THE ENERGY REPUBLIC

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EXCLUSIVE INTERVIEW

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THE ENERGY REPUBLIC
CREATING GLOBAL OPPORTUNITIES

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EDITOR'S NOTE

Dear Executives,

Welcome to our first edition for the year 2022. Reviewing the latest developments in the African oil and gas industry is our major focus areas within this period, as the Continent is undergoing some positive changes in developing its local capacities and capabilities in the oil and gas industry.

This magazine is a Special Edition focused on the Angola Local Content Regime. It provides a detailed analysis on the new Presidential Decree no. 271/20 which has set a new pathway to deepen the country's local content agenda.

In this edition, we featured some stakeholders and experts commentaries as well as some exclusive interviews with industry stakeholders among others. We also featured the latest industry updates in Africa and around the world.

Please take your time to go through our publication to get more information about the project opportunities in the energy, oil and gas industry.

For general inquiries, please email us at: info@theenergyrepublic.com

Thank you.

Best regards,
Ndubuisi Micheal Obineme
Managing Editor
For: The Energy Republic

EDITORIAL CONTENTS

PETAN'S SAIPEC 2022 Features African Regulator Roundtable, In-Country Opportunities, Future Fuels and Energy Transition in Africa

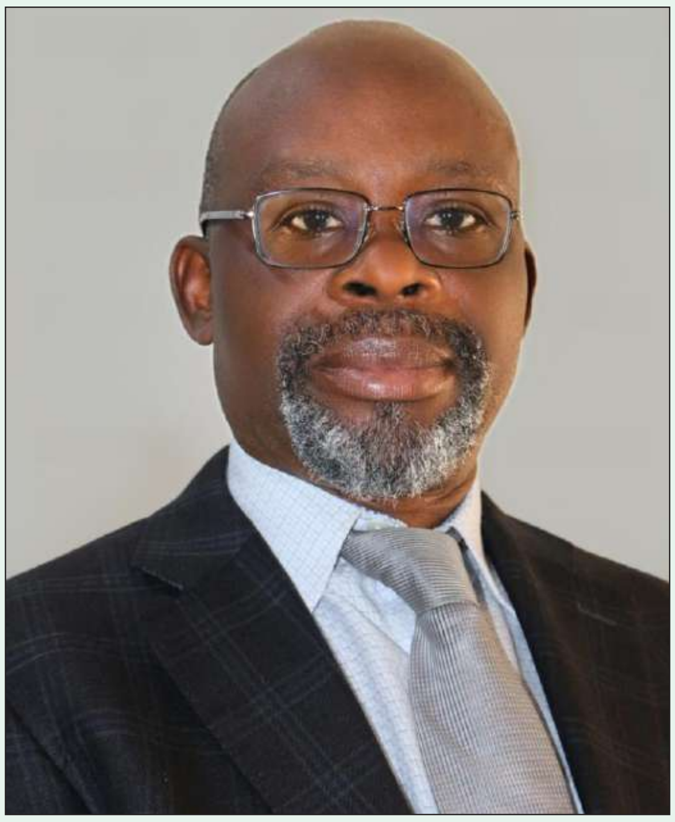
By Ndubuisi Micheal Obineme

The sixth edition of Sub-Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) 2022, hosted by the Petroleum Technology Association of Nigeria (PETAN), will feature the African Regulator Roundtable, showcase in-country opportunities, and discuss the future of oil and gas in Africa with emphasis on the future fuels and global energy transition agenda.

Paul Gilbert, Director of Global Event Partners (GEP), event organizer of SAIPEC commented, "Our company has added a new networking platform to SAIPEC known as, energy advance, which will allow all the participants – whether delegates, speakers or indeed exhibitors, to take part in the event, utilize networking and virtually showcase their products and offerings.

"All participants to our events that take place physically will receive a one-year subscription to energy advance, enabling them to network pre, during, and post-event via the embedded chat and video functionality, plus also watch our entire catalog of events virtually, should they be affected by travel restrictions and access lots of exclusive news and other content.

"SAIPEC 2022 will have a full week of activity, starting with the Regulator Roundtable on the 21st, three full days of conference and exhibition, concluding with the PETAN Golf tournament, now in its second year.
"SAIPEC has always set precedence for an honest debate so the continent can develop and progress. Rather than focusing a whole topic on the energy transition, this is seeded throughout from how the NOC's and regulators need to adapt their strategies to the IOC and independents sessions and into day two's local content discussion."



Mr. Nicolas Odinuwe, PETAN Chairman

On their part, the Petroleum Technology Association of Nigeria (PETAN), has expressed its readiness to further deepen collaboration between the SAIPEC member countries and invest in opportunities in Africa's oil and gas industry.

The Chairman of PETAN, Mr. Nicolas Odinuwe, disclosed this while speaking in an exclusive interview with The Energy Republic correspondent at the sideline of the fifth edition of SAIPEC - held virtually last year.

PETAN Chairman said that Sub-Saharan Africa has about 62.6 billion barrels of proven crude reserves with an estimated 221.6 trillion cubic feet of natural gas reserves, which has positioned the region to be the last energy frontier and investment destination.

Speaking further, he explained that the value chain in the African energy industry if properly harnessed will transform the economies in the continent, and SAIPEC is one of those good catalysts to fostering collaboration and deepening local content in the African continent.

"PETAN created SAIPEC as an awareness informative platform for the Sub-Saharan Africa oil and gas industry with a strong focus on collaboration within the African market.

"Through this partnership with SAIPEC, we intend to develop stronger collaboration between SAIPEC member countries alongside the African Continental Free Trade Area (AFCFTA) as well as increasing regional investment".

"PETAN has been able to show that indigenous service companies can deliver. We are also an advocacy group that suggests and guide government decisions such as the Nigerian Content Development & Monitoring Board (NCDMB).

"We will continue to create awareness for the industry to reach its full potential. We drive the industry in a way that will benefit our people but sometimes it is only government policies that affect the way we operate."

Odinuwe called on African governments to create an enabling environment such as introducing some key incentives and necessary policies that will attract massive investments into the African oil and gas industry.

PETAN Chairman, Nicolas Odinuwe and Ranti Omole, PETAN Vice Chairman at SAIPEC Golf Tournament

African Regulator Roundtable

The SAIPEC's African Regulator Roundtable is a platform dedicated for the region's National Oil Companies (NOCs) and Government Agencies to discuss the strategies in harnessing the opportunities in the oil and gas industry as well as fostering regional collaborations among member countries.

SAIPEC which was initially the West African International Petroleum Exhibition and Conference (WAIPEC) was inaugurated 7 years ago to foster collaboration, providing an engagement platform for all the key stakeholders in the oil and gas countries in Sub-Saharan Africa.

The aim is to provide opportunities to leverage on experiences, ensure regional collaborations between NOCs, IOCs, Multinational service providers in Africa, and the various indigenous service providers in Africa.

The main nucleus of SAIPEC is local content. The African Regulator Roundtable is also a platform that enhances collaborations in terms of capacity development, domestication of technology, development of regional knowledge base, and promotion of top-level local service providers across the region.

In-country Opportunities

The need to move from the stage of the global crisis triggered by COVID-19 towards a global opportunity for the African continent is the major talking point at the PETAN's Sub-Saharan Africa International Petroleum Exhibition and Conference (SAIPEC).

NIGERIA

Nigeria's Minister of State for Petroleum Resources, Timipre Sylva has revealed that the country's present administration is focused on the opportunities in the 'Decade of Gas'.

The minister said, "We recently declared the Decade of Gas. We believe that developing domestic gas utilization will not only cushion the effect of the deregulation of the downstream sector but also stimulate economic growth, improve Nigeria's energy mix, drive investment and provide enormous job opportunities for Nigerians.

"The pandemic sent economies around the world into a downtime leading to unprecedented depression in the oil demand. Consequently, the post-Covid-19 world will continue to see the oil and gas industry accelerate its transition towards cleaner energy sources, products and service delivery and a clear paradigm shift from its traditional business model."

NAMIBIA

Namibia is positioning as Southern Africa's new exploration frontier with a proven gas reserve. Recently, Shell officially announced that it made a significant oil and gas discovery in the offshore well in Namibia which could spark a wave of investment in the southern African country.

According to a report, Namibia holds about six basins which comprise of Kavango Basin and Namibe basin located onshore, while the offshore basins include the Luderitz basin, Owambo basin, Walvis basin, and Orange basin.

According to data released by Namibia's Ministry of Mines and Energy, the country has about 32 wells that have been drilled and 15 of the wells are exploration wells. While the other 10 wells are undergoing a deepsea programme, and the remaining 7 wells are part of the wells that are within the Orange Basin.

The areas available for bidding are the unlicensed offshore and onshore areas. The blocks have been divided into license areas.

The country's geology is analogous to Brazil pre-salt and onshore South Africa Karoo Basin, and technology advancements have uncovered more opportunities that never existed, while the country's Petroleum Regime is very attractive.

In the country's gas sector, Namibia has discovered the Kudu gas field. The Kudu gas field remains the solution for gas development in the country. Gas will continue to play an important role for many years.

Namibia is working on developing a Gas-to-Power project, and there are opportunities to invest in the Kudu gas field. The country is also looking at other opportunities in terms of producing gas and LNG, for the domestic utilization at industrial clusters within the region.

Take an overview of these numerous oil and gas opportunities in the African continent, to mention but a few. SAIPEC 2022 will return to the Eko Convention Centre in Lagos on 22 - 24 February 2022 for its 6th edition, as the only oil and gas event held in partnership with the entire Sub Saharan African petroleum industry.

Energy Transition

According to Gas Exporting Countries Forum (GECF) analysis, Global LNG trade shows positive resilience post-COVID-19 despite the impact of the coronavirus pandemic on gas production and demand in 2020.

In her presentation at SAIPEC 2021, Ms. Mahdjouba Belaifa, GECF's Gas Market Analysis Department Head, revealed that global Gas demand will continue to increase from 1.5-3% under two conditions which are if COVID-19 restrictions are relieved and quick recovery in gas demand in the power, industrial sector. While Gas production will continue to grow further by 2022 in Africa.

She said Africa accounts for 11% of global LNG exports and its LNG exports have increased by more than five million tonnes in the last five years.

GECF's outlook highlighted that 26 Mtpa of new LNG capacity is expected to be commissioned in Africa between 2021 and 2027 which represents 17% of the global capacity addition during this period.

"GECF sees a bright future from LNG exports from Africa to meet the growing energy demand and is supporting Africa's LNG industry through gas supplies from its member countries.

"Africa is well-positioned to supply the emerging and potential market. The continent is an attractive destination for LNG business as Nigeria, Ghana, Ivory Coast, Morocco, Namibia, South Africa are potential markets.

"Africa has great potential for natural gas and renewable energy sources. Its economies are growing fast and there is a cordial relationship going on between Africa and the global community," she added.


Ranti Omole

PETAN, AECIPA Join Forces to Spearhead SAIPEC Local Content Group

Petroleum Technology Association of Nigeria (PETAN) and Angolan Oil Industry Contracted Companies Association (AECIPA) has joined forces to spearhead the Sub-Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) Local Content Group in fostering collaboration between service provders across Africa.

In a statement made know to The Energy Republic, PETAN's Vice Chairman, Ranti Omole, and AECIPA's President, Engr. Bráulio de Brito has been appointed to lead the SAIPEC African Local Content Steering Committee following the resolution that was finalized at the fifth SAIPEC edition in 2021.

Ranti Omole, PETAN's Vice Chairman stated, "The group will leverage on experiences available within Africa to support emerging oil and gas countries on local content development.

"We will promote partnerships and joint ventures between regional service providers. The terms of reference includes, to create frameworks for collaboration among local service providers in Africa to harness our competencies in the oil and gas sector within the continent.

“We will create an e-platform for technical support, statutory requirements and business matching. We have created a database that contains all the service providers on each African countries where people that needs support can login to the platform to find support as well as establish business relationships."

He disclosed that the Group's current member countries include Angola, Ghana, Kenya, Mozambique, Nigeria, Cameroon, Uganda.

He added, "Other African countries are welcome to join the SAIPEC Local Content Group. The success of any local content monitoring agency are the output of the service providers.”

Since its inception in 2017, Sub-Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) has been a veritable platform in advancing regional integration in Sub-Saharan Africa’s oil and gas industry.

SAIPEC, which is hosted annually by the Petroleum Technology Association of Nigeria (PETAN), and organized by Global Event Partners (GEP), is the only oil and gas event that brings the entire Sub-Saharan African petroleum industry together.

Regional integration must be taken seriously by hydrocarbon-rich countries in the region. Regional integration in Sub-Saharan Africa plays a vital role in diversifying economies away from dependence on export to other regions of the world.

The message of regional integration and collaboration will be a major talking point at this year's SAIPEC 2022. This is how SAIPEC is leading the way in regional integration in the oil and gas industry.

SNEPCO Joins List of SAIPEC 2022 Platinum Sponsors

The Shell Nigeria Exploration and Production Company Limited (SNEPCO) has affirmed its support of PETAN's Sub-Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) 2022 by becoming one of the IOCs that is part of Africa's largest event, and Platinum Sponsors including speakers making up the 2022 programme.

At the first edition of SAIPEC, SNEPCO was the only IOC to sponsor it as the company believes in the impact of the event.

SNEPCO's Digital Twin technology was the headline at SAIPEC 2021. The company deployed the Digital Twin to continuously operate safely on the Bonga Floating production storage and offloading (FPSO) vessel located offshore Nigeria.

Digital Twin is a technology that can be used to virtually identify critical areas for prioritised inspection, maintenance and repair, reducing the need and frequency on safety exposures associated with physical inspections.

A digital twin is a virtual replica of the physical FPSO which detect technical problems, provides and analyze fatigue in the hull of the FPSO to optimize the vessel’s structural safety and support risk-based inspection (RBI).

SNEPCO's Bonga floating, production, storage, offloading (FPSO) vessel is leading the way to digitalizing Nigeria's deepwater operation. The Bonga project, which began producing oil and gas in 2005, was Nigeria’s first deep-water development project. The Bonga project helped create the first generation of Nigerian oil and gas engineers with deep water experience and stimulated the growth of major industries.

Also joining the list of exhibitors at this year’s SAIPEC inlcudes leading provider of innovative integrated energy services, PETAN’s Amazon Energy, Oil & Gas Trainers Association of Nigeria (OGTAN) and Women in Energy Oil and Gas (WEOG).

PETAN'S SAIPEC Stimulates Action Plans in Driving Africa's Oil, Gas Industry - Maduakoh

Mr. Chinedu Maduakoh, PETAN's Conference Chairman

The PETAN's Conference Chairman, Mr. Chinedu Maduakoh has said that the Sub-Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) stimulates action plans and strategies in driving Africa's oil and gas industry for growth opportunities.

Speaking in an exclusive interview with The Energy Republic, Maduakoh stated that PETAN's SAIPEC creates so many economic benefits for the entire Sub-Saharan Africa, considering that the growth of the African oil and gas market has been exponential.

He said, "SAIPEC offers the largest customer base for any participating oil and gas businesses in the region.

"There is the advantage of meeting new entrants and existing players through networking, discovering new innovations and solutions as well as increasing brand awareness to sponsors and exhibitors."

New Features
Accoridng to PETAN's Conference Chairman, SAIPEC always brings new features to improve the experience of its global participants and audience.

He added, "This year, we have the African Content Series jointly sponsored by PETAN and the Nigerian Content Development and Monitoring Board (NCDMB) which looks at how the oil and gas industry has evolved and adapted to the industry challenges along the way.

"We have the Women in Industry Series that brings forward solutions towards building a diverse oil and gas industry.

“We also have our unique Business Matching Service (BMS) that offers excellent networking opportunities to participants to mention but a few.”

COVID-19 Safety Protocols
Maduakoh stated that the steering committee, event organiser and the PETAN team are working together to deliver a successful event.

In his words, "As a physical event and mindful of world developments on the pandemic, the safety of our valued attendees is of paramount importance.

"We have taken responsibility to reduce risk of transmission by ensuring our exhibiting floor plan adheres to public and social health.

"Booths are well spaced and the location is fitted with sterilization equipment and accommodates no more than 50% of its capacity.

"There is adequate cross ventilation and functional air conditioning systems.”

According to event organiser, over 80% of the exhibition floor plan have been booked, with a mix of new and existing companies coming on board. Sponsorship has increased also, and new partners are joining regularly, looking to cement their position at Africa’s largest gathering of the energy value chain.

PETAN’S Amazon Energy Launches Virtual Training Room

PETAN's Amazon Energy has officially launched a Virtual Training Room as part of the company's corporate social responsibility (CSR).

The Virtual Training Room, which was presented to the Petroleum and Chemical Engineering Department of the University of Lagos (UNILAG) was dedicated to the university management to help promote borderless learning for students using technology.

The facility was commissioned by the Dean of the Faculty of Engineering of the Institution, Professor Obanisola Sadiq.

In another development, PETAN Executive Secretary, Engr. Kevin Nwanze has paid a working visit to Amazon Energy, who is also a PETAN member company.

He was accompanied by PETAN's Business Development Manager and Lagos Liason Officer, Ms Ellen Ishirma. He was received by the company's CEO, Engr. Yinka Oluwatimehin and his team as seen.

Amazon Energy is Nigeria's leading diversified Energy Services provider, building infrastructure that supports the Oil & Gas and Power sectors. The company provides custom-built services to support clients throughout the lifecycle of their projects in Engineering, Procurement & Construction (EPC), Project and Construction Consultancy Services.

Amazon Energy is a leader in the provision of innovative integrated energy services. Technology is part of the company's business strategies.

NNPC/SNEPCo...
STORY OF CARE

Shell Nigeria Exploration and Production Company Limited (SNEPCo), pioneered Nigeria's deep-water oil and gas production at Bonga, a project that increased the country's oil capacity by 10% when it began producing in 2005. This could not have been possible without a strong tradition of care – for the people, the environment, contractors, assets and the host community which is Nigeria.

Working in close collaboration with the Nigerian National Petroleum Corporation (NNPC) as grantor under a Production Sharing Contract, SNEPCo, with the support of its co-venture partners has implemented a robust social investment portfolio that has made visible impact in the six geopolitical zones of Nigeria. In parallel, it has supported contractors to improve their capacity and take on complex work in the deep offshore oil and gas exploration and production.

The NNPC/SNEPCo partnership is committed to the health and well-being of stakeholders and Nigeria as the host community. With the donations of medical equipment, consumables, ambulances and personal protective equipment to various states and health facilities under the NNPC-led COVID-19 support initiative, it is expected that health workers on the frontline in the fight against the spread of the novel coronavirus pandemic can work professionally and safely.

From Anambra to Abuja and from Rivers to Nassarawa, the COVID-19 support to governments and the many other social investment programmes of SNEPCo in health, education and sports, the thousands of beneficiaries of the iniatiatives and supply chain are learning that the Bonga story extends far beyond oil.

Enhancing security of lives and property in Nigeria's commercial capital of Lagos where SNEPCo and its co-venture partners have their headquarters was a focus area of intervention by the NNPC/SNEPCo partnership. A major support to the state government was the donation of 16 units of security vehicles to the Lagos State Security Trust Fund (LSSTF) for effective patrol and improved response time to distress calls.

The NNPC/SNEPCo partnership supports those with special needs but who have little or no resources to meet such needs. Working with NGOs, the partnership provides prosthetic limbs to help amputees to walk.

A world-class ICT Centre was donated to the Enugu State University in an effort to boost ICT education and stimulate scholars' and research interest to meet with global standard and provide solutions to world's contemporary digital challenges. The donation was in furtherance of the NNPC/SNEPCo ICT support programme started in 2007 and which has so far donated 29 ICT projects to secondary schools and universities around the country. Some of the beneficiary schools are: Ikeja Grammar School, Lagos State; Ofa Grammar School, Kwara State; Ebute-Elefun Secondary Schools, Lagos State; Rumfa College, Kano State; St Barnabas College, Kabba, Kogi State; Girls Secondary School, Imerienwe, Imo State; Uwheru Grammar School, Delta State; and Edo College, Benin, Edo State. Others are: Delta State University, Abraka; University of Jos, Plateau State; Imo State University; University of Ado Ekiti, Ekiti State; and Ambrose Alli University, Ekpoma, Edo State.

NNPC/SNEPCo National Cradle to Career (NC2C) scholarship programme has continued to offer opportunities to pupils from less-privileged background in public primary schools to have full scholarship including full board, tuition, education supplies, health insurance, and uniform for the six years of secondary school. Over 472 students have since benefited from the NC2C programme. University scholarships are offered to the beneficiaries on the successful completion of their secondary education and in line with set criteria.

The NNPC/SNEPCo partnership enhanced access to quality healthcare in Ogun State with a focus on maternal and child health for the various communities served by Ogijo Primary Healthcare Centre in Sagamu Local Government. A model comprehensive primary health centre including an ambulance, doctors' residential quarters, on-grid and solar-powered 20-bed wards, water treatment plant, was constructed and donated to the state government.

We are very responsive to humanitarian causes in Nigeria, because we care. In 2019, we contributed food, essential hygiene kits and other relief items to over 5,500 vulnerable households at internally displaced persons' (IDP) camps in the North-East while we also provided $6million for education, water, sanitation and health-related projects in Yobe and Borno states. In 2020, we donated critical medical equipment to support federal and state governments in the fight against the spread of COVID-19.

State-of-the-art medical emergency equipment, including medical consumables and ambulances, was donated to the casualty and trauma sections of the General Hospital, Odan, Marina in Lagos State. The facility was also refurbished and upgraded.

Lagos State as the epicenter of COVID-19 was the first to benefit from the NNPC/SNEPCo partnership intervention in the fight against the pandemic. The state received donations of PCR testing machines and test kits; High-Grade Plasma Apheresis machine; intensive care unit ventilators; critical care hospital beds and mattresses; ICU ambulance; AED machine (defibrillators); a 150kva generator, 30-50kva alternative solar power system plus inverters installed at the Infectious Disease Hospital, Yaba; among others.

More than nurturing the economic health of Nigeria and the well-being of its people, SNEPCo is committed to improving access to medical services and strengthening healthcare systems in Nigeria. Working in collaboration with the Nigeria National Petroleum Corporation (NNPC) and our co-venture partners, our signature medical intervention for effective and efficient cancer treatment in Nigeria is the Elekta Synergy Linear Accelerator Radiotherapy machine donated recently to the National Hospital Abuja.

Completed 5000 gallons Solar Hybrid System Powered Water, Sanitation and Hygiene facility provided by NNPC/SNEPCo as part of its humanitarian intervention in Kwaya Local Government Area of Borno State. Project was completed in 2020 serves over 11,450 people resident in Kwayakusar community.

Shell Nigeria Exploration and Production Company Limited

Co-venture partners

ExxonMobil TOTAL eni naoc

Shell Discovers Oil and Gas in Namibian Offshore Well

Shell has made a significant oil and gas discovery in offshore well in Namibia which could trigger a new investment focus in the southern African country, according to Reuters report.

Namibia is not a fossil fuel producer, although northern neighbour Angola is a major oil and gas producer and a member of the Organization of the Petroleum Exporting Countries.

It unclear if the discoveries are big enough for Shell to go ahead with the development of the country's first deep water field, the sources said.

The Namibian government is planning to make an announcement next week on the details of the discovery at the Graff-1 well which Shell started drilling last month, according to two of the sources.

Industry trade magazine Upstream reported on the discovery at the Graff-1 well earlier this month.
The well results have so far shown at least two reservoirs containing what one of the sources described as a significant amount of oil and gas.

According to a second source, the drilling results have shown one layer at least 60 metres deep of hydrocarbons, holding an estimated 250 to 300 million barrels of oil and gas equivalent.

Shell holds a 45% stake in the offshore Petroleum Exploration License 39 (PEL 39) with a 45% interest held by Qatar Petroleum and a 10% held by the National Petroleum Corporation of Namibia (NAMCOR).

A Shell spokesperson said: "We continue to safely execute Graff-1 operations."
The Ministry of Energy and Mines said it was in the final leg of a process to collect quality data for the Graff-1 well, enabling a "thorough assessment of the prospect potential".

"As soon as all the data have been analysed, the Ministry will issue a full results announcement," a statement said.

The discovery comes as Shell begins winding down its oil production as part of a plan to shift to renewable energy and low-carbon fuels. But even so, the company could opt to develop a new field to replenish its reserves and replace production declines elsewhere.

Developing new oil and gas fields in a country with no existing energy infrastructure and regulation, similar to what has happened in Guyana on the other side of the Atlantic in recent years, is timely and costly.

Namibia has sought to develop oil and gas fields for decades with no success.

But in recent years interests in its offshore prospects have attracted many foreign companies including Exxon Mobil (XOM.N) and TotalEnergies (TTEF.PA) following discoveries in neighbouring South Africa as well as Brazil and Guyana which share geological similarities.

"If successful, Graff-1 could spark significant international investment to a region which has had minimal E&P exploration and production activity over the last 25 years," IHS Markit analyst Hugh Ewan said in a note after Shell started drilling Graff-1 in December.

TotalEnergies started drilling in December the Venus-1 exploration well in the nearby Block 56 at a depth of 3,000 metres.

Mozambique Oil and Gas Chamber Rebrands as Mozambique Energy Chamber

As part of its efforts to promote inclusivity and offer support to the entire value chain of the Mozambican energy sector, The Mozambique Oil and Gas Chamber, has announced that the organization will be rebranding to the Mozambique Energy Chamber, according to African Business report.

As a key supporter and facilitator of Mozambique's energy sector success, the rebranding marks a turning point for the organization as it moves to accelerate country wide oil, gas, and renewable energy growth in a post-COVID-19, energy transition environment.
The Chamber has dedicated itself to helping establish an enabling environment for international investors, while at the same time supporting national companies across the entire value chain increase their participation in the sector. By ensuring domestic companies have access to opportunities in small, medium and large-scale project developments, particularly regarding gas-to-power, Liquefied Natural Gas, and distribution, the Chamber has reaffirmed its commitment to Mozambique's socioeconomic growth.
Now, with the rebrand, the company will be expanding its portfolio, offering support across a myriad of sectors including renewables, infrastructure, and technology.

"We are experiencing amazing times and will continue to be strong proponents of pragmatic common-sense solution for all forms of energy in Mozambique. This will expand our portfolio, enhance business relations, and we will take the lead towards a more inclusive energy sector in Mozambique. The Chamber has always been a strong supporter of the country's energy progress and now, with the rebrand, will be even better positioned to serve the entire industry and its value chains," stated Florival Mucave, Executive Chair of the Mozambique Energy Chamber.

APPO Says Dangote Refinery will Slash Africa's Petroleum Importation by 36%

The establishment of the Dangote Oil Refinery will cut down the importation of petroleum products in Africa to about 36 percent, the African Petroleum Producers Organisation (APPO) has said.

Also, the organization said the success of the Dangote Refinery project could provide incentives to the execution of more of such projects across Africa, despite the current focus on energy transition.

The Secretary-General, African Petroleum Producers Organisation, Omar Farouk Ibrahim, said Dangote Refinery would be supplying over 12 percent of Africa's petroleum products demand when it becomes operational.

He stressed the need to review some statistics on Africa's petroleum products demand and supply to appreciate the impact the Dangote refinery would have on African economies, especially on the supply of petroleum products, and to some extent, the conservation of scarce foreign exchange.

"Currently, Africa's daily petroleum demand is 4.3 million barrels per day (MBD). Of this volume, 57% is produced locally (on the continent), while 43% is imported. When Dangote Refinery is fully onstream, the percentage of Africa's products import shall drop to about 36%.

"This is even as the total volume of products demand rises to 5.4 MBD. You can therefore see the huge impact that the Dangote refinery shall be makingto overall products supply in Africa. Dangote Refinery shall be supplying over 12% of Africa's products demand.

"That is huge savings for a continent that has scarce foreign exchange and little to export. We shall save huge foreign exchange from buying abroad and from shipping and insurance costs.

"Furthermore, the success of Dangote Refinery could incentivize the rise of similar projects across the continent, the noise about energy transition notwithstanding," he noted.

Ibrahim also hailed the decision by the President of the Dangote Group, Aliko Dangote, to go ahead with the construction of the crude oil refinery project, despite the campaign against fossil fuels, adding that the demand for fossil fuel would continue for several decades to come.

"We believe that (Aliko) Dangote made a very wise decision to proceed with the project, despite the campaign against fossil fuels. There will be demand for petroleum products for many decades to come. Indeed, we see petroleum products prices rising steadily in the next few years for at least two decades.

"This is because new refineries are not coming up in Europe and North America, where Africa imports 34% of its supplies because their governments have embraced energy transition, some willingly, others due to pressure.

"So, some of the sources of Africa's imports are going to dry up. At the same time, Africa will not be in a position to fast-track the development of non-fossil fuels.

"In fact, even the developed countries will not be able to move as fast as is projected. We see Africa and many regions of the world continuing to rely on fossil fuel energy at a time when deliberate decisions are being made to stop funding fossil fuel projects. The world risks abandoning fossil for renewable energy, but in the end not getting the renewables, and at the same time losing the fossils due to deliberate neglect", he explained.

Ibrahim urged African refiners to invest more on technology and develop the right expertise to manage their refineries, which are going to serve the continent as western refiners halt the establishment of more refineries.

African refiners, he said, have no cause to worry about their investments, adding that all they need to do was to ensure they developed the right expertise to manage their refineries, get honest managers and staff to run their business, and come together to join APPO's initiative to establish foundries and other equipment manufacturing plants to service their refineries. He said once they have these, the market would be there for their products.

For the next three decades or more, he said Africa shall continue to use fossil fuel-driven vehicles, and with the continent's population projected to double within that period, there would be a huge market for petroleum products.

He said Africa cannot rapidly transit into electric vehicles, as the bulk of the vehicles on its roads today and in the next 20-30 years are going to be non-electric. There is the market, and we should not be discouraged from thinking positively", the APPO scribe said.

He disclosed that APPO was working with its member countries to construct cross-border energy infrastructure, like pipelines for crude and products as well as for oil and gas terminals, depots, etc.

"Once we have these infrastructures on the ground, the markets for African refiners shall not be limited to their home countries. Fortuitously, the African Continental Free Trade Agreement (AfCFTA), which came into force in 2021, will be there to support this initiative", he added.

TotalEnergies Launches Tilenga MOOC Programme to Train and Recruit Ugandan Youths

TotalEnergies EP Uganda has launched the Tilenga MOOC Program to identify, train and recruit, Ugandan talent to work on the Tilenga Oil Project.

The Tilenga Project is operated by Total E&P Uganda (TEPU), and involves the development of six oil fields, a central processing facility, and associated infrastructure. The six oil fields include Jobi-Rii, Ngiri, Gunya, Kasemene-Wahrindi, Kigogole-Ngara, and Nsoga.

The MOOC Program is aimed at identifying potential recruits that will join the TotalEnergies EP Uganda training programme and be mobilized in order to participate in the development of the Tilenga project in Uganda.

Philippe Groueix, TotalEnergies EP Uganda Country Chair and General Manager commented, "I am pleased to inform you that TotalEnergies EP Uganda has introduced a new program that will identify, train and recruit, Ugandan talent to work on the Tilenga Oil Project.

"The Tilenga MOOC program is a free online course that is targeting Ugandans aged 18-28 who are interested in working for the Oil and Gas sector in TotalEnergiesEP's Tilenga project.

"Over 1000 participants have completed module 1 of the Tilenga MOOC program in a space of just 1 week. It is great for the first week, and we expect more participants to join the program.

"I encourage you to sign up for this course that will result in the selection of talent to be trained as production operators, maintenance & inspection technicians in the Oil and Gas sector".

Philippe Groueix, TotalEnergies EP Uganda Country Chair and General Manager

The MOOC will be open from 10 January 2022 to 21 March 2022.

Young Ugandans between the ages of 18 and 28 can register for the Tilenga MOOC until 31 January 2022.

Tilenga Oil Project

Tilenga is located in the Buliisa and Nwoya districts in the Lake Albert, the Tilenga project is operated by TotalEnergies (56.6%), in partnership with CNOOC and UNOC. It includes the development of six fields and the drilling of around 400 wells from 31 locations.

Production will be delivered through buried pipelines to a treatment plant built in Kasenyi, for the separation and treatment of the fluids (oil, water, gas). All of the water produced will be reinjected into the fields and the gas will be used to produce the energy needed for the treatment process. Surplus electricity will be exported to the pipeline and the Ugandan grid.

One of the fields developed is located inside Murchison Falls Park. The others are located outside the Park, south of the Victoria Nile in sparsely populated rural areas and activities that are essentially agricultural.

TotalEnergies attaches the utmost importance to compliance with human rights in the implementation of these projects. Everybody has the right to express themselves.

TotalEnergies does not use or tolerate the use by others of aggression or physical or legal threats against people who are exercising their right to freedom of expression or their right to peaceful assembly or protest.

TotalEnergies has decided to restrict the footprint of the Tilenga project in Uganda's Murchison Falls Park, a protected area and a showcase for African biodiversity. Development will be limited to an area that accounts for less than 1% of park land, and thanks to strict preventive and reduction measures built into the design of the project, the temporary and permanent Tilenga facilities inside the Park will cover less than 0.05% of the surface area.

The main measures taken in Murchison Falls Park:

- Number of well locations limited to ten
- Underground oil and water injection lines
- No processing facilities
- No flares
- Installation of horizontally drilled flowlines to cross the Nile
- No night work, except for drilling
- Strict specifications applied to drilling equipment in order to limiting sound and visual impact
- Removal of all waste for processing
- Traffic management plan to limit the number of vehicles and interference with tourist activities in the Park.

Contracts Worth $6 Billion to be Awarded for Uganda's Oil Projects - PAU

Ernest Rubondo, the Executive Director (ED) of the Petroleum Authority of Uganda (PAU) has revealed that the oil companies have submitted contracts worth US$ 6 billion for over 40 work packages for the Tilenga, Kingfisher and East African Crude Oil Pipeline (EACOP) Projects to the PAU for approval. This revelation was made during the Authority's Annual Media Briefing at Amber House, Kampala.

Mr. Rubondo further said that following the launch of the oil projects in April 2021, the licensed oil companies have granted conditional letters of awards (CLOAs) for contracts of the Tilenga and Kingfisher projects. The major contracts awarded include the Tilenga project main Engineering Procurement Supply Construction and Commissioning (EPSCC) contract which was awarded to the consortium of McDermott/Sinopec. McDermott and Sinopec have commenced work and are currently taking forward detailed engineering and other activities in London UK, Beijing China and Gurugram, India.

In addition, ZPEB Uganda Company Limited, the drilling contractor has commenced the detailed design and construction of the drilling rigs to be used in drilling over 400 wells, scheduled to commence in the last quarter of 2022.

"You will note that some of the companies, which have been awarded these Tier one contracts include some of the biggest and well-established engineering companies in the world. They also have significant capital bases. This is an important achievement, as these Tier one contractors, with large market capitalisation, are expected to set up base in the country", said Mr. Rubondo.

Mr. Rubondo also revealed that a contract for civil works and construction of well pads for the Kingfisher project together with in field access roads was awarded to Excel Construction Limited, a Ugandan company. Additional contracts for Kingfisher project, including drilling and well services are due to be awarded during 2022.

On the progress of works for the Tilenga Project, preparation of the 700 acres of Industrial area was at 35% completion at the end of 2021 and expected to be concluded by mid-2022. Mota Engil Uganda, the contractor undertaking the works, has sub-contracted various Uganda companies included Gauff Consultants, Prand Engineering, Pearl Engineering Civtec, Fabrication Systems among others to undertake some of these preparatory works.

"Investments in the oil and gas sector in the country were US$ 230 million in 2019, US$ 180 million in 2020 then increased to about US$ 500 million in 2021. These investments are expected to increase to about US $ 3 billion in 2022", said Mr. Rubondo.

Mr. Ernest Rubondo, the Executive Director (ED) of the Petroleum Authority of Uganda (PAU)

The PAU estimates that 40% of the USD15-20 billion to be invested during the development phase will be retained through national content. Other Ugandan Companies that are undertaking works in the sector include MSL, GCC Services, Teclab, ICS/New Plan. Companies from within the host districts and communities like Kato Contractors, Living Earth Uganda, Kitara Development Initiative and Kitara CSO network have been contracted to undertake some of the construction and social resettlement activities.

Mr. Rubondo also said planning for production by the Kingfisher and Tilenga Projects was in advanced stages. These plans include production of over 1 billion barrels of crude oil from the Tilenga and Kingfisher projects, out of which, the Tilenga project is expected to produce an estimated 874 million barrels with a peak production of 190,000 barrels of per day.

"This production will be delivered by seven (07) oil fields at the beginning of oil production (first oil) and the other three oil fields are planned to come on stream five (05) years after first oil. These fields which will come on stream later will contribute to maintaining peak production over a longer period and enable gentle reduction in the production of oil", said Mr. Rubondo.

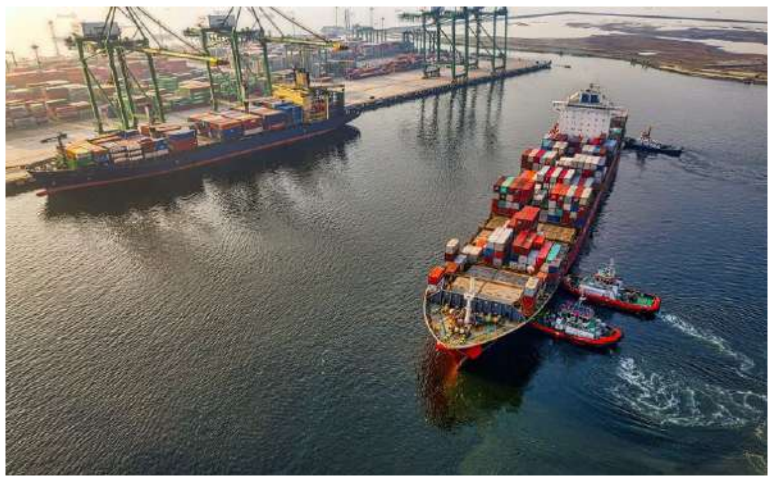
On climate change and use of renewable energy, Mr. Rubondo said that oil and gas is still expected to be very valuable and viable for at least the next 40 years.

This he said this is because of the prevailing high demand for oil and gas, as evidenced by the growing global energy demand, especially by the developing countries, and the resulting high crude oil prices.

"There are some oil and gas products which cannot easily be replaced by renewable energy for example vehicle tyres, car seats, polyester for clothing and bitumen for road construction, among others, added Mr. Rubondo.

He further stressed that, "Uganda's oil and gas sector is being taken forward in a manner that reduces the negative impact on the environment. For example, the gas from the oil fields will not be flared, neither will it be used only for electricity generation but for production of cleaner Liquified Petroleum Gas (LPG). There are also plans to use solar energy in the oil and gas activities like heating for aspects of the EACOP."

Countries invest between US$ 2 to 6 billion in construction of facilities to host sports tournaments such as the World Cup and the Olympics. In comparison, the expected investment in Uganda's oil project in the next 3 to 4 years is about US$ 15 billion, with an expected investment of US$ 3 billion during 2022. "With this momentum, 2022 is going to see a beehive of activity for the oil and gas sector, the Ugandan economy, and the region at large. The year 2022 is going to commence the period of three years of intense infrastructure development in preparation for first oil in 2025. Ugandans need to get excited and prepare for what is coming ahead, and the transformation it is already bringing", Mr. Rubondo urged.



Construction Begins at DP World's $1.13 billion Deep-water Port in Senegal

Senegalese President Macky Sall has laid the foundation stone for the construction of a $1.13 billion deep-water port being developed by Dubai's state-owned port operator DPWorld at Ndayane, around 50 km (31 miles) south of the capital Dakar.

Senegalese President Macky Sall commented, "DP World Dakar, a joint venture between the Dubai-based logistics provider and the Port Authority of Dakar (PAD), is the biggest private investment in the West African country.

"We are ready for the structural transformation of our economy with this mega project.

DP World has said the first phase will include 840 metres of quay and a 5 km marine channel designed to handle 366-metre vessels, with a second phase adding 410 metres of container quay and further dredging to handle 400-metre vessels.

DP World chairman Sultan Ahmed bin Sulayem said his company would develop and operate the 300-hectare #container #terminal, as well as finance and design the land and maritime infrastructure.

“It represents a brighter future as this new port will bring greater economic growth, prosperity, and jobs," Sulayem said. Reuters

Senegal is an African Continental Free Trade Area (AfCFTA) member country.

Eni's Coral-Sul FLNG Vessel Arrives Rovuma Basin, Offshore Mozambique

The Coral-Sul FLNG vessel, the first floating LNG facility to be in the deep waters of the African continent, has arrived in Mozambique from Samsung Heavy Industries' shipyard in South Korea. The Institute of National Petroleum of Mozambique (INP) made the official announcement on 3 January 2022.

Interestingly, Coral South is a landmark project for the industry; it has positioned Mozambique in the global LNG stage through the development of gas resources.

According to Eni, Coral will pave the way for other mega LNG projects, building capacity and resources which will be instrumental to boost Mozambique's economy.

The FLNG vessel, with a capacity of 3.4 million tonnes will produce up to 5 billion cubic metres (bcm) LNG per year. It will be specifically located in the Rovuma basin offshore Mozambique.

It will produce gas from the Coral offshore gas field. The field has approximately 16 trillion cubic feet of gas in place.

The project consists of a floating liquefaction unit that will be connected to six subsea wells into Eni's subsea production system, umblical and flowlines. This will be the world's deepest FLNG facility with wells drilled nearly 2,000 meters deep. Six wells in total will flow into the liquification unit. It is the first LNG project in Africa as well as Mozambique.

The production at Coral-Sul FLNG will start in the second half of 2022, and it will contribute to increasing gas availability in the country.

Sonatrach Group CEO
Toufik Hakkar

Algeria's Sonatrach Announces $40 billion Investment Plan on Exploration, Production & Refining

Following a successful year in 2021, Algeria's state-owned oil and gas company Sonatrach has announced its new investment plan to invest $40 billion in oil and gas exploration, production and refining. The company's investment plan covers a period of five year starting from between 2022 and 2026.

Speaking on the Algerian national television channel AL24 News, Group CEO Toufik Hakkar said, "The investment plan between 2022 and 2026 is about $40 billion, including $8 billion in 2022," adding that "The largest share will be devoted to exploration and production, to preserve our production capacities, as well as to projects in refining to meet the national demand for fuel."

According to a report, Sonatrach's revenue increased by 70% in 2021 due to a 19% increase in exports, the investment plan has enabled the company to refocus efforts on increasing exploration and production – both domestically and regionally in countries such as Libya.

Developments within the five-year plan include a refinery in the Hassi Messaoud oilfield; the extension of the Skikda refinery; and the commissioning of the fourth turbocompressor of the Medgaz pipeline. With one-third of the investment involving the company's foreign partners, Sonatrach is committed to seeing Algeria into a new era of hydrocarbon growth and success.

In another development, Hakkar also announced steps by Sonatrach "for its return to Libya", where it had suspended most of its activities since 2014.

According to the weekly energy newsletter Middle East Economic Survey (MEES), Sonatrach was forced to abandon its exploration activities on the Libyan side of the Algeria-Libya border in 2014 due to the deteriorating security situation.

Sonatrach had made "a number of promising discoveries" up until that point, MEES reported in May.

Hakkar said, "A delegation will go there by the end of February to prepare – alongside the National Oil Corporation (NOC), the Libyan national company – the conditions of return in order to secure workers and equipment".

"We have committed significant investments in oil and gas exploration in Libya and that it would not leave these discoveries without development".

Around 95% of the North African state's foreign revenues are from oil and gas sales.

In 2021, the state-oil firm exported hydrocarbons worth more than $34.5 bln, a 70% increase from the previous year, Hakkar said.

Sonatrach is the national state-owned oil company of Algeria. Founded in 1963, it is known today to be the largest company in Africa with 154 subsidiaries, and often referred as the first African oil "major".

In an international context marked by the volatility of hydrocarbon prices and the maintenance of sustained demand, both nationally and internationally, SONATRACH is committed to developing its Exploration-Production (EP) activity.

The company continues to devote more than 80% of its annual investment budget to research, development, exploitation and production of hydrocarbons.

To increase the discovery of new deposits, SONATRACH has decided to devote 53 billion dollars to Exploration-Production over the period 2017-2021, including 9 billion dollars for exploration (3D seismic, exploration drilling, studies, etc.) .

The objective is to achieve the drilling of some 100 wells per year. As part of its business transformation growth strategy, SONATRACH aims to double the annual volume of discoveries and increase proven reserves from 50 to 100 million TOE per year.

To accelerate its development program in Exploration-Production, SONATRACH is strengthening its policy of cooperation with major foreign oil and gas operators. Partnership has always been a key factor in the growth of SONATRACH in Algeria and around the world. It participates in the Company's overall effort to explore new territories and increase its hydrocarbon production.



DR Congo, DP World Signs Multi-Million Dollar Deal to Build Deep-sea Port In-country

DP World, the world's leading provider of smart logistics, and the Government of Senegal have laid the first stone to mark the start of the construction of the new Port of Ndayane.

The stone laying ceremony follows the concession agreement signed in December 2020 between DP World and the Government of Senegal to build and operate a new port at Ndayane, about 50 km from the existing Port of Dakar.

The ceremony was attended by His Excellency, Macky Sall, President of the Republic of Senegal, and Sultan Ahmed bin Sulayem, Group Chairman and CEO of DP World, as well as a number of Presidents of institutions, members of the Government of Senegal, and local communities.

The investment of more than USD 1 billion in two phases to develop Port Ndayane, is DP World's largest port investment in Africa to date, and the largest single private investment in the history of Senegal.

His Excellency, Macky Sall, President of the Republic of Senegal, said: "The development of modern, quality port infrastructure is vital for economic development. With the Port of Ndayane, Senegal will have state-of-the-art port infrastructure that will reinforce our country's position as a major trade hub and gateway in West Africa. It will unlock significant economic opportunities for local businesses, create jobs, and increase Senegal's attractiveness to foreign investors. We are pleased to extend our collaboration with DP World to this project, which has already delivered great results with the operation of the container terminal at the Port of Dakar."

Sultan Ahmed bin Sulayem, DP World's Chairman and Chief Executive

Sultan Ahmed bin Sulayem, Group Chairman and CEO of DP World, said: "Today's laying of the first stone not only marks the start of construction, but also turning the vision of President Sall, into reality.

"As the leading enabler of global trade, we will bring all our expertise, technology and capability to this port project, the completion of which will support Senegal's development over the next century. We thank President Sall, his government, and the Port Authority for the trust and confidence placed in us."

Phase 1 of the development of the port will include a container terminal with 840m of quay and a new 5km marine channel designed to handle two 336m vessels simultaneously, and capable of handling the largest container vessels in the world.

It will increase container handling capacity by 1.2 million Twenty Foot Equivalent Units (TEUs) a year. In phase 2, an additional container quay of 410m will be developed.

DP World's plans also include the development of an economic/industrial zone next to the port and near the Blaise Diagne International Airport, creating an integrated multimodal transportation, logistics and industrial hub.

DP World is an Emirati multinational logistics company based in Dubai, United Arab Emirates. It specialises in cargo logistics, port terminal operations, maritime services and free trade zones.

The company is the leading provider of worldwide smart end-to-end supply chain logistics, enabling the flow of trade across the globe. Our comprehensive range of products and services covers every link of the integrated supply chain – from maritime and inland terminals to marine services and industrial parks as well as technology-driven customer solutions.

DP World delivers these services through an interconnected global network of 181 business units in 64 countries across six continents, with a significant presence both in high-growth and mature markets. Wherever it operate, DP World integrate sustainability and responsible corporate citizenship into our activities, striving for a positive contribution to the economies and communities where we live and work. The company's dedicated, diverse and professional team of more than 56,000 employees from 140 nationalities are committed to delivering unrivalled value to our customers and partners. The company do this by focusing on mutually beneficial relationships – with governments, shippers, traders, and other stakeholders along the global supply chain – relationships built on a foundation of mutual trust and enduring partnership.

Tanzania, Turkish firm Signs $1.9 billion Railway Contract to Boost Intra-African Trade

Tanzania signs $1.9 billion railway contract with Turkish firm to boost trade with neighbouring countries: Tanzania on Tuesday signed a contract with Turkish firm Yapi Merkezi to build a 368 km section of standard gauge #railway that is expected to cost $1.9 billion and will be funded by loans.

It is part of a 1,219 km line which Tanzania is building to help boost trade with neighbouring countries and Yapi Merkezi is already building two other sections which are near completion.

The section will link Makutopora with Tabora, two towns in the country's central region, Masanja Kadogosa, director general of Tanzania Railway Corporation (TRC), said in a televised ceremony.

The full line will connect Tanzania's Indian Ocean port and commercial capital of Dar es Salaam with Mwanza, a port city on the shores of Lake Victoria which straddles the borders of Tanzania, Uganda and Kenya.

President Samia Suluhu Hassan said at the ceremony that Tanzania would borrow to finance the project.
"We will find friendly loan facilities and the best ways to get loans. We won't get this money from levies or from domestic taxes," she said, adding they were giving priority to the project because it connects Tanzania to its regional neighbours.

The east African country is currently implementing mega infrastructure projects to support its industrialisation plans including a controversial 2,115 megawatt hydroelectric dam being built in a UNESCO world heritage site.

In another development, Tanzania and Burundi have signed an agreement to build a $900 million railway that will connect the neighboring East African nations.

The two sides signed a memorandum of understanding to construct a 282-kilometer (175-mile) line from the western Tanzanian town of Uvinza to Burundi's capital Gitega. Finance and transport ministers from the two countries signed the deal in the western Tanzanian town of Kigoma on Sunday, Tanzania's finance ministry said in a statement.

Tanzania, which wants to become a regional trade and transport hub, is building a standard gauge railway line to connect the port of DaresSalaam to landlocked neighbors, including the Democratic Republic of Congo.

The two governments will jointly seek financing for the railway, Tanzania Finance Minister Mwigulu Nchemba said, adding that the final cost "will likely not exceed $900 million." He didn't provide details on the source of financing.

Tanzania and Burundi are AfCFTA member countries.

Afreximbank, AfCFTA Introduces 'PAPSS' for Intra-African Trade Payments

Afreximbank and AfCFTA has announced the Operational Roll-out of the Pan-African Payment and Settlement System (PAPSS). PAPSS will serve as a continent-wide platform for the processing, clearing and settling of intra-African trade and commerce payments, leveraging a multilateral net settlement system. Its full implementation is expected to save the continent more than US$5 billion in payment transaction costs each year.

The development of a panAfrican payments infrastructure has been made possible by some of the continent's leading institutions. The platform has been developed by Afreximbank, who also acts as the main Settlement Agent in partnership with participating African Central banks.

The implementation of the infrastructure is taking place in collaboration with the African Continental Free Trade Area (AfCFTA) Secretariat with the endorsement of the AfricanUnion (AU).

The commissioning of PAPSS follows a successful pilot phase in the countries of the West African Monetary Zone (WAMZ), with live transactions done in an instant.

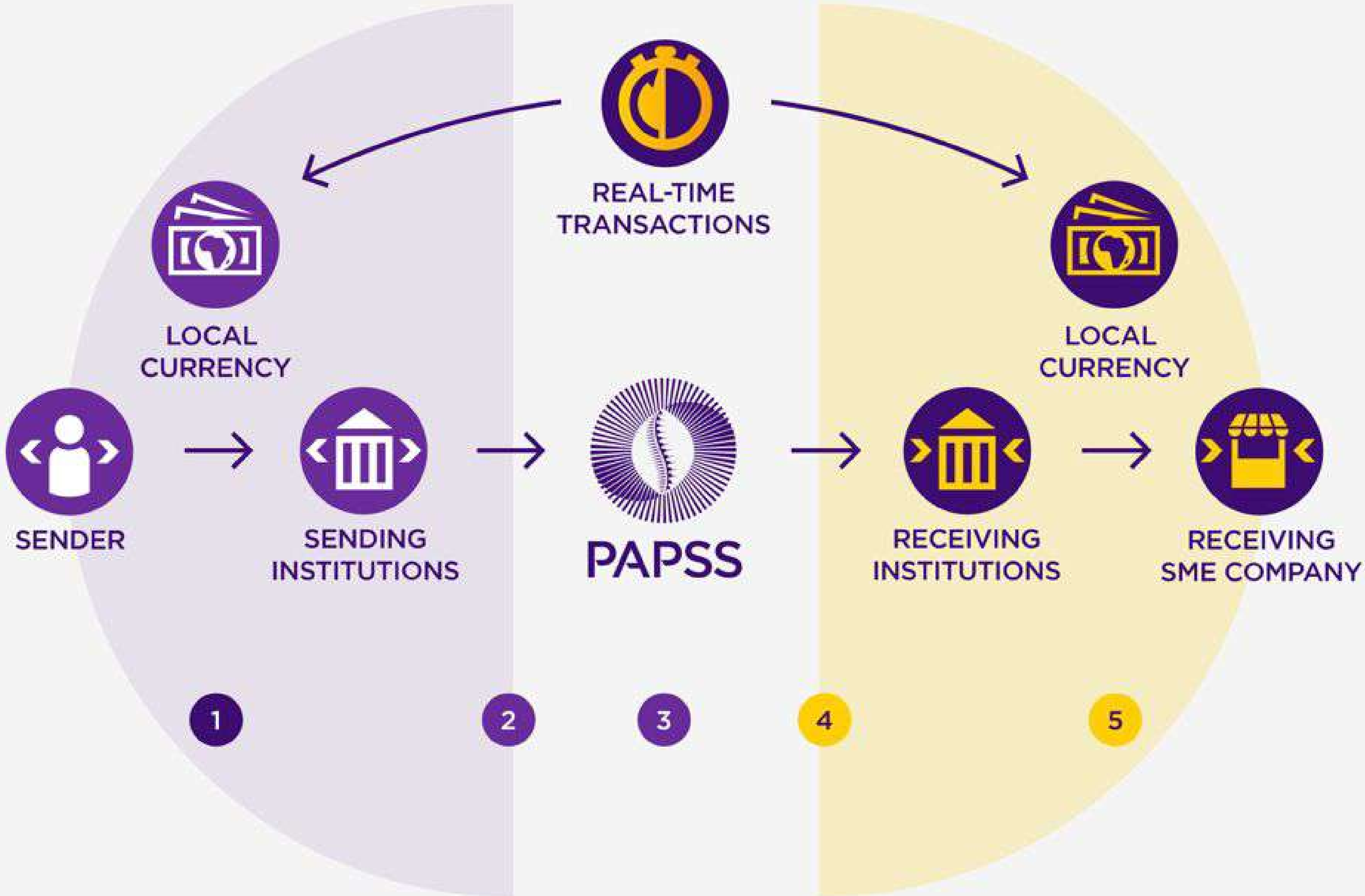
The West Africa Monetary Institute (WAMI) collaborated with Afreximbank in launching the system in the WAMZ.

This an important milestone for the continent and PAPSS is now engaged in advanced discussions with other national and regional institutions to rapidly expand continent-wide connectivity. Afreximbank provides settlement guarantees on the payment system and overdraft facilities to all settlement agents.

To accelerate expansion and ensure settlement finality, Afreximbank has approved US$500 million to support the clearing and settlement in West African Monetary Zone (WAMZ) countries. It is estimated that a further US$3 billion will be made available to support the systems continent-wide.

How PAPSS works

PAPSS ensures instant or near-instant transfers of funds between originators in one African country and beneficiaries in another.



1. An originator issues a payment instruction in their local currency to their bank or payment service provider.
2. The payment instruction is sent to PAPSS.
3. PAPSS carries out all necessary validation checks on the payment instruction.
4. The payment instruction is forwarded to the beneficiary's bank or payment service provider.
5. The beneficiary's bank clears the funds to the beneficiary in their local currency.

Addressing Energy Poverty will Take a Multi-Resource Approach in Africa - NJ Ayuk

Jarand Rystad, CEO of Rystad Energy

NJ Ayuk, Executive Chairman of the African Energy Chamber

The African continent has the most people without access to energy and yet also represents the continent with the fastest-growing population. As demand continues to far outweigh supply, energy poverty becomes more of a crisis across the continent. In order to address this crisis and achieve Sustainable Development Goal 7 – universal access to affordable, reliable and sustainable electricity – NJ Ayuk, Executive Chairman of the African Energy Chamber (AEC) has outlined a strategy.

Speaking during the January 2022 edition of the Rystad Talks Energy webinar – a platform for enhanced dialogue on Africa's economy, led by CEO Jarand Rystad -, Ayuk emphasized that in order to address energy poverty, Africa needs to have a multi-resource approach, whereby the continent utilizes all of its natural resources in the short term, slowly reducing the reliance on oil and coal in the medium term through the uptake of natural gas, and transitioning to cleaner sources in the longer term.

"If we want to look at a solution, we need to make sure we create the energy we need immediately and use the resources we have. We have to use all forms of energy we have. Climate change is a big problem, but we also have 600 million with no access to electricity and 900 million with no access to clean cooking. We should be able to use oil, natural gas, and in some stages coal. We need to move towards renewable energies and carbon capture but still continue to fight for poor people," he said.

"We need to look at the wealthy nations to cut down emissions and then address Africa. We are all in this together. Right now we have a crisis in Europe where people are turning to coal. They are changing regulations to start looking at gas. We can phase out coal and do it fast, but we need to explore other resources in the short term like gas."

Specifically, Ayuk reaffirmed both his and the AEC's position on natural gas, emphasizing that the resource has a critical role to play in Africa's energy transition.

The problem lies not with leapfrogging to the future – as is seen in other sectors such as telecommunications, where Africa has made considerable progress with mobile money platforms – but rather in the unrealistic expectations of the west. How can Africa be expected to leapfrog to a renewable energy future without the adequate financing to do so?

Meanwhile, Africa's struggle with energy poverty can be attributed to a variety of factors, some of which include the continent's reliance on foreign aid; ineffective resource management; and tight market controls. By addressing these factors, Africa can not only open up its market, spurring business across multiple sectors, but establish domestic capital raising opportunities that will improve investment across the energy sphere.

"We have to be honest, it's poverty. Poverty causes energy poverty. Africans are also responsible for this. We have relied on foreign aid and waiting for someone to come and do things that we have been able to do ourselves. We have not managed our natural resources well.

"If we focus on revenues and building power plants, we could have had fast tracked industrialization. We have relied on multinational institutions and development partners, and they have not met commitments. I am a big fan of free markets, individual liberty and letting the markets work for themselves. We need to change in Africa because we deserve better," Ayuk stated.

Inadequate infrastructure and the blocking of financing by international organizations is problematic. European countries, for example, are still using African gas to power their economies – which is fair – and yet African gas investment has been restricted.

Africans, like the west, have a right to develop their resources, working together with international investors to power Africa and accelerate industrialization.

In order to increase investment and drive renewable energy development, Africa needs to implement structural reforms within its energy sector by focusing on creating enabling environments for investment; introducing attractive fiscal terms for foreign players; and incentivizing increased private sector participation in the sector.

"We have to do bigger things in Africa. We need to make it easy to do business, we need to become more transparent, we need to fast track projects, cut our bureaucracy and really take a look in the mirror.

"With every day that we have a child in Africa go to bed without lights, we take away opportunity from that child. Energy poverty should be the fight of our lifetimes," Ayuk concluded.

While foreign capital is important, African institutions also have a role to play in driving Africa's energy growth.

Accordingly, facilities such as the African Energy Bank could not only meet demand for capital in the renewable energy space, but enable the effective development of oil and gas resources across the continent.

The creation of an African Energy Bank will open up critical solutions for Africa's energy sector, solutions which need to be established before and at African Energy Week (AEW) 2022 in Cape Town, where a number of deals will be signed, and key decisions announced by international stakeholders and their African counterparts.

FEATURED ARTICLE

NJ AYUK

Executive Chairman, African Energy Chamber

Why We Need African Energy Banks. Now

In this article, NJ Ayuk provides some key recommendations in establishing an African Energy Banks to support indigenous companies for project development...

For more than a year, the African Energy Chamber has been pushing back against steadily building pressure to halt new foreign investments in Africa's oil and gas industry.

To prevent catastrophic climate change, environmental organizations, financial organizations, and governments across Europe and North America have insisted that developing nations, including those in Africa, must immediately transition from fossil fuel production and usage to renewable energy sources like solar, wind, and hydrogen. Mind you, the majority of those making these demands are based in industrialized nations that were built on fossil fuels — oil and gas-fueled their economic engines — yet they are unwilling to allow less-developed nations to use fossil fuels to the same end. Even more troubling, the African countries these groups are aiming at have a wealth of natural resources under their feet, resources that can be used to deliver reliable power, to grow economies, and to build a better future. These are a few of the reasons that the Secretary-General of the African Petroleum Producers' Organization, Dr. Omar Farouk Ibrahim, has rightly pointed out that it would be a mistake for Africans to abandon their abundant petroleum resources. Turning our backs on approximately 130 billion barrels of proven crude oil reserves and over 15 trillion standard cubic meters of natural gas, to pursue expensive, unreliable energy sources, would not be a wise course of action.

The African Energy Chamber has stated, over and over, that Africa still needs its oil and gas sector. And, we've tried to explain the important role that international oil companies (IOCs), foreign governments, and investment institutions play in building the kind of oil and gas sector that will truly benefit Africans. IOCs, for example, engage in knowledge sharing and provide opportunities for Africans to build valuable job skills. What's more, foreign oil and gas investments generate revenue that can be used to build and improve energy infrastructure — for both fossil fuels and renewables. And, by supporting natural gas projects, investors create a path for gas-to-power projects that help minimize the continent's widespread energy poverty.

In July 2021, when it became apparent that reasoning was not yielding results, the chamber went so far as to employ the same tactics the international community used against our members. We called for boycotts against financial institutions that discriminated against the African oil and gas industry.

But the calls to stop financing African oil and gas have only grown louder and more insistent. Most recently, during the 2021 United Nations Climate Change Conference (COP26) in Glasgow, more than 20 countries and financial institutions pledged to stop public financing for overseas fossil fuel projects.

For those of us who care about Africa's oil and gas industry, it's time to face facts: We need to find a way to save it ourselves. The African Energy Chamber is calling upon African states and the private sector to establish energy banks focused on funding African energy projects.

The idea is to create funding sources for all types of African energy — from oil and gas exploration to solar and hydrogen operations — that will not depend on foreign support. No more begging for aid that only would be awarded on the condition that we abandon fossil fuels.

We can do this, and we must. Too much is at stake. We can't afford not to capitalize on such recent discoveries as the light oil found offshore Angola, the oil in Namibia's Kavango Basin, the shale gas in South Africa's Karoo Basin, or the oil and natural gas off the coast of Côte d'Ivoire. Those are only a few of the important discoveries that occurred in 2021, and each represents critical opportunities for everyday Africans.

Pressing Needs Call for Definitive Action

The call for Africa to save its oil and gas industry alive is not based on greed, on making money for an elite few. We're not placing economic objectives above our people or the climate. On the contrary, we are convinced that harnessing our oil and gas is the best way to meet some of our people's most pressing needs. And we believe that pursuing our oil and gas opportunities is not the environmental catastrophe that some have suggested it is.

As OPEC Secretary-General Mohammad Sanusi Barkindo has said, addressing energy poverty in Africa is an urgent matter that must take priority over abandoning oil and gas. Barkindo described the devastating impacts of energy poverty during African Energy Week in Cape Town. (Incidentally, that meeting was organized after London-based Hyve Group/ Africa Oil Week moved from Capetown to Dubai. Imagine talking about African energy somewhere other than in Africa? Seems like that's another example of the West holding our energy industry in low regard.)

"The unfortunate reality for developing countries is that a staggering 759 million people worldwide did not have access to electricity in 2019, with around 79% of them located in Africa," Barkindo said. "Moreover, there were roughly 2.6 billion people or 34% of the global population who did not have access to clean cooking fuels and technologies — and this includes a massive 70% of Africans who have no access, exposing them to high levels of household air pollution.

"The energy poverty numbers for Africa are stark," Barkindo continued "And to add in one further number, Africa accounts for only around 3% of global emissions."

As the chairman of the African Union, President Macky Sall of Senegal, has said, African states are open to embracing renewable energy sources: The problem comes when we are bullied into giving up our fossil fuels, and the opportunities they represent, on others' timetables.

"Our countries cannot achieve an energy transition and abandon the polluting patterns of the industrialized countries without a viable, fair and equitable alternative," Stated Sall . "Our countries, which are already shouldering the crushing weight of unequal trade, cannot bear the burden of an unfair energy transition."

President Sall is right and so is South African President Cyril Ramaphosa, who said, "We must contend not only with these primary dangers (of climate change), but also with potential economic and social damage should the global community fail to deal with the crisis in a way that works for developing as well as developed markets."

Developing African energy banks is a way to protect our countries from those social and economic dangers. China might be a credible partner to Africa in building these unique financial infrastructure.

We Can Do This

You may be wondering if African energy banks are a realistic goal. How can a continent that is struggling to bring many of its people out of poverty raise capital for energy projects? I believe it can be done. To begin with, African governments can set aside a percentage of their oil and gas revenues for new project funding. In our report, Africa Energy Outlook 2021, the African Energy Chamber projected that African governments' earnings from royalties, profit oil, and other taxes in 2021 would reach USD 100 billion. Even 5% of that amount would produce $5 billion that could be leveraged for exploration, development, or infrastructure.

We can also raise capital by investing African pension funds in African energy projects. According to Capetown-based investment firm RisCura, local pension funds collectively manage around USD 350 billion of assets in sub-Saharan Africa, and they are actively looking for new places to invest.

Why not encourage them to add oil, gas, and renewables projects to their list? Investing pensions in the energy sector is hardly a new practice. Some of America's largest pension funds are invested in fossil fuel producers and pension funds around the globe are investing in green energy projects.

This would not be a giveaway: Investing in fossil fuels, especially gas projects and developing marginal fields, provides a large return on investment. And millions of Africans would be participating in our growth and our future.

Our options for raising capital don't end there. We also should seek the support of wealthy Africans who want to invest in a better African future. As of December 2020, total private wealth in Africa totaled approximately USD 2 trillion. That's not even including the African diaspora. Imagine what can be done if we just unite.

Not only do we have pathways for raising capital, we also have an example of the kind of bank(s) Africa needs to finance its own energy projects, one that goes back decades. I'm talking about the African Export Import Bank (Afriexímbank).

In 1993, African governments worked with public and private investors to create a bank that would finance, promote, and expand intra-African and extra-African trade. They succeeded. In 2020, Afreximbank received the Africa-America Institute's (AAI's) Institutional Institution of Excellence Award for its commitment to the creation and implementation of the African Continental Free Trade Agreement (AfCFTA) and its ongoing dedication to investing in education.

AAI noted that between 2015 and 2019 alone, Afreximbank disbursed more than $30 billion in support of African trade, including more than $15 billion for the financing and promotion of intra-Africa trade.

Afreximbank, by the way, recognizes the importance of protecting Africa's oil and gas industry.

"The way we see it at the bank, Africa produces less than 4% of greenhouse gas. We are not the problem of greenhouse gases. We are the victims. We are asking for balance," Afreximbank President and Chairman of the Board Benedict Oramah said.

I say, let's build on Afriexímbank's model. And not only that, let's cultivate a pool of investors who understand and appreciate the importance of oil and gas to Africa. Capital from foreign countries and companies will always be welcome — as long as it isn't predicated on phasing out fossil fuels on their timeline. If they're pushing a rush to renewables, they're not going to be part of our solution.

With the support of one or more African energy banks, local oil and gas companies will have the finances necessary to acquire assets. They'll have the financing to build crude and gas pipelines across Africa and to facilitate the use of natural gas (including liquid natural gas) to power Africa, minimizing energy poverty and driving industrialization.

And African states and entrepreneurs will be able to finance the development of renewable energy operations, particularly blue, green, and grey hydrogen operations that create additional opportunities for Africans. Africa already has emerging green hydrogen operations in Mali, Namibia, Gambia, Senegal, Mauritania, Niger, and South Africa, and with the proper funding, could become a major green hydrogen exporter.

The African Energy Chamber will support the energy bank initiative and work to bring potential participants together.

Creating our own institutions to finance energy projects will send a clear signal to the marketplace that Africans are seeking to become leaders in scaling up private capital. It will show that we are advancing natural gas development and infrastructure while supporting low-carbon investments.

With the financing in place, not only will African companies be able to produce oil and gas, but they also will support local community development, develop green energy markets, and create jobs.

The financing also will allow African companies to upgrade their refineries, an urgent need addressed by Anibor Kragha the Executive Secretary of African Refiners and Distributors Association during African Energy Week, so they can produce cleaner fuels.

For many African countries, the oil and gas industry represents our best shot at giving millions of Africans the kind of jobs, living standards, and stability that developed countries have enjoyed for well over a century. We must hold fast to those goals and do what it takes to achieve them.

FEATURED ARTICLE

Engr. Simbi Wabote

Executive Secretary of Nigerian Content Development & Monitoring Board (NCDMB)

Five Key Parameters For Sustainable Local Content Practice in Africa

In this article, Wabote outlined five key parametres for sustainable local content practice in Africa's oil and gas industry....

With the oil wealth in Africa, the need for African countries and indeed all countries all over the world to pay attention to local content was made very apparent during the global lockdown at the peak of the COVID-19 pandemic.

In addition, the push by most of the developed countries to shift the demand for hydrocarbons to renewables represents a credible threat that must be addressed by oil and gas producing countries in Africa.

Over the years, the African oil and gas industry has functioned as an enclave economy, with very little linkages and contribution to the indigenous companies. Though efforts are been made by some African countries to further develop a local content policy that will support the development of in-country capacities including the establishment of various research and development initiatives.

Based on this, there are five key parameters needed for sustainable local content practice in Africa's oil and gas industry. The parameters include Regulatory Framework, Gap Analysis, Capacity Building, Funding & Incentives, Research & Development. These parameters will further enhance the positioning of Africa's oil and gas producers to navigate the impact of the COVID-19 pandemic and the emerging shift to renewables.

We have deployed these parameters into the Nigerian oil and gas sector which has brought in some major achievements including the lessons learnt from the Nigerian Local Content Journey.

Regulatory Framework

An enabling regulatory framework supported with appropriate legislation is very fundamental in local content practice. The Federal Government signed into law the Nigerian Oil and Gas Industry Content Development (NOGICD) Act in 2010, which establishes the Nigerian Content Development and Monitoring Board (NCDMB) as the sole agency of the Federal Government, responsible for driving Nigerian Content in the oil and gas industry.

It is no longer optional or debatable whether to comply with local content requirements in the Nigerian oil and gas industry, as this was the case before the enactment of the NOGICD Act.

One of the key provisions of the NOGICD Act is that first consideration shall be given to Nigerian operators in the award of oil blocks & licenses, Nigerian goods, and services, employment & training of Nigerians.

We have deployed these provisions into law to ensure the patronage of Nigerian businesses that has the capacities and capability to deliver. We have used it to create some numbers of indigenous operators from the regular bid rounds and asset divestment by International Oil Companies (IOCs). There have been phenomenal successes.

A key example is when Shell divested its field to Seplat. Shell was producing less than 20,000 barrels out of that field, but, it divested it to Seplat, an indigenous company owned by Nigerians with a 99% workforce. Today, the field is producing about 75,000 barrels of oil per day. This is how local content designed around a Framework can deliver positive results.

One of the key lessons learned from the Regulatory Framework is that the law must enable investment both locally and internationally. The local peculiarities of the law-making processes must be sustained in the local content law.

The provisions should be made in the law to address any lacuna that is not fundamental; and Gaps without having to review the entire law such as the provisions we have in the NOGICD Act for issuance of ministerial regulations. While the law may not be necessary, consideration should be given to other key sectors of the economy rather than just oil and gas.

Gap Analysis

The second parameter for a sustainable local content practice is Gap Analysis. Understanding the capacity and capability of the service providers within the country is very essential. Baseline and periodic Gap analyses are essential to determine Gaps that need to be closed in the area of skills, facilities, and infrastructure.

Regular review and monitoring of local content goals are required to show where capacities have been met and where there is over capacity to guide the development of resources and investment decisions.

For us in Nigeria, we have set a target as contained in our local content law. The NOGICD Act has set minimum targets in 278 services across the Nigerian oil and gas value chain to enhance local capacity development. We have used this to drive and encourage investment in-country.

We launched our 10-year Strategic Roadmap to move Nigerian Content in the oil and gas industry to 70% by the year 2027.

Key lessons we have learned for Gap Analysis are as follows; It is good to have baseline data of available in-country capacities and capabilities to identify the existing gaps and set the targets for gap closure.

There is a need to strike a balance between aspirational goals and realistic targets. Both are important to drive investment, motivation and taking cognizance of local peculiarities.

It is important to put in place credible action plans and initiatives to close the gaps identified and tracked by a functional Project Management Office (PMO).

Capacity Building

Structured capacity-building intervention is essential to spur the development of in-country capacities and capabilities. This is dedicated to local manufacturing, infrastructural development, and human capacity development.

Since the NOGICD Act came into effect, we have developed two world-class pipe mills and five pipe coating plants, grown fabrication capacity from 10,000 metric tonnes to 250,000 metric tonnes per year.

We can carry out over 80% of engineering design in-country. We have created over 50,000 direct jobs and delivered close to 10 million training man-hours.

Over 90% of contracts awarded in the industry are given to Nigerian-owned businesses. We utilize an expert management system to ensure more than 80% of oil and gas management positions are held by Nigerians.

A typical example is the NLNG. When NLNG started some years back, 90% of the workforce were experts. The technical partnership created by Shell brought a lot of experts into the country.

But, today, NLNG which is expanding to the next Train 7 is managed by 95% Nigerians.

Today, some of the Managing Directors and Executive Management Teams of IOCs are all Nigerians.

The Capacity Building efforts have seen the conception of about 650,000 per day Dangote refinery which is currently under construction.

The lessons learned under the Capacity Building parameters are as follows;

- Implementation of major projects is very important in the development of in-country capacities and capabilities.

- Capacity Development Initiatives (CDI's) are very important tools in closing identified capacity gaps.

- Typically, multiple capacity-building initiatives need to be implemented.

- Prioritize the delivery of high-impact initiatives to boost confidence.

A continuous and well-sequenced stream of major projects is important to sustain established capacities and attract additional investment for growth.

Funding & Incentives

This is essential to implement local content programs, develop infrastructure, attract new investments and keep existing businesses afloat when required.

Section 104 of the NOGICD Act makes provision for the establishment of a fund known as the Nigerian Content Development Fund to fund the implementation of Nigerian Content in the oil and gas industry.

This is very important because local content isn't charity. It isn't Corporate Social Responsibility (CSR). The international or local companies are here to do business and they aren't NGOs.

For you to drive local content, there must be competition. The price must be right. The economics must be right.

Funding by the Government, Agencies that want to drive those businesses, and Funding for infrastructural development are key to bringing down the cost of doing business.

In the NOGICD Act, the sum of 1% of every contract awarded to any contractor, sub-contractor, alliance partners or any entity involved in any project development and transactions in the upstream sector of the Nigerian oil and gas industry shall be deducted and paid into the Nigerian Content Development Fund. The Funds is specifically used for the upstream sector.

To date, the Fund has been deployed to the following areas;

- Operation of $350 million Nigerian Content Intervention Fund in partnership with the Bank of Industry (BOI). The fund comes with a 6% interest rate, 5 years time limit for repayment, and 1-year moratorium.

- Ongoing development of Nigerian Oil and Gas Parks Scheme as manufacturing hubs.
- Commissioning of the 17-story Nigeria Content Tower, 1000-seater Conference Center, and 10MW power plant.

- Partnership with project promoters in the establishment of modular refineries, LPG terminals, manufacturing of LPG Cylinders, and others (5000 BPD Waltersmith refinery has been commissioned and is operational).

We have also become self-funding and exited the yearly budget request from the Nigerian treasury to support our programs.

The lessons learned from the Funding & Incentives parameters is that there should be a source of funds legally backed by the law.

- A clear remittance framework should be in place with the responsibility for deduction at the source.
- A period of time was allowed for the Fund to accumulate into a reasonable size before deployment.

A clear strategy was put in place on utilization of the Fund within the outline provided by the law.

- Not everyone will pay willingly or when due. Carry out Forensic Audit of remittances every 2 to 3 years.

Research & Development

Local content thrives where there is robust research and development (R&D) focus to drive the development of home-grown technology.

Countries that have witnessed appreciable local content level such as Brazil, attributed the growth to the priority attention given to Research and Development.

In China, about 3.2 or more of their GDP is set aside for Research and Development (R&D). All the developed countries have a chunk of their GDP set aside for R&D. And you begin to wonder why are these countries developing so fast? It is a deliberate effort to move forward.

According to a report, Brazil is ranked in 28th position on top countries investing in R&D.

If you look at the data, you will not see any African country on that list because the focus on R&D isn't there. The only African country on the list is South Africa with 0.2 of the GDP contribution to R&D. How can we move forward as Africa if R&D isn't our focus area?.

South Africa is ranked as the 43rd position in top countries with 0.8% investment in R&D.

If we as Africans don't invest in R&D to use our natural resources, we will leave them very soon in the ground and transition to other energy sources. It is a wake-up call for us in Africa.

No nation can develop into being a consumer of other countries' technology and intellectual property.

We all need to work together and develop unique solutions to our unique problems as Africans.

For us in Nigeria, we have increased our focus on R&D in the oil and gas sector. With the launch of the NCDMB 10 Year Strategic Roadmap anchored with 42 initiatives. We have launched a $50 million Research and Development Fund to drive basic research, commercialization of research breakthroughs, the establishment of the R&D Centre of Excellence, and spur University Endowments.

Research and Development initiatives require a dedicated source of funding. R&D fairs also provide a good platform for academia, researchers, product developers, and inventors to showcase their breakthroughs for development and commercialization.

Research and Development require focus, tenacity, and patience to nurture it to fruition.

Excellent stakeholders management skill is required to combine resources and efforts in driving Research and Development.

In summary, a sustainable local content practice requires that the right regulatory framework is put in place, conducting regular gap analysis, and the setting of targets for gap closure. It also requires funding and incentives to build capacities and capabilities.

R&D is the key driver to bring in innovation and avoid obsolescence.

Looking at these parameters from a Pan-African Perspective, I would like to highlight that there is no need to create an African Local Fund that will be used to set up banks and financial institutions to provide funding for the development of oil and gas projects in Africa.

There is an urgent need for us to establish an African Bank that will focus on local content development within Africa.

These funds can also be utilized as part of financing infrastructural projects such as the production and evacuation of oil and gas products for the use of the African populace.

I believe is time for us to take some very positive action for the development of Africa by Africans.

Local content isn't about 'Nationalization', it is more about domiciliation and domestication for local value addition.

It needs foreigners and FDI to thrive. It is not a Corporate Social Responsibility (CSR). It is purely business.

There is no one-size solution on local content. Local content peculiarities are different and have key considerations.

What works in Brazil will not work in Mozambique. What works in Brazil will not work in Ghana. What works in Nigeria will not work in Togo.

It has to be conceptualized based on the country's resources capacity and capability.

In other words, you don't copy Nigerian legislation and stamp it on the legislation of the Benin Republic. It will not work.

It requires experts to determine where are the capacities and capabilities to develop a framework that will work for that country.

Most importantly, local content is a marathon. It isn't a sprint. You cannot change something overnight. There must be a deliberate action and continuously push the boundaries to develop local content.

There must be serious pragmatism approach for the development of local content.

TotalEnergies Leverages Nigerian Content on Ikike Project, Committed to Produce First Oil By 2022

With the growing demand for local content development in the Nigerian oil and gas industry, the Nigerian Content Development and Monitoring Board (NCDMB) has set a clear target to achieve 70% local content by 2027 on major oil and gas projects in the country. This development has created a new investment focus to International Oil Companies (IOCs) in aligning their project developments towards the Nigerian Oil and Gas Industry Content Development (NOGICD) Act as well as providing project opportunities to patronize Nigerian companies going forward. TotalEnergies is one of the IOCs committed to Nigerian Content.

This article is a spotlight on TotalEnergies Ikike project, which is coming after the EGINA project success stories that achieved 77% of total project workload. With a capacity of 200,000 barrels of oil per day, Egina has increased Nigeria's oil production by 10%.

Ikike Project Overview

Ikike field development lies within Nigeria offshore block OML 99 (Amenam-Kpono), situated 20 km offshore, in 20 metres water depth and approximately 15 km north of the Amenam complex. It is outside the AMENAM unitized area in joint venture partnership with NNPC (NNPC-60% /TEPNG-40%). Ikike project is a tie-back reservoir to the existing Amenam field in oil mining lease (OML) 99, which would add an increased production of 32,000 barrels of oil per day by drilling five new wells including water injection.

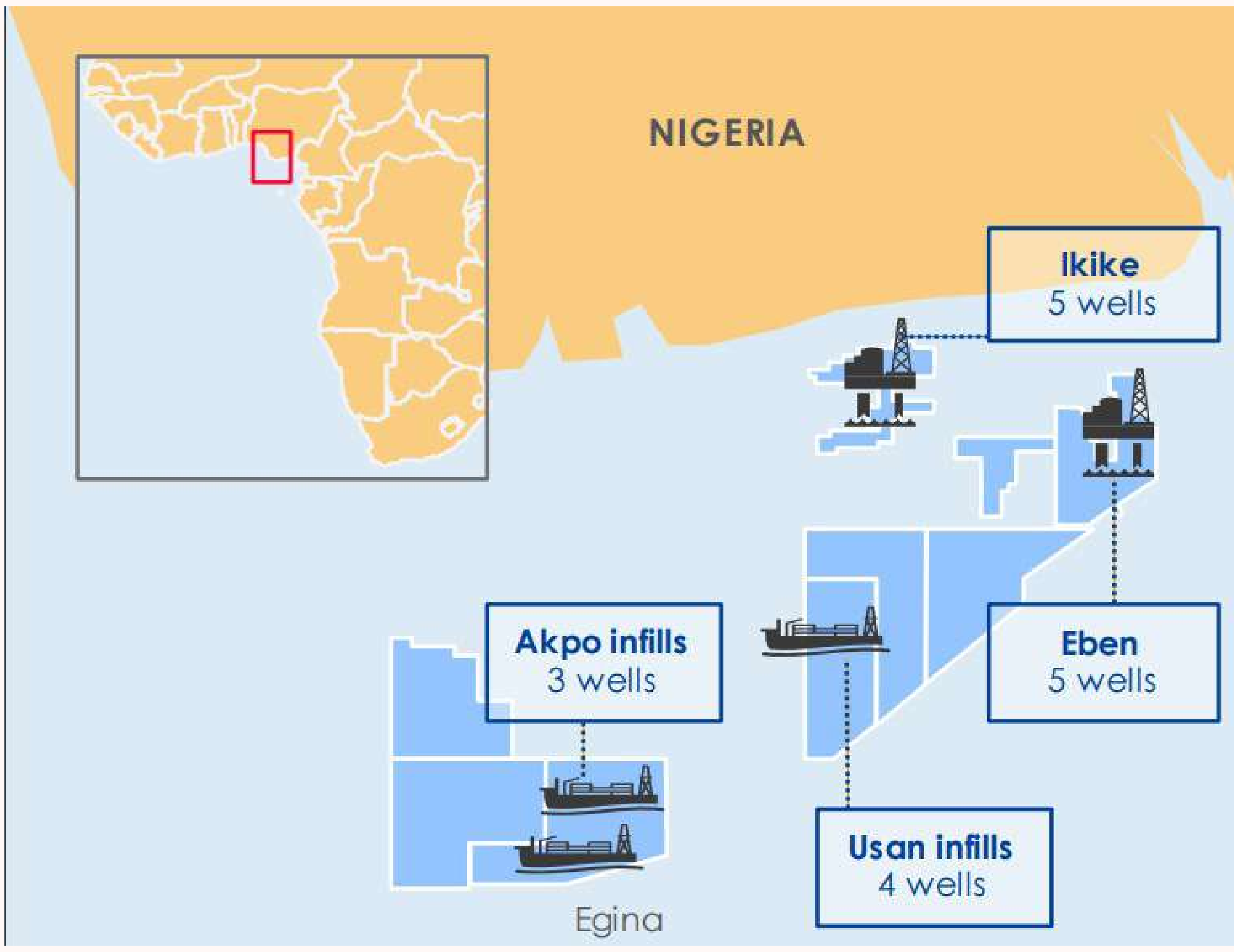
The Final investment Decision (FID) for the Ikike project was taken in 2019, with support of the partners and the AMD-2 Module started in 2020 and on completion it weighed 250 tons.

Opportunities

The overall target on Ikike project is to achieve 90% Nigerian Content. It has created some number of existing local content opportunities which include:

- Construction & Fabrication
- Installation
- Flotel
- ROVs services
- Drilling and completion
- Classroom block and hostel
- Workshop for Government Technical College Port Harcourt

TotalEnergies used the Ikike project to create more than 30,000 jobs directly and indirectly, highlighting that all the aspects of the job were done with the objective of promoting Nigerian Content and in collaboration with industry stakeholders.



AMD 2 Module

The AMD 2 Module is a component of the Brownfield package of the Ikike project, and the contractor is Sudelettra Nigeria Limited.

The milestones achieved on the AMD-2 Module includes all engineering design works were domiciled in Nigeria with 93 percent (89,003 man-hours) by Nigerian personnel and entire fabrication scope was executed at Sudelettra Fabrication Yard, with Nigerians performing 98 percent of the 298,158 fabrication man-hours.

Over 44 Nigerian vendors were engaged on various scopes of the Ikike project. Other third-party services executed by Nigerian companies with requisite facilities included NDT, GRP Piping, Laboratory Testing, 100% fabrication of spools, risers, riser protectors, sleepers, AMP1 PCS and SIS Cabinets, Coating of 2,352 lengths of pipe in-country among others.

The AMD-2 Module provided an opportunity to carry out refresher oil and gas trainings for 57 personnel as well as trainings for 30 new personnel.

The offshore campaigns are also being executed with vessels that are domiciled in Nigeria and the drilling is with Nigerian companies

Progress

In August 2021, the Nigerian oil industry celebrated the load out of the AMD 2 Module of the Ikike Development Project at the Saipem Yard in Port Harcourt.

According to TotalEnergies, the entire Ikike project has recorded 77 percent overall progress and the construction of the modules-topsides, platforms, risers, jackets and all other packages were executed in various Nigerian yards by different vendors as approved by NCDMB.

With this achievements, TotalEnergies major operations in the Nigerian oil and gas industry is nearing 100% Local Content as there have been a huge growth in that direction over years.

Nigerian Content Development and Monitoring Board has stated that TotalEnergies is the only International Oil Company in Nigeria that has been taking key financial investment decisions on major projects in the last ten years and kept faith with Nigeria's Oil and Gas Industry.

In conclusion, Ikike Field Development Project is a further commitment of TotalEnergies to Nigeria and the growth of the oil and gas sector, after the Egina Project. The company has assured that commissioning and celebration of first oil were expected in 2022.

CHEVRON NIGERIA

Rick Kennedy

Chairman and Managing Director,
Chevron Nigeria Limited (CNL)

Chevron's Socio-Economic Development in Nigeria

In this article, Wabote outlines the five key strategies needed for a sustainable local practice in Africa's oil and gas industry...

Chevron Nigeria Limited (CNL), operator of the joint venture with the Nigerian National Petroleum Company Limited, (NNPC) – 'NNPC/CNL JV' – marked 60 years of its operations in Nigeria.

It was on December 1, 1961, that Gulf Oil Company, a subsidiary of Gulf Corporation, was registered in Nigeria and obtained its first prospecting license. Gulf Oil Company is the precursor of Chevron Nigeria Limited (CNL).

For 60 years, Chevron has made significant contributions in Nigeria, not only as one of the country's largest oil and gas producers, but also as one of its largest investors. Beyond its core oil and gas business, Chevron has made significant contributions to the socio-economic development of Nigeria for six decades. CNL operates under a joint-venture arrangement with the NNPC for its onshore and offshore assets in the Niger Delta region.

Chevron also has extensive interests in multi-partner deepwater operations, the Escravos Gas-to-Liquids ("EGTL") facility and the West African Gas Pipeline Company.

Chevron's partnership with the people and government of Nigeria creates positive economic effects.

"Our long and deep commitment to Nigeria through our significant investments in the economy and social development of the country contribute significantly to Nigeria's Gross Domestic Product," said Rick Kennedy, CNL's Chairman and Managing Director.

In February 2018, at the Nigerian International Petroleum Summit ("NIPS") in Abuja, CNL received an industry award as the highest contributor of domestic gas in Nigeria.

Rick Kennedy explained that "CNL's gas strategy is to end routine gas flaring and build a profitable gas business through a portfolio of projects that fulfill the NNPC/CNL JV's Domestic Gas Supply Obligation ("DGSO") and support the Nigerian Gas Master Plan and the National Gas Policy," he said.

"We continue to invest in our operations to improve environmental performance while working with industry to develop new innovations and best practices. CNL has reduced routine flaring by over 95% in the past 10 years and has remained a pioneer and top supplier of on-spec gas, while maximizing supply into the Nigerian domestic market. CNL works very closely with its joint venture partner (NNPC), pertinent government agencies and industry stakeholders to advance domestic gas supply. Very notable are the Gas Sale and Aggregation Agreements ("GSAAs") with Egbin Power Plc, Dangote Fertilizer Limited, and Olorunsogo Generation Company Limited," he stated.

According to Rick, the Escravos Gas Project ("EGP"), and gas gathering, and processing facilities invested in by the NNPC/CNL JV placed CNL as one of the pioneers in creating a practical and economic solution for gas flaring in the Nigerian oil and gas industry.

Also, the EGTL plant is key to the NNPC/ CNL JV's significant flare reduction efforts. "EGTL enhances diversification and commercialisation of gas resources and continues to provide great value to Nigeria through its high-quality products." he highlighted.

As a company, Chevron is taking actions globally to create a lower-carbon future by reducing the carbon intensity of our operations and assets, increasing the use of renewables and offsets, and investing in low-carbon technologies. Said Rick, "Chevron is supportive of Nigeria's commitment towards energy transition with special focus on both clean energy technologies and natural gas. Hence, we support the Decade of Gas initiatives lead by the Ministry of Petroleum Resources and other important steps towards reforms in the oil and gas industry."

Chevron has had a long history of commitment to Nigerian Content development. Chevron companies in Nigeria had developed and imbibed the Local/Nigerian Content development philosophy well before the April 2010 enactment of the Nigerian Oil and Gas Industry Content Development Act ("NOGICD Act").

Chevron has helped in building the capacities of several Nigerian businesses by providing training, contracts and procurement opportunities to Nigerians on all projects in our operations.

For the last 10 years, CNL has spent an estimated annual average of $1 billion on Nigerian suppliers and service providers. CNL's MD emphasises that "Chevron does all this, not because we are compelled to, but because it is the right thing to do.

Chevron's Agbami project set industry standards by fabricating more than 10,000 tonnes of steel with Nigerian fabrication companies, the highest ever recorded in Nigeria. Chevron also trained 105 Nigerian engineers from 21 engineering companies in South Korea.

The Escravos Gas Project (EGP) has employed over 1,800 Nigerians and sourced millions of Dollars' worth of services (engineering, procurement, fabrication, marine, etc.) locally.

Similarly, the EGTL project provided employment to more than 15,000 Nigerians during the construction phase of the project. In addition, the project awarded huge sub-contracts to local community contractors, sent 234 Nigerians on a 30-month training program in South Africa at the synthetic fuel facilities of Sasol Limited and trained over 7,000 Nigerians in technical skill crafts, plant operation and maintenance, business and project management, logistics and supply chain management, as well as gas tungsten arc welding processes.

Rick also espoused Chevron's giant strides in social investments in communities where the company operates and elsewhere in Nigeria. "Chevron companies in Nigeria recognize that their business success is linked to society's progress. That explains why Chevron works with the communities, government, and other partners to support strategic social investments in health, education and economic development, and other focus areas such as the environment and sports development.

As part of the company's forward-thinking approach, in 2005, the NNPC/CNL JV, partnered with others to pioneer the Global Memorandum of Understanding (GMoU) participatory partnership model for community driven development," he stated.

He emphasised, that in the past 16 years, the NNPC/CNL JV has spent billions of naira in funding the GMoU and the model has recorded significant achievements, especially in areas of education, health, economic development and capacity building.

Through the GMoU, the communities, represented by the different Regional Development Committees ("RDCs") have executed a wide range of community development projects in the communities neighboring CNL's operations.

In addition to hundreds of infrastructure projects implemented through the GMoU, it has helped to reduce potentials for conflicts, enhanced peace-building process, and human capital development – which are helping to sustain wealth creation in communities around CNL's areas of operations."

As part of the GMoU, CNL established the Participatory Partnership for Community Development (PPCD), which has built the capacity of the Non-Governmental Organisations, community leaders and the people through various programmes.

The NNPC/CNL JV has embarked on several health projects and programmes in the past 60 years both in the communities and other parts of Nigeria.

In 2002, CNL launched the River Boat Clinic to serve the health needs of communities in the western Niger Delta. Over three-quarter of a million people benefitted from the healthcare programme before it was discontinued in 2020.

CNL partnered with the RDCs and the respective state governments under the GMoU to build, equip and run cottage hospitals in the communities.

Some of the hospitals completed and in use include the Dodo River cottage hospital in Bayelsa State, which was executed by the Dodo River RDC; the cottage hospitals in Tsekelewu and Oporoza, in Delta State, which were executed by the Egbema Gbaramatu Communities Development Foundation ("EGCDF').

Other health projects being implemented under the GMoU include the health centre at Bateren, the planned cottage hospital at Gbokoda in Delta State by the Itsekiri Oil and Gas Producing /Impacted Communities Development Committee, and the ongoing Mother and childcare centre at Ugbo in Ondo State, by the Amona Ugbo Ilaje Coastal Development Association (AMAICOMMA), and Ilaje Rural Development Advocacy Committee Initiatives (IRDC), which is nearing completion.

CNL also built and donated a DNA Molecular laboratory to the University of Lagos Teaching Hospital, and the facility is very significant to medical research in Nigeria. The NNPC/CNL JV also recently donated a Polymerase Chain Reaction ("PCR") laboratory to Warri Central Hospital to support the Delta State government in the fight against the COVID-19 pandemic, in addition to other industry-collaborations.

Furthermore, CNL is also committed to the fight against malaria through initiatives such as the Roll Back Malaria programmes, Malaria in Pregnancy, Training of health workers, distribution of Intermittent Preventive Treatment and Artemisinin-based drugs, and Long-Lasting Insecticide Treated Mosquito Nets. Over 46,000 people have benefitted from the malaria prevention education and/or treatment since 2014.

Chevron, the largest contributor to Global Fund against HIV/AIDS, malaria and TB since January 2008, has also supported Global Fund with a total investment of US$60 million in Nigeria, Angola, Indonesia, the Philippines, South Africa, Thailand, and Vietnam.

In Nigeria, Chevron's partnership has contributed to helping more than a million people living with HIV access lifesaving antiretroviral therapy.

Through its social investments in the deepwater space, Chevron and the parties in the Agbami field – Famfa Oil Limited, NNPC, Equinor Nigeria Energy Company Limited, and Prime 127 Nigeria Limited – have been investing in fighting Tuberculosis (TB) with the construction and equipment of chest clinics in Nigeria to support the treatment and care of tuberculosis patients in Nigeria.

Currently 28 of such chest clinics, fully equipped with standard X-Ray machines, male and female wards, treatment rooms, laboratories and Gene Xpert Machines have been completed across the country to support the Nigeria health system. Chevron and the Agbami parties' contributions to the fight against TB was recently recognised through an award presented to the parties by Dr. Mrs. Aisha Buhari, the wife of Nigeria's President and Global TB Champion.

The Agbami parties have also donated nine mother-and-child health care centers and one medical diagnostics laboratory in some States in Nigeria. Some of the donated chest clinics and mother and childcare centers have become useful for COVID-19 response in some states now

Chevron

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27TH FEBRUARY - 3RD MARCH 2022
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Nigeria Achieves 42% Local Content in $20.4bn Spent on Oil, Gas Projects

The Nigerian oil and gas industry has achieved 42 percent local content in $20.4 billion spent on major projects by oil firms between 2016 and 2020 through local content development, as the Federal Government has outlined plans to increase the Nigerian Content through the in-country capacity to 70 percent.

Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB), Engr. Simbi Kesiye Wabote revealed this at the 10th Practical Nigerian Content Conference (PNC) held at the Nigerian Content Tower in Yenagoa, Bayelsa State from 29th November - 2nd December, with the theme “Driving Nigerian Content in the New Dawn of the Petroleum Industry Act (PAI)”.

According to NCDMB, the Nigerian Oil and Gas Industry spent approximately $20.4 billion in key areas such as Engineering, Procurement, Fabrication, Project Management, and Services.

Wabote said, “The top industry spend are $8.07billion on fabrication representing 39 percent of spending; $4.74billion on Engineering services representing 23 percent of spend, and $5.67billion on Procurement of manufactured materials, representing 28 percent of spend.

“While the low spend areas include $1.18billion on Services representing six percent of spend and $746million on project management representing 4 percent of spend, adding that the aggregated level of Nigerian Content across the five categories is 42 percent.

Engr. Simbi Wabote, Executive Secretary, of Nigerian Content Development and Monitoring Board (NCDMB)

“That is why we are keen to ensure that the established in-country fabrication yards are utilized for sanctioned projects such as NLNG

Train-7 as well as drive local manufacturing of goods such as chemicals, hardware, spares, accessories, and other consumables via our commercial venture partnerships and our oil and gas industrial parks.

“We are on track towards the 70 percent Nigerian Content target but we will need the support of all industry stakeholders to make it happen.”

Wabote stated further that the implementation of the PIA (2021) has further reinforced the role of NCDMB in the oil and gas industry, adding, “we are poised to fully utilize the opportunity provided to derive maximum benefit for our country.”

Going forward, he noted that the areas for focus include fabrication and procurement of materials if the industry is to realize the 70 percent target by 2027.

Minister of State for Petroleum Resources, Timipre Sylva who was represented by the Director Human Resources, Dr. Famous Eseduwo, urged the board to stay focused on the implementation of the Nigerian Content 10-Year Strategic Roadmap to grow Nigerian Content to the targeted level of 70% by 2027.

Chief Timipre Sylva, Nigeria's Minister of State Petroleum Resources

Nigeria to Reap Immense Benefits of PIA in 2022 – Sylva

The Minister of State Petroleum Resources, Chief Timipre Sylva in his new year message to stakeholders in the oil and gas sector and to Nigerians in general has said that 2022 will be a great year for Nigeria as PIA will deliver immense benefits to Nigerians.

Chief Sylva particularly stated that following the passage of the Petroleum Industry Bill (PIA) by President Muhammadu Buhari in 2021 that 2022 will be better than 2021 in the nation's socio-political environment.

He, therefore, urged Nigerians to keep the hope of a better Nigeria alive in 2022.

According to him, "This is going to be a great year for Nigeria in the oil and gas sector of the economy. With the Petroleum Industry Act (PIA), Nigeria has set the stage for increase investments in the sector. We now have a law that governs the sector and create confidence in the minds of potential investors and am confident that we will make unprecedented progress in the coming years".

He said "citizens need to continue to think positively of a better Nigeria", adding that the President Muhammadu Buhari government "will do its best to ensure that things continue to get better for the citizenry".

He noted that "2022 is going to be a good year for Nigeria. Things have started shaping up and with our collective support and prayers, we will achieve the Nigeria of our dream. This is not the time to despair but to rekindle our hope of a great and prosperous Nigeria. Just like the Israelite, with God on our side, we will certainly rise from the ashes to zenith of prosperity.

"We need to keep hope alive and dream big in 2022. The outgoing year was a challenging one especially with the Covid-19 pandemic".

The Minister pointed out that despite the challenges that characterised the year "the government of President Buhari was able to make some remarkable achievements in the different sectors of the nation's economy"

More so, the international oil companies (IOCs) operating in Nigeria have once again expressed satisfaction over the new legal framework for the oil industry- the PIA which they insist is the needed panacea for attracting investment into the Petroleum industry in Nigeria.

The oil majors, who recognised the ongoing energy transition, its inevitability and impact on fossil fuels industry, however, called for caution and moderation among Nigerian players in their quest to move to new energies.

FG Earns N174 Billion from 128 Marginal Field Awardees

A total of 128 awardees that emerged as successful bidders in the 2020 Marginal Field Bid Round have made complete and part payments for signature bonuses in the oil fields, the Federal Government of Nigeria said.
It also disclosed that 33 awardees did not make payments during the 45 days window given to successful bidders to pay the required signature bonuses for the oil fields and as such had lost their awards to suitably qualified reserve bidders.

The government further disclosed that it had so far garnered about N174bn from the marginal oil field bid round programme.
It disclosed this in Abuja at a meeting with the marginal field awardees and leaseholders where the Nigerian Upstream Petroleum Regulatory Commission outlined the policy position of government on the 2020 MFBR.

In his keynote address at the meeting, the Chief Executive, NUPRC, Gbenga Komolafe, said efforts were being made to close the bid round and that the commission would support successful awardees who had paid the required signature bonuses.

He said, "Fifty-seven fields were identified for the 2020 bid round exercise and a total of 665 entities expressed interest. After extensive evaluation processes as laid down in the guidelines, 161 entities emerged as potential awardees.

"Signature bonuses for 119 awards were fully paid, nine awards were partly paid for and 33 awards were not paid for. This has resulted in various challenges inhibiting the close-out of the exercise."

Komolafe added, "The marginal field guidelines provided for 45 days for the payment of signature bonus which has since elapsed, and we have issued a public notice to that effect as well as notified the relevant potential awardees.

"It is pertinent to inform you that concerted efforts are being made to ensure that the 2020 MFBR exercise is completed within the shortest possible time."

On May 31, 2021, the defunct Department of Petroleum Resources issued letters of award to investors for the production of crude oil from 57 marginal fields.

The government had stated at the time that some firms emerged successful for the awards and had called up some of them to receive their award letters. Some of the firms include A.A Rano Nigeria Limited, Duchess Energy and Emadeb Energy Services Limited. Others include Matrix Energy Limited, Shafa Exploration and Production Company Limited, Kasiva Limited, DuPaul Mainstream Company Limited and Vhelbherg Exploration and Production Development Company Limited, among others.

Meanwhile, the NUPRC in a presentation it made on Thursday explained that the concept of marginal field was conceived to entrench the indigenisation policy of the government in the upstream sector of the oil and gas industry.

It said the objective was to promote indigenous participation, increase oil and gas reserves as well as ensure enhanced production in Nigeria.

Others were to encourage capital inflow, generate employment and build local capacity in the country's oil and gas industry.

President Buhari Appoints New Management Of NNPC Limited, Demands Transparency, Accountability

President Muhammadu Buhari has appointed the Board and Management of the Nigerian National Petroleum Company Limited, in accordance with the power vested in him under Section 59(2) of the Petroleum Industry Act 2021.

Chairman of the Board is Senator Margret Chuba Okadigbo (South East), Mele Kolo Kyari, Chief Executive Officer, and Umar I. Ajiya, Chief Financial Officer.

Other Board Members are; Dr Tajudeen Umar (North East), Mrs Lami O. Ahmed (North Central), Mallam Mohammed Lawal (North West), Engr. Henry Obih (South East), Barrister Constance Harry Marshal (South South), and Chief Pius Akinyelure(South West).

The appointments take effect from the date of the incorporation of the NNPC Limited.
Also appointed are Executive Commissioners of the Nigerian Upstream Petroleum Regulatory Commission. They are: Dr Nuhu Habib (Kano), Executive Commissioner, Development and Production, Dr Kelechi Onyekachi Ofoegbu (Imo), Executive Commissioner, Economic Regulations and Strategic Planning, Capt. Tonlagha Roland John (Delta), Executive Commissioner, Health, Safety, Environment and Community, and Jide Adeola (Kogi), Executive Commissioner, Corporate Services and Administration.

Earlier appointed are the Board Chairman, CEO, Executive Commissioner, Exploration and Acreage Management, and Executive Commissioner, Finance and Accounts.
New appointees at the Nigerian Midstream and Downstream Petroleum Regulatory Authority are Francis Alabo Ogaree (Rivers), Executive Director, Hydrocarbon Processing, Mustapha Lamorde (Adamawa), Executive Director, Health, Safety, Environment and Community, Mansur Kuliya (Kano), Executive Director, Midstream and Downstream Gas Infrastructure Fund, Bashir Sadiq (Sokoto), Executive Director, Corporate Services and Administration, and Dr Zainab Gobir (Kwara), Executive Director, Economic Regulations and Strategic Planning.

They join the Board Chairman, Executive Director, Downstream Systems, Storage and Retailing Infrastructure, the CEO, and Executive Director, Finance and Accounts, who had earlier been appointed.

For Midstream and Downstream Infrastructure Fund, new Council Members are; Mr Effiong Abia (Akwa Ibom), Bobboi Ahmed (Adamawa), and Engr. Abdullahi Bukar (Katsina).

It will be recalled that President Buhari had last September written the Senate on the administrative structure amendments to the Petroleum Industry Act, which included appointment of Non-Executive Board Members, removal of the Ministries of Petroleum and Finance from the Board of the two new institutions, and appointment of Executive Directors.

President Buhari urged the Board of the newly incorporated Nigerian National Petroleum Company (NNPC) Limited to ensure strict compliance with Corporate Governance principles that place premium on doing business with the highest ethical standards, integrity, and transparency.

Inaugurating the Board chaired by Senator Margery Chuba Okadigbo, the President charged them to focus on profitability and operate at par with its industry peers across the world.
''I expect the NNPC Limited to be mindful of our commitments to our net carbon zero aspirations and to ensure total alignment with the global energy transition realities,'' he said.

The President reminded the Board members that they came on board as a result of the reforms put forward by the Petroleum Industry Act (PIA) 2021, which seeks to reposition the Nigerian petroleum industry to a commercially viable and competitive industry in line with global business dynamics and best practices.

''The Nigerian National Petroleum Company Limited is mandated to focus on profitability and continuous value creation beyond the simple fulfilment of legal and regulatory requirements.

''NNPC Limited is expected to operate at par with its industry peers across the world, while acting as Enabler Company that will foster the development of other sectors of our Economy.

''The inauguration of this Board is a major step in the ongoing transition to a more viable petroleum industry that will attract investment to support our economic growth and generate employment to millions of our people,'' he said.

President Buhari directed that there should be full alignment and synergy between NNPC Limited, the Upstream Regulatory Commission and the Midstream & Downstream Regulatory Authority in compliance with the provisions of the law in all respects to deliver the onerous reforms envisaged for the energy industry.

''NNPC Limited is expected to operate at par with its industry peers elsewhere in the world, while acting as Enabler Company that will foster the development of other sectors of our Economy.''

Coleman to Commence Production of Fibre-Optic Cables in Q1 2022

Mr. George Onafowokan, Managing Director of Coleman Wires and Cables,

West Africa's Largest Wire and Cable Manufacturer, Coleman Technical Industries Limited, has formally announced that it will commence the production of Fibre-Optic cables by January 2022.

The Managing Director of Coleman Wires and Cables, Mr. George Onafowokan, who disclosed this on the company's Instagram page, said that the manufacturing of fibre optic cables by Coleman would place Nigeria in the 5th position in Africa.

Speaking on the production of the cables that will begin in January 2022, Onafowokan stated that the cables would serve telecommunication, oil and gas, and some other sectors.

"The key impact of this is that we will meet up with the local supply and demand of fibre optic cables and the large capacity that we are putting in place on the phase, and which will help us to produce up to 150 to 200,000 kilometers of fibre optic cables of different sizes and that to us is a game-changer for the country.

"The drive for data communication in the country would improve greatly because until now, we were importing the cables.

"This is what Coleman is known for, making it possible to have expertise in the country and we have been able to show that we are capable and irrespective of the problems in the country, a lot of things can still be done.

"That has been our drive and it is a blessing in disguise for Nigeria and we can look for a way to solve the problem of data expansion with the introduction of 5G," Onafowokan added.

Speaking further, Onafowokan further explained that the move is in line with the Federal Government and NCC's drive to have a fibre optic cables manufacturer in the country, adding that this was why the company embarked on the laudable project.

Onafowokan also revealed that the commercial production of fibre optic cables will start from January 2022 and that this will provide fibre optic cables in 48, 96,144, and up to 288 fibres in the country.

He said that the production of fibre optic cables would help Nigeria, knowing fully well that the country has big deficiencies in transmission.

COLEMAN Technical Industries Limited in line with its context and strategic business model is committed to manufacturing quality electrical & telecommunications wires and cables that meet and exceed customers' expectations.

PETAN, NCDMB Drives African Content Series at SAIPEC 2022

Petroleum Technology Association of Nigeria (PETAN) in partnership with the Nigerian Content Development and Monitoring Board (NCDMB) will lead discussions on African Content Series at the sixth Sub Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) to hold on 22 – 24 February 2022 in Lagos.

The SAIPEC African Content Series provides the latest updates on local content policies from African oil-producing countries and opportunities in the successful implementation of local content across a series of discussions from heads of NOC's, IOC's and Independent and Indigenous oil and gas companies.
According to the event organizer, "SAIPEC 2022 will have a full week of activity, starting with the Regulator Roundtable on the 21st, three full days of conference and exhibition, concluding with the PETAN Golf tournament.

"Local content has been and remains the nucleus of the event and we are delighted the African Content Series remains on the second day of the event, spearheaded by PETAN and the NCDMB for a full day of collaborative discussions. With the African Continental Free Trade Area agreement now in full motion, we are starting to realize these partnerships with delegations exhibiting from Uganda, Ghana, Gambia, Senegal, Angola, and Mozambique," stated Paul Gilbert, Director of Global Event Partners (GEP).

From the birth of SAIPEC seven years ago when it was known as WAIPEC – serving primarily West Africa, GEP's mission was to grow the event organically so that it evolves in line with the industry and expands to cover the whole of Sub Saharan Africa.

Paul expressed the company's desire to foster partnerships and find solutions for Africa's growing energy industry and with the backing of PETAN, and some of the best leaders in the industry making up its steering committee, SAIPEC 2022 Comes Back, Bigger and Better!

"We are very pleased that SAIPEC 2022 is able to return in person for its sixth edition and certainly nothing can beat the value that face-to-face connections and meetings have within the industry."

NCDMB, Navy to collaborate on vessel compliance, security

The Nigerian Content Development and Monitoring Board (NCDMB) and the Nigerian Navy on Wednesday agreed to collaborate closely to enforce the Nigerian Oil and Gas Industry Content Development (NOGICD) Act in maritime operations by curbing the use of non–compliant and non–categorized vessels and intercepting illegal vessels and non–compliant crew members on oil and gas locations.

The two organizations would set up a high-level committee that would work out detailed modalities for the collaboration and enable both organizations to accomplish their respective mandates. These decisions were reached during the visit of the Executive Secretary of NCDMB, Engr. Simbi Kesiye Wabote to the Chief of Naval Staff, Rear Admiral Awwal Zubairu Gambo in Abuja.

According to the Executive Secretary, the Board receives alerts regularly via its whistle-blowing portal and would like to investigate such information and recommend genuine cases to the Navy. Other possible areas of collaboration include support to the Board in assessment visits to vessels and provision of information to the Board on vessels and tankers plying the Nigerian waters and oil and gas locations.

Wabote indicated that the Navy is well situated to drive the security aspect of the industry's operations, particularly in securing the nation's shores against piracy and illegal oil bunkering.

He said the Navy's role was critical because the bulk of Nigeria's oil and gas reserves lie along the coastal areas of the country including major infrastructure and plants for hydrocarbon processing and exports.

He also commended the Navy for its efforts in promoting Nigerian Content, notably by engaging the services of indigenous engineers and service companies in the fabrication and maintenance of Navy boats, thereby boosting local content in the industry. He highlighted the need for closer ties particularly because of the Board's long-term vision to increase Nigerian Content levels in the oil and gas sector from the current level of about 40 percent to 70 percent by the year 2027 as part of the Nigerian Content 10-Year Strategic Roadmap.

The Executive Secretary identified the Board's Marine vessels development and categorization strategy as one of the core initiatives that would support the actualization of the 10-Year roadmap. The goals of the Marine vessel initiative are to promote the construction and maintain vessels in Nigerian yards, stimulate ownership of marine vessels by Nigerian entities, grow flagging & registration of vessels in Nigeria, deepen Nigerian manning of marine vessels, and develop world-class ship repairs and shipbuilding yard.

He reported that the Board had made progress in the various aspects of these objectives such as support for the acquisition of marine vessels by Nigerians via the Nigerian Content Intervention Fund managed by the Bank of Industry (BoI), provision of sea-time training for marine cadets, patronage of in-country dry-docks, and the completion of the feasibility study and site selection for the proposed development of shipyard.

Listing some of the achievements of the Board in the past five years, Wabote stated that it had begun the first phase of developing the Brass Island Terminal in Bayelsa State. The facility will carry out repair and maintenance of large ships and vessels such as LNG LNG carriers, VLCCs and maritime equipment such as jack-up rig vessels.

In his comments, Rear Admiral Awwal Zubairu lauded the Board for the numerous achievements it had recorded in implementing the NOGICD Act and pledged the support of the Nany in deepening stakeholders' compliance with the NOGICD Act. He also sought the assistance of the Board in upgrading the Naval shipyard in Lagos, particularly the slipway. While highlighting the Navy's milestones in research and development, the Naval chief sought the Board's collaboration in improving the Navy's R&D capabilities as well as creating a market for their products in the oil and gas industry.

NCDMB trains 100 Niger Delta youths on boat operations

The Nigerian Content Development and Monitoring Board, (NCDMB) has kicked off the Human Capital Development (HCD) training for 100 Niger Delta youths on Boat Operations. The 10 days training which is facilitated by Joemarine Institute of Nautical Studies and Research in Effurun, Delta State seeks to develop manpower that would deliver consistent quality and safe performance with power-driven small boats which are in regular use in swamp operations in the oil and gas industry.

In his keynote address, the Executive Secretary of the NCDMB, Engr. Simbi Wabote hinted that the Board is saddled with the responsibility of developing Nigerian Content in the oil and gas industry. He outlined that the Board's mandate requires the development of local talents, facilities, and assets to support the Nigerian oil and gas operations and its linkage sectors. The Executive Secretary who was represented by the General Manager, Capacity Building Division, Dr. Ama Ikuru mentioned that the training is a demonstration of the Board's commitment towards the development of Niger Delta youths.

He further highlighted that one of the significant challenges facing the Nigerian maritime sector is the inadequate indigenous manpower to support marine operations and the surge in the number of accidents recorded in Nigerian inland waterways.

"To forestall the prevalence of boat accidents and fatalities in our inland waterways, this training will build the capacity of drivers and provide practical knowledge, competence, and certification that will enable you to be abreast with the skills and competencies required for the safe handling of small craft vessels within the Nigerian inland waterways and near-coastal voyage (NCV)", Ikuru said.

Dr. Ikuru congratulated the management of Joemarine Institute of Nautical Studies for providing the platform for the training and charged the participants to believe in their ability to surmount all challenges and succeed.

Delivering in his welcome address, the Managing Director, Joemarine Institute of Nautical Studies and Research, Mr. Kenneth Epidei congratulated the trainees and commended the Board's training initiative in building capacities and opportunities required in the oil and gas industry.

NCDMB to Host Africa Local Content Investment Forum

The Nigerian Content Development and Monitoring Board (NCDMB) has announced plans to host the Africa Local Content Investment Forum (ALCIF) at Eko Hotels and Suites, Lagos on Monday, 7th March, 2022.

The event will provide a platform for African leaders in the oil and gas industry and financial sector, financial institutions, regulators, and regional bodies to meet and shape the future of the oil and gas industry in the continent amidst energy transition realities.

Expected at the event are delegates from 18 countries - mostly from the African Petroleum Producers Association (APPO), 140 financial institutions, and 400 participants from around Africa. The event is being facilitated by the Heritage Times and has its theme as “Developing a Pan African Strategy towards Sustainable Funding of Africa Oil and Gas Projects”.

The ALCIF is a sequel to the 1st African Local Content Roundtable hosted by the Board in June 2021 at the NCDMB Towers in Yenagoa, Bayelsa State.

Speaking ahead of the event, the Executive Secretary NCDMB, Engr. Simbi Kesiye Wabote stated that the Africa Local Content Investment Forum would seek to elevate Africa’s indigenous oil producers and national oil companies as the next generation of project producers involved in equity financing of exploration and field development activities.

He said the forum would also position Africa’s oil and gas service companies as funding blocks for research and development of technology required for exploration and production operations and position Africa’s financial institutions as providers of debt financing for oil and gas projects.

He noted that “the ongoing global energy transition is driving most international oil companies (IOCs) to declare commitments to reduce carbon emissions thereby scaling down investments in hydrocarbons development in favour of expanding renewable portfolios.” He added that leading global financial institutions are also reducing or eliminating portfolio allocations to oil and gas projects.

The Board’s sponsorship of the Africa Local Content Investment Forum (ALCIF) is in furtherance of the Nigerian Content 10-Year strategic Roadmap, which has a key aspiration to promote Local Content across the African continent and ensure access to market for oil and gas capacities that have been developed locally. The Board had consistently provided guidance to several African countries on the implementation of local content policies in their jurisdictions.

According to the organisers, the local content policy which has been implemented successfully in the Nigerian Oil and Gas Industry offers one of the most appealing economic development models for a self-reliant and resilient African economy.

They also noted that the energy transition agenda is posing new challenges to Africa in its quest to develop without dependence on finance, technology, and manpower from other geographical locations.

Africa accounts for eight percent of the world's hydrocarbon reserves, with an estimated 126.388 billion barrels equivalent. The continent contributes three percent of global Gross Domestic Production despite having a population of over 1.373 billion people and being the second largest and second-most-populous continent on earth.

Analysts believe that the continent has the human resource base to leverage its hydrocarbon, minerals, and other natural resources to improve its Gross Domestic Product (GDP) contribution.

NMDPRA Partners NLNG to Solve Nigeria’s Energy Challenges

The Chief Executive Officer, Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) Engr. Farouk Ahmed, said the Authority was ready to partner with the Nigerian Liquified Natural Gas (NLNG) towards solving Nigeria’s energy challenges and increase gas use in cooking, transportation and power generation.

A press statement made known to The Energy Republic, which was issued stated that he spoke in Abuja when he received the management of the NLNG on a courtesy visit to his office.

He commended the NLNG for its focus in prioritizing domestic supply which has had a significant impact on deepening gas consumption in the country.

The NMDPRA helmsman reiterated Federal Government’s goal of deepening LPG/CNG especially for Autogas as an alternative to Premium Motor Spirit (PMS) to cushion the effect in situation of upward spike in oil prices.

Meanwhile, the Managing Director, NLNG, Dr Philip Mshelbila, said the company will continue to prioritise the growing domestic LPG market and increase utilization by supplying 100per cent, its Propane and Brutane production.

Mshelbila also revealed the ongoing plans of the NLNG to commence operation for the Nigerian domestic LNG market this year, in line with the government’s plans to boost local consumption.

He explained that the move was part of the NLNG’s dedication to participate in industrializing Nigeria by providing efficient energy in line with the Federal Government’s developmental initiatives and as one of the two focus areas of the company.

Their other area of focus is to remain globally competitive.

He pledged the company’s dedication and commitment to making Nigeria an energy-sufficient nation.

He gave assurance that the Authority, as the regulator of the midstream and downstream, will put in place polices that will not stifle businesses but rather level the playing field and stimulate economic growth and job creation in the industry.

FCMB Leads in Modular Refinery Financing, Backs Duport Energy Park

An energy park, consisting of a modular refinery, gas processing facility, compressed natural gas plant, a refined product terminal, a 20 megawatts power plant and data centre constructed by Duport Midstream Company Limited and financed by First City Monument Bank (FCMB) is set for completion and commissioning in March this year.

MD/CEO of FCMB, Mrs. Yemisi Edun, announced this during an inspection tour of the management of the Bank to the facility located at Egbokor, Orhionmwon local government area in Edo State on January 13, 2022.

Speaking after assessing the project, Mrs. Edun restated the commitment of the Bank to championing and supporting initiatives that would fast-track national development across all sectors of the economy.

According to her, "our partnership with Duport Midstream Company Limited is progressive and will positively impact many sectors of the economy. So, we are excited to fund this project and pleased with the progress achieved. It will help meet part of our local petroleum consumption needs, reducing fuel importation and forex loss when fully operational. Replicating this model will strengthen the value of the naira in the long run and create job opportunities in the petroleum value chain.

Also speaking, the Chief Executive Officer of Duport Midstream Company Limited, Dr. Akintoye Akindele, restated that the project would be commissioned in March as soon as the government approves it.

He informed that, "the regulator will come for inspection and ensure that all we designed are ready. Then, we will start testing in the next 30 to 45 days for the government to confirm that it meets all standards. However, this will be delivered in modules. Phase one will be going live in the next 30 days. After we get approval from the Department of Petroleum Resource (DPR) to go live, we will start with a 2,500 barrel per day refinery, 40-million-scf gas processing, 5 megawatts power, a data centre and almost 20,000 metric tonnes of storage. Our plan after the initial take-off is to add the other modules to it quarterly and biannually. In that way, we will be able to utilise assets optimally, avoid wastage, look after the environment and create jobs".

Akindele added that when the energy park finally comes on stream, it would leverage infrastructure to deliver energy to the country, reduce dependence on importation of petroleum products, create jobs and ensure optimal utilisation of the nation's assets.

He further disclosed that the company also has expansion plans for a 10,000 barrel per day refinery, 60-million-scf gas processing plant, 10-million-scf compressed natural gas plant, 50 megawatts power plant, which are part of the facilities to be delivered in the park.

First City Monument Bank (FCMB) is a member of FCMB Group Plc, Nigeria's leading and most diversified financial holding company with subsidiaries that are market leaders in their respective segments. The Bank has built a strong base in various sectors of the nation's economy by consistently offering cutting-edge solutions to its customers across segments.

Having transformed successfully into a retail banking and wealth management-led group, FCMB expects to continue to distinguish itself through innovation and the delivery of exceptional services.

Mrs. Yemisi Edun, MD/CEO of FCMB

First City Monument Bank (FCMB) Limited is a member of FCMB Group Plc, which is one of the leading financial services institutions in Nigeria with subsidiaries that are market leaders in their respective segments. Having successfully transformed to a retail and commercial banking-led group, FCMB expects to continue to distinguish itself by delivering exceptional services, while enhancing the growth and achievement of the personal and business aspirations of our customers.

First City Monument Bank Limited
The Bank, which is the flagship company of the Group, is a full service commercial bank with a strong retail focus. It employs over 3,000 employees with a customer base of over 5 million customers and 205 branches and cash centres distributed across every state of the Federal Republic of Nigeria. The Bank is a top 10 lender in Nigeria and parent company of two subsidiaries: FCMB UK Limited and Credit Direct Limited (a leading consumer finance company providing financial support to 100,000 new customers every year).

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FCMB Capital Markets Limited is licensed, by the Nigerian Securities and Exchange Commission, as an issuing house and financial advisor. FCMB Capital Markets Limited provides advice and arranges finance for public institutions and top-tier companies across various sectors. The specific services provided include corporate finance and strategic advice; project and structured finance; mergers and acquisitions including divestments, spin-offs and leveraged buy-outs; and corporate restructuring including delisting. FCMB Capital Markets Limited remains a market leader in its field.

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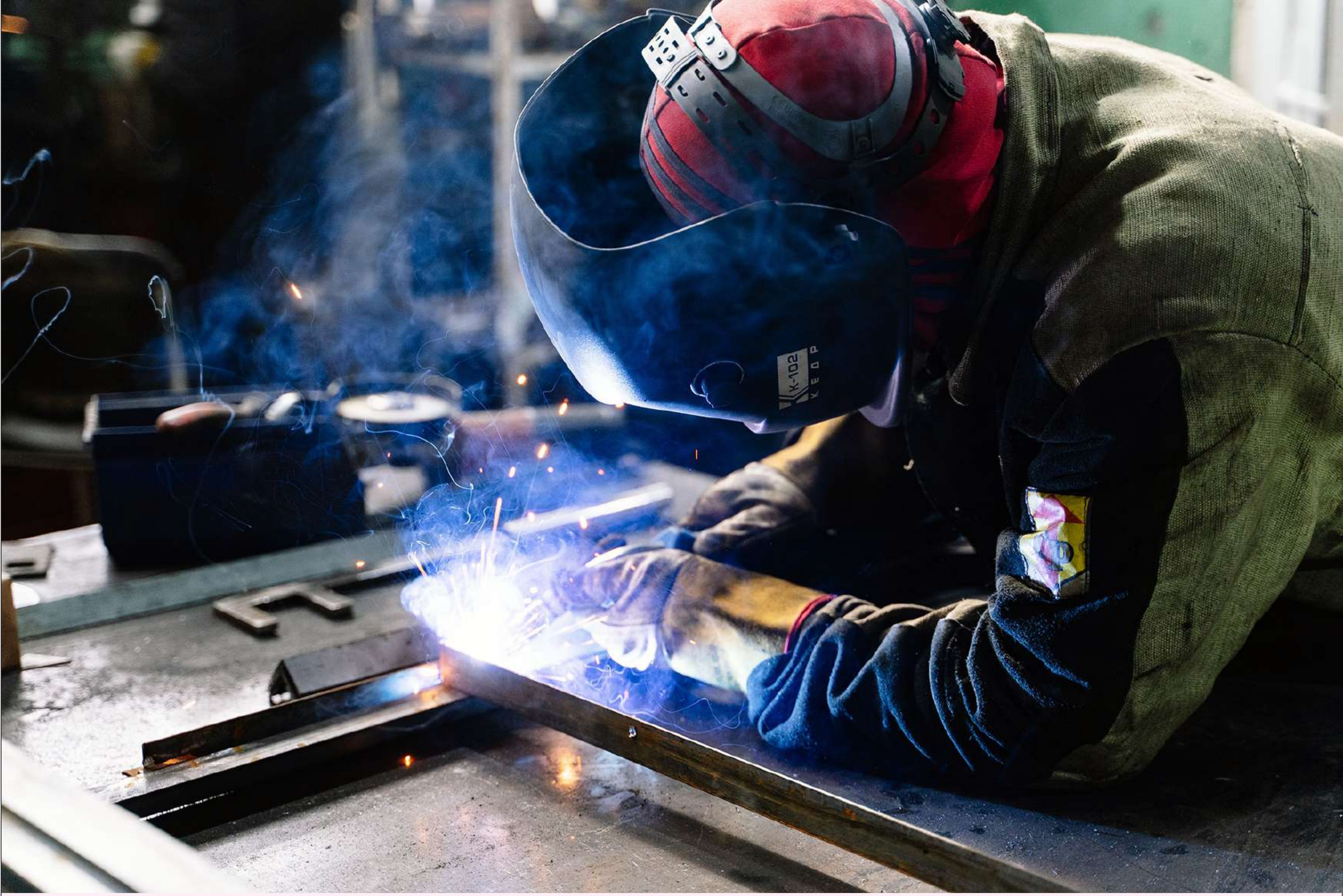

NIGERIA OIL AND GAS

NIW DEVELOPING AND DEPLOYING NEW METHODOLOGIES TO DEEPEN NATIONAL WELDING CAPABILITIES TO OPTIMIZE MANUFACTURING IN-COUNTRY

Nigeria retained her position as Africa's leading economy in terms of GDP size in the last rating. It is however essential to critically ponder why this status does not necessarily reflect on her ability to self-manage complex processes, to technically bench mark key infrastructure projects, to steadily create and sustain creation of opportunities for her vastly youthful and growing population.

According to Ayo Adeniyi, Chief Executive of NIG ANB, "despite decades of activities in materials manufacturing, the reality begging for attention is that Nigeria is yet to attain 50% of her potentials in terms of materials manufacturing. She is yet to attain that flexible and extensive capacity for manufacturing that guarantees solutions when needed, and commands deep level of industrial confidence beyond national muzzling of investors. She needs to advance her practices to present manufacturing solutions that are competitive alternatives and not just national demands"
In his words "Nigeria has successfully sail up to the reef. It is time to go beyond the reef, to expand the elasticity of her industrial capabilities, quantitatively and qualitatively. This is the renewed thrust! Go beyond the reef

Nigeria has verifiably made commendable strides in the development of human and institutional capacities in welding the last two decades. A feat tactically driven through the support of Petroleum technology development fund and the Nigerian content development monitoring board for NIG ANB's rigorous quality framework in the development of personnel skills and management models that meet high technical standards and leading to the award of IIW international personnel diplomas.

Nigeria's Manufacturing Value Chain - The Post Covid Awareness
The combined impact of covid-19 and the emerging energy transition window, has stirred a deeper awareness on the urgent need to develop and unleash both sub surface and broader capacities to harness more or all of Nigeria's value chain opportunities in manufacturing. Beyond meeting technical requirements, low scores in creation of industries and job openings, retention of expenditures, availability and reduced cost of industry solutions are still burning issues begging for attention.

According to Ayo Adeniyi of NIG-ANB, to address both the current and future needs of the Nigeria's manufacturing industry, is the reason NIGERIA has keyed in The Welding Federation (TWF); A strategic and deeper end approach to join efforts and resources with sister nations across Africa, to develop harmonized manufacturing solutions that will act as tools to further the development of Nigeria's manufacturing capabilities into high end activities. Opportunities untapped at the moment are in millions of dollars in revenue, creation of industries and employment generation.

TWF Welding Personnel Qualification and Certification Schemes
This new model initiates a disruption of the norm, calibrates existing technical system and aims to reposition welding capacity as a primary economic driver in terms of employment creation, engagement and possible export of skills where and when required.
In the words of Mazi Sam Onyechi, President of OGTAN at the last NCDMB PNC forum,

"although IIW and TWF personnel qualification and certifications both meet mandatory technical standard requirements, both schemes have different goals and objectives. The latter being more of an economic driver than just a personnel development scheme. It is time to change the narrative for good-Therefore for welders, fitters and welding inspectors, TWF personnel qualification should now be the way to go. The benefits to this approach is of extensive economic and technical impact.

The Welding Federation (TWF) is Africa's body of national associations, societies, organization associated with welding technology. TWF is that continental vehicle for building the manufacturing capacities of Africa's member countries, by collectively collating and interpreting data for the development of harmonized schemes accessible to member states in Africa. Advancing the growth potential of Africa's welding market, for member countries to harness adequately supply chain opportunities in manufacturing.

Manufacturing in Africa is currently bedeviled by multiple level challenges well advanced beyond the capacity or capability of any single member state. The dynamics at play demands a deep end integrated approach.

Nigeria just like other African countries are therefore coming together with sister states to develop solutions for the growth of her national manufacturing industries for increased value addition to both national and continental GDP growths.

In the words of TWF President John Tarboton from South Africa; "I believe strongly in the power of alliances and continental collaboration is vital at this critical juncture in Africa's manufacturing sector amidst the new COVID-19 reality facing the globe. Training programs from TWF will also expose welders, fitters, and pressure vessels inspectors to world-class quality standards to ensure weld production excellence and will help position the continent as a contemporary welding pioneer in the years to come."

NIG-ANB is Nigeria's technically accredited body for the implementation of International Institute of Welding (IIW) and The Welding Federation (TWF)'s welder and welding personnel development schemes leading to the award of IIW International and TWF continental Diplomas respectively.

Oando Appoints Clean Energy Expert into Board to Drive Renewable Business

Following its recent foray into clean energy which is now one of its strategic business units (SBUs), Oando Energy Resources, has appointed an environmentalist, Mrs. Nana Mede, into its board of directors.

The energy solutions provider announced Mede's appointment in a statement issued on Sunday, adding that she would bring her expertise to ensuring the company's clean energy ambitions were actualised.

Oando described the appointment of the new clean energy driver of the company as crucial.

Mede has served as a permanent secretary at the Federal Ministry of Environment, where she coordinated the formulation of the Nigerian Intended Nationally Determined Contribution (INDC) document on Greenhouse Gases (GHG) in relation to Climate Change.

The INDC document was presented by President Muhammadu Buhari at the Conference of Party (COP 21) in Paris, 2015.

Oando ...the energy to inspire

The company also announced the appointment of another seasoned female professional, Mrs Ronke Sokefu, into its board of directors, explaining that the appointment of women into its board showed its sensitivity to gender balance and gender inclusion in the Nigerian energy sector.

Sokefun, an Alumnus of Oando, has over 35 years of work experience, according to the statement.

In 2002, she moved to the Oando Group, where within a few years, she rose to the position of Chief Legal Officer.

The statement added that during this period, Sokefu also sat on the board of the telecom's giant – Celtel/Zain (now Airtel) as an alternate director.

"A review of Oando's culture shows that it has been conscious of the imbalance within the sector and as such, has always prioritised two things: strengthening indigenous capacity and ensuring gender parity wherever possible," Oando stated.

It said today, 43 per cent of the company's workforce is female, compared to 22 per cent across the industry.

It added that, of this, 33 per cent of executive-level employees are female with the hope that its female representation on its board continues to grow.

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NLNG set to supply 100% of its LPG production into Nigeria

The Board of Directors of Nigeria LNG Limited (NLNG) has approved the supply of 100% of the company's LPG production (Propane & Butane) to the Nigerian market. Consequently, NLNG will prioritize the domestic market for 100% of its Butane production, otherwise known as cooking gas.

The milestone is coming just three months after the Company supplied its first Propane cargo into the domestic market and has developed a scheme to sustainably supply Propane for usage in cooking gas blending as well as in agro-allied, autogas, power and petrochemical sectors of the Nigerian economy to further deepen gas utilisation in Nigeria.

These initiatives are designed to increase LPG availability in Nigeria, diversifying its uses and support the Federal Government's Decade of Gas initiative. NLNG is currently the highest single supplier of LPG into the domestic market, with an estimated 400,000 metric tonnes supplied in 2021.

Speaking on the development, the Managing Director and Chief Executive Officer of NLNG, Dr. Philip Mshelbila, said the announcement marked the Company's strong commitment to the continued growth of the domestic LPG market and its passion to increase utilisation of one of the most versatile energy sources in the world.

He said the Company was inclined towards helping to build a strong economy based on the gas resources that Nigeria is abundantly blessed with, and that natural gas could help drive the economy by providing cooking gas for homes, supporting industrialisation, powering mobile cell sites and complex transportation systems, impacting food supply through its usage for fertilizer production and increasing power supply to both homes and industries while reducing the country's carbon footprint.

According to Mshelbila, "Gas, as the cleanest of the fossil fuels, has become an essential energy source to be reckoned with during this energy transition period. Other countries are revolutionising their energy industry to cut down on carbon emissions drastically. Nigeria should not be left out in this drive, considering its abundant gas resources. Gas is essential for life and living at the moment, because it can support everything we will need to develop our economy and create better living standards for Nigerians. We need to change the narrative, and NLNG is being pragmatic about it.

"We are ardently following up on the commitment we made in March 2021 at the NLNG-sponsored pre-summit conference of the Nigeria International Petroleum Summit (NIPS) 2021 organised by the Federal Ministry of Petroleum Resources to support the Decade of Gas declaration by the Federal Government. We are driven by our vision to remain a globally competitive LNG company helping to build a better Nigeria and are making a reality of our collective dreams that one day we can switch all cooking fuels to gas, and power our vehicles with gas as encapsulated in the government's National Gas Expansion Program and the Autogas Policy," he said.

"Committing 100% of our LPG supply is a major milestone in our journey of domestic gas supply. We supplied our first Butane (LPG) cargo into the domestic market in 2007, which helped to develop over the years the LPG industry in Nigeria from less than 50,000 tonnes to over 1 Million tonnes market size annually by the end of 2020. In 2021, we increased our LPG supply commitment from 350,000 metric tonnes (or 28 million 12.5kg cylinders) to actual delivery of 400,000 metric tonnes (or 32 million 12.5kg cylinders) thereby directing most of our production into the domestic market.

But this was not enough for NLNG, hence this commitment to do all that we possibly can and supply 100% of our LPG production to the domestic market," Dr. Mshelbila added.

For over 12 years, NLNG's intervention in the supply of Lique ed Petroleum Gas (LPG) otherwise known as cooking gas to the domestic market under the NLNG Domestic LPG (DLPG) Scheme has helped minimise the rate of death associated with the use of dirty fuel sources for cooking.

It has also stimulated growth in the industry by guaranteeing LPG supply availability and affordability and enabling the development of a value network for a sustainable ecosystem towards a better Nigeria. Between 2007 and 2019, NLNG cumulatively supplied over 1,802kt of LPG into the domestic market, spurring a steady rise in annual domestic consumption in a market that was below 50kt per annum in 2007 to over 800kt per annum in 2019. To ensure steady supply of products, deliveries are made through NLNG's dedicated vessel chartered for the DLPG Scheme.

The ongoing DLPG market deepening strategy yielded some further dividends with the commencement of deliveries to Stockgap terminal in Port Harcourt, as part of deliberate moves to encourage growth of the sector beyond Lagos and reduce the impact of congestion of the Lagos ports on deliveries into the market.

Following the Domestic LPG industry study commissioned by NLNG in 2016 which projected growth of up to 3,000ktpa by 2026, subject to implementation of various interventions across the value chain, NLNG intensi ed its advocacy drive with the government aimed at facilitating the implementation of specific industry and policy initiatives necessary for the attainment of this projected market growth and development.

This led to the establishment of a Programme Management Of ce (PMO) to drive the National LPG Expansion Initiative led by the Vice President of the Federal Republic of Nigeria. NLNG has also maintained its leadership role in the industry, as a member of the Governing Council of Nigeria LPG Association. NLNG also became a member of the World LPG Association.

NLNG is an incorporated Joint Venture owned by four Shareholders, namely, the Federal Government of Nigeria, represented by Nigerian National Petroleum Corporation (49%), Shell Gas B.V. (25.6%), TotalEnergies Gaz & Electricite Holdings (15%), and Eni International N.A. N. V. S.àr.l (10.4%).

NLNG Begins Hospital Support Programme, Signs MoU with Six Teaching Hospitals

Nigeria LNG (NLNG) Limited has signed Memoranda of Understanding (MOU) with six Nigerian teaching hospitals nationwide, flagging off the implementation of its multi-billion-naira Hospital Support Programme (NLNG HSP).

The six hospitals were selected as part of the first phase of the NLNG HSP. The NLNG HSP targets 12 hospitals from the six geographical zones in the country.

The teaching hospitals in Phase 1 include Lagos University Teaching Hospital (LUTH), Lagos; University of Abuja Teaching Hospital (UATH), Gwagwalada; Aminu Kano Teaching Hospital (AKTH) Kano; University of Benin Teaching Hospital (UBTH), Benin; University of Calabar Teaching Hospital (UCTH), Calabar; and Niger Delta University Teaching Hospital (NDUTH), Yenagoa. The Managing Director/Chief Executive Officer, NLNG, Dr. Philip Mshelbila, signed the MoUs on behalf of the Company with the hospitals.

Dr. Osagie Ehanire, Minister of Health, represented by Director, Public Private Partnership and Diaspora Unit, Federal Ministry of Health, Dr. Omobolanle Rosemary Olowu; Deputy Managing Director, NLNG, Engr. Sadeeq Mai-Bornu, members of NLNG's Extended Management Team and officials of the six teaching hospitals witnessed the signing of the MoU at the Transcorp Hilton Hotel in Abuja.

Speaking at the MoU signing ceremony, Dr. Mshelbila said the Hospital Support Programme was the Company's response to the pressure on the medical sector during the Covid-19 pandemic. He stated that NLNG and its partners in the project would significantly impact the healthcare system in the country by improving the fitness status of the beneficiary medical facilities.

The NLNG Hospital Support Programme (HSP) is the second part of NLNG's national Corporate Social Responsibility (CSR) initiative. The first part was the University Support Programme (USP) for construction/rehabilitation of modern engineering laboratories, equipped with cutting-edge equipment in six universities, namely the University of Ibadan, University of Ilorin, University of Port-Harcourt, University of Maiduguri, Ahmadu Bello University, Zaria, and University of Nigeria, Nsukka. The USP project has since been completed.

The HSP is the latest addition to several significant CSR projects the Company is implementing. Over the weekend, NLNG signed a Memorandum of Understanding with the Rivers State University Teaching Hospital (RSUTH) to support a strong healthcare system in Rivers State.

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Nigeria LNG Limited

NLNG Signs MOU with RSUTH for New Infectious Diseases Unit

Nigeria LNG Limited (NLNG) has signed a Memorandum of Understanding (MoU) with Rivers State University Teaching Hospital (RSUTH) for the provision of a multi-million naira Infectious Diseases Unit to support robust healthcare delivery in Rivers State.

At a signing ceremony for the Memorandum of Understanding (MoU) with the hospital's management, NLNG's Managing Director/Chief Executive Officer, Dr Philip Mshelbila, represented by General Manager, External Relations and Sustainable Development, Mr. Andy Odeh, said NLNG was committed to supporting healthcare delivery in Rivers State as part of the pursuit of its vision of "helping to build a better Nigeria."

He stated that the Company was seeking to support the development of the tertiary health institution to provide excellent medical care for Rivers State residents while also catering to the training needs of medical students and resident doctors.

Mr. Odeh stated further that NLNG was committed to working with partners to transform healthcare delivery in the state, adding that the intervention at RSUTH was a manifestation of the Company's resolve to stand with the people of Rivers State and to reciprocate the goodwill and support to the Company over the years.

The RSUTH project is an addition to several projects being executed by the Company in the healthcare sector in Rivers State. NLNG continues to support the Bonny Community Health Insurance Programme (BCHIP) to help improve access to quality healthcare services for residents of Bonny Island. Some progress is being achieved in the Bonny Malaria Eradication Programme, which targets cutting down malaria-related mortality among women and children under five and making Bonny Island Nigeria's first malaria-free zone. The Malaria Eradication programme is implemented in collaboration with U.S. Agency For International Development (USAID).

NLNG and the U.S. Center for Disease Control and Prevention (CDC), through the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), are also involved in the HIV/AIDS Surge Project, which focuses on the control of Human Immunodeficiency Virus (HIV) on Bonny Island.

TotalEnergies, Partners Inaugurates 11 Projects in Nigeria's Six Geo-Political Zones

TotalEnergies and its Oil Mining Lease (OML) 130 Partners have commissioned 11 projects across the six geo-political zones of Nigeria this year in an effort to actualize its Corporate Social Responsibility (CSR) vision.

The projects were initiated, executed and inaugurated under Batch three projects to mitigate the gaps in qualitative and technical education, maternal and child health, access to clean water and women and youth empowerment.

The projects scattered across the country range from Information Communications Technology, ICT centres, to borehole and water treatment plants, mammography centres, state-of-the-art secondary school structures, solar-powered water projects, and solar hybrid power plants.

The OML 103 TotalEnergies partners included NNPC, CNOOC, Prime 130 formerly Petrobras and Sapetro.

While the Esan Model Boys Grammar School, at Uromi, Edo state, and the Comprehensive High School, Aiyetoro, Ogun state each got Information and Communications Technology, ICT centre, the Federal Medical Centre, FMC, Yenogoa, Bayelsa, and the Niger Delta University Teaching Hospital, Okolobiri, Bayelsa State became beneficiaries of mammography centres.

On the 16th and 23rd of November respectively, the Community Secondary School, Ufuma, Orumba North LGA, Anambra state, and Government Girls Secondary School, Maiduguri, Borno played host to dignitaries, as fully-equipped state-of-the-art secondary school structures were commissioned within their school premises.

Solar-powered water projects made up of two borehole units and water treatment plants were commissioned at Ndibe community, Afikpo, Ebonyi State, the Hassan Usman Katsina Polytechnic, Katsina State, and at the Ahmadu Bello University Teaching Hospital, Tundun Wada Zaria, Kaduna respectively, thus ending the perennial outbreak of waterborne diseases in the communities who mostly depended on streams and rain as sources of water.

Also completed and commissioned is a

Mike Sangster, Managing Director, TotalEnergies E&P Nigeria

60KW solar hybrid power plant that was delivered to the Faculty of Science, University of Maiduguri, UNIMAID on the 24th of November.

TotalEnergies and its OML 130 Partners also completed the design, supply and installation of solar power systems at the University of Nigeria Nsukka, Enugu State.

Speaking during the handover ceremonies of the projects, Managing Director, TotalEnergies Upstream Companies in Nigeria, Mike Sangster, said the completion and commissioning of the project were in furtherance of the Corporate Social Responsibility initiatives of its deepwater operations.

''The completion and commissioning of this project is in furtherance of the Corporate Social Responsibility initiatives of our Deepwater Operations.

These projects were borne out of the need to mitigate the gaps in Qualitative and Technical Education, Maternal & Child Health, Access to Clean Water, and Women & Youth Empowerment.

They are in congruence with the related United Nations Sustainable Development Goals", adding that locations of these projects were carefully chosen for maximum impact, coming from needs assessment carried out before the deployment.

In 2016, TotalEnergies commenced its robust plan to deploy CSR Infrastructure developments across the country.

In its 1 Phase, a total of 33 projects were launched in 2017 in the areas of Education, Health, Capacity Building and Access to Water across the country.

Twenty-Eight projects have since been completed. In its 2nd Phase another 24 projects were launched in 2018 and yet another 27 projects were launched in 2019 in the 3rd Phase. Out of these 56 ongoing projects in the 1st, 2nd and 3rd Phases, 10 were commissioned in November, while 45 are still under construction, to be commissioned on completion.

Bala Wunti, Group Generel Manager, National Petroleum Investment Management Services, NAPIMS, said NNPC will continue to consistently champion the implementation of Sustainable Community Development projects that will positively impact the lives of the citizens of this country.

"The completion and commissioning of this project in 2021, Corporate Social Responsibility initiatives of the Nigerian Government through its Oil and Gas sector is in furtherance of NNPC vision for social intervention is to continue to operate in an ethical and sustainable manner and deal with the environment and social impacts occasioned by our activities.

"We pride ourselves in our slogan "we touch your lives in many positive ways" hence the approval for the deployment of various CSR projects by our operators across the country for maximum impact.

"NNPC along with its Partners have implemented various projects in the areas of education (building and equipping of schools/ classrooms, laboratories, donation of books, scholarships, Quiz competitions, etc.) skill acquisitions and economic empowerment, healthcare, solar power and other infrastructural intervention projects.

"These projects were borne out of the need to mitigate the gaps in Health Care, Quality Education, Water, and Women & Youth Empowerment in line with the relevant Millennium Development Goals (MDG).

"NNPC and its Partners are socially responsible organizations committed to improving the livelihood of the citizens of our great country, Nigeria".

TotalEnergies

SNEPCO Receives Crystal Award At PH POLO-CLUB 50th Anniversary

ENERGY giant, Shell Nigeria Exploration and Production Company (SNEPCO) bagged the Crystal Award at the prestigious Port Harcourt Polo Club's 50th Anniversary celebrations, at the Rivers State capital recently. The Port Harcourt Polo Club President, Engineer (Dr.) Chukwudi Dimkpa, said "SNEPCo has been honoured in recognition of your uncompromising dedication and support of the equestrian sport of Polo in Rivers State".

Figure 1 Right: Shell Corporate Relations Manager, Mr. Evans Krukrubo, receives the Crystal Award for Shell Nigeria Exploration and Production Company (SNEPCo) from Dr. Emi Membere-Otaji, Managing Director/CEO, Elshcon Group of Company, at the ceremony to celebrate the prestigious Port Harcourt Polo Club 50th anniversary… recently.

Receiving the award, Managing Director of SNEPCo, Mrs. Elohor Aiboni, said, "SNEPCo sees the award and the Port Harcourt Polo Club, now in its 50th year, as a celebration of the values, mission and legacies of the Port Harcourt Polo Club built over the last 50 years and which have made the Port Harcourt Polo Club a landmark in the story of the development of the Niger Delta region. SNEPCo is grateful for the opportunity to be a part of this noble history."

Aiboni, represented at the event by Shell Corporate Relations Manager, Mr. Evans Krukrubo, said, "I restate here our commitment to being a socially responsible organization. This is embedded in the way we carry out our day-to-day business, where we work with local organizations around our operations to make them also aware of their own roles to ensure that local communities and businesses enjoy the benefits of Shell operations. In this way, we co-create the climate for development that we all desire."

She said, "This Crystal Award is to all of us of SNEPCo because it celebrates positive outcomes of well-thought-out collaborations; one supported fully by NNPC (Nigerian National Petroleum Corporation) and our co-venturers, Esso Exploration and Production Nigeria, TotalEnergies and Nigerian Agip Exploration (NAE). It is, as you have described, the result of our collaboration over the years."

Aiboni said SNEPCo has several collaborations with organisations that have either distinguished themselves in their chosen fields or are positioned to provide support for much needed socio-economic development in our country. "This deliberate strategy has enabled SNEPCo to make key contributions in various sectors of Nigeria's economy, including being the pioneer in Nigeria's deep-water oil and gas production at Bonga, a project that increased Nigeria's oil capacity by 10% when it began producing in 2005," she said.

"Bonga is located 120kilometres offshore and lies in water more than 1,000 metres deep across an area of 60 square kilometres. It has the capacity to produce more than 200,000 barrels of oil a day and 150 million standard cubic feet of gas a day. The Bonga Floating, Production, Storage and Offloading (FPSO) vessel is at the heart of the field's development, "Aiboni said.

TotalEnergies EP Nigeria Appoints Frederick Asasa as Chief Financial Officer

TotalEnergies EP Nigeria limited has announced the appointment of Mr. Frederick Asasa as Chief Financial Officer and member of the company's Corporate Executive Committee (EXCOM) with effect from January 1st, 2022. He succeeds Mrs. Tai Oshisanya who will retire from the Company at the end of March, 2022.

Mr. Asasa brings to the position over three decades of extensive experience in finance. He joined TotalEnergies in 1999 as Head of Accounts and has since held several senior positions within the Company in Nigeria and at its headquarters in France.

Until his appointment, Mr. Asasa was Finance Controller responsible for group financial reporting activities of affiliates in the North Sea, Russia and Continental Europe at TotalEnergies EP Headquarters in Paris, France.

He had previously been seconded as Finance Controller at the Nigeria Liquefied Natural Gas (NLNG) Limited and more recently as the General Manager, Deepwater Assets' Finance, TotalEnergies EP Nigeria Limited.

With a bachelor's degree in Mathematics and an MBA, Mr Asasa is a Fellow, Institute of Chartered Accountants of Nigeria (FCA) and Fellow of the Chartered Institute of Taxation of Nigeria (FCTI).

Lagos State Develops New Electricity Policy for Reliable, Affordable Energy

Lagos State Government has developed a new "Electricity Policy", in providing cleaner, reliable, affordable and uninterrupted power supply to residents in the state.

During the unveiling of the policy on December 2021, Lagos State Governor, Mr Babajide Sanwo-Olu, said that the electricity policy articulated constitutional, legal, engineering and commercial foundations for creating a viable sub-national electricity system that would cater for energy needs of the state.

He said that such viable sub-national electricity system would enable socio-economic growth for Lagos and the nation at large.

According to him, the state moved to explore alternative energy supply channels, in response to growing demand, occasioned by population growth and emergence of new residential and industrial areas.

"Energy requirement that will keep Lagos economy on the path of growth, has far exceeded the current 1,000 megawatts being supplied from the national grid, necessitating the move to explore alternative sources.

"Given Lagos state's status as the commercial nerve-centre and economic hub of Nigeria, it is our firm belief that the attainment of universal electricity access in the state will accelerate the same across other parts of the country.

"There will be no economic development without sustainable energy. The economy needs energy to run, and our objective as a government is to deliver sustainable, reliable and affordable electricity to all residents.

"The electricity policy being unveiled today do not only articulate the problems in the sector, it is also futuristic in the implementation of its provisions," he said.

Sanwo-Olu said the state would ramp up procurement of pre-paid meters for distribution to residents, as part of the implementation of the electricity policy.

He said that this would promote transparency in the supply chain, while curbing electricity theft and discouraging estimated billing from the suppliers.

The governor said the objectives of the electricity policy would only be realisable if the private partners showed equal commitment as the government, to boost capacity in off-grid generation and distribution network.

"As a government, we believe one person cannot do it all. We need ideas and knowledge from each other, and form real partnership for coordination in the implementation of this framework.

"We must continue to ensure profitable partnerships to push investments, be audacious and accountable," he said.

In his welcome address, the Commissioner for Energy and Mineral Resources, Mr Olalere Odusote said the government was committed to improving electricity supply in the state.

Odusote said the electricity policy would define and describe the short, mid and long term requirements, toward ensuring universal, clean, affordable and interrupted power supply to residents.

He said that one of the important roles of the policy was that it would help to establish and boost the Lagos Electricity Market (LEM).

The commissioner said the electricity policy, apart from clearing out constitutional and legal framework for investors' assurance, also provided for the establishment of an autonomous regulatory body and independent system operator.

He said that Lagos government would hinge its partnership with the industry players, on well-funded and well-managed generation, transmission and distribution.

Lagos State is the commercial centre of the country with a considerable number of manufacturing and service industries. Lagos State accounts for about 30% of the national GDP and 50% of the non-oil GDP.

Lagos has historically been the location for "firsts" in electricity development in Nigeria; the first ever electricity generating set, the first streetlights and first electric lamps in the country were installed in Lagos in 1896 at the site of what is now the Eko Electricity Distribution Company Limited's headquarters at Marina. These occurred even before Nigeria came into being.

The Nigerian Electricity Supply Industry (NESI) has since gone through several evolutions leading to its present status.

Lagos State has resolved to drive a new Policy and Strategic Framework that will significantly improve the viability of investments in the Lagos State Electricity Market.

The State Government will take direct responsibility for developing, growing, and regulating a Lagos Electricity Market as prescribed in the 1999 Constitution (amended).

Lagos State would be the fifth largest economy in Africa if it were a country.

NNPC Adopts Agressive Funding Strategies; Secures $5bn from Afreximbank

By Ndubuisi Micheal Obineme

The Petroleum Industry Act (PIA) 2021 has ushered in a new paradigm in the Nigerian Oil and Gas industry and created a more promising business climate by attracting foreign direct investment and ensuring prosperity in the sector.

The PIA has created an opportunity for NNPC to be incorporated as a limited liability company (guided by the provisions of Nigeria's Company and Allied Matters Act - CAMA) and transit to a self-financing and self-governing National Energy Company.

The incorporation of NNPC comes with immense benefits to the new entity (NNPC Ltd), the industry, and Nigeria. This includes the NNPC Ltd.'s ability to leverage its strategic partnerships within the energy industry ecosystem to raise fresh capital, as well as acquire, invest, and operate quality assets.

NNPC Ltd under the leadership of the GMD/CEO Mal. Mele Kyari is seizing the enormous opportunities presented by PIA to transit NNPC Ltd into a fully integrated and well-diversified energy company with a portfolio across the entire energy value chain as well non-energy portfolios to ensure national energy security, sustainable revenue to the government and promote socio-economic development of the country.

Based on this, NNPC Ltd has launched an aggressive Funding Strategy to raise financing to invest in quality upstream assets to grow production and monetize the abundance of natural gas in Nigeria. In this Funding Strategy, NNPC Ltd is seeking to raise about $3bn corporate finance to fund major upstream investment from a few committed lenders. The funding is to be used to finance the acquisition of an interest in quality upstream oil and gas producing assets. This acquisition strategy is an integral part of the NNPC Ltd corporate strategy to rebalance its portfolio by divesting from toxic assets and acquiring choice strategic assets that will help support its long-term strategic objectives.

In line with this Funding Strategy, the NNPC Ltd has secured a $5bn corporate finance commitment from the African Export-Import Bank to fund major investments in Nigeria's upstream sector. This was announced after a meeting between the Chairman of the Board of Directors and President of the African Export-Import Bank (Afreximbank), Prof Benedict Oramah; and the NNPC Ltd team led by Mal Mele Kyari, in Cairo, Egypt recently.

This fundraise is following the legislation passed into law by President Muhammadu Buhari in August 2021 – the Petroleum Industry Act, where the NNPC was re-incorporated as a commercially oriented limited liability company. Raising $5 billion will now enable them to acquire and operate producing oil and gas assets in Nigeria.

According to several local and international sources sighted by NIPC Intelligence, the funding commitment was the outcome of a meeting between the NNPC Ltd team led by the Group Managing Director/Chief Executive Officer, Mele Kyari, and the Chairman of the Board of Directors and President of the African Export-Import Bank(Afreximbank), Benedict Oramah in Cairo, Egypt on Wednesday.

The reports further state that NNPC and the Afreximbank agreed to, among other things, deepen the business collaboration between the two institutions.

"The bank agreed to enter into a financial advisory and fundraising role to raise $5bn towards the "acquire, invest and operate energy" producing assets in Nigeria as part of NNPC's growth strategy following its incorporation as a limited liability company."

"As part of the landmark transaction, Afreximbank will also underwrite $1bn as part of forwarding sales base trade finance transaction."

"The NNPC and Afreximbank also explored the innovative idea of establishing a pan-African Energy Transition Bank and agreed to collaborate towards achieving the objective," the reports further said.

Highlighting the significance of the PIA to the NNPC and by extension the Nigerian economy, the NNPC GMD stated that the PIA provides enormous business opportunities for NNPC Limited.

He said the PIA has raised shareholders' expectations on the company, even as it has given it a wide room to make progress.

According to the CEO, the PIA had put "all money-making options on the table; it is up to us to take advantage of it".

He said as a result of the PIA, NNPC Ltd would not only shed some of its toxic liabilities but will be the largest and most capitalised company in the whole of Africa and, potentially, the most profitable on the entire continent.

The Petroleum Industry Act was enacted to provide for the legal, governance, the regulatory, and fiscal framework for the Nigerian Petroleum Industry, the establishment, and development of host communities and other related matters in the upstream, midstream and downstream sectors of the petroleum industry.

EXCLUSIVE STORY

Dr. Oladunni Owo

National President of Women in Energy, Oil & Gas (WEOG)

Developing a Roadmap will Harness Nigeria's Energy, Oil, Gas Resources

Dr. Oladunni Owo, National President of Women in Energy, Oil & Gas (WEOG) has said that developing a long-term industry roadmap will harness Nigeria's energy oil, gas industry to reach its full potential for growth opportunities and economic prosperity.

Speaking at the Practical Nigerian Content 2021 in Yenegoa, Dr. Oladunni, called on the Federal Government of Nigeria to develop a Roadmap for the energy, oil, and gas industry.

She insisted that there should be a developmental plan for 10 – 20 years which will serve as a Roadmap to harness the country's oil and gas resources.

As the Western world is transiting from fossil fuels to renewables, She said, Nigeria should look inward to design its narrative for Energy Transition rather than replicating what the Western countries are doing.

"We don't have to copy everything from the Western world because it will not work in Nigeria."

She continued, "We need to understand that crude oil isn't just about energy. Crudeoil is about cloth, fertilizer, petrochemicals, pharmaceuticals, asphalt, roads. Most of our roads aren't even developed. The bitumen that is extracted from crude oil can also be used on our roads.

"Countries like Japan have decided to focus on Hydrogen. While some other countries are using technologies to reduce carbon emissions."

She stressed that Nigeria is the fifth-largest oil-producing country and 9th largest gas reserve in the world, but, it spends about 13 billion dollars yearly to subsidize imported PMS, AGO, DPK among others.

"It doesn't make sense. We need to define our narrative to reduce the capital flight and begin to look inward as the money we are going out to look for, is here."

"The first narrative if we want to win this battle, we need to look inward. What can we do with what we have?.

"The Dangote refinery is coming up and there is some number of modular refinery in Nigeria. These are areas we need to start looking at.

"Secondly, we also need to consider funding our energy, oil, and gas projects. If we research the products we can get from crude oil, we will discover that 85% is still on manufacturing products. This is the money that BOI should give to the manufacturing industry to develop our industries.

"We need to develop a roadmap and we will realize that the fund we are looking for outside, is here in Nigeria.

"Government and private sector should work closely to design Nigeria's energy transition narrative. Let's design a blueprint on how we can fully utilize our energy resources.

"We need solutions for our energy industry such as establishing an energy developmental bank".

She added that Nigerian Women Entrepreneurs are working on establishing a financial institution to support their business activities in major industries.

According to her, "It is a coalition of 52 Women associations across Nigeria. We have sent the details to Aso Rock".

Corporate Profile

Dr. Oladunni is an experienced business executive and an oil and gas expert with almost 2 decades of professional experience and expertise spanning through the entire value chain including inbound logistics, outbound logistics, sales, marketing, enterprise resource planning, operations, terminals , warehouse , customer relations, projects and services management.

In addition, She provides hands-on expertise in strategic analytical designs for executive decision making, new business planning, business development, business process mapping and modeling. Her expertise is graced with extensive international exposure focused on delivering excellence in all assigned areas.

Dr. Oladunni is a result oriented / target driven leader, influencer and change agent with strong analytical, strategic, business and customer management skills. She supports and empower businesses for maximum result and sustainable performance.

Areas of specialties:

- Consulting, training, mentoring and coaching
- Downstream oil and gas
- Renewable Energy
- Customer & Vendor relationship management
- Supply Chain Management
- Mergers and Acquisitions
- Training and education management
- Sales and marketing
- Investment banking
- Business startups and SMEs

DETAIL Publishes New Report on Petroleum Industry Act

DETAIL, Nigeria's leading commercial solicitors' firm, has published a new report outlining the latest updates in the Nigerian Petroleum Industry Act (PIA).

The report titled "Oil and Gas Guide 2021" provides a clear understanding of the structures in the PIA, and the new business models in the entire value chain of the Nigerian oil and gas industry.

The report, delivered to The Energy Republic, outlines the new reforms in the petroleum ownership & licensing frameworks, environmental laws, and the roles of government institutions under the Petroleum Industry Act in ensuring the transparency and accountability of the oil and gas industry to attract more investment opportunities.

Based on our findings, the report pointed out some key enablers in the licensing framework, such as the award process of granting licenses or leases to companies operating in the upstream sector and delineating the broad categories of licenses and permits that will be issued.

The report stated that all existing Oil Prospecting Licenses ("OPLs") and Oil Mining Leases ("OMLs") will automatically be converted to Petroleum Prospecting Licences ("PPLs") and Petroleum Mining Leases ("PMLs") respectively upon their expiration.

The effect of conversion is that the holders of the PPLs or PMLs will be subject to the fiscal regime and incentives under the PIA from the conversion effective date.

According to DETAIL, "The report aims to provide an overview of the pertinent changes and introductions made by the PIA concerning the oil and gas business in Nigeria."

"In Chapter 1 of this report, the petroleum ownership structure in Nigeria and the governance institutions in the oil and gas industry are considered."

"In Chapter 2, we examined the licensing framework under the PIA while in Chapter 3, we took a dive into the investment frameworks available to investors wishing to operate in the Nigerian oil and gas industry.

"On the other hand, the divestment options open to investors exiting the oil and gas business in Nigeria are treated in Chapter 4 of the report."

"The PIA introduces some reforms in the regulatory framework for the gas sector of the petroleum industry which is x-rayed in Chapter 5 of the report. Furthermore, the PIA makes elaborate provisions for the development of oil and gas host communities which are examined in Chapter 6.

"In Chapter 7 of the report, the new fiscal regime introduced by the PIA is examined."

"Finally, in Chapters 8 and 9 of the report, we provided insight on the principal petroleum and environmental laws and regulations now regulating activities in the oil and gas industry."

Shell, Chevron, TotalEnergies, Others Confirm Support for SAIPEC 2022

Shell Nigeria, SNEPCo, Chevron, and Welltec are the latest partners to join the Sub Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) network, to deliver its 6th edition which will take place at the Eko Hotel and Convention Centre from 22-24 February 2022.

Hosted by the Petroleum Technology Association of Nigeria (PETAN), they join a growing list of international leading industry players including the Nigeria National Petroleum Corporation (NNPC), the Nigerian Content Development and Monitoring Board (NCDMB), and most recently ND Western and Neway Valve.

SAIPEC brings huge opportunities for engagement and collaborations and to identify the opportunities that will develop Africa's oil, gas, and energy industry.

With a full and varied programme guided by an esteemed steering committee, SAIPEC 2022 continues to place its emphasis on the future of the oil and gas industry through Sub-Saharan Africa with collaboration at the forefront of its objective.

This is driven by PETAN, as a representative of Nigeria's leading indigenous technical service providers in the upstream, midstream, and downstream sectors.

The SAIPEC program will stretch across three days with both strategic and technical streams as well as the return of the African Content Series, Women in Industry, SAIPEC Prospecting, and the SAIPEC Awards.

With over 80% of the SAIPEC exhibition space already full and hosted in a fully COVID safe environment, it provides a world-class solution to develop business across the industry's full value chain, allowing you to reconnect face to face and network with both existing and new customers.

NGA Releases Communique on PIA, Calls for Further Engagement to Clarify Key Issues

The Nigerian Gas Association (NGA) has called for further engagement and clarification on certain sections of the recently assented Petroleum Industry Act (PIA) to ensure unambiguity in their implementation.

The NGA disclosed this in a communique issued at the end of its 2021 Business Forum and Annual General Meeting (AGM), which held virtually last Tuesday.

Some of the areas the Association identified for clarification include Section 110 of the Act, which has to do with Domestic Gas Delivery Obligations. NGA argued that engagement and clarification is needed on this section because of "the nature and extent of domestic gas obligations and the scope of the discretion to be wielded by the regulators given the commercial, contractual technical and financial considerations underlying investments to meet such obligations."

The Association also argued that Sections 125 (6) & 174 (6), which have to do with licensing requirements, lack clarity on what the specific terms for the licensing of midstream or downstream gas or petroleum liquids post the 18-month transition period is.

Under Sections 125 (6), it said there is a potential overlaps in the roles of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA).

"PIA imposes an obligation on upstream operators under the regulatory purview of NUPRC as well as holders of other licenses or permits who are also engaged in activities in midstream or downstream gas operations prior to the effective date of the PIA to apply to NMDRA within 18 months from the effective date of the PIA for the appropriate licenses or permits, as applicable," NGA argued.

On Section 52 (5), which has to do with Industry Representation on Governing Council of Midstream and Downstream Gas Infrastructure Fund, NGA said: "The PIA currently does not provide for industry/private sector representation on the Governing Council of the Midstream and Downstream Gas Infrastructure Fund. This is key for credibility in the administration of the fund."

ED Ubong, Managing Director of Shell Nigeria Gas, President of Nigeria Gas Association

On pricing, it said: "The PIA needs to be more specific about time-bound triggers for transitioning from a regulated to a market-driven (willing-buyer-willing-seller) pricing framework as this will ensure investments can be made with definitive and applicable fiscal terms. Some immediate short-term options could be explored while pricing reform is in progress, including allowing producers operate under their existing contracted terms or transition to willing-buyer-willing-seller by 2023. The NGA would like to see a pathway that could be adopted to deliver a pricing reform and long-term liberalization of the domestic gas market."

It noted that fiscals for stand-alone non-associated gas developments need to be included in the Act.

"The NGA as a committed stakeholder in the gas sector hopes and expects that these and many other issues that may emanate as the implementation of the PIA progresses will be clarified in the form of regulations and possibly amendments to the Act as required in the near future.

"The NGA stands ready to be a part of the consultative process with the relevant agencies and stakeholders to ensure a successful implementation of the PIA and accelerated development of the Nigerian Gas Sector development during this decade of gas," it said.

NGA, however, applauded the provisions of the PIA targeted at unlocking the petroleum industry particularly the gas sub-sector and the ingenious approach in terms of the preservatory provisions of the Act to ensure continuity of existing licensees and protect existing investment and operations. These includes: Consideration and treatment of natural gas as a stand-alone resource and providing clarity on the investment framework in the gas sub-sector; preservation of existing license, leases, permits as well as the gas sale agreements contracts issued or entered into prior to the effective date of the PIA; incorporation of key industry principles, including the Network Code principles, nondiscriminatory Third-Party Access into the PIA; establishment of the Midstream and Downstream Infrastructure Fund; and introduction of a new reduced royalty and taxation system for gas.

"The signing of the Petroleum Industry Act (PIA) into law by President Muhammadu Buhari on the 16th of August 2021 is a welcome development for the Nigerian Gas Association (NGA) and stakeholders in the Nigerian gas sector value chain. Moreso, at a time where Nigeria needs to urgently position and craft a sustainable and viable plan for leveraging and utilizing gas as a transition fuel for its economic and industrial growth in the midst of a world-wide race to net zero carbon emissions," NGA stated.

"Overall, the PIA is expected to usher in improved investments in the gas sector. This potential for improved and increased investments must be situated within the larger business environment in Nigeria in terms of a credible and viable commercial framework, certainty of the regulatory framework, security, ease of doing business, provision of infrastructure and other related factors.

"From the fiscal regime and pricing viewpoint, the PIA introduces improved fiscal terms for the domestic upstream gas supplier though pricing is still deemed to be regulated without specific triggers for transition to a free market.

"In terms of the governance and regulatory framework, the PIA has positively established a delineated framework for the regulation of activities in the upstream, midstream and downstream gas operations as well as the licensing and fiscal framework which in the past had been subsumed under oil exploration and production.

"The establishment of the Nigerian Upstream Regulatory Commission (NUPRC) as well as the Nigerian Midstream and Downstream Regulatory Authority (NMDRA) is a step in the right direction and the NGA anticipates that we should see both the NUPRC and NMDRA come into operation assuming the relevant roles of the defunct Department of Petroleum Resources (DPR) and ensuring a smooth transition for both agencies and the stakeholders in the sector."

PHOTO STORY: NIGERIAN GAS ASSOCIATION Visits NMDPRA

L - R - Mr Taji Ogbe, Executive Secretary of NGA; Engr. Foarouk Ahmed, Chief Executive of Nigerian Midstream & Downstream Petroleum Regulatory Authority (NMDPRA); Mr. ED Ubong, President of NGA; Dr. Abraham Eju, Study Groups Coordinating Chair of NGA

NGA President Visits Chief Executive of Nigerian Midstream & Downstream Petroleum Regulatory Authority (NMDPRA), Submits Communique on the areas of regulatory improvement to support accelerated gas development

INDUSTRY NEWS

Global Oil & Gas Investments to Increase by Over 4.3% to reach $628B in 2022 – Rystad Energy

A new report from Rystad Energy stated that an "outstanding concern" in 2022 is execution challenges related to the pandemic and increased inflationary costs for steel and other input factors. "These are likely to make operators mildly cautious regarding significant capital commitments … major offshore operators are being challenged on their portfolio strategy as the energy transition unfolds, with many exploration and production companies already directing investment budgets to low-carbon energy sources."

Audun M. Martinsen is Partner and Head of Energy Service research at Rystad Energy.

Speaking further, Rystad Energy's head of energy service research, Audun Martinsen, said: The pervasive spread of the Omicron variant will inevitably lead to restrictions on movement in the first quarter of 2022, capping energy demand and recovery in the major crude-consuming sectors of road transport and aviation.

"But despite the ongoing disruptions caused by [the] Covid-19, the outlook for the global oil and gas market is promising," he added.

Below are some of the key points in the report:

- The increase in investment will largely be driven by a 14% year-on-year rise in upstream gas and liquefied natural gas investments in 2022.

- Upstream gas and liquefied natural gas will be the fastest-growing segment this year, with investments rising to nearly $149bn, from $131bn in 2021. This falls short of the pre-pandemic total but investment in the sector is expected to surpass the 2019 levels of $168bn in two years, reaching $171bn in 2024.

- Upstream oil investments are projected to rise 7 per cent yearly to $307bn in 2022. However, the midstream and downstream investments will fall 6.7 per cent on annual basis to $172bn this year.

- Global shale investments are predicted to surge 18 per cent to reach $102bn this year, almost $16bn more than last year.

- The offshore investments are set to reach $155bn, up 7 per cent annually, while conventional onshore will jump 8 per cent to $290bn this year.

- This year's investment growth is very much "pre-programmed" by the $150bn worth of greenfield projects sanctioned last year, up from $80bn in 2020, Rystad said.

- Approving activity in 2022 is likely to mirror last year's levels, with a similar amount of project spending to be unleashed in the short to medium term.

- Regionally, Australia and the Middle East stand out in terms of investments.

- Investments in Australia are expected to rise 33 per cent owing to the greenfield gas developments.

- In the Middle East, investments will rise 22 per cent this year as Saudi Arabia boosts its oil export capacity and Qatar expands production and LNG export capacity.

Kuwait National Oil Company Boss, Haitham Al-Ghais Appointed as Next OPEC Secretary General

Haitham Al-Ghais, Deputy Managing Director for International Marketing at Kuwait Petroleum Corporation (KPC)

The Deputy Managing Director for International Marketing at Kuwait Petroleum Corporation (KPC), Haitham Al-Ghais, has been appointed as the next Secretary-General of the Organisation of Petroleum Exporting Countries, (OPEC.)

Based on our findings, a new OPEC Secretary General will be elected to take over from Nigeria's Mohammed Sanusi Barkindo who term of office will end in July 2022 after serving two terms of three years each.

The New elected Secretary-General of OPEC emerged at a Special Meeting of the Conference of OPEC held via videoconference on Monday, January 3rd 2022.

The meeting was held under the Chairmanship of its President, H.E Bruno Jean-Richard Itoua, Congo's Minister of Hydrocarbons and Head of its Delegation.

In accordance with Article 28 of the OPEC Statute and in application of the procedure decided at the 182nd Meeting of the Conference on December 1, 2021, the Conference decided by acclamation to appoint him as Secretary-General of the Organization, with effect from August 1, 2022, for a period of three years.

Mr Al-Ghais, a veteran of the Kuwait Petroleum Corporation (KPC) and Kuwait's OPEC Governor from 2017 to June 2021, currently serves as Deputy Managing Director for International Marketing at KPC.

He Chaired the Joint Technical Committee (JTC) of the Declaration of Cooperation (DoC) in 2017 and subsequently served as a Member of the JTC until June 2021.
In its decision, the Conference expressed appreciation to HE Mohammad Sanusi Barkindo for his leadership during his two-term tenure as Secretary General beginning on August 1, 2016 and ending on 31 July 2022.

A long-serving veteran of Nigeria's oil industry and OPEC, Mr Barkindo has been instrumental in expanding OPEC's historical efforts to support sustainable oil market stability through enhanced dialogue and cooperation with many energy stakeholders, including the landmark DoC since its inception in December 2016.

These efforts are widely credited with helping to stabilise the global oil market since the unprecedented market downturn related to the COVID-19 pandemic, and providing a platform for recovery.

Before being appointed Secretary-General, Mr Barkindo held a number of key roles at OPEC between 1986 and 2010, including as Acting Secretary General in 2006.

He is known internationally for helping to produce the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto protocol as the leader of Nigeria's technical delegation to the UN negotiations in 1991.

GECF Appoints New Secretary-General

His Excellency Eng. Mohamed Hamel from the People's Democratic Republic of Algeria has assumed office as the fourth Secretary-General of the Gas Exporting Countries Forum (GECF), the global platform of leading gas exporting countries.

He was appointed to the helm of the 18-country energy organization at the 23rd GECF Ministerial Meeting, presided by the Plurinational State of Bolivia on 16 November 2021 for a period of two years commencing 1 January 2022, in accordance with the GECF Statute.

An engineer by profession, HE Eng. Hamel is a familiar face in the energy sphere and brings a long and distinguished career to advance the GECF at a time when natural gas is emerging as a frontrunner to shape a stable, secure, and clean global energy landscape for the future.
HE Eng. Hamel said: "Natural gas will continue to play a crucial role in the future in alleviating energy

ED Ubong, Managing Director of Shell Nigeria Gas, President of Nigeria Gas Association

poverty, fuelling economic growth, and expanding prosperity, whilst at the same time contributing to the protection of the environment, both at the local level in terms of air quality improvement and at the global level in terms of climate change mitigation."

Some of HE Hamel's prominent previous roles include serving as a Member of the Board of Governors of OPEC, a Member of the Executive Committee of IEF, and a Member of the Executive Board of the GECF. He has played an advisory role to OPEC Secretary-General as well as the Minister of Energy and Mines of Algeria.

HE Eng. Hamel began his career at Algeria's state-owned Sonatrach, where he rose through the ranks to eventually become Vice President of Strategy and Planning, a role he reprised at the GECF in shaping the organization's Long-Term Strategy (2017-2022).

HE Eng. Hamel graduated from two prestigious engineering schools in France: the "Ecole Polytechnique de Paris" and the "Ecole Nationale Supérieure des Mines de Paris".

GECF

HE Eng. Mohamed Hamel, GECF Secretray General meets HE Ernesto Max Tonela, Minister of Energy and Mineral Resources of Mozambique

GECF And Mozambique Inch Closer On Energy Cooperation

The Gas Exporting Countries Forum (GECF), the global platform of the leading gas exporting countries, led by its Secretary General HE Eng. Mohamed Hamel held a series of talks with senior officials from the gas-rich Republic of Mozambique on Wednesday (26 January).

Although Mozambique is not a large-scale exporter of natural gas as yet, latest figures from the GECF's Global Gas Outlook 2050 places the southeast African nation of 30-million as the fifth largest exporter in the world by mid-century. The country has been looking to the 18-member coalition for spurring its nascent gas sector, previously joining high-level GECF Meetings on several occasions, including the 22nd GECF Ministerial Meeting presided by Algeria in November 2020.

In the first round of meetings, HE Hamel met with HE Ernesto Max Tonela, the Minister of Energy and Mineral Resources of Mozambique. He expressed his sympathy on the loss of life and property caused by the tropical storm Ana. HE Hamel underlined the remarkable potential of natural gas to Mozambique's economic future and assured HE Tonela of unrelenting support of the GECF.

"We would be honoured and delighted to see Mozambique joining the Forum, as it becomes an LNG exporter by the end of this year," stated HE Hamel to HE Tonela via videoconference.

HE Tonela remarked that Mozambique values GECF as a credible, intergovernmental platform. He also signalled that Mozambique is considering to join the ranks of GECF.

Mozambique's keenness in the GECF came under the spotlight again when HE Hamel paid a courtesy visit to the newly-established Embassy of Mozambique in Doha, Qatar, also on Wednesday.

HE Hamel was received by HE Isac Mamudo Massamby, Ambassador Extraordinary and Plenipotentiary of Mozambique to the State of Qatar. HE Hamel congratulated HE Massamby, who officially took up his position as Mozambique's first ever ambassador to Qatar in November 2021.

During the meeting, Ambassador Massamby informed HE Hamel on recent developments in Mozambique, notably in natural gas. He also said that Mozambique intends to send a high level delegation to join the 6th GECF Summit of Heads of State and Government, taking place in February 2022 in Doha, Qatar.

Gas Exporting Countries Forum (GECF) is an international governmental organisation currently comprising of 18 Member Countries – Algeria, Bolivia, Egypt, Equatorial Guinea, Iran, Libya, Nigeria, Qatar, Russia, Trinidad and Tobago, Venezuela, Angola, Azerbaijan, Iraq, Malaysia, Norway, Peru, and the United Arab Emirates, which together represent 70% of the proven gas reserves, 44% of its marketed production, 52% of pipeline, and 51% of LNG exports across the globe. It is headquartered in Doha, Qatar.

Being a foremost energy association, officially established in 2008, the GECF has recorded notable milestones in its evolution and remains committed to supporting its Member Countries in the pursuit of global energy security and meeting the world's growing energy demand, while proving to be reliable suppliers of natural gas – a prominent contributor in the global pursuit towards net-zero emissions energy systems and attainment of the 2030 Sustainable Development Goals.

Michael Wirth, Chveron Corporation Chief Executive Officer

Chevron To Spend $15 Billion Capital, Exploratory Budget for 2022

Chevron Corporation has announced its 2022 capital and exploratory spending program of $15 billion, at the low end of its $15 to $17 billion guidance range and up more than 20% from 2021 expected levels.

This capital program supports Chevron's objective of higher returns and lower carbon, including approximately $800 million in lower carbon spending.

The program excludes expected inorganic capital of $600 million in anticipation of the formation of a renewable fuel feedstocks joint venture with Bunge.

"The 2022 capital budget reflects Chevron's enduring commitment to capital discipline," said Chevron Chairman and CEO Mike Wirth. "We're sizing our capital program at a level consistent with plans to sustain and grow the company as the global economy continues to recover."
Consistent with its track record of returning excess cash to shareholders, the company is raising its share buyback guidance range to $3 to $5 billion per year, versus prior guidance of $2 to $3 billion per year. "We're a better company than we were just a few years ago. We're more capital and cost-efficient, guided by a clear and consistent objective to deliver higher returns and lower carbon," Wirth continued. "And this enables us to return more cash to shareholders."

Chevron's planned capital and exploratory expenditures for upstream both in the Unites State and international put at $12billion.

In the upstream business, approximately $8 billion is allocated to currently producing assets, including about $3 billion for Permian Basin unconventional development and approximately $1.5 billion for other shale & tight assets worldwide.

Additionally, $3 billion of the upstream program is planned for major capital projects underway, of which about $2 billion is associated with the Future Growth Project and Wellhead Pressure Management Project (FGP / WPMP) at the Tengiz field in Kazakhstan.

Finally, approximately $1.5 billion is allocated to exploration, early-stage development projects, midstream activities and carbon reduction opportunities.

Approximately $2.3 billion of planned organic capital spending is associated with the company's downstream businesses that refine, market and transport fuels, and manufacture and distribute lubricants, additives, and petrochemicals. This also includes capital to grow renewable fuels and products businesses.

Chevron is one of the world's leading integrated energy companies. We believe affordable, reliable and ever-cleaner energy is essential to achieving a more prosperous and sustainable world. Chevron produces crude oil and natural gas; manufactures transportation fuels, lubricants, petrochemicals and additives; and develops technologies that enhance our business and the industry. We are focused on lowering the carbon intensity in our operations and seeking to grow lower carbon businesses along with our traditional business lines.

Royal Dutch Rebrands as Shell Plc

Shell announced the Board's decision to change its name to Shell plc on December 20, 2021. This change has now taken effect.

Euronext Amsterdam, the London Stock Exchange and the New York Stock Exchange have been informed of this name change and it is anticipated that Euronext Amsterdam and the London Stock Exchange will reflect the change of name on Tuesday January 25, 2022, while the New York Stock Exchange will follow on Monday January 31, 2022.

Shareholders should note that their shareholdings will be unaffected by the change of name and existing share certificates should be retained as they will remain valid for all purposes and no new share certificates will be issued.

The ISINs, SEDOLs, CUSIPs and ticker symbols of the company's A shares and B shares and A ADSs and B ADSs will remain unchanged for the time being but will change in accordance with the remaining steps of the Simplification as set out in the announcement released on December 20, 2021. The Company's Legal Entity Identifier (LEI) remains 21380068P1DRHMJ8KU70.

Subsea 7 awarded project offshore US Gulf of Mexico

Subsea 7 has formerly announced the award of a substantial1 project for subsea installation services related to Beacon Offshore Energy LLC's Shenandoah Development, located offshore Gulf of Mexico in water depths up to 6,300 feet.

The project covers the tie-back of four subsea wells to the Shenandoah host facility through a subsea manifold with dual flowlines and risers. The work scope includes engineering, procurement, construction, installation ("EPIC") and commissioning of the subsea equipment including structures, umbilicals, and production and gas export flowlines. Subsea 7's scope also includes the wet tow and hook-up of the semi-submersible FPS to the field and mooring system installation.

Project management and engineering will commence immediately at Subsea 7's offices in Houston, Texas. Fabrication of the flowlines and risers will take place at Subsea 7's spoolbase in Ingleside, Texas, with offshore operations scheduled for 2024.

Craig Broussard, Vice President for Subsea 7 US, said, "We are pleased to have been selected as a partner for the delivery of the Shenandoah

Craig Broussard, Vice President for Subsea 7 US

development. This project allows Subsea 7 to demonstrate the full capacity of our offering, including our extensive involvement in mooring and installation of host facilities, EPIC activities related to the flowline system, and utilizing our industry leading experience and welding capabilities to support the development of high-pressure fields. We look forward to building on the collaborative approach demonstrated by the Shenandoah project to form a long-term cooperative relationship in support of Beacon Offshore Energy's future growth plans."

Subsea 7 defines a substantial project as being between USD 150 million and USD 300 million.

Subsea 7 have an established local presence in all the major offshore energy regions worldwide. Our local joint ventures and partnerships support local economies and deliver sustainable energy development. The company's Subsea and Conventional business unit is a global leader in delivering projects and services to the offshore Oil and Gas industry.

Subsea 7 deliver a full range of early concept and design, engineering, procurement, construction and installation (EPCI), heavy lifting, IRM and decommissioning services. Through early engagement, the company's multi-disciplinary teams can design and deliver the right solutions for clients who want early delivery at an optimised cost.

Subsea 7 provide several different operational models, for example, fully-integrated solutions through our Subsea Integration Alliance offering, long-term partnership agreements and standalone Subsea Umbilicals, Risers and Flowlines (SURF) solutions.

Subsea 7 engineering services and enabling technologies protect the integrity and optimises the performance of subsea infrastructure, ensuring safer, sustainable and more economic subsea operations throughout the life of field. The company is the leading experts in inspection, repair and maintenance (IRM), integrity management, drill rig support, production enhancement and decommissioning support services.

Fugro partners with University of Houston on workforce development effort

Fugro has joined the University of Houston (UH) and its four partnering universities, UH-Downtown, UH-Victoria, UH-Clear Lake and Sam Houston State University, on a collaborative project to advance Geo-data science skills in the energy sector.

The project, "Data Science for the Energy Transition," is being funded through a 3-year grant with the National Science Foundation (NSF) and will offer undergraduate and master's students specialised training in statistical and machine learning techniques for subsurface Geo-data.

Fugro's role as an industry partner on the project is to provide UH with real-world Geo-data and guidance on their use for hands-on training opportunities.

Advances in Geo-data science are needed to keep pace with the global demands for renewable energy sources, including offshore wind.

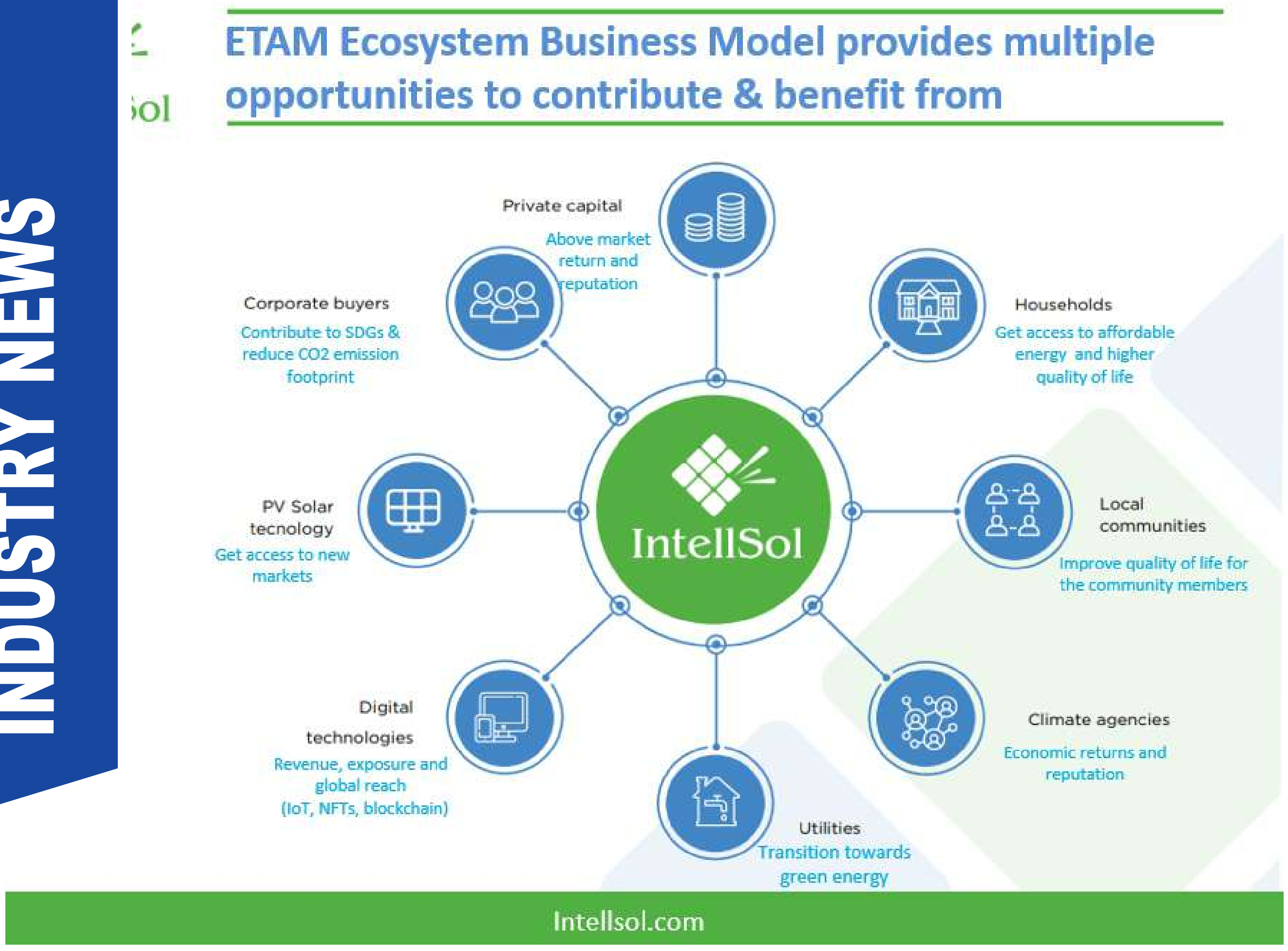
Requiring extensive Geo-data coverage over vast lease areas, innovative computing techniques can help operators shorten the development schedule by making critical information available more quickly.

As an example, Fugro has developed a machine learning solution for mapping boulder fields from seafloor data to uniquely identify and analyse thousands of boulders.

Accelerating the site investigation phase through this kind of automation helps lower capital investment and the levelized cost of energy for offshore wind projects.

"We are pleased to partner with UH on this project and are committed to advancing Geo-data analytics and computing skills in the energy sector," said Jason Smith, Fugro's Global Director for Geo-data Analysis and Geoconsulting. "Conventional and renewable energy development benefits from more automated application of Geo-data.

"As a UH alumnus, I am proud to be leading Fugro's involvement on this project and look forward to the partnership's contribution toward a safe and liveable world."



Intellsol Develops Energy Transition Accelerator Model to Deploy Photovoltaic Residential Technologies

Intellsol Energy Solutions ("IntellSol"), a Geneva-based company, has developed the Energy Transition Accelerator Model (ETAM model), to enable access to clean energy technologies in emerging markets while supporting corporations and governments of industrialized economies to achieve their sustainable development goals.

David Ramirez, CEO of Intellsol

The ETAM model has been designed for the deployment of solar home systems at scale, to fight energy poverty and accelerate the energy transition by connecting various stakeholders into a unique ecosystem. Under this new business model, households get access to solar home systems and free electricity in exchange of using all available rooftop space, and corporations' benefit from long-term sourcing of high quality ETAM certificates with measurable impact on sustainable development goals.

ETAM certificates are priced with reference to the attributes and benefits of distributed energy projects by allocating value to clean energy produced, carbon dioxide emissions avoided, and to the positive social and economic impact generated, using a value-based pricing approach. ETAM certificates are issued using blockchain technology and are independently validated. Projects under the ETAM model are structured under long-term private purchase agreements.

The first pilot project in Ghana under the ETAM model – currently under development - is expected to power 3,000 households in Greater Accra, generate more than 1,000 direct and indirect jobs, produce 35 million kWh of clean energy per year and may avoid no less than 15,000 tons of carbon dioxide emissions per year. In addition, the ETAM pilot in Ghana, is expected to directly benefit more than 10,000 people and create the conditions for better education, life quality and economic development and growth.

David Ramirez, CEO of Intellsol said, "ETAM provides a new solution to address the barriers and constraints for deploying PV residential technologies in emerging markets, such as economic, behavioural, technology, and country drivers, because our model enables value co-creation.

In Africa, penetration rates of PV photovoltaic residential technologies are low because the existing models do not provide the right incentives to adopt, and the fundamental reason goes down to individual expectations and economic incentives, such as individual's affordability levels for the significant upfront investment".

Mr. Ramirez further explained," The core of the ETAM idea is to promote an efficient model to generate SURPLUS electricity from households and commercial rooftops and make green electricity accessible in the areas where it is still a privilege. Our ETAM model is a scalable solution that brings environmental, social, and economic impact across the locations where it is implemented. Our vision is to enable clean energy access while fostering climate change real impact, by deploying solar home systems and mobilizing private capital at scale," he added.

Shell completes acquisition of Powershop Australia

Shell Energy Operations Pty Ltd, a wholly owned subsidiary of Shell plc has completed the acquisition of Powershop Australia, an online energy retailer serving more than 185,000 customers.

Powershop will operate as a wholly owned subsidiary of Shell under the Powershop brand within the Shell Energy business in Australia, which is part of Shell's global Renewables and Energy Solutions business.

The Powershop acquisition complements Shell's existing Australian investments in zero and low-carbon assets and technologies. It will form the basis to offer innovative products and services to meet evolving customer needs for low-carbon and smarter energy solutions, such as e-mobility and battery storage.

Shell companies have operations in more than 70 countries and territories with businesses including oil and gas exploration and production; production and marketing of liquefied natural gas and gas to liquids; manufacturing, marketing and shipping of oil products and chemicals and renewable energy projects.

Maersk Drilling secures contract extensions for Maersk Viking in Malaysia

Sarawak Shell Berhad/Sabah Shell Petroleum Corporation (SSB/SSPC) has executed two options on the previously announced contract that will employ the 7th generation drillship Maersk Viking offshore Malaysia. The first option will be novated to TotalEnergies EP Malaysia for the drilling of one deepwater well at the Tepat project, while the second option will be novated to PETRONAS Carigali Sdn. Bhd., a subsidiary of PETRONAS, for the drilling of one deepwater well at the Layang-Layang project; both projects are located off the coast of Sabah. The extensions have a total estimated duration of 120 days and are expected to commence in July 2022, in direct continuation of the rig's prior work scope with SSB/SSPC. The total contract value of the extensions is approximately USD 32m, including fees for the use of managed pressure drilling. Three one-well options remain on the contract with Shell Malaysia.

"We're delighted to confirm these contract extensions for Maersk Viking to continue operating in Malaysia, and to be able to support three different operators in a coordinated schedule which will drive efficiency and reduce waste for everyone involved. This will allow the rig's high-performance crew to build further regional expertise as they continue to deliver safe and efficient wells for the customers involved," says COO Morten Kelstrup of Maersk Drilling.

Maersk Viking is a high-spec ultra-deepwater drillship which was delivered in 2013. It is currently mobilising for the contract in Malaysia after completing a drilling campaign offshore Gabon in end-2021.
With more than 45 years of experience operating in the most challenging offshore environments, Maersk Drilling (CSE:DRLCO) provides responsible drilling services to energy companies worldwide. Maersk Drilling owns and operates a fleet of 19 offshore drilling rigs and specialises in harsh environment and deepwater operations.
Headquartered in Denmark, Maersk Drilling employs around 2,400 people.

Equinor Officially Opens $7bn Martin Linge Offshore Field

The Martin Linge field, which is situated 42km west of Oseberg in 115m of water, has been officially opened by Minister of Petroleum and Energy, Marte Mjøs Persen. With good operational performance since the field came on stream in June and high oil and gas prices, the investments in the field are expected to be recovered in full during 2022.

"Martin Linge has been a very challenging project to put on stream. Thanks to competent colleagues, good suppliers, and good collaboration with our partner Petoro and the authorities, the field was efficiently and safely put on stream last year. The field is now producing very efficiently. With current prices, investments in the field will be recovered in full during 2022," says Anders Opedal, president and CEO of Equinor.

Since production started on 30 June 2021, Martin Linge has delivered world-class production efficiency for a new field in the start-up phase.

"I would like to thank the project and the organisation now operating the field for working hard to realise the project, and to deliver safe and efficient field operations every day," says Kjetil Hove, executive vice president, Exploration & Production Norway.

The Martin Linge project encountered significant challenges in the development phase. Capital expenditures in the Martin Linge field totalled NOK 63 billion, compared with NOK 31.5 billion in the plan for development and operation (PDO) from 2012.

The field came on stream in June 2021. Equinor took over the operatorship from Total in 2018.

The expected recoverable resources are about 260 million barrels of oil equivalent. At plateau the field will produce around 115,000 barrels of oil equivalent, mainly gas and condensate. The field is expected to reach plateau production during 2022.

Martin Linge is the first platform to be put on stream by Equinor from an onshore control room. The wells and the process are operated from the control room in Stavanger. The offshore operators use tablets in the field to collaborate with the onshore control room and the operations teams onshore.

Digital solutions provide early indications of potential failures in the facilities, enabling reduced operational costs and optimalization of energy consumption.

Due to power from shore the emissions from the field are low (about 1 kg of CO_2 per barrel).

Equinor awarded 26 new production licences on the Norwegian continental shelf

Equinor has been awarded 26 new production licences by Norway's Ministry of Petroleum and Energy in the 2020 Award in Predefined Areas (APA) - 12 licences as operator and 14 licences as partner.

"Exploration is essential to secure continued value creation on the Norwegian continental shelf (NCS). The APA rounds are very important to us and we are pleased about the award of new production licences," says Jez Averty, Equinor's senior vice president for subsurface in Exploration & Production Norway.

The 26 production licences are divided as follows: 12 in the North Sea, 10 in the Norwegian Sea og 4 in the Barents Sea.

Equinor's ambition is to transform the NCS from an oil and gas province to a low-carbon energy province. In this transformation, oil and gas play a crucial role, both in delivering energy that is critical to society, but also through the expertise, technology and capital needed to realise the transformation.

"We believe in the NCS and that there is still substantial value to find and develop. A good example is our latest discovery, Toppand, which was awarded in the 2011 APA. This discovery shows the potential for value creation on the NCS, even in mature areas, through use of new information and modern exploration technology," says Averty.

"We continue an active exploration strategy but focus on maximising value creation overgrowth and volume. At least 80 per cent of our exploration resources and investments will be concentrated around existing infrastructure – so-called near-field or infrastructure-led exploration," says Averty.

There are several reasons why the company prioritises near-field exploration. These are mature areas on the NCS, where the geology is well known and the infrastructure is in place, thus the risk is lower.

"Near-field discoveries can be tied into existing infrastructure without large and costly new developments. In this way, we maximise the value of the infrastructure we have invested in for 40 years. In addition, these discoveries are characterised by high profitability, short payback period and low CO2 emissions," says Averty.

In 2022, the company plans to take part in around 25 exploration wells, mainly near existing infrastructure. Most of the wells will be drilled in the North Sea, some in the Norwegian Sea and a few in the Barents Sea.

TotalEnergies Launches Ship-to-Containership LNG Bunkering Operation in Port of Marseille

TotalEnergies and its partner CMA CGM, have launched Marseilles' inaugural ship-to-containership Liquefied Natural Gas (LNG) bunkering operation in the Port of Marseille Fos, Southern France.

CMA CGM BALI, a 15,000 TEU1 LNG-powered containership is deployed on the MEX 1 service, connecting Asia and South Europe. She has been refuelled by TotalEnergies' Gas Vitality, the first LNG bunker vessel based in France, with around 6,000m3 of LNG, by means of a ship-to-ship transfer alongside the Eurofos container terminal, while the containership carried out cargo operations simultaneously. The Gas Vitality is TotalEnergies' second chartered LNG bunker vessel and owned by Mitsui O.S.K. Lines, Ltd (MOL).

This entire operation underlines a solid collaborative teamwork across the French maritime industry including the involvement of local port authorities to enable the vessels' safe operatorship, and the commitments of all the parties to support the growing role of LNG in the shipping's energy transition.

"TotalEnergies is delighted to successfully complete Marseille's first LNG bunkering operation of a containership via the Gas Vitality. Her deployment underscores the Company's commitment to support the French port's ambition to be an LNG bunkering hub for the Mediterranean region," said Jérôme Leprince-Ringuet, Vice-President Marine Fuels at TotalEnergies. "This landmark operation also demonstrates our continued support to the growing role of LNG in shipping's energy transition. In line with TotalEnergies' climate ambition, we will continue to work hand-in-hand with our industry partners to develop and scale up new, lower-carbon and ultimately, zero-carbon fuel solutions for shipping."

TotalEnergies supports the growing role of LNG in shipping's energy transition.

TotalEnergies has actively invested in LNG infrastructure, critical to support its shipping customers' uptake of LNG as a marine fuel.

Since November 2020, TotalEnergies has been operating the 18,600-m³ Gas Agility at the Port of Rotterdam and completed the first LNG bunkering operation of the CMA CGM JACQUES SAADE, the largest dual-fuel LNG-powered containership in the world.

Angola Deepen Local Content Agenda

By Ndubuisi Micheal Obineme

As the COVID-19 pandemic has caused unprecedented impacts on Africa's oil and gas industry, Angola isn't left behind. The country is unfortunately hit by the crisis at a time when the continent's second-biggest oil producer was hoping for bigger oil revenues to fund economic diversification efforts. Angola is undergoing a profound change to Deepen its Local Content Agenda, which has been going on in the country for a longtime.

However, Angola still stands as one of the largest oil producers in Africa with an output of approximately 1.3 million barrels of oil per day (BPD) and an estimated 17,904.5 million cubic feet of natural gas production.

According to a report, crude oil reserves in Angola amounted to 7.8 billion barrels in 2021 and 301 billion cubic metrics of proven natural gas reserves. The President of Angola, João Lourenço, has been undertaking an overhaul of the regulatory framework in the oil and gas industry. Petroleum production tax was cut from 20% to 10%, while petroleum income tax was reduced from 50% to 25%, among others.

Going forward, industry experts have said that Africa should see the pandemic as an opportunity to develop its local capacities, as it represents a new approach for the nationalization of Africa's oil and gas resources to indigenous companies and promoting in-country capacity development.

In their words, "Supporting local content development looks to be the new solution for African countries to generate more revenue from their oil and gas activities.

"The COVID-19 pandemic has been a local content enabler, for the time being. This crisis is an opportunity to continue efforts and to have more people engage with the industry to perform key tasks such as operation maintenance in the upstream sector, among others".

In Angola, local content development isn't a new agenda, it has been in place over the years.

Though Angola is moving step by step on developing its local content value chain in the oil and gas industry. This article provides a detailed analysis on the ongoing development in terms of local content development in Angola oil and gas industry, with a spotlight on the new Presidential Decree no. 271/20 which has set a new pathway to deepen and regulate matters relating to the transfer of skills and technology, the recruitment and training of Angolan human capital, and the acquisition of goods and services produced locally by indigenous companies.

On October 20, 2020, the Angolan Government under the administration of President João Lourenço, launched a new Presidential Decree no. 271/20, approving a new Legal Regime of Local Content in Angola. It clarified some major issues around fostering Angolan business and promoting in-country capacities across the entire value chain of the oil and gas industry.

The Presidential Decree no. 271/20 is part of the Angolan Government's objectives to Deepen its Local Content Agenda in the oil and gas industry. This new Local Content Regime provides a common understanding of the Government's objectives to support and ensure the Angolan entrepreneurs have a stake in the oil and gas business activities as well as promote the ***"Angolanization"*** of the oil and gas sector.

Based on our findings, the new Local Content Decree introduces the following changes among others:

- Local content rules are now applicable to all companies providing goods and services to the oil sector and not only to oil companies acting in the country as associates of the National Concessionaire (E&Ps).
- The restrictive concept of a national company is limited to companies fully owned by Angolan citizens or Angolan companies as opposed to the previous framework that deemed as Angolan company entities held in at least 51% by a local citizen or company.
- Inclusion of the definition of other companies incorporated in Angola (but not fully owned by local shareholders) as companies incorporated under Angolan law.

- This new law maintains three regimes for the acquisition of goods and services in the oil sector (exclusivity, preference, and competition), however does not specify which services and goods fall in each regime, leaving such definition for the National Concessionaire after consultation with the Competition Authority.

- Activities subject to the exclusivity regime shall be performed and provided by Angolan companies as defined above (100% held by Angolan citizens or companies).

- Activities that fall in the preference regime may be performed by companies incorporated under Angolan law, however, preference is given to Angolan companies.

- Goods and services not included in the exclusivity and preference lists may be provided by foreign entities.

- Companies aiming to provide goods or services to the oil sector shall be registered and certified by the National Concessionaire before being hired for a particular contract (this includes Angolan companies, companies incorporated under Angolan law, and foreign companies).

- All contracts shall now include a local content clause.
- All technical assistance and foreign management agreements shall include a detailed programme on training, transfer of knowledge and technology, and evidence of improvement of local staff skills.

- The contracting process involves now more than a simple commercial agreement between client and supplier/ provider.

- Companies in the oil sector value chain shall deliver to the National Concessionaire and/or the relevant ministry documents evidencing the commitment with the promotion of local entrepreneurship, diversification of the economy, and training of local staff, as follows:

H.E. Eng. José Barroso, Secretary of State for Oil and Gas, Angola

- An annual local content plan
- Annual human resources plan
- Framework Agreement expressing the contractor's obligations regarding human resources development
- Investment plan
- List of expected acquisitions for each quarter (for operators only).

Penalties

The new local content legal framework provided an extensive list of violations. Under the terms, the non-inclusion of local content in the contracts is an administrative offense punishable with fines ranging between $50,000 – $300,000 and may lead to the suspension or prohibition to enter into new contracts.

In summary, Angola's new local content regime is categorized into two major segments which cover the local content requirements applicable for the procurement of goods and services for petroleum operations, and the Angolanization such as recruitment, employment, and skill acquisition.

In terms of procurement of goods and services, this particular segment applies to Angolan Companies and Angolan Law Companies who are supplying goods and providing services to the petroleum industry in the country.

According to the policy, an Angola Company is known as a company that must be legally incorporated with a registered office in Angola, and the share capital will be held by Angolan citizens. While the Angolan Law Companies is any company incorporated and organized in accordance with Angolan laws.

More so, the Presidential Decree comprises of Exclusivity Regime; Preference Regime; Competition Regime.

The Exclusivity and Preference Regime are similar laws, mainly for 100% Angolan Companies and Citizens. This regime outlines the goods and services oil companies must consider to patronize Angolan companies.

While the Competition Regime is mainly for all companies operating in Angola. It doesn't matter whether it's an Angolan Company or a Foreign Company. The requirements are based on the share capital of the company.

Speaking about the implementation of the new local content regime, H.E Eng. Jose Barroso, Secretary of State for Angola Oil & Gas, revealed that the Government is working closely with the National Oil, Gas, and Biofuels Agency (ANGP), operators, and service companies to continuously improve and ensure the implementation of the new local content regime.

The Secretary of State noted that the Presidential Decree clearly states the different types of contracts that can be performed by Angolan companies, adding that there is a Data (statistics) that contains the lists of Angolan Companies who are certified and able to perform certain scope of works in the oil and gas sector.

He said that ANPG has publicized the opportunities for those that are interested to be part of the Angola oil and gas sector.

> *“We are looking for partners who can assist us to speed up the process of our local content regime.*

“We will continue discussions with AECIPA to improve the process of the new local content regime.

"Regarding financial sustainability, we will engage with local banks and financial institutions to support local companies.

"We are also discussing with operators in terms of making their payment terms more favorable to Angola companies.

“When we started the Angolanization process, we were focused on recruiting, training, and empowering Angolans.

“We also understand that we aren't going to have 100% of Angolans in our oil and gas sector.

"We need to have the right balance to attract investment on technology transfer for Angolans".

Frankly speaking, there have been numerous discussions from experts and stakeholders commentaries about Angola's new local content regime, evaluating the challenges and opportunities, while recommending some key strategies for a sustainable local content practice in the Angola oil and gas industry.

In recognition of these challenges and opportunities, as well as the critical role local content is contributing in the development of Oil and Gas Resources in the Angola economy, the ***Angolan Oil Industry Contracted Companies Association, AECIPA***, in partnership with ***Global Event Partners, GEP***, organized the second edition of ***Angola Oil and Gas Service and Technology Conference 2021 - also known as Angola Energy Series*** to explore the Opportunities, Challenges and Future Prospects in the Angolan Local Content and its Supply Chain.

The Angola Energy Series 2021 programme featured a series of webinars focused mainly on building a diverse and inclusive oil and gas industry for Women in Energy, Empowering the Next Generation of young people in overcoming barriers to aspire for greatness, Angolan Local Content, and its Supply Chain: Progress, Challenges, and Future.

Taking an overview of the entire value chain of the Angola oil and gas industry, a new report shows that Angola has not been the hardest hit by the crisis. as the government and the private sector players have managed to delay projects rather than cancel them. Over the years, Angola made some important fiscal reforms of which we saw positive outcomes in the year 2021. The National Bank of Angola liberalized foreign exchange, which increased financial flows in the oil sector in particular. Most projects in Angola haven't been canceled, and this is a welcome development for the Angolan government to further promote its local content agenda going forward.

In another development, Mr. Bráulio de Brito, President, AECIPA and Chairman of the Angola Energy Series, stated that AECIPA has developed a strategic plan to empower the Angolan Youth through various empowerment investment programmes which is essential and pivotal to Angola’s long term growth and success.

“Equality, empowerment, and local content are all core themes of our event. The Angola Energy Series has been devised to provide a platform for some of the finest minds of the industry to convene, connect and put forward solutions towards the betterment of the sector.

Mr. Bráulio de Brito, President, AECIPA and Chairman of the Angola Energy Series

At the forefront of this is engagement and collaboration, and we see this not just in terms of making business connections but about taking a holistic view of the sector and how we can ensure it develops and flourishes.

“AECIPA established the Angola Energy Series as a platform for the sharing of knowledge, information, ideas, solutions, and most importantly, purposeful business interactions.

AOTC is hosted under the high patronage of the Ministry of Mineral Resources and Petroleum, Angola - which offers in-depth content from over 50 speakers, engaging with an audience of more than 1,250 from 43 countries across the globe. In addition, over 300 video meetings were held between delegates, and more than 5,000 messages were exchanged via the event platform.

"The inaugural Angola Energy Month is a resounding success, setting the benchmark for future collaborations and business development throughout the service industry. Following this level of engagement, we have extended the programme to create the Angola Energy Series – again bringing together the international oil and gas industry in an insightful and highly informative programme of virtual and physical events,” Bráulio said.

The Youth Empowerment Investment Programme is structured to include The HALO Trust – a humanitarian organization that has been saving lives and helping war-torn communities across the globe recover for over thirty years including Angola.

Programme Manager of HALO Angola, Rob Syfret, explains; “Since 2017, The HALO Trust has run this unique project in Angola to train and employ all-female demining teams, combining women’s empowerment whilst clearing landmines and making land safe. Over 100 women have already been recruited and many are now in leadership roles while dozens have completed additional training as paramedics and drivers. HALO needs help from the rest of the community to complete the job in the remaining contaminated provinces of Angola.”

Miguel Baptista, Managing Director, Schlumberger Angola, Central Africa, and East Africa commented, "Focusing on the development of Angolans will set the path for the sustainability of the local content, and allowing us to continuously deliver our products and services and train the future Angolan entrepreneurs.

Miguel Baptista, Managing Director, Schlumberger Angola, Central Africa, and East Africa

“At Schlumberger, we are very pleased with the whole process. The Angolan new local content law is aligned with Schlumberger's business values.

"It will also create the baseline of knowledge transfer and competitive business environment".

He noted that the new Angola local content regime has created an environment for the Angolan oil and gas industry to move forward.

Challenges

Highlighting the Challenges on Angola Local Content, Berta Rodrigues Issa, Managing Director of Inga Rose, said, "The main obstacle is that the Angola oil and gas industry hasn't been able to develop a strategic roadmap on local content for the next 5 - 10 years.

"Angola aims to retain at least 10 percent of the value of goods and services in-country.

"What we have been seeing over the past decades, for instance, we have been filling 10 buckets of water (servicing goods) every year worth over $6 billion projects. And, 9.5 out of these 10 buckets go to abroad which is affecting the Angola economy.

"We have never set a target to retain two buckets of water in-country.

"Some countries believe that local content should be around 60 - 80 percent. That's a different case for Angola, as the oil and gas industry is an international market. We do most of the services globally.

"Collaboration and Transparency are key. Once, we are able to set a target regarding the local content percentage that should be retained in-country, this will enable us to collaborate with the Government, IOCs, Indigenous companies, and stakeholders to reach the target.

> **"Adopting a Strategic Roadmap and Financial Framework is key for a sustainable local content implementation in Angola.**

"We need to create a business model for the project opportunities. This isn't the responsibility of local banks but the IOCs in terms of the payment terms in the contracts.

"It is through Funding that we can have sustainable local content implemented in Angola. With Funding, we will have access to technology and skills transfer".

Speaking further, Luís Lago de Carvalho, Managing Director of Octomar disclosed that the development of Human Resources more especially Angola local personnel isn't a major challenge because most companies operating in Angola have some large numbers of Angola employees.

"I think the problem still lies on the senior management level. There are issues around it.

Berta Rodrigues Issa, Managing Director of Inga Rose

"I see the biggest problems from the new companies coming into the service sector. With the increase of onshore campaigns, there will be more and more opportunities for Angolan companies because of the size of investment and capacities that will be needed.

> **"The Angola onshore campaign will boost local content for service providers that operate in the production side.**

Luís Lago de Carvalho, Managing Director of Octomar

"We shouldn't discriminate companies that are here for a long time. We need to treat them well as they have made huge investments in local content in infrastructure and personnel. There should be a Protectionist Framework to monitor the compliance of local content in Angola.

"We cannot go on and say we support local content when we haven't quantified what we want to achieve. We need to stay focused and see what stays in-country.

He added that there should be a Roadmap in balancing the new local content regime rather than moving millions of investment abroad.

Stakeholders Commentaries

In terms of capacity building, Dra. Chindalena Lourenço, Partner at Fátima Freitas & Associados, advised Angola to collaborate with other African countries who have been doing local content for many years to share knowledge and experience.

She said, "It is possible to achieve local content on some certain criteria and we believe that if there is continuous training of Angolan people through sharing knowledge, it can be achieved".

On his part, Ranti Omole, PETAN's Vice Chairman, and Chairman of Radial Circle Group said that it is usually difficult to have a formal agreement on Technology Transfer.

He continued, "Typically, what we do is, we ensure that in the industry, all the OEMs one way or the other have competent local partners.

"This is the easiest way for a small service provider to grow capacity from valves, compressors, and various technical components. This is where they can grow and manage bigger projects in the industry. This was the first thing that was done in Nigeria in early 2000.

"This ensures that every equipment imported into the country has a local partner while the local partner will be responsible for the maintenance of the equipment".

While speaking on the business model in the Nigerian Local Content Value Chain, Ranti disclosed that the Nigerian Content Development & Monitoring Board (NCDMB) was established in 2010 under the Nigerian Oil and Gas Industry Content Development (NOGICD) Act.

He said NCDMB is vested with the mandate to make procedures that will guide, monitor, coordinate, and implement the provisions of the NOGICD Act signed into law on April 22, 2010.

"NCDMB is more of private-sector populated Board, while the Minister stands as the Chairman of the Board.

"On the Board of Directors, you have Petroleum Technology Association of Nigeria (PETAN), member of Nigerian Society of Engineers, Member of the Shipping Council among others".

He stated that NCDMB works closely with indigenous companies to set a local content target on specific projects based on the company's capacity.

NCDMB monitor and ensure compliance with those agreed targets. These targets are set annually.

"On local content fund, one percent of every contract awarded into the industry is deducted and remitted to the Nigerian Content Fund. The fund is over a billion dollars.

"The Fund is used to sustain operations in the Nigerian oil and gas industry.

"Currently, about 400 million dollars are being disbursed to service providers in three different tranches.

"The Fund is also used to support various capacity development initiatives to stimulate some segments of the industry such as investment in pipe coating mills, marginal refineries, small scale petrochemical activities, etc...

"The Fund is totally outside the Nigerian Government control.

"The private sector and NCDMB work closely to disburse the funds accordingly," he concluded.

In addition, Luiz Bispo, Superintendent of Local Content of the National Agency of Petroleum and Biofuels in Brazil (ANP) also provided some key recommendations for local content development in the oil and gas industry.

Luiz Bispo, Superintendent of Local Content of the National Agency of Petroleum and Biofuels in Brazil (ANP)

He said,

Ranti Omole, PETAN's Vice Chairman, and Chairman of Radial Circle Group

"There should be a Roadmap that will balance the local content policy for E&P investment, human capacity development to meet the demand of goods and services.

"There is also the need to set a goal for the local content. After establishing the goals, it is crucial to monitor and measure the results if it's progressing and in line with the local content goal.

"Also, it is also important to recognize the local content limitations based on the set goals. Local content can be used to find out the gaps in research and development, workforce capabilities, tax reduction among others.

"Another important aspect of local content is flexibility in terms of allowing different types of investment strategies by oil field operators to meet their requirements," he added.

Speaking on the Local Content Strategies in Brazil's oil and gas industry, he revealed that Brazil has also made some mistakes in its local content journey, while recording some success stories.

According to him, Brazil's local content strategies encourage the development and training of specialized labor, technological solutions, research, and development.

He said Brazil's local content policy is the proportion between the expenditure with national goods and services for exploration and production, developmental operations of E&P contracts, and the total expenditure for this purpose.

He stressed that the main goals of Brazil's local content policy are developed under the appropriation of long-term oil income and reduction of dependence on foreign products with the objectives to increase participation of local suppliers on a competitive basis, indirectly stimulating technological development for the workforce.

"Suppliers should see the local content policies as an opportunity to become a competitive and stay independence as an indigenous operator."

Opportunities

The opportunities in Angola Local Content and its Supply Chain are centralized on driving growth and economic development.

Speaking further, Dr. Valter Escorcio, Angola Country Director at Baker Hughes, said that the company is willing to push the local content agenda forward while adding that the growth of local content in Angola will come from the Angolan indigenous oil and gas operators.

"For example, I look at our neighbors in the region such as Nigeria.

"Nigeria has very strong indigenous oil and gas operators. They are the biggest drivers of local content in Nigeria.

"Today, Baker Hughes is still working on projects in Angola despite the challenges such as COVID-19 and others...

"Baker Hughes isn't an Angolan company, but, we have a big investment in terms of capacity building, developing infrastructures to support the Angolan local businesses. We are seen as a bonafide local content player because of our investment in Angola.

"Sustainability is the central and the core area for successful local content practice in Angola," Dr. Valter said.

According to Dr. Valter, "The Angolan Onshore Campaigns will drive the growth of local content. We are looking forward to seeing how it evolves with the new onshore operators. For the indigenous companies, the onshore campaigns remove a lot of risks and limitations that may have kept them away from the opportunities in the offshore drilling campaigns.

> *The onshore campaigns will be where we can drive a larger impact of local content practice in Angola.*

Dr. Valter Escorcio, Angola Country Director at Baker Hughes

"But, we must always keep the focus on the Sustainability of the local content."

Furthermore, The Ministry of Mineral Resources, Oil and Gas, and ANPG held a workshop recently, under the motto: "Local content, for the strengthening of Angolan entrepreneurs", which aims to deepen knowledge about the new local content regime. The workshop is part of the Government's efforts to showcase the Local Content opportunities to Angolan entrepreneurs.

The Angolan Ministry of Mineral Resources, Oil and Gas, in partnership with The National Oil, Gas and Biofuels Agency (ANGP), developed the workshop initiative specifically for the oil and gas industry in Angola.

At the workshop, the Angolan Minister Diamantino de Azevedo was present including the Secretary of State for Oil and Gas, José Barroso, Belarmino Chitangueleca, Acting President of ANPG, and several Angolan companies.
The workshop showcased the available opportunities in the new local content regime to Angolan Companies. The action plans implemented at the workshop include the execution of development plans with local stakeholders; definition of the

Belarmino Chitangueleca, Acting President of National Oil, Gas and Biofuels Agency (ANGP)(ANPG)

PDRHs follow-up procedure; publication of Instruction No. 6/21, of 4 November (which regulates Presidential Decree 271/20 in Diário da República); publication of the list of goods and services to be provided on an exclusive and preferential basis by Angolan companies; the definition of the digital support platform for local content activities, as well as the process of registering and certifying companies.

Regarding the investment opportunities available to Angolan companies in terms of local content, the areas of cartographic data collection stand out: the collection of samples of rocks, soil, and oil; logistical support (transport, catering, and telecommunications, among others); the provision of PPE & office supplies; and survey support services are key areas of opportunities.

Belarmino Chitangueleca, Acting President of ANPG, underlines that this is a very important process for the strengthening of Angolan companies in the oil sector and that the National Agency for Petroleum, Gas, and Biofuels will do everything to support Angolan business people in the realization of their projects of investment.

"The challenges are huge, but so are the opportunities.

> *ANPG has been working actively with all stakeholders so that the implementation of the Presidential Decree that regulates local content is a successful case in our country.*

and that it effectively contributes to the correct and comprehensive inclusion of national companies in the full development of the sector. oil, a sector that continues and will continue to be strategic for our economy and that faces countless challenges."

The increase in the operational experience of Angolan companies; the optimization of the contractual cycle/return on investment binomial; the execution of contracts within the approved times and budgets without compromising the safety and quality of the projects; the correct definition of the location and costs of the logistic support bases; the sustainability of the investment capacity and the logistics to respond to each of the contracts in execution; and attracting and retaining qualified labor are, for now, the major challenges facing Angolan companies that work and want to work under the Presidential Decree that regulates local content.

In conclusion, guaranteeing the access of Angolan companies to projects related to petroleum resources and optimizing their contribution to the development of the sector is the main objective of Presidential Decree 271/20, of 20 October.

Also, it ensures the preservation of the national interest, promotes national entrepreneurship, promotes national companies, and ensures the protection and promotion of competitiveness of the national industry.

Lastly, it creates conditions for maximizing national revenues and creating employment opportunities and qualifications of the Angolan workforce, as well as protecting the jobs of national staff.

Local Content will again form the core value and major talking point at the 3rd edition of Angola Oil and Gas Service and Technology Conference (AOTC) scheduled to hold on 23 - 25 November 2022 at the Palmeiras Suite Hotel in Luanda, Angola.

PHOTO STORIES FROM ANGOLA TECHNOLOGY CONFERENCE 2021

PHOTO STORIES FROM ANGOLA TECHNOLOGY CONFERENCE 2021

"Local Content is Angola's Strategy for Economic Diversification" - Braulio de Brito, AECIPA's President

Interview by Ndubuisi Micheal Obineme

The President of Angola Oil and Gas Service Companies Association (AECIPA) & Chairman, Angola Oil and Gas Services and Technology Conference (AOTC) , talks to The Energy Republic about the latest updates and JV partnership in Angola's oil and gas industry...

Bráulio de Brito is the Executive Chairman and Founder of Tradinter, an Angolan O&G Service company. He is a well-known Angolan business leader, who has led highly competitive teams within the industry in companies such as Texaco, ExxonMobil, WorleyParsons Angola and Cameron Angola, both in Angola and US. Bráulio currently chairs AECIPA, the Angolan Association of O&G Service Companies, having in the recent past been recognized as the Personality of the Year of the Angolan O&G Industry among others...

TER: What are the vision, mission, and core values of AECIPA?

Braulio: AECIPA is the Angola Oil and Gas Service Companies Association. Its members are Oil and Gas Service companies operating in Angola. We currently have over 130 member companies, which represents and facilitate collaboration amongst each other, and with all the industry stakeholders, such as the Angolan Ministry for Natural Resources, Petroleum & Gas, Angolan Concessionaire (ANPG - Angolan National Agency for Petroleum, Gas & Biofuels), Angolan Central Bank, Emigration Services and the Operators.

AECIPA is a platform from which all its members are brought together to address common issues within the Angola oil and gas sector. We work responsibly in compliance with all Angolan Laws and Regulations as one of the major promoters for the successful implementation of a strong and robust platform of Local Services and the professional development of local talent.

TER: What are the main areas of opportunities in Angola's oil & gas value chain?

Braulio: As we well know, Angola is a mature oil and gas province, where we see the presence of all the major Operators and Service companies of the world. Angola offers a stable contractual and fiscal business environment. Thus, given the depth of proven reserves and ongoing projects, operations, and investments to date, I am pleased to say that the whole value chain of the Angola oil and gas industry presents a wide range of business opportunities from the Upstream such as Operations Maintenance & Integrity and other supporting services including Exploration.

Angola has more than 50 blocks opened for licensing till 2025, which is unlocking new opportunities such as Biofuels, Power

Braulio de Brito speaking at AOTC 2021

Generation, Transportation, and Biorefinery project development.

TER: AECIPA stands as a catalyst for business, helping all stakeholders, domestic and international companies, to identify opportunities and the development of business relations. What are the incentives available for foreign companies coming into Angola to establish; and, how does Joint Venture Partnership work?

Braulio: The Government of Angola has set out a very strong business strategy for the promotion of foreign investment, which is coordinated by AIPEX, Anola's Private Investment and Exports Promotion Agency.

As such, there are several policies and incentives geared toward making it attractive to invest in Angola.

Furthermore, there are several local companies within the oil and gas sector, which are ready and would be more than glad to engage with potential foreign investors to discuss the creation of Joint Ventures (Jvs).

AECIPA can always be a point of access to those companies. It is also important to note that the Angolan Foreign Investment Law doesn't require a foreign investor to have a local partner before entering the local business environment. However, it's our understanding and strong recommendation, that a foreign investor is best served if it found and worked with a local partner, as a way to best support its business entry and in-country growth. Thus, we always recommend that it is paramount to ensure that this local partner brings added value to the organization, not only being able to help navigate the regulatory process of business establishment but also, be capable to add value to the business. For instance, bringing capital, assets, or other forms of cooperation necessary for the success of the business venture.

All in all, it would also be a very powerful way of supporting Angola Local Content, which is part of the Government's strategy of economic diversification, value creation, empowerment, and development of the local talent and businesses.

TER: Take an overview of Angola's Presidential Decree 271/20, which approves a new local content regime in the country's oil and gas sector. What role is AECIPA playing in ensuring national goods and services are well patronized?

Braulio: AECIPA was an integral part of the team drafting this Presidential Decree and as such, we feel that it's our obligation to ensure that our member companies understand the merits and importance of this regulation.

We have worked very closely with ANPG to ensure that all the services that are deemed to be capable to be carried out by Angolan companies are clearly identified without compromising any operation and contracts.

It's important to emphasize that this new decree brings a new shift from the previous local content law. The new local content objective is to promote local companies that have the capacity of executing certain works within the value chain of the Angola oil and gas Industry. Thus, contracts are awarded based on merit, quality on delivery, and cost-effectiveness, and not based on some other unmeasurable criteria.

TER: What's AECIPA's relationship with International Oil Companies operating in Angola?

Braulio: AECIPA has a very healthy business relationship with the IOCs operating in Angola. More than this, we are indeed a strong partner of all IOCs and Service companies in Angola. We interact with them and of course, with all the other major industry stakeholders in addressing all the common issues in the industry.

TER: In terms of Research and Development, what's the level of commitment among your member companies?

Braulio: Research and Development (R&D) has been a very important element of our industry, as it enables us to adopt new technologies to enhance our operations for a greater return on investment.

TER: What are your key takeaways from the AOTC 2021; and, what should we be expecting at the 2022 edition?

Braulio: AOTC 2021 was effectively a much-missed event in Angola, which allowed the Angolan oil and gas industry in general and the Service Sector to come together despite the challenges that the Covid-19 has brought to all of us over the last two years. AOTC 2021 is a platform for information sharing, debate on the most pressing issues of our sector, such as Local Content, Technology Developments including the latest updates on upcoming projects in Angola in Exploration, Upstream, Downstream, etc.

The conference was gifted with the participation of Halo Trust project representatives, who have been risking their lives to clear land mines that were left from the civil war in many remote areas in Angola, and making those fields free for farming as well as bringing social and economic prosperity to Angolan citizens.

I would like to take this opportunity to publicly thank the institutional support provided by the Angolan Minister for Mineral Resources, Petroleum & Gas, Dr. Diamantino Pedro Azevedo, who was represented by the Secretary of State, Eng. José Alexandre Barroso.

We also had the privilege of having Dr. Omar Farouk Ibrahim, APPO's Secretary-General as a key opening speaker. I and my team are extremely thankful for the contributions and participation of all sponsors, delegates, and attendees, from all over the world, which made AOTC 2021 a success.

We are looking forward to welcoming everyone again, for the AOTC 2022 and continue providing industry recommendations and support to our stakeholders, as well as discussing key issues that are common to the sector, promoting local content, foreign investment, and cross-border collaboration within Africa oil-producing and non-producing countries.

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Labacorp Energy

"EMPOWERING WOMEN WILL INSPIRE OTHERS TO PURSUE A CAREER IN OIL & GAS, AND GET INVOLVED IN STEM PROGRAMS" - CHEILA BUNGA

Interview by Genevieve Aningo

Cheila Bunga, Petroleum Engineer of Ocean Atlantic Petroleum talks to The Energy Republic about her career journey in the oil and gas industry including the key lessons learned so far...

TER: Please tell us briefly about yourself and your career journey in the oil and gas industry.

Cheila: My name is Cheila Bunga and I am 26 years old. I am a Petroleum Engineering Graduate working as a Project Engineer for Ocean Atlantic Petroleum - an Angola oil and gas service company.

From my early days, I have always demonstrated an interest in pursuing a career in Petroleum Engineering. In 2010, I attended the Angolan National Petroleum Institute where I graduated in Drilling and Production of Oil and Gas in 2012.

In 2013, I participated in the Sonangol EP scholarship program. I was selected to study Petroleum Engineering in the United Kingdom. As part of my career development, I also studied the English language, and also completed my studies in Chemical Engineering.

Later, I moved to Scotland (Aberdeen) to finally live the dream of studying Petroleum Engineering is one of the best Universities in the world which also happens to be the Capital of Oil and Gas in Europe.

After 4 years, I graduated in Petroleum Engineering and came back to my home country, Angola.

I Could say, but, I do believe my life is in divine order. Every difficulty we face will shape us to the next step towards our real purpose. I had to wait almost 2 years to finally have my first job in the industry.

Meanwhile, I have worked as Pre-sales Analyst in Tistech (Integrated systems) because the world belongs to those who can adapt and make the most of every situation.

Working with Ocean Atlantic Petroleum has been the greatest challenge of my career because I am the only Woman in the Operations area which adds more responsibility. I know I still have so many miles to achieve, but right now I'm glad to be there, while we deliver excellent service to our clients.

TER: You are a Petroleum Engineer who has transitioned to become a Project Engineer at Ocean Atlantic Petroleum (OAP) in Angola. What are the challenges and lessons learned during that process which has positioned you to where you are today?

Cheila: Yes, I am a Petroleum Engineer working as a Project Engineer at OAP. As you know Petroleum Engineering is a profession that involves activities related to the production of hydrocarbons which can be either Oil and Gas.

However, at Ocean Atlantic Petroleum, we provide a wide range of services such as Choke Valve refurbishment, Hose fabrication, Integrity and testing, Insulation, structural modification and so many more.

So every day can be a challenge and valuable lesson to learn as well. That's the fascinating part about leaving the comfort zone and having a continuous learning mindset.

Currently, I have been involved in hydraulics and It is something I have been enjoying quite a lot. It's a blessing to be able to see many sides of Engineering and this is certainly shaping me to a bright future as a female Engineer in the Industry.

TER: Based on your working experience in the Angolan oil and gas industry, what are your analyses on the relevant opportunities available for Female Petroleum Engineers?

Cheila: Based on what I have been seen lately, the opportunities are increasing. I would focus not only on Petroleum Engineering but I think Energy in Oil and Gas in general. The percentage of women in technical positions is increasing.

Today, there are many discussions around enhancing the participation of Female Engineers to be more active in the industry. This is happening in full force and organizations are beginning to open more opportunities to Female Engineers.

Many projects such as startups are being developed, enabling Female Engineers to practice their professions accordingly. Even though the shift is positive there's still quite a lot to change when it comes to relevant opportunities for Female Engineers. The future looks bright.

TER: How have you been evolving in terms of developing your interpersonal skills to position yourself for global opportunities?
Cheila: Great question! I Am part of an

Cheila Bunga, Petroleum Engineer of Ocean Atlantic Petroleum

organization called Global Sharpers Hub which is a diverse team of young people united by common values, inclusion, equity, collaboration, and decision-making. Together, we are creating more projects and change for our communities.

I have always supported Female inclusion and empowerment and one project that has been constantly making me develop my interpersonal Skills has been the KUZUNGA project which empowers women to learn financial education, as most of the workforce in the informal market are women.

It's not easy but in the process, as an Individual, you will develop so many skills that surely help you see and approach things on a global scale.

TER: What major projects are you involved in that excite you?

Cheila: I couldn't name one project in particular because every time I get thrilled when I am involved in a project development to deliver to our client.

But when I first started I was involved in Choke Valve Insulation which is a complex type of job and requires a great team to perform the task. This is also a project that makes me proud whenever I think about it.

Recently, hydraulic works have been my major project development and one of our core businesses at OAP. This is the fabrication of Hoses and I am also contributing to this based on the manufacturing instructions til the pressure test certificate is issued. This is certainly something that excites me very well.

TER: Great to know you have succeeded as a young Female Engineer and contributed to the project developments of your company. How can oil and gas companies empower more Female Petroleum Engineers on this career path?

Cheila: I am very grateful every day to be able to work in a field I always dreamed about since little girl.

However, that's not the case for most Female Engineers because, at the beginning of their careers, they struggle a lot. Companies can be a massive part in changing this panorama.

Firstly, diversifying their teams not only boosts company culture, productivity, and innovation but will play a huge impact on the workforce because when people feel appreciated they will perform greatly.

Secondly, providing a support system for women inside their organizations. For example, empowering women in technical roles and demonstrating that they have space to act on it. Last but not the least, empowering Women inside their organizations so they can inspire other women to step into this industry and get more involved in STEM programs.

Organizations should make sure women have a voice to share their experiences, ensure women take chance on leadership roles and are represented on the company's board.

TER: Also, you participated in the second edition of the Angola Oil and Gas Technology Conference recently (AOTC). What are your key takeaways from the event?

Cheila: Yes, I had the honor to participate in the second edition of the Angola Oil and Gas Technology Conference (AOTC) as the Youngest panelist of the conference and It was one of the highlights achievements of my year in the year 2021.

The takeaways from the conference were so many, but I could particularly highlight three things that made me leave the conference with a sense of knowledge.

Firstly, local content and the biggest challenges for Angolans. Other countries like Brazil and Nigeria explained what Local content meant for them got me thinking about how we are going to develop Local content in Angola and how it could be applied locally, making sure we benefit from it.

Second, Angola's gas future and how the production will play a significant role in the future of Angola's economy. Africa holds a huge potential for millions of cubic feet of Gas Production. And of course, being less pollutant than Oil Production will make it more attractive as the Energy transition is coming at full speed.

The third one which was emotional in my heart is the Enhancement of Women's representation in the Oil and Gas industry and how women have been working to put together solutions so that we can have a more inclusive energy Industry going forward.

NATIONAL OIL, GAS AND BIOFUELS AGENCY (ANGP)
Promoting An Excellent Business Environment

The National Agency for Petroleum, Gas and Biofuels, also known as "ANPG", was created in 2019 by Presidential Decree in Angola oil & gas.

Among the actions taken to restructure the sector, approval was given to the transfer of the Concessionaire function, previously held by Sonangol EP, to the newly created Agency, in order to ensure greater political coordination, increase the efficiency of processes and create conditions for private investment activities in the national oil industry.

ANPG became the National Concessionaire with the specific attributions of regulating, inspecting and promoting the execution of petroleum activities in the field of operations and contracting in the oil, gas and biofuels sector. Through Presidential Decree No. 52/19, of 18 February, the General Strategy for the Allocation of Petroleum Concessions for the period 2019-2025 was approved.

Paulino Jerónimo, President of ANGP commented, "As a result of the strengthening of these relationships and the commitment of all to the best interests of Angola, we were able to guarantee the achievement of important advances for the sector.

"We highlight the signing of the Commercial Agreements that established the New Gas Consortium, the approval of the redevelopment program for Block 15, the beginning of discussions of a similar scope in Blocks 17 and 14, and the acceleration of the maturation of marginal opportunities in Blocks 0, 18 and 31.

"All these commitments are already reflected in the Operators' work programs for the coming years. By materializing these concrete opportunities, we ensure that the oil sector is boosted from the year 2020 onwards and develops sustainability solutions for the following years.

"We are already working on several initiatives to consolidate these major pillars of our strategy. We intend to maintain our resilience, complete and consolidate the Agency's autonomy and raise our work standards to the desired level of excellence. Block by Block we will build the ANPG and transform the sector!

Angola Offers Attractive Opportunities With Proven Petroleum System

In 2021, The National Agency for Petroleum, Gas and Biofuels (ANPG), promoted eight oil blocks, located in the offshore Kwanxa Basin (Blocks 7/21, 8/21 and 9/21) and the offshore Lower Congo Basin (Blocks 16/21, 31/21, 32/21 and 34/21), in the form of a Limited Public Tender, with the aim to stimulate exploration and production activity of hydrocarbons, in areas of strategic interest for the government of Angola.

ANPG and Eni, operator of Block 15/06 have commenced production in the Cuica Field, located in deep Angolan waters, through the floating production storage and offloading unit Armada Olombendo. Cuica Field was discovered in the Cuica 1 exploration well in March 2021, Eni as the operating company. The Block is located in a water depth of 500 meters, about 3 km from FPSO Olombendo.

The early production of the development, which will increase and sustain the production plateau of the FPSO Olombendo, includes an oil-producing well and a water injection well, linked to the existing subsea production system in Cabaça Norte, exploiting the full potential of the infrastructure available in the area. The FPSO Armada Olombendo has a production capacity of 100,000 barrels of oil per day and is designed to operate during its productive life with zero discharge.

In addition to Cuica, whose production rate is in line with expectations, Olombendo is also receiving and handling production from the Cabaça, Southeast Cabaça and UM8 fields to a total of 12 wells and five collectors at a depth of water that ranges between 400 and 500 meters. FPSO Olombendo will also receive production from the Cabaça Norte field in the 4th quarter of 2021.
Block 15/06 is operated by Eni Angola with a share of 36.84%. Sonangol Pesquisa & Produção (36.84%) and SSI Fifteen Limited (26.32%) make up the remaining Contractor Group.

According to ANPG production report, Angola's oil production for the fourth quarter of 2021 was around 33,378,761 barrels, corresponding to a daily average of 1,112,625 barrels of oil (BOPD) against the forecasted 1,227,649 BOPD. Associated gas production during the same period was 83,799 million cubic feet, corresponding to a daily average of 2,793 million cubic feet (MMSCFD), with 1,487 MMSCFD injected, 663 MMSCFD made available to the ALNG plant, 307 MMSCFD for power generation at oil facilities and the remainder used in oil operations and flow.

Ten (10) units were in drilling activity, of which five (5) drillships, namely West Gemini, Libongos, Transocean Skyros, Maersk Voyager and Valaris DS-12, one (1) semi-rigid submersible, one (1) FALCON HP-1000 land probe, one (1) Tender SKD Jaya, two (2) CTU intervention units and one (1) Hydraulic Workover unit. With these drilling units, work was carried out in seventeen (17) wells, of which ten (16) were drilling/completion operations, making a total of 6,322 meters of drilling. Additionally, three (3) light interventions were carried out, two offshore and one onshore.

PETAN Advise Angolan Entrepreneurs on Capacity Building, Project Opportunities

By Ndubuisi Micheal Obineme

Ranti Omole, the Vice Chairman of Petroleum Technology Association of Nigeria (PETAN), has advised Angolan entrepreneurs to focus more on capacity building and ensure they position their companies to opportunities based on their strength.

At the Angola Oil & Gas Technology Conference 2021, the PETAN Vice-Chairman provided insight on Best Practices and Strategies for Local Service Providers to Build Capacities for Project Opportunities in the Angolan oil and gas industry.

In his words, he advised the Angolan local service providers to focus on areas where the multinational companies lack the strength to carry out a specific project, adding that these should be the niche areas where the local companies can explore and take advantage of the project opportunities.

For big projects, he suggested that they should collaborate with the multinational companies to leverage their experiences and gain the necessary skills which will enable the local companies to improve on their competencies for other projects.

He added, "You need to invest in assets and equipment that is needed for various business activities.

Ranti Omole, Vice Chairman of Petroleum Technology Association of Nigeria (PETAN)

"You need to invest in manpower such as training the staffs to be competent in those business areas that the company will be focusing on.

"You should be flexible and adaptable in ensuring you provide reliable and top quality services to gain the trust from the IOCs in terms of project delivery.

"It is important to ensure that non-resident OEMs have local technical partners, not commission agents. They should be part of the project because it gives them the first-time opportunity in terms of maintenance, integration, and building packages for the project.

"Right from the commissioning of the project, there should be locally available technical support that understands the scope of work, and, working with one or two experts will build the capacity.

"If you have a job and you don't have the capacity to carry out the project, search for it elsewhere. It is better you get the job done, than, to spoil your reputation.

"Access the gaps that you have and source for those gaps across the region. You can collaborate with countries and companies across the region."

Speaking further, he explained that local content shouldn't be seen as a Nigerian, Angolan or African standard.

"We need to develop an international standard by going through all the best practices and get the ISO certifications in quality management, environment, safety management, and other areas related to the business. All the staff must have all the required requisites.

"But, you don't need to wait until you get the certifications, you can start the process while waiting for the certifications.

"More importantly, all the stakeholders and regulators must work together to build the local content, while ensuring they patronize the local service providers and make sure they comply with the regulations," he said.

SOMOIL enters Angola Deepwater Oil Production

Somoil has signed a sales agreement with TotalEnergies and its Japanese partner Inpex Corporation to purchase shares in offshore blocks 14 and 14A, the company announced on 18th January 2022.

Block 14/14K is located offshore Angola in the Congo Basin with water depths from 350 -1100m, the offshore blocks have been producing since 1999.

Contractor group includes Chevron's subsidiary in Angola, Cabinda Gulf Oil Company Limited (CABGOC) with a share of 31% (Operator); Sonangol P&P with 20%; AB14BV with 20%; ENI with 20% and GALP with 9%.

Block 14 was the first deepwater block to come on stream in Angola with significant remaining reserves and continues to be a

Edson R. Dos Santos – Somoil´s Chief Executive Officer (CEO)

substantial contributor to the overall Angola oil production.

"This represents a huge step for Somoil and Angolan companies in the Oil & Gas sector; Somoil will now be present in a major deepwater producing asset with an excellent history and track record, which is part of our growth strategy," said Edson R. Dos Santos – Somoil´s Chief Executive Officer.

Somoil is a fully Angolan Oil & Gas Company registered in 2000. Currently operates onshore the FS-FST Associations, and in shallow waters the Block 2/05, and is a non-operator partner in Blocks 3/05, 3/05A, 4/05, 17/06.

Recently the company changed its vision and is now focused on becoming the premier integrated energy company in Angola.

Clariant Oil Services brings chemical expertise and global manufacturing resources in Angola

Clariant, a world leader in specialty chemicals, has expanded its commitment to Africa with two recent sites in Angola. The company has a 20-year record of supplying local customers, and the two recently opened facilities in Soyo and Viana bring a wide range of technical and operational capabilities to the region. In January, the Soyo site directly supplied the first chemical to offshore customers—a landmark for Clariant's deepwater operations in Africa.

"Over the last few years, we've significantly grown our operational footprint and capabilities in Angola," commented Mark Swift, Head of Oil Services Africa. "This base is of strategic importance to Clariant in Angola and makes a statement that we are ambitious and determined to grow the business in this area."

The new facility in the Kwanda Base, near Soyo, is located at the mouth of the Congo River on Kwanda Island, a site designed to provide logistical support for oil and gas operations. To fulfill the QC requirements for chemical supply, the laboratory is fully equipped with all conventional methodologies, as well as state-of-the-art infrared spectroscopy. These resources will assist the efficient supply of chemicals for subsea applications and make it possible to meet all testing requirements. The 3400m2 complex also comprises offices and a covered warehouse with decanting and filtering equipment, and the processing capacity is expected to reach up to 1000 tonnes per month.

The Soyo facility was preceded by a warehouse and laboratory complex in Viana, near Luanda, which was commissioned and designed to support business expansion in the oil and gas industry in Angola.

After several years of development, the site opened earlier this year. The technical capabilities onsite include equipment to test demulsifiers, deoilers, oil, and other oil-related products. For QC, the laboratory can assess appearance, pH, specific gravity, viscosity, FT-IR fingerprinting, particle counts, and non-volatile residuals, among other analyses.

Clariant considers safety and sustainability to be of the utmost importance and both sites have been designed in line with the stringent corporate standards expected on all Clariant sites.

Materials have been sourced locally where possible, which is also a Clariant prerequisite for now and the future. In addition, the laboratories are designed to ensure the careful segregation of oil waste for recycling or appropriate disposal.

"We now have people on the ground and facilities in place to meet our customers' needs," commented Mark Swift. "In combination with our expertise and production capabilities, this infrastructure will pave the way for further investments in the future."

TotalEnergies Starts Production on Phase 2 of CLOV Project Offshore Angola

TotalEnergies, together with its partner, the Angolan National Oil, Gas, and Biofuels Agency (ANPG), has started production on the CLOV Project Phase 2 in Block 17, offshore Angola – a tie-back project expected to reach a production capacity of 40,000 barrels of oil equivalent per day by mid-2022.

Located approximately 150km offshore Angola, in water-depths of up to 1,400m, the CLOV project is comprised of four fields – the Cavo, Lirio, Orquidea, and Violetalo fields – and will be connected to the existing CLOV floating, production, storage, and offloading facility. The project will involve the drilling of seven wells in an area estimated to hold up to 55 million barrels of oil equivalent. Launched in 2018, the CLOV Project is TotalEnergies' fourth operated production hub in Block 17 and was carried out within budget and within its planned execution duration.

"The start of the production of CLOV Phase 2, a few months after Zinia Phase 2, demonstrates our continuous efforts to ensure a sustainable output on Block 17," stated Henri-Max Ndong-Nzue, Senior Vice President for Africa, Exploration and Production at TotalEnergies, adding, "This project fits within the company's strategy to focus its upstream investments on low-cost projects which contribute to lower the average GHG emissions

intensity of its production. CLOV Phase 2 start-up also highlights the performance of our teams despite the health crisis."

Belarimo Chitangueleca, Acting President for the ANPG, stated, "The start of Phase 2 of CLOV comes at the right time with the right objective, as Angola needs to mitigate the decline in its oil production and work to increase it in the near future."

Block 17 is operated by TotalEnergies (38%), with other stakeholders including Equinor, (22.16%), ExxonMobil (19%), BP (15.84%), and Sonangol (5%).