Oil & Gas Commission."

> "Regulatory delays, inconsistent enforcement of regulations, changing regulatory environment, and conflicted political appointees in regulatory approval processes."

North Dakota

"Good returns at reasonable risk. Development potential with attractive geology and fiscal terms and skilled workforce."

"Oil shale is very prolific as of now. With time, more exploration, and improvements in technology, it will be one of the best oil plays."

Louisiana

"Favorable corporate taxation framework. Clearly defined environmental regulations."

Oklahoma

"Energy-friendly state with rich resource base and predictable political and regulatory environment."

Ohio

"In the southern and eastern areas people are more open to oil and gas development than in other parts of the state."

Pennsylvania

"Attractive because of the geological opportunity and economics of the Marcellus and other shales, including natural gas, natural gas liquids and condensate."

"Permit costs, regulatory differences from region to region (inconsistent interpretation and enforcement), growing inconsistent involvement by local government agencies and authorities."

Texas

"Stable and predictable regulatory framework. Business and regulatory framework is practical and the state encourages investment."

"Texas Railroad Commission is antiquated, non-responsive, and understaffed."

US Gulf of Mexico

"Politically stable; good access to existing infrastructure."

Wyoming

"Good labor force, pro industry, fair regulatory environment."

Figure 10: EUROPE 2011

Most attractive | 2nd Quintile | 3rd Quintile | 4th Quintile | Least attractive | Unmeasured

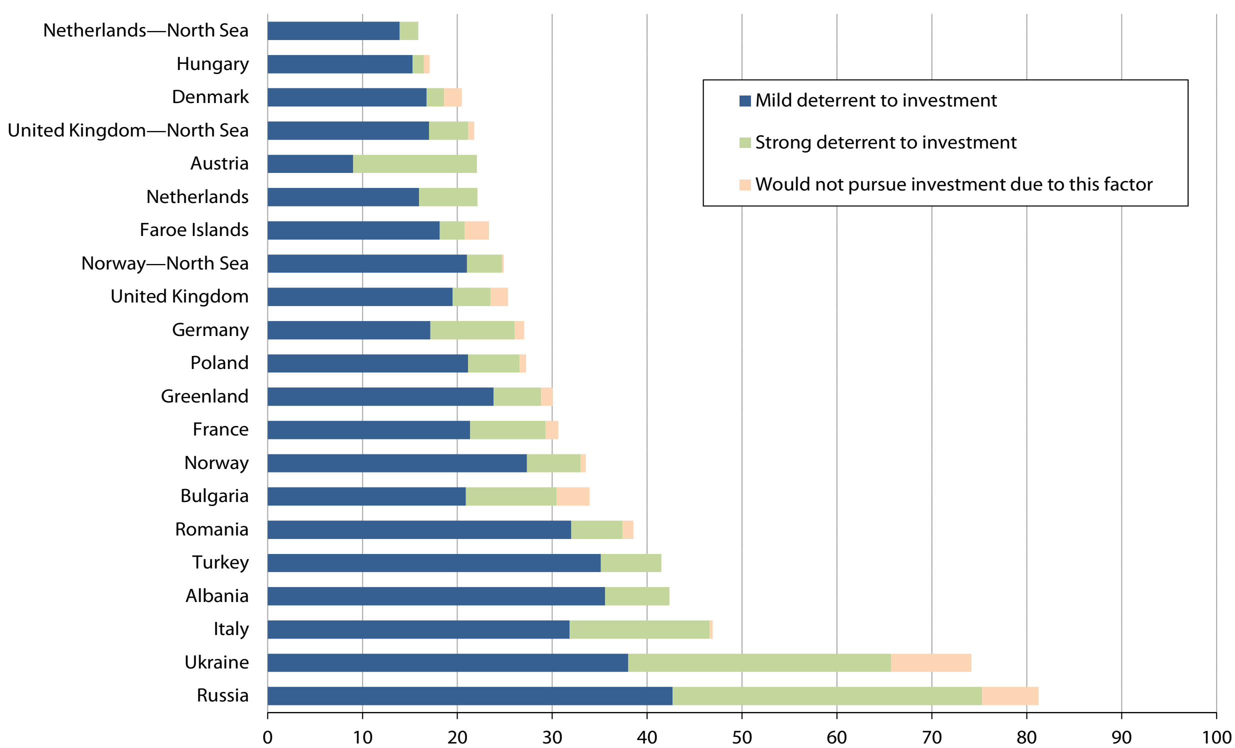
Europe

Figure 13 presents and compares the scores for the European jurisdictions based on the All Inclusive Composite Index.

This year, Russia has been included with the European jurisdictions instead of with Asia. Without this addition, Ukraine would have been classified as the least attractive place for investment again this year. Although Russia received the poorest score of all of the European jurisdictions and is the only one with a fifth quintile placing, Russia's performance improved this year, enabling it to move upwards slightly in the global ranking. Ukraine's score improved even more, moving it up to the fourth quintile and a rank of 119 (of 135) compared with 130 (of 133) in 2010. Comparison of this year's results for Ukraine with last year according to the Commercial Environment Index and the Regulatory Climate Index indicates that improvements occurred over a range of factors affecting both business conditions and the regulatory environment.

Turkey, Albania, and Italy retained their mediocre third quintile status this year. The improvement in Turkey's regulatory climate was more than enough to offset poorer scores related to factors shaping the country's commercial environment (especially fiscal terms). This allowed Turkey to move up in the global ranking to 70th position (of 135) from 84th (of 133) last year.

Figure 13: All-Inclusive Composite Index—Europe



Bulgaria and Romania both moved up into the second quintile from the third. In both cases this was mainly a result of their improved performance on the fiscal terms question as well as on the regulatory climate that investors face.

The remainder of the European jurisdictions all achieved attractive first or second quintile classifications. Except for Netherlands—North Sea, Hungary, and Austria, there were few significant changes between last year and this in either the All Inclusive Index scores or the global rankings. Netherlands—North Sea moved into the first quintile and 7th position globally (of 135) from 49th (of 133). Hungary also moved up considerably, jumping to 9th spot overall from 43rd in 2010. In both Netherlands—North Sea and Hungary, the improvement was widespread, including fiscal terms, taxation in general, and the cost of regulatory compliance.

This year, Austria slipped from the first to the second quintile, and from 5th position globally to 23rd, mainly because of significantly poorer scores on the fiscal terms and taxation questions. The country's favorable regulatory climate does not appear to have changed.

The following comments are typical of those received with regard to various European jurisdictions:

Albania

> "Attractive because of its emerging market, new privatization, and proximity to markets."

Austria

> "Politically stable with low tax regime."

France

> "Delays in granting shale exploration licenses; [they should] reduce the relinquishment requirements."

Germany

> "Lack of transparency of regulation and no centrally held database."

Greenland

> "Stable and encourages investment."

> "Large perceived potential for hydrocarbons."

Hungary

"Projects are available for small companies, prospective oil and gas basins, acceptable fiscal terms and risks."

"Fiscal terms, risks, etc. are acceptable."

Italy

"Weak central government allows too many municipalities and regions to interfere in the permitting process."

Netherlands

"Most friendly investment framework; consistent policy."

Netherlands/France

"Environmental/political impediments... slow to accept/adapt to changing technological environment."

Norway

"Stable, transparent policies."

"Uncertainties/lack of predictability with respect to new material exploration opportunities due to lack of policy regarding opening of new areas; complex discretionary system for regulatory compliance; fiscal system design somewhat counterproductive/lack incentives for late field life investments in improved or enhanced oil recovery."

Poland

"Good potential for unconventional gas development, relatively low costs, developed market and infrastructure, and fantastic fiscal terms."

Russia

"Highest reserves and production potential, an improving jurisdiction with manageable risks, skilled labor."

"Uncertainty about taxation, increased resource nationalism, non-transparent licensing process."

Turkey

"Good fiscal regime, stable government and limited competition."

United Kingdom

"Political stability, competitive fiscal terms, highly developed exploration and development business environment."

UK North Sea

"Attractive because of political stability, fiscal regime, infrastructure, proximity to markets, and skilled labor force."

Ukraine

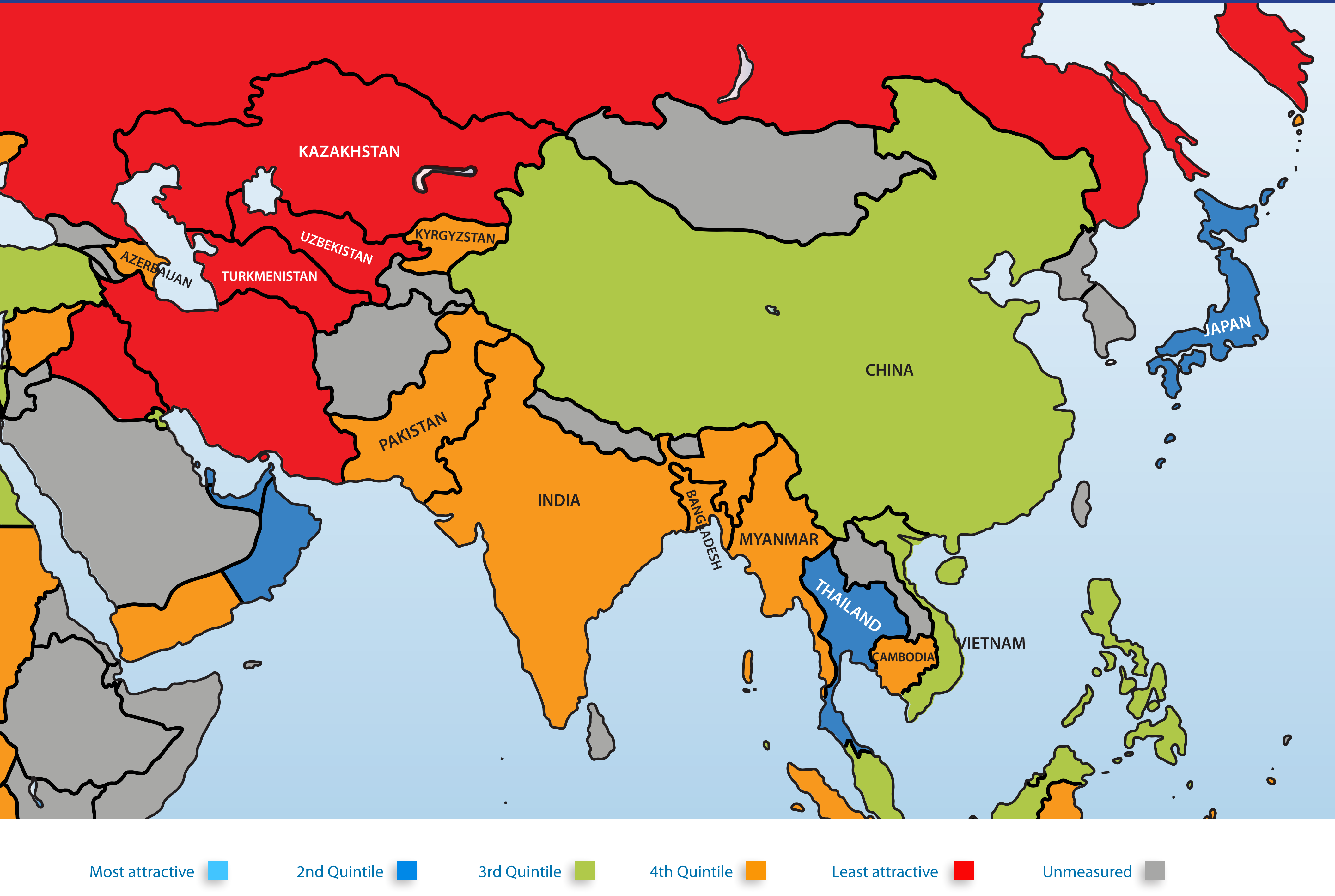
"Unstable, unpredictable, difficult to interact with state authorities."

"Incredibly slow decisions processes due to political instability."

Western Europe

"The opportunities available fit our skill set. Stable governments and royalty regimes. Prefer over North America as gas prices there will stay low for the foreseeable future and the cost of getting a land position in Western Canada with respect to oil is too expensive."

Figure 14: **ASIA** 2011



Asia

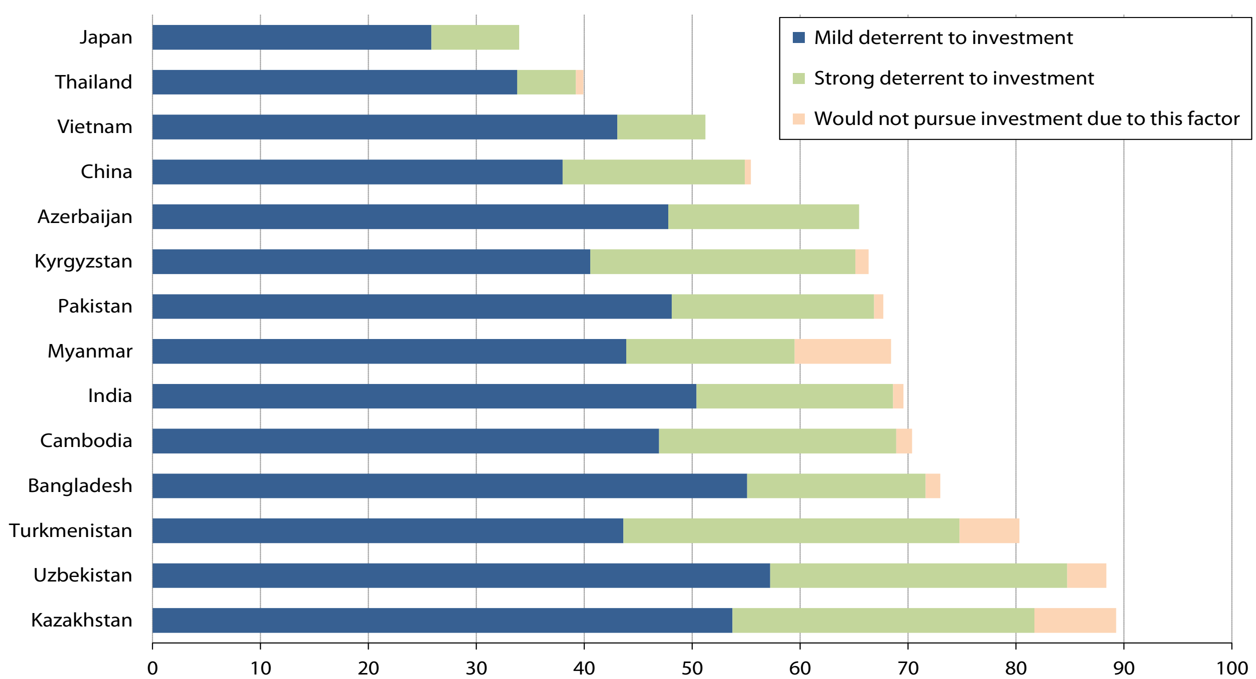
Figure 15 ranks the Asian jurisdictions according to their scores on the All-Inclusive Composite Index.

Three of the 12 least attractive jurisdictions worldwide, those with scores in the fifth quintile, are the former Soviet republics of Kazakhstan, Uzbekistan, and Turkmenistan in central Asia. These countries also rank among the 10 worst jurisdictions worldwide on both the Commercial Environment Index and Regulatory Climate Index. Of the 3, only Turkmenistan's score improved from 2010, though the change was not enough to lift the country into the fourth quintile.

The 7 fourth quintile Asian countries this year, Bangladesh, Cambodia, India, Myanmar, Pakistan, Kyrgyzstan, and Azerbaijan, all had fourth quintile scores in 2010 as well. Except for Kyrgyzstan, however, they all received poorer scores this year (especially Cambodia). Kyrgyzstan moved from 123rd position (of 133) in the global rankings on the All Inclusive Composite Index in 2010 to 105th place (of 135). The improvement resulted mainly from an improvement in the country's regulatory climate as suggested by stronger scores on uncertainty concerning environmental regulation, the cost of regulatory compliance, and perceived clarity and fairness of the legal system. Respondents also rated Kyrgyzstan higher this year on the breadth and quality of its geological database.

Vietnam and China remained in the second quintile this year. However, the scores for both countries, especially Vietnam, dropped this year. China's global attractiveness remained essentially the

Figure 15: All-Inclusive Composite Index—Asia



same as in 2010, but Vietnam dropped from 64th place (of 133) in 2010 to 84th (of 135) because of some deterioration in its commercial environment (eg., the fiscal regime) and the regulatory climate (including uncertainty about regulatory administration and interpretation).

The two most attractive countries for upstream petroleum investment in Asia according to survey respondents, Japan and Thailand, both scored better this year than last, and moved into the second quintile as a result. The change was most significant for Japan whose global rank rose to 56th (of 135) from 69th (of 133). Its rise was mainly due to improved scores on a range of factors affecting Japan's regulatory climate including environmental regulation, fairness of the legal system, and duplication of authority. However, respondents gave the country a poorer mark this year on the cost of regulatory compliance.

Comments received on the petroleum industry investment environment in various Asian countries include the following:

Azerbaijan

> "Stable, predictable, transparent."

Bangladesh

> "An under-explored country with strong potential gas demand. Not too difficult to negotiate reasonable terms with the govt. The country is safe to operate in and politically reasonably stable."

Cambodia

> "Offshore national boundary dispute with Thailand."

China

> "Huge amount of resources; broad market for oil and natural gas."

India

> "Offshore Bay of Bengal regions are attractive as, in spite of the major oil and gas discoveries off there in 2005, the extent of exploratory drilling is still very scanty in most sedimentary basins."

> "Expanding market for oil and gas, huge development potential, stable political, stable fiscal."

> "Some of our offshore blocks in India are disputed with its neighbors. That is why our company can't go forward with its exploration and development plans."

> "Bureaucratic, complex conflicting regulatory system."

> "Very poor access to data."

Kazakhstan

"Great potential of resources and many opportunities for upstream petroleum investment."

"Our business is a continuing target of new fines, fees, levies, and taxes which, although we are contractually protected, we nonetheless have to defend against and sometimes pay before we can even appeal.
- Threat of changing tax regime.
- Unstable legislative environment.
- Significant authority interference with operations.
- Unreliable courts and widespread corruption."

Kyrgyzstan

"This is frontier country that has been underexplored and underdeveloped for many years and there is significant prospectivity. The political environment is a bit of a challenge though."

Malaysia and Thailand

"Very proactive governments seeking investments along with quality exploration plays."

Myanmar

"Flexible with one-stop shopping for problem resolution; large reserves (especially gas); less environmental obstacles as in Thailand; and not as much competition."

Thailand

"Attractive because of fiscal terms, supportive regulator, strong local market for oil and gas, experienced workforce, and good industry infrastructure."

Vietnam

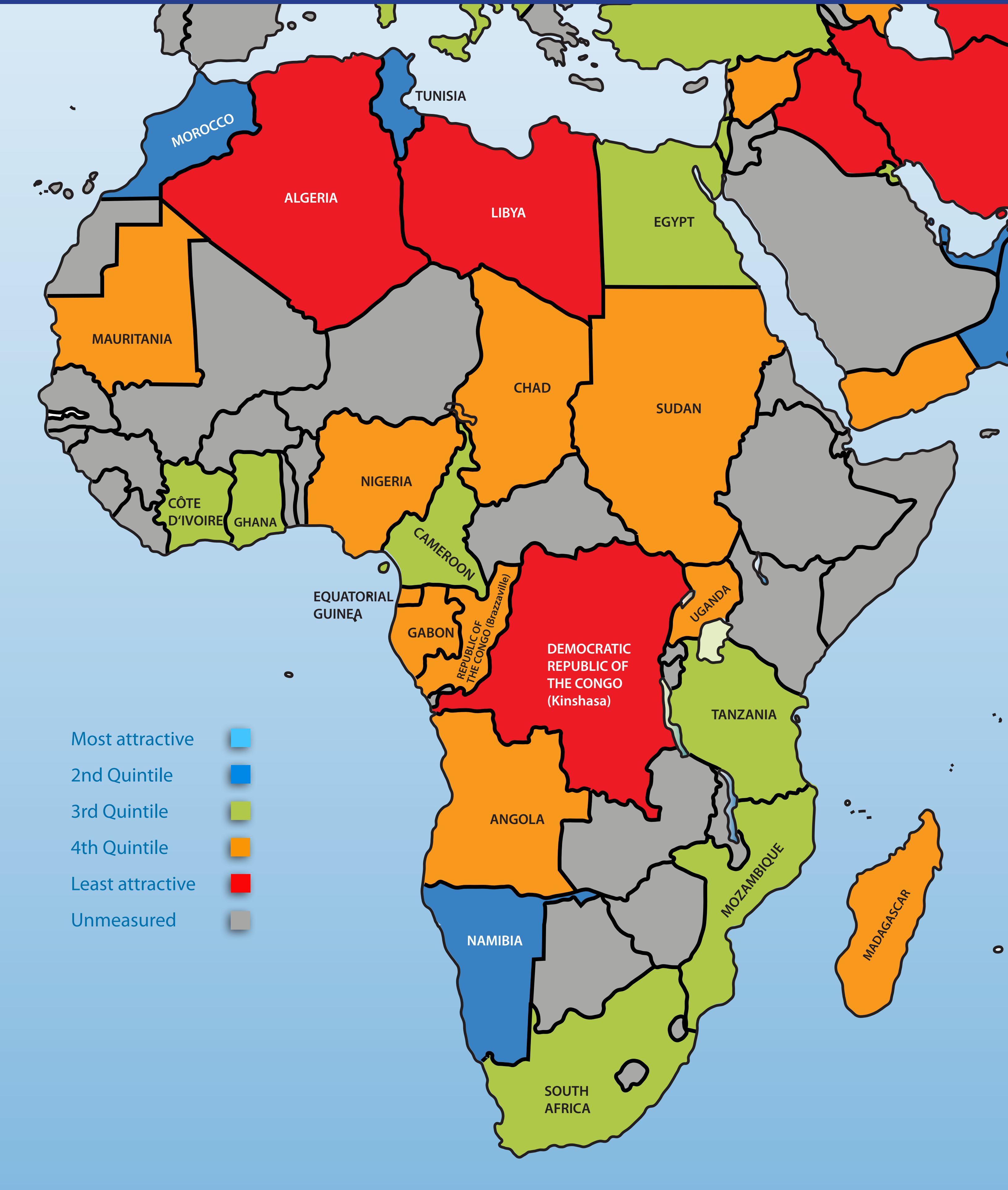
"Should clearly separate the roles and responsibilities of the national oil company, the regulatory/supervisory body and the licensing authority."

"Presents a frontier exploration and development opportunity and near term and future opportunities for increasing production in a politically stable environment."

Vietnam and China

"Government officials are very willing to help and welcome foreign investment. The potential reward-to-risk ratios are high."

Figure 16: AFRICA 2011



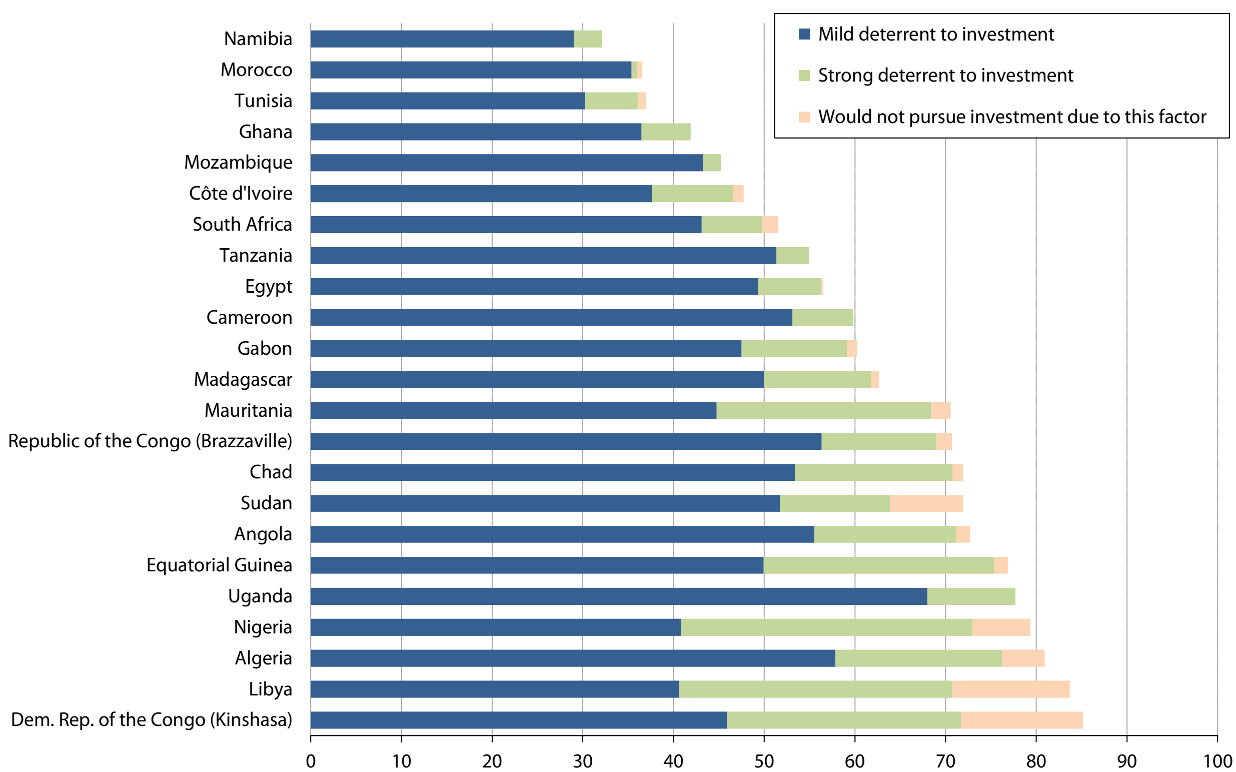
Africa

Respondents gave mixed reviews of African jurisdictions as investment targets. This is indicated by the wide range in country rankings on the All-Inclusive Composite Index (see figure 17).

As with Asia, this year Africa is represented by 3 countries in the group of 12 fifth quintile countries deemed to be the least attractive for investment. The Democratic Republic of the Congo (Kinshasa), Libya, and Algeria all tumbled into this group from fourth quintile scores. The deterioration in All Inclusive Index scores was greatest for the Democratic Republic of the Congo (Kinshasa) and Algeria. In the case of the DRC (Kinshasa), this can probably be attributed, at least to some extent, to the arbitrary revocation of agreements previously awarded to Tullow Oil and the transfer of the blocks in question to other companies. This mafia-style crony-capitalism has likely shattered whatever trust there may have been for the country's legal system. Not surprisingly, the DRC (Kinshasa) received greater percentages of negative responses (and therefore poorer scores) this year on survey questions about legal system fairness, security, political stability, protected areas, and regulatory compliance.

The next least attractive jurisdiction in Africa this year is Nigeria. Its score improved slightly, but just enough to allow it to move into the group of 10 fourth quintile countries which also includes (from worst to best) Uganda, Equatorial Guinea, Angola, Sudan, Chad, Republic of the Congo (Brazzaville), Mauritania, Madagascar, and Gabon. Mauritania was included in the survey this year for the first

Figure 17: All-Inclusive Composite Index—Africa



time. Five of the 9 fourth quintile countries that were ranked last year, Gabon, Madagascar, Angola, Equatorial Guinea, and Uganda, slipped from third quintile ratings. Of the 9 fourth quintile African countries that were ranked last year, only Nigeria and Sudan improved their scores. The scores and global rankings of Angola, Equatorial Guinea, and Uganda deteriorated the most.

Uganda suffered the greatest decline in standing, dropping from 94th overall (of 133) to 122nd place (of 135). Its poor score (high fourth quintile) is attributable to a number of factors, but especially legal system fairness and transparency (tied with Chad, Democratic Republic of the Congo (Kinshasa) and Venezuela as the worst jurisdictions on this factor); uncertainty about protected areas (the worst in the world in this regard); and the availability of infrastructure (tied for worst place again, worldwide). The country's score worsened compared with 2010 because of weaker ratings for commercial environment factors such as fiscal terms and general taxation, but also for its regulatory climate. The latter was as a result of lower grades on legal system fairness and conservation area uncertainty. (Uganda's poorer performance on general taxation likely reflects concern over its increasingly complex corporate taxation regime, including a possible capital gains tax.)

Africa has 7 jurisdictions with third quintile scores this year, all of which were in that quintile in 2010. As figure 17 shows, they range from Cameroon, which almost scored in the fourth quintile, to Ghana and Mozambique, both of which scored much better than in 2010. With its improved scores, Ghana moved up to 72nd position (of 135) from 89th spot (of 133), and Mozambique rose to 75th place from 97th. In both jurisdictions, the improvement was mainly from improvements to the regulatory climate, including the cost of compliance with regulations pertaining to the industry. Egypt and Cameroon, although still in the third quintile, both lost considerable ground in the global ranking.

Three African countries are in the attractive second quintile group: Namibia, Morocco, and Tunisia. Namibia's and Tunisia's scores and rank were essentially the same as in 2010. Morocco scored slightly better this year, which enabled it to move up from the third quintile.

Respondents' comments concerning African countries included the following:

Algeria

> "Has the highest upside potential for successful exploration."

> "Bureaucracy, inter-agency overlap and confusion, creeping protectionist legislation, unrealistic demands for local content participation, potential for social unrest."

Angola

> "Deepwater, pre-salt resources (similar to Brazil) will be attractive to many capable explorers among the majors."

Republic of the Congo (Brazzaville)

"Good subsurface potential (unexplored, large yet-to-find reserves). Fiscal terms are good. Reasonable deal flow."

Democratic Republic of Congo (Kinshasa)

"Onshore is uniquely unexplored and has very strong geologic fundamentals."

Egypt

"Relatively business friendly; numerous and varied opportunities."

Mauritania

"Political stability seems to have improved. Strong government desire to attract foreign investment."

Morocco

"Incentive fiscal terms, relatively stable and democratic politics, and infrastructure of relatively good quality. One problem, though, is the low prospectivity of available exploration blocks."

Mozambique

"Relatively unexplored. If government can overcome social movements in favor of renegotiating contracts, country has a bright oil and gas future."

Namibia

"Clean, compliant country with established extraction infrastructure and law."

Nigeria

"Huge oil and gas reserves, high quality, low cost crude, relatively attractive fiscal terms."

"The Petroleum Industry Bill is causing considerable uncertainty for potential deepwater offshore developments. Local content provisions are harsh and unrealistic. The bureaucracy is terrible. Corruption is rife."

Tunisia

"Good exploration opportunities and supportive investment environment despite recent political turmoil. Low royalty and taxes, no restrictions on movement of funds, and low regulatory compliance costs."

Figure 18: **MIDDLE EAST** 2011

Most attractive | 2nd Quintile | 3rd Quintile | 4th Quintile | Least attractive | Unmeasured

The Middle East

Figure 19 lists countries in the Middle East according to their relative attractiveness for investment on the All-Inclusive Composite Index scale.

There is considerable variation among the group of 10 Middle East countries ranked this year. (The survey includes Israel for the first time.) While 4 jurisdictions attained respectable second quintile results again this year, there are two Middle East jurisdictions wih scores in each of the third, fourth, and fifth quintiles.

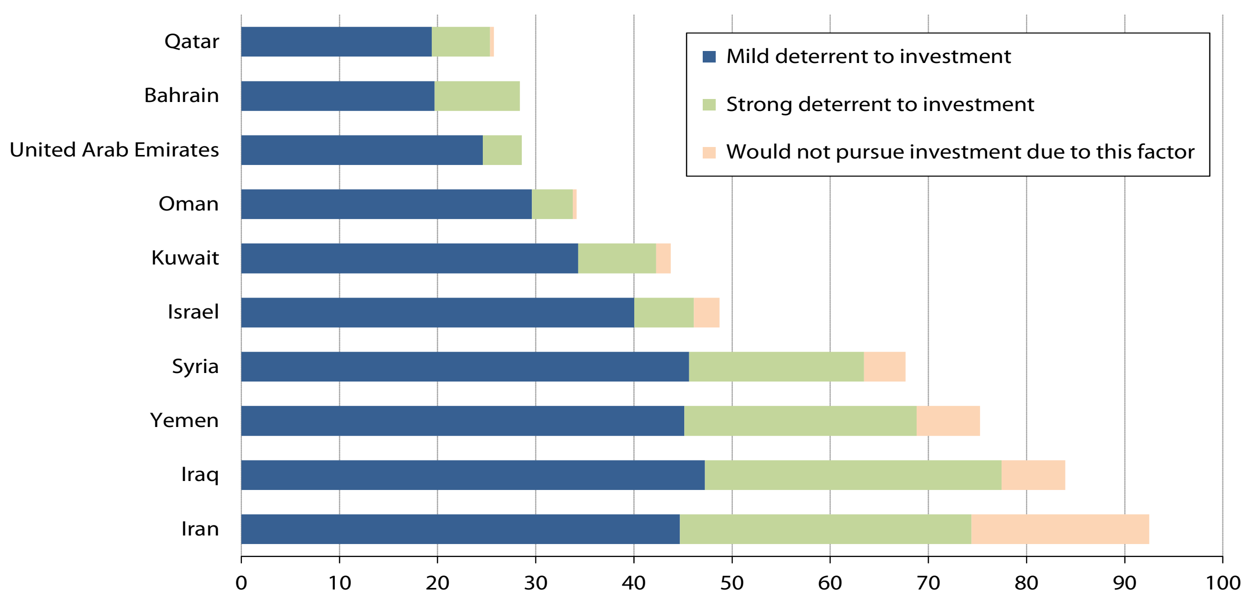
As in 2010, the 2 least attractive Middle East countries for upstream petroleum industry are Iran and Iraq, both again falling into the fifth quintile and posing greater barriers to investment than any of the other countries in region. The scores for these countries dropped somewhat from a year ago.

Yemen's score also deteriorated slightly, but the country continues to sit in the fourth quintile. Syria dropped into the third quintile. Its less favorable score resulted in its global ranking falling to 106th place (of 135) from 96th (of 133) in 2010.

Israel scored in the third quintile, as did Kuwait, which scored slightly better this year than last and moved up in the global ranking to 74th place (of 135) from 83rd (of 133).

Again this year, the most four most attractive jurisdictions in the Middle east are Qatar, Bahrain, United Arab Emirates, and Oman, all with respectable second quintile scores and global rankings

Figure 19: All-Inclusive Composite Index—Middle East



ranging from 33rd (of 135) in the case of Qatar, to 57th in the case of Oman. Bahrain, the only one of the four countries to score higher than in 2010, jumped to second spot in the Middle East from fourth place a year ago. Qatar, however, continues to be the most attractive country for investment.

Some comments received from respondents concerning countries in the Middle East include the following.

Bahrain

> "Business friendly; favorable taxation."

Oman

> "Attractive upstream business environment."

Iraq

> "Open and available for further exploration and development and one of only a few oil provinces in the world with sizeable yet-to be-developed and accessible onshore resources. The production potential outweighs many of the country risks."

> "There are several good signs presenting favorable prospects for deep involvement in the Kurdistan area, including the recent honoring by Iraq of deals inked by the Kurds with international oil companies."

Iran

> "Very poor fiscal terms; heavy bureaucracy; unclear decision making; high local content requirements. [It] should scrap 'buyback' contracts in favor of some kind of production-sharing arrangement (even if under a different name)."

Israel

> "No industry infrastructure; geopolitical issues; lack of clear governmental policies."

Qatar

> "Efficient, stable system with balanced approach. Understands needs of both government and oil and gas companies."

Syria

> "Reasonable remaining potential. Surprisingly good business environment and competitive fiscal terms."

United Arab Emirates

> "Very business-friendly, low taxation, excellent infrastructure."

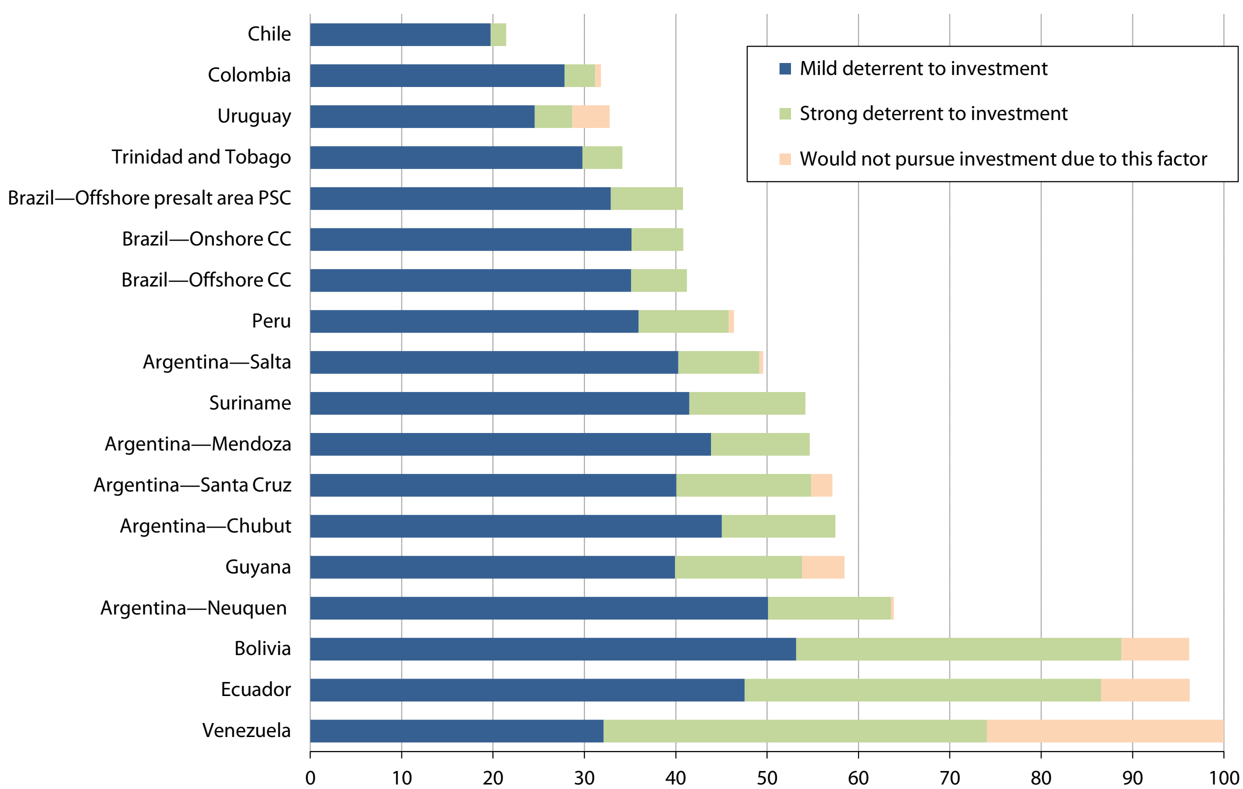
Figure 0. : LATIN AMERICA & CARIBBEAN BASIN 2011

Latin America and the Caribbean

Figure 21 ranks the Latin American and Caribbean jurisdictions from the most to least attractive for investment according to their 2011 All-Inclusive Composite Index scores. This year, Brazil has been broken out into three distinct jurisdictions: Onshore Concession Contracts, Offshore Concession Contracts, and Offshore Pre-salt Area Profit Sharing Contracts. Also, Argentina has been replaced by five of the country's petroleum producing provinces: Chubut, Mendoza, Neuquen, Salta, and Santa Cruz. Guyana has also been ranked this year.

Venezuela, Ecuador, and Bolivia rank as the least attractive jurisdictions for investment in the region again this year. All three countries still have fifth quintile scores. Although their relative positions have changed (Venezuela is now seen as the worst location in Latin America for petroleum investment instead of Bolivia), the differences in scores among the three countries remain small. Furthermore, this year they represent the three least attractive countries in the world, not just in the region. The commercial environment (especially fiscal terms) and the regulatory climate, as well as political stability, and socio-economic requirements continue to pose considerable barriers to investment in those countries. In addition, Bolivia and Ecuador still have considerable land claim issues.

Figure 21: All-Inclusive Composite Index—Latin America and the Caribbean



Argentina—Neuquen, with a low fourth quintile score, appears to be the least desirable Argentine province for investment and ranks 102nd (of 135) globally. The four other Argentine provinces each recorded third quintile scores. Salta's score and global rank of 82 (of 135) suggests that it poses lower barriers to investment than the other Argentine provinces included in the survey. By way of comparison, Argentina itself ranked as the 117th most attractive jurisdiction globally (of 133) in 2010, and 131st (of 143) in 2009. This suggests that Argentina may be becoming a more positive region for investment than in the past. This could become more evident in 2012 depending on the outcome of the presidential election in the fall of 2011.

Guyana scored in the third quintile, as did Suriname, Peru, and the three Brazilian jurisdictions. Peru's improved score moved it up to 76th place (of 135) globally from 85th (of 133) in 2010. Meanwhile, Suriname dropped from 70th to 87th position.

The three Brazilian jurisdictions received very similar scores, although there was considerable variance in the results obtained for some of the survey questions, especially around fiscal terms and some of the regulatory issues, such as those pertaining to environmental regulations. These jurisdictions had very low third quintile scores (almost low enough to give them a second quintile placement). Their global rankings of between 66 and 68 compare favorably with Brazil's low third quintile scores and rankings of 80 (of 133) and 89 (of 143) in 2010 and 2009, respectively. The 2011 results suggest that Brazil may be becoming relatively more attractive for upstream investment.

No country in the Latin America and Caribbean region ranked in the top quintile on the All-Inclusive Composite Index. However, four countries did score in the relatively attractive second quintile. Chile is still rated as the most attractive jurisdiction for investment in the region. Although its score weakened slightly, moving it into the second quintile, Chile's 20th place in the global rankings this year puts it alongside the Australian states of Victoria and South Australia, as well as Utah, Denmark, and the United Kingdom—North Sea in terms of attractiveness for upstream investment.

Colombia, Uruguay, and Trinidad and Tobago are the three other Latin American and Caribbean countries with second quintile scores. Colombia's score did not change much from last year, though the country lost a bit of ground in the global rankings (falling from 42nd position to 48th). Uruguay, while the third most attractive jurisdiction in the region, lost more ground than Colombia, dropping from 27th place to 52nd position.

Below are some comments from survey respondents on jurisdictions in Latin America and the Caribbean Basin.

Argentina

> "Upcoming October federal election could lead to changes to hydrocarbon regulations which could end the presently unsustainable subsidized purchase and importation of oil and gas."
>
> "The fundamental reserves potential is excellent."

Argentine provinces (in general)

"Labor and union complaints."

"Poor environmental regulations hamper compliance."

"A high degree of intervention and regulation of oil and gas markets by the federal government."

Bolivia

"Too high a government take on small oil fields."

"Political, fiscal, and contractual instability; barriers to internal and external markets."

Brazil

"Attractive because of its deep water resources. Relatively stable and unexplored. Also, relatively crime and corruption free (especially compared with India, for example)."

Colombia

"Good fiscal terms, good geology, skilled workforce and a country that believes in stability."

"Predictability: when problems arise, clarification and negotiations will lead to finding a workable solution."

"A country with favorable petroleum geology which is under-explored and has a solid legal framework and attractive fiscal terms."

Colombia and Peru

"Have been favoring foreign investment in oil and gas for some time, approving laws and regulations that increase the interest on foreign companies in the industry. Lately, the regulators have been studying new regulations to adopt best practices and the policy makers are always monitoring the oil policies of (other) countries that are attracting investment in this sector."

Guyana

"Highly under-explored; emerging shelf margin play analogous to Ghana; English Common Law."

Peru

"High respect for contracts, and good potential for oil and gas development."

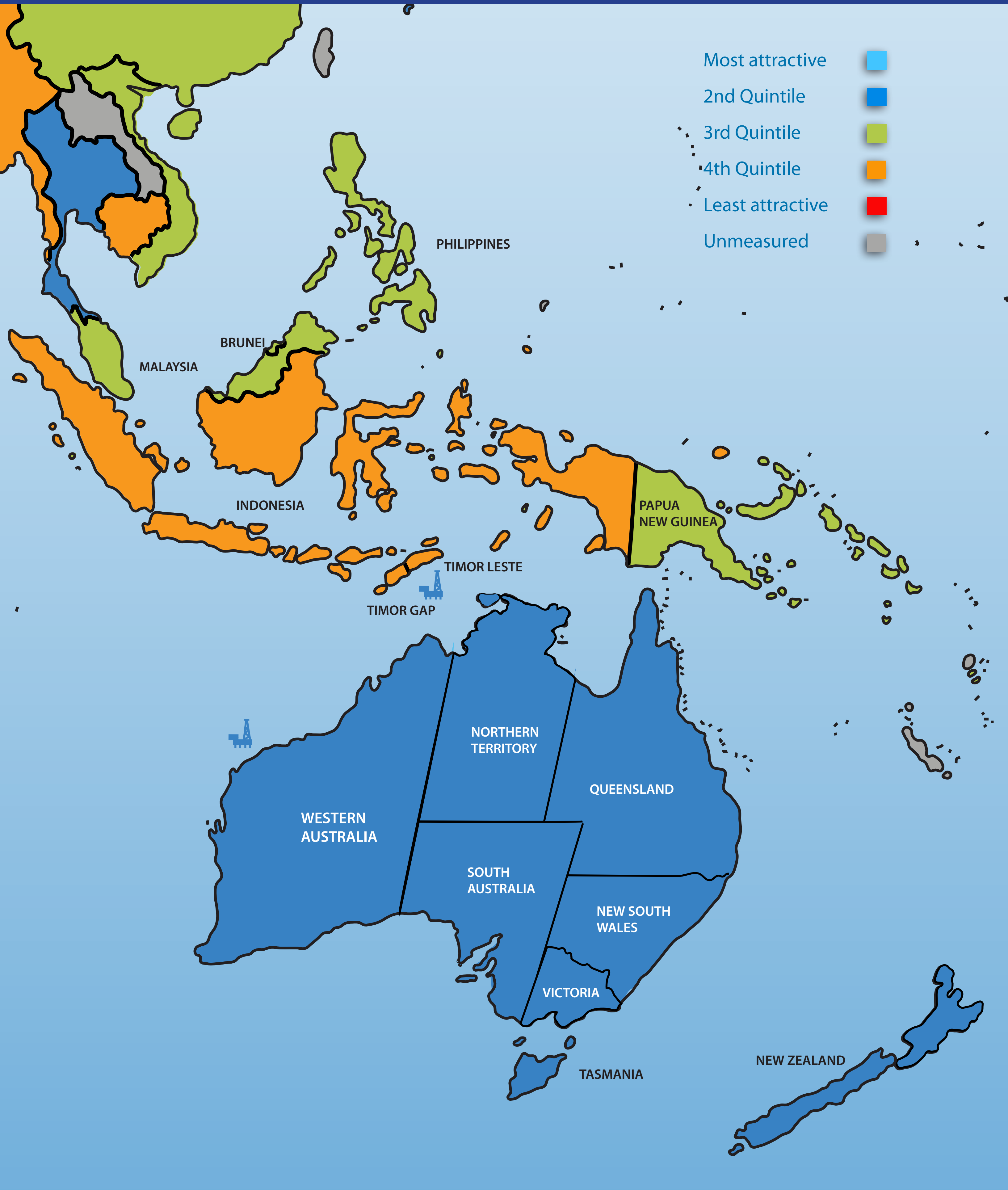
Venezuela

"In Venezuela, nothing is certain from day to day. Very unstable and corrupt political, legal, and taxation system."

Venezuela and Ecuador

"Control by state, interference, not sufficient safety standards for employees, frequent changes in regulations, high government take, bad political, environmental [policies]."

Figure 20: OCEANIA 2011



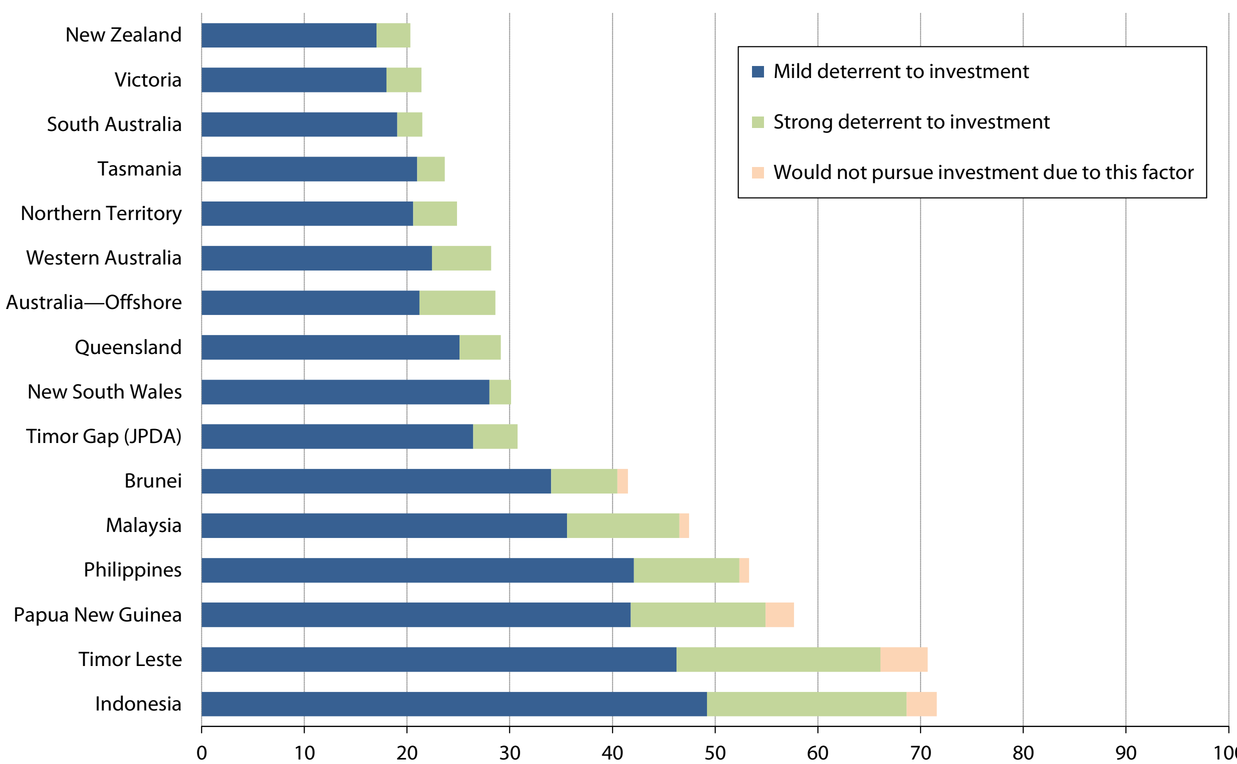
Oceania

Oceania consists of the six Australian states, the Northern Territory and the Australian Offshore (both of which fall under Australian federal jurisdiction, New Zealand, Brunei, Malaysia, the Philippines, Papua New Guinea, Indonesia, Timor Gap (JPDA), and Timor Leste.

The results for this region fall into three quite distinguishable categories this year: two fourth quintile countries (Indonesia and Timor Leste), 4 countries with third quintile scores (Papua New Guinea, Philippines, Malaysia and Brunei), and 10 attractive second quintile jurisdictions (New Zealand, all of the Australian jurisdictions, and the Timor Gap Joint Petroleum Development Area (JPDA), which is managed jointly by Australia and Timor Leste).

Little differentiates the two countries in the region with fourth quintile classifications. Indonesia scored slightly worse than it did in 2010 and fell slightly in the global rankings (to 114th of 135 from 111th of 133). Timor Leste improved slightly and moved to 112th place globally from 118th, only marginally more attractive than Indonesia. Geopolitical risk is a major factor for investors in both countries, particularly in Timor Leste. The Regulatory Climate Index scores for both countries fall in the fourth quintile. Moreover, the scores for transparency and fairness of the legal system fall in

Figure 23: All-Inclusive Composite Index—Oceania



the fifth quintile (Indonesia) and upper fourth quintile (Timor Leste). Clearly, investors are confronted with serious regulatory and legal obstacles in both countries.

Although it was the least attractive third quintile jurisdiction in Oceania this year, Papua New Guinea moved up from a fourth quintile score in 2010 and to 96th position globally (of 135) from 110th (of 133). Brunei, Malaysia, and the Philippines all dropped into the third quintile from the second this year. The deterioration was most apparent for the Philippines, which fell to 86th place (of 135) in the global rankings from 55th (of 133). Brunei dropped to 71st place from 45th, and Malaysia to 79th spot from 63rd place. The much poorer results for the Philippines were broadly based, reflecting deterioration in the commercial environment (eg., fiscal terms) and in the regulatory climate including environmental, administrative, cost of compliance, and legal system issues. In Brunei, the ranking drop came mainly from its weaker performance on commercial environment questions, especially those related to fiscal terms and taxation issues. In Malaysia's case, the poorer performance came mainly from a range of administrative, legal, and other regulatory issues.

As well as Timor Leste and Papua New Guinea, Timor Gap (JPDA) also improved its result this year. Its improved score moved the Oceania jurisdiction well into the second quintile group from the third quintile, and to a global rank of 47th (of 135) compared with 72nd (of 133) in 2010. Timor Gap's main improvement came in the regulatory obstacles to investment area, especially reduced uncertainty in the administration of regulations and laws pertaining to the petroleum industry.

New Zealand jumped ahead of Australian states Victoria, South Australia, Tasmania, Western Australia, and the Northern Territory in the rankings this year to become the most attractive jurisdiction in the region. However, the differences between New Zealand and Victoria and South Australia are so small that the three jurisdictions essentially pose identically low barriers to investment.

Interestingly, New Zealand and the Australian jurisdictions all had poorer overall scores this year and, except for New Zealand, dropped a bit in the global rankings. This was most apparent in the case of Western Australia, which ranked 37th (of 135) compared with 21st (of 133) in 2010. The Northern Territory slipped from 16th spot to 30th place, Australia—Offshore from 31st place to 40th, and Queensland to 42nd spot from 34th. In general, the slippage in the Australian jurisdictions' global rankings reflects slightly weaker performance in both commercial and regulatory areas, including the cost of regulatory compliance. The federal government's decision to extend the petroleum resource rent tax to include onshore production may explain the slightly poorer marks that some of the states (eg., Queensland and South Australia) registered on the fiscal terms question.

Respondents offered both positive and negative comments about conditions in the Oceania region. For example:

Australia in general

"Market-based pricing, attractive fiscal terms, less government intervention, politically stable, significant reserve potential."

Australia Offshore

"Overall favorable, though prospectivity is decreasing and there is risk of oversupply of gas."

Brunei

"Attractive because of political stability and the competencies and business acumen of government officials."

Indonesia

"Lots of good blocks available, stable political regime, stable fiscal terms."

"The hydrocarbon resource potential in the Makassar Strait area is huge. Under the old Law (Law No 8/1971 on Pertamina), many International oil companies have realized good profits working in this area. But now under the new Law (Law No.22/2001 on Oil and Gas), exploratory drilling is declining sharply there."

"Complicated and bureaucratic central and regional government procedures. The existing law on oil and gas (Law No.22/2001) is being amended by the House of Representatives, but still needs a long time to come up with the new law. This law has increased the uncertainty of doing oil business in Indonesia."

"Oil investors must pay many kinds of taxes during the exploration stage, in part because of overlapping jurisdictions."

"Lack of intergovernmental coordination between Energy and Mineral Resources Ministry, Forestry Ministry, and Environmental Ministry."

"Government indirectly push[es] oil companies to donate to political parties and government officials."

New Zealand

"5.7 million square kilometers of seabed available for oil and gas exploration, and in particular, has the fourth largest exclusive economic zone in the world (with 15 recognized basins which are potentially capable of producing hydrocarbons). The country also has a stable political system and transparent and open judicial system (ie., excellent investment conditions) but difficult geology."

"Great fiscal terms, political stability, and free and full access to all geoscience data."

"Transparent, non-corrupt government fosters industry activity."

Northern Territory (Australia)

"Facilitation by senior level of government creates confidence and certainty. However, aboriginal royalties are onerous."

Papua New Guinea

"Increasing exploration activity and openness in accepting foreign direct investment in large-scale projects."

Philippines

"Introducing a new bill in 2011 that will make deepwater exploration very attractive: 50-50 profit share, changed from 60-40 in favor of government; also, 80% cost recovery ceiling, up from 70%."

"Attractive risk/return ratio for exploration."

South Australia

"Open, easily accessible, low-cost geological databases available from state government. Very sophisticated government department managing oil and gas exploration, development activities."

Queensland

"State department is undermanned and maintains oil & gas geological databases very poorly, adding to overall cost of exploration."

Queensland and Victoria

"Inefficient regulatory and permit system. Personnel operating the regulatory system have no experience in the industry. Also predominantly lawyers."

Western Australia

"Prospective and secure."

Australia federal government

"The proposed extension of the petroleum resource rent tax (PRRT) to onshore operations would increase the overall tax burden. There is also uncertainty around application of the PRRT to onshore activity and lack of analogous application in relation to the already existing offshore PRRT."

“Horror stories”

Each year when they complete the survey questionnaire, respondents have the opportunity to share particular horror stories or tribulations that they witnessed or were involved with in the conduct of oil and gas exploration and development around the world. Table 4 summarizes some of the major problems reported that were linked to particular jurisdictions. In addition, respondents referred to a number of issues that plagued them “in general.” These included sudden, arbitrary changes in fiscal regimes or taxation, violence, bribery, confiscation, difficulties with unions, and the time required to negotiate agreements or to obtain the permits required to commence exploratory or production drilling.

That a jurisdiction is not mentioned in table 4 does not mean that serious problems were not encountered, or are not present in undertaking business there. Rather, it simply means that survey respondents did not relate any horror stories to us.

In Indonesia’s case, the particular problems identified in table 4 no doubt at least partially explain why that country ended with a poorer fourth quintile score this year than in 2010. Similarly, while not connected directly to the jurisdictional rankings, the incidents, problems, and difficulties cited in jurisdictions that fared worse in 2011 than 2010 help to explain the deterioration that occurred. Examples include the US Offshore—Alaska, British Columbia, Gabon, Kazakhstan, Libya, the Northwest Territories, Quebec, the US offshore—Gulf of Mexico, and Venezuela.

Where a jurisdiction appeared on table 4 but was not ranked lower this year than last, in some situations the issue(s) cited in the table may have been instrumental in restricting the improvement that was recorded from being more robust or in preventing the jurisdiction from moving up at all in the rankings. Alberta is a case in point. The numerous problems cited suggest that the improvement in rank that might have been expected when the government abandoned the much maligned “new royalty formula” could have been jeopardized by the province’s serious, ongoing problems with drilling approvals and permitting processes.

Table 4: “Horror Stories” cited by survey respondents

Alberta

1. Long wait times for Energy Resources Conservation Board (ERCB) drilling permit approvals (e.g. “24 months for simple steam pilot project”). So-called streamlining of approvals process has not improved matters. Board should be revamped with competent experts with oil and gas experience instead of stacked with inexperienced lawyers and other bureaucrats.

2. Alberta Sustainable Resource Development's "streamlined" efficient surface approvals process was never field tested and the Department was four months behind in approvals for the winter drilling season.
3. It took 2.5 years to get a well license for a standard sweet gas well on a rural lease using low impact procedures because one person was allowed to delay the approval process, costing $100,000. The well should have been licensed in 10 days for <$1,000.
4. Compliance with aboriginal consultation requirements is getting very complex and very costly. Alberta does not have any real policy on this and does not seem intent on fixing the problem. This is just going to get worse.
5. "Farmer comes first" policies that delay projects and drive up costs.
6. Land use framework and the Lower Athabasca Regional Plan.

Alaska Offshore

After 5 years, the Environmental Protection Agency was unable to issue usable air permits for exploration drilling. Considerable funds invested and 5 years of failed efforts to obtain permission to drill 2-4 exploration wells.

Argentina

Union relations

Australia in general

Shifting of goalposts in relation to 3D seismic almost caused delays and cost overruns.

Brazil

1. Local environmental agency and federal group became embroiled in a dispute over which had the authority to give permit for testing and production of our well. It took over 8 months to resolve.
2. Natural gas prices in production sharing agreements.
3. Time required for government to approve sales and farm-outs.

British Columbia

Recent regulatory changes are reactive and not necessarily in the best interest of proper development or the province.

California

No action on permit applications: "Stalled in Sacramento."

Canada in general

1. Environmental assessment and species-at-risk legislation is completely broken in terms of oil and gas development activity and is leading to significant cost burdens to industry and approval timelines that often stretch into 2 or more years, or approvals with so many conditions that there is no real approval.
2. Duplication of regulatory burden and the costs of compliance are straining our administrative capacities.
3. Time spent seeking permits for drilling in the Beaufort Sea—with no success.

China

Selection of wrong materials led to explosion in Sichuan which killed workers.

Colorado

1. Oil and gas regulatory overlap and agency jurisdictional battles are creating delays beyond their value to protect citizens or the environment.
2. Time required to obtain drilling permits because of unrealistic environmental regulations. (A small (150 hp) natural gas engine can take up to a year to obtain air permits.)

Ecuador

Unilateral changes to fiscal terms by government as well as harassment.

Egypt

Late payment of oil revenues by Egyptian General Petroleum Corporation.

Ethiopia

Violence: some subcontractors killed.

France

The bureaucracy!

Gabon

The ONEP (oil workers union) insisting that expatriate managers over 60 be fired as part of the drive to increase the number of local workers.

India

Discoveries made in the well-developed basins tending to be uneconomic due to the present profit sharing and taxation regimes.

Indonesia

1. The cabotage changes, which forced local shipping to be under the Indonesian flag, were a massive threat to the industry. If exclusions for oil and gas services had not been obtained the Indonesian exploration market would have been seriously damaged.
2. Cost burden of Law 22 of 2001 and time required to change it.
3. Overlapping jurisdictions.
4. BPMIgas, the upstream regulator, implemented an unstated internal policy to cut operator's oil reserves by 50% or force staged development to reduce the size and cost of initial development. Regulator's personnel used every possible technical argument to dispute and reduce reserves certified by international engineering best practitioner firm. It took having a study of the issue undertaken by the leading technical university that many of the young bureaucrats had attended to demonstrate that they were in error, have the policy revised, and allow development to proceed (after loss of over $10 million in contractor's NPV and $60-70 million in the government's NPV).
5. Completely corrupt and untrustworthy legal system coupled with new regulation requiring arbitration.
6. Criminal sanctions for expatriates for perceived environmental violations while regulations remain subject to wide interpretation.

Iran

Negotiation with government taking some companies a very long time.

Kazakhstan

Blatantly extorting money from international oil companies which government will use to "purchase" shares in production sharing agreements through invented and trumped up laws and "violations."

Libya

1. Arbitrary government restrictions on production for political purposes.
2. Interference by government in the sale of Verenex.
3. No sign of the government living up to promises made in the EPSA 4 bid rounds.

Malaysia

Local recruitment manager accepting bribes in spite of technical considerations.

Newfoundland & Labrador

Time and expense required to obtain drilling permits.

Nigeria

Effects of actions of militant groups on operations.

Northwest Territories

Ridiculously long Mackenzie Gas Project regulatory process.

Papua New Guinea

Lack of official landowner records.

Quebec

1. Unrealistic opposition to shale gas development.
2. Government decision to postpone shale gas development based on insufficient information and over-zealous bureaucrats.

Saskatchewan

People starting to demand unreasonable amounts of money for what they see as their "fair share." In and outside the Bakken play in southeast Saskatchewan, for example, mineral rights are very expensive for small companies to acquire, making exploration there uneconomic.

Tunisia

Inability to move and operate drilling rig equipment due to prospective workers demanding jobs.

United Kingdom

1. Sudden increase in the petroleum production tax.
2. Local opposition to new onshore developments.

US Gulf of Mexico

1. British Petroleum Macondo oil spill.
2. Issues with the Bureau of Ocean Energy Management, Regulation and Environment (BOEMRE) regarding exploration/development plan and permit approvals. Reasons for BOEMRE's position not always apparent.

Venezuela

1. Politicized and corrupt management by government officials.
2. A number of sabotage incidents.
3. Decline in joint venture production where Petroleos de Venezuela has assumed operational responsibility because of lack of knowledge.

Yemen (and Libya)

Having to evacuate expatriate personnel because of deteriorating security situation.

What petroleum explorers and developers said regarding alternative fiscal regime approaches

In this year's survey, respondents were asked to comment on the pros and cons of the different kinds of fiscal arrangements that are in place around the globe. It is not clear from the results which kind of arrangement is generally preferred since companies that have become used to operating under a particular form of arrangement often seem to prefer the status quo. This is understandable, of course, given that the present arrangement(s) in the jurisdiction(s) in which they are operating is what their investment decisions were and are being based on. Some of the more interesting comments are provided in this section.

Royalties

Many explorers and producers appear to prefer royalty arrangements over other types of fiscal regime because they are straightforward and simple to administer. With the terms set and maintained, it is relatively straightforward to estimate the potential return on investment. Comments in support of the royalty approach to the taxation of petroleum production include:

> "Government does not care how much you spend, nor how you spend it, as their objectives are aligned with yours to find and produce as much as possible."
>
> "Win-win for both parties if oil prices increase and discoveries get larger."
>
> "Easy to model with long-term certainty. Reserves bookings are clear and can be leveraged against borrowing lines."
>
> "Little government involvement in capital spending, less chance of corruption in major contract awards."
>
> "Much simpler to deal with, especially for smaller companies with limited accounting, legal resources."
>
> "Pay on success, minimal room for interpretation (avoids re-negotiations and corrupt practices)."
>
> "Easy to justify further investment activity. Royalty is simple, not complex; [creates fewer] disputes and less risk of complex changes in future."

Concession contracts

Some respondents indicated that with concession contracts they are assured of the control that they require over the assets. From the beginning there is a clear description of rights and obliga-

tions. There is also exclusivity within a geographical area and likely little risk of government interference.

> "This is the type of contract that has been adopted in Colombia and Peru. This model has allowed these countries to increase foreign investment in the oil and gas industries, as well as increase its hydrocarbons production and reserves."

> "Give more latitude to the operators."

> "Better risk-sharing between host and company."

> "Ability to produce oil under known fiscal terms that allow that company to recover its investment before taxes are incurred."

Profit sharing contracts

Companies that prefer profit sharing contracts (PSCs) appear to do so because they enjoy the security that comes from doing business with a government entity. The risk is shared and companies have less reason to worry about fiscal uncertainty when partnering with a national oil company—something they value in uncertain times. PSCs are in widespread use outside of Canada, the United States, and Australia. Reasons cited for favoring this approach include:

> "Because cost recovery and production are split."

> "Well defined terms provide fiscal stability."

> "Both investor and asset owner (government) share fair risk and take profit from actual benefit incurred."

> "Very simple and a minimum involvement in fiscal administration, which is the job of the national oil company."

> "Provide most protection against changes to legislation, however, main issue is always terms and benefits derived from the individual contract irrespective of type."

> "Resource rent taxation is based on profits with full deductibility of exploration and development costs."

Above all, what explorers and producers value most in whatever agreement they must operate under is stability, that is, a high likelihood that the fiscal arrangement will not be changed with a government change. Specifically, they want to know that the arrangement will not be at risk and become more complicated and subject to arbitrary interpretation if a new government comes to power.

> "Political stability and legal stability is most important. Investment is a long-term commitment and it needs political and legal stability (ie., follow the rule of law)."

> "The rule of law executed in an acceptable form is paramount to any business environment. History shows that there are no legal "silver bullets" (contractual terms/stability clauses or the like) that can remedy an absence of rule of law."

Explorers were critical of some fiscal arrangements that are particularly unattractive for investment. They were especially very critical of Iran's buyback agreement approach and Ecuador's service contracts:

> "Anything but risky service contracts and buybacks or fixed fees. The risk/reward balance in these contracts is not good. Investment in Iran poses much risk and little chance of reward. No company has made a respectable profit in the petroleum exploration and development business in Iran since the revolution."
>
> "Services contracts in Iraq and the special tax on oil profit in Ecuador are unattractive to many international oil companies and favor the host governments."
>
> "Iran with the buy-back agreements, and now Ecuador with the new services contracts, are unattractive places to invest."
>
> "The least preferred regimes are Iran, because of the buyback requirement, and Ecuador because of the service contract arrangement."
>
> "Service contracts with a remuneration per barrel are not attractive."

What petroleum explorers and developers are saying in general

"The relatively brief decline in world oil prices has emboldened oil producing jurisdictions highly dependent on the petroleum industry to increase their fiscal takes (including indirect takes such as more expensive environmental compliance/GHG taxes etc.). This increases downside risk from (what we soon expect to be) rapidly rising costs."

"Urgent increase of non-OPEC production is needed but in my small sphere of countries I do not perceive any acceleration of decisions. On the contrary, it all slows down unfortunately."

"More and more governments seem to realize that they have gone too far in enhancing government take as the short-term increase in revenue now is paid for with fewer foreign investments and hence lower revenues. It seems that we continue with the same cycle of tightening/loosening fiscal terms. It is all very obvious but yet they continue to repeat the mistake."

"The challenge in gaining social acceptability of shale gas appears to be worldwide; issues in one jurisdiction feed issues in another, so it becomes a vicious circle."

"Adherence to corporate social responsibility and extractive industry transparency initiative agendas is becoming increasingly essential for resource development project approvals because of greater degrees of scrutiny by governments of the host countries, NGOs and social organizations."

"Too many countries are too slow to realize that with petroleum harder and harder to find, and therefore investment more risky, that they need to encourage interest by providing more attractive investment conditions."

"Any North American-based international E&P company should operate at the highest standards: 1) apply Canadian environmental regulations and operating procedures or higher, and 2) invest in local populations and projects; the relative cost is low and the returns are high. Positive results occur."

"The climate is very poor given the hostility of the Obama Administration to the industry and the politicization of the EPA."

"Both the United States and Canada need to recognize the fundamental changes to both natural gas markets and oil markets. The widening energy differentials pose both a threat and an opportunity for natural gas development. Clear public policy support for the use of natural gas in power generation and transportation would help expand the market for natural gas and reduce oil imports in the United States while having a significant impact on reducing overall greenhouse gas emissions in both countries."

"The energy business is the main driver of the economy in Western Canada. It's not just the oil companies doing work in a particular jurisdiction, but the "spin-offs" that occur throughout the whole economy that people seem to miss."
"The main problem as I see it is that we have become way to over-regulated in the last few years, and that deters activity."
"Everybody wants the benefits that oil money provides: roads, schools, hospitals, free this and free that, but everybody hates the oil business. The public at large should be taught what it would be like to live without the oil business. Nothing would move and thousands would perish without our business flourishing."

"Countries with unattractive production sharing/service contract regimes will only attract major companies and not independents that are prepared to explore high-risk areas. Political instability will make people think twice about investing in Libya and Venezuela, to name two miscreants.

"The governmental entities must begin to work together instead of against each other in order to have the best turn-around time in regulation obligations. This starts at the top, ie., the White House. Once the government knows what is going on, the rest of the world can continue to do the work that we have spent years training to do!"

"While the 'old guard' of the upstream industry strives for transparent, stable, and favorable terms, the 'new guard' is demonstrating that it is well able to adapt to the chaos at the bottom end of your ranking. The 'new guard' is Chinese. Have a look at how much reserves and how many resources are held in jurisdictions in the lower quintiles of your ranking system."

"Upstream oil companies need to do a better job of educating the public regarding the true impacts of the oil and gas business and not let the debate be controlled by environmental and non-governmental organizations that have their own agendas to promote."
"Not one human death can be attributed to man-made global warming, but hundreds and/or perhaps thousands of humans die every day due to poverty."

"I think the overall climate is healthy. The situation in the Middle East will result in some small shift of investment to other regions, but I think this will correct [itself] by the end of the year."

Single-factor results

The rankings for specific factors provide detailed information about the relative attractiveness of each jurisdiction to investors.

The results for each factor are illustrated in Figures 24 through 40, and the complete data set is provided in the tabular appendix. The jurisdictions with a relatively low proportion of negative scores appear near the top of the rankings and are generally regarded as more attractive for upstream petroleum investment. For each factor, the figures show the percentages of each of the three kinds of negative responses received for each jurisdiction: 1. Mild deterrent to investment; 2. Strong deterrent to investment; or 3. Would not pursue investment at all (due to the indicated factor).

The single-factor rankings are self-explanatory. However, a few more interesting findings are highlighted below.

Fiscal terms

According to the survey respondents, fiscal terms pose a greater obstacle to investment in Iran, Venezuela, Libya, Bolivia, Russia, Ecuador, Iraq, Algeria and Bangladesh, each of which recorded fifth quintile scores on this question this year. For each of these countries except Bangladesh, as well as Myanmar and Sudan, a relatively large proportion of respondents indicated that they simply would not invest on account of this factor.

In the United States, fiscal terms pose a greater barrier to investment in the US Offshore—Pacific, California, and Alaska than in other jurisdictions. In Canada, fiscal terms appear to be the greatest challenge in the Northwest Territories, followed by Newfoundland & Labrador. Alberta improved to 54th best (of 135) on this factor, compared with 99th place (of 133) in 2010, but yet is still regarded poorly relative to New Zealand, Australia, 15 of 23 US jurisdictions, and numerous European, Latin American, and African jurisdictions.

Uncertainty and concerns over environmental regulations

The four jurisdictions worldwide with the worst environmental regulation scores this year are the US Offshore—Pacific, US Offshore—Alaska, US Offshore—Gulf of Mexico, and California. The US Offshore—Gulf of Mexico scored much more poorly on this issue this year due to the BP oil leak disaster. Environmental regulatory issues are also of great concern in New Brunswick, Quebec, and Pennsylvania, where they pose an obstacle to investment in shale gas development, as well as in Colorado, the Northwest Territories, Ecuador, Kazakhstan, and Alaska.

Regulatory administration

The 10 jurisdictions with the most negative ratings on the interpretation and administration of regulations this year are Venezuela, Bolivia, Kazakhstan, Libya, Nigeria, Iran, Iraq, Ecuador, Russia, and the US Offshore—Pacific. Last year, Venezuela and Bolivia also had the worst ratings on this factor, and were joined in that dubious group by Russia, Iran, Kazakhstan, and Libya.

In Canada, Quebec received the worst score in this category, dropping to the 17th worst jurisdiction (of 135) worldwide from 55th worst (of 133) last year. According to the survey responses, administrative issues surrounding petroleum regulation are also a major deterrent to investment in Timor Leste, Algeria, Ukraine, Equatorial Guinea, Indonesia, India, Pennsylvania, Bangladesh, and Mauritania.

Cost of regulatory compliance

Twenty-two jurisdictions scored in the unflattering fourth and fifth quintiles on the cost of regulatory compliance factor this year compared with only 12 in 2010. The worst, with fifth quintile scores this year, were the US Offshore—Pacific and the Northwest Territories. Repeat fourth and fifth quintile scorers include Venezuela, Kazakhstan, Russia, Bolivia, California, Iran, Iraq, and Turkmenistan. Uzbekistan and the Democratic Republic of Congo (Kinshasa) are also among the jurisdictions with especially poor scores on the cost of regulatory compliance this year.

Labor availability and skills

Only 9 jurisdictions had very poor (ie., fifth quintile) scores on this question this year compared with 21 in 2010. The availability of skilled labor is still regarded as a major obstacle to investment in Kyrgyzstan, Uzbekistan, Chad, the Democratic Republic of Congo (Kinshasa), Turkmenistan, and Greenland, all of which also had fifth quintile ratings in 2010. The three other very poor achievers on this criterion this year were Madagascar, Guyana, and Mauritania. Labor availability is also of particular concern in 22 other countries which received fourth quintile scores.

Quality of infrastructure

Survey participants rated the quality of infrastructure of most concern this year in Kyrgyzstan, Uzbekistan, Madagascar, Mauritania, Uganda, and the Democratic Republic of the Congo (Kinshasa), and in Uganda and Kyrgyzstan, the latter two of which shared the poorest grade on this issue for the second year in a row. That said, access to roads, power availability, and other infrastructure issues are clearly a major obstacle in 13 other countries with fifth quintile scores and in Iraq, one of 26 jurisdictions with fourth quintile scores.

Trade barriers

Investors are significantly concerned about trade barriers in Venezuela, Bolivia, Iran, Argentina (all five provinces included in the survey), Uzbekistan, Kazakhstan, Ecuador and Algeria.

As figure 31 illustrates, trade barriers are of no or relatively little concern in most North American, European, and Australian jurisdictions, and in New Zealand.

Disputed land claims

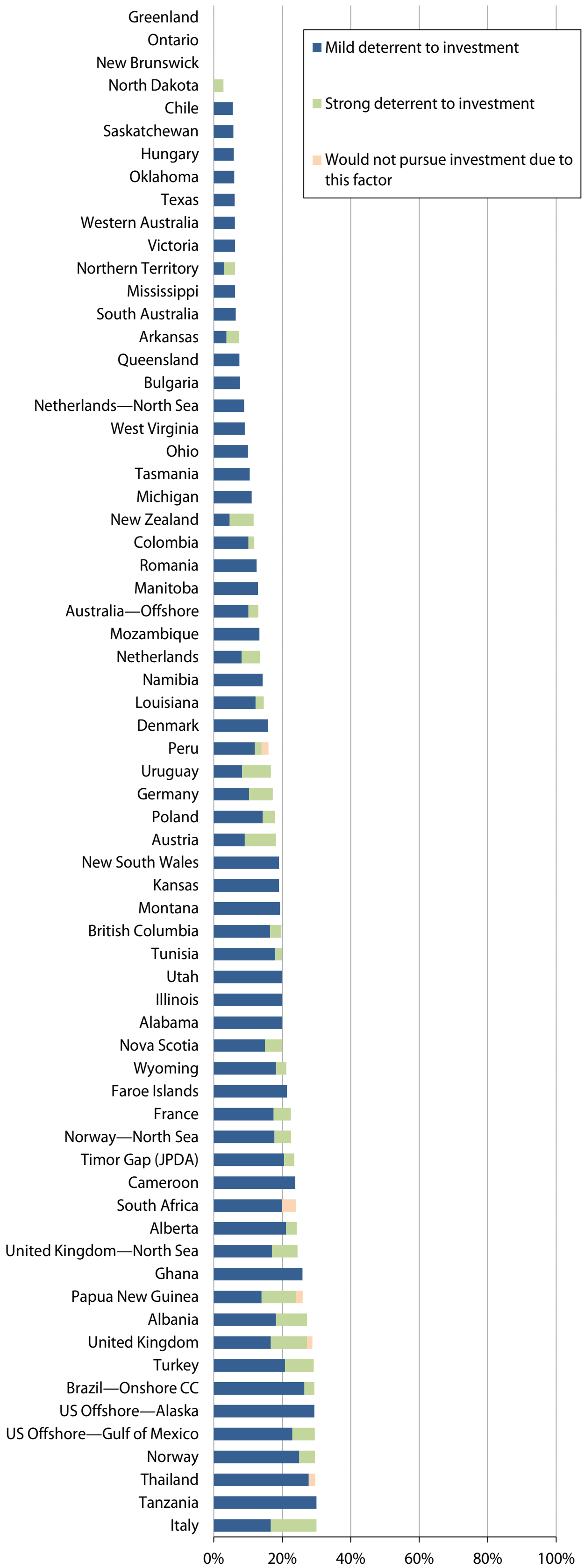
The land claims issue continues to haunt Canada's Northwest Territories, which this year shared the worst score on this question with Bolivia. Land claim disputes are a significant barrier to investment in Iraq and British Columbia, both of which also ranked in the fifth quintile on this question, and in 11 jurisdictions with fourth quintile scores: Ecuador, Chad, Sudan, Queensland, Nigeria, Papua New Guinea, Peru, Democratic Republic of the Congo (Kinshasa), Cambodia, Venezuela, and Argentina—Neuquen.

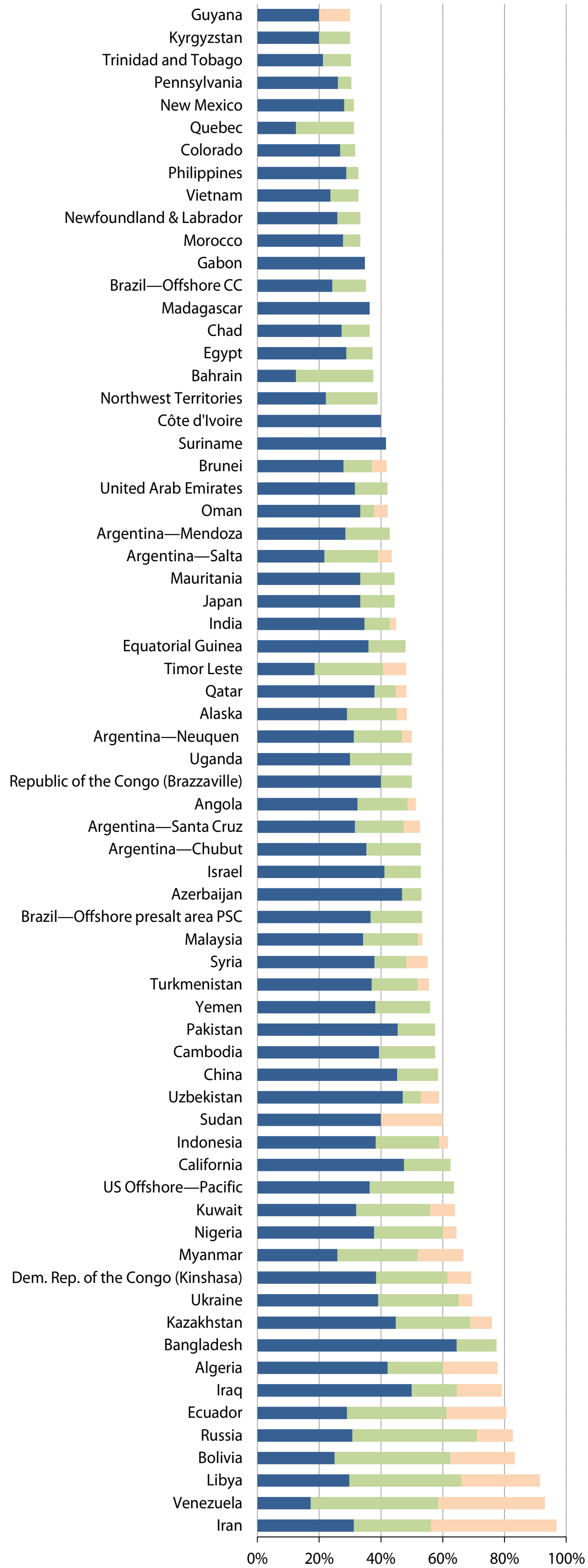
Legal system

The survey responses revealed that legal system concerns, including elements of corruption, are of most concern in Chad, Democratic Republic of the Congo (Kinshasa), Uganda, and Venezuela, which shared the worst rating overall on this factor. The perceived degree of fairness and transparency of the legal process in Iran, Kazakhstan, Syria, Equatorial Guinea, Angola, Ecuador, Yemen, and Algeria caused considerable concern for investors. Each of these jurisdictions scored in the upper half of the fifth quintile on this question. Bulgaria and Ukraine, which both scored in the fifth quintile on this factor in 2010, improved to third and fourth quintile ratings, respectively, this year.

Legal system issues are of least concern in Austria, New Zealand, Australia, Ohio, and Alabama, followed closely by other jurisdictions with first quintile scores, all of which are in North America and Europe except for Bahrain, Timor Gap, and Japan.

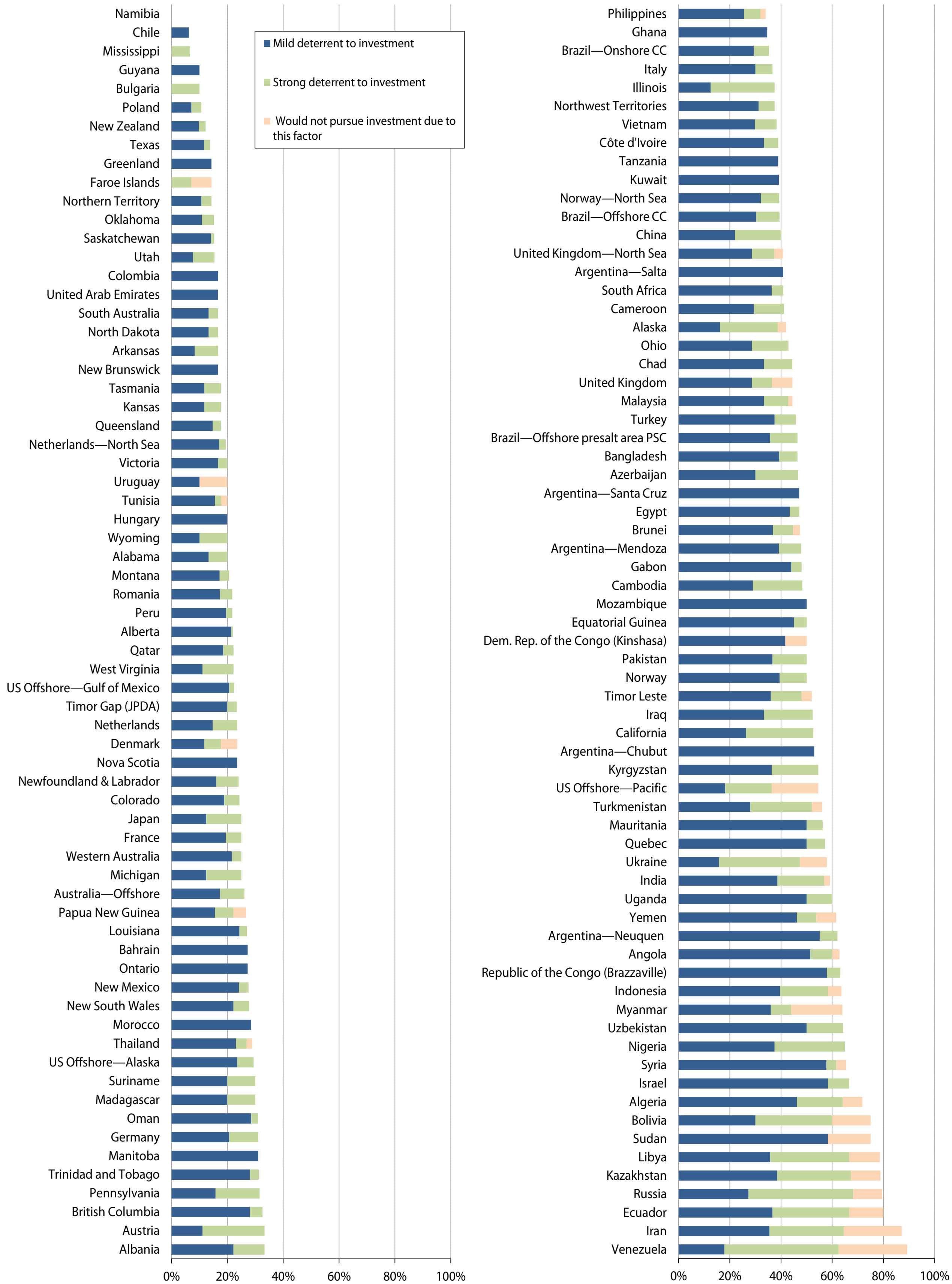
Figure 24: Fiscal terms





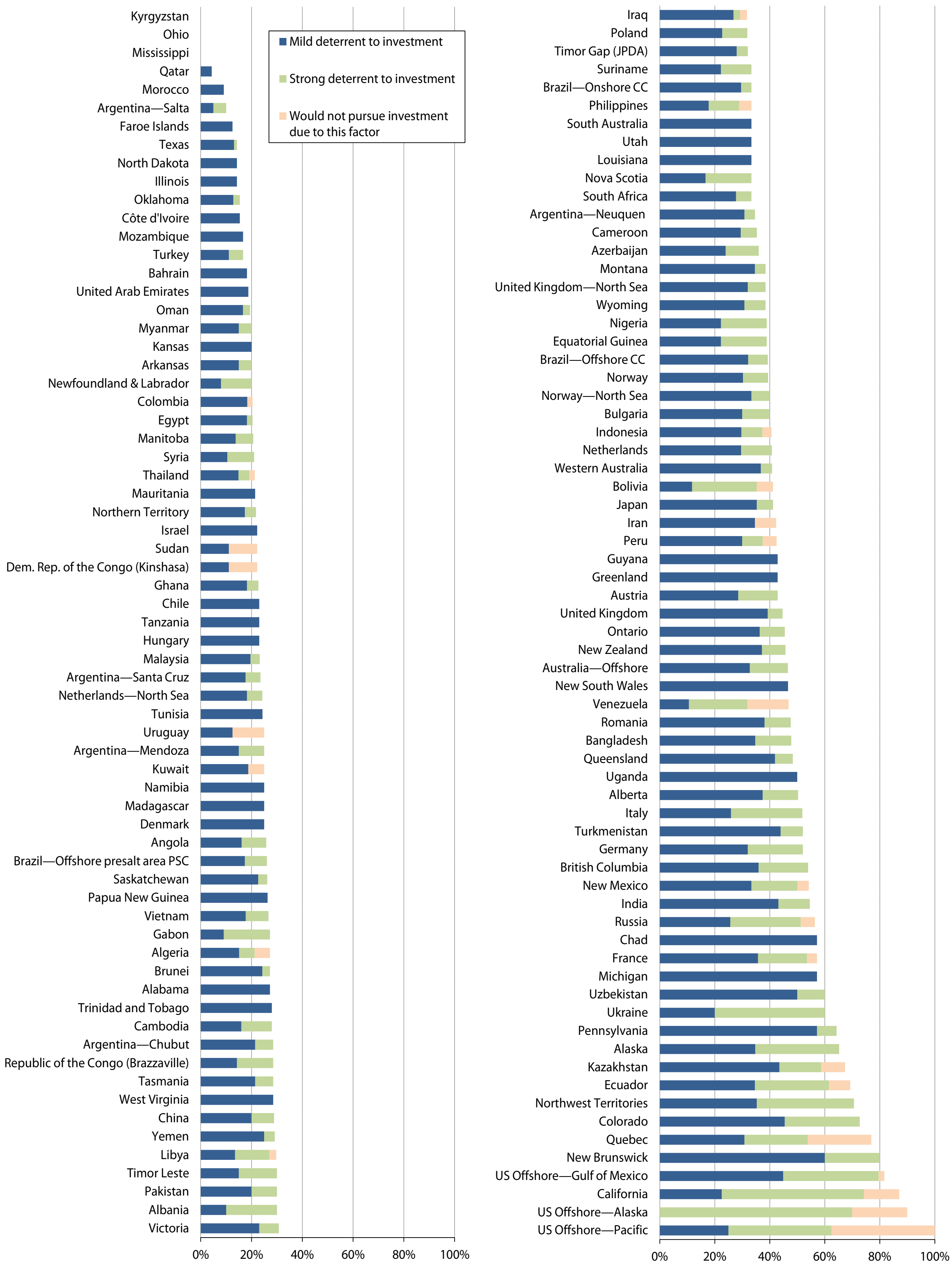
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 25: Taxation regime



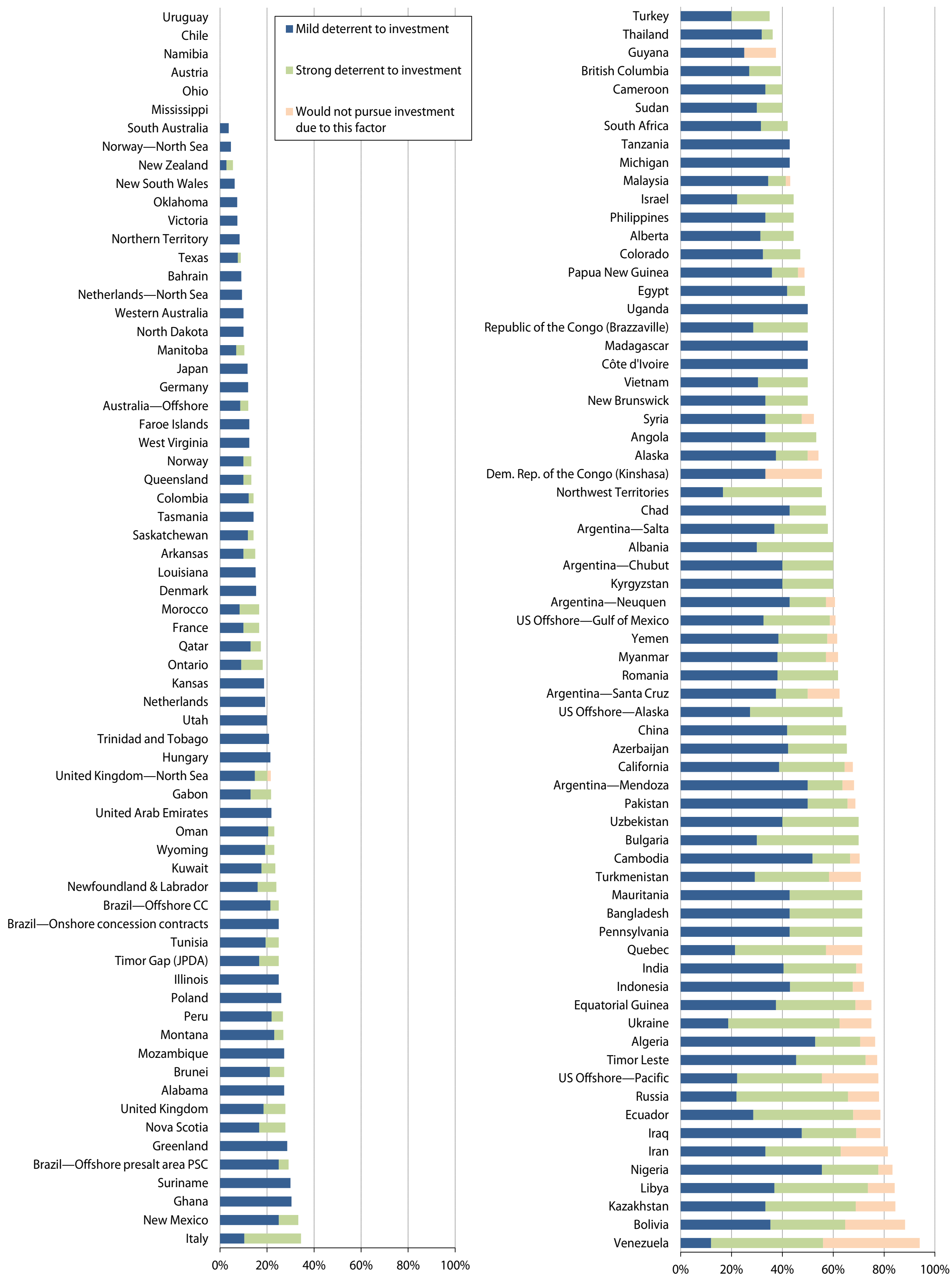
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 26: Environmental regulations



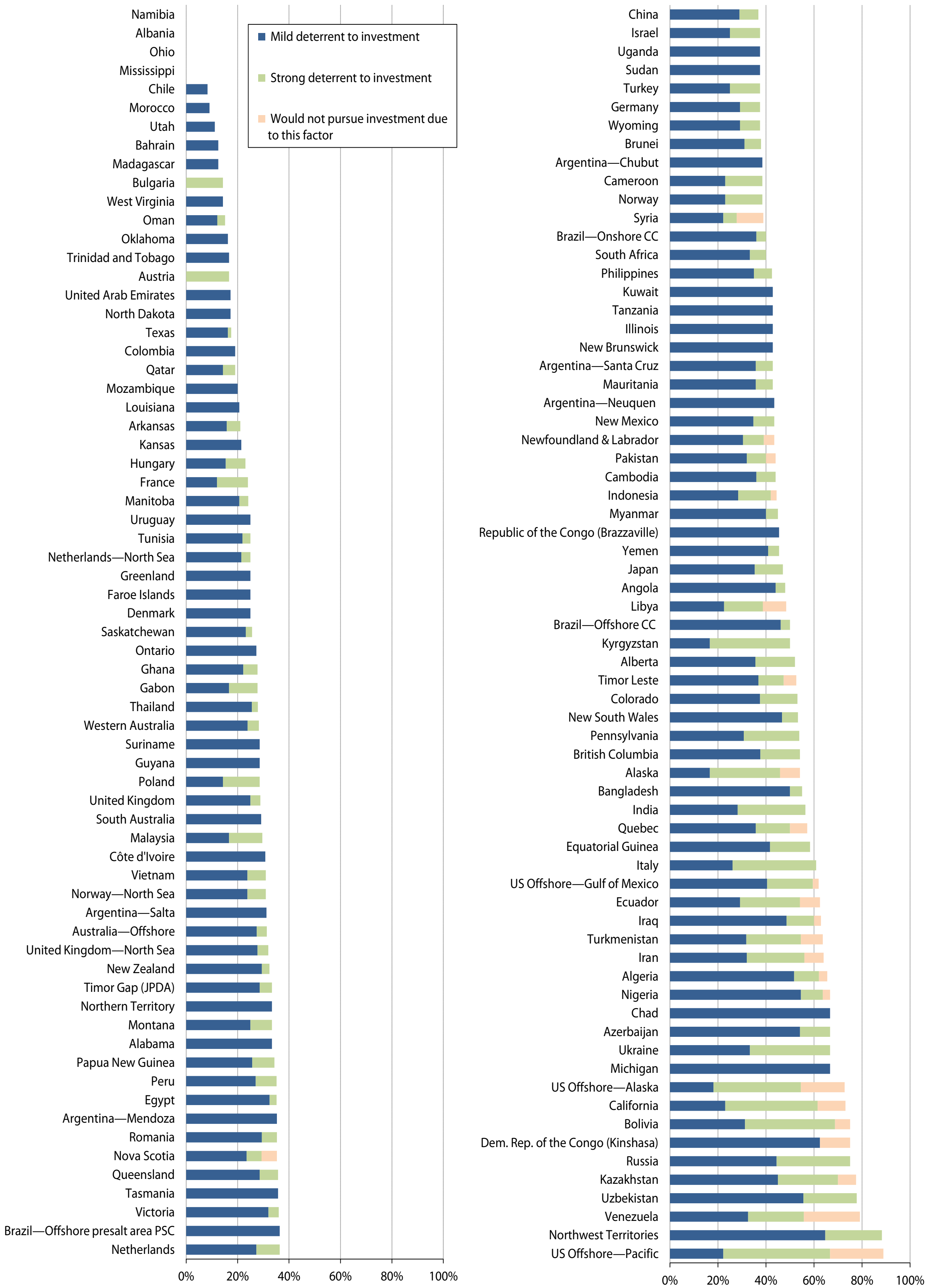
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 27: Uncertainty concerning the administration, interpretation



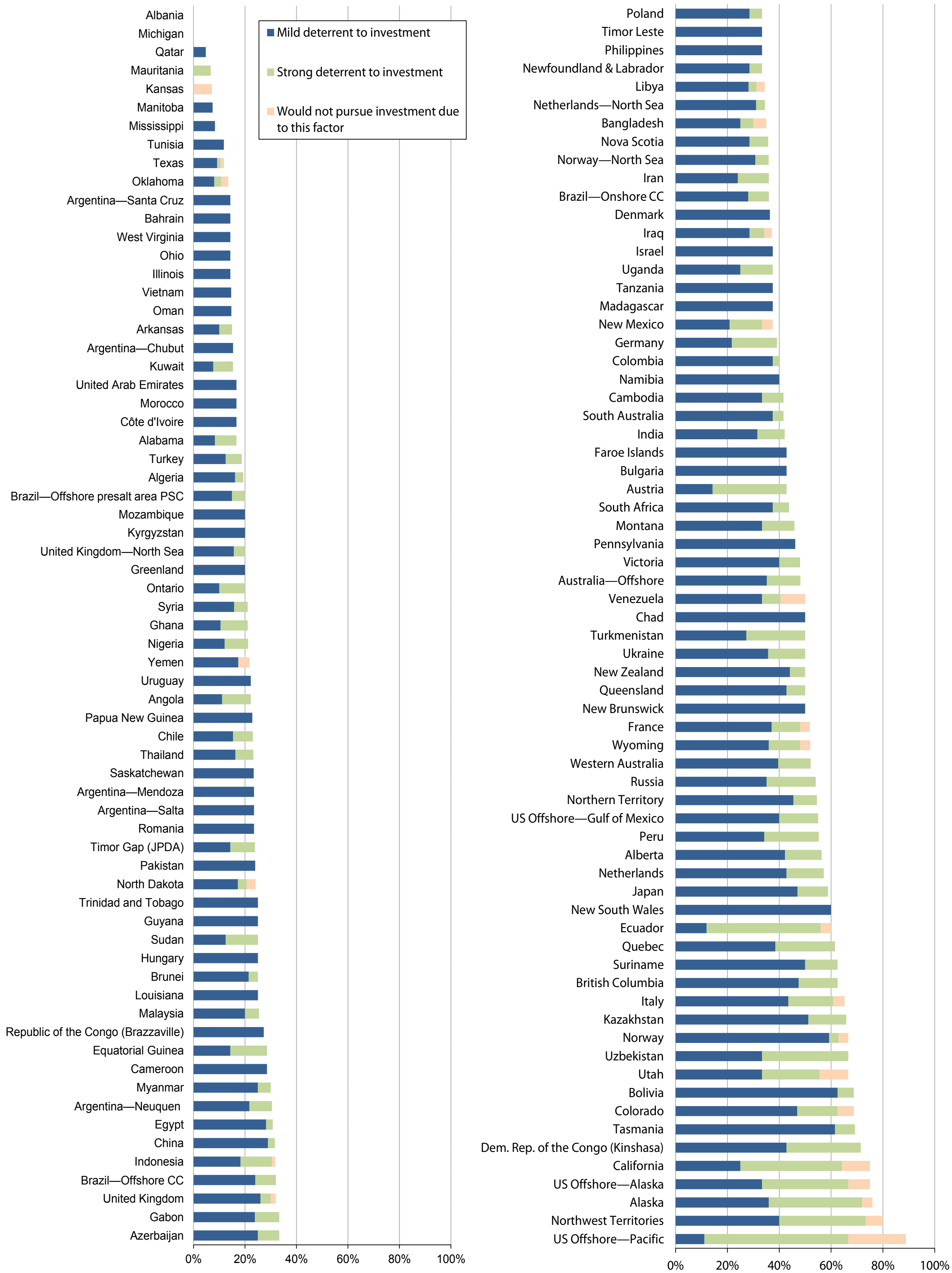
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 28: Cost of regulatory compliance



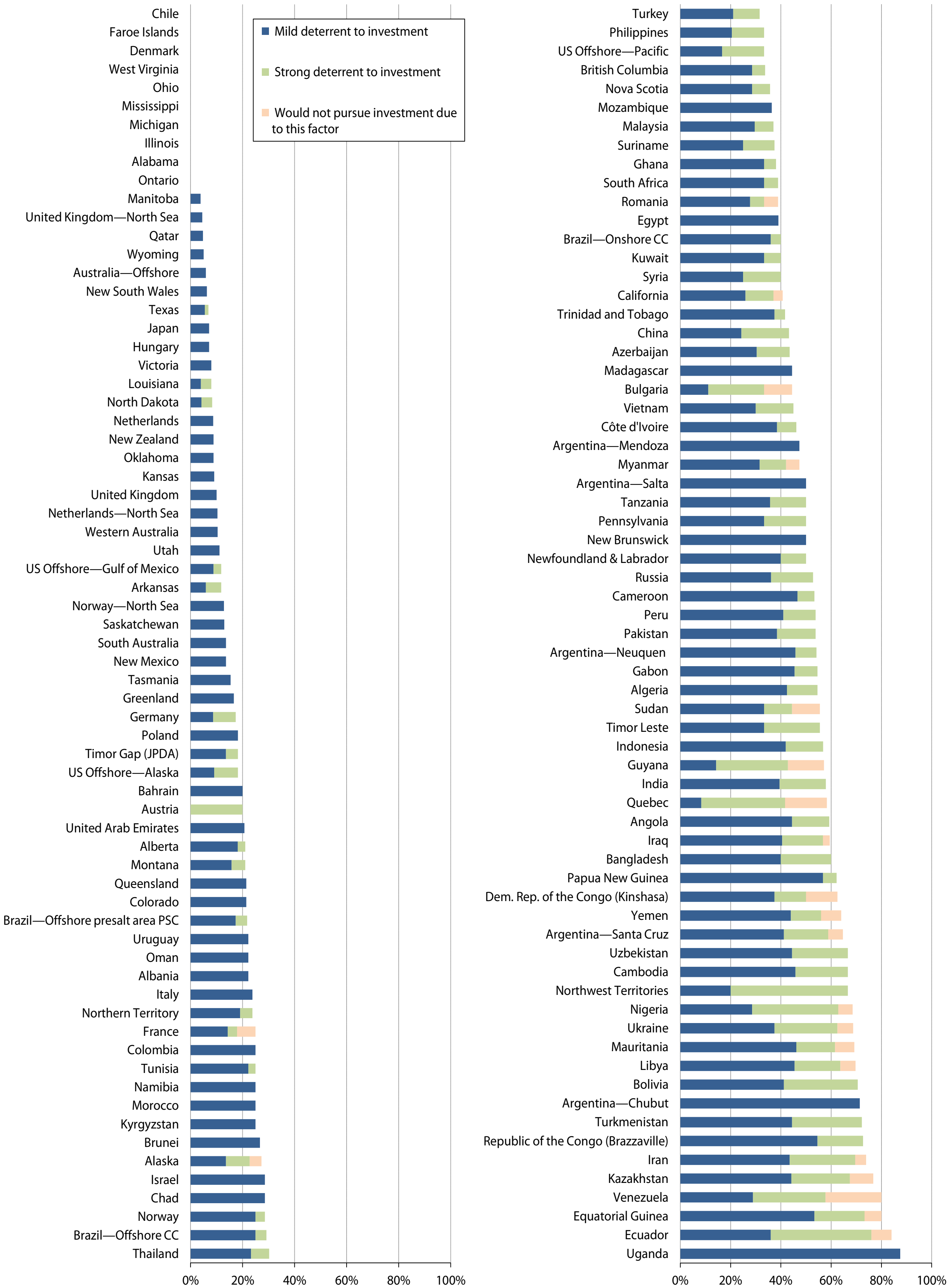
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 29: Uncertainty regarding protected areas



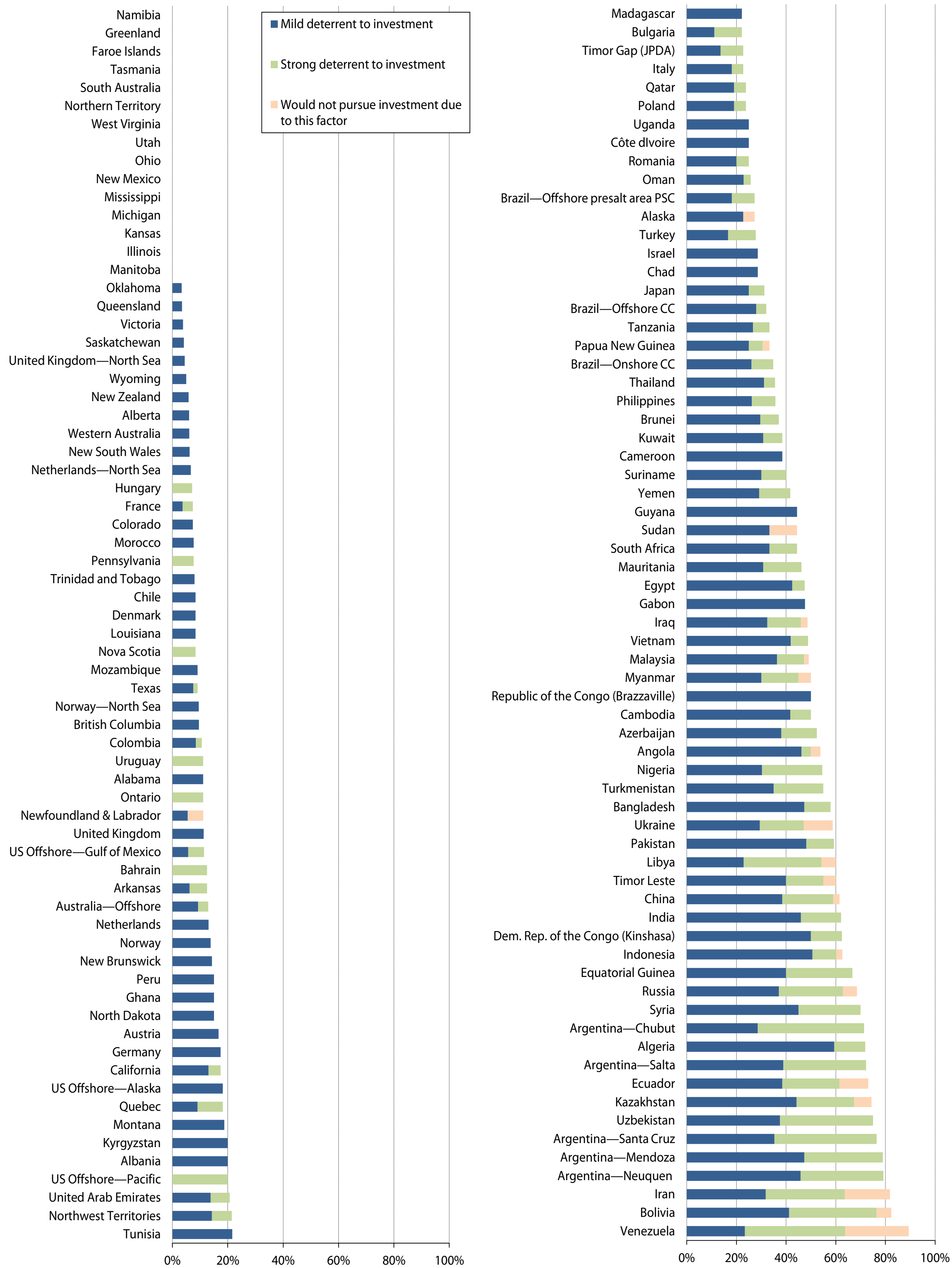
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 30: Socio-economic agreements



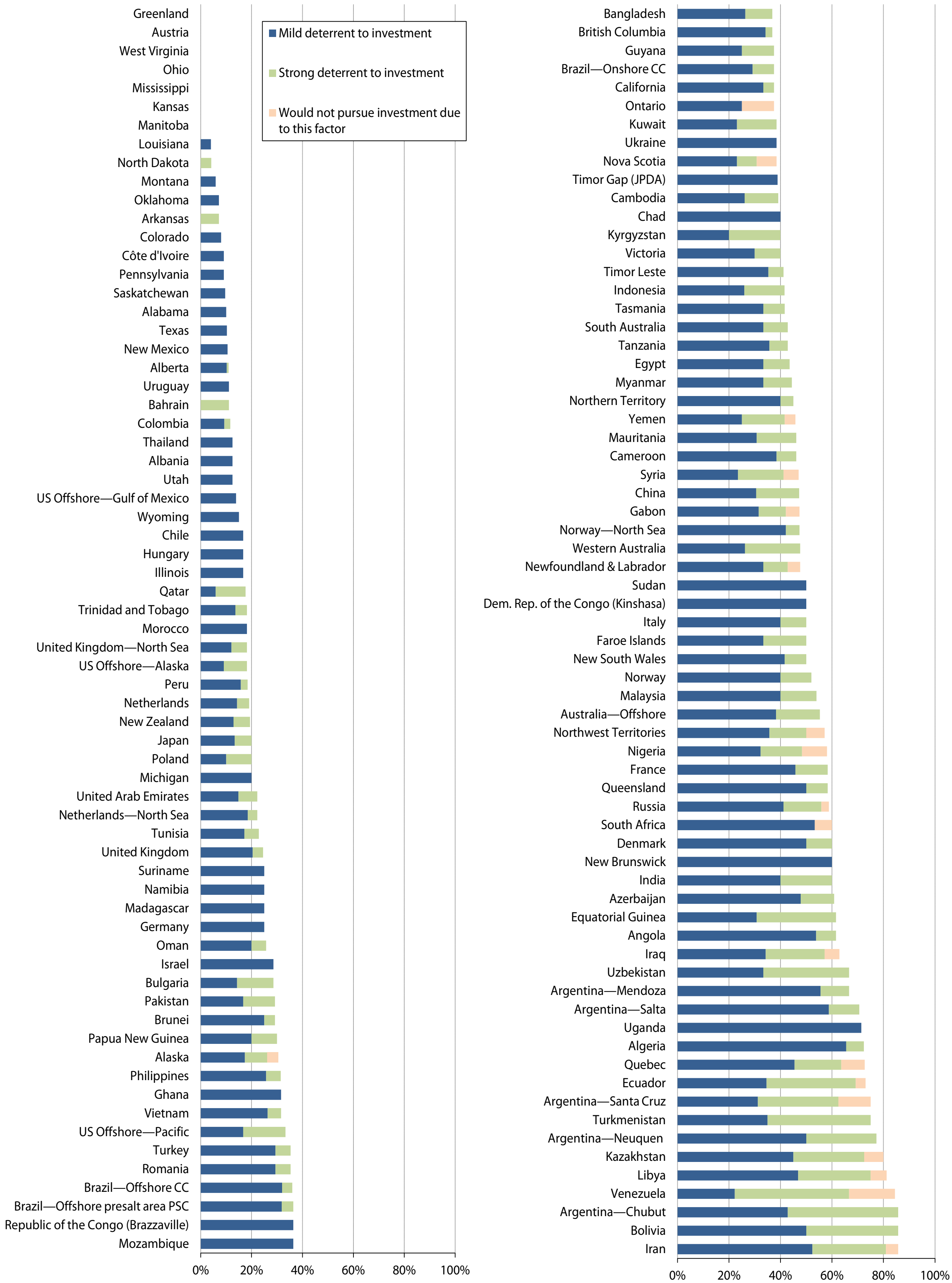
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 31: Trade barriers



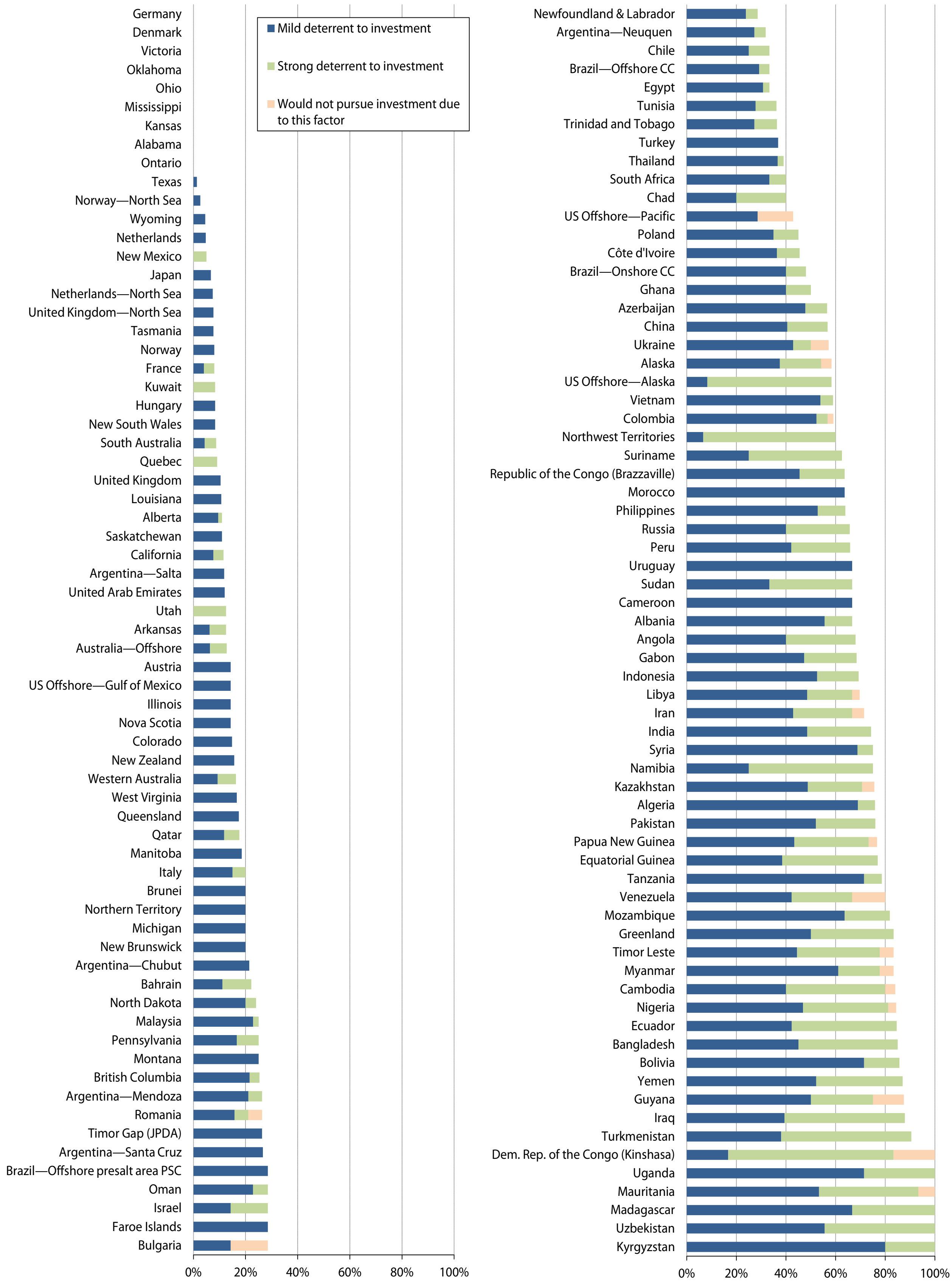
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 32: Labor regulations and employment agreements



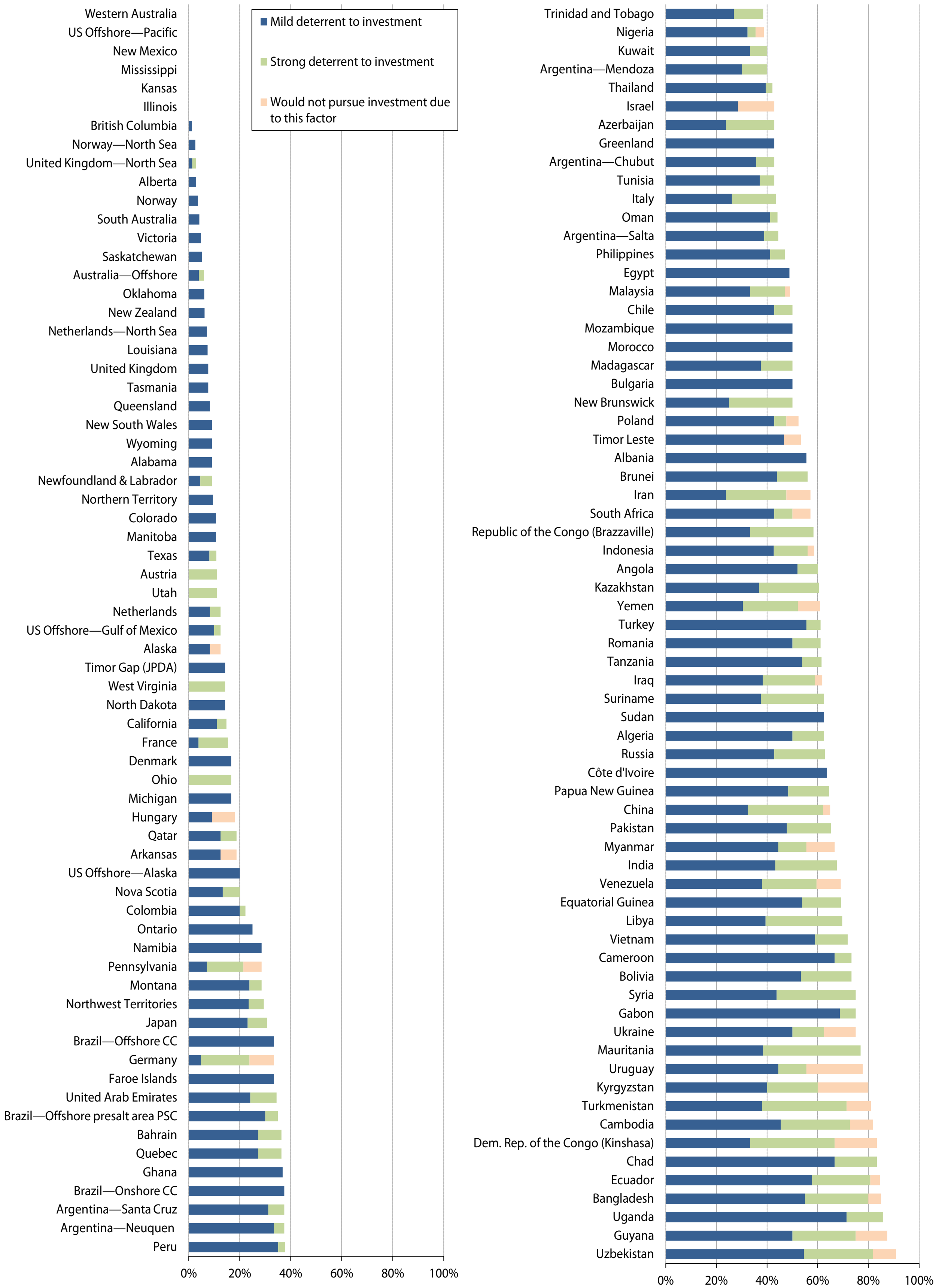
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 33: Quality of infrastructure



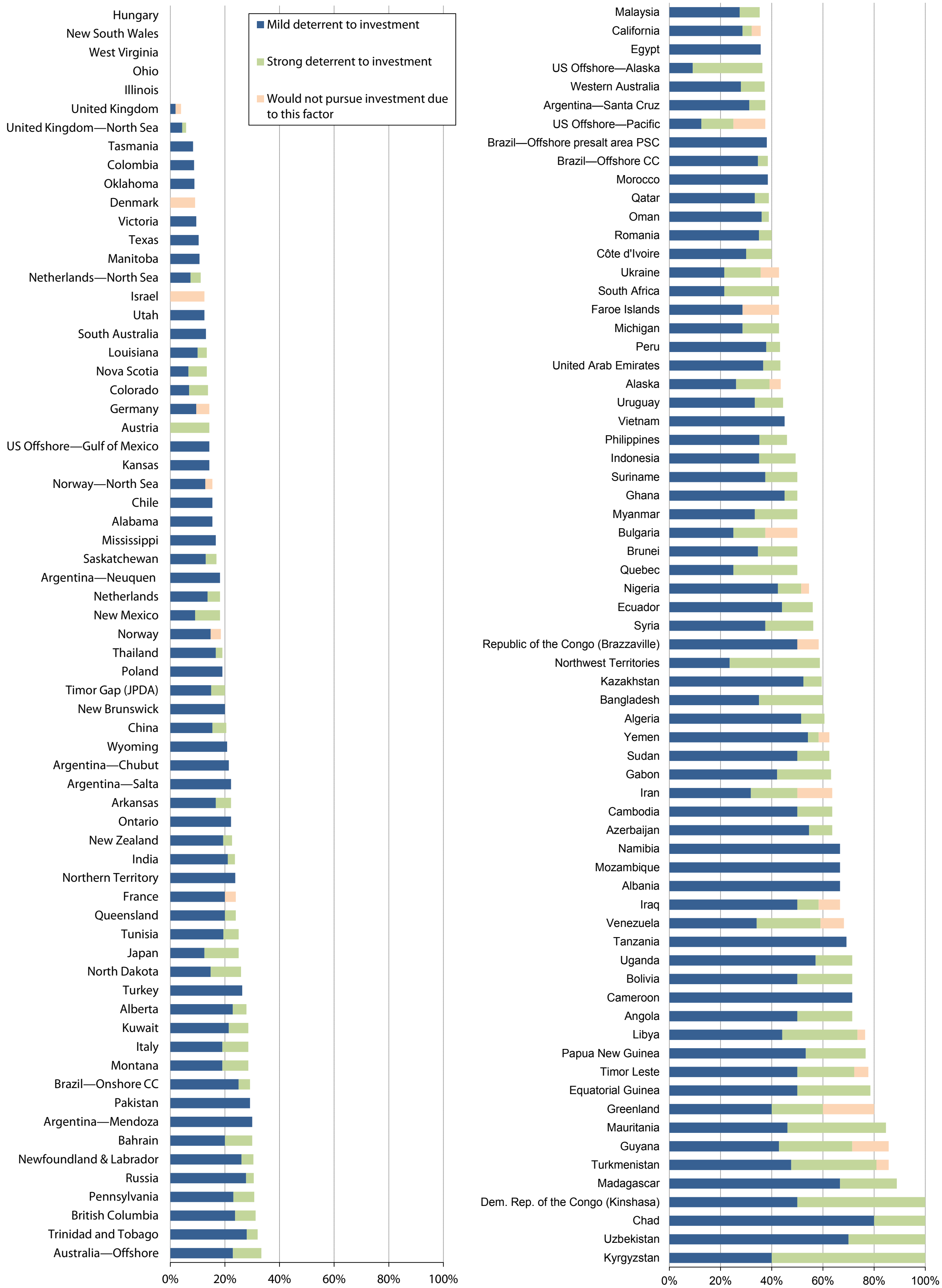
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 34: Geological database



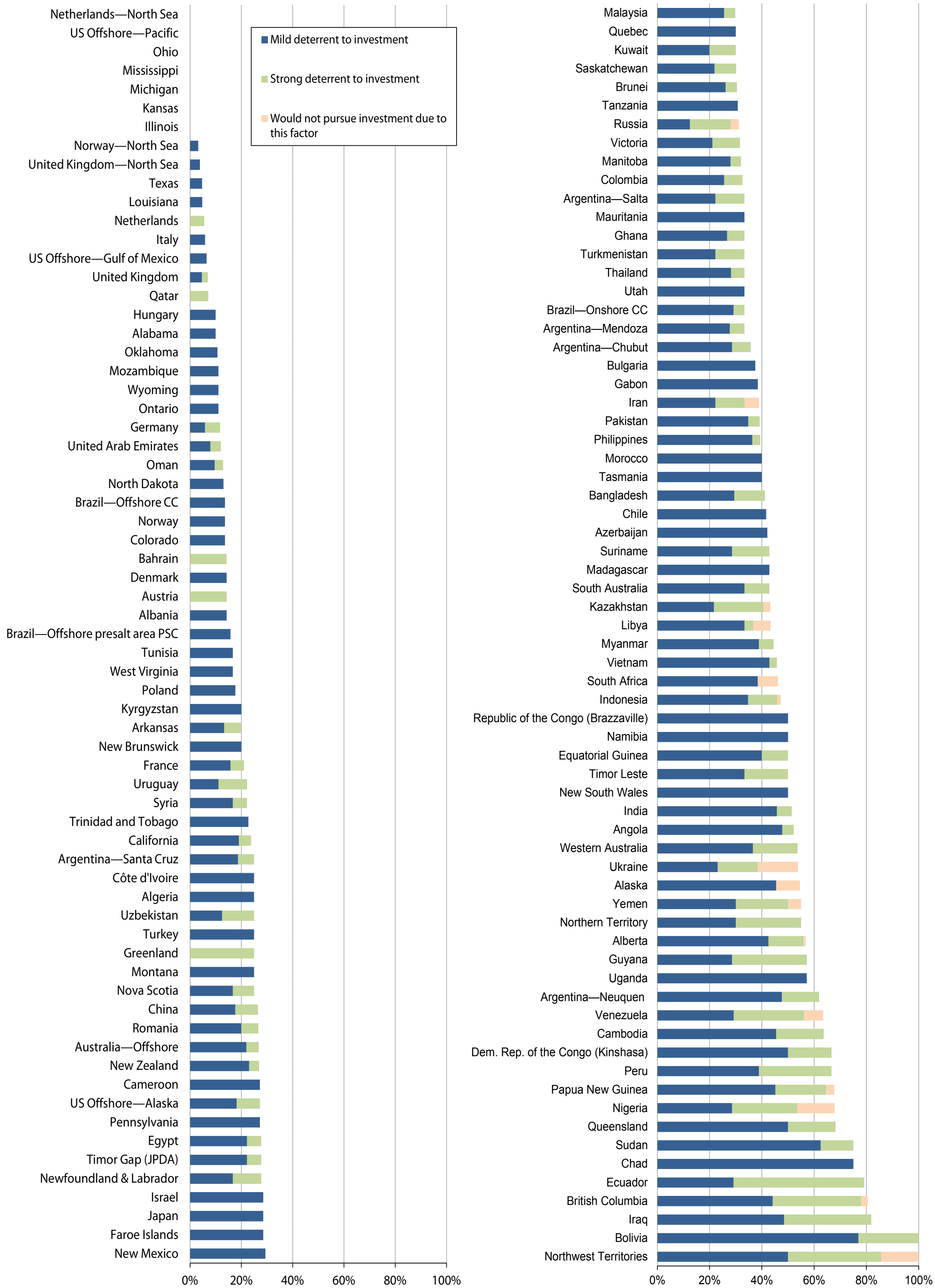
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 35: Labor availability



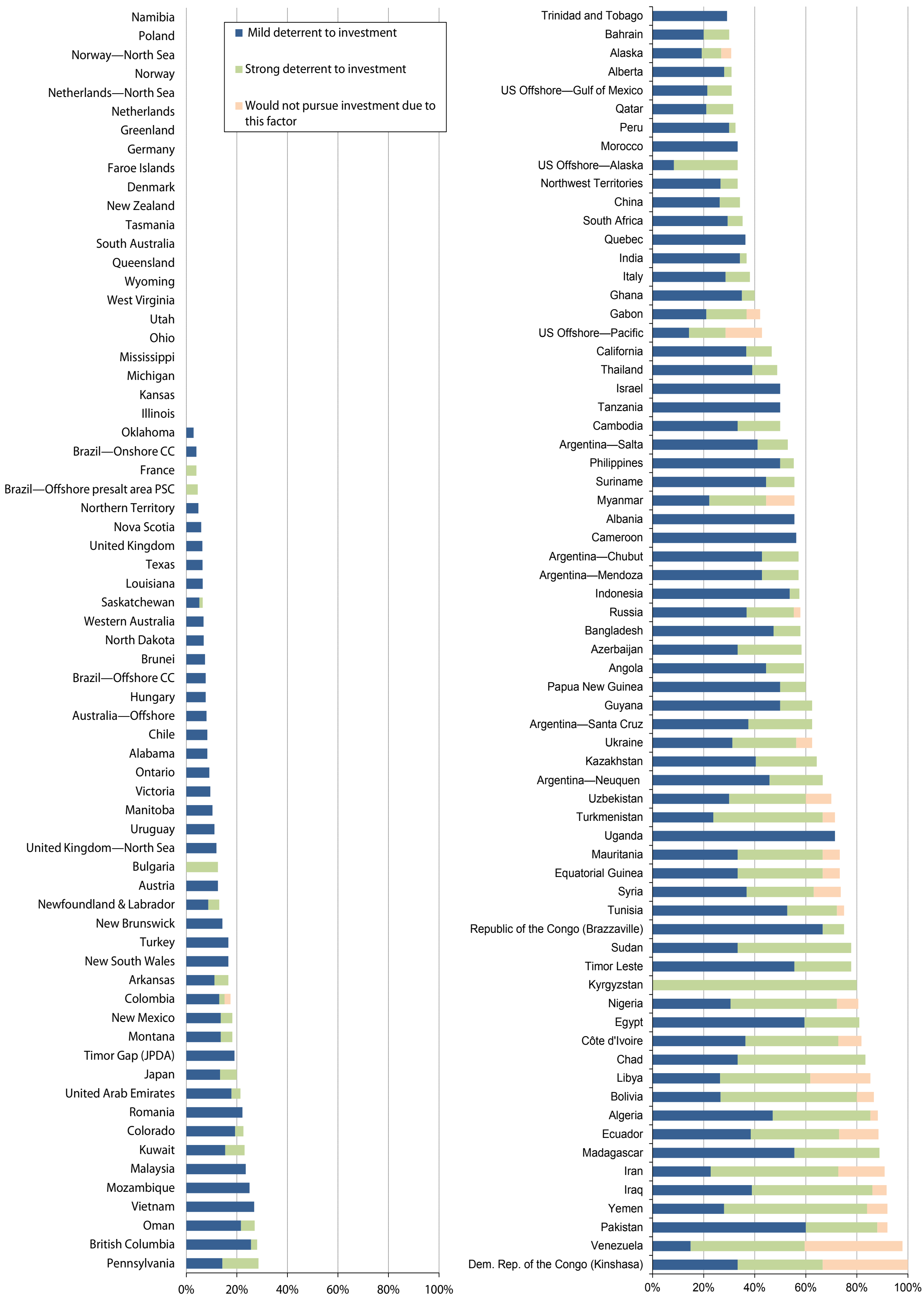
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 36: Disputed land claims



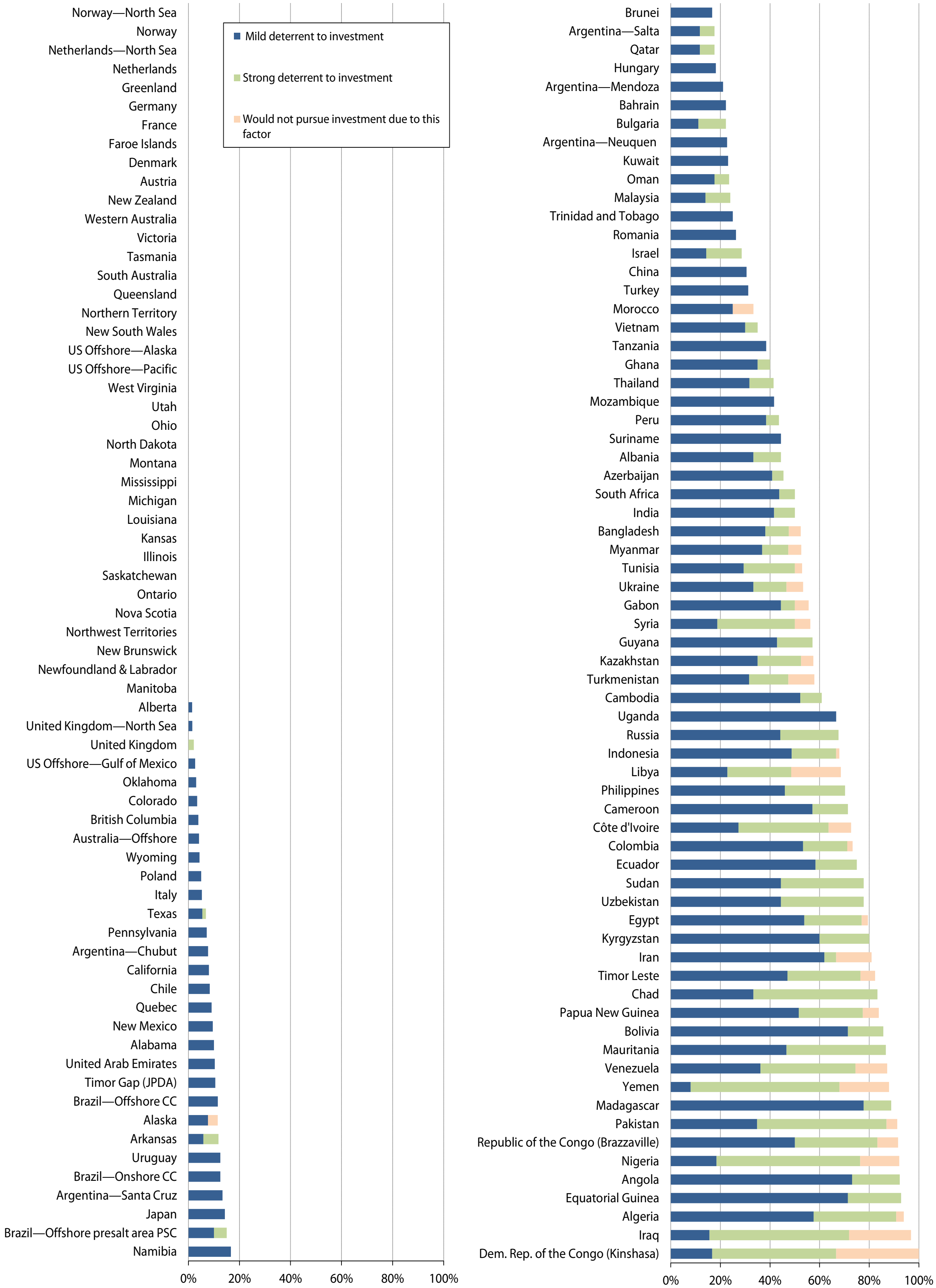
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 37: Political stability



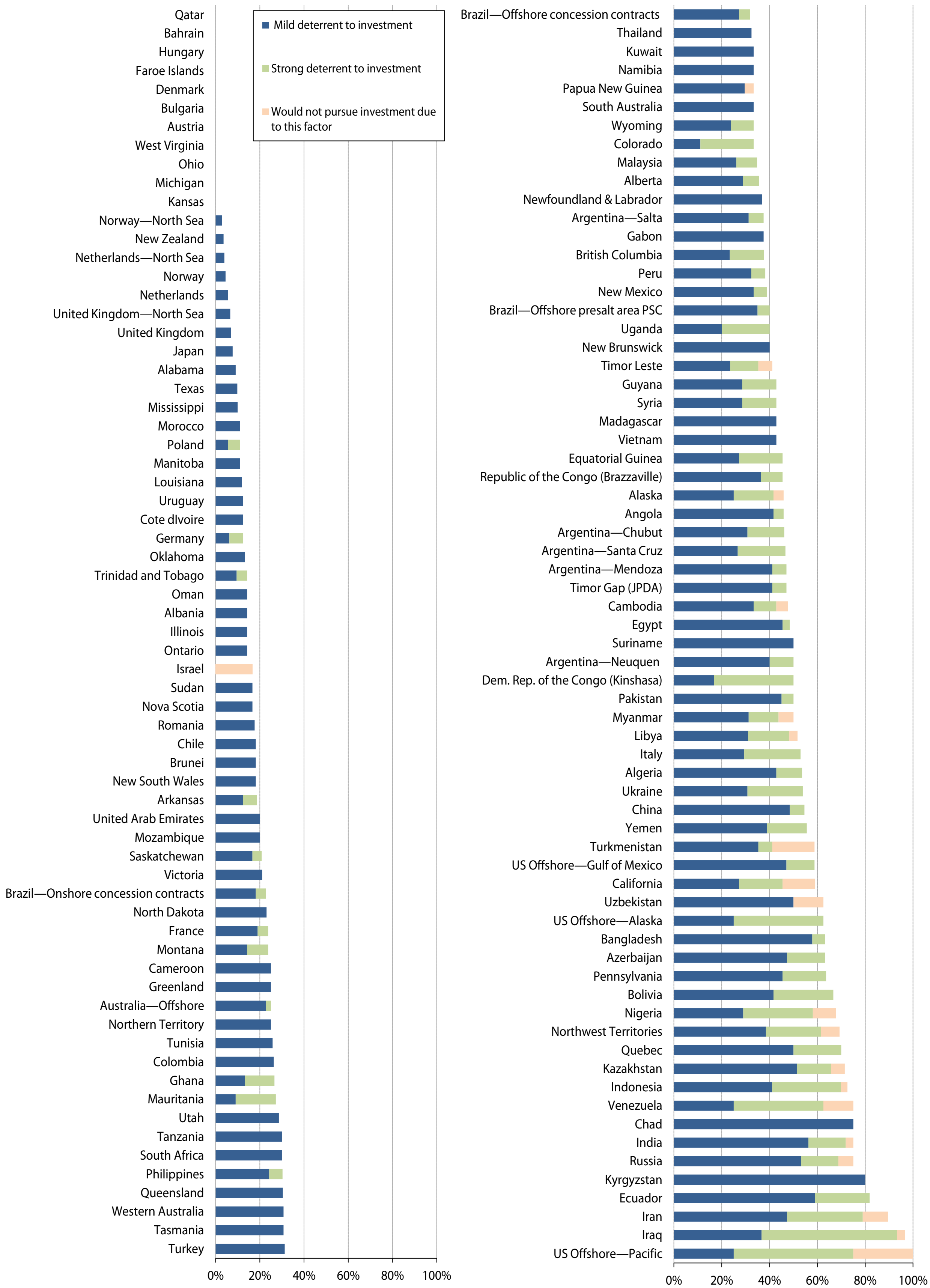
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 38: Security



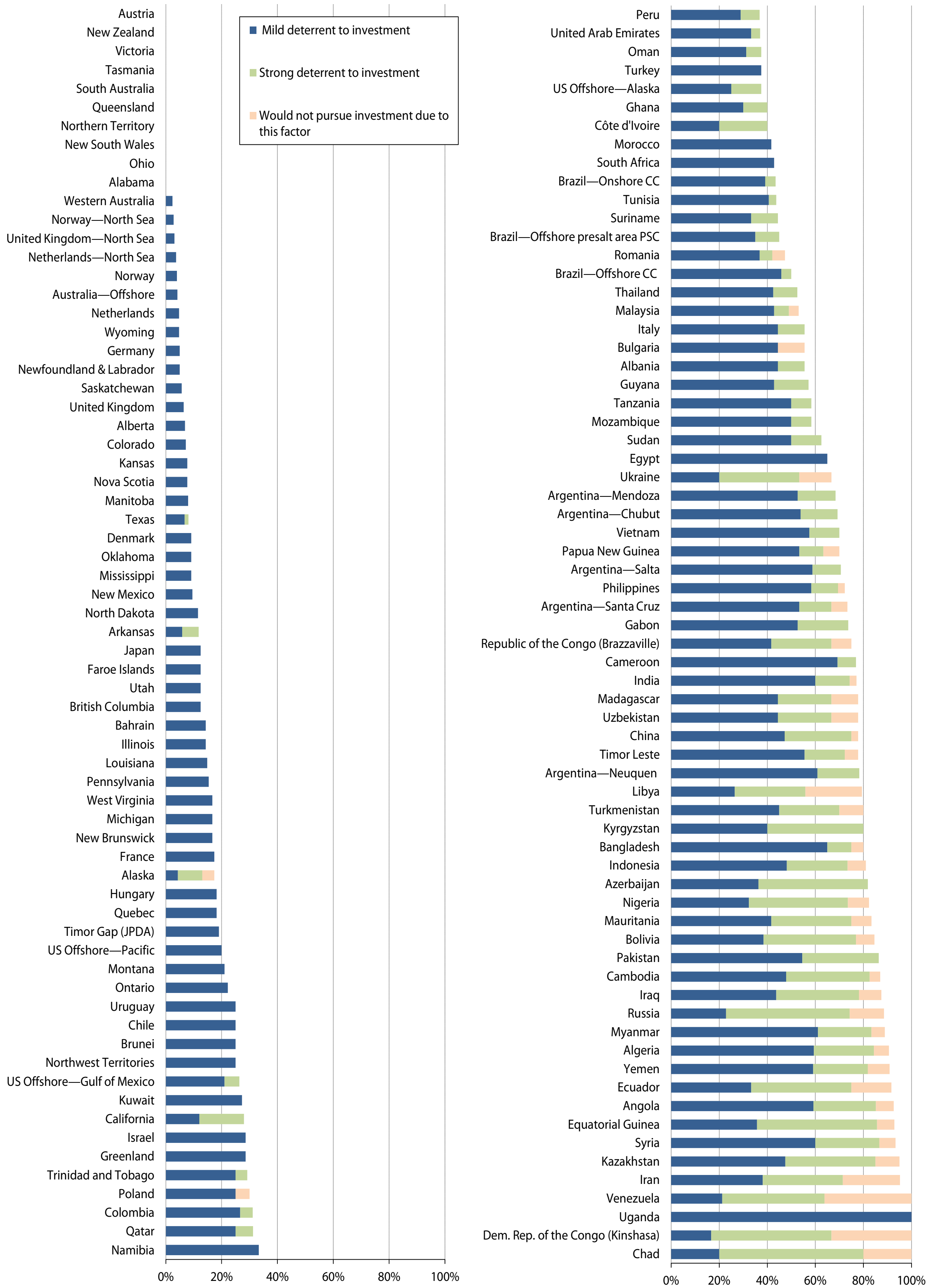
* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 39: Regulatory duplication



* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Figure 40: Legal system processes



* JPDA = Joint Petroleum Development Area; PSC = profit sharing contracts; CC = concession contracts

Tabular material: Survey data appendix

The following pages give the scores for each of the 17 factors and the best practices question in all 135 jurisdictions that were ranked in this year's survey.

Question 1: Fiscal terms

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	29%	47%	21%	3%	0%
British Columbia	32%	48%	16%	3%	0%
Manitoba	52%	35%	13%	0%	0%
Newfoundland & Labrador	19%	48%	26%	7%	0%
New Brunswick	71%	29%	0%	0%	0%
Northwest Territories	11%	50%	22%	17%	0%
Nova Scotia	20%	60%	15%	5%	0%
Ontario	9%	91%	0%	0%	0%
Quebec	25%	44%	13%	19%	0%
Saskatchewan	54%	40%	6%	0%	0%
USA					
Alabama	47%	33%	20%	0%	0%
Alaska	16%	35%	29%	16%	3%
Arkansas	44%	48%	4%	4%	0%
California	10%	28%	48%	15%	0%
Colorado	22%	46%	27%	5%	0%
Illinois	30%	50%	20%	0%	0%
Kansas	48%	33%	19%	0%	0%
Louisiana	49%	37%	12%	2%	0%
Michigan	44%	44%	11%	0%	0%
Mississippi	56%	38%	6%	0%	0%
Montana	26%	55%	19%	0%	0%
New Mexico	25%	44%	28%	3%	0%
North Dakota	54%	43%	0%	3%	0%
Ohio	30%	60%	10%	0%	0%
Oklahoma	48%	46%	6%	0%	0%
Pennsylvania	26%	43%	26%	4%	0%
Texas	63%	31%	6%	0%	0%
Utah	53%	27%	20%	0%	0%
West Virginia	9%	82%	9%	0%	0%
Wyoming	39%	39%	18%	3%	0%
US Offshore—Pacific	27%	9%	36%	27%	0%
US Offshore—Gulf of Mexico	36%	34%	23%	7%	0%
US Offshore—Alaska	29%	41%	29%	0%	0%

continued ...

Question 1: Fiscal terms *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	43%	38%	19%	0%	0%
Northern Territory	59%	34%	3%	3%	0%
Queensland	55%	38%	8%	0%	0%
South Australia	55%	39%	6%	0%	0%
Tasmania	42%	47%	11%	0%	0%
Victoria	47%	47%	6%	0%	0%
Western Australia	57%	37%	6%	0%	0%
Australia—Offshore	48%	39%	10%	3%	0%
Timor Gap (JPDA)*	32%	44%	21%	3%	0%
Brunei	16%	42%	28%	9%	5%
Indonesia	12%	26%	38%	21%	3%
Malaysia	22%	25%	34%	18%	1%
New Zealand	67%	21%	5%	7%	0%
Papua New Guinea	32%	42%	14%	10%	2%
Philippines	29%	38%	29%	4%	0%
Timor Leste	19%	33%	19%	22%	7%
Europe					
Albania	45%	27%	18%	9%	0%
Austria	36%	45%	9%	9%	0%
Bulgaria	38%	54%	8%	0%	0%
Denmark	32%	53%	16%	0%	0%
Faroe Islands	29%	50%	21%	0%	0%
France	28%	50%	18%	5%	0%
Germany	28%	55%	10%	7%	0%
Greenland	33%	67%	0%	0%	0%
Hungary	29%	65%	6%	0%	0%
Italy	27%	43%	17%	13%	0%
Netherlands	43%	43%	8%	5%	0%
Netherlands—North Sea	44%	47%	9%	0%	0%
Norway	50%	20%	25%	5%	0%
Norway—North Sea	40%	37%	18%	5%	0%
Poland	43%	39%	14%	4%	0%
Romania	42%	46%	13%	0%	0%
Russia	2%	15%	31%	40%	12%
Turkey	38%	33%	21%	8%	0%
Ukraine	9%	22%	39%	26%	4%
United Kingdom	32%	39%	17%	11%	2%
United Kingdom—North Sea	32%	44%	17%	7%	0%

continued ...

Question 1: Fiscal terms *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	19%	28%	47%	6%	0%
Bangladesh	13%	10%	65%	13%	0%
Cambodia	21%	21%	39%	18%	0%
China	13%	28%	45%	13%	0%
India	20%	35%	35%	8%	2%
Japan	17%	39%	33%	11%	0%
Kazakhstan	7%	17%	45%	24%	7%
Kyrgyzstan	50%	20%	20%	10%	0%
Myanmar	4%	30%	26%	26%	15%
Pakistan	9%	33%	45%	12%	0%
Thailand	33%	37%	28%	0%	2%
Turkmenistan	11%	33%	37%	15%	4%
Uzbekistan	24%	18%	47%	6%	6%
Vietnam	20%	47%	24%	9%	0%
Africa					
Algeria	2%	20%	42%	18%	18%
Angola	14%	35%	32%	16%	3%
Cameroon	38%	38%	24%	0%	0%
Chad	27%	36%	27%	9%	0%
Côte d’Ivoire	20%	40%	40%	0%	0%
Democratic Republic of the Congo (Kinshasa)	23%	8%	38%	23%	8%
Egypt	14%	49%	29%	8%	0%
Equatorial Guinea	20%	32%	36%	12%	0%
Gabon	30%	35%	35%	0%	0%
Ghana	30%	44%	26%	0%	0%
Libya	2%	6%	30%	36%	26%
Madagascar	18%	45%	36%	0%	0%
Mauritania	17%	39%	33%	11%	0%
Morocco	39%	28%	28%	6%	0%
Mozambique	53%	33%	13%	0%	0%
Namibia	43%	43%	14%	0%	0%
Nigeria	13%	22%	38%	22%	4%
Republic of the Congo (Brazzaville)	15%	35%	40%	10%	0%
South Africa	20%	56%	20%	0%	4%
Sudan	20%	20%	40%	0%	20%
Tanzania	20%	50%	30%	0%	0%
Tunisia	32%	48%	18%	2%	0%
Uganda	20%	30%	30%	20%	0%

continued ...

Question 1: Fiscal terms *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	38%	25%	13%	25%	0%
Iran	0%	3%	31%	25%	41%
Iraq	10%	10%	50%	15%	15%
Israel	18%	29%	41%	12%	0%
Kuwait	12%	24%	32%	24%	8%
Oman	22%	36%	33%	4%	4%
Qatar	17%	34%	38%	7%	3%
Syria	0%	45%	38%	10%	7%
United Arab Emirates	24%	34%	32%	11%	0%
Yemen	6%	38%	38%	18%	0%
Latin America and the Caribbean Basin					
Argentina—Salta	22%	35%	22%	17%	4%
Argentina—Mendoza	11%	46%	29%	14%	0%
Argentina—Neuquen	16%	34%	31%	16%	3%
Argentina—Chubut	18%	29%	35%	18%	0%
Argentina—Santa Cruz	5%	42%	32%	16%	5%
Bolivia	0%	17%	25%	38%	21%
Brazil—Onshore CC*	32%	38%	26%	3%	0%
Brazil—Offshore CC*	32%	32%	24%	11%	0%
Brazil—Offshore presalt area PSC*	23%	23%	37%	17%	0%
Chile	56%	39%	6%	0%	0%
Colombia	54%	34%	10%	2%	0%
Ecuador	10%	10%	29%	32%	19%
Guyana	60%	10%	20%	0%	10%
Peru	44%	40%	12%	2%	2%
Suriname	33%	25%	42%	0%	0%
Trinidad and Tobago	18%	52%	21%	9%	0%
Uruguay	25%	58%	8%	8%	0%
Venezuela	2%	5%	17%	41%	34%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 2: Taxation regime

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	28%	50%	21%	1%	0%
British Columbia	16%	52%	28%	4%	0%
Manitoba	31%	38%	31%	0%	0%
Newfoundland & Labrador	12%	64%	16%	8%	0%
New Brunswick	33%	50%	17%	0%	0%
Northwest Territories	19%	44%	31%	6%	0%
Nova Scotia	18%	59%	24%	0%	0%
Ontario	18%	55%	27%	0%	0%
Quebec	21%	21%	50%	7%	0%
Saskatchewan	26%	59%	14%	1%	0%
USA					
Alabama	20%	60%	13%	7%	0%
Alaska	13%	45%	16%	23%	3%
Arkansas	13%	71%	8%	8%	0%
California	3%	45%	26%	26%	0%
Colorado	8%	68%	19%	5%	0%
Illinois	25%	38%	13%	25%	0%
Kansas	24%	59%	12%	6%	0%
Louisiana	22%	51%	24%	3%	0%
Michigan	25%	50%	13%	13%	0%
Mississippi	40%	53%	0%	7%	0%
Montana	17%	62%	17%	3%	0%
New Mexico	17%	55%	24%	3%	0%
North Dakota	37%	47%	13%	3%	0%
Ohio	43%	14%	29%	14%	0%
Oklahoma	33%	52%	11%	4%	0%
Pennsylvania	16%	53%	16%	16%	0%
Texas	39%	47%	12%	2%	0%
Utah	23%	62%	8%	8%	0%
West Virginia	0%	78%	11%	11%	0%
Wyoming	20%	60%	10%	10%	0%
US Offshore—Pacific	9%	36%	18%	18%	18%
US Offshore—Gulf of Mexico	26%	52%	21%	2%	0%
US Offshore—Alaska	18%	53%	24%	6%	0%

continued ...

Question 2: Taxation regime *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	22%	50%	22%	6%	0%
Northern Territory	36%	50%	11%	4%	0%
Queensland	24%	59%	15%	3%	0%
South Australia	20%	63%	13%	3%	0%
Tasmania	24%	59%	12%	6%	0%
Victoria	17%	63%	17%	3%	0%
Western Australia	22%	53%	22%	3%	0%
Australia—Offshore	20%	54%	17%	9%	0%
Timor Gap (JPDA)*	20%	57%	20%	3%	0%
Brunei	8%	45%	37%	8%	3%
Indonesia	1%	35%	40%	19%	5%
Malaysia	13%	43%	33%	10%	2%
New Zealand	32%	56%	10%	2%	0%
Papua New Guinea	18%	56%	16%	7%	4%
Philippines	15%	51%	26%	6%	2%
Timor Leste	12%	36%	36%	12%	4%
Europe					
Albania	22%	44%	22%	11%	0%
Austria	22%	44%	11%	22%	0%
Bulgaria	40%	50%	0%	10%	0%
Denmark	29%	47%	12%	6%	6%
Faroe Islands	36%	50%	0%	7%	7%
France	19%	56%	19%	6%	0%
Germany	21%	48%	21%	10%	0%
Greenland	43%	43%	14%	0%	0%
Hungary	20%	60%	20%	0%	0%
Italy	20%	43%	30%	7%	0%
Netherlands	35%	41%	15%	9%	0%
Netherlands—North Sea	32%	49%	17%	2%	0%
Norway	18%	32%	39%	11%	0%
Norway—North Sea	21%	39%	32%	7%	0%
Poland	25%	64%	7%	4%	0%
Romania	35%	43%	17%	4%	0%
Russia	2%	18%	27%	41%	11%
Turkey	8%	46%	38%	8%	0%
Ukraine	5%	37%	16%	32%	11%
United Kingdom	13%	43%	29%	8%	8%
United Kingdom—North Sea	13%	46%	29%	9%	3%

continued ...

Question 2: Taxation regime *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	20%	33%	30%	17%	0%
Bangladesh	14%	39%	39%	7%	0%
Cambodia	10%	42%	29%	19%	0%
China	8%	52%	22%	18%	0%
India	2%	39%	39%	18%	2%
Japan	13%	63%	13%	13%	0%
Kazakhstan	8%	13%	38%	29%	12%
Kyrgyzstan	36%	9%	36%	18%	0%
Myanmar	0%	36%	36%	8%	20%
Pakistan	7%	43%	37%	13%	0%
Thailand	23%	48%	23%	4%	2%
Turkmenistan	12%	32%	28%	24%	4%
Uzbekistan	21%	14%	50%	14%	0%
Vietnam	11%	51%	30%	9%	0%
Africa					
Algeria	5%	23%	46%	18%	8%
Angola	11%	26%	51%	9%	3%
Cameroon	24%	35%	29%	12%	0%
Chad	33%	22%	33%	11%	0%
Côte d'Ivoire	11%	50%	33%	6%	0%
Democratic Republic of the Congo (Kinshasa)	17%	33%	42%	0%	8%
Egypt	8%	45%	43%	4%	0%
Equatorial Guinea	10%	40%	45%	5%	0%
Gabon	12%	40%	44%	4%	0%
Ghana	23%	42%	35%	0%	0%
Libya	2%	19%	36%	31%	12%
Madagascar	0%	70%	20%	10%	0%
Mauritania	6%	38%	50%	6%	0%
Morocco	14%	57%	29%	0%	0%
Mozambique	25%	25%	50%	0%	0%
Namibia	50%	50%	0%	0%	0%
Nigeria	5%	30%	38%	28%	0%
Republic of the Congo (Brazzaville)	11%	26%	58%	5%	0%
South Africa	0%	59%	36%	5%	0%
Sudan	8%	17%	58%	0%	17%
Tanzania	17%	44%	39%	0%	0%
Tunisia	16%	64%	16%	2%	2%
Uganda	20%	20%	50%	10%	0%

continued ...

Question 2: Taxation regime *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	55%	18%	27%	0%	0%
Iran	3%	10%	35%	29%	23%
Iraq	10%	38%	33%	19%	0%
Israel	8%	25%	58%	8%	0%
Kuwait	22%	39%	39%	0%	0%
Oman	17%	52%	29%	2%	0%
Qatar	26%	52%	19%	4%	0%
Syria	0%	35%	58%	4%	4%
United Arab Emirates	36%	47%	17%	0%	0%
Yemen	4%	35%	46%	8%	8%
Latin America and the Caribbean Basin					
Argentina—Salta	9%	50%	41%	0%	0%
Argentina—Mendoza	4%	48%	39%	9%	0%
Argentina—Neuquen	3%	34%	55%	7%	0%
Argentina—Chubut	0%	47%	53%	0%	0%
Argentina—Santa Cruz	0%	53%	47%	0%	0%
Bolivia	0%	25%	30%	30%	15%
Brazil—Onshore CC*	21%	44%	29%	6%	0%
Brazil—Offshore CC*	15%	45%	30%	9%	0%
Brazil—Offshore presalt area PSC*	14%	39%	36%	11%	0%
Chile	56%	38%	6%	0%	0%
Colombia	30%	54%	17%	0%	0%
Ecuador	3%	17%	37%	30%	13%
Guyana	40%	50%	10%	0%	0%
Peru	39%	39%	20%	2%	0%
Suriname	20%	50%	20%	10%	0%
Trinidad and Tobago	19%	50%	28%	3%	0%
Uruguay	20%	60%	10%	0%	10%
Venezuela	0%	11%	18%	45%	27%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 3: Environmental regulations

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	12%	37%	37%	13%	0%
British Columbia	4%	42%	36%	18%	0%
Manitoba	21%	59%	14%	7%	0%
Newfoundland & Labrador	8%	72%	8%	12%	0%
New Brunswick	0%	20%	60%	20%	0%
Northwest Territories	0%	29%	35%	35%	0%
Nova Scotia	11%	56%	17%	17%	0%
Ontario	0%	55%	36%	9%	0%
Quebec	8%	15%	31%	23%	23%
Saskatchewan	26%	48%	23%	4%	0%
USA					
Alabama	0%	73%	27%	0%	0%
Alaska	0%	35%	35%	30%	0%
Arkansas	5%	75%	15%	5%	0%
California	3%	10%	23%	52%	13%
Colorado	0%	27%	45%	27%	0%
Illinois	0%	86%	14%	0%	0%
Kansas	20%	60%	20%	0%	0%
Louisiana	12%	55%	33%	0%	0%
Michigan	0%	43%	57%	0%	0%
Mississippi	15%	85%	0%	0%	0%
Montana	8%	54%	35%	4%	0%
New Mexico	0%	46%	33%	17%	4%
North Dakota	21%	64%	14%	0%	0%
Ohio	17%	83%	0%	0%	0%
Oklahoma	26%	59%	13%	3%	0%
Pennsylvania	0%	36%	57%	7%	0%
Texas	35%	51%	13%	1%	0%
Utah	11%	56%	33%	0%	0%
West Virginia	0%	71%	29%	0%	0%
Wyoming	12%	50%	31%	8%	0%
US Offshore—Pacific	0%	0%	25%	38%	38%
US Offshore—Gulf of Mexico	4%	14%	45%	35%	2%
US Offshore—Alaska	0%	10%	0%	70%	20%

continued ...

Question 3: Environmental regulations *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	7%	47%	47%	0%	0%
Northern Territory	9%	70%	17%	4%	0%
Queensland	6%	45%	42%	6%	0%
South Australia	17%	50%	33%	0%	0%
Tasmania	7%	64%	21%	7%	0%
Victoria	8%	62%	23%	8%	0%
Western Australia	12%	47%	37%	4%	0%
Australia—Offshore	10%	43%	33%	14%	0%
Timor Gap (JPDA)*	8%	60%	28%	4%	0%
Brunei	9%	64%	24%	3%	0%
Indonesia	9%	51%	30%	8%	3%
Malaysia	9%	68%	20%	4%	0%
New Zealand	14%	40%	37%	9%	0%
Papua New Guinea	8%	66%	26%	0%	0%
Philippines	0%	67%	18%	11%	4%
Timor Leste	0%	70%	15%	15%	0%
Europe					
Albania	20%	50%	10%	20%	0%
Austria	29%	29%	29%	14%	0%
Bulgaria	20%	40%	30%	10%	0%
Denmark	8%	67%	25%	0%	0%
Faroe Islands	25%	63%	13%	0%	0%
France	18%	25%	36%	18%	4%
Germany	16%	32%	32%	20%	0%
Greenland	14%	43%	43%	0%	0%
Hungary	0%	77%	23%	0%	0%
Italy	15%	33%	26%	26%	0%
Netherlands	19%	41%	30%	11%	0%
Netherlands—North Sea	15%	61%	18%	6%	0%
Norway	18%	42%	30%	9%	0%
Norway—North Sea	13%	47%	33%	7%	0%
Poland	14%	55%	23%	9%	0%
Romania	14%	38%	38%	10%	0%
Russia	5%	38%	26%	26%	5%
Turkey	17%	67%	11%	6%	0%
Ukraine	0%	40%	20%	40%	0%
United Kingdom	14%	41%	39%	5%	0%
United Kingdom—North Sea	8%	54%	32%	6%	0%

continued ...

Question 3: Environmental regulations *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	8%	56%	24%	12%	0%
Bangladesh	0%	52%	35%	13%	0%
Cambodia	4%	68%	16%	12%	0%
China	20%	51%	20%	9%	0%
India	2%	43%	43%	11%	0%
Japan	18%	41%	35%	6%	0%
Kazakhstan	4%	28%	43%	15%	9%
Kyrgyzstan	20%	80%	0%	0%	0%
Myanmar	10%	70%	15%	5%	0%
Pakistan	7%	63%	20%	10%	0%
Thailand	15%	64%	15%	4%	2%
Turkmenistan	12%	36%	44%	8%	0%
Uzbekistan	20%	20%	50%	10%	0%
Vietnam	9%	64%	18%	9%	0%
Africa					
Algeria	3%	70%	15%	6%	6%
Angola	3%	71%	16%	10%	0%
Cameroon	6%	59%	29%	6%	0%
Chad	0%	43%	57%	0%	0%
Côte d’Ivoire	0%	85%	15%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	78%	11%	0%	11%
Egypt	7%	73%	18%	2%	0%
Equatorial Guinea	11%	50%	22%	17%	0%
Gabon	5%	68%	9%	18%	0%
Ghana	14%	64%	18%	5%	0%
Libya	5%	65%	14%	14%	3%
Madagascar	0%	75%	25%	0%	0%
Mauritania	14%	64%	21%	0%	0%
Morocco	9%	82%	9%	0%	0%
Mozambique	0%	83%	17%	0%	0%
Namibia	0%	75%	25%	0%	0%
Nigeria	6%	56%	22%	17%	0%
Republic of the Congo (Brazzaville)	0%	71%	14%	14%	0%
South Africa	6%	61%	28%	6%	0%
Sudan	11%	67%	11%	0%	11%
Tanzania	15%	62%	23%	0%	0%
Tunisia	8%	68%	24%	0%	0%
Uganda	13%	38%	50%	0%	0%

continued ...

Question 3: Environmental regulations *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	18%	64%	18%	0%	0%
Iran	4%	54%	35%	0%	8%
Iraq	7%	61%	27%	2%	2%
Israel	11%	67%	22%	0%	0%
Kuwait	13%	63%	19%	0%	6%
Oman	8%	72%	17%	3%	0%
Qatar	26%	70%	4%	0%	0%
Syria	11%	68%	11%	11%	0%
United Arab Emirates	19%	63%	19%	0%	0%
Yemen	0%	71%	25%	4%	0%
Latin America and the Caribbean Basin					
Argentina—Salta	15%	75%	5%	5%	0%
Argentina—Mendoza	10%	65%	15%	10%	0%
Argentina—Neuquen	8%	58%	31%	4%	0%
Argentina—Chubut	7%	64%	21%	7%	0%
Argentina—Santa Cruz	6%	71%	18%	6%	0%
Bolivia	6%	53%	12%	24%	6%
Brazil—Onshore CC*	15%	52%	30%	4%	0%
Brazil—Offshore CC*	11%	50%	32%	7%	0%
Brazil—Offshore presalt area PSC*	9%	65%	17%	9%	0%
Chile	15%	62%	23%	0%	0%
Colombia	14%	65%	18%	0%	2%
Ecuador	4%	27%	35%	27%	8%
Guyana	14%	43%	43%	0%	0%
Peru	13%	45%	30%	8%	5%
Suriname	0%	67%	22%	11%	0%
Trinidad and Tobago	8%	64%	28%	0%	0%
Uruguay	25%	50%	13%	0%	13%
Venezuela	11%	43%	11%	21%	15%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 4: Administration or enforcement of regulations

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	15%	41%	31%	13%	0%
British Columbia	8%	53%	27%	12%	0%
Manitoba	28%	62%	7%	3%	0%
Newfoundland & Labrador	16%	60%	16%	8%	0%
New Brunswick	0%	50%	33%	17%	0%
Northwest Territories	11%	33%	17%	39%	0%
Nova Scotia	22%	50%	17%	11%	0%
Ontario	9%	73%	9%	9%	0%
Quebec	7%	21%	21%	36%	14%
Saskatchewan	26%	60%	12%	2%	0%
USA					
Alabama	9%	64%	27%	0%	0%
Alaska	0%	46%	38%	13%	4%
Arkansas	5%	80%	10%	5%	0%
California	10%	23%	39%	26%	3%
Colorado	9%	44%	32%	15%	0%
Illinois	0%	75%	25%	0%	0%
Kansas	25%	56%	19%	0%	0%
Louisiana	30%	55%	15%	0%	0%
Michigan	14%	43%	43%	0%	0%
Mississippi	38%	62%	0%	0%	0%
Montana	8%	65%	23%	4%	0%
New Mexico	13%	54%	25%	8%	0%
North Dakota	23%	67%	10%	0%	0%
Ohio	25%	75%	0%	0%	0%
Oklahoma	34%	59%	7%	0%	0%
Pennsylvania	0%	29%	43%	29%	0%
Texas	39%	52%	8%	1%	0%
Utah	20%	60%	20%	0%	0%
West Virginia	13%	75%	13%	0%	0%
Wyoming	15%	62%	19%	4%	0%
US Offshore—Pacific	11%	11%	22%	33%	22%
US Offshore—Gulf of Mexico	15%	24%	33%	26%	2%
US Offshore—Alaska	18%	18%	27%	36%	0%

continued ...

Question 4: Administration or enforcement of regulations *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	44%	50%	6%	0%	0%
Northern Territory	42%	50%	8%	0%	0%
Queensland	43%	43%	10%	3%	0%
South Australia	44%	52%	4%	0%	0%
Tasmania	43%	43%	14%	0%	0%
Victoria	44%	48%	7%	0%	0%
Western Australia	40%	50%	10%	0%	0%
Australia—Offshore	33%	55%	9%	3%	0%
Timor Gap (JPDA)*	17%	58%	17%	8%	0%
Brunei	18%	55%	21%	6%	0%
Indonesia	3%	25%	43%	25%	4%
Malaysia	12%	45%	34%	7%	2%
New Zealand	39%	56%	3%	3%	0%
Papua New Guinea	3%	49%	36%	10%	3%
Philippines	7%	49%	33%	11%	0%
Timor Leste	0%	23%	45%	27%	5%
Europe					
Albania	10%	30%	30%	30%	0%
Austria	50%	50%	0%	0%	0%
Bulgaria	10%	20%	30%	40%	0%
Denmark	38%	46%	15%	0%	0%
Faroe Islands	38%	50%	13%	0%	0%
France	27%	57%	10%	7%	0%
Germany	36%	52%	12%	0%	0%
Greenland	0%	71%	29%	0%	0%
Hungary	7%	71%	21%	0%	0%
Italy	14%	52%	10%	24%	0%
Netherlands	46%	35%	19%	0%	0%
Netherlands—North Sea	31%	59%	9%	0%	0%
Norway	37%	50%	10%	3%	0%
Norway—North Sea	37%	58%	5%	0%	0%
Poland	17%	57%	26%	0%	0%
Romania	10%	29%	38%	24%	0%
Russia	2%	20%	22%	44%	12%
Turkey	15%	50%	20%	15%	0%
Ukraine	6%	19%	19%	44%	13%
United Kingdom	28%	44%	19%	9%	0%
United Kingdom—North Sea	22%	57%	15%	5%	1%

continued ...

Question 4: Administration or enforcement of regulations *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	12%	23%	42%	23%	0%
Bangladesh	0%	29%	43%	29%	0%
Cambodia	0%	30%	52%	15%	4%
China	7%	28%	42%	23%	0%
India	2%	26%	40%	29%	2%
Japan	35%	53%	12%	0%	0%
Kazakhstan	9%	7%	33%	36%	16%
Kyrgyzstan	0%	40%	40%	20%	0%
Myanmar	0%	38%	38%	19%	5%
Pakistan	0%	31%	50%	16%	3%
Thailand	19%	45%	32%	4%	0%
Turkmenistan	4%	25%	29%	29%	13%
Uzbekistan	0%	30%	40%	30%	0%
Vietnam	11%	39%	30%	20%	0%
Africa					
Algeria	3%	21%	53%	18%	6%
Angola	3%	43%	33%	20%	0%
Cameroon	7%	53%	33%	7%	0%
Chad	0%	43%	43%	14%	0%
Côte d'Ivoire	0%	50%	50%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	44%	33%	0%	22%
Egypt	5%	47%	42%	7%	0%
Equatorial Guinea	0%	25%	38%	31%	6%
Gabon	0%	78%	13%	9%	0%
Ghana	13%	57%	30%	0%	0%
Libya	5%	11%	37%	37%	11%
Madagascar	0%	50%	50%	0%	0%
Mauritania	7%	21%	43%	29%	0%
Morocco	8%	75%	8%	8%	0%
Mozambique	0%	73%	27%	0%	0%
Namibia	0%	100%	0%	0%	0%
Nigeria	3%	14%	56%	22%	6%
Republic of the Congo (Brazzaville)	0%	50%	29%	21%	0%
South Africa	0%	58%	32%	11%	0%
Sudan	0%	60%	30%	10%	0%
Tanzania	7%	50%	43%	0%	0%
Tunisia	14%	61%	19%	6%	0%
Uganda	0%	50%	50%	0%	0%

continued ...

Question 4: Administration or enforcement of regulations *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	45%	45%	9%	0%	0%
Iran	0%	19%	33%	30%	19%
Iraq	0%	21%	48%	21%	10%
Israel	11%	44%	22%	22%	0%
Kuwait	18%	59%	18%	6%	0%
Oman	13%	64%	21%	3%	0%
Qatar	26%	57%	13%	4%	0%
Syria	0%	48%	33%	14%	5%
United Arab Emirates	13%	66%	22%	0%	0%
Yemen	0%	38%	38%	19%	4%
Latin America and the Caribbean Basin					
Argentina—Salta	11%	32%	37%	21%	0%
Argentina—Mendoza	9%	23%	50%	14%	5%
Argentina—Neuquen	7%	32%	43%	14%	4%
Argentina—Chubut	13%	27%	40%	20%	0%
Argentina—Santa Cruz	13%	25%	38%	13%	13%
Bolivia	0%	12%	35%	29%	24%
Brazil—Onshore CC*	25%	50%	25%	0%	0%
Brazil—Offshore CC*	21%	54%	21%	4%	0%
Brazil—Offshore presalt area PSC*	8%	63%	25%	4%	0%
Chile	42%	58%	0%	0%	0%
Colombia	22%	63%	12%	2%	0%
Ecuador	0%	21%	29%	39%	11%
Guyana	25%	38%	25%	0%	13%
Peru	22%	51%	22%	5%	0%
Suriname	0%	70%	30%	0%	0%
Trinidad and Tobago	13%	67%	21%	0%	0%
Uruguay	44%	56%	0%	0%	0%
Venezuela	0%	6%	12%	44%	38%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 5: Cost of regulatory compliance

1: Encourages investment | **2: Not a deterrent to investment**
3: Mild deterrent to investment | **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	12%	36%	36%	16%	0%
British Columbia	7%	39%	38%	16%	0%
Manitoba	24%	52%	21%	3%	0%
Newfoundland & Labrador	4%	52%	30%	9%	4%
New Brunswick	0%	57%	43%	0%	0%
Northwest Territories	0%	12%	65%	24%	0%
Nova Scotia	6%	59%	24%	6%	6%
Ontario	18%	55%	27%	0%	0%
Quebec	7%	36%	36%	14%	7%
Saskatchewan	21%	54%	23%	2%	0%
USA					
Alabama	0%	67%	33%	0%	0%
Alaska	0%	46%	17%	29%	8%
Arkansas	5%	74%	16%	5%	0%
California	4%	23%	23%	38%	12%
Colorado	0%	47%	38%	16%	0%
Illinois	0%	57%	43%	0%	0%
Kansas	7%	71%	21%	0%	0%
Louisiana	17%	62%	21%	0%	0%
Michigan	0%	33%	67%	0%	0%
Mississippi	25%	75%	0%	0%	0%
Montana	8%	58%	25%	8%	0%
New Mexico	0%	57%	35%	9%	0%
North Dakota	17%	66%	17%	0%	0%
Ohio	17%	83%	0%	0%	0%
Oklahoma	19%	65%	16%	0%	0%
Pennsylvania	0%	46%	31%	23%	0%
Texas	26%	56%	16%	1%	0%
Utah	22%	67%	11%	0%	0%
West Virginia	0%	86%	14%	0%	0%
Wyoming	4%	58%	29%	8%	0%
US Offshore—Pacific	0%	11%	22%	44%	22%
US Offshore—Gulf of Mexico	10%	29%	40%	19%	2%
US Offshore—Alaska	0%	27%	18%	36%	18%

continued ...

Question 5: Cost of regulatory compliance *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	13%	33%	47%	7%	0%
Northern Territory	19%	48%	33%	0%	0%
Queensland	18%	46%	29%	7%	0%
South Australia	29%	42%	29%	0%	0%
Tasmania	14%	50%	36%	0%	0%
Victoria	16%	48%	32%	4%	0%
Western Australia	17%	54%	24%	4%	0%
Australia—Offshore	18%	51%	27%	4%	0%
Timor Gap (JPDA)*	14%	52%	29%	5%	0%
Brunei	17%	45%	31%	7%	0%
Indonesia	2%	53%	28%	14%	2%
Malaysia	13%	57%	17%	13%	0%
New Zealand	21%	47%	29%	3%	0%
Papua New Guinea	3%	63%	26%	9%	0%
Philippines	5%	53%	35%	8%	0%
Timor Leste	0%	47%	37%	11%	5%
Europe					
Albania	29%	71%	0%	0%	0%
Austria	17%	67%	0%	17%	0%
Bulgaria	14%	71%	0%	14%	0%
Denmark	25%	50%	25%	0%	0%
Faroe Islands	38%	38%	25%	0%	0%
France	16%	60%	12%	12%	0%
Germany	17%	46%	29%	8%	0%
Greenland	0%	75%	25%	0%	0%
Hungary	23%	54%	15%	8%	0%
Italy	0%	39%	26%	35%	0%
Netherlands	23%	41%	27%	9%	0%
Netherlands—North Sea	18%	57%	21%	4%	0%
Norway	15%	46%	23%	15%	0%
Norway—North Sea	14%	55%	24%	7%	0%
Poland	10%	62%	14%	14%	0%
Romania	18%	47%	29%	6%	0%
Russia	3%	22%	44%	31%	0%
Turkey	19%	44%	25%	13%	0%
Ukraine	0%	33%	33%	33%	0%
United Kingdom	21%	50%	25%	4%	0%
United Kingdom—North Sea	11%	57%	28%	4%	0%

continued ...

Question 5: Cost of regulatory compliance *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	8%	25%	54%	13%	0%
Bangladesh	5%	40%	50%	5%	0%
Cambodia	4%	52%	36%	8%	0%
China	13%	50%	29%	8%	0%
India	3%	41%	28%	28%	0%
Japan	18%	35%	35%	12%	0%
Kazakhstan	3%	20%	45%	25%	8%
Kyrgyzstan	17%	33%	17%	33%	0%
Myanmar	0%	55%	40%	5%	0%
Pakistan	4%	52%	32%	8%	4%
Thailand	14%	58%	26%	2%	0%
Turkmenistan	5%	32%	32%	23%	9%
Uzbekistan	0%	22%	56%	22%	0%
Vietnam	12%	57%	24%	7%	0%
Africa					
Algeria	3%	31%	52%	10%	3%
Angola	4%	48%	44%	4%	0%
Cameroon	0%	62%	23%	15%	0%
Chad	0%	33%	67%	0%	0%
Côte d'Ivoire	0%	69%	31%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	25%	63%	0%	13%
Egypt	3%	62%	32%	3%	0%
Equatorial Guinea	0%	42%	42%	17%	0%
Gabon	6%	67%	17%	11%	0%
Ghana	6%	67%	22%	6%	0%
Libya	3%	48%	23%	16%	10%
Madagascar	13%	75%	13%	0%	0%
Mauritania	7%	50%	36%	7%	0%
Morocco	18%	73%	9%	0%	0%
Mozambique	0%	80%	20%	0%	0%
Namibia	0%	100%	0%	0%	0%
Nigeria	6%	27%	55%	9%	3%
Republic of the Congo (Brazzaville)	0%	55%	45%	0%	0%
South Africa	0%	60%	33%	7%	0%
Sudan	0%	63%	38%	0%	0%
Tanzania	7%	50%	43%	0%	0%
Tunisia	9%	66%	22%	3%	0%
Uganda	0%	63%	38%	0%	0%

continued ...

Question 5: Cost of regulatory compliance *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	25%	63%	13%	0%	0%
Iran	0%	36%	32%	24%	8%
Iraq	0%	37%	49%	11%	3%
Israel	13%	50%	25%	13%	0%
Kuwait	7%	50%	43%	0%	0%
Oman	15%	70%	12%	3%	0%
Qatar	19%	62%	14%	5%	0%
Syria	0%	61%	22%	6%	11%
United Arab Emirates	17%	66%	17%	0%	0%
Yemen	0%	55%	41%	5%	0%
Latin America and the Caribbean Basin					
Argentina—Salta	6%	63%	31%	0%	0%
Argentina—Mendoza	6%	59%	35%	0%	0%
Argentina—Neuquen	4%	52%	43%	0%	0%
Argentina—Chubut	8%	54%	38%	0%	0%
Argentina—Santa Cruz	7%	50%	36%	7%	0%
Bolivia	0%	25%	31%	38%	6%
Brazil—Onshore CC*	8%	52%	36%	4%	0%
Brazil—Offshore CC*	4%	46%	46%	4%	0%
Brazil—Offshore presalt area PSC*	0%	64%	36%	0%	0%
Chile	42%	50%	8%	0%	0%
Colombia	17%	64%	19%	0%	0%
Ecuador	0%	38%	29%	25%	8%
Guyana	57%	14%	29%	0%	0%
Peru	11%	54%	27%	8%	0%
Suriname	0%	71%	29%	0%	0%
Trinidad and Tobago	8%	75%	17%	0%	0%
Uruguay	38%	38%	25%	0%	0%
Venezuela	0%	21%	33%	23%	23%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 6: Uncertainty concerning protected areas

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	10%	34%	42%	14%	0%
British Columbia	6%	31%	48%	15%	0%
Manitoba	19%	74%	7%	0%	0%
Newfoundland & Labrador	14%	52%	29%	5%	0%
New Brunswick	17%	33%	50%	0%	0%
Northwest Territories	0%	20%	40%	33%	7%
Nova Scotia	14%	50%	29%	7%	0%
Ontario	10%	70%	10%	10%	0%
Quebec	8%	31%	38%	23%	0%
Saskatchewan	18%	58%	23%	0%	0%
USA					
Alabama	0%	83%	8%	8%	0%
Alaska	0%	24%	36%	36%	4%
Arkansas	10%	75%	10%	5%	0%
California	4%	21%	25%	39%	11%
Colorado	3%	28%	47%	16%	6%
Illinois	0%	86%	14%	0%	0%
Kansas	14%	79%	0%	0%	7%
Louisiana	16%	59%	25%	0%	0%
Michigan	0%	100%	0%	0%	0%
Mississippi	17%	75%	8%	0%	0%
Montana	4%	50%	33%	13%	0%
New Mexico	4%	58%	21%	13%	4%
North Dakota	17%	59%	17%	3%	3%
Ohio	14%	71%	14%	0%	0%
Oklahoma	30%	57%	8%	3%	3%
Pennsylvania	0%	54%	46%	0%	0%
Texas	22%	66%	9%	1%	1%
Utah	0%	33%	33%	22%	11%
West Virginia	14%	71%	14%	0%	0%
Wyoming	8%	40%	36%	12%	4%
US Offshore—Pacific	0%	11%	11%	56%	22%
US Offshore—Gulf of Mexico	3%	43%	40%	15%	0%
US Offshore—Alaska	0%	25%	33%	33%	8%

continued ...

Question 6: Uncertainty concerning protected areas *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	0%	40%	60%	0%	0%
Northern Territory	9%	36%	45%	9%	0%
Queensland	14%	36%	43%	7%	0%
South Australia	13%	46%	38%	4%	0%
Tasmania	0%	31%	62%	8%	0%
Victoria	4%	48%	40%	8%	0%
Western Australia	4%	44%	40%	13%	0%
Australia—Offshore	7%	44%	35%	13%	0%
Timor Gap (JPDA)*	5%	71%	14%	10%	0%
Brunei	14%	61%	21%	4%	0%
Indonesia	4%	65%	18%	12%	1%
Malaysia	11%	64%	20%	5%	0%
New Zealand	15%	35%	44%	6%	0%
Papua New Guinea	9%	69%	23%	0%	0%
Philippines	10%	56%	33%	0%	0%
Timor Leste	6%	61%	33%	0%	0%
Europe					
Albania	29%	71%	0%	0%	0%
Austria	29%	29%	14%	29%	0%
Bulgaria	14%	43%	43%	0%	0%
Denmark	0%	64%	36%	0%	0%
Faroe Islands	14%	43%	43%	0%	0%
France	7%	41%	37%	11%	4%
Germany	13%	48%	22%	17%	0%
Greenland	0%	80%	20%	0%	0%
Hungary	8%	67%	25%	0%	0%
Italy	4%	30%	43%	17%	4%
Netherlands	5%	38%	43%	14%	0%
Netherlands—North Sea	7%	59%	31%	3%	0%
Norway	11%	22%	59%	4%	4%
Norway—North Sea	8%	56%	31%	5%	0%
Poland	10%	57%	29%	5%	0%
Romania	18%	59%	24%	0%	0%
Russia	3%	43%	35%	19%	0%
Turkey	6%	75%	13%	6%	0%
Ukraine	21%	29%	36%	14%	0%
United Kingdom	14%	54%	26%	4%	2%
United Kingdom—North Sea	9%	71%	16%	4%	0%

continued ...

Question 6: Uncertainty concerning protected areas *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	4%	63%	25%	8%	0%
Bangladesh	5%	60%	25%	5%	5%
Cambodia	17%	42%	33%	8%	0%
China	11%	58%	29%	3%	0%
India	5%	53%	32%	11%	0%
Japan	6%	35%	47%	12%	0%
Kazakhstan	5%	29%	51%	15%	0%
Kyrgyzstan	20%	60%	20%	0%	0%
Myanmar	20%	50%	25%	5%	0%
Pakistan	4%	72%	24%	0%	0%
Thailand	7%	70%	16%	7%	0%
Turkmenistan	5%	45%	27%	23%	0%
Uzbekistan	11%	22%	33%	33%	0%
Vietnam	20%	66%	15%	0%	0%
Africa					
Algeria	3%	77%	16%	3%	0%
Angola	7%	70%	11%	11%	0%
Cameroon	7%	64%	29%	0%	0%
Chad	17%	33%	50%	0%	0%
Côte d'Ivoire	0%	83%	17%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	29%	43%	29%	0%
Egypt	5%	64%	28%	3%	0%
Equatorial Guinea	7%	64%	14%	14%	0%
Gabon	10%	57%	24%	10%	0%
Ghana	11%	68%	11%	11%	0%
Libya	13%	53%	28%	3%	3%
Madagascar	25%	38%	38%	0%	0%
Mauritania	7%	87%	0%	7%	0%
Morocco	8%	75%	17%	0%	0%
Mozambique	10%	70%	20%	0%	0%
Namibia	20%	40%	40%	0%	0%
Nigeria	12%	67%	12%	9%	0%
Republic of the Congo (Brazzaville)	0%	73%	27%	0%	0%
South Africa	0%	56%	38%	6%	0%
Sudan	13%	63%	13%	13%	0%
Tanzania	13%	50%	38%	0%	0%
Tunisia	6%	82%	12%	0%	0%
Uganda	0%	63%	25%	13%	0%

continued ...

Question 6: Uncertainty concerning protected areas *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	29%	57%	14%	0%	0%
Iran	4%	60%	24%	12%	0%
Iraq	11%	51%	29%	6%	3%
Israel	0%	63%	38%	0%	0%
Kuwait	15%	69%	8%	8%	0%
Oman	12%	74%	15%	0%	0%
Qatar	14%	81%	5%	0%	0%
Syria	16%	63%	16%	5%	0%
United Arab Emirates	23%	60%	17%	0%	0%
Yemen	4%	74%	17%	0%	4%
Latin America and the Caribbean Basin					
Argentina—Salta	0%	76%	24%	0%	0%
Argentina—Mendoza	0%	76%	24%	0%	0%
Argentina—Neuquen	0%	70%	22%	9%	0%
Argentina—Chubut	0%	85%	15%	0%	0%
Argentina—Santa Cruz	0%	86%	14%	0%	0%
Bolivia	6%	25%	63%	6%	0%
Brazil—Onshore CC*	8%	56%	28%	8%	0%
Brazil—Offshore CC*	8%	60%	24%	8%	0%
Brazil—Offshore presalt area PSC*	5%	75%	15%	5%	0%
Chile	23%	54%	15%	8%	0%
Colombia	10%	50%	38%	3%	0%
Ecuador	0%	40%	12%	44%	4%
Guyana	13%	63%	25%	0%	0%
Peru	5%	39%	34%	21%	0%
Suriname	0%	38%	50%	13%	0%
Trinidad and Tobago	4%	71%	25%	0%	0%
Uruguay	22%	56%	22%	0%	0%
Venezuela	0%	50%	33%	7%	10%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 7: Socioeconomic agreements

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	17%	62%	18%	3%	0%
British Columbia	12%	55%	29%	5%	0%
Manitoba	23%	73%	4%	0%	0%
Newfoundland & Labrador	10%	40%	40%	10%	0%
New Brunswick	0%	50%	50%	0%	0%
Northwest Territories	0%	33%	20%	47%	0%
Nova Scotia	21%	43%	29%	7%	0%
Ontario	22%	78%	0%	0%	0%
Quebec	0%	42%	8%	33%	17%
Saskatchewan	22%	65%	13%	0%	0%
USA					
Alabama	20%	80%	0%	0%	0%
Alaska	14%	59%	14%	9%	5%
Arkansas	24%	65%	6%	6%	0%
California	19%	41%	26%	11%	4%
Colorado	21%	57%	21%	0%	0%
Illinois	43%	57%	0%	0%	0%
Kansas	36%	55%	9%	0%	0%
Louisiana	28%	64%	4%	4%	0%
Michigan	33%	67%	0%	0%	0%
Mississippi	17%	83%	0%	0%	0%
Montana	11%	68%	16%	5%	0%
New Mexico	23%	64%	14%	0%	0%
North Dakota	29%	63%	4%	4%	0%
Ohio	29%	71%	0%	0%	0%
Oklahoma	38%	53%	9%	0%	0%
Pennsylvania	8%	42%	33%	17%	0%
Texas	36%	58%	5%	1%	0%
Utah	33%	56%	11%	0%	0%
West Virginia	25%	75%	0%	0%	0%
Wyoming	40%	55%	5%	0%	0%
US Offshore—Pacific	17%	50%	17%	17%	0%
US Offshore—Gulf of Mexico	26%	62%	9%	3%	0%
US Offshore—Alaska	36%	45%	9%	9%	0%

continued ...

Question 7: Socioeconomic agreements *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	38%	56%	6%	0%	0%
Northern Territory	38%	38%	19%	5%	0%
Queensland	25%	54%	21%	0%	0%
South Australia	32%	55%	14%	0%	0%
Tasmania	38%	46%	15%	0%	0%
Victoria	28%	64%	8%	0%	0%
Western Australia	17%	73%	10%	0%	0%
Australia—Offshore	31%	63%	6%	0%	0%
Timor Gap (JPDA)*	18%	64%	14%	5%	0%
Brunei	10%	63%	27%	0%	0%
Indonesia	1%	42%	42%	15%	0%
Malaysia	7%	56%	30%	7%	0%
New Zealand	21%	71%	9%	0%	0%
Papua New Guinea	5%	32%	57%	5%	0%
Philippines	0%	67%	21%	13%	0%
Timor Leste	0%	44%	33%	22%	0%
Europe					
Albania	22%	56%	22%	0%	0%
Austria	80%	0%	0%	20%	0%
Bulgaria	0%	56%	11%	22%	11%
Denmark	20%	80%	0%	0%	0%
Faroe Islands	17%	83%	0%	0%	0%
France	18%	57%	14%	4%	7%
Germany	30%	52%	9%	9%	0%
Greenland	0%	83%	17%	0%	0%
Hungary	14%	79%	7%	0%	0%
Italy	10%	67%	24%	0%	0%
Netherlands	22%	70%	9%	0%	0%
Netherlands—North Sea	17%	72%	10%	0%	0%
Norway	21%	50%	25%	4%	0%
Norway—North Sea	18%	69%	13%	0%	0%
Poland	18%	64%	18%	0%	0%
Romania	6%	56%	28%	6%	6%
Russia	8%	39%	36%	17%	0%
Turkey	5%	63%	21%	11%	0%
Ukraine	0%	31%	38%	25%	6%
United Kingdom	28%	62%	10%	0%	0%
United Kingdom—North Sea	21%	75%	4%	0%	0%

continued ...

Question 7: Socioeconomic agreements *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	9%	48%	30%	13%	0%
Bangladesh	5%	35%	40%	20%	0%
Cambodia	4%	29%	46%	21%	0%
China	3%	54%	24%	19%	0%
India	5%	37%	39%	18%	0%
Japan	14%	79%	7%	0%	0%
Kazakhstan	0%	23%	44%	23%	9%
Kyrgyzstan	0%	75%	25%	0%	0%
Myanmar	0%	53%	32%	11%	5%
Pakistan	0%	46%	38%	15%	0%
Thailand	9%	60%	23%	7%	0%
Turkmenistan	0%	28%	44%	28%	0%
Uzbekistan	11%	22%	44%	22%	0%
Vietnam	5%	50%	30%	15%	0%
Africa					
Algeria	0%	45%	42%	12%	0%
Angola	0%	41%	44%	15%	0%
Cameroon	0%	47%	47%	7%	0%
Chad	0%	71%	29%	0%	0%
Côte d'Ivoire	0%	54%	38%	8%	0%
Democratic Republic of the Congo (Kinshasa)	0%	38%	38%	13%	13%
Egypt	2%	59%	39%	0%	0%
Equatorial Guinea	0%	20%	53%	20%	7%
Gabon	5%	41%	45%	9%	0%
Ghana	5%	57%	33%	5%	0%
Libya	3%	27%	45%	18%	6%
Madagascar	0%	56%	44%	0%	0%
Mauritania	0%	31%	46%	15%	8%
Morocco	0%	75%	25%	0%	0%
Mozambique	0%	64%	36%	0%	0%
Namibia	0%	75%	25%	0%	0%
Nigeria	0%	31%	29%	34%	6%
Republic of the Congo (Brazzaville)	0%	27%	55%	18%	0%
South Africa	6%	56%	33%	6%	0%
Sudan	0%	44%	33%	11%	11%
Tanzania	7%	43%	36%	14%	0%
Tunisia	8%	67%	22%	3%	0%
Uganda	0%	13%	88%	0%	0%

continued ...

Question 7: Socioeconomic agreements *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	10%	70%	20%	0%	0%
Iran	0%	26%	43%	26%	4%
Iraq	0%	41%	41%	16%	3%
Israel	14%	57%	29%	0%	0%
Kuwait	7%	53%	33%	7%	0%
Oman	8%	69%	22%	0%	0%
Qatar	14%	81%	5%	0%	0%
Syria	0%	60%	25%	15%	0%
United Arab Emirates	17%	62%	21%	0%	0%
Yemen	0%	36%	44%	12%	8%
Latin America and the Caribbean Basin					
Argentina—Salta	6%	44%	50%	0%	0%
Argentina—Mendoza	0%	53%	47%	0%	0%
Argentina—Neuquen	0%	46%	46%	8%	0%
Argentina—Chubut	7%	21%	71%	0%	0%
Argentina—Santa Cruz	6%	29%	41%	18%	6%
Bolivia	0%	29%	41%	29%	0%
Brazil—Onshore CC*	8%	52%	36%	4%	0%
Brazil—Offshore CC*	8%	63%	25%	4%	0%
Brazil—Offshore presalt area PSC*	13%	65%	17%	4%	0%
Chile	25%	75%	0%	0%	0%
Colombia	15%	60%	25%	0%	0%
Ecuador	0%	16%	36%	40%	8%
Guyana	14%	29%	14%	29%	14%
Peru	5%	41%	41%	13%	0%
Suriname	0%	63%	25%	13%	0%
Trinidad and Tobago	4%	54%	38%	4%	0%
Uruguay	33%	44%	22%	0%	0%
Venezuela	0%	20%	29%	29%	22%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 8: Trade barriers

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	30%	64%	6%	0%	0%
British Columbia	22%	68%	10%	0%	0%
Manitoba	29%	71%	0%	0%	0%
Newfoundland & Labrador	28%	61%	6%	0%	6%
New Brunswick	0%	86%	14%	0%	0%
Northwest Territories	21%	57%	14%	7%	0%
Nova Scotia	42%	50%	0%	8%	0%
Ontario	22%	67%	0%	11%	0%
Quebec	9%	73%	9%	9%	0%
Saskatchewan	22%	74%	4%	0%	0%
USA					
Alabama	33%	56%	11%	0%	0%
Alaska	27%	45%	23%	0%	5%
Arkansas	31%	56%	6%	6%	0%
California	35%	48%	13%	4%	0%
Colorado	37%	56%	7%	0%	0%
Illinois	0%	100%	0%	0%	0%
Kansas	36%	64%	0%	0%	0%
Louisiana	33%	58%	8%	0%	0%
Michigan	17%	83%	0%	0%	0%
Mississippi	50%	50%	0%	0%	0%
Montana	13%	69%	19%	0%	0%
New Mexico	55%	45%	0%	0%	0%
North Dakota	35%	50%	15%	0%	0%
Ohio	29%	71%	0%	0%	0%
Oklahoma	43%	53%	3%	0%	0%
Pennsylvania	23%	69%	0%	8%	0%
Texas	44%	47%	8%	2%	0%
Utah	40%	60%	0%	0%	0%
West Virginia	38%	63%	0%	0%	0%
Wyoming	35%	60%	5%	0%	0%
US Offshore—Pacific	40%	40%	0%	20%	0%
US Offshore—Gulf of Mexico	26%	63%	6%	6%	0%
US Offshore—Alaska	27%	55%	18%	0%	0%

continued ...

Question 8: Trade barriers *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	31%	63%	6%	0%	0%
Northern Territory	36%	64%	0%	0%	0%
Queensland	41%	55%	3%	0%	0%
South Australia	42%	58%	0%	0%	0%
Tasmania	36%	64%	0%	0%	0%
Victoria	31%	65%	4%	0%	0%
Western Australia	31%	63%	6%	0%	0%
Australia—Offshore	35%	52%	9%	4%	0%
Timor Gap (JPDA)*	23%	55%	14%	9%	0%
Brunei	19%	44%	30%	7%	0%
Indonesia	1%	36%	51%	10%	2%
Malaysia	9%	42%	36%	11%	2%
New Zealand	38%	56%	6%	0%	0%
Papua New Guinea	8%	58%	25%	6%	3%
Philippines	10%	55%	26%	10%	0%
Timor Leste	0%	40%	40%	15%	5%
Europe					
Albania	10%	70%	20%	0%	0%
Austria	83%	0%	17%	0%	0%
Bulgaria	33%	44%	11%	11%	0%
Denmark	25%	67%	8%	0%	0%
Faroe Islands	25%	75%	0%	0%	0%
France	33%	59%	4%	4%	0%
Germany	35%	48%	17%	0%	0%
Greenland	0%	100%	0%	0%	0%
Hungary	29%	64%	0%	7%	0%
Italy	9%	68%	18%	5%	0%
Netherlands	35%	52%	13%	0%	0%
Netherlands—North Sea	30%	63%	7%	0%	0%
Norway	34%	52%	14%	0%	0%
Norway—North Sea	29%	62%	10%	0%	0%
Poland	19%	57%	19%	5%	0%
Romania	20%	55%	20%	5%	0%
Russia	3%	29%	37%	26%	6%
Turkey	22%	50%	17%	11%	0%
Ukraine	0%	41%	29%	18%	12%
United Kingdom	38%	51%	11%	0%	0%
United Kingdom—North Sea	27%	69%	4%	0%	0%

continued ...

Question 8: Trade barriers *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	0%	48%	38%	14%	0%
Bangladesh	5%	37%	47%	11%	0%
Cambodia	13%	38%	42%	8%	0%
China	5%	33%	38%	21%	3%
India	5%	32%	46%	16%	0%
Japan	31%	38%	25%	6%	0%
Kazakhstan	5%	21%	44%	23%	7%
Kyrgyzstan	0%	80%	20%	0%	0%
Myanmar	5%	45%	30%	15%	5%
Pakistan	4%	37%	48%	11%	0%
Thailand	16%	49%	31%	4%	0%
Turkmenistan	5%	40%	35%	20%	0%
Uzbekistan	0%	25%	38%	38%	0%
Vietnam	12%	40%	42%	7%	0%
Africa					
Algeria	3%	25%	59%	13%	0%
Angola	4%	42%	46%	4%	4%
Cameroon	0%	62%	38%	0%	0%
Chad	0%	71%	29%	0%	0%
Côte d'Ivoire	0%	75%	25%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	38%	50%	13%	0%
Egypt	5%	48%	43%	5%	0%
Equatorial Guinea	7%	27%	40%	27%	0%
Gabon	10%	43%	48%	0%	0%
Ghana	10%	75%	15%	0%	0%
Libya	3%	37%	23%	31%	6%
Madagascar	11%	67%	22%	0%	0%
Mauritania	8%	46%	31%	15%	0%
Morocco	15%	77%	8%	0%	0%
Mozambique	0%	91%	9%	0%	0%
Namibia	25%	75%	0%	0%	0%
Nigeria	3%	42%	30%	24%	0%
Republic of the Congo (Brazzaville)	0%	50%	50%	0%	0%
South Africa	0%	56%	33%	11%	0%
Sudan	0%	56%	33%	0%	11%
Tanzania	7%	60%	27%	7%	0%
Tunisia	14%	65%	22%	0%	0%
Uganda	0%	75%	25%	0%	0%

continued ...

Question 8: Trade barriers *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	38%	50%	0%	13%	0%
Iran	0%	18%	32%	32%	18%
Iraq	0%	51%	32%	14%	3%
Israel	29%	43%	29%	0%	0%
Kuwait	31%	31%	31%	8%	0%
Oman	17%	57%	23%	3%	0%
Qatar	33%	43%	19%	5%	0%
Syria	0%	30%	45%	25%	0%
United Arab Emirates	28%	52%	14%	7%	0%
Yemen	8%	50%	29%	13%	0%
Latin America and the Caribbean Basin					
Argentina—Salta	0%	28%	39%	33%	0%
Argentina—Mendoza	0%	21%	47%	32%	0%
Argentina—Neuquen	0%	21%	46%	33%	0%
Argentina—Chubut	0%	29%	29%	43%	0%
Argentina—Santa Cruz	0%	24%	35%	41%	0%
Bolivia	6%	12%	41%	35%	6%
Brazil—Onshore CC*	9%	57%	26%	9%	0%
Brazil—Offshore CC*	8%	60%	28%	4%	0%
Brazil—Offshore presalt area PSC*	5%	68%	18%	9%	0%
Chile	33%	58%	8%	0%	0%
Colombia	36%	53%	9%	2%	0%
Ecuador	0%	27%	38%	23%	12%
Guyana	11%	44%	44%	0%	0%
Peru	38%	48%	15%	0%	0%
Suriname	0%	60%	30%	10%	0%
Trinidad and Tobago	12%	80%	8%	0%	0%
Uruguay	33%	56%	0%	11%	0%
Venezuela	0%	11%	23%	40%	26%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 9: Labour regulations and employment agreements

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	20%	69%	10%	1%	0%
British Columbia	7%	57%	34%	3%	0%
Manitoba	28%	72%	0%	0%	0%
Newfoundland & Labrador	5%	48%	33%	10%	5%
New Brunswick	0%	40%	60%	0%	0%
Northwest Territories	7%	36%	36%	14%	7%
Nova Scotia	23%	38%	23%	8%	8%
Ontario	13%	50%	25%	0%	13%
Quebec	9%	18%	45%	18%	9%
Saskatchewan	23%	67%	10%	0%	0%
USA					
Alabama	10%	80%	10%	0%	0%
Alaska	13%	57%	17%	9%	4%
Arkansas	14%	79%	0%	7%	0%
California	4%	58%	33%	4%	0%
Colorado	12%	80%	8%	0%	0%
Illinois	0%	83%	17%	0%	0%
Kansas	18%	82%	0%	0%	0%
Louisiana	16%	80%	4%	0%	0%
Michigan	0%	80%	20%	0%	0%
Mississippi	20%	80%	0%	0%	0%
Montana	0%	94%	6%	0%	0%
New Mexico	11%	79%	11%	0%	0%
North Dakota	17%	79%	0%	4%	0%
Ohio	17%	83%	0%	0%	0%
Oklahoma	29%	64%	7%	0%	0%
Pennsylvania	0%	91%	9%	0%	0%
Texas	29%	60%	10%	0%	0%
Utah	13%	75%	13%	0%	0%
West Virginia	17%	83%	0%	0%	0%
Wyoming	25%	60%	15%	0%	0%
US Offshore—Pacific	17%	50%	17%	17%	0%
US Offshore—Gulf of Mexico	14%	72%	14%	0%	0%
US Offshore—Alaska	18%	64%	9%	9%	0%

continued …

Question 9: Labour regulations and employment agreements *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	8%	42%	42%	8%	0%
Northern Territory	5%	50%	40%	5%	0%
Queensland	4%	38%	50%	8%	0%
South Australia	5%	52%	33%	10%	0%
Tasmania	0%	58%	33%	8%	0%
Victoria	5%	55%	30%	10%	0%
Western Australia	2%	50%	26%	21%	0%
Australia—Offshore	9%	36%	38%	17%	0%
Timor Gap (JPDA)*	6%	56%	39%	0%	0%
Brunei	17%	54%	25%	4%	0%
Indonesia	6%	52%	26%	16%	0%
Malaysia	6%	40%	40%	14%	0%
New Zealand	3%	77%	13%	6%	0%
Papua New Guinea	0%	70%	20%	10%	0%
Philippines	3%	66%	26%	6%	0%
Timor Leste	0%	59%	35%	6%	0%
Europe					
Albania	13%	75%	13%	0%	0%
Austria	14%	86%	0%	0%	0%
Bulgaria	14%	57%	14%	14%	0%
Denmark	20%	20%	50%	10%	0%
Faroe Islands	0%	50%	33%	17%	0%
France	4%	38%	46%	13%	0%
Germany	10%	65%	25%	0%	0%
Greenland	0%	100%	0%	0%	0%
Hungary	17%	67%	17%	0%	0%
Italy	5%	45%	40%	10%	0%
Netherlands	10%	71%	14%	5%	0%
Netherlands—North Sea	15%	63%	19%	4%	0%
Norway	8%	40%	40%	12%	0%
Norway—North Sea	11%	42%	42%	5%	0%
Poland	10%	70%	10%	10%	0%
Romania	12%	53%	29%	6%	0%
Russia	3%	38%	41%	15%	3%
Turkey	6%	59%	29%	6%	0%
Ukraine	8%	54%	38%	0%	0%
United Kingdom	16%	59%	20%	4%	0%
United Kingdom—North Sea	12%	70%	12%	6%	0%

continued ...

Question 9: Labour regulations and employment agreements *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	4%	35%	48%	13%	0%
Bangladesh	0%	63%	26%	11%	0%
Cambodia	4%	57%	26%	13%	0%
China	8%	44%	31%	17%	0%
India	6%	34%	40%	20%	0%
Japan	20%	60%	13%	7%	0%
Kazakhstan	3%	18%	45%	28%	8%
Kyrgyzstan	0%	60%	20%	20%	0%
Myanmar	0%	56%	33%	11%	0%
Pakistan	8%	63%	17%	13%	0%
Thailand	18%	70%	13%	0%	0%
Turkmenistan	0%	25%	35%	40%	0%
Uzbekistan	0%	33%	33%	33%	0%
Vietnam	3%	66%	26%	5%	0%
Africa					
Algeria	0%	28%	66%	7%	0%
Angola	4%	35%	54%	8%	0%
Cameroon	0%	54%	38%	8%	0%
Chad	0%	60%	40%	0%	0%
Côte d'Ivoire	0%	91%	9%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	50%	50%	0%	0%
Egypt	5%	51%	33%	10%	0%
Equatorial Guinea	0%	38%	31%	31%	0%
Gabon	0%	53%	32%	11%	5%
Ghana	0%	68%	32%	0%	0%
Libya	3%	16%	47%	28%	6%
Madagascar	0%	75%	25%	0%	0%
Mauritania	8%	46%	31%	15%	0%
Morocco	0%	82%	18%	0%	0%
Mozambique	0%	64%	36%	0%	0%
Namibia	0%	75%	25%	0%	0%
Nigeria	6%	35%	32%	16%	10%
Republic of the Congo (Brazzaville)	0%	64%	36%	0%	0%
South Africa	0%	40%	53%	0%	7%
Sudan	0%	50%	50%	0%	0%
Tanzania	7%	50%	36%	7%	0%
Tunisia	3%	74%	17%	6%	0%
Uganda	0%	29%	71%	0%	0%

continued ...

Question 9: Labour regulations and employment agreements *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	11%	78%	0%	11%	0%
Iran	0%	14%	52%	29%	5%
Iraq	0%	37%	34%	23%	6%
Israel	0%	71%	29%	0%	0%
Kuwait	15%	46%	23%	15%	0%
Oman	6%	69%	20%	6%	0%
Qatar	18%	65%	6%	12%	0%
Syria	0%	53%	24%	18%	6%
United Arab Emirates	22%	56%	15%	7%	0%
Yemen	8%	46%	25%	17%	4%
Latin America and the Caribbean Basin					
Argentina—Salta	0%	29%	59%	12%	0%
Argentina—Mendoza	6%	28%	56%	11%	0%
Argentina—Neuquen	5%	18%	50%	27%	0%
Argentina—Chubut	0%	14%	43%	43%	0%
Argentina—Santa Cruz	0%	25%	31%	31%	13%
Bolivia	0%	14%	50%	36%	0%
Brazil—Onshore CC*	0%	63%	29%	8%	0%
Brazil—Offshore CC*	0%	64%	32%	4%	0%
Brazil—Offshore presalt area PSC*	0%	64%	32%	5%	0%
Chile	17%	67%	17%	0%	0%
Colombia	16%	72%	9%	2%	0%
Ecuador	0%	27%	35%	35%	4%
Guyana	0%	63%	25%	13%	0%
Peru	16%	66%	16%	3%	0%
Suriname	0%	75%	25%	0%	0%
Trinidad and Tobago	9%	73%	14%	5%	0%
Uruguay	22%	67%	11%	0%	0%
Venezuela	0%	16%	22%	44%	18%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 10: Quality of infrastructure

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	47%	42%	9%	1%	0%
British Columbia	32%	43%	22%	4%	0%
Manitoba	37%	44%	19%	0%	0%
Newfoundland & Labrador	10%	62%	24%	5%	0%
New Brunswick	20%	60%	20%	0%	0%
Northwest Territories	7%	33%	7%	53%	0%
Nova Scotia	43%	43%	14%	0%	0%
Ontario	38%	63%	0%	0%	0%
Quebec	27%	64%	0%	9%	0%
Saskatchewan	40%	49%	11%	0%	0%
USA					
Alabama	33%	67%	0%	0%	0%
Alaska	8%	33%	38%	17%	4%
Arkansas	25%	63%	6%	6%	0%
California	50%	38%	8%	4%	0%
Colorado	26%	59%	15%	0%	0%
Illinois	57%	29%	14%	0%	0%
Kansas	50%	50%	0%	0%	0%
Louisiana	50%	39%	11%	0%	0%
Michigan	40%	40%	20%	0%	0%
Mississippi	45%	55%	0%	0%	0%
Montana	15%	60%	25%	0%	0%
New Mexico	45%	50%	0%	5%	0%
North Dakota	24%	52%	20%	4%	0%
Ohio	33%	67%	0%	0%	0%
Oklahoma	56%	44%	0%	0%	0%
Pennsylvania	25%	50%	17%	8%	0%
Texas	57%	42%	1%	0%	0%
Utah	38%	50%	0%	13%	0%
West Virginia	67%	17%	17%	0%	0%
Wyoming	45%	50%	5%	0%	0%
US Offshore—Pacific	29%	29%	29%	0%	14%
US Offshore—Gulf of Mexico	37%	49%	14%	0%	0%
US Offshore—Alaska	17%	25%	8%	50%	0%

continued ...

Question 10: Quality of infrastructure *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	42%	50%	8%	0%	0%
Northern Territory	25%	55%	20%	0%	0%
Queensland	30%	52%	17%	0%	0%
South Australia	39%	52%	4%	4%	0%
Tasmania	15%	77%	8%	0%	0%
Victoria	43%	57%	0%	0%	0%
Western Australia	44%	40%	9%	7%	0%
Australia—Offshore	40%	47%	6%	6%	0%
Timor Gap (JPDA)*	5%	68%	26%	0%	0%
Brunei	24%	56%	20%	0%	0%
Indonesia	1%	29%	53%	17%	0%
Malaysia	21%	54%	23%	2%	0%
New Zealand	34%	50%	16%	0%	0%
Papua New Guinea	0%	23%	43%	30%	3%
Philippines	0%	36%	53%	11%	0%
Timor Leste	0%	17%	44%	33%	6%
Europe					
Albania	0%	33%	56%	11%	0%
Austria	57%	29%	14%	0%	0%
Bulgaria	14%	57%	14%	0%	14%
Denmark	50%	50%	0%	0%	0%
Faroe Islands	29%	43%	29%	0%	0%
France	48%	44%	4%	4%	0%
Germany	70%	30%	0%	0%	0%
Greenland	0%	17%	50%	33%	0%
Hungary	25%	67%	8%	0%	0%
Italy	20%	60%	15%	5%	0%
Netherlands	62%	33%	5%	0%	0%
Netherlands—North Sea	56%	37%	7%	0%	0%
Norway	40%	52%	8%	0%	0%
Norway—North Sea	39%	58%	3%	0%	0%
Poland	5%	50%	35%	10%	0%
Romania	5%	68%	16%	5%	5%
Russia	3%	31%	40%	26%	0%
Turkey	16%	47%	37%	0%	0%
Ukraine	0%	43%	43%	7%	7%
United Kingdom	40%	50%	10%	0%	0%
United Kingdom—North Sea	42%	51%	8%	0%	0%

continued ...

Question 10: Quality of infrastructure *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	4%	39%	48%	9%	0%
Bangladesh	0%	15%	45%	40%	0%
Cambodia	4%	12%	40%	40%	4%
China	3%	41%	41%	16%	0%
India	0%	26%	49%	26%	0%
Japan	27%	67%	7%	0%	0%
Kazakhstan	2%	22%	49%	22%	5%
Kyrgyzstan	0%	0%	80%	20%	0%
Myanmar	0%	17%	61%	17%	6%
Pakistan	0%	24%	52%	24%	0%
Thailand	15%	46%	37%	2%	0%
Turkmenistan	5%	5%	38%	52%	0%
Uzbekistan	0%	0%	56%	44%	0%
Vietnam	0%	41%	54%	5%	0%
Africa					
Algeria	0%	24%	69%	7%	0%
Angola	0%	32%	40%	28%	0%
Cameroon	0%	33%	67%	0%	0%
Chad	0%	60%	20%	20%	0%
Côte d'Ivoire	0%	55%	36%	9%	0%
Democratic Republic of the Congo (Kinshasa)	0%	0%	17%	67%	17%
Egypt	0%	67%	31%	3%	0%
Equatorial Guinea	0%	23%	38%	38%	0%
Gabon	0%	32%	47%	21%	0%
Ghana	0%	50%	40%	10%	0%
Libya	6%	24%	48%	18%	3%
Madagascar	0%	0%	67%	33%	0%
Mauritania	0%	0%	53%	40%	7%
Morocco	0%	36%	64%	0%	0%
Mozambique	0%	18%	64%	18%	0%
Namibia	0%	25%	25%	50%	0%
Nigeria	0%	16%	47%	34%	3%
Republic of the Congo (Brazzaville)	0%	36%	45%	18%	0%
South Africa	13%	47%	33%	7%	0%
Sudan	0%	33%	33%	33%	0%
Tanzania	7%	14%	71%	7%	0%
Tunisia	6%	58%	28%	8%	0%
Uganda	0%	0%	71%	29%	0%

continued ...

Question 10: Quality of infrastructure *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	56%	22%	11%	11%	0%
Iran	0%	29%	43%	24%	5%
Iraq	0%	12%	39%	48%	0%
Israel	43%	29%	14%	14%	0%
Kuwait	50%	42%	0%	8%	0%
Oman	17%	54%	23%	6%	0%
Qatar	41%	41%	12%	6%	0%
Syria	0%	25%	69%	6%	0%
United Arab Emirates	36%	52%	12%	0%	0%
Yemen	0%	13%	52%	35%	0%
Latin America and the Caribbean Basin					
Argentina—Salta	18%	71%	12%	0%	0%
Argentina—Mendoza	16%	58%	21%	5%	0%
Argentina—Neuquen	9%	59%	27%	5%	0%
Argentina—Chubut	14%	64%	21%	0%	0%
Argentina—Santa Cruz	13%	60%	27%	0%	0%
Bolivia	0%	14%	71%	14%	0%
Brazil—Onshore CC*	8%	44%	40%	8%	0%
Brazil—Offshore CC*	13%	54%	29%	4%	0%
Brazil—Offshore presalt area PSC*	5%	67%	29%	0%	0%
Chile	33%	33%	25%	8%	0%
Colombia	11%	30%	52%	5%	2%
Ecuador	0%	15%	42%	42%	0%
Guyana	0%	13%	50%	25%	13%
Peru	5%	29%	42%	24%	0%
Suriname	0%	38%	25%	38%	0%
Trinidad and Tobago	5%	59%	27%	9%	0%
Uruguay	11%	22%	67%	0%	0%
Venezuela	2%	18%	42%	24%	13%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 11: Quality of the geological database

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	74%	24%	3%	0%	0%
British Columbia	62%	36%	1%	0%	0%
Manitoba	39%	50%	11%	0%	0%
Newfoundland & Labrador	41%	50%	5%	5%	0%
New Brunswick	0%	50%	25%	25%	0%
Northwest Territories	12%	59%	24%	6%	0%
Nova Scotia	33%	47%	13%	7%	0%
Ontario	38%	38%	25%	0%	0%
Quebec	18%	45%	27%	9%	0%
Saskatchewan	57%	38%	5%	0%	0%
USA					
Alabama	55%	36%	9%	0%	0%
Alaska	33%	54%	8%	0%	4%
Arkansas	38%	44%	13%	0%	6%
California	41%	44%	11%	4%	0%
Colorado	46%	43%	11%	0%	0%
Illinois	50%	50%	0%	0%	0%
Kansas	71%	29%	0%	0%	0%
Louisiana	44%	48%	7%	0%	0%
Michigan	50%	33%	17%	0%	0%
Mississippi	60%	40%	0%	0%	0%
Montana	24%	48%	24%	5%	0%
New Mexico	60%	40%	0%	0%	0%
North Dakota	46%	39%	14%	0%	0%
Ohio	50%	33%	0%	17%	0%
Oklahoma	58%	36%	6%	0%	0%
Pennsylvania	36%	36%	7%	14%	7%
Texas	54%	35%	8%	3%	0%
Utah	56%	33%	0%	11%	0%
West Virginia	43%	43%	0%	14%	0%
Wyoming	45%	45%	9%	0%	0%
US Offshore—Pacific	86%	14%	0%	0%	0%
US Offshore—Gulf of Mexico	55%	33%	10%	3%	0%
US Offshore—Alaska	40%	40%	20%	0%	0%

continued ...

Question 11: Quality of the geological database *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	64%	27%	9%	0%	0%
Northern Territory	62%	29%	10%	0%	0%
Queensland	63%	29%	8%	0%	0%
South Australia	83%	13%	4%	0%	0%
Tasmania	46%	46%	8%	0%	0%
Victoria	71%	24%	5%	0%	0%
Western Australia	73%	27%	0%	0%	0%
Australia—Offshore	70%	24%	4%	2%	0%
Timor Gap (JPDA)*	24%	62%	14%	0%	0%
Brunei	8%	36%	44%	12%	0%
Indonesia	7%	35%	43%	13%	3%
Malaysia	14%	37%	33%	14%	2%
New Zealand	47%	47%	6%	0%	0%
Papua New Guinea	6%	29%	48%	16%	0%
Philippines	18%	35%	41%	6%	0%
Timor Leste	7%	40%	47%	0%	7%
Europe					
Albania	11%	33%	56%	0%	0%
Austria	44%	44%	0%	11%	0%
Bulgaria	17%	33%	50%	0%	0%
Denmark	50%	33%	17%	0%	0%
Faroe Islands	22%	44%	33%	0%	0%
France	50%	35%	4%	12%	0%
Germany	38%	29%	5%	19%	10%
Greenland	14%	43%	43%	0%	0%
Hungary	9%	73%	9%	0%	9%
Italy	4%	52%	26%	17%	0%
Netherlands	46%	42%	8%	4%	0%
Netherlands—North Sea	57%	36%	7%	0%	0%
Norway	61%	36%	4%	0%	0%
Norway—North Sea	72%	26%	3%	0%	0%
Poland	5%	43%	43%	5%	5%
Romania	17%	22%	50%	11%	0%
Russia	9%	29%	43%	20%	0%
Turkey	6%	33%	56%	6%	0%
Ukraine	0%	25%	50%	13%	13%
United Kingdom	56%	37%	8%	0%	0%
United Kingdom—North Sea	60%	37%	1%	1%	0%

continued ...

Question 11: Quality of the geological database *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	14%	43%	24%	19%	0%
Bangladesh	0%	15%	55%	25%	5%
Cambodia	5%	14%	45%	27%	9%
China	3%	32%	32%	30%	3%
India	0%	32%	43%	24%	0%
Japan	23%	46%	23%	8%	0%
Kazakhstan	11%	29%	37%	24%	0%
Kyrgyzstan	0%	20%	40%	20%	20%
Myanmar	0%	33%	44%	11%	11%
Pakistan	9%	26%	48%	17%	0%
Thailand	11%	47%	39%	3%	0%
Turkmenistan	10%	10%	38%	33%	10%
Uzbekistan	9%	0%	55%	27%	9%
Vietnam	5%	23%	59%	13%	0%
Africa					
Algeria	0%	38%	50%	13%	0%
Angola	4%	36%	52%	8%	0%
Cameroon	0%	27%	67%	7%	0%
Chad	0%	17%	67%	17%	0%
Côte d’Ivoire	0%	36%	64%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	17%	33%	33%	17%
Egypt	5%	47%	49%	0%	0%
Equatorial Guinea	0%	31%	54%	15%	0%
Gabon	6%	19%	69%	6%	0%
Ghana	5%	58%	37%	0%	0%
Libya	0%	30%	39%	30%	0%
Madagascar	13%	38%	38%	13%	0%
Mauritania	8%	15%	38%	38%	0%
Morocco	21%	29%	50%	0%	0%
Mozambique	8%	42%	50%	0%	0%
Namibia	14%	57%	29%	0%	0%
Nigeria	10%	52%	32%	3%	3%
Republic of the Congo (Brazzaville)	0%	42%	33%	25%	0%
South Africa	7%	36%	43%	7%	7%
Sudan	13%	25%	63%	0%	0%
Tanzania	8%	31%	54%	8%	0%
Tunisia	9%	49%	37%	6%	0%
Uganda	0%	14%	71%	14%	0%

continued ...

Question 11: Quality of the geological database *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	0%	64%	27%	9%	0%
Iran	0%	43%	24%	24%	10%
Iraq	6%	32%	38%	21%	3%
Israel	14%	43%	29%	0%	14%
Kuwait	13%	47%	33%	7%	0%
Oman	6%	50%	41%	3%	0%
Qatar	6%	75%	13%	6%	0%
Syria	0%	25%	44%	31%	0%
United Arab Emirates	3%	62%	24%	10%	0%
Yemen	4%	35%	30%	22%	9%
Latin America and the Caribbean Basin					
Argentina—Salta	6%	50%	39%	6%	0%
Argentina—Mendoza	5%	55%	30%	10%	0%
Argentina—Neuquen	4%	58%	33%	4%	0%
Argentina—Chubut	7%	50%	36%	7%	0%
Argentina—Santa Cruz	6%	56%	31%	6%	0%
Bolivia	0%	27%	53%	20%	0%
Brazil—Onshore CC*	29%	33%	38%	0%	0%
Brazil—Offshore CC*	30%	37%	33%	0%	0%
Brazil—Offshore presalt area PSC*	30%	35%	30%	5%	0%
Chile	7%	43%	43%	7%	0%
Colombia	24%	53%	20%	2%	0%
Ecuador	0%	15%	58%	23%	4%
Guyana	0%	13%	50%	25%	13%
Peru	24%	38%	35%	3%	0%
Suriname	0%	38%	38%	25%	0%
Trinidad and Tobago	12%	50%	27%	12%	0%
Uruguay	11%	11%	44%	11%	22%
Venezuela	5%	26%	38%	21%	10%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 12: Labour availability and skills

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	28%	44%	23%	5%	0%
British Columbia	24%	45%	24%	8%	0%
Manitoba	32%	57%	11%	0%	0%
Newfoundland & Labrador	26%	43%	26%	4%	0%
New Brunswick	40%	40%	20%	0%	0%
Northwest Territories	12%	29%	24%	35%	0%
Nova Scotia	27%	60%	7%	7%	0%
Ontario	33%	44%	22%	0%	0%
Quebec	25%	25%	25%	25%	0%
Saskatchewan	32%	51%	13%	4%	0%
USA					
Alabama	31%	54%	15%	0%	0%
Alaska	30%	26%	26%	13%	4%
Arkansas	33%	44%	17%	6%	0%
California	25%	39%	29%	4%	4%
Colorado	24%	62%	7%	7%	0%
Illinois	57%	43%	0%	0%	0%
Kansas	57%	29%	14%	0%	0%
Louisiana	40%	47%	10%	3%	0%
Michigan	29%	29%	29%	14%	0%
Mississippi	42%	42%	17%	0%	0%
Montana	10%	62%	19%	10%	0%
New Mexico	36%	45%	9%	9%	0%
North Dakota	26%	48%	15%	11%	0%
Ohio	17%	83%	0%	0%	0%
Oklahoma	44%	47%	9%	0%	0%
Pennsylvania	23%	46%	23%	8%	0%
Texas	47%	43%	10%	0%	0%
Utah	38%	50%	13%	0%	0%
West Virginia	57%	43%	0%	0%	0%
Wyoming	29%	50%	21%	0%	0%
US Offshore—Pacific	13%	50%	13%	13%	13%
US Offshore—Gulf of Mexico	33%	52%	14%	0%	0%
US Offshore—Alaska	36%	27%	9%	27%	0%

continued ...

Question 12: Labour availability and skills *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	42%	58%	0%	0%	0%
Northern Territory	29%	48%	24%	0%	0%
Queensland	40%	36%	20%	4%	0%
South Australia	30%	57%	13%	0%	0%
Tasmania	33%	58%	8%	0%	0%
Victoria	29%	62%	10%	0%	0%
Western Australia	19%	44%	28%	9%	0%
Australia—Offshore	23%	44%	23%	10%	0%
Timor Gap (JPDA)*	25%	55%	15%	5%	0%
Brunei	4%	46%	35%	15%	0%
Indonesia	5%	45%	35%	14%	0%
Malaysia	12%	53%	27%	8%	0%
New Zealand	13%	65%	19%	3%	0%
Papua New Guinea	0%	23%	53%	23%	0%
Philippines	3%	51%	35%	11%	0%
Timor Leste	0%	22%	50%	22%	6%
Europe					
Albania	11%	22%	67%	0%	0%
Austria	29%	57%	0%	14%	0%
Bulgaria	13%	38%	25%	13%	13%
Denmark	9%	82%	0%	0%	9%
Faroe Islands	0%	57%	29%	0%	14%
France	24%	52%	20%	0%	4%
Germany	29%	57%	10%	0%	5%
Greenland	0%	20%	40%	20%	20%
Hungary	27%	73%	0%	0%	0%
Italy	24%	48%	19%	10%	0%
Netherlands	18%	64%	14%	5%	0%
Netherlands—North Sea	19%	70%	7%	4%	0%
Norway	22%	59%	15%	0%	4%
Norway—North Sea	33%	51%	13%	0%	3%
Poland	14%	67%	19%	0%	0%
Romania	25%	35%	35%	5%	0%
Russia	14%	56%	28%	3%	0%
Turkey	11%	63%	26%	0%	0%
Ukraine	7%	50%	21%	14%	7%
United Kingdom	33%	63%	2%	0%	2%
United Kingdom—North Sea	33%	61%	4%	1%	0%

continued ...

Question 12: Labour availability and skills *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	9%	27%	55%	9%	0%
Bangladesh	0%	40%	35%	25%	0%
Cambodia	5%	32%	50%	14%	0%
China	23%	56%	15%	5%	0%
India	29%	47%	21%	3%	0%
Japan	13%	63%	13%	13%	0%
Kazakhstan	5%	36%	52%	7%	0%
Kyrgyzstan	0%	0%	40%	60%	0%
Myanmar	6%	44%	33%	17%	0%
Pakistan	17%	54%	29%	0%	0%
Thailand	19%	62%	17%	2%	0%
Turkmenistan	0%	14%	48%	33%	5%
Uzbekistan	0%	0%	70%	30%	0%
Vietnam	13%	43%	45%	0%	0%
Africa					
Algeria	6%	33%	52%	9%	0%
Angola	4%	25%	50%	21%	0%
Cameroon	0%	29%	71%	0%	0%
Chad	0%	0%	80%	20%	0%
Côte d’Ivoire	0%	60%	30%	10%	0%
Democratic Republic of the Congo (Kinshasa)	0%	0%	50%	50%	0%
Egypt	7%	57%	36%	0%	0%
Equatorial Guinea	0%	21%	50%	29%	0%
Gabon	0%	37%	42%	21%	0%
Ghana	0%	50%	45%	5%	0%
Libya	6%	18%	44%	29%	3%
Madagascar	0%	11%	67%	22%	0%
Mauritania	0%	15%	46%	38%	0%
Morocco	8%	54%	38%	0%	0%
Mozambique	0%	33%	67%	0%	0%
Namibia	0%	33%	67%	0%	0%
Nigeria	9%	36%	42%	9%	3%
Republic of the Congo (Brazzaville)	0%	42%	50%	0%	8%
South Africa	7%	50%	21%	21%	0%
Sudan	0%	38%	50%	13%	0%
Tanzania	8%	23%	69%	0%	0%
Tunisia	6%	69%	19%	6%	0%
Uganda	0%	29%	57%	14%	0%

continued ...

Question 12: Labour availability and skills *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	10%	60%	20%	10%	0%
Iran	0%	36%	32%	18%	14%
Iraq	0%	33%	50%	8%	8%
Israel	50%	38%	0%	0%	13%
Kuwait	14%	57%	21%	7%	0%
Oman	8%	53%	36%	3%	0%
Qatar	6%	56%	33%	6%	0%
Syria	13%	31%	38%	19%	0%
United Arab Emirates	7%	50%	37%	7%	0%
Yemen	0%	38%	54%	4%	4%
Latin America and the Caribbean Basin					
Argentina—Salta	6%	72%	22%	0%	0%
Argentina—Mendoza	5%	65%	30%	0%	0%
Argentina—Neuquen	23%	59%	18%	0%	0%
Argentina—Chubut	21%	57%	21%	0%	0%
Argentina—Santa Cruz	6%	56%	31%	6%	0%
Bolivia	0%	29%	50%	21%	0%
Brazil—Onshore CC*	0%	71%	25%	4%	0%
Brazil—Offshore CC*	8%	54%	35%	4%	0%
Brazil—Offshore presalt area PSC*	5%	57%	38%	0%	0%
Chile	15%	69%	15%	0%	0%
Colombia	28%	63%	9%	0%	0%
Ecuador	0%	44%	44%	12%	0%
Guyana	0%	14%	43%	29%	14%
Peru	5%	51%	38%	5%	0%
Suriname	0%	50%	38%	13%	0%
Trinidad and Tobago	8%	60%	28%	4%	0%
Uruguay	11%	44%	33%	11%	0%
Venezuela	7%	25%	34%	25%	9%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 13: Disputed land claims

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	5%	38%	43%	13%	1%
British Columbia	3%	17%	44%	34%	3%
Manitoba	20%	48%	28%	4%	0%
Newfoundland & Labrador	17%	56%	17%	11%	0%
New Brunswick	0%	80%	20%	0%	0%
Northwest Territories	0%	0%	50%	36%	14%
Nova Scotia	25%	50%	17%	8%	0%
Ontario	11%	78%	11%	0%	0%
Quebec	10%	60%	30%	0%	0%
Saskatchewan	10%	60%	22%	8%	0%
USA					
Alabama	20%	70%	10%	0%	0%
Alaska	14%	32%	45%	0%	9%
Arkansas	20%	60%	13%	7%	0%
California	14%	62%	19%	5%	0%
Colorado	14%	73%	14%	0%	0%
Illinois	17%	83%	0%	0%	0%
Kansas	25%	75%	0%	0%	0%
Louisiana	29%	67%	5%	0%	0%
Michigan	25%	75%	0%	0%	0%
Mississippi	40%	60%	0%	0%	0%
Montana	13%	63%	25%	0%	0%
New Mexico	12%	59%	29%	0%	0%
North Dakota	22%	65%	13%	0%	0%
Ohio	33%	67%	0%	0%	0%
Oklahoma	21%	68%	11%	0%	0%
Pennsylvania	9%	64%	27%	0%	0%
Texas	25%	70%	5%	0%	0%
Utah	17%	50%	33%	0%	0%
West Virginia	33%	50%	17%	0%	0%
Wyoming	11%	78%	11%	0%	0%
US Offshore—Pacific	50%	50%	0%	0%	0%
US Offshore—Gulf of Mexico	23%	71%	6%	0%	0%
US Offshore—Alaska	27%	45%	18%	9%	0%

continued ...

Question 13: Disputed land claims *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	0%	50%	50%	0%	0%
Northern Territory	0%	45%	30%	25%	0%
Queensland	0%	32%	50%	18%	0%
South Australia	14%	43%	33%	10%	0%
Tasmania	10%	50%	40%	0%	0%
Victoria	11%	58%	21%	11%	0%
Western Australia	5%	41%	37%	17%	0%
Australia—Offshore	10%	63%	22%	5%	0%
Timor Gap (JPDA)*	6%	67%	22%	6%	0%
Brunei	30%	39%	26%	4%	0%
Indonesia	1%	51%	35%	11%	1%
Malaysia	11%	60%	26%	4%	0%
New Zealand	4%	69%	23%	4%	0%
Papua New Guinea	3%	29%	45%	19%	3%
Philippines	6%	55%	36%	3%	0%
Timor Leste	0%	50%	33%	17%	0%
Europe					
Albania	14%	71%	14%	0%	0%
Austria	57%	29%	0%	14%	0%
Bulgaria	25%	38%	38%	0%	0%
Denmark	29%	57%	14%	0%	0%
Faroe Islands	29%	43%	29%	0%	0%
France	21%	58%	16%	5%	0%
Germany	24%	65%	6%	6%	0%
Greenland	0%	75%	0%	25%	0%
Hungary	20%	70%	10%	0%	0%
Italy	12%	82%	6%	0%	0%
Netherlands	33%	61%	0%	6%	0%
Netherlands—North Sea	24%	76%	0%	0%	0%
Norway	27%	59%	14%	0%	0%
Norway—North Sea	35%	61%	3%	0%	0%
Poland	12%	71%	18%	0%	0%
Romania	13%	60%	20%	7%	0%
Russia	9%	59%	13%	16%	3%
Turkey	13%	63%	25%	0%	0%
Ukraine	0%	46%	23%	15%	15%
United Kingdom	33%	60%	5%	2%	0%
United Kingdom—North Sea	27%	69%	4%	0%	0%

continued ...

Question 13: Disputed land claims *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	11%	47%	42%	0%	0%
Bangladesh	0%	59%	29%	12%	0%
Cambodia	5%	32%	45%	18%	0%
China	9%	65%	18%	9%	0%
India	0%	49%	46%	6%	0%
Japan	21%	50%	29%	0%	0%
Kazakhstan	8%	49%	22%	19%	3%
Kyrgyzstan	20%	60%	20%	0%	0%
Myanmar	0%	56%	39%	6%	0%
Pakistan	4%	57%	35%	4%	0%
Thailand	8%	59%	28%	5%	0%
Turkmenistan	17%	50%	22%	11%	0%
Uzbekistan	25%	50%	13%	13%	0%
Vietnam	6%	49%	43%	3%	0%
Africa					
Algeria	4%	71%	25%	0%	0%
Angola	9%	39%	48%	4%	0%
Cameroon	18%	55%	27%	0%	0%
Chad	0%	25%	75%	0%	0%
Côte d'Ivoire	0%	75%	25%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	33%	50%	17%	0%
Egypt	8%	64%	22%	6%	0%
Equatorial Guinea	0%	50%	40%	10%	0%
Gabon	15%	46%	38%	0%	0%
Ghana	7%	60%	27%	7%	0%
Libya	13%	43%	33%	3%	7%
Madagascar	0%	57%	43%	0%	0%
Mauritania	8%	58%	33%	0%	0%
Morocco	10%	50%	40%	0%	0%
Mozambique	0%	89%	11%	0%	0%
Namibia	0%	50%	50%	0%	0%
Nigeria	7%	25%	29%	25%	14%
Republic of the Congo (Brazzaville)	0%	50%	50%	0%	0%
South Africa	0%	54%	38%	0%	8%
Sudan	0%	25%	63%	13%	0%
Tanzania	8%	62%	31%	0%	0%
Tunisia	7%	77%	17%	0%	0%
Uganda	0%	43%	57%	0%	0%

continued ...

Question 13: Disputed land claims *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	43%	43%	0%	14%	0%
Iran	6%	56%	22%	11%	6%
Iraq	0%	18%	48%	33%	0%
Israel	29%	43%	29%	0%	0%
Kuwait	30%	40%	20%	10%	0%
Oman	13%	74%	10%	3%	0%
Qatar	29%	64%	0%	7%	0%
Syria	11%	67%	17%	6%	0%
United Arab Emirates	20%	68%	8%	4%	0%
Yemen	0%	45%	30%	20%	5%
Latin America and the Caribbean Basin					
Argentina—Salta	11%	56%	22%	11%	0%
Argentina—Mendoza	17%	50%	28%	6%	0%
Argentina—Neuquen	10%	29%	48%	14%	0%
Argentina—Chubut	14%	50%	29%	7%	0%
Argentina—Santa Cruz	13%	63%	19%	6%	0%
Bolivia	0%	0%	77%	23%	0%
Brazil—Onshore CC*	21%	46%	29%	4%	0%
Brazil—Offshore CC*	23%	64%	14%	0%	0%
Brazil—Offshore presalt area PSC*	26%	58%	16%	0%	0%
Chile	8%	50%	42%	0%	0%
Colombia	12%	56%	26%	7%	0%
Ecuador	0%	21%	29%	50%	0%
Guyana	0%	43%	29%	29%	0%
Peru	3%	31%	39%	28%	0%
Suriname	0%	57%	29%	14%	0%
Trinidad and Tobago	5%	73%	23%	0%	0%
Uruguay	11%	67%	11%	11%	0%
Venezuela	5%	32%	29%	27%	7%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 14: Political stability

1: Encourages investment | **2: Not a deterrent to investment**
3: Mild deterrent to investment | **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	38%	31%	28%	3%	0%
British Columbia	30%	41%	26%	2%	0%
Manitoba	55%	34%	10%	0%	0%
Newfoundland & Labrador	48%	39%	9%	4%	0%
New Brunswick	43%	43%	14%	0%	0%
Northwest Territories	13%	53%	27%	7%	0%
Nova Scotia	53%	41%	6%	0%	0%
Ontario	36%	55%	9%	0%	0%
Quebec	9%	55%	36%	0%	0%
Saskatchewan	52%	42%	5%	1%	0%
USA					
Alabama	42%	50%	8%	0%	0%
Alaska	31%	38%	19%	8%	4%
Arkansas	28%	56%	11%	6%	0%
California	27%	27%	37%	10%	0%
Colorado	45%	32%	19%	3%	0%
Illinois	50%	50%	0%	0%	0%
Kansas	50%	50%	0%	0%	0%
Louisiana	52%	42%	6%	0%	0%
Michigan	43%	57%	0%	0%	0%
Mississippi	50%	50%	0%	0%	0%
Montana	27%	55%	14%	5%	0%
New Mexico	45%	36%	14%	5%	0%
North Dakota	55%	38%	7%	0%	0%
Ohio	43%	57%	0%	0%	0%
Oklahoma	63%	34%	3%	0%	0%
Pennsylvania	21%	50%	14%	14%	0%
Texas	63%	31%	6%	0%	0%
Utah	67%	33%	0%	0%	0%
West Virginia	57%	43%	0%	0%	0%
Wyoming	48%	52%	0%	0%	0%
US Offshore—Pacific	43%	14%	14%	14%	14%
US Offshore—Gulf of Mexico	36%	33%	21%	10%	0%
US Offshore—Alaska	25%	42%	8%	25%	0%

continued ...

Question 14: Political stability *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	50%	33%	17%	0%	0%
Northern Territory	43%	52%	5%	0%	0%
Queensland	50%	50%	0%	0%	0%
South Australia	54%	46%	0%	0%	0%
Tasmania	54%	46%	0%	0%	0%
Victoria	48%	43%	10%	0%	0%
Western Australia	50%	43%	7%	0%	0%
Australia—Offshore	58%	34%	8%	0%	0%
Timor Gap (JPDA)*	19%	62%	19%	0%	0%
Brunei	48%	44%	7%	0%	0%
Indonesia	5%	38%	54%	4%	0%
Malaysia	24%	53%	24%	0%	0%
New Zealand	61%	39%	0%	0%	0%
Papua New Guinea	3%	37%	50%	10%	0%
Philippines	5%	39%	50%	5%	0%
Timor Leste	0%	22%	56%	22%	0%
Europe					
Albania	0%	44%	56%	0%	0%
Austria	75%	13%	13%	0%	0%
Bulgaria	38%	50%	0%	13%	0%
Denmark	82%	18%	0%	0%	0%
Faroe Islands	43%	57%	0%	0%	0%
France	72%	24%	0%	4%	0%
Germany	80%	20%	0%	0%	0%
Greenland	33%	67%	0%	0%	0%
Hungary	46%	46%	8%	0%	0%
Italy	19%	43%	29%	10%	0%
Netherlands	77%	23%	0%	0%	0%
Netherlands—North Sea	70%	30%	0%	0%	0%
Norway	80%	20%	0%	0%	0%
Norway—North Sea	68%	32%	0%	0%	0%
Poland	45%	55%	0%	0%	0%
Romania	28%	50%	22%	0%	0%
Russia	8%	34%	37%	18%	3%
Turkey	28%	56%	17%	0%	0%
Ukraine	0%	38%	31%	25%	6%
United Kingdom	57%	36%	6%	0%	0%
United Kingdom—North Sea	52%	36%	12%	0%	0%

continued ...

Question 14: Political stability *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	8%	33%	33%	25%	0%
Bangladesh	5%	37%	47%	11%	0%
Cambodia	8%	42%	33%	17%	0%
China	24%	42%	26%	8%	0%
India	21%	42%	34%	3%	0%
Japan	40%	40%	13%	7%	0%
Kazakhstan	2%	33%	40%	24%	0%
Kyrgyzstan	20%	0%	0%	80%	0%
Myanmar	6%	39%	22%	22%	11%
Pakistan	0%	8%	60%	28%	4%
Thailand	7%	44%	39%	10%	0%
Turkmenistan	5%	24%	24%	43%	5%
Uzbekistan	10%	20%	30%	30%	10%
Vietnam	20%	54%	27%	0%	0%
Africa					
Algeria	0%	12%	47%	38%	3%
Angola	7%	33%	44%	15%	0%
Cameroon	6%	38%	56%	0%	0%
Chad	0%	17%	33%	50%	0%
Côte d’Ivoire	9%	9%	36%	36%	9%
Democratic Republic of the Congo (Kinshasa)	0%	0%	33%	33%	33%
Egypt	0%	19%	60%	21%	0%
Equatorial Guinea	0%	27%	33%	33%	7%
Gabon	0%	58%	21%	16%	5%
Ghana	5%	55%	35%	5%	0%
Libya	6%	9%	26%	35%	24%
Madagascar	11%	0%	56%	33%	0%
Mauritania	7%	20%	33%	33%	7%
Morocco	17%	50%	33%	0%	0%
Mozambique	0%	75%	25%	0%	0%
Namibia	40%	60%	0%	0%	0%
Nigeria	0%	19%	31%	42%	8%
Republic of the Congo (Brazzaville)	0%	25%	67%	8%	0%
South Africa	18%	47%	29%	6%	0%
Sudan	0%	22%	33%	44%	0%
Tanzania	7%	43%	50%	0%	0%
Tunisia	6%	19%	53%	19%	3%
Uganda	0%	29%	71%	0%	0%

continued ...

Question 14: Political stability *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	60%	10%	20%	10%	0%
Iran	0%	9%	23%	50%	18%
Iraq	0%	8%	39%	47%	6%
Israel	38%	13%	50%	0%	0%
Kuwait	31%	46%	15%	8%	0%
Oman	16%	57%	22%	5%	0%
Qatar	42%	26%	21%	11%	0%
Syria	0%	26%	37%	26%	11%
United Arab Emirates	36%	43%	18%	4%	0%
Yemen	0%	8%	28%	56%	8%
Latin America and the Caribbean Basin					
Argentina-Salta	0%	47%	41%	12%	0%
Argentina-Mendoza	0%	43%	43%	14%	0%
Argentina-Neuquen	0%	33%	46%	21%	0%
Argentina-Chubut	0%	43%	43%	14%	0%
Argentina-Santa Cruz	6%	31%	38%	25%	0%
Bolivia	0%	13%	27%	53%	7%
Brazil—Onshore CC*	40%	56%	4%	0%	0%
Brazil—Offshore CC*	38%	54%	8%	0%	0%
Brazil—Offshore presalt area PSC*	41%	55%	0%	5%	0%
Chile	58%	33%	8%	0%	0%
Colombia	39%	43%	13%	2%	2%
Ecuador	0%	12%	38%	35%	15%
Guyana	13%	25%	50%	13%	0%
Peru	20%	48%	30%	3%	0%
Suriname	11%	33%	44%	11%	0%
Trinidad and Tobago	29%	42%	29%	0%	0%
Uruguay	56%	33%	11%	0%	0%
Venezuela	0%	2%	15%	45%	38%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 15: Security

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	65%	33%	1%	0%	0%
British Columbia	62%	34%	4%	0%	0%
Manitoba	74%	26%	0%	0%	0%
Newfoundland & Labrador	86%	14%	0%	0%	0%
New Brunswick	83%	17%	0%	0%	0%
Northwest Territories	50%	50%	0%	0%	0%
Nova Scotia	79%	21%	0%	0%	0%
Ontario	44%	56%	0%	0%	0%
Quebec	45%	45%	9%	0%	0%
Saskatchewan	64%	36%	0%	0%	0%
USA					
Alabama	50%	40%	10%	0%	0%
Alaska	50%	38%	8%	0%	4%
Arkansas	47%	41%	6%	6%	0%
California	56%	36%	8%	0%	0%
Colorado	62%	34%	3%	0%	0%
Illinois	83%	17%	0%	0%	0%
Kansas	64%	36%	0%	0%	0%
Louisiana	62%	38%	0%	0%	0%
Michigan	60%	40%	0%	0%	0%
Mississippi	58%	42%	0%	0%	0%
Montana	50%	50%	0%	0%	0%
New Mexico	57%	33%	10%	0%	0%
North Dakota	63%	37%	0%	0%	0%
Ohio	57%	43%	0%	0%	0%
Oklahoma	67%	30%	3%	0%	0%
Pennsylvania	57%	36%	7%	0%	0%
Texas	60%	33%	5%	1%	0%
Utah	67%	33%	0%	0%	0%
West Virginia	71%	29%	0%	0%	0%
Wyoming	65%	30%	4%	0%	0%
US Offshore—Pacific	60%	40%	0%	0%	0%
US Offshore—Gulf of Mexico	58%	39%	3%	0%	0%
US Offshore—Alaska	60%	40%	0%	0%	0%

continued ...

Question 15: Security *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	75%	25%	0%	0%	0%
Northern Territory	68%	32%	0%	0%	0%
Queensland	76%	24%	0%	0%	0%
South Australia	74%	26%	0%	0%	0%
Tasmania	69%	31%	0%	0%	0%
Victoria	73%	27%	0%	0%	0%
Western Australia	76%	24%	0%	0%	0%
Australia—Offshore	75%	21%	4%	0%	0%
Timor Gap (JPDA)*	16%	74%	11%	0%	0%
Brunei	58%	25%	17%	0%	0%
Indonesia	4%	28%	49%	18%	1%
Malaysia	20%	56%	14%	10%	0%
New Zealand	67%	33%	0%	0%	0%
Papua New Guinea	0%	16%	52%	26%	6%
Philippines	3%	27%	46%	24%	0%
Timor Leste	0%	18%	47%	29%	6%
Europe					
Albania	11%	44%	33%	11%	0%
Austria	86%	14%	0%	0%	0%
Bulgaria	33%	44%	11%	11%	0%
Denmark	91%	9%	0%	0%	0%
Faroe Islands	75%	25%	0%	0%	0%
France	83%	17%	0%	0%	0%
Germany	65%	35%	0%	0%	0%
Greenland	50%	50%	0%	0%	0%
Hungary	55%	27%	18%	0%	0%
Italy	47%	47%	5%	0%	0%
Netherlands	75%	25%	0%	0%	0%
Netherlands—North Sea	75%	25%	0%	0%	0%
Norway	88%	13%	0%	0%	0%
Norway—North Sea	78%	22%	0%	0%	0%
Poland	60%	35%	5%	0%	0%
Romania	42%	32%	26%	0%	0%
Russia	9%	24%	44%	24%	0%
Turkey	13%	56%	31%	0%	0%
Ukraine	7%	40%	33%	13%	7%
United Kingdom	64%	34%	0%	2%	0%
United Kingdom—North Sea	65%	34%	2%	0%	0%

continued ...

Question 15: Security *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	9%	45%	41%	5%	0%
Bangladesh	0%	48%	38%	10%	5%
Cambodia	9%	30%	52%	9%	0%
China	25%	44%	31%	0%	0%
India	6%	44%	42%	8%	0%
Japan	57%	29%	14%	0%	0%
Kazakhstan	5%	38%	35%	18%	5%
Kyrgyzstan	0%	20%	60%	20%	0%
Myanmar	5%	42%	37%	11%	5%
Pakistan	0%	9%	35%	52%	4%
Thailand	15%	44%	32%	10%	0%
Turkmenistan	11%	32%	32%	16%	11%
Uzbekistan	0%	22%	44%	33%	0%
Vietnam	13%	53%	30%	5%	0%
Africa					
Algeria	0%	6%	58%	33%	3%
Angola	0%	8%	73%	19%	0%
Cameroon	0%	29%	57%	14%	0%
Chad	0%	17%	33%	50%	0%
Côte d'Ivoire	0%	27%	27%	36%	9%
Democratic Republic of the Congo (Kinshasa)	0%	0%	17%	50%	33%
Egypt	0%	21%	54%	23%	3%
Equatorial Guinea	0%	7%	71%	21%	0%
Gabon	0%	44%	44%	6%	6%
Ghana	10%	50%	35%	5%	0%
Libya	9%	23%	23%	26%	20%
Madagascar	0%	11%	78%	11%	0%
Mauritania	0%	13%	47%	40%	0%
Morocco	8%	58%	25%	0%	8%
Mozambique	0%	58%	42%	0%	0%
Namibia	33%	50%	17%	0%	0%
Nigeria	0%	8%	18%	58%	16%
Republic of the Congo (Brazzaville)	0%	8%	50%	33%	8%
South Africa	13%	38%	44%	6%	0%
Sudan	0%	22%	44%	33%	0%
Tanzania	8%	54%	38%	0%	0%
Tunisia	9%	38%	29%	21%	3%
Uganda	0%	33%	67%	0%	0%

continued ...

Question 15: Security *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	56%	22%	22%	0%	0%
Iran	0%	19%	62%	5%	14%
Iraq	0%	3%	16%	56%	25%
Israel	29%	43%	14%	14%	0%
Kuwait	38%	38%	23%	0%	0%
Oman	18%	59%	18%	6%	0%
Qatar	47%	35%	12%	6%	0%
Syria	6%	38%	19%	31%	6%
United Arab Emirates	34%	55%	10%	0%	0%
Yemen	0%	12%	8%	60%	20%
Latin America and the Caribbean Basin					
Argentina—Salta	18%	65%	12%	6%	0%
Argentina—Mendoza	21%	58%	21%	0%	0%
Argentina—Neuquen	14%	64%	23%	0%	0%
Argentina—Chubut	23%	69%	8%	0%	0%
Argentina—Santa Cruz	20%	67%	13%	0%	0%
Bolivia	7%	7%	71%	14%	0%
Brazil—Onshore CC*	25%	63%	13%	0%	0%
Brazil—Offshore CC*	27%	62%	12%	0%	0%
Brazil—Offshore presalt area PSC*	15%	70%	10%	5%	0%
Chile	58%	33%	8%	0%	0%
Colombia	7%	20%	53%	18%	2%
Ecuador	4%	21%	58%	17%	0%
Guyana	14%	29%	43%	14%	0%
Peru	13%	44%	38%	5%	0%
Suriname	22%	33%	44%	0%	0%
Trinidad and Tobago	17%	58%	25%	0%	0%
Uruguay	50%	38%	13%	0%	0%
Venezuela	2%	11%	36%	38%	13%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 16: Regulatory duplication and inconsistencies

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	16%	49%	29%	7%	0%
British Columbia	16%	47%	23%	14%	0%
Manitoba	26%	63%	11%	0%	0%
Newfoundland & Labrador	16%	47%	37%	0%	0%
New Brunswick	20%	40%	40%	0%	0%
Northwest Territories	8%	23%	38%	23%	8%
Nova Scotia	25%	58%	17%	0%	0%
Ontario	0%	86%	14%	0%	0%
Quebec	10%	20%	50%	20%	0%
Saskatchewan	19%	60%	17%	4%	0%
USA					
Alabama	9%	82%	9%	0%	0%
Alaska	4%	50%	25%	17%	4%
Arkansas	13%	69%	13%	6%	0%
California	14%	27%	27%	18%	14%
Colorado	7%	59%	11%	22%	0%
Illinois	14%	71%	14%	0%	0%
Kansas	30%	70%	0%	0%	0%
Louisiana	20%	68%	12%	0%	0%
Michigan	25%	75%	0%	0%	0%
Mississippi	30%	60%	10%	0%	0%
Montana	14%	62%	14%	10%	0%
New Mexico	6%	56%	33%	6%	0%
North Dakota	23%	54%	23%	0%	0%
Ohio	25%	75%	0%	0%	0%
Oklahoma	23%	63%	13%	0%	0%
Pennsylvania	0%	36%	45%	18%	0%
Texas	24%	66%	10%	0%	0%
Utah	14%	57%	29%	0%	0%
West Virginia	25%	75%	0%	0%	0%
Wyoming	0%	67%	24%	10%	0%
US Offshore—Pacific	0%	0%	25%	50%	25%
US Offshore—Gulf of Mexico	0%	41%	47%	12%	0%
US Offshore—Alaska	0%	38%	25%	38%	0%

continued ...

Question 16: Regulatory duplication and inconsistencies *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	18%	64%	18%	0%	0%
Northern Territory	25%	50%	25%	0%	0%
Queensland	22%	48%	30%	0%	0%
South Australia	17%	50%	33%	0%	0%
Tasmania	15%	54%	31%	0%	0%
Victoria	16%	63%	21%	0%	0%
Western Australia	23%	46%	31%	0%	0%
Australia—Offshore	25%	50%	23%	2%	0%
Timor Gap (JPDA)*	6%	47%	41%	6%	0%
Brunei	23%	59%	18%	0%	0%
Indonesia	0%	27%	41%	29%	3%
Malaysia	7%	59%	26%	9%	0%
New Zealand	25%	71%	4%	0%	0%
Papua New Guinea	0%	67%	30%	0%	4%
Philippines	3%	67%	24%	6%	0%
Timor Leste	0%	59%	24%	12%	6%
Europe					
Albania	14%	71%	14%	0%	0%
Austria	33%	67%	0%	0%	0%
Bulgaria	0%	100%	0%	0%	0%
Denmark	44%	56%	0%	0%	0%
Faroe Islands	29%	71%	0%	0%	0%
France	38%	38%	19%	5%	0%
Germany	19%	69%	6%	6%	0%
Greenland	0%	75%	25%	0%	0%
Hungary	33%	67%	0%	0%	0%
Italy	35%	12%	29%	24%	0%
Netherlands	39%	56%	6%	0%	0%
Netherlands—North Sea	36%	60%	4%	0%	0%
Norway	45%	50%	5%	0%	0%
Norway—North Sea	47%	50%	3%	0%	0%
Poland	17%	72%	6%	6%	0%
Romania	6%	76%	18%	0%	0%
Russia	3%	22%	53%	16%	6%
Turkey	6%	63%	31%	0%	0%
Ukraine	8%	38%	31%	23%	0%
United Kingdom	40%	53%	7%	0%	0%
United Kingdom—North Sea	28%	65%	7%	0%	0%

continued ...

Question 16: Regulatory duplication and inconsistencies *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	11%	26%	47%	16%	0%
Bangladesh	5%	32%	58%	5%	0%
Cambodia	5%	48%	33%	10%	5%
China	6%	39%	48%	6%	0%
India	0%	25%	56%	16%	3%
Japan	23%	69%	8%	0%	0%
Kazakhstan	3%	26%	51%	14%	6%
Kyrgyzstan	0%	20%	80%	0%	0%
Myanmar	6%	44%	31%	13%	6%
Pakistan	0%	50%	45%	5%	0%
Thailand	5%	62%	32%	0%	0%
Turkmenistan	12%	29%	35%	6%	18%
Uzbekistan	0%	38%	50%	0%	13%
Vietnam	6%	51%	43%	0%	0%
Africa					
Algeria	4%	43%	43%	11%	0%
Angola	13%	42%	42%	4%	0%
Cameroon	0%	75%	25%	0%	0%
Chad	0%	25%	75%	0%	0%
Côte d'Ivoire	0%	88%	13%	0%	0%
Democratic Republic of the Congo (Kinshasa)	0%	50%	17%	33%	0%
Egypt	3%	48%	45%	3%	0%
Equatorial Guinea	9%	45%	27%	18%	0%
Gabon	6%	56%	38%	0%	0%
Ghana	7%	67%	13%	13%	0%
Libya	7%	41%	31%	17%	3%
Madagascar	14%	43%	43%	0%	0%
Mauritania	9%	64%	9%	18%	0%
Morocco	11%	78%	11%	0%	0%
Mozambique	0%	80%	20%	0%	0%
Namibia	33%	33%	33%	0%	0%
Nigeria	6%	26%	29%	29%	10%
Republic of the Congo (Brazzaville)	0%	55%	36%	9%	0%
South Africa	0%	70%	30%	0%	0%
Sudan	0%	83%	17%	0%	0%
Tanzania	0%	70%	30%	0%	0%
Tunisia	10%	65%	26%	0%	0%
Uganda	0%	60%	20%	20%	0%

continued ...

Question 16: Regulatory duplication and inconsistencies *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	40%	60%	0%	0%	0%
Iran	5%	5%	47%	32%	11%
Iraq	0%	3%	37%	57%	3%
Israel	33%	50%	0%	0%	17%
Kuwait	33%	33%	33%	0%	0%
Oman	18%	68%	14%	0%	0%
Qatar	42%	58%	0%	0%	0%
Syria	7%	50%	29%	14%	0%
United Arab Emirates	20%	60%	20%	0%	0%
Yemen	0%	44%	39%	17%	0%
Latin America and the Caribbean Basin					
Argentina—Salta	6%	56%	31%	6%	0%
Argentina—Mendoza	6%	47%	41%	6%	0%
Argentina—Neuquen	0%	50%	40%	10%	0%
Argentina—Chubut	0%	54%	31%	15%	0%
Argentina—Santa Cruz	0%	53%	27%	20%	0%
Bolivia	0%	33%	42%	25%	0%
Brazil—Onshore CC*	18%	59%	18%	5%	0%
Brazil—Offshore CC*	18%	50%	27%	5%	0%
Brazil—Offshore presalt area PSC*	15%	45%	35%	5%	0%
Chile	27%	55%	18%	0%	0%
Colombia	11%	63%	26%	0%	0%
Ecuador	0%	18%	59%	23%	0%
Guyana	14%	43%	29%	14%	0%
Peru	15%	47%	32%	6%	0%
Suriname	13%	38%	50%	0%	0%
Trinidad and Tobago	10%	76%	10%	5%	0%
Uruguay	25%	63%	13%	0%	0%
Venezuela	5%	20%	25%	38%	13%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 17: Legal system

1: Encourages investment **2: Not a deterrent to investment**
3: Mild deterrent to investment **4: Strong deterrent to investment**
5: Would not invest due to this criterion

Response	1	2	3	4	5
Canada					
Alberta	49%	44%	7%	0%	0%
British Columbia	47%	40%	13%	0%	0%
Manitoba	56%	36%	8%	0%	0%
Newfoundland & Labrador	60%	35%	5%	0%	0%
New Brunswick	33%	50%	17%	0%	0%
Northwest Territories	17%	58%	25%	0%	0%
Nova Scotia	54%	38%	8%	0%	0%
Ontario	11%	67%	22%	0%	0%
Quebec	18%	64%	18%	0%	0%
Saskatchewan	47%	47%	6%	0%	0%
USA					
Alabama	36%	64%	0%	0%	0%
Alaska	39%	43%	4%	9%	4%
Arkansas	18%	71%	6%	6%	0%
California	24%	48%	12%	16%	0%
Colorado	36%	57%	7%	0%	0%
Illinois	14%	71%	14%	0%	0%
Kansas	46%	46%	8%	0%	0%
Louisiana	22%	63%	15%	0%	0%
Michigan	33%	50%	17%	0%	0%
Mississippi	45%	45%	9%	0%	0%
Montana	32%	47%	21%	0%	0%
New Mexico	29%	62%	10%	0%	0%
North Dakota	38%	50%	12%	0%	0%
Ohio	50%	50%	0%	0%	0%
Oklahoma	48%	42%	9%	0%	0%
Pennsylvania	31%	54%	15%	0%	0%
Texas	49%	43%	7%	1%	0%
Utah	38%	50%	13%	0%	0%
West Virginia	50%	33%	17%	0%	0%
Wyoming	29%	67%	5%	0%	0%
US Offshore—Pacific	0%	80%	20%	0%	0%
US Offshore—Gulf of Mexico	24%	50%	21%	5%	0%
US Offshore—Alaska	38%	25%	25%	13%	0%

continued ...

Question 17: Legal system *(continued)*

Response	1	2	3	4	5
Oceania					
New South Wales	55%	45%	0%	0%	0%
Northern Territory	71%	29%	0%	0%	0%
Queensland	60%	40%	0%	0%	0%
South Australia	59%	41%	0%	0%	0%
Tasmania	62%	38%	0%	0%	0%
Victoria	62%	38%	0%	0%	0%
Western Australia	60%	38%	2%	0%	0%
Australia—Offshore	56%	40%	4%	0%	0%
Timor Gap (JPDA)*	38%	43%	19%	0%	0%
Brunei	17%	58%	25%	0%	0%
Indonesia	0%	19%	48%	25%	8%
Malaysia	8%	39%	43%	6%	4%
New Zealand	57%	43%	0%	0%	0%
Papua New Guinea	0%	30%	53%	10%	7%
Philippines	0%	28%	58%	11%	3%
Timor Leste	0%	22%	56%	17%	6%
Europe					
Albania	0%	44%	44%	11%	0%
Austria	86%	14%	0%	0%	0%
Bulgaria	0%	44%	44%	0%	11%
Denmark	73%	18%	9%	0%	0%
Faroe Islands	50%	38%	13%	0%	0%
France	48%	35%	17%	0%	0%
Germany	70%	25%	5%	0%	0%
Greenland	29%	43%	29%	0%	0%
Hungary	18%	64%	18%	0%	0%
Italy	11%	33%	44%	11%	0%
Netherlands	71%	24%	5%	0%	0%
Netherlands—North Sea	59%	37%	4%	0%	0%
Norway	80%	16%	4%	0%	0%
Norway—North Sea	58%	39%	3%	0%	0%
Poland	5%	65%	25%	0%	5%
Romania	5%	47%	37%	5%	5%
Russia	3%	9%	23%	51%	14%
Turkey	6%	56%	38%	0%	0%
Ukraine	0%	33%	20%	33%	13%
United Kingdom	60%	34%	6%	0%	0%
United Kingdom—North Sea	57%	40%	3%	0%	0%

continued ...

Question 17: Legal system *(continued)*

Response	1	2	3	4	5
Asia					
Azerbaijan	5%	14%	36%	45%	0%
Bangladesh	0%	20%	65%	10%	5%
Cambodia	0%	13%	48%	35%	4%
China	3%	19%	47%	28%	3%
India	3%	20%	60%	14%	3%
Japan	56%	31%	13%	0%	0%
Kazakhstan	0%	5%	48%	38%	10%
Kyrgyzstan	0%	20%	40%	40%	0%
Myanmar	0%	11%	61%	22%	6%
Pakistan	0%	14%	55%	32%	0%
Thailand	10%	38%	43%	10%	0%
Turkmenistan	5%	15%	45%	25%	10%
Uzbekistan	0%	22%	44%	22%	11%
Vietnam	3%	28%	58%	13%	0%
Africa					
Algeria	0%	9%	59%	25%	6%
Angola	4%	4%	59%	26%	7%
Cameroon	0%	23%	69%	8%	0%
Chad	0%	0%	20%	60%	20%
Côte d'Ivoire	10%	50%	20%	20%	0%
Democratic Republic of the Congo (Kinshasa)	0%	0%	17%	50%	33%
Egypt	0%	35%	65%	0%	0%
Equatorial Guinea	0%	7%	36%	50%	7%
Gabon	0%	26%	53%	21%	0%
Ghana	0%	60%	30%	10%	0%
Libya	0%	21%	26%	29%	24%
Madagascar	0%	22%	44%	22%	11%
Mauritania	0%	17%	42%	33%	8%
Morocco	17%	42%	42%	0%	0%
Mozambique	0%	42%	50%	8%	0%
Namibia	0%	67%	33%	0%	0%
Nigeria	3%	15%	32%	41%	9%
Republic of the Congo (Brazzaville)	0%	25%	42%	25%	8%
South Africa	0%	57%	43%	0%	0%
Sudan	0%	38%	50%	13%	0%
Tanzania	0%	42%	50%	8%	0%
Tunisia	6%	50%	41%	3%	0%
Uganda	0%	0%	100%	0%	0%

continued ...

Question 17: Legal system *(continued)*

Response	1	2	3	4	5
Middle East					
Bahrain	43%	43%	14%	0%	0%
Iran	0%	5%	38%	33%	24%
Iraq	3%	9%	44%	34%	9%
Israel	43%	29%	29%	0%	0%
Kuwait	36%	36%	27%	0%	0%
Oman	19%	44%	31%	6%	0%
Qatar	19%	50%	25%	6%	0%
Syria	0%	7%	60%	27%	7%
United Arab Emirates	15%	48%	33%	4%	0%
Yemen	0%	9%	59%	23%	9%
Latin America and the Caribbean Basin					
Argentina—Salta	12%	18%	59%	12%	0%
Argentina—Mendoza	5%	26%	53%	16%	0%
Argentina—Neuquen	4%	17%	61%	17%	0%
Argentina—Chubut	8%	23%	54%	15%	0%
Argentina—Santa Cruz	7%	20%	53%	13%	7%
Bolivia	0%	15%	38%	38%	8%
Brazil—Onshore CC*	13%	43%	39%	4%	0%
Brazil—Offshore CC*	13%	38%	46%	4%	0%
Brazil—Offshore presalt area PSC*	15%	40%	35%	10%	0%
Chile	33%	42%	25%	0%	0%
Colombia	16%	53%	27%	4%	0%
Ecuador	0%	8%	33%	42%	17%
Guyana	14%	29%	43%	14%	0%
Peru	11%	53%	29%	8%	0%
Suriname	0%	56%	33%	11%	0%
Trinidad and Tobago	17%	54%	25%	4%	0%
Uruguay	25%	50%	25%	0%	0%
Venezuela	0%	0%	21%	43%	36%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Question 18: Best practices

How much do you think oil and gas exploration and development in each jurisdiction with which you are familiar might INCREASE if a full and complete transition to "Best Practices" in relation to the main drivers of investment decisions, such as royalties, environmental regulations, cost of regulatory compliance, profit repatriation, a fair and transparent legal system, and security of personnel and assets, were to occur?

1: Not at all **2: Only slightly** **3: 20 to 50 percent**
4: 50 to 100 percent **5: More than 100 percent**

Response	1	2	3	4	5
Canada					
Alberta	18%	51%	25%	5%	1%
British Columbia	12%	49%	33%	3%	3%
Manitoba	36%	59%	5%	0%	0%
Newfoundland & Labrador	5%	58%	32%	5%	0%
New Brunswick	20%	40%	40%	0%	0%
Northwest Territories	0%	38%	46%	15%	0%
Nova Scotia	15%	46%	38%	0%	0%
Ontario	50%	38%	13%	0%	0%
Quebec	27%	9%	18%	18%	27%
Saskatchewan	22%	63%	10%	3%	1%
USA					
Alabama	13%	75%	13%	0%	0%
Alaska	9%	36%	41%	9%	5%
Arkansas	13%	60%	7%	20%	0%
California	5%	55%	25%	10%	5%
Colorado	25%	50%	8%	4%	13%
Illinois	0%	83%	17%	0%	0%
Kansas	50%	30%	20%	0%	0%
Louisiana	17%	57%	26%	0%	0%
Michigan	25%	75%	0%	0%	0%
Mississippi	20%	70%	10%	0%	0%
Montana	6%	41%	47%	6%	0%
New Mexico	17%	56%	17%	6%	6%
North Dakota	13%	54%	25%	8%	0%
Ohio	33%	50%	0%	17%	0%
Oklahoma	34%	52%	14%	0%	0%
Pennsylvania	17%	17%	42%	25%	0%
Texas	25%	62%	12%	2%	0%
Utah	0%	57%	43%	0%	0%

continued ...

Question 18: Best practices *(continued)*

Response	1	2	3	4	5
West Virginia	40%	40%	20%	0%	0%
Wyoming	26%	47%	26%	0%	0%
US Offshore—Gulf of Mexico	6%	50%	26%	15%	3%
US Offshore—Alaska	14%	29%	29%	14%	14%
Oceania					
New South Wales	27%	64%	9%	0%	0%
Northern Territory	5%	60%	25%	10%	0%
Queensland	21%	46%	21%	13%	0%
South Australia	20%	50%	20%	10%	0%
Tasmania	15%	69%	8%	8%	0%
Victoria	15%	70%	15%	0%	0%
Western Australia	20%	60%	8%	10%	3%
Australia—Offshore	16%	58%	18%	7%	2%
Timor Gap (JPDA)*	21%	37%	37%	5%	0%
Brunei	4%	39%	35%	17%	4%
Indonesia	0%	19%	41%	32%	8%
Malaysia	0%	32%	47%	21%	0%
New Zealand	21%	72%	7%	0%	0%
Papua New Guinea	0%	16%	61%	16%	6%
Philippines	3%	34%	40%	17%	6%
Timor Leste	6%	17%	44%	17%	17%
Europe					
Albania	0%	71%	0%	29%	0%
Austria	33%	50%	17%	0%	0%
Bulgaria	0%	56%	44%	0%	0%
Denmark	25%	63%	13%	0%	0%
Faroe Islands	29%	57%	14%	0%	0%
France	33%	48%	14%	5%	0%
Germany	24%	47%	18%	12%	0%
Greenland	57%	29%	14%	0%	0%
Hungary	30%	60%	10%	0%	0%
Italy	13%	56%	19%	13%	0%
Netherlands	22%	44%	17%	11%	6%
Netherlands—North Sea	38%	46%	13%	0%	4%
Norway	30%	43%	17%	9%	0%
Norway—North Sea	36%	39%	15%	9%	0%
Poland	6%	50%	33%	11%	0%
Romania	0%	47%	42%	11%	0%

continued ...

Question 18: Best practices *(continued)*

Response	1	2	3	4	5
Russia	3%	13%	47%	31%	6%
Turkey	15%	23%	31%	31%	0%
Ukraine	0%	31%	31%	38%	0%
United Kingdom	27%	55%	11%	7%	0%
United Kingdom—North Sea	30%	51%	15%	5%	0%
Asia					
Azerbaijan	0%	20%	70%	10%	0%
Bangladesh	0%	18%	41%	29%	12%
Cambodia	0%	9%	45%	32%	14%
China	6%	18%	41%	29%	6%
India	0%	12%	48%	33%	6%
Japan	33%	40%	13%	13%	0%
Kazakhstan	3%	5%	47%	34%	11%
Kyrgyzstan	0%	50%	0%	50%	0%
Myanmar	0%	17%	39%	33%	11%
Pakistan	14%	33%	24%	29%	0%
Thailand	3%	38%	38%	23%	0%
Turkmenistan	6%	12%	24%	47%	12%
Uzbekistan	0%	25%	38%	13%	25%
Vietnam	0%	21%	56%	18%	5%
Africa					
Algeria	0%	6%	48%	39%	6%
Angola	4%	19%	50%	19%	8%
Cameroon	0%	27%	55%	18%	0%
Côte d'Ivoire	0%	20%	70%	10%	0%
Democratic Republic of the Congo (Kinshasa)	0%	17%	17%	17%	50%
Egypt	5%	34%	53%	8%	0%
Equatorial Guinea	0%	23%	54%	23%	0%
Gabon	6%	22%	61%	11%	0%
Ghana	0%	17%	50%	33%	0%
Libya	3%	9%	28%	34%	25%
Madagascar	0%	22%	44%	22%	11%
Mauritania	7%	29%	36%	21%	7%
Morocco	18%	18%	64%	0%	0%
Mozambique	9%	9%	55%	9%	18%
Namibia	20%	20%	40%	20%	0%
Nigeria	0%	15%	21%	42%	21%
Republic of the Congo (Brazzaville)	17%	0%	67%	8%	8%
South Africa	7%	43%	50%	0%	0%

continued ...

Question 18: Best practices *(continued)*

Response	1	2	3	4	5
Sudan	0%	13%	50%	38%	0%
Tanzania	0%	25%	50%	17%	8%
Tunisia	6%	44%	38%	9%	3%
Uganda	0%	33%	17%	33%	17%
Middle East					
Bahrain	57%	14%	14%	14%	0%
Iran	5%	0%	5%	42%	47%
Iraq	3%	10%	29%	29%	29%
Israel	29%	43%	14%	14%	0%
Kuwait	17%	17%	33%	33%	0%
Oman	16%	35%	45%	3%	0%
Qatar	27%	40%	27%	7%	0%
Syria	7%	33%	27%	13%	20%
United Arab Emirates	20%	28%	44%	8%	0%
Yemen	10%	24%	43%	14%	10%
Latin America and the Caribbean Basin					
Argentina—Salta	0%	19%	44%	31%	6%
Argentina—Mendoza	0%	12%	53%	24%	12%
Argentina—Neuquen	0%	15%	40%	30%	15%
Argentina—Chubut	0%	8%	33%	33%	25%
Argentina—Santa Cruz	0%	14%	29%	36%	21%
Bolivia	18%	9%	27%	36%	9%
Brazil—Onshore CC*	0%	33%	52%	14%	0%
Brazil—Offshore CC*	0%	45%	36%	18%	0%
Brazil—Offshore presalt area PSC*	0%	42%	26%	21%	11%
Chile	0%	40%	40%	20%	0%
Colombia	8%	33%	43%	15%	3%
Ecuador	0%	32%	27%	32%	9%
Guyana	0%	80%	20%	0%	0%
Peru	0%	22%	50%	25%	3%
Suriname	0%	50%	50%	0%	0%
Trinidad and Tobago	0%	55%	30%	10%	5%
Uruguay	17%	33%	33%	17%	0%
Venezuela	12%	5%	14%	35%	35%

*JPDA = Joint Petroleum Development Area shared by Australia and Timor-Leste; CC = concession contracts; PSC = profit sharing contracts.

Compliments received

"Thanks for letting me participate."

"This was a simple and easy-to-follow survey. Well done. The current investment environment is very robust and there are a significant number of LNG projects achieving FID particularly in the Austral Asia region."

"Survey questions are thoughtful and to the point."

"Good survey. Expand the range of agreements."

"Please continue with this survey next year. Congratulations."

"I found the 2010 survey very interesting and useful and am pleased to see that you are continuing the survey this year."

"This survey is valuable and useful especially for advocacy work with policy makers."

"The survey can bring good and interesting information to all the industry players."

"The current climate for upstream petroleum industry investment is very positive and my company is aware and alert for all the opportunities which are now available, especially in our country."

"A well designed and comprehensive survey."

"Good survey for international investors."

"Useful to read last year's version."

"Enjoyed reading last year's survey, very useful, and therefore glad to participate."

"Thanks, good luck with your survey."

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