



7th EDITION OF THE NIGERIA INTERNATIONAL ENERGY SUMMIT (NIES)



Sustainability and the Future of Content Development in Africa's Energy Sector

Presented By

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AGENDA

- 1. Content Development - Definition**
- 2. The case for Content Development**
- 3. Nigerian Content Achievements**
- 4. Sustainability and African Content Development**
- 5. Conclusions**








Definitions - Nigerian Content



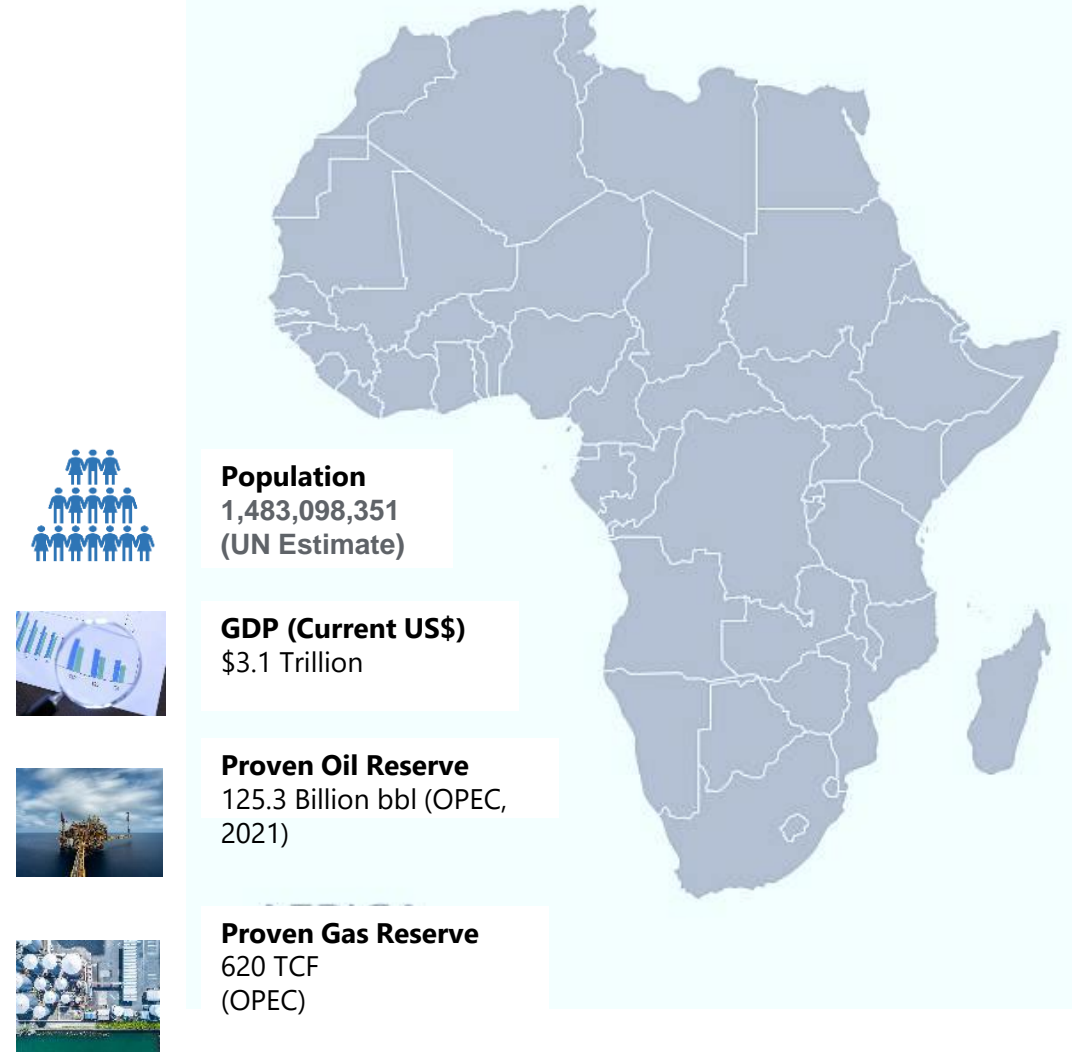
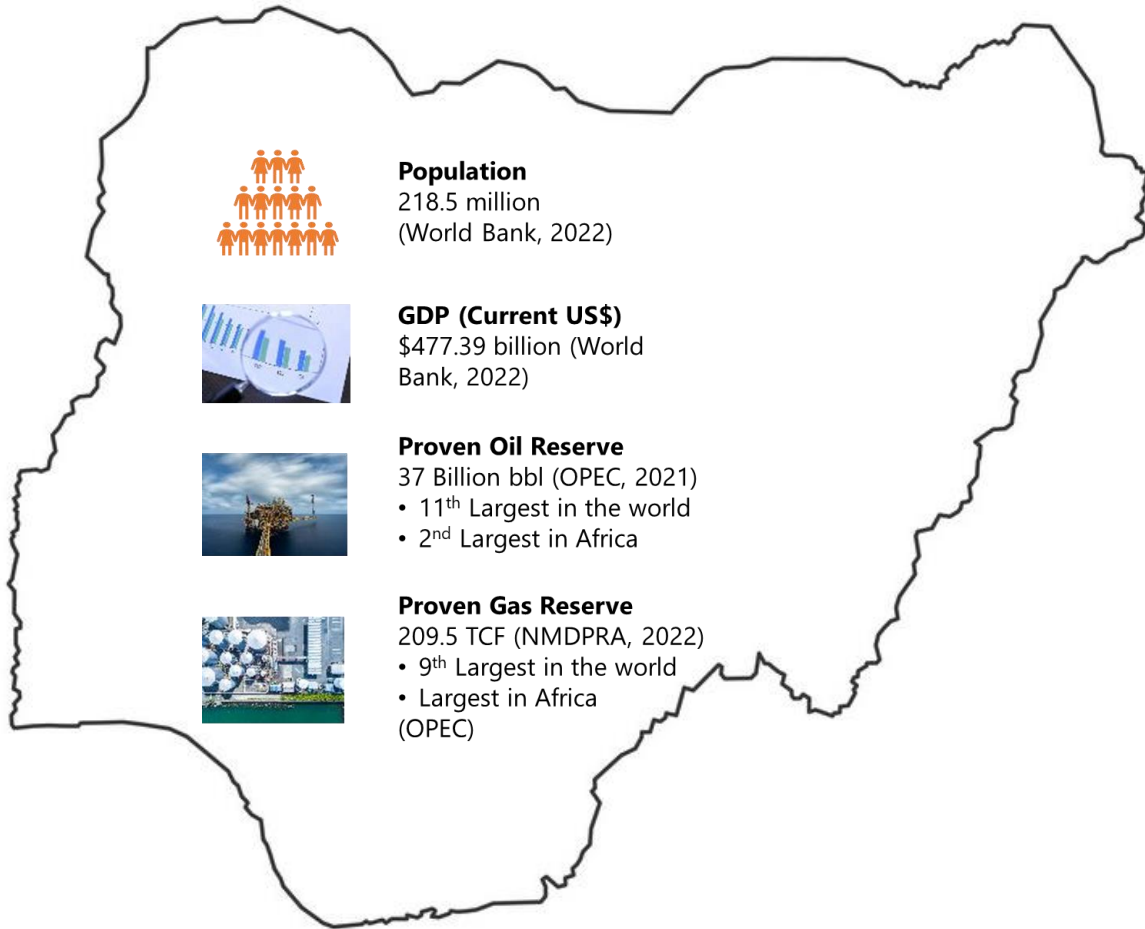
Section 106 of the NOGICD Act defines Nigerian content as:

"the quantum of composite value added to or created in Nigeria through the utilization of Nigerian resources and services in the petroleum industry resulting in the development of indigenous capability without compromising quality, health, safety, and environmental standards".

The schedule to the NOGICD Act, 2010 defines the targets for activities, materials and processes.

- (1)  **Services**
- (2)  **People**
- (3)  **Facilities**
- (4)  **Materials**
- (5)  **Technology**
- (6)  **Equipment**
- (7)  **Finance**

Case for Local Content...



Local Content Achievements...



Nigerian Content Achieved: 54% NC in 2023

Fabrication Yard Capacity Achieved: 250,000 MT
SAIPEM, AVEON, NIGERDOCK, EWT, NESTOIL, SHI-MCI YARD, MG VOWGAS YARD

FPSO Integration Yard: SHI-MCI, Lagos

Pipemills 2

Pipecoating Yards 6



Industrial Parks – 2 Ready to go, 6 More planned

HCD– Trained over 15,000 in Vocational and Professional Skills

NCIF >'\$450mln Funding for Local Vendors

Marine Vessels - 60% Nigerian Owned Vessels



Between 2017 & 2023, out of about U\$7bn worth of marine vessel services tracked by NCDMB, 60% were executed using Nigerian owned assets



March 6, 2024



EGINA FPSO

FPSO Integration Yard: SHI-MCI, Lagos

The First and only FPSO Integration yard in Africa!

NCDMB NOGaPS Emeyal 1 Site



NOGAPS Odukpani



Block of 12 Flats

24-room Hostel

Training Center

Admin Building

Govt Technical College (GTC) Port Harcourt



INTERVENTIONS:

CONSTRUCTION AND EQUIPPING OF:

- MECHANICAL WORKSHOP
- 24 CLASSROOMS BLOCK
- 200 BEDS STUDENTS HOSTEL
- 4 TECHNICAL WORKSHOP BLOCKS
- ICT CENTRE
- RENOVATION OF PRINCIPAL'S LODGE

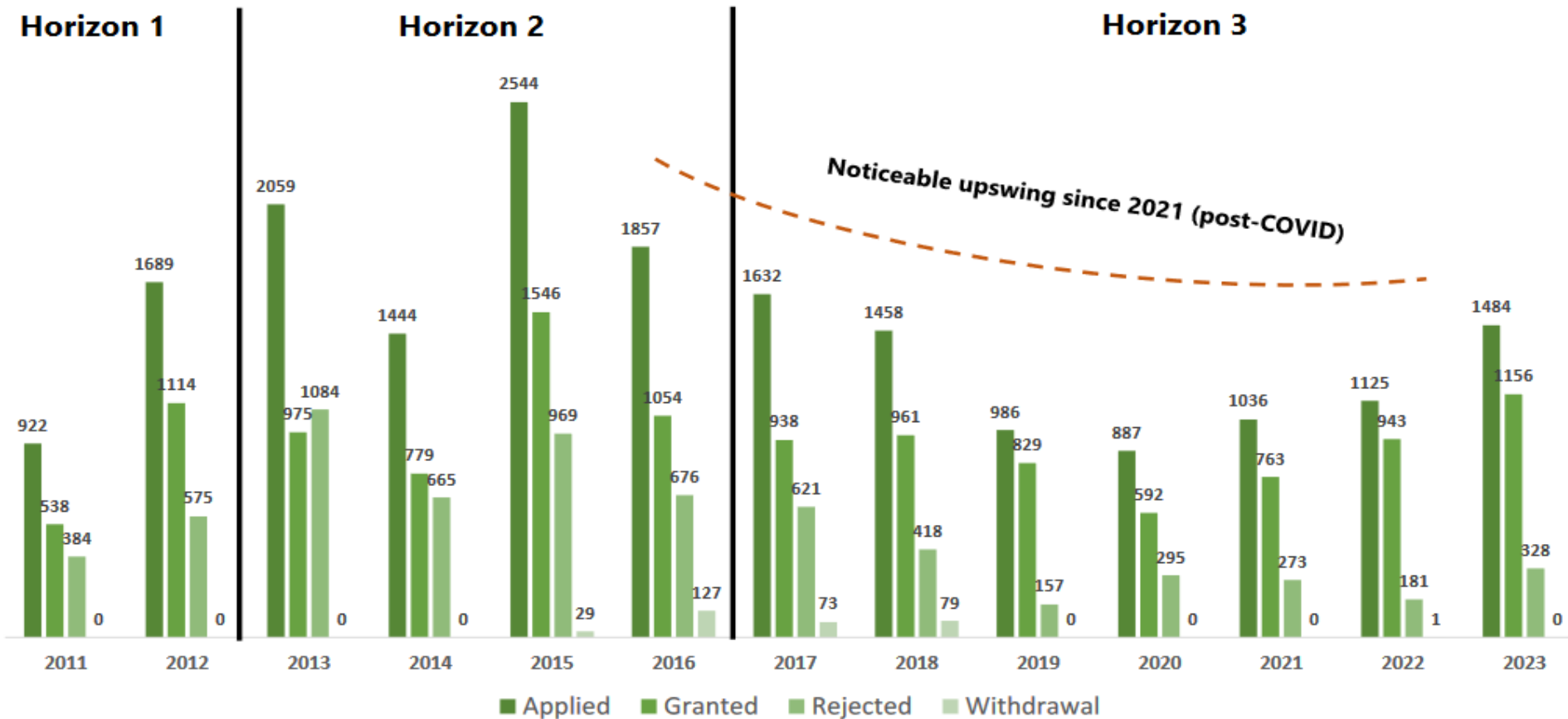
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Expatriate Quota



- Exchange programs
- Precise Succession Plans.
- Biometric Data capture
- Collaboration with NIS



However, EQ application on the rebound in the last 5 years – sign of increasing activities/compliance especially in post covid. 1,156 positions were approved in 2023 and 328 positions were rejected.

EQ Admin Achievements

- **Exchange programs** have aided in the promotion of Nationals to positions of high authority within and outside the Country
- **Precise Succession Plans** have ensured Nationals understudying expatriates are adequately trained. **1,376** positions have been Nigerianized so far.
- The **Biometric Data capture** ensures all expatriates currently engaged in the oil and gas industry are duly captured
- **Increasing Collaboration** with Nigeria Immigration Service (NIS) and the Ministry of Interior.



Improved Processing Time



IPPG



NLNG



- Signed SLAs with NLNG, OPTS, and IPPG.
- Implemented our **Service Level Agreements** to the letter
- **Record-breaking** reduction in the duration of approvals
- Signed Internal Service Level Agreements (ISLA).
- Signed SLA with industry operators and NNPC - The overall goal is to reduce oil and gas industry's tendering to contract award processes from 36 months to within six months

- **Reduced Oil and Gas industry contract cycle time**
– **Target is 6 months**



Ease of Doing Business

We maintained our Top Ranking on the PEBC Ease of Doing Business Index...



NCDMB SERVICOM Desk Fully Operational

Modular Refineries



IN-OPERATION

5,000bpd Refinery
at Ibigwe, Imo State.
Commissioned in
Nov 2020



UNDER

CONSTRUCTION:

2,000bpd Refinery
at Brass Island.
Target completion
in 2025.



UNDER

CONSTRUCTION

2,500bpd Refinery
at Egbokor, Edo
State. Target
completion in 2024.



DUPORTMIDSTREAM



UNDER

CONSTRUCTION

12,000bpd Ref at
Gbarain, Bayelsa
State. Completion
in 2026.



Partnerships in Gas Value Chain (1)



80MMscd gas Processing Facility and **300MMscfd** KGG manifold at Kwale, Delta State.

1.2 million/year Composite LPG Cylinder Manufacturing Plant in Bayelsa & Lagos States



24MW Power Plant at LADOL Facility in Lagos State



Butane Energy Limited

LPG storage/bottling plants and LPG Depots 10 northern states and Abuja.



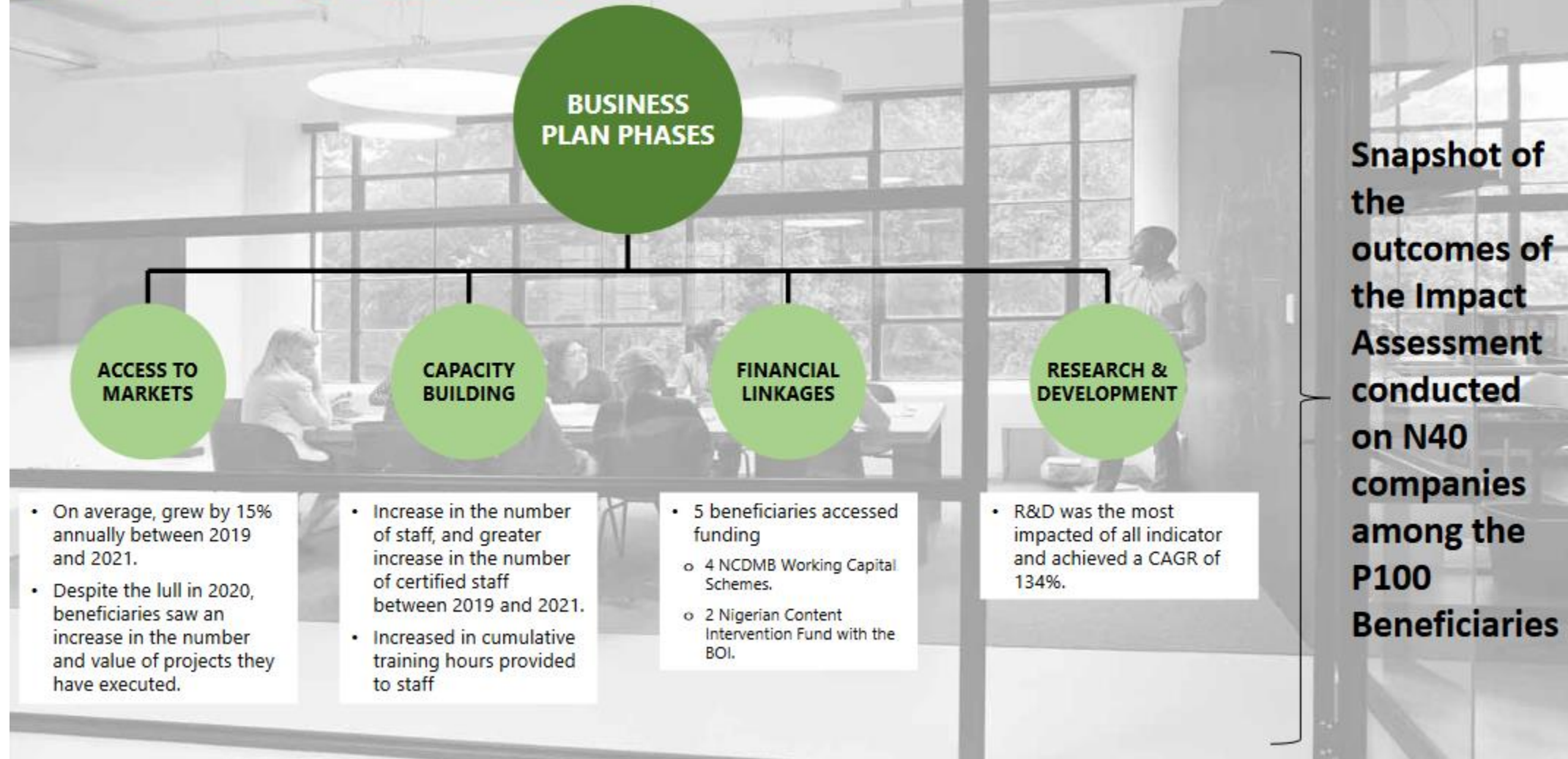
5,000MT LPG Loading and Receiving Terminal at Koko Delta State



10,000TPD Methanol Production Facility at Brass Island, Bayelsa.



P100 Interventions



Status of Nigerian Content Intervention Fund with the **Bank of Industry**



Product Line	Disbursements Made		
	Nos	US\$	₦
Manufacturing	3	0	7.561bn
Asset Acquisition	32	183.536m	14.115bn
Contract Finance	10	24.729m	2.232bn
Loan Refinance	25	115.998m	15.981bn
Community Contractor	0	0	0
Total	70	\$324.263m	₦39.889bn

Investment Income from NCI Fund
@ 30th September 2023

₦2.634bn

US\$42.117m

This translates to total income in Naira of ₦35.233 billion (@ ₦774/US\$1)



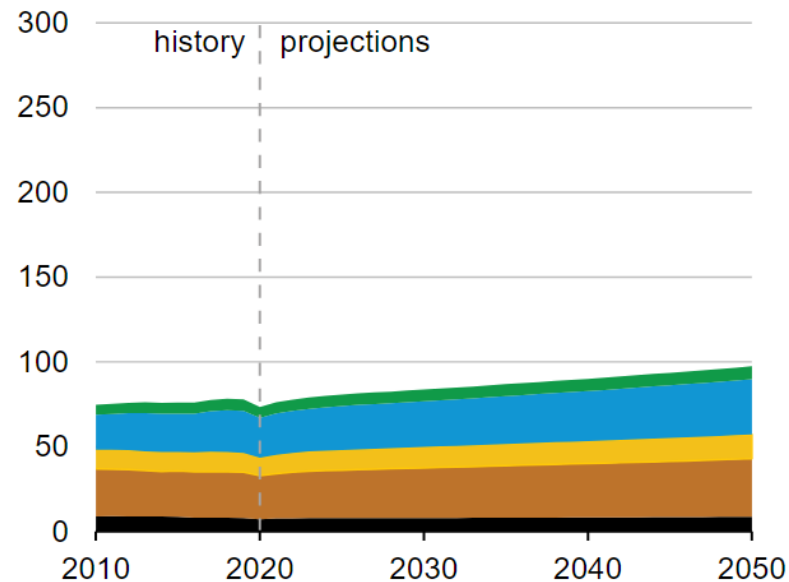
Drivers of African Content Development

Industrial Sector Energy Consumption by Fuel

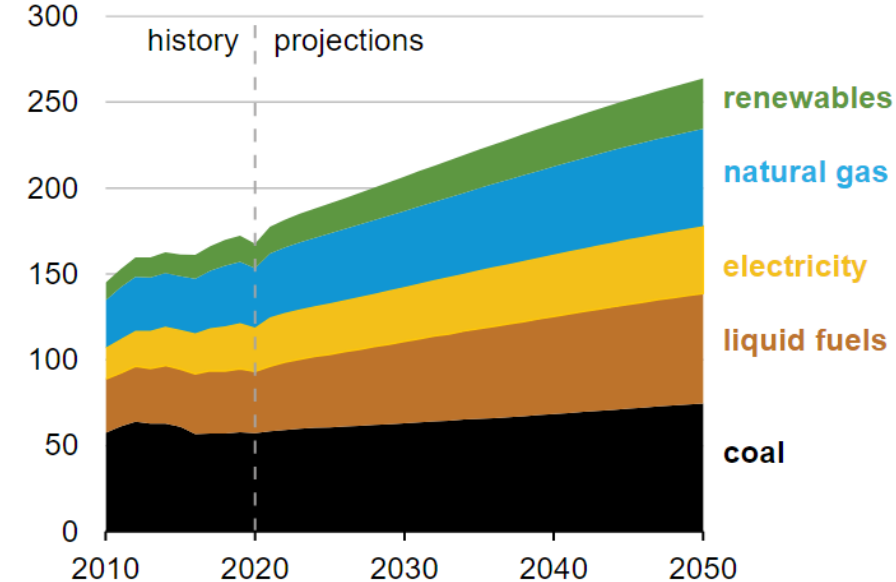


Figure 13.

Industrial sector energy consumption by fuel, OECD
quadrillion British thermal units



Industrial sector energy consumption by fuel, non-OECD
quadrillion British thermal units



Source: U.S. Energy Information Administration, *International Energy Outlook 2021* (IEO2021) Reference case

African Content Sustainability Drivers



Closing



- ❑ Significant achievement by the Nigerian Content Effort. Sister African Countries being coached and supported to develop their local content programme.
- ❑ The achievement made so far will go to waste if not sustained.
- ❑ Sustainability requires New projects, utilisation of established capacities through continuous flow of jobs, reengineering the supply chain to reduce project cost and achieve world class standard.
- ❑ Africa has enough resources to support investment in African content and payback investment with healthy margin.
- ❑ Invest in local content Development.

Nigerian Content Tower
Yenagoa, Bayelsa State
Nigeria

Thank You



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