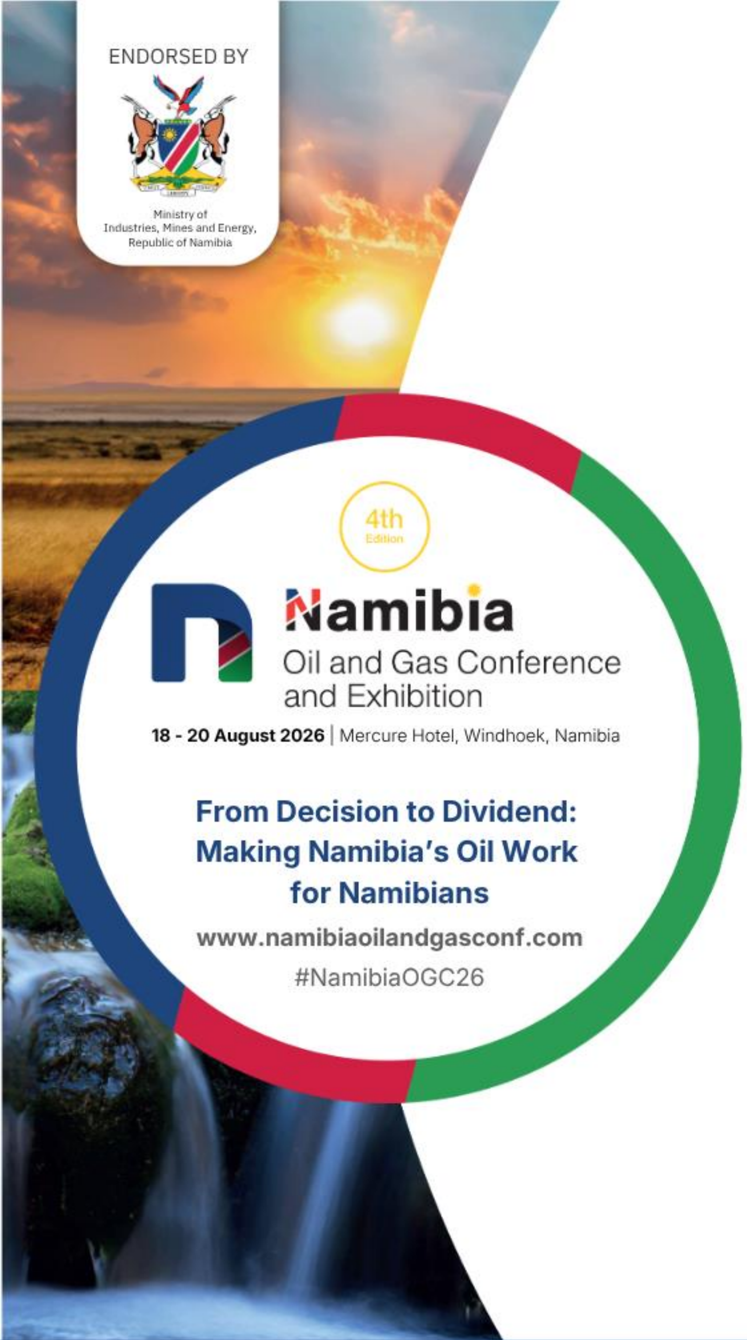

Driving Practical Local Content Delivery in Namibia's Emerging Oil & Gas Industry

Lessons from Uganda's Local Content Journey

Jessica Kyeyune - Uganda

Uganda has achieved measurable Local Content progress

Employment

- More than 14,400 direct jobs created.
- Approximately 90% of employees are Ugandans.

Procurement

- Contracts worth approximately US$5 billion awarded.
- Around US$2 billion (41%) awarded to Ugandan companies.

Supplier Development

- Nearly 3,000 Ugandan companies registered on the National Supplier Database.

Capacity Building

- More than 14,000 Ugandans trained and internationally certified in oil and gas disciplines.

Uganda’s Key building blocks

Year	Uganda Action
2006	Commercial oil discovery
2008	National Oil and Gas Policy approved
2010–2013	Industrial Baseline Survey undertaken
2013	Petroleum Acts enacted
2016	National Content Regulations introduced
2017 onwards	Supplier development programmes
2018	National Content Policy strengthened
2020 onwards	Large-scale implementation

Lesson 1 – Develop a National Vision Before Production

Uganda did not wait for production to begin before planning for local content.

Government developed a clear national vision that petroleum resources should create long-term economic transformation rather than simply generate oil revenues.

This vision culminated in the National Oil and Gas Policy (2008), whose goal was to use petroleum resources to eradicate poverty and create lasting value while promoting national participation and national expertise.

Lesson for Namibia

Develop and continually update a long-term local content strategy that goes beyond compliance and focuses on industrialisation, value addition, and economic diversification.

Lesson 2 – Conduct an Industrial Baseline Survey First

One of Uganda's smartest decisions was undertaking an **Industrial Baseline Survey (IBS)** before major project implementation.

The survey assessed:

- Existing manufacturing capacity
- Engineering capability
- Fabrication capacity
- Construction industry
- Human capital
- Skills gaps
- Financial capacity
- Supply chain capability
- Quality standards
- Technology readiness

The objective was to determine:

"What can Ugandan companies supply today, and what must be developed before first oil?" The survey remains a key reference for supplier development.

Lesson for Namibia

Before awarding large contracts, undertake or regularly update a comprehensive industrial baseline survey to identify capability gaps and design targeted interventions.

Lesson 3 – Build Institutions Before Projects

Uganda deliberately established institutions with clearly defined responsibilities.

Examples include:

- Ministry of Energy and Mineral Development (Policy)
- Petroleum Authority of Uganda (Regulation)
- Uganda National Oil Company (Commercial participation)

This separation improved transparency and accountability.

Lesson for Namibia

Strong institutions are just as important as strong petroleum resources.

Lesson 4 – Measure Local Capacity Before Setting Targets

Uganda recognised that local content targets should be based on actual capability rather than aspiration.

Through the Industrial Baseline Survey and ongoing supplier development, Government identified 16 sectors where Ugandan firms could compete immediately and those requiring further support.

This reduced unrealistic expectations while creating a structured pathway for capacity growth.

Lesson for Namibia

Set realistic local content targets based on evidence, with progressively higher expectations as capability improves.

Lesson 5 – Develop People Before Jobs Exist

Uganda invested heavily in:

- Internationally accredited training programmes
- Universities/Vocational institutions
- Oil and gas scholarships
- Technical certifications

This ensured graduates acquired internationally recognised certifications before construction accelerated.

Examples include:

- Welding; Process operations; Mechanical maintenance; Electrical engineering; QHSE; Pipeline construction

As a result:

- Over **14,000 Ugandans** have been trained.
- Around **89% of the industry's workforce is Ugandan**, with high national participation in technical and support roles.

Lesson for Namibia

Training should anticipate future demand, ensuring people are ready before projects reach peak activity.

Lesson 6 – Develop Suppliers Before Procurement Begins

- **Uganda established:**
  - National Supplier Database
  - Supplier development workshops
  - Business mentoring
  - HSEQ training
  - Access-to-finance initiatives
  - Joint venture promotion
- These initiatives helped prepare local businesses to meet international standards, compliance, quality systems, partnerships, and delivery capability.

- **Lesson for Namibia**
- Supplier development should start years before the largest EPC contracts are awarded.

Lesson 7 – Focus on Community Content

Support communities where you operate to participate in projects

- **UNOC Agricultural Development Initiative:** Leveraging local content beyond petroleum by investing in agribusiness training to diversify livelihoods in oil-producing regions, demonstrating how oil revenues can catalyse broader economic development.
- **TotalEnergies E&P:** Scholarship Innitiative where Excellent Students within the communities are sponsored to study in the best schools in the country
- **CNOOC** :Medical initiative where communities access treatments they cannot afford free of charge
- **EACOP:** training community suppliers to participate in indirect and induced services like hospitality
- **Community truck drivers:** certified to work on oil fields during the project development phase
- **Technical Training:** Priority given to Youths and women in project areas
- **Basic Skilled Labour**: Ringfenced for Project communities

Lesson for Namibia

- Ensure communities close to the projects are supported to participate or to become economically empowered to support the social license to operate.

Lesson 8 – Plan for Industrialisation, Not Just Oil Production

- Uganda's strategy links upstream development to downstream
  industrial growth through projects such as:
  - The 60,000 bpd refinery
  - The Kabalega Industrial Park
  - Storage terminals
  - Petrochemicals
  - Fertiliser
  - Manufacturing
  - Logistics
  - Agri-processing
- This demonstrates that local content should create an entire industrial ecosystem rather than focus solely on upstream operations.

Lesson for Namibia

- Use oil and gas as a catalyst for manufacturing, petrochemica logistics, renewable energy, and export industries.

Challenges Uganda Faced

Uganda's journey has not been without challenges.

These include:

- Limited local technical expertise
- SMEs struggling to meet HSE standards
- Limited access to affordable finance
- Slow certification processes
- Community expectations

Lesson for Namibia

Develop strategies with relevant partners to design interventions to address the identified challenges.

Recommendations for Namibia

- **Government**
  - Build clear and predictable local content regulations.
  - Invest in technical education.
  - Strengthen supplier certification.
  - Improve access to SME financing.
- **IOCs and Independents**
  - Develop supplier mentoring programmes.
  - Increase internship opportunities.
  - Publish procurement plans.
  - Encourage joint ventures.
  - Invest in local innovation.

Financial Institutions

Develop oil and gas financing products.
Support SME growth.
Finance equipment acquisition.

Academia

Align curricula with industry needs.
Expand apprenticeship programmes.
Increase research partnerships.

Uganda's Biggest Lesson for Namibia

The Uganda experience demonstrates that successful local content is built through **sequencing**:

- Discover resources.
- Develop a national policy.
- Conduct an industrial baseline survey.
- Enact legislation and regulations.
- Build institutions.
- Train the workforce.
- Develop suppliers.
- Strengthen access to finance.
- Publish procurement opportunities.
- Deliver projects while measuring outcomes and continuously improving.

Finaly.....

Namibia stands at one of the most exciting moments in Africa's energy history.

1

Offshore discoveries by the IOCs have positioned the country among the world's most attractive frontier petroleum provinces that could transform Namibia's economy.

2

However, discoveries alone do not create prosperity.

3

The real measure of success will be:

- How much value remains in Namibia.
- Whether oil catalyses industrialisation.

4

Local content therefore becomes an economic development strategy—not merely a regulatory obligation.

Thank you