

Pre-Event Masterclass – 20th August 2024
Case Study – Best Local Content Practice Solutions

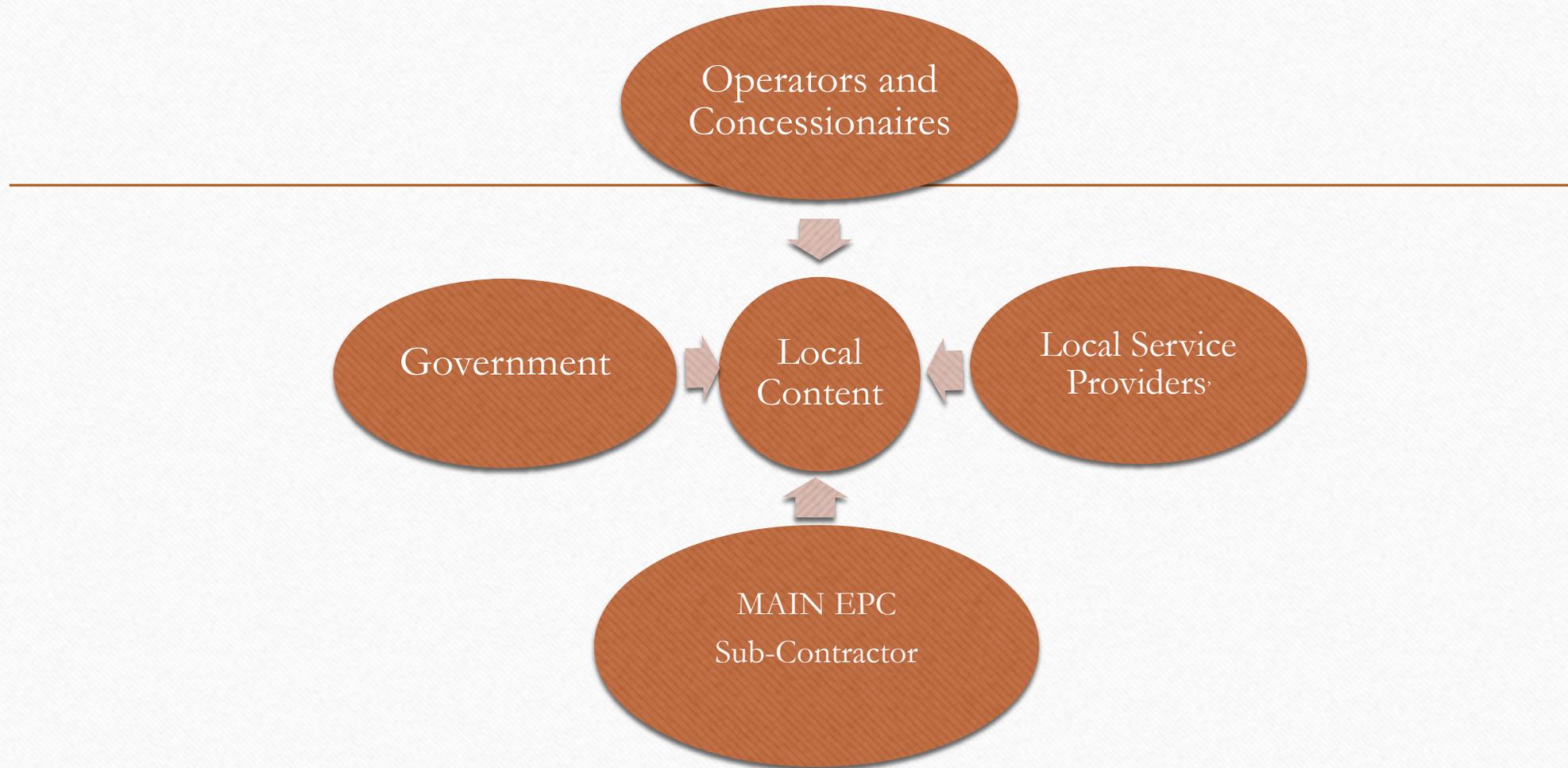
By

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THE KEY STAKEHOLDERS



OPERATORS AND CONCESSIONAIRES

- International, Independent and National Oil companies.
- Involved in exploration , development and production of energy resources.
- Investors and major providers of finance for short and long term .
- Award engineering , construction , installation and maintenance contracts to the EPC companies & well exploration and development services to service companies.
- Approval of vendors and equipment lists.
- Usually provides local content opportunities to local service companies.
- Establish local content department with local content development programs.
- Assist and support supply chain development programs
- Provide projects local content plan in agreement with the Local Content Regulators.
- Support human capital development and institutional training programs.

GOVERNMENT – OIL INDUSTRY REGULATORS & LOCAL CONTENT DEVELOPMENT & MONITORING.

- Combined oil industry development and production with local content guidelines and regulations – Uganda –PAU, Ghana – GPC, Mozambique –INP, Angola ANPG .
- Nigeria and Senegal – Separated -NUPRC & NCDMB,
- Enact Local Content guidelines and support the implementation
- Local supplier development programs and Human Capacity development
- Provide permits to operate & local content compliance certification .
Uganda, Mozambique, Nigeria, Angola, Senegal and Ghana comparison
- Local Content Fund and Project Human Capital Development Fund.
- Liaison and harmonisation of the industry local content activities.

MAIN EPC & MULTINATIONAL SERVICE COMPANIES

- Multinational well services companies are awarded the seismic, well testing and drilling services for exploration, development and production.
- Multinational EPC companies are awarded the engineering design, procurement, construction, installation and commissioning of the construction of the production and support facilities.
- Major role to play in subcontracts and development of local suppliers during the project phases.
- Local Content opportunities of Tier I contractors usually provided .
- Implement the approved local content plans for projects
- Compliance and monitoring of local content plans implementation by regulators.
- Involvement in capacity development of suppliers and human capital development.

LOCAL SERVICE PROVIDERS

- Self-driven and technically focused entrepreneurs key to local competence development.
- Organised and advocacy focused local service association essential
- Uganda & Ghana (mix of core and non-core local service members), Nigeria – PETAN (technical services members only).
- Uganda, Ghana, Nigeria, Tanzania – local service providers only in the association without multinational service companies. Nigeria – PETAN – Local Technical Services Association, PCTS - multinational service companies association and OPTS – Oil Producers Association.
- Investment in human capacity, service capabilities, quality and safety practices , OEM equipment certification very key to successful local content development.
- Regional collaboration and ease of mobility within African continent very essential

CONCLUSION

- All stakeholders must work together to build the local content and service providers
- Quality and Technical depth of service providers depend on the pedigree of the business founders.
- Patronizing local service providers on the long run is cost effective.
- Local service providers must take advantage of opportunities to invest gradually in capacity and human capital.
- Ensuring non-resident OEMs have local agents or partners very key for Post Installation Support – assure continuous inflow till end of production.
- Regional collaboration with more experienced service providers in Africa –key to capacity development
- Focus on quality , timely service delivery and safe practices