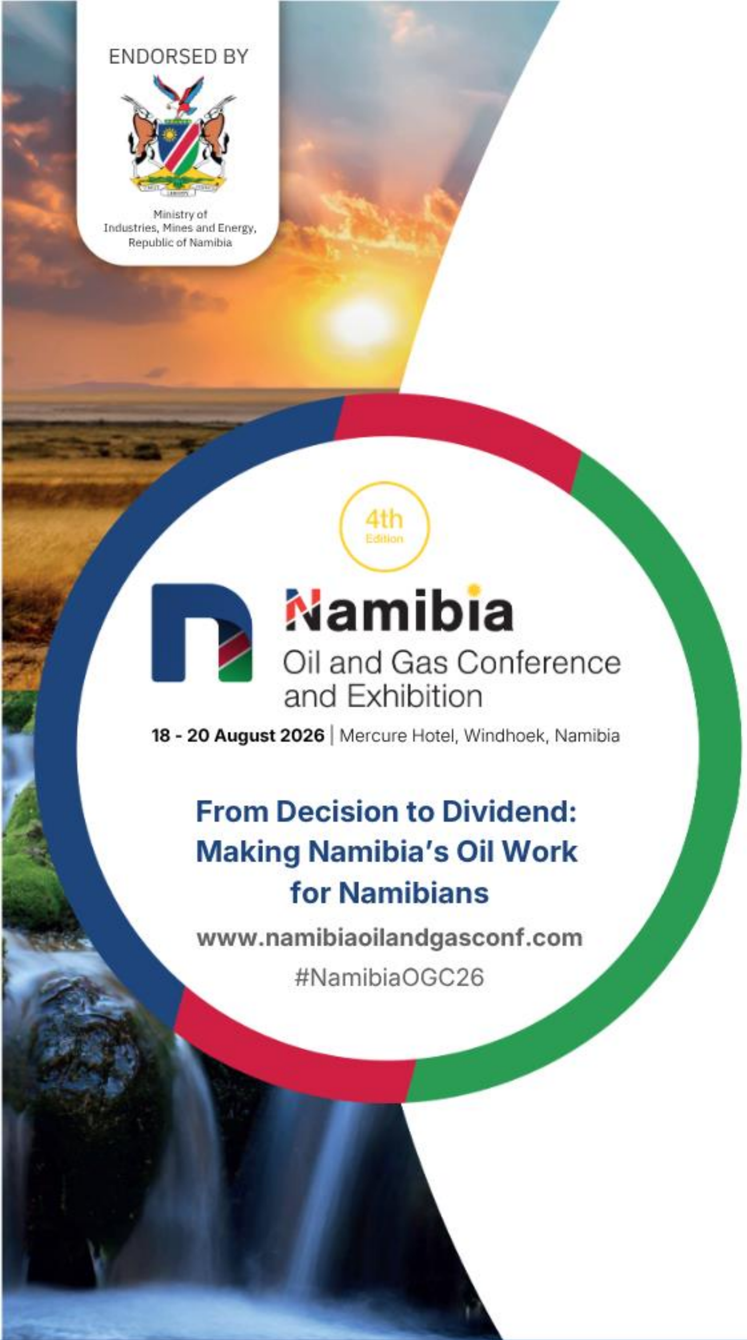

Session D: Local Content Leadership Panel, Setting out Namibia's Framework for Success

Simplifying Local Content via The Energy Explainer

By Mutindi Lydia Jacobs

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Part 2: The Readiness Gap
Why most SMEs aren't ready yet — and how to fix it
Local Bank
LAAN APPLICATION
ISO 9001 Certification
GLORAL CIL
Goods & Materials
Capital & Finance
$500,000 Catering Contract
WELCOME TO OUR HOME NAMIBIA
LOCAL FLOUR
LOCAL SUGAR
LOCAL SUEDR
NAMIBIAN LOCAL
NAMIBIAN
Are We Ready to Bake?
The Readiness Gap
Let's stop watching and start baking.

PART 1 · THE KITCHEN ANALOGY

What Local Content Really Is

A neighbour walks into your house to bake a cake.

They bring their own ingredients, their own chefs, their own oven — then leave once it's done.

You never learned the recipe. You never supplied the flour. You were a spectator in your own home.

Local content is the rule that stops this — so Namibians supply the flour, learn to bake, and become equitable partners in our own oil & gas story.

WORKING DEFINITION

The share of goods, services, labour and capital in an oil & gas project that are produced, supplied or employed within Namibia — rather than imported.

WHY IT MATTERS TO YOU

- **Jobs stay local** — Engineering, logistics & catering go to Namibian businesses — not fly-in crews.
- **Skills transfer** — Namibians learn the craft on the job — expertise that outlasts the project.
- **Wealth stays in-country** — Value stays home instead of flowing out as profit and imports.
- **The core safeguard** — It is the primary tool against the 'resource curse'.

This Recipe Has Been Cooked Before

Modern local content began in 1970s Norway. Frontier and established producers alike have used it — with real highs and instructive lows.

COUNTRY	APPROACH	KEY LESSON
Norway	Embedded technology transfer in licensing; built a supply chain over decades.	*Local content is long-term industrial strategy — they opened a bakery.*
Ghana	Tiered supplier register; mentored firms to meet global safety standards.	*Transparency and mentorship beat box-ticking.*
Nigeria	Mandated targets (70% by 2027); NCDMB monitoring board.	*Ambition needs institutional integrity to reach the whole family.*
Guyana	51% ownership / 75% executive-management thresholds; Local Content Secretariat.	*Capacity — not willingness — is the real bottleneck. This was us.*
Brazil	Rigid 65–70% thresholds tied to contract value.	*Overreach triggered a 2013 WTO dispute — design matters as much as ambition.*

THE CAST

Who's Who in the Kitchen

Three players, three sets of duties, rights and expectations. Get each one right and Namibia's family eats first.

Namibian Youth & SMEs

THE FAMILY IN THE KITCHEN

- Live in the house — the tenants who must learn to bake
- Supply the flour, tools and recipe
- Duty: get certified, registered, financed & technically ready

Government

THE HOMEOWNER

- Owns the kitchen and sets the rules of the house
- Decides who gets trained; controls the pantry
- Duty: enforceable rules, infrastructure, skills, finance

IOCs & Operators

THE FOREIGN NEIGHBOUR

- Arrive with capital, chefs and the oven
- Have options — Guyana, Brazil, Nigeria
- Expect a kitchen that is ready before they commit

The Three Ingredients You Can Supply

Your role in the kitchen. This is where Namibian businesses and youth plug in — from the easy wins to the prize.

1

RAW MATERIALS

The flour & eggs

Food, water, office consumables, safety gear and construction materials for camps and bases — plus future local assembly of pipes, valves and fittings.

2

KITCHEN TOOLS

The bowls, mixer, oven

Financing, insurance, port logistics, warehousing and transport — the capital and infrastructure that make production possible. Namibia has the ports and roads.

3

RECIPE & EXPERTISE

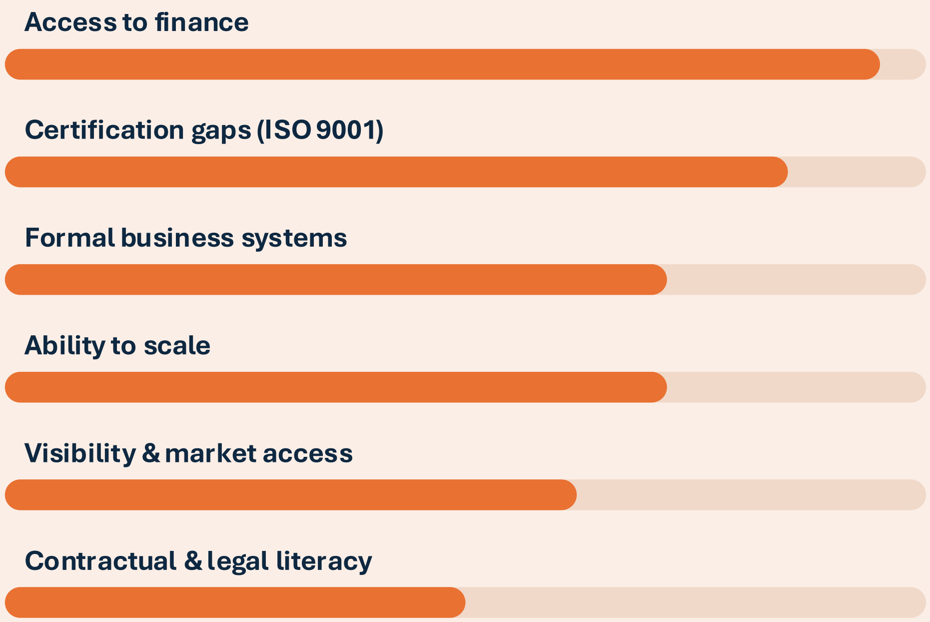
The hardest to supply

Engineering, environmental assessments, legal drafting, security, catering, IT — and the skills transfer that stays in the country after the IOC leaves.

Stop Watching. Start Baking.

The readiness gap is real — but closable. Know the barriers, then act on the six-step path before the contracts fly.

WHERE THE GAP BITES HARDEST



YOUR SIX-STEP ROADMAP

1. **Get ISO 9001 certified** Non-negotiable. Start with the NSI.
2. **Register on vendor databases** TOPLC, NAMCOR, NIPDB, NamPort.
3. **Pursue joint ventures deliberately** Approach IOCs — don't wait. JVs bring credibility.
4. **Build a bankable profile** Audited financials, organogram, HSE policy.
5. **Access finance early** Build relationships with DBN & Petrofund first.
6. **Get legal & contractual literacy** Engage energy-sector counsel before signing.

Government Owns the Kitchen

Only the homeowner can set enforceable rules, wire the house, stock the pantry and teach the family to bake.

ITS DUTIES: SETTING THE CONDITIONS

Fiscal stability

Tax, royalty & cost-recovery terms that don't change mid-project.

Fast, legitimate permitting

A one-stop desk hitting published timelines — rigs cost US$500k/day idle.

Rule of law

Sanctity of contract, so investors trust the rules they signed up for.

Physical security

Credible state capacity — Mozambique's LNG lost 4+ years to insurgency.

THE KITCHEN ALREADY HAS GOOD BONES

National Upstream Petroleum Local Content Policy

Finalised March 2025 — local content is now an explicit mandate.

Petroleum (E&P) Act, 1991

An internationally recognised, investor-friendly legal foundation.

Petrofund

Training, workshops and enterprise capacity-building for the sector.

NAMCOR

State oil company running a vendor registration & procurement platform.

What the Neighbour Expects

IOCs don't lower standards out of goodwill — a faulty weld has consequences measured in lives and liability. They run a quiet, continuous checklist.

FROM GOVERNMENT

- ✓ Stable fiscal regime with stability clauses
- ✓ Fast, legitimate permitting
- ✓ Rule of law & sanctity of contract
- ✓ Physical security & state capacity

FROM SMEs & SUPPLIERS

- ✓ ISO 9001 quality certification
- ✓ Written HSE policy
- ✓ Independently audited financials
- ✓ Working capital to survive payment cycles
- ✓ Clear management structure & compliance

FROM THE ECOSYSTEM

- ✓ Functional ports & logistics
- ✓ Quality data
- ✓ Technically skilled nationals
- ✓ A regulator moving at the speed of business

THE WINDOW IS NOW

Capacity Built Today Is Contracts Won Tomorrow

Guyana's hard lesson: when oil comes fast, capacity — not willingness — decides who wins. The window between now and FID is the whole game.

BEFORE FID — OPEN GROUND

- → Certifications & registrations are still open ground
- → JV conversations carry no urgency premium
- → Capacity-building support (Petrofund, DBN) is most accessible
- → You define your position before competitors do

AFTER FID — THE DOOR CLOSES

- × Procurement moves fast — no time to build from scratch
- × Contracts go to whoever is already certified & registered
- × Guyana's lesson: capacity, not willingness, decides who wins
- × Latecomers watch from outside the kitchen window — again

CALL TO ACTION

Your Family Eats First — If You're Ready

1

THIS WEEK

Visit the NSI and request the ISO 9001 certification pathway.

2

THIS MONTH

Register on TOPLC, NAMCOR and the NIPDB Sustainable Supplier Database.

3

THIS QUARTER

Open a relationship with Petrofund or DBN — before you need them.

4

BEFORE FID

Build your bankable profile: audited financials, HSE policy, organogram.

“The cake is in the oven. Let's stop watching and start baking.”

— The Energy Explainer, Mutindi Jacobs


ENERGY EXPLAINER – PART 5:
THE LONG GAME – THE HUMAN IMPACT
GOVERNMENT-SACKED
SME FINANCE
GUARAGEAR
SCHEELS
BAKERY
BAKERY
KITCHEN
UNAM
H_2
WELWITSCHIA FUND:
6000
5000
4000
3000
2000
1000
0
2011
2012
2013
2014
2015
2016
2018
GENUINE SKILLS TRANSFER AND SME GROWTH
LOCAL WELDER
WELWITCHIA FUND
WELWITSCHIA FUND: AUDITED INTERGENERATIONAL INVESTMENT
AFTER THE KITCHEN IS QUIET: THE FAMILY IS EATING FIRST.