NAMIBIA OIL & GAS CONFERENCE 2024, WINDHOEK, NAMIBIA

Session 3: *Local Content and Sustainable Inclusive Economic Growth*

Presented by

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Outline

- Introduction
- Overview of Africa's Hydrocarbon Resource Base
- Features of a Successful and Sustainable Local Content Practice – The Nigerian Example
- Highlights of Some Achievements
- Lessons Learnt

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Introduction

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Namibia



Population: 3.03million (2024)*

Major Oil and Gas discoveries in recent years

Discovery of light oil in the ultra-deepwater: estimated at 11 billion barrels of oil reserves**

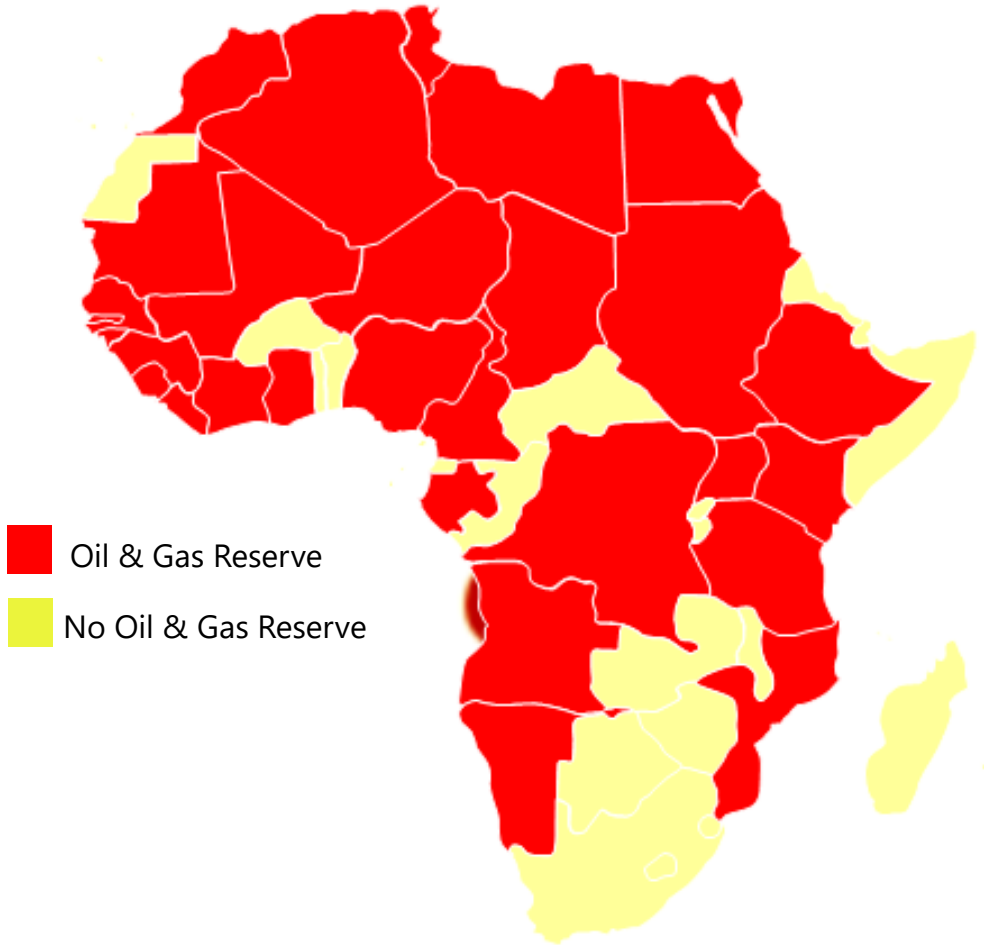
Natural gas onshore - resource estimate of 2.2 TCF (Offshore Orange Basin)***

*https://www.worldometers.info/world-population/namibia-population/
**https://www.worldoil.com/news/2024/4/16/namibia-eyes-2024-final-investment-decision-on-massive-deepwater-oil-discovery/#:~:text=An%20estimated%2011%20Bbbl%20of,world's%20biggest%20ever%20deepwater%20find.
*** Namibia's National Petroleum Company NAMCOR

Africa's Hydrocarbon Landscape

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Hydrocarbon Rich Continent…



***126 Bn** Barrels of Proven Oil Reserves**

***614 TCF** of Proven Gas Reserves**

Holds 8% of the world's natural gas and 12% of the world's oil reserves

- *United Nations Environment Programme (UNEP)*

*Source: Statista 2021

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A Successful & Sustainable Local Content Practice

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Features of Successful Local Content

01 Presence of 6 Key Parameters for Sustainable Local Content



02 Pragmatic Local Content Implementation Framework



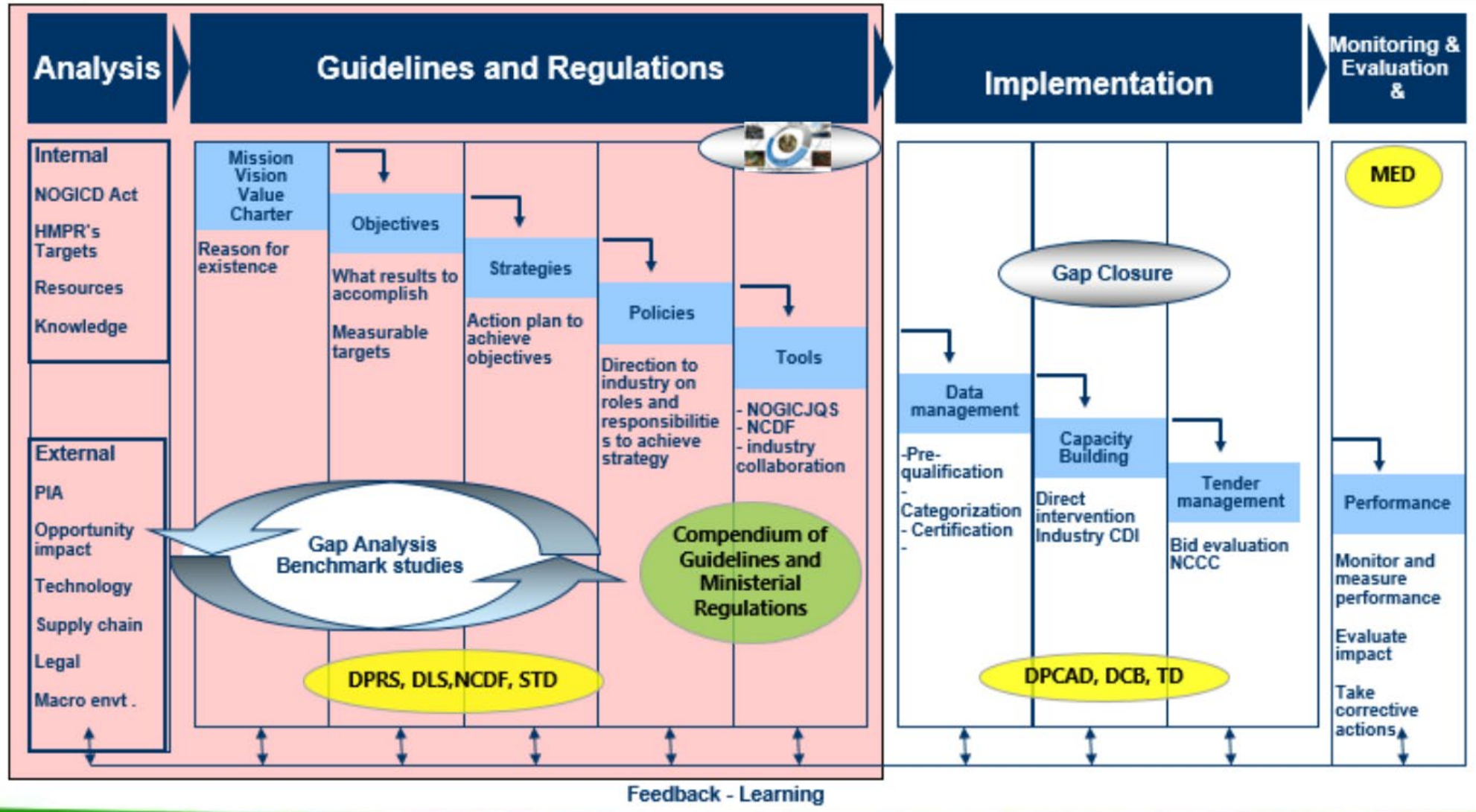
03 Development and Implementation of a Strategic Roadmap



Key Parameters for Sustainable Local Content



Local Content Implementation Framework



- Sector contribution to GDP
- Public service value creation
- Industrialization
- Economic growth & sustainability
- Improved Human Development Index
- Exportation of capacities

The 10-Year Strategic Roadmap

Vision

"To be the catalyst for the industrialization of the Nigerian oil and gas industry and its linkage sectors"

Mission

To promote the development and utilization of in-country capacities for the industrialization of Nigeria through the effective implementation of the Nigerian Content Act

Our Strategic Pillars

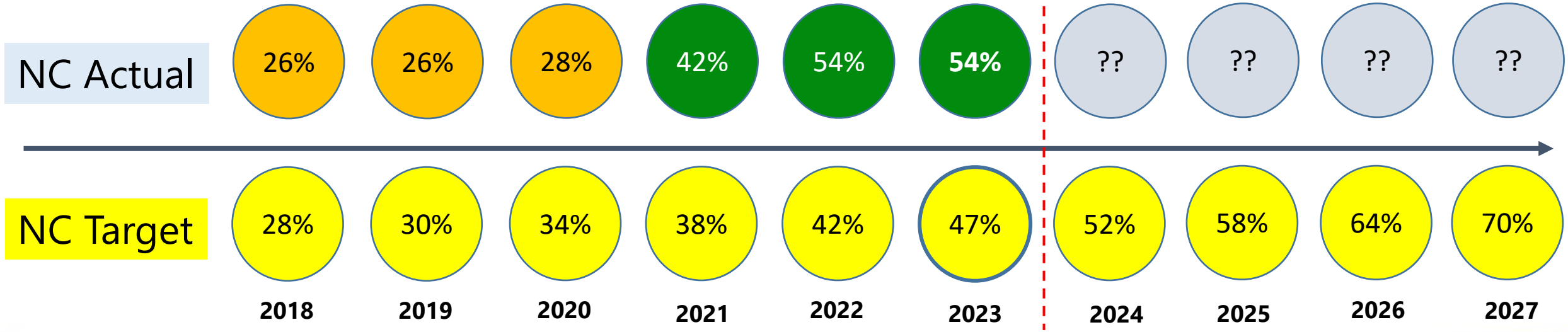
Technical Capability Development	Compliance and Enforcement	Enabling Business Environment	Organisation Capability	Sectorial and Regional Market Linkage
Extend and deepen in-country technical capability in the oil and gas industry	Ensure Nigerian content implementation is enhanced through the mobilization of appropriate tools, policies and frameworks across the entire value chain of the oil and gas industry	Facilitate a commercially viable business environment that encourages increased sector investment	Build effective internal structures in terms of people, skills, processes and systems to support the Board's operations across the entire oil and gas industry	Increase the oil and gas industry contribution to the National GDP and facilitate access of Nigerian-made goods and services to regional markets

Enablers

Funding | *Regulatory Environment* | *Collaboration & Stakeholder Engagement* | *Research & Statistics*

Journey So Far…

NC Level moved from 26% in 2018 to 54% in 2023



Some Achievements

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Achievements

SAIPEM
AVEON
NIGERDOCK
EWT NESTOIL
SHI-MCI (LADOL)
MG VOWGAS

COLEMAN
NEXANS

SCC
YULONG
SOLEWANT
PIPECOATERS
AFRICOAT

FMC
CAMERON
BHGE

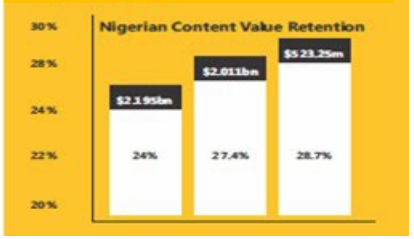
13mln
training man-hours (over 15,000 trainees)

420 MTa Pipe Mills
including 2 World Class mills in Abuja & Lagos

NOGIC JQS

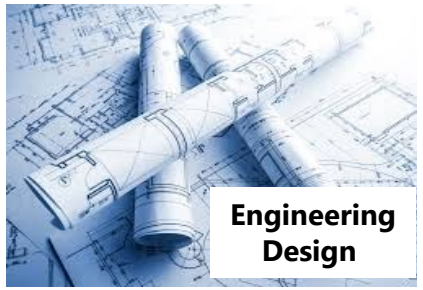
232,989 Individual accounts	7,524 Service company accounts	78 Operator portal accounts

35% Average NC Level



40% of marine vessels 4,033 Marine Vessels Records

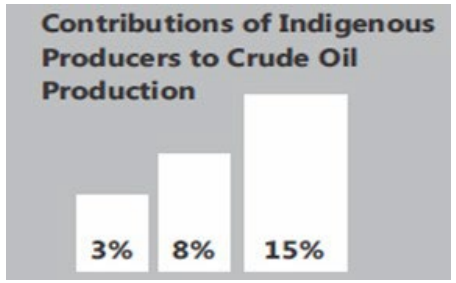
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aiteo
EROTON EXPLORATION AND PRODUCTION





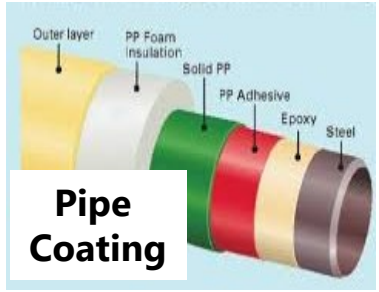














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Closing…

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Lessons Learned

- Avoid Dutch Disease
- Local Content is gradual not immediate
- The focus of Local Content is value addition and retention
- Availability of low-interest, long-duration funding is essential for developing the capacity of local companies
- Local Content should be customized to the peculiar situations of each country



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Nigerian Content Tower
Yenagoa, Bayelsa State
Nigeria

Thank You for Listening

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