



LINKAR PROGRAM

Creating a Sustainable SME Supply Chain in the Oil And Gas Sector

Linkar Program Overview for SAIPEC Conference "The Next Steps: Accelerating African Content"

Lagos, Nigeria 13-15 February 2024









THE BACKGROUND

- November 2019 The African Development Bank approved a US\$ 400 Million Senior Loan to "Mozambique LNG Area 1" project, to design, build, and operate an integrated Liquefied Natural Gas (LNG) plant.
- The Bank developed specific technical assistance (TA) programs to help build the capacity of SMEs and particularly to empower women (Women in Business).
- The Affirmative Finance Action for Women in Africa (AFAWA) and the Fund for African Private Sector Assistance (FAPA) agreed to contribute \$1.5M to support the development of youth-led and Women-led SMEs interested in the Oil & Gas sector.
- <u>Mozambiques' Empresa Nacional de</u>
 <u>Hidrocarbonetos (ENH)</u> was chosen as the ideal
 Executing Agency to implement this Project
 based on a proven track record of success and
 participation across the sector.



LinKar is the Government of Mozambique Local Content program to improve the capabilities of local suppliers by preparing them for success in the Oil & Gas supply chain.

The GOAL is to contribute to Mozambique's economic transformation by *promoting*, advancing, and supporting SME linkages across the Oil & Gas sector by:

- Enhancing the involvement of SMEs in private sector development
- Increasing SME capacity and competitiveness
- Improving supply chain capacity, resiliency, and responsiveness AND
- Increasing sustainable skilled employment across the Oil & Gas sector.

THE DESIGN

| Pillars → | SME Opportunity Aggregator Link | SME Competitiveness Link | SME Contract Connector Link |
|----------------|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------|
| | Sourcing, evaluating, and communicating with SME's | SME application, selection and registration | Support, produce, and promote network, B2B and linkage events |
| | Stakeholder relationship engagement to enhance SME opportunities | Identify and resolve competitiveness gaps and opportunities | Identify partnership and JV opportunities |
| Focus Areas | Map competitiveness requirements for each opportunity | Provide enterprise level diagnostics to support SME opportunities | Procurement/tendering support services |
| | Identify access to finance for SMEs | Identify access to finance for SMEs | Identify access to finance for SMEs |
| Outputs → | Target SMEs and develop partner opportunities | Enhance SME competitiveness and capacity in priority sectors | Prepare SMEs to identify, secure, and win contracts |
| Strategy | Develop skills; Generate and transfer knowledge; Enhance existing value chains; Promote Mozambique's unique Local Content | | |

THE INDICATORS



Create 120 new jobs opportunities for SMEs in the oil & gas sector



Identify 125 SME contract opportunities (JV & partnerships) > \$12.5M



Support 30 SMEs to earn \$3M in oil & gas sector contracts



Technical assistance and advisory services provided for 150+ SMEs



Establish competitiveness and capacitybuilding framework for SMEs



Facilitate 40 SMEs obtain access to finance of \$3M



30% of beneficiaries will be womenentrepreneurs, business owners and leader



Develop ENH stakeholder engagement platform supporting, SMEs, IOCs, and the private sector



Develop SME Oil & Gas sector framework to identify and match opportunities



Promote SME standardization and certification across sectors



Create best-in-class ENH enabling environment for Mozambique's Oil & Gas sector

WHERE THE SMES WORK



- Pemba 66
- Maputo 25
- Vilanculos 8
- Beira 8
- Matola 5
- Inhassoro 5
- Maxixe 2
- Inhambane 2
- Morrumbene 1

TOTAL – 120 Women owned – 54 (45%)

LinKar / ENH advert in two major newspapers, *Noticias* and *Savana*, currently running this week to recruit more SMEs to platform!

WOMEN-LED & WOMAN-FOCUSED SMES



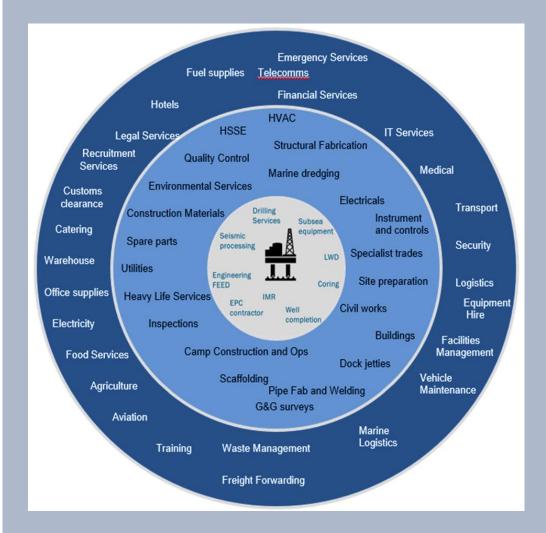
LinKar Project currently list 45% of the SMEs on its platform as "Woman Owned". One special group, formed in Pemba last December is called the WOMAN EMPOWERMENT GROUP, seen above after the group launch with the Governor of Cabo Delgado Province.



This young engineer, based in Inhambane Province, leads a construction team for one of the SMEs on the LinKar platform. One of her goals is to encourage more young women to follow her lead. LinKar supports her efforts. Pictured here at a CSR Project for SASOL Energy Company.

THE TIME IS NOW TO INVEST IN WOMEN - LINKAR is committed to identifying, recruiting and supporting women-led and women-focused SMEs for success across the Oil & Gas value chain, offering mentoring, training and technical assistance.

SUPPLY CHAIN NEEDS & CAPACITY REQUIREMENTS





- Corporate governance and management structure
- Business planning, ethics, and anti-corruption
- Health, safety, and environment
- Marketing and communications
- Financial literacy and accounting practices
- Supply chain management and tendering process
- Commercial contracts and legal process
- Human resource development and workforce skills
- Oil & gas sector standards, technology, and practices

ENH SUPPLIER PORTAL

Knowing the real capacity of companies, their legal status (certifications, experience) and geographical location Online platform that allows interested companies to participate in ENH's Constant mapping of national companies and their tenders for the supply of areas of activity; among others goods/services and contracts, subject to pre-approval of registration Access the portal via the link: https://pfornecedores.enh.co.mz/login

SCENES FROM STAKEHOLDER ENGAGEMENT



ENH CEO with
Millenium bim
CEO signing first
Project MOU
supporting Access
to Finance



"Think Outside the Box!" SHS, Ltd.
Maputo

This guides our own thinking!



DJJJ Construction site visit - Pemba



Recently trained group of welders in Inhassoro District – seeking LinKar support







www.enh.co.mz

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THANK YOU

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