

Q3 2018

# Local CONTENT Digest

NCDMB stakeholder magazine

## Modular Refineries

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and Local Content growth







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# BUILDING A PIPELINE OF TALENT

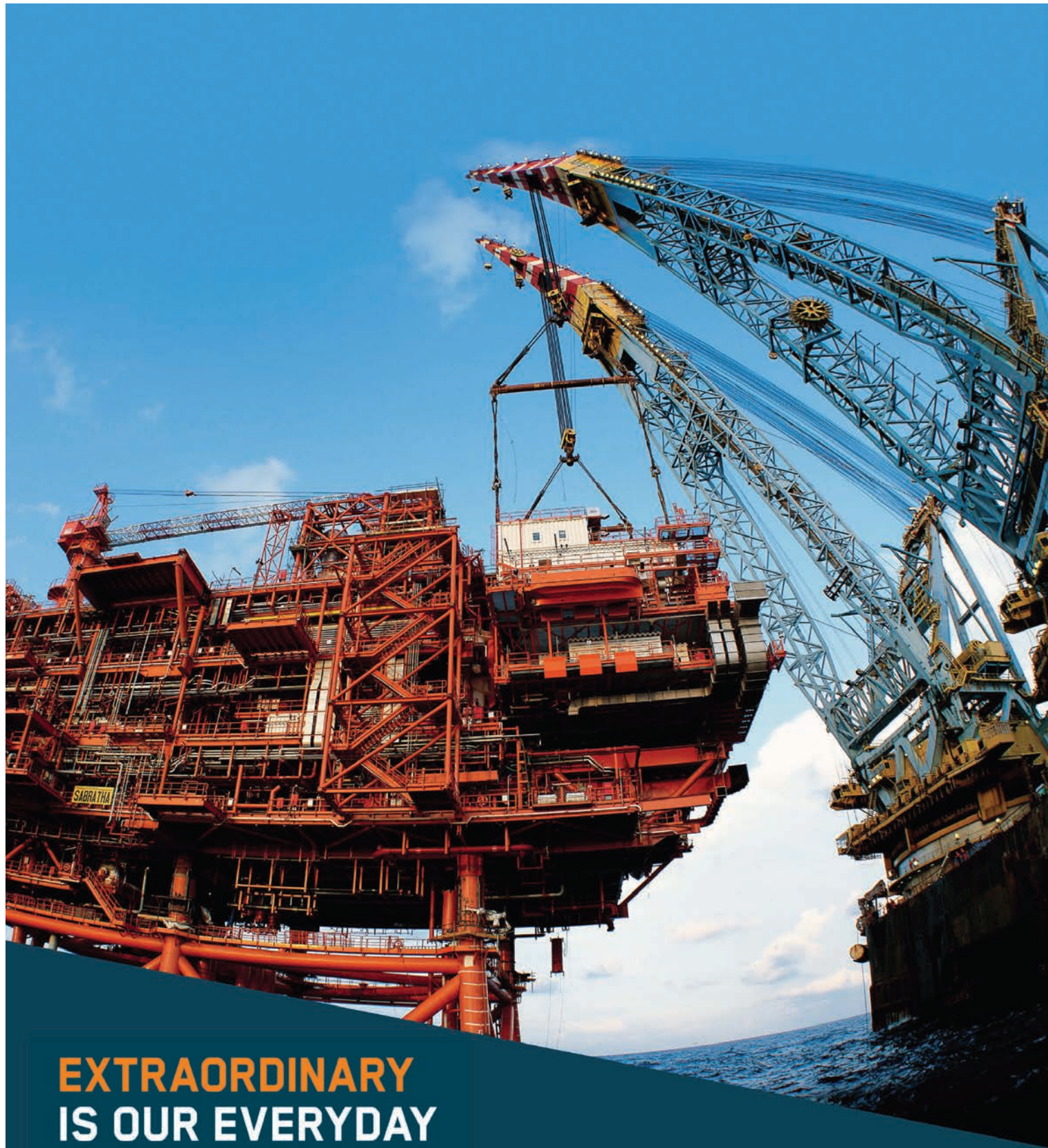
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# All hands on deck

**T**he journey into the Board's 10-year Strategic Roadmap is gaining momentum. All hands must be on deck to meet the target. This implies that operators, service companies, ministries, departments, agencies, and just about every stakeholder in the public and private sectors (who has a role to play) needs to be on board.

Last quarter, the Board was quite active in animating and fostering collaborations and synergies critical to the realisation of our 10-year rolling plan. We engaged the Nigerian Stock Exchange (NSE), seizing the auspicious moment of tolling the closing gong in August, to advocate a shift in the listing of companies on the Exchange. We advocated listings by upstream and midstream oil and gas

companies to add more value to our hydrocarbon resources in-country. No doubt, the listing of upstream companies, refineries, petrochemical industries, fertiliser companies and allied firms in the LPG/CNG value chain on the Exchange will spur cross-sectorial linkage and economic buoyancy.

We also engaged the Nigerian Petroleum Development Company (NPDC) and National Engineering & Technical Company Limited (NETCO), subsidiaries of the NNPC. The essence of the engagement was to promote synergy, entrench Nigerian Content practices and compliance among the companies. We believe that the collaboration of the NNPC and its subsidiaries will re-energise the drive for local content compliance across

the industry and enhance in-country value addition.

Another important collaboration is with organised labour. Labour has a crucial role to play towards the success of Nigeria Content in the Oil and Gas Industry. Thus, it was delightful to host the joint national executives of PENGASSAN and NUPENG at our Head Office in Yenagoa last quarter. The engagement presented a perfect ambience to intimate the union executives with the Board's mandate, vision, accomplishments and areas of collaboration. The interaction was frank and friendly; the outcome was mutually beneficial. The union leaders gained more insights and pledged to collaborate with the Board to implement the 10 strategic



**The scope and reach of our collaboration is expanding and we will continue to champion this centripetal movement. We are convinced that the benefits of collaboration and synergy far outweigh defending narrow territorial mandates. Since Nigerian content requirements in the Oil and Gas industry is not just a legal duty but an economic imperative, all hands must be on deck to make it succeed.**

objectives for the good of all Nigerians. Clearly, partnership with PENGASSAN and NUPENG is critical for effective compliance monitoring.

Next was key stakeholders in the media who we engaged in Lagos and Yenagoa, respectively. The theme of the engagement was the Nigerian Content Intervention (NCI) Fund. We used the forums to highlight the reason for the US\$200 million fund, our preference for Bank of Industry as the Fund Manager, loan facilities and eligibility, application process, beneficiaries and challenges. The engagement demonstrates our pledge to openness and transparency in the management of the Fund. Hence, we deemed it fit and proper that the media should have accurate information about the Fund, the loan processes and disbursement so that they are empowered to disseminate the right information and play their role as watchdog by monitoring the application of the fund.

We extended our partnership to the anti-graft agencies - the Economic and Financial Crimes Commission (EFCC) and the Special Presidential Investigation Panel (SPIP), the agency responsible for recovery of public assets. Our engagement with these agencies underscores our commitment to accountability and probity. We came away with strong assurances from both agencies to partner the Board to investigate reported cases of severe infractions and impropriety, particularly with regard to remittances of covered companies, to the Nigerian Content Development Fund, soon after the ongoing third party forensic audit.

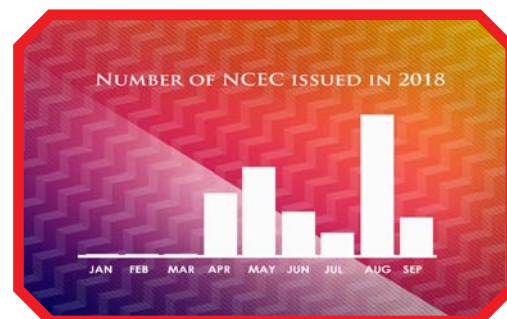
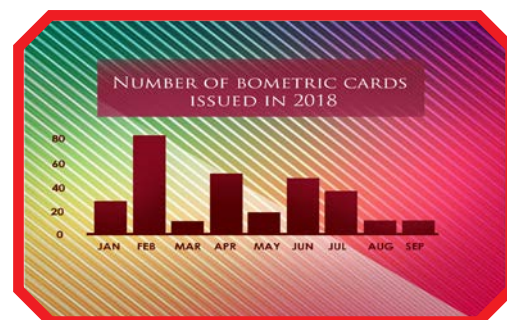
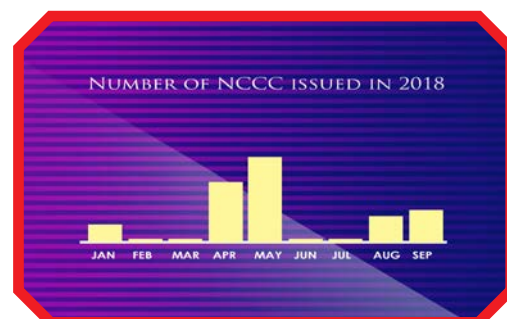
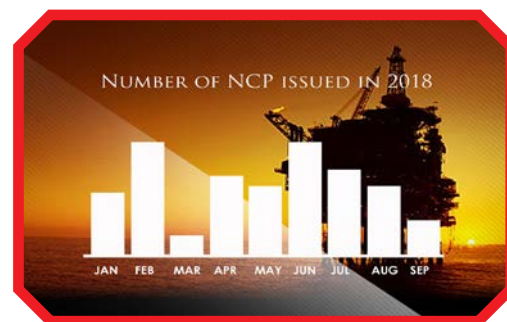
The civil society organisations (CSOs) and advocacy groups are also important stakeholders. Their role is critical to Nigerian Content implementation and monitoring. That is why we maintain an active and robust engagement with CSOs in the extractive industry. Last quarter, we seized the occasion of the 58 Annual Conference of the Nigerian Bar Association to canvass and enlist the support and partnership of our learned friends. The 2018 Bar Conference presented a veritable platform for us to galvanise the Bar to get more involved in local content advocacy in Nigeria. We expect the partnership to result in more compliance through legal support in simplifying requirements and processes.

We also activated our partnership with the Council for the Regulation of Engineering in Nigeria (COREN) and the Committee of Deans of Engineering and Technology of Nigerian Universities (CODET). The goal is to properly focus research work in our engineering faculties and to commercialise outstanding engineering projects completed annually by undergraduates and postgraduates.

Similarly, we collaborated with AOS Orwell and the Lagos State Electricity Board for the training of 50 young Nigerians on Smart Electrical Engineering. This is a specialised training targeted at engineers to bridge the gap between theory and hands-on experience. The six-month training is designed to equip the participants with solid foundations in electrical and electronics, with both theory and practical competency for installations, testing, maintaining, repairing, analysing and trouble shooting electrical circuits, equipment and systems. The training is certified by Siemens. The trainees were selected from the Board's NOGICJQS portal. This partnership helps to fill critical skills gap in the industry, which is a major pillar in our 10-year strategic roadmap.

The scope and reach of our collaboration is expanding and we will continue to champion this centripetal movement. We are convinced that the benefits of collaboration and synergy far outweigh defending narrow territorial mandates. Since Nigerian content requirements in the Oil and Gas industry is not just a legal duty but an economic imperative, all hands must be on deck to make it succeed. Indeed, all stakeholders must pull together towards actualising the Board's 10-year Strategic Plan.

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Source: Strategy and Policy Development Division



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*Cover page: Model of Waltersmith Modular Refinery*





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*Local Content Digest* is a publication of the Nigerian Content Development and Monitoring Board, NCDMB Headquarters, Glass House, Isaac Boro Expressway, Opolo, Yenagoa, Bayelsa State.

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# The exciting marathon continues

**M**arathon in Olympics has its roots in the story of Pheidippides, the legendary runner. Herodotus, the Greek historian, told the story of how Pheidippides ran from Marathon to Athens to announce the victory of his people against the Persians at the Battle of Marathon, about 26 miles. Like Pheidippides, the *Local Content Digest* is the herald of Nigerian Content Development and Monitoring Board. It comes out every quarter to announce landmarks and developments in the Local Content marathon, particularly in the Nigerian Oil and Gas Industry.

This edition brings the story of modular refinery. The policy, the debate, the licenses, the challenges and the breakthrough. It tells everything you need to know about the notion and science of modular refinery, the reason for the Board's US\$10 million equity investment in Waltersmith's 5,000 barrels per day modular refinery; the Board's exit strategy and how its decisive action has materialised the Federal Government's policy on modular refineries, as contained in the Seven Big Wins of the Petroleum Industry Roadmap of President Muhammadu Buhari's administration. It's a complete package, a reader's delight.

The third quarter trended with various strategic engagements of the Board with critical stakeholders: Nigerian Stock Exchange, Council of Registered Engineers of Nigeria, Nigerian Bar Association, Labour Unions, the media and anti-graft Agencies, including NPDC, NETCO, AOS Orwell as well as Lagos State Electricity Board. The engagements aimed to create synergies for impactful Nigeria Content implementation.

As usual, our regular segments also

**This edition brings the story of modular refinery. The policy, the debate, the licenses, the challenges and the breakthrough. It tells everything you need to know about the notion and science of modular refinery, the reason for the Board's US\$10 million equity investment in Waltersmith's 5,000 barrels per day modular refinery.**

featured in this edition but with fresh spices. For instance, under *Money*, the reader is pointed to the secrets of sending kids to the best schools at affordable cost. In *Travelogue*, we checked out Port Harcourt's tourism credentials and unveiled its beauty and glamour, commending the city as one of the places to rest and unwind, even for busy executives. Indeed, this edition is loaded with more fun and materials to reward faithful readership.

We'll continue to thank our staunch partners, who make it possible to bring *Local Content Digest* to you every quarter: LADOL, Marine Platforms, Schlumberger, Nigerdock, Saipem, Samsung and MG Vowgas. We welcome on board Tamrose Ventures Ltd, one of the leading providers of training in the Oil and Gas industry. We invite other O&G companies to showcase their local content capabilities on this platform. Give it a shout and you'll be amazed at the return on the investment.

See you next quarter. Happy reading!



## Conditions for US\$200m NCI Fund now relaxed

Concerned by the slow disbursement of the US\$200 million Nigerian Content Intervention Fund, the Nigerian Content Development and Monitoring Board (NCDMB) and the Bank of Industry (BoI) have relaxed conditions that must be met by qualified oil and gas service companies to access the fund.

They held a stakeholders' forum in Lagos and agreed that "Bank of Industry may consider the inclusion of Insurance Bonds as collateral for accessing the Fund, provided the bonds are issued by competent and major insurance companies qualified by the Bank".

Key resolutions included that BoI shall accept other forms of collateral outside of Bank Guarantees (BG) and applicants with unencumbered collateral acceptable to the BoI can access the NCI Fund without recourse to BG. Applicants can access loans for two different categories or product types, subject to the applicable single obligor limit and NCDMB will consider increasing the single obligor limit for refinancing from US\$2m to between US\$5m and US\$10m.

Henceforth, there will be no discrimination

between international oil companies and their indigenous counterparts; the history and performance of Nigerian firms will be considered.

BoI shall standardise the conditions for obtaining BG from each commercial bank and issue same to applicants at the point of application to guide and speed up their pursuit of the document. BoI would no longer insist on appointing a Director on the Board of borrowers; but would place an officer to monitor the project financed by the loan.

## NigerStar7 rechristens US\$10m vessel

NigerStar 7 recently celebrated the re-christening of *ADABA*, a dynamic positioning system vessel, valued at US\$10 million. The vessel, which will be flying the Nigerian Flag, is rated as DP2 and equipped with Fire Fighting System (FIFI) Class 1.

Engr. Simbi Wabote, Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB) performed the re-christening at Snake Island Integrated Free Zone, Lagos.

He commended the business model of NigerStar7, which is a partnership between Nigerdock and Subsea7 and noted that it has helped the group to build a formidable presence in engineering, fabrication, installation, and project management.

He advised other service providers to emulate the group, especially now that the industry was rebounding from a downturn. "We see rays of light in the sanctioning of big-ticket projects. There is need to collaborate more and build partnerships that last. The opportunities in the industry are quite vast and there is room for a win-win situation for all," he said.

Wabote noted that the outright acquisition and deployment of *ADABA* by Nigerstar7 in Nigeria showed the growing confidence of investors in the Nigerian economy under President Muhammadu Buhari's government. He said the Board is reviewing its vessel categorisation process and would soon unfold a robust implementation that

meets the aspirations of marine operators in the Oil and Gas industry.

Mr. Yann Cottart, Chief Executive Officer, NigerStar7, said the company would invest over \$20 million (₦7.2billion) to acquire oil floating facilities, vessel and oil servicing equipment that would create job opportunities for offshore and onshore workforce and oil servicing companies. "We are executing the largest and most complex Engineering, Procurement, Construction and Installation (EPCI) deepwater projects and with this new addition of vessel, we have become the only Nigerian Tier 1 EPCI contractor with marine assets 100 percent owned and positioned in-country."



(R-L) : Mr. Adeyemi Oreagba, Head, Government and External Relations, Oando Plc; Mr. Tajudeen Adigun, General Manager, Nigerian Content Division, Nigerian Agip Oil Company (NAOC); Mr. Alessandro Tiani, General Manager - District (NAOC); Mr. Daziba Patrick Obah, Director, Planning, Research and Statistics, NCDMB and Mr. U.B Nkanga, Head, Department of Petroleum Resources (DPR), Bayelsa State Liaison Office and Mr. Kalada Apiafi, Managing Director, Wider Perspectives Limited at the NAOC workshop for contractors on Regulatory Compliance and Procurement Best Practices.



## Tests certify local barites for oil industry use

Barites produced locally by the Association of Miners and Processors of Barite (AMAPOB) have met the minimum oil standard required by the Oil and Gas industry.

Eight samples of barites from six sites in Benue and Nassarawa states were tested at the AMAPOB laboratory in Yandev-Gboko, Benue State in August. The results showed maximum and minimum Specific Gravity (SG) of 4.37 and 4.04, meeting the high grade required for industry operations.

The development has raised hopes of increased utilisation of locally produced drilling fluids in the operations of the Oil and Gas industry. It would link the oil industry with the mining sector and

create thousands of jobs. The AMAPOB laboratory is equipped with standard equipment; it meets international requirements for barite testing. It was donated by Chevron Nigeria Limited (CNL) in collaboration with the Nigerian Content Development and Monitoring Board (NCDMB).

The tests were witnessed by officials of the NCDMB, the Department of Petroleum Resources (DPR) and Standards Organisation of Nigeria (SON).

They constituted a major milestone in the Board's intervention to bridge critical gaps in local production and supply of minerals required in the industry. NCDMB launched a Capacity Development Initiative (CDI) in collaboration with

CNL and AMAPOB in 2012 to promote mechanised mining and production of high grade/quality barite of 4.0 Specific Gravity (SG) and above.

CNL supported the CDI with \$1.4million and procured heavy mining equipment and vehicles, laboratory equipment and trained AMAPOB personnel on critical areas of mining operations, equipment operations and maintenance as well as laboratory test, among others.

Officials of the NCDMB's Capacity Building Division said they plan to further engage the international oil companies and agree on the utilisation of barities.

## 'Top engineering projects to be commercialised'

The best engineering projects completed by final year students in the 2017/2018 academic session will be developed and commercialised by the Nigerian Content Development and Monitoring Board (NCDMB). This will be done in partnership with the Council for the Regulation of Engineering in Nigeria (COREN) and the Committee of Deans of Engineering and Technology of Nigerian Universities (CODET).

Engr. Simbi Kesiye Wabote, Executive Secretary of NCDMB broke the news at the 27th COREN Engineering Assembly in Abuja. He spoke after

the top three individual and group engineering undergraduate projects in the country were announced by the Committee of Deans.

Wabote said: "NCDMB would work with the Committee to reconvene the winners and go through the projects with a view to developing and commercialising them." He stressed that "part of our mandate is to enhance research and development. We will support them through the development stage of the findings". He also announced the endowment of annual prize for the best research publication by any final year

engineering undergraduate.

He hailed the immediate past COREN President, Engr. Kashim Ali, for restoring professionalism to the engineering sector and organising a successful COREN Assembly. He noted that the NCDMB has recorded numerous achievements in the Oil and Gas industry and would achieve much more if the agency's mandate were extended to power, Information Communication Technology (ICT) and construction sectors.

## Dangote Refinery gets Nigerian Content Committee

The Federal Government has inaugurated a committee to develop a framework for the implementation of Nigerian Content in the development of the 650,000 barrels per day Dangote Refinery Project. Members of the committee are top workers of the Nigerian Content Development and Monitoring Board (NCDMB) and Dangote Petroleum Refinery.

Mr. Daziba Patrick Obah, Director, Planning, Research and Development, NCDMB, told the meeting in Lagos that the committee would ensure that the refinery investments complied substantially with the provisions of the Nigerian

Oil and Gas Industry Content Development (NOGICD) Act. He said the success of the project would create about 235,000 direct and indirect jobs. "This collaboration will bring Dangote and NCDMB closer towards achieving our respective mandates and results with even better impact on Nigerians and the Nigerian economy from oil and gas operations, projects and activities," he said.

The committee is to develop modalities for the submission and review of statutory reports and conduct performance review sessions, project assessments and verification visits. Such modalities, however, must not hamper the speed

of executing the refinery project, Obah added.

Mr. Akintunde Adelana, Director, Monitoring and Evaluation, NCDMB, said the committee was set up to foster alliances and achieve a common goal. According to him, it is not a corrective measure.

Mr. Giuseppe Surace, Chief Operating Officer, Dangote Refinery, promised that the company would comply with the NOGICD Act and maximise Nigerian Content in its operations, including engineering, construction, logistics and employment.



Engr. Simbi Wabote, Executive Secretary NCDMB, performing the re-christening of ADABA, NigerStar7's dynamic positioning system vessel.



## Oil unions to support NC implementation

The Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) and the Nigerian Union of Petroleum and Natural Gas Workers (NUPENG) will collaborate with the Nigerian Content Development and Monitoring Board (NCDMB) to monitor and develop local content in the Oil and Gas Industry. Leaders of the two unions made the commitment in September when they visited the NCDMB in Yenagoa, the Bayelsa State capital.

Comrade Francis Johnson, National Chairman, PENGASSAN, described the engagement as revealing, adding: "We have learnt a lot about the laudable interventions of NCDMB. We are

committed to work with you." He urged the Board to bar briefcase companies from winning contracts in the sector.

He described the Board's headquarters building project as remarkable and hoped that it would be completed soon.

Engr. Simbi Wabote, Executive Secretary of NCDMB, urged the union leaders to dispel the wrong notion that NCDMB awards contract in the sector. He said: "The Board is mandated to review, assess and approve Nigerian Content plans developed by operators. We issue certificates of authorisation for projects that comply with

Nigerian Content provisions."

He explained that Nigerian Content is not about Nigerianisation, but the promotion of domestication and domiciliation of value-adding activities in-country.

Comrade Williams Akporeha, Chairman, NUPENG advised the Board to introduce periodic consultative fora with the unions to enable them to explore areas of collaboration for effective Nigerian Content practice in the industry. The Board should also insist that the remunerations and contracts industry operators give their workers meet international standards.

## Oil firms 'll benefit from Stock Exchange

Companies operating in the upstream and midstream sectors of the Oil and Gas industry would benefit from listing their shares on the Nigerian Stock Exchange (NSE), Engr. Simbi Wabote, Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB), said in August.

He spoke after performing the closing gong ceremony at the NSE in Lagos. Wabote noted that indigenous operating companies and their service

counterparts would gain from the corporate governance principles demanded from firms that float their shares on the Stock Exchange.

The participation of oil companies in the NSE, he said, would also change the operating model of the sector and enable the pooling of funds for growth, empowerment and inclusion of Nigerians.

Currently, oil and gas companies listed on the NSE are majorly downstream players, necessitating

upstream and midstream firms to also go public, he added.

Ms. Tinuade Awe, Executive Director, Regulations, NSE, urged indigenous oil producing and service companies to emulate SEPLAT Petroleum in listing on the Exchange. "We want them to know of the many opportunities they would gain, such as being able to raise capital, among other things," she said.



Engr. Simbi Wabote, Executive Secretary, Nigerian Content Development and Monitoring Board, (NCDMB), sounding the closing gong at the Nigerian Stock Exchange (NSE). Immediate left are Ms. Tinuade Awe, Executive Director, Regulations, NSE and Mr. Isaac Yalah, Director, Finance and Personnel Management, NCDMB; immediate right, Mrs. Rose Chukwuonwe, Coordinator, Legal Services, NCDMB and Engr. Abayomi Bamidele, General Manager, Strategy and Transformation, NCDMB.



## 100 electrical engineers begin training

Fifty young electrical engineers started training at the Lagos Energy Academy (LEA) in September under the Smart Electrical Engineering Training. They are sponsored by the Nigerian Content Development and Monitoring Board (NCDMB) and facilitated by AOS Orwell Limited.

About 60 of the 100 beneficiaries are expected to secure automatic employment on completion of the programme.

The training comprises classroom and on-the-job training (OJT) for six months. This is expected to close the skill gaps in electrical engineering and

other related technical skill areas in the Oil and Gas industry. It will also enhance the trainees' level of competencies and enable them to secure jobs in the Oil and Gas industry and other allied sectors. The trainees will receive the Siemens Certification and LEA's Certification, which are internationally recognised, on completion of the programme.

A total of 187 electrical engineers were selected from the Nigerian Content Joint Qualification System (NOGICQS). They wrote tests in Port Harcourt and Lagos. Successful candidates were interviewed and 75 persons were selected.

The Board will organise another round of tests to select additional 25 candidates to make up the second batch of 50 engineers, who will start their training in 2019.

AOS Orwell is an oil and gas servicing company with capacity in Process Management, Electrical Instrumentation and Controls services, among other areas. The Lagos Energy Academy (LEA) facility is equipped with an array of electrical training equipment and tools. It is owned by the Lagos State Electricity Board.

## EFCC, SPIP partner NCDMB on investigation, NCDF Recovery

Serious infractions by oil and gas companies will henceforth be referred to the Economic and Financial Crimes Commission (EFCC) for thorough and quick investigations. This followed the new collaboration between the Nigerian Content Development and Monitoring Board (NCDMB) and the EFCC, in September when Engr. Simbi Wabote, the Executive Secretary, NCDMB, visited Mr. Ibrahim Mustafa Magu, Acting Chairman of the EFCC, in Abuja.

Also, the Special Presidential Investigation Panel (SPIP) for the recovery of public assets will support the Board in the recovery of unremitted one percent deduction for the Nigerian Content

Development Fund (NCDF) from defaulters.

On the partnership with EFCC, Wabote said: "The Board will initiate the development of a Memorandum of Understanding (MoU) between the two agencies to enhance quick deployment once the services of the Commission are required. We regularly receive alerts via the whistleblowing portal on our website. We do our bit to investigate such alerts and believe some of the major findings may be subjects for referral to EFCC."

Magu said the Commission had successfully partnered other government agencies to contain fraud and financial malpractices. He promised that

EFCC would support the NCDMB to recover any money meant for it as an agency of the Federal Government. He also suggested that local content practice be extended to other important sectors of economy.

Barr. Okoi Obono-Obla, the Chairman of the SPIP, also visited the Executive Secretary at the Board's liaison office in Abuja. He said: "We are aware that your Board is mandated by law to get one percent from every contract in the Oil and Gas industry for the development of Nigerian Content. We are willing to partner the Board to prosecute companies that default and ensure recovery of the fund." He noted that non-remittance to the NCDF is an economic sabotage.



L-R: Mrs. Rose Chukwuonwe, Coordinator, Legal Services, NCDMB; Mr. Daziba Patrick Obah, Director, Planning Research and Statistics NCDMB; Engr. Simbi Wabote, Executive Secretary, NCDMB; Ms. Wemimo Oyelana, Vice President, CWC Events Africa, Mr. Odiri Umusu, Vice President, Business Development, sub-Saharan Africa, after signing a Memorandum of Understanding on the organisation of the annual Practical Nigerian Content Forum (PNC) for the next five years.



## NCDMB, Indian Institute to partner on R&D

The Nigerian Content Development and Monitoring Board (NCDMB) will leverage on the vast experiences of the Indian Institute of Technology Madras (IITM) to develop the Nigerian Oil and Gas industry's capabilities for research and development (R&D).

A two-man delegation from the Board recently embarked on an international outreach to the IITM to, among other reasons, understudy the standard methodology of transiting a research idea into a new product. The Board described the IITM as a reference point for the development of its knowledge capital on R&D. Lessons learnt are to be deployed in shaping regulation of R&D activities in the Nigerian Oil and

Gas industry.

Following the visit, the Board is considering signing a Memorandum of Understanding (MoU) with IITM on the development of R&D capabilities. NCDMB is also planning to facilitate a partnership between Nigerian universities and IITM, to establish a full suite of R&D ecosystem in the academic sector. Other suggestions include enabling an alliance and business opportunities between Indian startups promoted by IITM and Nigerian service companies.

IITM is a leading university in engineering, sciences and management in India and ranks number one in

the National India Ranking Framework (NIRF). It has full complement of R&D ecosystem and an ongoing collaborative research relationship with major oil and gas companies including Exxon-Mobil, Shell, etc.

It is also the foremost innovation and entrepreneurship eco-system in India with over 160 startups developed in the last six years in various fields, including the Oil and Gas industry.

Sections 37 to 39 of the NOGICD Act 2010 mandate NCDMB to superintend and develop R&D activities in the Oil and Gas industry, as it is a key pillar for local content development.

## Youth sensitisation workshops hold in Edo, Delta

The second series of the Nigerian Content Youth Sensitisation and Enlightenment workshops was held in August at Auchi and Ekpoma in Edo State, and Warri Local Government Area of Delta State.

Dr. Ginah O. Ginah, General Manager, Corporate Communication & Zonal Coordination, said the workshop was organised in line with the provisions of the Nigerian Oil and Gas Industry Content Development, (NOGICD) Act. The law mandates the Board to organise workshops to enlighten critical stakeholders, integrate indigenes of oil producing communities into industry activities and empower youths with skills required in the Oil

and Gas sector.

He said thousands of young Nigerians had been trained and attached to projects in the industry to enable them gain requisite industry experience and employment.

The themes of the workshops were: "Relevant skills in oil and gas Industry and how to acquire them," and "How host communities and youths can benefit from the Nigerian Content Act." Presentations focused on numerous opportunities and specific trainings one is required to acquire to boost employability and self-reliance.

Responding to questions from participants, Ginah stressed that the Nigerian Content policy is about domiciliation of industry operations and development of local capacity. He urged youths to register on the Board's NOGICQS database so they can benefit from the Nigerian Content Human Capacity Development initiatives.

Mr. Uduak Obot, Zonal Coordinator of NCDMB in the Delta/Edo Zonal Office, said the Board intends to extend the sensitisation workshop to other regions of the country.

## Lawyers charged on oil and gas industry reforms

Lawyers need to get more involved in the ongoing reforms in the Nigerian Oil and Gas Industry, Engr. Simbi Wabote, Executive Secretary Nigerian Content Development and Monitoring Board (NCDMB), has said. He spoke at the 58th Annual General Conference of the Nigerian Bar Association (NBA) in Abuja.

In his presentation, titled: "Managing transition and transformation of Nigeria's Oil and Gas Industry," Wabote posited that lawyers have a big role to play, especially participating actively in the development of the laws and regulations and keeping the emerging

legal regime simple for easy implementation and compliance.

In providing legal advisory to their clients, the NCDMB chief urged lawyers to first explore peaceful resolution of oil and gas disputes and advise their clients to opt for out-of-court settlements. He noted that "long-drawn legal battles are killers of great initiatives and sow the seeds of bitterness in the business environment".

Dr. Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources, listed the challenges that faced the petroleum industry before President Muhammadu

Buhari assumed office in 2015 and measures taken by the administration to bring back efficiency, stability, increased oil production and transformative policies into the system.

Other speakers at the session included Dr. Tim Okon, Special Adviser to the Minister on Petroleum Fiscal Policy, who spoke on the emerging petroleum fiscal law; Mr. Gbite Adeniji, the Special Technical Adviser to the Minister on Gas, who made a presentation on the new Gas Policy, and Ms. Stella Duru, a Partner at Bambo and Ighodalo law firm.



2nd right, Engr. Simbi Wabote, Executive Secretary, NCDMB; Engr. Tony Attah, Managing Director, Nigerian Liquefied Natural Gas, Dr. Emmanuel Ibe Kachikwu, Honourable Minister for State Petroleum Resources, Dr. Folashade Yemi-Esan, Permanent Secretary, Federal Ministry of Petroleum Resources and other senior Ministry officials with top management of NLNG during the Minister's visit to NLNG plant complex, Bonny Island, recently.



## Osinbajo woos US investors for oil industry

Prof. Yemi Osinbajo, Vice President of the Federal Republic of Nigeria, led top Federal Government officials to canvass for foreign direct investment into the Nigerian Oil and Gas industry and other key sectors at the Invest in Nigeria Event in July at the Silicon Valley, California, the United States of America.

Engr. Simbi Wabote, Executive Secretary of Nigerian Content Development and Monitoring Board (NCDMB), joined the Nigerian delegation to explore ways of deepening collaborations and sectoral

linkages between the Oil and Gas sector and the ICT sector, which account for nine percent of Nigeria's Gross Domestic Product (GDP) in 2017.

Wabote discussed with top fund managers, sister agencies and the founders of the start-up companies on the Board's focus areas in research and development and support for companies domiciled in Nigeria. The Board has developed a pathway for developing research and development capabilities in the Nigerian Oil and Gas Industry and is partnering various local and international stakeholders on the

initiatives it is pursuing in this regard.

About 11 start-up companies in innovation and technology were given the opportunity to make pitches to the investors and the Nigerian delegation on their business models and the support they required. The presentations covered the application of technology and innovation to address challenges in logistics, procurement, healthcare, financial services and insurance. The delegation also visited the offices of Google and LinkedIn, two leading technology firms in Silicon Valley.



*National leaders of PENGASSAN and NUPENG with management of NCDMB after a courtesy visit to the Board at its headquarters in Yenagoa, September 2018.*

## NCDMB, CWC sign MoU on PNC

The Nigerian Content Development and Monitoring Board (NCDMB) and the CWC of London have signed a Memorandum of Understanding (MoU) on the organisation of the Practical Nigerian Content (PNC) workshops.

Engr. Simbi Wabote, Executive Secretary of NCDMB and Ms. Wemimo Oyelana, Vice President, Production, CWC, signed the MoU at the 2018 Nigerian Oil and Gas Conference held in Abuja in July. The MoU is for five years and revenues generated from organising the annual event would be shared between the partners. CWC is working to be incorporated in Nigeria, in line with the provisions of

the Nigerian Content Act.

CWC conceived the PNC Workshop in 2011 and the maiden edition was held in Port Harcourt, the Rivers State capital. Subsequent editions were held in collaboration with the NCDMB, in Yenagoa, the Bayelsa State capital for some years and thereafter in Abuja and Uyo, the Akwa Ibom State capital. The 2018 edition is planned for the Board's new headquarters building nearing completion in Yenagoa.

Also, the NCDMB has been conferred with the first Dr Alirio Parra Award for Outstanding Contributions to the Nigerian Oil and Gas Industry. The award was received by the Board's Executive Secretary at a gala

dinner at the 2018 NOG Conference.

CWC and Levmore Services, organisers of the NOG Conference, said NCDMB is the most transparent and outstanding federal agency in the Nigerian Oil and Gas industry. The Board has also been innovative and introduced several initiatives that improved operations of the sector, they added.

The late Dr Alirio Parra, a former Minister of Energy and Mines, Venezuela, and Senior Advisor, CWC Group Limited, died on March 9, 2018, aged 90. He also served as President of the Organisation of Petroleum Exporting Countries (OPEC) Conference.

## Debyl opens service centre in P/Harcourt

Debyl Limited, an indigenous oil and gas service company, opened a state-of-the-art valve and compressor products service centre in Port Harcourt, the Rivers State capital, in July. The ceremony was witnessed by officials of the Nigerian Content Development and Monitoring Board (NCDMB) and the Port Harcourt Refining Company (PHRC).

The service centre will help to meet the demands of the local market for an ultra-modern machine shop for the refurbishment of compressor valves, calibration, test system for bolting tools and fabrication as well as machining works. It will also be used for onsite machining practical training, practical training on flanges, hydraulic torque

tightening and tensioning, among other services.

Debyl Limited provides technical solutions and support services to oil and gas companies in Nigeria in partnership with an original equipment manufacturer, Hydratight and Compressor Products International (CPI).

Engr. Frank Ibi, Manager, Projects Certification and Authorisation Division (PCAD) of NCDMB, congratulated Debyl Limited on its achievements. He noted that Nigerian Content promotes domiciliation of value-adding activities and utilisation of human and material resources. Ibi said the Board would continue to push for the patronage of Nigerian goods and services and

local fabrication yards.

He added that the Board would support investments by local companies to create jobs, increase in-country manufacturing capacities and value retention. He also encouraged local suppliers and service providers to always meet international standards and invest in Nigeria.

Mr. Olufemi Joseph Adeyanju, Managing Director, Debyl Limited, said the establishment of the service centre was in line with the implementation of the Nigerian Content Policy. He called for patronage from stakeholders.

*Contributors: Naboth Onyesoh, Obinna Ezeobi, Nyoki Ita, Teleola Oyeleke, Ifeanyi Nwokemodo, Basil Aleibiri, Chinedu Ikejiani, Chinomso Nworgu*



# Modular Refineries

## Promoting economic inclusion and Local Content growth

*Recent efforts by the Federal Government to engender modular refineries (MR) present a veritable opportunity to integrate youths in oil bearing communities into productive activities, address socio-environmental challenges and grow Local Content sustainably.*

There was a mixture of excitement and surprise in the energy sector when the Nigerian Content Development and Monitoring Board (NCDMB) invested US\$10 million to acquire 30 percent equity in Waltersmith Modular Refinery. How could a development cum regulatory agency put funds in a private concern? Engr. Simbi Wabote, Executive Secretary, NCDMB, moved quickly to clarify that the investment is intended to catalyse the refinery venture, after which the shares would be divested to Nigerians, possibly on the floor of the Nigerian Stock Exchange. "It is in line with our vision to be a catalyst for the industrialisation of the Nigerian Oil and Gas industry and its linkage sectors," he explains further.

On October 4, 2018, Dr. Emmanuel Ibe Kachikwu, Minister of State

for Petroleum Resources, led key players in the Oil and Gas industry to the Ibigwe field, at Ochia, a small community in Ohaji-Egbema Local Government Area of Imo State, to perform the groundbreaking of the Waltersmith Modular Refinery. The event was symbolic and colourful; it signified the Federal Government's full backing of modular refineries and support for private investments.

In the midst of the heightened stakeholders' interests, there are some key questions to ponder: what are the tangible Nigerian Content opportunities? What are the modalities for establishing and operating modular refineries as going concerns? What are the economic imperatives? Undoubtedly, several local content opportunities and broad economic benefits can be harnessed if





policies on the establishment of modular refineries are developed and implemented strategically.

### Modular Refineries a novelty?

Modular refineries are not novel. Nigerians began to take serious interests in MRs after President Muhammadu Buhari's administration made it a major initiative in the quest to reposition the Petroleum sector. Kachikwu gave traction to it through the Petroleum Industry Roadmap, otherwise known as the Seven Big Wins.

Government believes strongly that encouraging the establishment of modular refineries in oil producing corridors would drastically reduce the nation's dependence on imported refined petroleum products and end the perennial shortage of products. Government has huge expectations that such mini-industries would curb the multifaceted scourge of pipeline vandalism, crude oil theft and illegal refining and the attendant environmental degradation. Some industry watchers also believe that MRs have the potential to create jobs and address youth restiveness in the Niger Delta region. Kachikwu said: "Modular refineries will create small production centres. They will train a lot of these individuals who have illegal refineries and they will provide labour."

Nonetheless, critics wonder why it took government many decades to come up with policies supporting the establishment of modular refineries. Petroleum sector experts, like Prof Godwin Igwe, had over the decades, recommended modular refineries as an alternative to the persistent poor performance of the nation's big refineries and the near total reliance on importation for all our refined petroleum needs. The only operational, legal and commercial modular refinery in Nigeria today is the Niger Delta Petroleum Resources (NDPR), at Ahoada, Rivers State, which was established in 2008.

It has been said that the pervasive illegal and crude refining in the creeks of the Niger Delta is a form of modular refining. It is unarguable, however, that the methods used by the refiners in the creek, especially getting their feed stock, is criminal, and their distillation processes are crude and economically, environmentally as well as socially destructive. As Kachikwu puts it, "the business model for an illegal refinery is zero cost for crude. They steal it and

put into their refinery".

Vice President Yemi Osinbajo is a strong advocate of modular refineries. He chaired a meeting of Niger Delta Inter-Ministerial Committee in January 2018, where it was confirmed that 38 Greenfield and modular refinery investors planned to set up in the Niger Delta region and at least 10 of the investors are at advanced stages of developing their MRs. In this list are Amakpe International Refinery, Resources Petroleum & Petrochemicals, Hi Rev Oil Limited and Azikel Petroleum Limited, the latter located adjacent to the Shell Gbarain-Ubi Gas gathering facility in Obunagha-Gbarain, Bayelsa State.

As confirmed by the Minister, the front runner of the MRs would start operations in January 2019. Waltersmith is also expected to commence production in December 2020.

Kachikwu is upbeat about the prospects: "From the modular refineries, we will be able to process about 200,000 barrels of crude and put them into the system." This aspiration resonates with the view of the NCDMB boss. He advocates that at least 10 percent of Nigeria's oil production should be refined using modular refineries.

### Nigerian Content plans and opportunities

Part of the Board's strategy is to promote 100 percent local fabrication of modular refineries. Discussions are ongoing with Original Equipment Manufacturers (OEMs), local fabricators, multilateral partners and other institutional stakeholders to make this a reality. To give effect to this, Wabote said that any investor that seeks to get the Board's funding for the establishment of modular refineries must fabricate 70 percent of the components in-country. The goal is to ensure that every stage of the MR value chain creates thousands of jobs for Nigerian youths, builds capacities, transfers critical technology and involves members of oil producing communities. The Waltersmith Modular Refinery is blazing the trail in this regard.

Mr. Abdulrasaq Isah, chairman of the company, said the project would create direct and indirect jobs for its host communities at Ibigwe, Imo State. "The plant has capacity to deliver 290 million litres of refined products annually. Everyday, we will move almost 22 trucks of products from the refinery. You can imagine the impact







**Nigerian Content powers Modular Refinery:** Dr. Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources performing the groundbreaking of 5,000 barrels per day Waltersmith's modular refinery at Ibigwe, Ohaji Egbema LGA, Imo State, funded partly by the NCDMB. (L-R) Mr. Danjuma Saleh, Executive Vice Chairman, Waltersmith Petroman Oil Ltd; Engr. Simbi Kesiye Wabote, Executive Secretary, NCDMB; Senator Ita Giwa; Eze Ekwueme Paulinus Ekwueme, King of Ochia Autonomous Community; Engr. Saidu Mohammed, Chief Operating Officer, Gas & Power, Nigerian National Petroleum Corporation (left) and Mr. Abdulrazaq Isa, Chairman, Waltersmith Petroman Oil Ltd.

and the jobs. We are going to hire about 100 people directly in the refinery and there will be indirect jobs for people providing support services, truck drivers and more. The community will begin to feel the impact of what we are doing," he added.

The NCDMB will also provide space in the Nigerian Oil & Gas Parks when completed, for practical trainings on the operation, fabrication of the units, maintenance and running of modular refineries as sustainable businesses. At the Research and Development fair organised by the NCDMB in Lagos in September 2017, a team from the Ahmadu Bello University (ABU), Zaria, exhibited the prototype of a 1,000 barrels per day (bpd) modular refinery it fabricated. Further collaboration and support will enable the school develop and commercialise its patent. This is expected to spur other Nigerian universities to take this development further.

Other local content opportunities in the modular refineries ecosystem abound. The components could easily be decoupled and studied. MRs can also serve their immediate communities without incurring huge costs in transportation, as exemplified by Waltersmith

Modular Refinery. Isah said: "Our target market is within 40 kilometers radius of where we are. That way, the community and our operating environment feel the economic impact of the whole project."

Understandably, not everyone is enthused. Mr. Sunny Eromosele, Managing Director, Mudiame International Limited, an oil servicing company, believes NCDMB is acting outside its mandate by investing and promoting modular refineries. He wants the Board to concentrate on developing human capacity in the Oil and Gas industry rather than fund private commercial business ventures. For Engr. Abajide Soyede, Technical Adviser to the 650,000bpd Dangote Refinery project, the worry is about consistency of government policies and protection of long-term investments. At a review meeting with the Board in 2017, he expressed concerns that MR investors might get huge incentives that would give them competitive edge, which could have an impact on the profitability of the multibillion dollars Dangote Refinery, expected to come on stream in 2019.



### **NCDMB's intervention outside its mandate?**

The Board's participation in the promotion of modular refineries is in line with key thrusts of the Nigerian Oil and Gas Industry Content Development (NOGICD) Act, namely, "maximise the share and participation of Nigerians in oil and gas activities; maximise the utilisation of Nigerian made goods and services and Nigerian-owned assets and integrate oil producing communities into the oil and gas value chain".

The equity investment in Waltersmith MR also falls within the three strategic pillars of the Nigerian Content 10-Year Strategic Roadmap, including: "Technical Capability Development, Enabling Business environment and Market and Sectorial linkages." The equity investment was sourced from the Nigerian Content Development Fund (NCDF) – the pool of funds contributed by the one percent deductions from all contracts, subcontracts, projects and activities in the upstream sector of the Oil and Gas industry. Initiatives and partnerships like Waltersmith's are needed to increase Nigerian Content in the Oil and Gas sector to 70 percent within the next

10 years, the Executive Secretary explains. He adds: "Beyond our interventions in the local supply chain for in-country capacity utilisation, we have broadened our focus to include in-country resource utilisation. We stand with the desire of the Federal Government to give effect to the recent pronouncements on the establishment of modular refineries."

In April 2018, the Board issued a checklist outlining key conditions that must be met by investors in modular refineries to qualify for its financial intervention. Some of these conditions include that the company must have 51 percent Nigerian ownership; have a proposed production capacity of minimum of 1,000bpd and maximum of 5,000bpd; the location of the site must be within the Niger Delta region and at least 30 percent of value of the goods and services must be sourced from local businesses; the project promoter will also be required to provide evidence of a proven track record in oil and gas or refining industry and have an internationally recognised EPC or technical partner and in equity contribution, the Board will not make contribution that is greater than the promoters of the project.



# Modular refineries' key role in products sufficiency

## Policy on compulsory local refining coming

Time has come to begin to process more crude oil locally. Our policies will compel processing locally if we cannot achieve it through persuasion. One of the things I have struggled with, as I push the whole concept of refinery reinjection and reactivation and modular refineries, is the question of where do we find the crude. Crude is owned by those who produce it and once they take theirs away, you have nothing left to process. In the next couple of months, this will change. We will implement the 20 percent crude processing requirement, graduating to 50 percent in the next five years. We have no option or we will consistently stay in the abyss of lack of processing while we export all the crude oil. I expect the OPTS to begin to have this essential dialogue.

## NCDMB's role in financing modular refinery

When, as chairman of the NCDMB Board, we started the process of putting part of the NCDF in the Bank of Industry, we actually did not know where the

US\$200million was going to go. We just knew that we wanted to help the local industry. But since then, NCDMB has done a fantastic work in articulating where the money would go and how it should be deployed.

## New refining roadmap.

We are committed to repair the existing big four refineries located in Port Harcourt, Warri and Kaduna. I wanted them all functioning by 2019, not for election purposes, but for the fact that it would be a sad thing for the country if at the end of 2019 we are still running around the world trying to import refined products. It costs us a lot of money, it is a waste of foreign reserves and it deprives our people of good jobs. We need to hasten the process. It requires a lot to get alternative financing, so it is taking a lot more time than we expected. I am committed that Federal Government's funds will not go into this process if I can help it. That's the first step. If we do that we will be able to process over 500,000 barrels of crude oil from the four refineries.

The second is the modular challenge. As part of the strategy to stop militants in the

Niger Delta from crude processing of our products, we came up with the modular refinery idea, to absorb a lot of them. The plan was to set up modular refineries in these communities, create jobs and take some of the good skills set they have, polish them and put them into the system. I thank God the Vice President bought into it and worked very hard with us to include it as part of the 14 point agenda of reducing militancy in the Niger Delta. Ten modular refineries have kicked off and have signed basic agreements; some of them have commissioned and are working on their projects. The first one will put products in the market sometime in December(2018)/January 2019. From the modular refineries, we will be able to process about 200,000 barrels of crude and put them into the system.

The third aspect is the private sector-led Greenfield refineries. Under that, we have Dangote with the 650,000 barrels refinery in Lagos; we have the Niger-Nigeria refinery that will refine up to 100,000 barrels; that of AGIP, which is a 150,000 barrels refinery to be located in Bayelsa and the one led by a Chinese consortium



20 Illegal refining of crude oil has devastating impact on the environment. Modular refineries will expectedly lead to a reduction in such activities.

Courtesy: www.ft.com

that we are finalising, which would be a co-location. In fact, we have two co-location refineries possibilities, one that is far gone; each of them promising 100,000 barrels. From these, we will be able to process 1.5 million barrels of crude in this country daily. We will become the processing hub of West Africa and take over some part of East Africa. The market is there for the picking. It will be a shame if we let some of these opportunities go.

#### Key policy directives

There are basic matching directives that will be coming to help these processes. The first is crude availability. How do we get crude to those who want to refine? Some of those who want to refine do not have production wells, so they will depend on third party injections. But I believe that the private sector led by the majors are equally committed to the progress and success of this programme. As long as the crude is adequately priced in a way that does not injure their interests, they will get adequate amount of crude back-ing. I will also be pushing NNPC through NPDC to ramp up their production. They have done a lot of good work in moving production from 50,000-70,000 barrels to about 250,000 barrels per day. My goal for NPDC is that by the end of next



Dr. Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources

year, if we continue all that we need to do, that they should be producing in excess of 500,000 barrels. They should be at par

with some of the biggest producers. And a lot of that will go into the engine room of local processing.

*Excerpts of comments by Dr. Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources, at the groundbreaking of Waltersmith Modular Refinery, at Ibigwe, Ohaji-Egbema LGA, Imo State.*

#### Economic imperatives of MRs

One of the biggest strengths of a modular refinery is that it can be built on skids and is scalable. Typical modular refineries do not need extensive piping for the delivery of crude oil from well heads to the refineries and discharge tanks. Waltersmith MR is an example. The Managing Director said the company would put the refinery directly on top of its oil field at Ibigwe. That will reduce the cost of piping the products and eliminate exposure to vandals who may hack pipelines to steal crude oil, which limits the capacity of the MR to operate optimally. To mitigate the activities of vandals, Kachikwu advises investors in modular refineries to involve members of the community so they would police their investments and pipelines.

It is also expedient for prospective investors to conduct detailed feasibility studies. The average developmental cost from early stages (getting licence, EIA, and other approvals) could be as high as US\$15 million. Engineering works could also cost tens of thousands of dollars. Research suggests that payback period of a typical MR is from eight years. The good part is that the maintenance cost is low and faulty components could easily be fabricated.

The expected passage of the Petroleum Industry Bill (PIB) and complete deregulation of the downstream sector would further encourage investments in modular refineries. Currently, only AGO (diesel) is deregulated, which might explain why investors focus on the product. Another factor is that the Fluid Catalytic Cracking Units

(FCCU) that produce Premium Motor Spirit (petrol) are expensive to procure and maintain.

MR investors must resolve issues around getting discounted prices for crude oil, getting their project supported by their host state governments, getting 100 percent guaranteed crude oil feedstock, getting guaranteed product off-take and evacuation and guarantees of foreign and domestic loans, says Chijioke Nwaozuzu, a Professor and Deputy Director at the Emerald Energy Institute for Energy & Petroleum Economics, University of Port Harcourt. He adds: "It is more economical to subsidise local production of refined petroleum products than subsidise its importation."

The criticality of incentives to boost modular refineries is not lost on government. Kachikwu confirmed that "we have succeeded in providing custom duty clearances and waivers, to enable them bring in their equipment at zero duty. We have also created a financing model, which NCDMB is driving".

Although some investors in modular refineries might have jumped on the bandwagon, the mini-industries, as they have been described, genuinely present a huge opportunity to grow local content and solve deep socio-economic challenges. The onus is on industry stakeholders to support the investments to make them as successful as they promise.

■ **Obinna Ezeobi, Zuwairat Asekome, Teleola Oyeleke**



SAMSUNG

.....investing in infrastructure, people and the future in Nigeria

# EGINA FPSO SAIL AWAY

## Nigerian Content commitment

**S**equel to the completion of integration of six topside Modules fabricated in-country, onshore pre-commissioning and commissioning works, on the 26<sup>th</sup> of August 2018, the Egina FPSO sailed away from SHI-MCI Quayside and has now been successfully moored for operations at the Egina Offshore Field.

This is a success story, one which the naysayers and skeptics considered a pipedream at the inception of the project, becoming a reality.

This project, the very first of its magnitude, post the NOGICD Act, 2010, has cemented the place of SHIN as the trailblazer in the confirmation and bringing into reality the vision of the Law.

SHIN did not only execute record levels of segments of the project as Nigerian Content scopes but also established a marker in her commitment to the execution of future similar projects by the construction of a state-of-the-art Fabrication and Integration Facility at SHI-MCI's yard in Tarkwa Bay, Lagos. By this singular act, SHIN ensured that future integration activities for other FPSOs will be carried out in-country.

This success story has been made possible through SHIN's faith and collaboration with Nigerian sub-contractors and vendors. It is a thing of pride to highlight the fact that for the very first time, the following items were fabricated in-country by Nigerian sub-contractors using Nigerian personnel: six topside modules, living quarter's elements, hull appurtenances, pressure vessels, etc.

Record levels of Nigerian Content were achieved on this project. As August 2018, approximately 9.7million man-hours have been expended in-country on fabrication related activities. These were consumed in various yards including but not limited to those of SHI-MCI, Nigerdock, Ponticelli, EWT and Dormanlong. Specifically, approximately 5million man-hours were expended on fabrication activities in SHI-MCI, while approximately 1.6million man-hours were expended on integration of in-country fabricated items into the FPSO. Approximately 950,000 man-hours were expended on activities associated with onshore pre-commissioning and commissioning for the FPSO at SHI-MCI.

The peak project employment for Nigerian nationals for the foregoing activities was two thousand, one hundred and fifteen (2,115). Three hundred and nineteen (319) personnel were specifically engaged for pre-commissioning and commissioning activities. These included but not limited to

engineers, supervisors, technicians, welders, fitters, etc.

Three Hundred and forty four (344) Nigerians were trained in various advanced welding processes in the state-of-the-art Welding Training and Qualification Center (WTQC), which is part of the fabrication and integration facility. They were all ultimately deployed for the project execution. By this training, SHIN has ensured that there is a ready pool of the competences acquired by these welders for future projects.

In aligning with the objectives of the NOGICD Act as they pertain to development of in-country competences and acquisition of new skills for the oil and gas industry in Nigeria, SHIN on the back of this project and as part of her National Human Capacity Development (NHCD) initiative, executed an eighteen (18) month long training program for ninety seven (97) Nigerians.

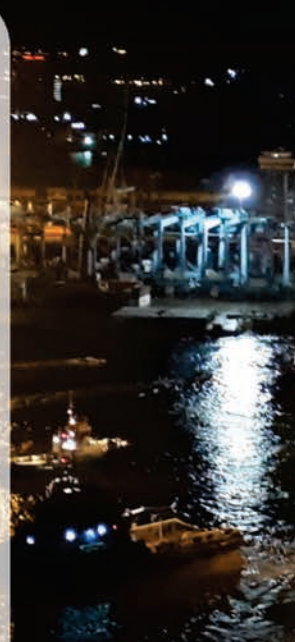
Forty eight (48) of these were of the HND/BSc cadre and forty nine (49) in the Vocational category. Training was in two segments, classroom and on-the-job. In the classroom segment, foundation theoretical courses in the basic processes involved in the construction of an FPSO were offered. Training in three skill sets in welding, machining and fitting was given to the vocational category in the on-the-job training segment. Training with professional certification in sixteen (16) skill sets was given to the HND/BSc cadre. The skill sets included project Engineering, Post Weld Heat Treatment (PWHT), Welding Engineering, Welding Inspection, Contract Administration, Cost Control, Material Control, HSE, Lifting Operations, Procurement and ICT. A total of two hundred and ninety nine thousand, four hundred and fifty (299,450) man-hours were expended on NHCD training as against the contractual commitment of one hundred and fifty one thousand, three hundred and sixty (151,360) man-hours. This was achieved at no extra cost to the client.

Thirty three (33) Nigerian Engineers received training during the Detailed Design Engineering phase of the project. The training was for twelve months and cuts across nine engineering disciplines: mechanical, process, structural, piping, electrical, quality assurance, project controls interface and instrumentation. A total of eighty eight thousand, eight hundred and seventeen (88,817) training man-hours were expended.

Nigerian Vendors, Service providers and manufacturers were not left behind in the massive Nigerian Content of the Egina FPSO. Paints, pressure vessels, ball valves, Low Voltage cables, etc. were all supplied by Nigerian Companies. Leak

Tests, chemical cleaning, management, Modules with other services, were also provided by Nigerian Companies.

In furtherance of its commitment to content development and in-country local ownership and partnership, SHIN executed a joint venture agreement with a local entity, which birthed SHI-MCI as the 70% majority shareholder and funding partner. Regrettably, this partnership has been mired in controversy due to the shocking behavior of the partner and its refusal to maintain a relationship with SHIN based on ulterior motives. Currently, SHIN has become litigious because the partner has leveraged on its Group's status as a Trade Zone Operator and Local Content to unjustly deny SHIN and SHI-MCI's fabrication and integration work, refusing to renew the contract, alleging some unsubstantiated claims under the law establishing the Free Trade Zone. This singular act of this partner, otherwise Nigerian Content champion, on the Egina FPSO Project. Regrettably, the intervention of Total, materi-





Nigeria

# ments fulfilled

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execution of the offshore works for the projects were trapped in the fabrication and integration facilities and SHIN and SHI-MCI personnel were barred from accessing their facilities despite a Court's Status Quo Order compelling the local partner to maintain matters between parties as existed during the pendency of the Operating License. Save for the quick and resourceful planning and actions of SHIN, these actions of the local partner threatened the attainment of the First Oil Date as the disruption at the yard impacted the timely delivery of materials for the progression of offshore work. This is certainly not a pleasant story for the oil and gas industry, where the Federal Government has worked so assiduously to ensure that foreign direct investment is injected.

Despite these setbacks, SHIN remains committed to her vision of contributing towards the building of local capacities and competences by continually striving to maximize a greater percentage of all projects she is involved in-country. As we have previously assured the Board and all stakeholders of the industry, that we are here for the long haul.

*EGINA FPSO success story has been made possible through SHIN's faith and collaboration with Nigerian sub-contractors and vendors. It is a thing of pride to highlight the fact that for the very first time, the following items were fabricated in-country by Nigerian sub-contractors using Nigerian personnel: six topside modules, living quarter's elements, hull appurtenances, pressure vessels, etc.*

*The EGINA FPSO – Sailing away for a better future for Nigeria*



*The EGINA FPSO successfully moored offshore - EGINA Field*



## FOOD BLOGGER IFY'S TAKE ON NIGERIA'S POPULAR DISH



# FRIED RICE



Ify Mogekwu, legal practitioner, founder, Ifys Kitchen and food blogger (@ifys.kitchen) with over 300,000 followers on social media, is a fast-rising star in the food industry. A contributor to food websites and lifestyle blogs, she also provides food training courses and consulting services. Ify says her interest in food started as early as when she was nine. "I have always loved cooking from when I was really young. I would often cook for my siblings even at that young age. I find cooking as a way to express myself as I am not bound by rules."

Ify's guide on basmati-based fried rice is easy to follow.

Servings: 4-6

Prep time: 20 mins

Cook time: 35 mins

Difficulty: Easy

## Ingredients

1. 3 cups - Basmati rice
2. 350g small - medium size prawns (deveined)
3. 1 cup diced green pepper
4. 1 cup diced carrot
5. 1 cup chopped runner beans
6. ½ cup green peas
7. 1 cup sweetcorn
8. 2 medium size onions
9. 2 cloves garlic (minced)
10. 1 tablespoon grated ginger
11. 3 bay leaves
12. 3 seasoning cubes
13. Salt
14. 4 tablespoons vegetable oil
15. 2 teaspoons ground white pepper
16. 2 teaspoons thyme
17. 2-3 teaspoons curry
18. ½ - 1 teaspoon fish seasoning
19. 1 ½ tablespoon soy sauce
20. 1 cup chopped spring onions
21. 3 - 4 cups chicken stock or water

## Method

1. Add the chicken stock or water, or a combination of both, to a clean pot and place on medium heat.
2. Add curry powder, thyme, white pepper, seasoning cubes, bay leaf, salt, onions to the liquid and cover to boil.
3. Wash rice in room temperature water till clear and pour into the pot of boiling liquid. The liquid should just slightly be above the rice level. Cover and cook till rice is tender (the rice should not be too soft).
4. While rice is cooking, add the fish seasoning to the prawns and set aside.
5. Get a sauce pan and add one tablespoon of vegetable oil. When hot, add the prawns and cook till it turns pink. Remove from pan and set aside.
6. Return pan to medium heat and add the remaining three tablespoons of vegetable oil. When hot enough, add the onions, minced garlic and grated ginger.
7. Add the runner beans and green peas. After about 90 seconds, add the carrots. Then add the green pepper and sweet corn. Season with some stock cubes(s) and soy sauce. Return the prawns to the pan, stir and remove from heat. This step should be done quickly to ensure that the vegetables still retain their crunch.
8. Put an empty pan on medium heat, put some of the cooked rice into the pan, add some of the stir fried vegetables and some spring onions and mix well. Taste and adjust seasoning. Repeat this step till all the rice is well combined with the vegetables.
9. Serve immediately.



*Spending time in water is the least talked about in fitness for the busy executive. It is, however, the most potent in assuring overall wellness.*

## The therapeutic impact of swimming on wellbeing

Courtesy: newnaturalhairstyles.com

Swimming is the least considered exercise regime when health and fitness activities are talked about or being considered. Yet, swimming, more than most sporting or fitness activities, has a high overall sustainably curative or therapeutic effect on the swimmer and is adaptive to all ages. It is a low impact sport and does not put strain on your muscles, bones and joints the way jogging, walking, climbing, skipping, or the gym, does. For instance, somebody with arthritis can still stay active and maintain a desired fitness level through swimming.

According to swimming instructors at Crawford Swim World Nigeria Limited, a swimming and aquatic programming company, "swimming is the best aerobic activity for healthful conditioning as it works all the major muscle groups in the body, and it's suitable for people of all ages throughout their life time".

Two unique features of swimming immediately jump at the reader of this piece from Crawford's 'lifetime' comment: from a kid to 100 years and above, as long as an individual can lift both arms and legs, swimming is a safe sporting activity. The second feature is that swimming "works all the major muscle groups in the body". What this means is that whatever area of your body you need to work on and make fit, swimming alone can help you achieve the goal. You don't need to hop from one punishing machine to another in a gym to achieve your weight loss goal or your cardiovascular health; simply take to swimming.

Indeed, there are tonnes of researches on the safe and beneficial effects of swimming. Experts (fitness coaches, nutritionists,

**The restorative power of nature has long been established. The calmness of water, be it the sea, a lake, a river, or even the pool, has been shown by several studies to have a potent effect on the brain. cascading over your body as you swim acts as a masseur to knead away tenseness.**

medical doctors and dieticians) at the United Kingdom-based Weight Loss Resources, an evidence-based, comprehensive programme for people who want to lose weight healthily, say: "Swimming burns calories; so, it helps you lose weight and swimming for weight loss has been regularly praised for its cardiovascular health benefits, especially for older people. As swimming uses so many muscles in your body, your heart and lungs must work hard to supply them all with oxygen. This means that swimming will give your cardiovascular system an excellent workout." The American Heart Association says this of swimming: "Thirty to 60 minutes of swimming four to five days a week can help individuals lose

weight and reduce health risks, such as stroke, diabetes and heart disease."

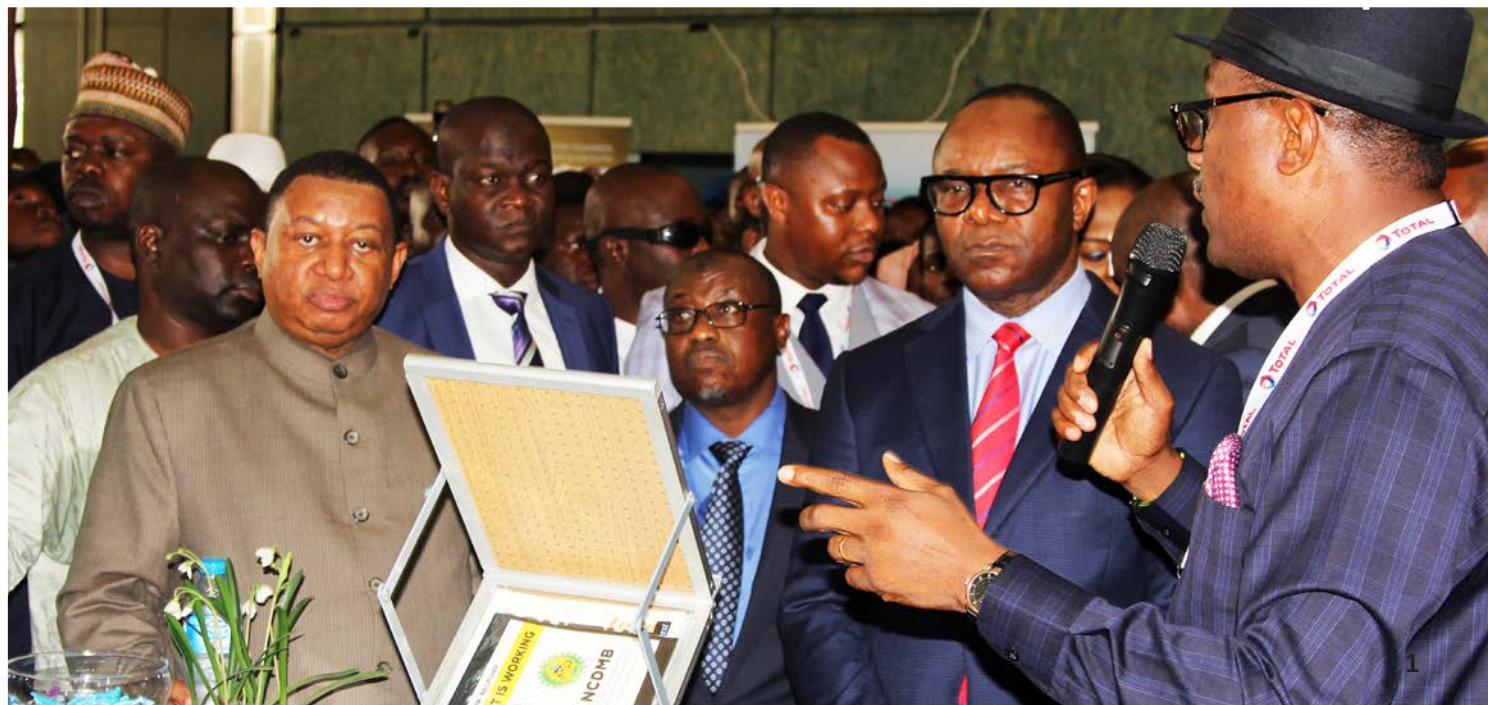
Swimming works on two levels of your being: the physical and the psychological. Swimming helps to tone your muscles, your vital organs as well as your weight. But beyond the physical is swimming's ability to equally tone your mental state, thus giving you the desired balance by bringing you close to nature.

The restorative power of nature has long been established. The calmness of water, be it the sea, a lake, a river, or even the pool, has been shown by several studies to have a potent effect on the brain. The calmness helps to give the brain a break from the unrelenting overstimulation our daily activities wrought on it. Then the smooth, silky feeling of water cascading over your body as you swim acts as a masseur to knead away tenseness. Hotels know this, which is why any standard hotel has good swimming pool(s) and some create artificial waterfalls and fountains.

Swimming enables you to experience the meditative power of the venerated flotation therapy. Very few things beat the experience of flotation in water as you look up to the vastness and mysteries of the sky overhead in contemplation. This promotes deep relaxation and helps to boost circulation, studies have shown.

The beauty of swimming is that it can be fitted into any schedule, no matter how heavy the schedule is. And it can be done indoors and outdoors and at any time of the day. Any activity that will reduce stress and anxiety and promote relaxation will most likely spark creativity. Swimming has that ability.





1. Engr. Simbi Wabote, Executive Secretary, NCDMB explaining the mandate and activities of the Board to Dr. Emmanuel Ibe Kachikwu, Minister of State for Petroleum Resources; Dr. Maikanti Baru, Group Managing Director, Nigerian National Petroleum Corporation (NNPC) and His Excellency, Mohammad Sanusi Barkindo, Secretary General, Organisation of Petroleum Exporting Countries (OPEC) during a tour to the Board's exhibition booth at the Nigerian Oil & Gas Conference and Exhibition (NOG) 2018 held at the International Conference Centre, Abuja.
2. Engr. Frank Ibi, Manager, Projects Certification and Authorisation Division, NCDMB; Engr. Malami Shehu, Managing Director, Port Harcourt Refining Company, (PHRC) and Mr. Olufemi Joseph Adeyanju, Managing Director, Debyl Limited, during the commissioning of the state-of-the-art Valve and Compressor Products Service Centre in Port Harcourt, Rivers State.
3. (L - R) Mr. Isaac Yalah, Director, Finance and Personnel Management, NCDMB; Ms. Tinuade Awe, Executive Director, Regulations, NSE; Engr. Simbi Wabote, Executive Secretary, NCDMB and Mrs. Rose Chukwuonwe, Coordinator, Legal Services, NCDMB at the Nigerian Stock Exchange (NSE) closing gong ceremony in Lagos State.
4. Officials of the Bayelsa State Government and NCDMB with students of Ijaw National Academy, Kaiama, first prize winner of the 4th edition of the NCDMB sponsored Science Quiz Competition for Secondary Schools in Bayelsa State.
5. Mr. Obinna Ezeobi, Supervisor, Media and Publicity, NCDMB receiving an award conferred on the Board as the Best Media Friendly Organisation in Bayelsa State at the sixth edition of the Bayelsa Media Awards held in August.
6. Officials of the NCDMB and Indian Institute of Technology Madras (IITM) during the Board's international outreach to IITM Research and Development Centre in India





## Photospeak



7. L-R: Engr. Simbi Wabote, Executive Secretary, NCDMB explaining the mandate and activities of the Board to Engr. Kashim A. Ali, immediate past President, Council for the Regulation of Engineering in Nigeria (COREN); Engr. Suleiman Adamu, Minister of Water Resources and Arc. Darius Dickson Ishaku, Governor of Taraba State at the Board's exhibition booth at the 27th Engineering Assembly, held at ICC, Abuja.

8. L-R: Dr. Azibapu Eruani, President, Azikel Refinery; Engr. Simbi Wabote, Executive Secretary, NCDMB and Dr. Ernest Nwapa, pioneer Executive Secretary, NCDMB at the groundbreaking of Waltersmith Modular Refinery, at Ibigwe field, Ohaji Egbema LGA, Imo State.

9. Rear Admiral Durojaiye O. Ajatoye, Commandant, Nigerian Naval Engineering College, Sapele with Engr. I.O Oviasu, erstwhile General Manager, Capacity Building, NCDMB at the COREN Conference 2018 held at the International Conference Centre, Abuja

10. Engr. Simbi Wabote, Executive Secretary, NCDMB; senior management with Barr. Dise Ogbise, newly-elected Chairman, Nigerian Bar Association (NBA), Sagbama Branch of the Bayelsa State chapter (middle-right) with members of the NBA, Bayelsa State chapter.

11. Dr. Ginah O. Ginah, General Manager, Corporate Communication/Zonal Coordination with Afenmai Youths shortly after receiving an award for bringing Local Content closer to host communities during the youth sensitisation and enlightenment workshop held in Auchi, Edo state.

12. Engr. Simbi Wabote, Executive Secretary, NCDMB with members of the Nigerian Institute of Electrical and Electronic Engineers (NIEEE), Bayelsa State Chapter during a courtesy visit to the NCDMB office in Yenagoa, Bayelsa State.





**Many operating and service companies still apply for substantial expatriate quota approvals from the Board, claiming that requisite capacities are not available in-country. What is OGTAN doing to equip Nigerians with these skills?**

Since the Nigerian Content Act was enacted in 2010, there has been significant progress in capacity development for the Oil and Gas industry. Since the last Skill Gap Audit funded by NCDMB, OGTAN members have built extensive capacity to tackle this challenge. We are currently developing the Nigerian Occupation Standards for the Oil and Gas industry (NOGOS) with respect to training deliveries to international standards.

Again, OGTAN, with the support of the Board, is championing another Data Gathering Strategy and categorisation of our members outside the Proposed NOGOS effort. This will help to identify these seemingly non-existent capacities and equip Nigerians with the skills. It will further provide a veritable Skills Gap Analysis and Needs Assessment Plan. In the last two years, OGTAN has pressed the case for more localisation of training programmes as a means to reducing the capacity deficit that some of these companies cite to justify their requests for expatriates. This is an ongoing effort. We believe that Nigeria has the potential to export oilfield skills to other parts of the world, and reverse the so-called expatriate quota.

**Many oil and gas operating and service companies continue to send their staff overseas for routine trainings. Is this an indictment on the capacity of your members to provide these trainings?**

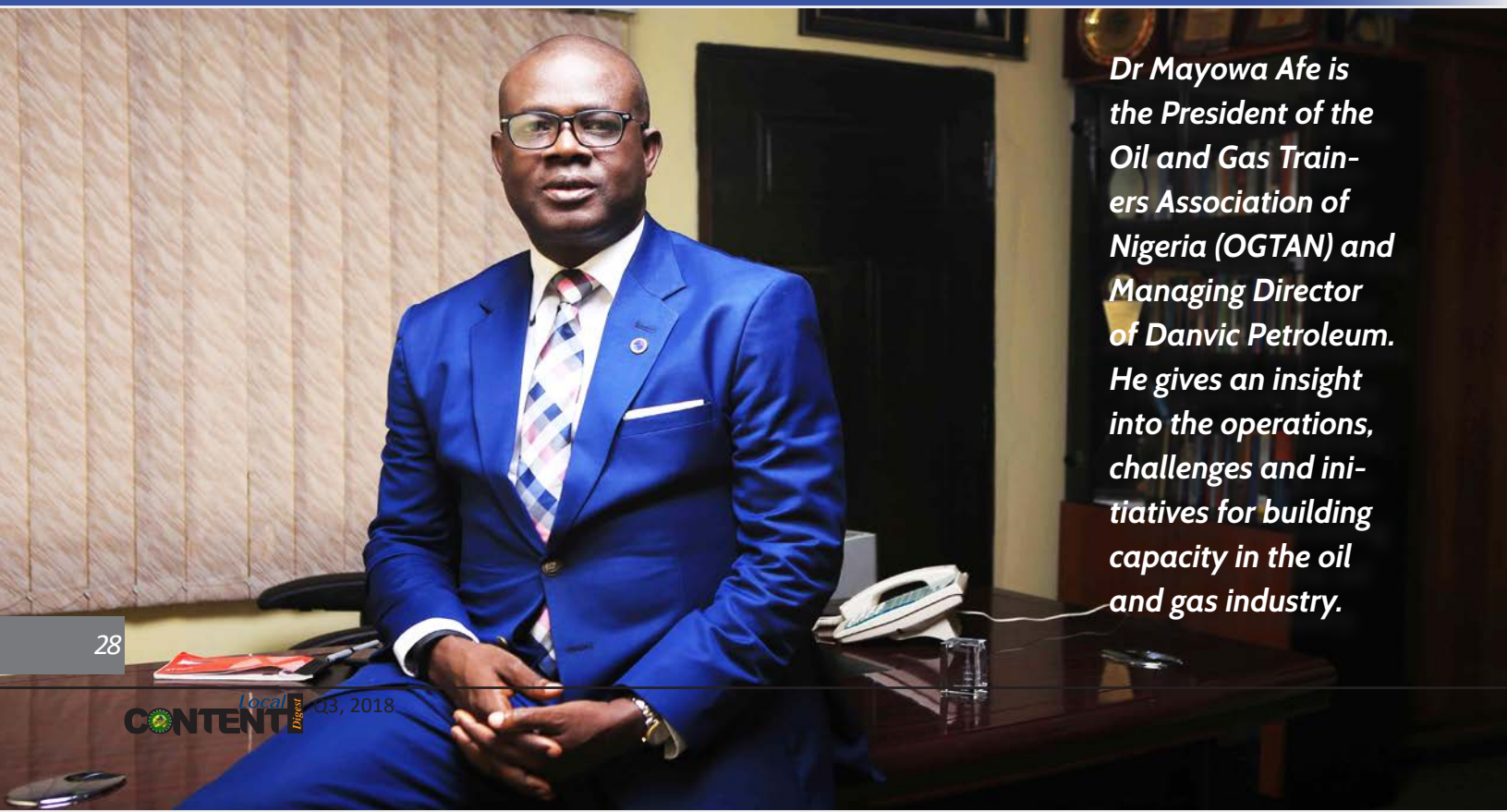
It is an indictment on Nigeria as a country. Take, for example, a Nigerian company with a Nigerian instructor going to Dubai to

train. Is that a foreign training or indictment of our members? No! Many workers prefer overseas training because of the estacode and shopping and not because of any additional training they will get. If the companies feel strongly about the extra knowledge to be acquired overseas, let them bring the resource persons to Nigeria and let more people participate. Our members have eminently qualified trainers with long years of industry practice in their respective domains. Many of them have international affiliations, where necessary, with courses that are certified or accredited.

People continue to be sent abroad because employees see this as an opportunity to travel and so they intensify pressure on employers for this purpose. Our regulatory framework has to be strengthened to monitor this act. Someone came for training in our office and recalled that he attended a similar training course in London with a foreign trainer. He confessed that he could not hear 60 percent of what the instructor was saying, not to talk of understanding and benefiting from the course. And most of the examples used during the course had nothing to do with the Niger Delta basin, which relates more to where he works. I appeal to the NNPC management to encourage the domestication of training in-country. As the leading partner on behalf of government in the Oil and Gas sector, they should lead by example.

Many oil companies also want to patronise and develop training institutions in their home countries. There should be a deliberate policy by government and particularly through NCDMB to ensure a balance. This is why OGTAN, on its part, is working with all stakeholders on the categorisation of members to ensure we are able to identify well established training institutions and give room for others to grow as well as meet international standards. I believe that this will be a win-win strategy for the industry. But we still have

# Nigeria has potential to export oilfield skills



*Dr Mayowa Afe is the President of the Oil and Gas Trainers Association of Nigeria (OGTAN) and Managing Director of Danvic Petroleum. He gives an insight into the operations, challenges and initiatives for building capacity in the oil and gas industry.*

room for improvement and growth.

### **What is the possibility of OGTAN members forming a consortium to establish training centres of excellence?**

This can be achieved 100 percent and that is the way to grow. OGTAN has always encouraged our members to collaborate and form alliances that will enable them punch higher than their individual weights. This is on-going, and I believe that in the no-distant future, some of these synergies will culminate in training centres of excellence. Government, through NCDMB, can also encourage and support these synergies.

### **What are the biggest challenges facing members of the Oil and Gas Trainers Association in their operations?**

One major challenge is the perceived notion that anything local or Nigerian is not good enough, coupled with the attitude of Nigerians for foreign trainings for personal gains in preference for patronage and development of local capacities and capabilities. This has denied our members huge patronage and the necessary inflow for growth and development. So, the biggest challenge facing our members is how to get enough training projects to keep our businesses running even when the necessary infrastructure are in place.

Funding is also a major challenge that has impeded the tooling, training and development of world-class trainers in-country, though there are now plans to inject funds through the NCDMB/Bol (Bank of Industry) initiative.

Also, you know that our industry has been very challenged in recent years, for reasons that are global and local. When a situation like recession arises, and contrary to what happens in advanced economies, the training budget is the first to go and the last to be reinstated when there is a boom. Another concern is the omission or lack of recognition of training as a potent and vital tool in regulations. Even the NOGICD Act features Education and Training in a broad term but is void of specifics. The focus of the Act is on companies in the purview of skills delivery. Training organisations are secondary and thus must be subordinate to contractors' considerations to get practice opportunities. For example, if the Education and Training Sectoral Working Group is valued appropriately, it should have been in the core of the business of PTDF, NCDMB and, therefore, have a seat on their Council and Board, as the case maybe. But this is not the case.

Other serious challenges are non-availability of accreditation services, which may not be accepted in the international market, enforcing the Nigerian Content Act across board and ensuring the Standard Operating Model is adopted by all OGTAN members.

### **There has been a proliferation of oil and gas training companies. What mechanism is OGTAN adopting to ensure standards in the practice?**

Apparently, some gold diggers now parade themselves as oil and gas trainers, and some of them profit at the expense of bonafide OGTAN members. But with the categorisation coming, and with the cooperation of operators and service companies, sanity and transparency will prevail, and quality training will triumph. Also, the weak will be strengthened and the strong will be better positioned in a fair and transparent manner, using independent auditors.

In the past and now, OGTAN has played several roles either as a validation centre, watchdog or empowerment hub. No one can offer training or capacity development interventions to any oil and gas outfit without being a registered member of the association. You won't be registered until you have been validated. After your validation, certificates will be given to you to operate within the oil and gas space. This certificate is renewable.

Outfits within the Oil and Gas space are also informed about the requirements to demand for when trainers tender their bids or proposals. Many foreign trainers neither pay tax nor register in this country but cart away a lot of dollars from our country. Categorisation will surely help in this circumstance.

### **A number of oil and gas service companies have floated training subsidiaries. Is OGTAN pleased with this development?**

For OGTAN, this is a welcome development. Every legal entity is entitled to invest where they will, within the law. And if they have so done, we cannot fight them. Rather, we will expect them to work with OGTAN to strengthen capacity building in the industry. Where they don't do this, then we will be forced to seek appropriate interventions. Secondly, they need to meet the dictates of the NOGOS and internationally accepted best practices. If these are met, OGTAN has no fear in a competitive market. We believe that service companies will be good trainers because their training will be based on field experience. However, we need to watch abuse.

### **What support does OGTAN need from relevant agencies of the Federal Government so the members can realise their potentials?**

I thank the management and staff of some agencies - NCDMB, PTDF, PTI, NUC - for the support we have received so far. NCDMB, in particular, has welcomed OGTAN as a partner in progress for capacity building in the Oil and Gas industry. We will continue to work with them to strengthen enforcement of relevant policies and the pursuit of consultation, collaboration and cooperation, such that our initiatives are aligned for maximum synergy.

OGTAN will be very delighted to receive the support of NCDMB in the categorisation of our members. This will certainly help in building the confidence of IOCs and other stakeholders in the patronage of our members.

### **The price of crude oil has recovered substantially after going through a major slump. How has this impacted the operations of your members?**

We are still not fully out of the woods. Many companies are still treading with caution, such that they are still staying operationally lean and tightly streamlined. In effect, we are happy at the recovery, but it is not yet Uhuru. But our members recognise the peculiarities of the times and are always working to bring more innovative and targeted training interventions to our customers, as partners for the long term.

With the recent slow recovery, yes, I agree, the training and capacity development of employees have started picking up, but everyone is still very cautious.

### **How has the implementation of the Nigerian Content Act impacted patronage of your members' services by operating and service companies?**

The Nigerian Content Act is one of the best things to have happened to our industry. Improvements are still needed, but the Act practically created the Oil and Gas training industry as it is today. Ten years ago, there were very few indigenous trainers doing very little, but that has greatly changed today.

The implementation of the law has been acclaimed to have attracted investments valued at US\$5 billion into the country and created about 38,000 job opportunities. This also created opportunities for our members to be more involved in providing content. Some of our members were saddled with the responsibility of managing various compliance issues that arise from the implementation of Nigerian Content initiatives in their companies. It has been quite impactful as it has resulted in the growth of our membership.



# Stress free ways to send your kids to the best schools

*Education is the most powerful weapon which you can use to change the world - Nelson Mandela*

**A**lthough as parents we may not be looking to have our children change the world, we certainly are desirous to arm them with powerful tools to make them success stories in life. Education, no doubt, is the best legacy parents can bequeath their children. And every parent works so hard to ensure they do. Unfortunately, it becomes increasingly expensive every year to put children through school.

These days, school and other sundry fees continue to rise faster than the family income, in line with inflation. Dr Peter Ogudoro, an education researcher and career management expert, said: "For some families, school fees consume up to 90 percent of parents' income." Dr Ogudoro calls it "nightmarish".

The average tuition, excluding feeding, boarding, books, and others, to train a child through junior private school is about ₦4 million and ₦2.5 million through university. These figures will continue to rise to reflect inflation. However, you pay fees higher than the average to put your children through the best schools, like the Day Waterman College, Corona, British International School, Oxford, MIT, or Harvard.

The reality for many parents is that their desire to get the best education for their children is often unmatched by their financial strength. But with proper planning and smart investments, training your children in the best schools should not be a nightmare. We have identified three smart ways to finance your child's

education with the least burden. There are many more ways, mind you.

## Start saving early

The best time to start saving for a child's education is the moment you get married, long before the child is born. For most regular marriages, that is a head start of nine months (from conception to delivery) to start saving, plus two to three years when the child is weaned and starts schooling. It is important though to investigate how much it will cost you to finance five years of early schooling, five-six years of secondary schooling and four years of university education in your target schools. That way, you have a fair idea of the financial outlay required, after factoring in inflation.

Knowing the outlay will guide your savings decision. You can then follow up by investigating the best savings account, one with a higher interest rate payment, to open. There are lots of higher interest-yielding savings accounts currently offered by banks as they jostle for a bigger retail market share. Even micro-finance banks offer good rates. And some savings accounts offer additional bonus to consistent savers.

## Investments

Like savings, investing early for your child's education gives you a great advantage to put the child through school stress-free. Investment offers a slight advantage over bank savings in that you can get far higher returns on your money than you get from savings. For instance, the equities market, in 2017, achieved a 42 percent growth.

What this means is that if you had saved ₦200,000 last year in the highest yielding savings account, plus bonus and all, maybe six-seven percent yield, you would have gained ₦14,000; that is, ₦214,000. If you had invested the same amount in the stock market smartly over the same period, your ₦200,000 would have fetched you ₦84,000; that is ₦284,000. Investment gets you faster to your goal, especially when you factor in the power of compounding. There are several investment vehicles: stocks, bonds, treasury bills, real estate, exchange traded funds, insurance, trust, among several others. Discuss with a stockbroker today and open an investment account. However, in investing, Ambrose Omordion, a UK-certified financial planner and capital market analyst, advised you speak with professionals to avoid backing the wrong horses.

## Scholarships

This is perhaps the best of the lot. Scholarships and grants are great ways to put your child through school paid for by someone else. There are thousands of scholarships in Nigeria and abroad that parents can take advantage of. Some are needs-based while others are merit-based. The Federal Government, states, religious bodies, schools, individuals and organisations offer scholarships. Many of the countries we have relations with, like Japan, Germany, Italy, Indonesia, among others, also have scholarships for Nigerians. A quick search online will guide you on the type of scholarship that will suit your child.

If you truly desire the best education for your children, then what you do now will determine that.



# Link between muster points and productivity at the workplace

*A safety sanctuary at the workplace assures the worker that he is top priority. It is also good for business sustainability.*

**T**he correlation between muster point and productivity may not be so obvious. But then, they are so intertwined that businesses spend time and money to ensure they have standard safety procedures, including well delineated muster points, in the workplace.

One of the basic human needs is safety and security. We not only desire to be safe from danger or harm, we equally desire to know we will be safe in any environment or situation. Once that is guaranteed, it becomes easier to focus on the task at hand. In fact, safety and productivity go hand-in-hand.

“A muster point or an emergency assembly point is a designated area where all employees, passengers or a large crowd assemble in case of an emergency in an installation, building, public place or a watercraft,” stated safeopedia.com. Such designated places are usually marked with “muster point” boldly written, or the universally recognised square sign with four arrows from the four edges pointing inwards towards a dot or circle in the middle, is used.

Eze I. Innocent Okunamiri, a Health, Safety and Environment professional and member of the governing board of the Institute of Safety Professionals of Nigeria, says a muster point is pivotal to any emergency plan in the workplace. According to him, organisations must drum the culture of safety into their employees’ ears and the most visible

part of that culture is the muster point.

A muster point communicates to the worker that there is a plan in place for his safety, in the event of an unfortunate life-threatening incident. This gives peace of mind to the worker, thus allowing him to concentrate on his duties. It is a safety requirement that workplaces are obliged to have. Unfortunately, in many workplaces, muster points have become a part of the décor that workers hardly ever take notice of.

In a high risk workplace environment, like the Oil and Gas industry, workers must be constantly aware of safety procedures in place through regular drills and simulations. The muster point allows for an orderly evacuation of people in a facility in the event of an emergency and helps supervisors to quickly take roll calls to determine that everyone in the facility is accounted for. Such orderly evacuation helps to prevent loss of lives and or injuries.

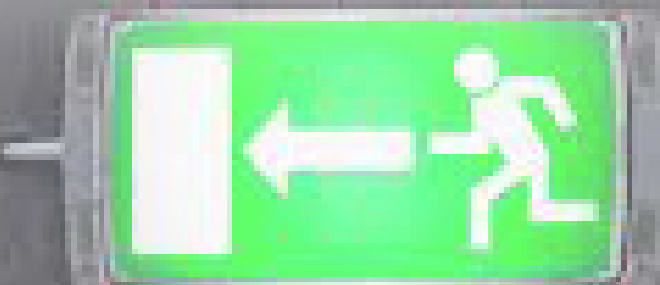
The muster point is a reminder that there is a safety procedure in place. As such, it is important that it conforms to certain criteria and standards if its objective must be achieved. Location of the muster point is very important, so is the legibility of the signage. Equally important is the number of people expected to gather at the muster point as well as route(s) to the point, among other considerations.

According to safety experts, the muster point must be located at a spot that is twice the length of the building. A

10-storey building that is 200 metres high, for instance, must have its muster point 400 metres removed. In practice, though, this may not be possible due to space constraints, particularly in big cities like Port Harcourt and Lagos. The rule of the thumb, therefore, is to situate the muster point at a safe distance from the building. The signage must use huge lettering and images for clear visibility from some distance away, conspicuously placed in a way that nothing can obstruct it from view. The location must be easily accessible by occupants of the facility and it must have well defined exit routes. The size of the muster point must be large enough to accommodate people in the building. You do not want to get a 20-person location for a building that has over 40 people. You simply put people at further risks.

Sometimes, people tend to become complacent, which is why one can never emphasise enough the importance of safety, especially in workplaces. A constant reminder of safety procedures in place, through regular emergency drilling exercises at the muster point, helps to assure workers of their safety. This helps them to focus and invariably boosts efficiencies and productivity.

“Life is so precious; achieving a sustainable safety culture from cradle to grave is one of the requisites for business sustainability, profitability and continuity,” said Jamiu Badmos, a Quality, Health, Safety, Security, Environment (QHSE) professional and Fellow of the Nigerian Institution of Safety Engineers.





# OUTSPOK'N'S STYLE IS DEFINED BY SIMPLICITY AND LOCAL CONTENT

*Nigerians are increasingly exhibiting a more bullish attitude when it comes to their dressing as it showcases their cultures. Young designers like Adesola Balogun, Creative Director, Outspok'n, are at the forefront of reinventing and refreshing indigenous fabrics and attires, making them contemporary and can be worn anywhere.*

## What inspires your designs?

Our mantra is "simple is more". So, we try not to deviate from that. We ensure that our designs are uncomplicated and can cut across as many age barriers as possible.

## You studied Urban and Regional Planning. At what point did you embrace fashion? How did you start your entrepreneurship journey?

My interest in fashion started shortly after secondary school while understudying my elder brother, Adedoyin Balogun, who is also my mentor and runs a fashion brand in Abuja. My journey as an entrepreneur started in my third year at the university where I started selling shirts to my friends and lecturers. But I honestly did not think it would be a career for me. I enjoyed the feeling of people wearing what was originally a concept in my head and that passion has metamorphosed into Outspok'n today.

## Since you began your own label, you have worked on various bespoke collections for your fashion line. What would you say inspires you?

My inspiration will always be the everyday person who wants to remain fresh and stylish without breaking the bank.

## Nigerian designers are gaining international reputation, with young designers like you, pushing the boundaries. What makes your brand stand out from the lot?

Thank you for the kind words, Outspok'n always takes your personal style into consideration. We respect each personality and aim to always let that guide us with our client. What applies to you might not apply to the other.

## With how far your brand has come, would you say that you now mentor people or do you have a fashion school?

The plans for a fashion school are still in the works, but I have a system where I mentor young and aspiring fashion entrepreneurs. The need for fresh ideas is essential to remain relevant in this industry, that's why I strive to always surround myself with younger people.

## What skills are important for a successful career in fashion design?

32 Passion, perseverance and in-depth knowledge

of our peculiar fashion trends.

## Many have argued that the Nigerian fashion industry still has a lot of catching up to do to meet global standards in terms of finishing and creativity. How does the local industry compare with the global industry?

We still have a long way to go but we are definitely not where we used to be. What the local industry tries to do is improve on old designs and add a contemporary twist to it. This will always put an edge over the global industry. Like you rightly stated, slowly but surely we are getting the attention of the international audience.

## Fashion trends change so often and so quickly, that it is hard to keep up. How do you keep up with these trends so as to maintain relevance in the industry?

Truth is we try to stay on our lane and not jump on trends but rather create timeless pieces, which will stand the test of time. Even though, every now and then we have clients who expect us to create pieces from trends, we always stay true to our identity of 'simple is more'.

## What's next for you and Outspok'n?

We want to continue making an impact in the African economy, while also setting our eyes on the international space. We are working on creating more local content, which will have international appeal. That is the goal.

## Which trends do you envisage will define



## Nigerian fashion into the future?

Ankara and prints basically are in this season. Everyone (home and abroad) seem to be embracing their Africanness, which is a good thing!



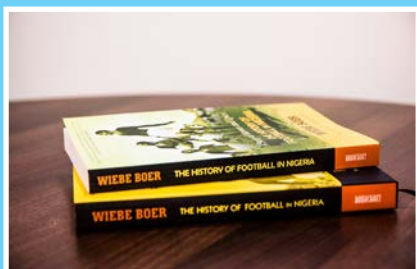


## Story of Heroes and Epics: The History of Football in Nigeria (1904-1960)

- Dr. Wiebe Boer

If there is a sport that firmly binds Nigerians in a cord that knows no tribe, creed or other labels, it has to be football. With the beautiful game, we are all ONE Nigeria. It is therefore fitting and delightful to find a good read that provides deep historical insights and narratives about the history of organised football, institutions that produced the early football stars, the first Nigerian players to play abroad, Nigeria's first international matches, the earliest rivalries and football's incursion into the southern and northern regions. Published by Bookcraft, the book examines the history of football in Nigeria - from when the colonialist brought the round leather game from across the ocean up to Nigeria's independence.

Written in lucid and entertaining prose with pictures by Boer, who received a PhD in History at Yale University, the book reveals that Nigeria's first president, Nnamdi Azikiwe, was a football star in his 20s and a football promoter in his 30s. Football was considered as the sport of the missionaries and lower class colonial officials. In the final analysis, the coloniser's tool had become Nigeria's unifying sport.

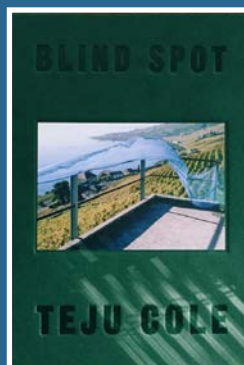


## Blind Spot

-Teju Cole

If Teju Cole's novel, *Open City*, which centres on a psychiatric facility resident who takes long walks around New York City while he looks, thinks, listens and occasionally speaks, announced his genius to the literary world, *Blind Spot*, which was one of *Time Magazine's* Top 10 Non-Fiction Books of the Year, 2017, a mélange of essays and photos woven into a sumptuous delicacy reinforces his brilliance. *Blind Spot* takes the reader on a journey through more than 150 of Cole's full-colour original photos, each accompanied by his lyrical and evocative prose, forming a multimedia diary of years of near-constant travel - a park in Berlin to a mountain range in Switzerland, a church exterior in Lagos to a parking lot in Brooklyn.

Memories, fantasies and introspective thoughts jump out of the 352-page book, which has been described as a "testament to the art of seeing by one of the most powerful and original voices in contemporary literature". Cole's offering takes readers on a powerful journey into new worlds using personal essay, history, biography, journalism and photography in a manner that elevates the art of looking and seeing. The historical and documenting power of photo and prose in *Blind Spot* is gorgeously blinding and eye-opening at the same time.

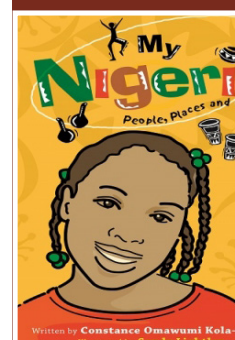


## My Nigeria - People, Places and Culture

-Constance Omawunmi Kola-Lawal

A big concern among many parents raising children today within and outside of the country is how to get them to learn more about their cultural values and traditional mores. With *My Nigeria - People, Places and Culture*, the author has provided a captivating way for children to learn about Nigeria. Complete with colourful illustrations, the series starts with a brief history of the country, its people, early culture and tribal dynasties. It delves further into the colonial era as well as Nigerian pioneers and past leaders of democratic and military administrations. The final book explores the people, foods and places in Nigeria.

So as they resume school this season, take your child on an exciting discovery of Nigeria with lots of images of the people of Nigeria, traditional rulers and institutions, foods and snacks, interesting sites to visit in Nigeria, music, games, the Nigerian pledge, national anthem and lots more. A unique feature of this book is that the pages can also be cut out and used by parents and teachers as flash cards to aid retention. If you are going to spoil your children as the year draws to a close, make sure you serve up a copy of this book as a treat for them.





# Spend **three days** in Port Harcourt and you'd return for more

*Port Harcourt, the Rivers State capital, is better known for heavy machinery and activities associated with oil and gas exploration and production. But if you look beneath the beams, you'd be pleasantly surprised at what other things the city offers.*

At first sight, Port Harcourt, christened the Garden City and known as the hub of activities in Nigeria's oil and gas sector, may not come across as the regular tourist destination. What can be interesting in heavy machinery, liveries, safety boots, muster points and other things that epitomise the oil and gas industry? Port Harcourt is not only about oil exploration and production. The city has many leisure activities that qualify it as a major tourist destination for busy executives looking for a few days to get away from the stress of work.

The city has had a chequered history. At the time it was known as the garden city, Port Harcourt was a small, beautiful and well-laid out environment with shrubs here and there and, therefore, its idyll moniker. It had many expatriates, giving the city a cosmopolitan outlook. It went on a downward trajectory when security became a major challenge. However, the city is experiencing a rebirth

with the expansion of infrastructure, Nigerians taking over roles hitherto reserved for expatriates in the oil and gas industry and the realisation by the state government since the Fourth Republic, of the direct link between a conducive environment and the growth of business and leisure activities.

Thinking how to get lost in the city for three days to catch your breath?

First, start with where you'd stay. If you are the modern executive who relies a lot on your smartphone, check out [hotels.ng](http://hotels.ng), [travel.jumai.com](http://travel.jumai.com), [tripadvisor.com](http://tripadvisor.com), among many other websites listing hotels and their rates. You'd be spoilt for choice, between global and great local brands offering luxury, relaxation and facilities to spoil you. No matter your budget, using these online sites can help you to get good accommodation at affordable rates at Toki Hotel, Algate, Randolph, Presidential, Le Meridien Ogeyi Place, Golden Tulip and Novotel, among

hundreds of good hotels that dot the city. Aside a nest to rest, the hotels offer good massage services, gym facilities, restaurant and meals prepared by renowned chefs.

Now that you've settled where to stay, the next step is what to do as you can't stay indoors the entire three days you are in Port Harcourt. Again, you'd be spoilt for choice: there are many outdoor facilities to select - from the Pleasure Park to the Shopping Mall to lounges and clubs, such as The Beer Barn, Casablanca, SOK Lounge, De Office, among many other offerings. Take the Port Harcourt Pleasure Park, for instance. It is a well-rounded facility to ease the pent-up stress of working too hard and too long.

The facility has a climbing tower, artificial lake with pedal boats, fitness machines, football pitches, mini-golf course, restaurant, children's playground, swimming pool, among other facilities. The natural setting of



the park helps to drain stress from your system, leaving you relaxed and happy. Located in Rumola on Aba Road, the park is easily accessible from any part of the city. It is a work-in-progress, says Sunny Idoko, Manager of the facility. When you visit, it may be a lot different from what has been described here.

Tourism is not complete without shopping. The Port Harcourt Shopping Mall has everything you may need while in the city. It has entertainment facilities, such as the cinema, restaurants, a bakery and an ambience, which generally serves to take your mind off work. Competing for visitors' patronage are Everyday Emporium, on Aba Expressway and Next Time Supermarket on Abacha Road.

Travel is education of sorts, and what a better way to learn about a place, its people and culture than the common delicacy the city offers? Roasted plantain (*bole*) and fish served with spicy

sauce will leave your taste buds tingling with delight at the peppery and spicy meal that is unique to Port Harcourt (Warning: if your pepper tolerance is low, you may request for just a little of the sauce). The simplicity of preparing this delicacy belies its nutritive value and taste. Everywhere you go in the city, you'd see this delicacy being prepared on open charcoal grills by the natives. Don't hold back. Take a serving back with you to your hotel and *bole* and fish will probably be what you will eat every afternoon until the end of your stay. Visit Elekahia Housing Estate and Agudama at D/Line for the best offering of *bole* and grilled fish.

Continuous education will be found in the city as it originally was. That is when you visit Mile Three and Mile One markets, where every item you can imagine is sold. Those places have a rhythm tied to the energy, enthusiasm, warmth and love the various tribes that

make Port Harcourt one of Nigeria's most welcoming and cosmopolitan cities. This can also be obtained from the Cultural Centre, located on Bonny Street in Old Port Harcourt. It promotes music, theatre, dance, performance by artists, cultural events and folk music, among others.

Port Harcourt, as well as the entire Southsouth where most of the oil and gas exploration and production activities are based, has its fair share of challenges associated with cities that are experiencing economic boom, attracting people from diverse places. Established in 1912 by Frederick Luggard, the British colonial administrator, the city has since grown to become a home for hundreds of thousands of people. The return of democratic governance is giving the city a new lease and is understandably reclaiming its acclaim as a place to work and play.



# Using Expatriate Quota Data to Build Human Capacity

In line with sections 31 to 33 of the Nigerian Oil and Gas Industry Content Development (NOGICD) Act, the Nigerian Content Development and Monitoring Board (NCDMB) gives approvals for expatriates to undertake jobs and responsibilities in the Nigerian Oil and Gas industry in areas where Nigerians may lack the requisite skills and competencies and where there is need for technology transfer.

At the same time, the Board initiates and facilitates direct intervention measures to limit the influx of expatriates in a bid to enhance capacity building and ensure the Board's strategy on Human Capacity Development (HCD) reflects current industry realities. This is achieved through detailed analysis of existing data from our Expatriate Quota (EQ) approvals pool as well as stakeholders' EQ pre-approval data of interview processes.

## NCDMB Expatriates Quota (EQ) approvals from 2015-2017

The Board's EQ approvals have progressively been on the decline. For instance, in 2016, NCDMB approved 1,054 expatriates as against 1,546 granted in 2015 (see figure below). These figures corroborate steps taken by the Board in increasing indigenous participation in the nation's oil and gas industry by prescribing, among others, minimum thresholds in the utilisation of local manpower as a means of adding value and stimulating growth of indigenous capacity.



## Analysis of NCDMBEQ data

The Nigerian oil industry face certain skills shortages. Across disciplines, Instrumentation & Control engineers were the most sought EQ positions. Drilling managers, production operators, subsea engineers and captains occupy second, third, fourth and fifth positions, respectively.

Despite the steady decline of EQ applications, there has been growing demand of EQ applications in certain disciplines. For example, in 2015, there was no approvals for Remotely Operated Vehicles (ROVs) technicians and supervisors. In 2016, the Board issued about 34 EQ waivers for ROV supervisors. This is quite understandable, being that the bulk of oil industry operations have moved from onshore to deep and ultra-deep water environments.

In 2017, over 65 percent of EQ approvals were for offshore jobs (see s/n. 3, 4, 7, 10 in table). For every offshore activity, vessels are required and they are operated by seafarers. The Certificate of Competency (CoC) is the standard certification demanded by maritime regulatory bodies and employers as proof of seafarers' qualification and competence to start their careers, operate vessels and rise to become chief engineers or captains and beyond.

Many Nigerian engine/deck cadets strive to qualify for their CoC, after a mandatory one year sea-time on board ships. Unfortunately, not many can afford the cost of the 12 months sea-time, which could be between US\$20,000 - \$30,000 per person.

Sadly, most employers refuse to bear the cost of this training; instead, they engage expatriates or lure already trained seafarers with higher pay. This practice contributes significantly to the shortage of indigenous ship captains in the sector. EQ application processes could

S/N	NAME OF POSITION	2015	2016	2017	TOTAL
1	Instrumentation and Control	71	28	24	123
2	Drilling Manager & Superintendent ( Driller)	54	31	9	94
3	Production Operator (Engineer)	39	20	29	88
4	Subsea Engineer (Supvr)	39	10	23	72
5	Captain (Mooring Master)	30	14	22	66
6	Marine Supervisor ( Mgr)	21	21	14	56
7	Reservoir Advisor/Engineer	23	15	17	55
8	Process Engineer (Snr, Lead)	32	11	12	55
9	Tool Pusher	36	5	9	50
10	Operations Manager	6	30	13	49
11	ROV Supervisor (Technician)		34	12	46
12	Piping Engineer (Snr/Supvr)	27		11	38
13	Dynamic Positioning Operator (DPO)	33	4		37
14	Structural Engineer (Snr)	19	9	8	36
15	Construction Manager	11	14	7	32
16	Maintenance Supervisor	16	13		29
17	Teacher ( Spanish, French)	10	4	13	27
18	Completion Engineer	17		9	26
19	Chief Engineer		12	14	26
20	Chief Mate	10	6	7	23
21	Mechanical Engineer (Supvr)	18			18

Onshore & Offshore related activity      Offshore related activity

## Interview process: EQ pre-approval data

There is the possibility that some companies could try to obtain expatriates quota approvals by influencing the process, starting from the advert stage with wrong titles, to prevent qualified Nigerians from applying for such positions.

Not long ago, a company conducted an interview session for **RFID Internal Pressure Specialists** positions. Eleven candidates showed-up but none was selected ultimately. Investigations later revealed that the company was actually head hunting for experienced completion engineers with instrumentation or automation background. With a different title, the search was futile. While there is a genuine reason to seek for EQ waiver, with them being the only company to globally use RFID technology for downhole drilling completion operations that has never been used in Nigeria, they should have captioned the advert to reflect the specialists they truly needed e.g. **"Drilling Completion Specialist with RFID knowledge"**.

In another instance, a Nigerian company advertised for a drilling manager position. However, part of the caption for the position read, "Candidate for the position of drilling manager **should be based in Lagos**". Perhaps, it could have been captioned as "Candidate for the position of drilling manager **should be based in Lagos or willing to relocate to Lagos**". With the latter option, they would have had more qualified Nigerians to select from.

## Conclusion

There is need for a coordinated strategy on industry-wide human capacity development that reflects industry realities. The Board would continue working to evaluate Expatriate Quotas as a basis for capacity building and overall development of the Oil and Gas industry.

■ Engr. Basil Aleibiri,  
Capacity Building Division



## Musa's remarkable move from classroom to Egina FPSO

**M**usa Shuaibu is one of the remarkable discoveries during the just-concluded integration of the Egina Floating Production Storage and Offloading (FPSO) vessel at the SHI-MCI Yard in Lagos. The 33-year-old quit his teaching job after he got a lifetime opportunity to acquire hands-on skills and work on the historic project, thanks to the Nigerian Oil and Gas Industry Joint Qualification System (NOGICJS), the electronic database managed by the Nigerian Content Development and Monitoring Board (NCDMB).

Industry stakeholders were fascinated by the in-country integration of six modules on the FPSO, the first time such a big project was executed in the Gulf of Guinea. But with the vessel now successfully towed to the Egina field, 200 kilometers offshore south of Port Harcourt, Rivers State and preparations afoot to start production, it's become obvious that Musa and his ilk are the most tangible and enduring benefits we got from the US\$16 billion project.

He now works as an integration engineer and POB officer at Samsung Heavy Industries Nigeria Limited (SHIN), the lead contractor on the Egina FPSO project. The native of Jigawa State belied the false impression that the average educated youth from the North does not aspire to

careers outside their geographical region. Indeed, the NOGICJS has dispelled such erroneous notion, what with thousands of youths from the North, alongside others from the nooks and crannies of the nation, placed on training and employment opportunities in operating and service oil companies in the Southsouth and Southwest regions.

He learnt about the NOGICJS portal, [www.nogicjs.gov.ng](http://www.nogicjs.gov.ng), going on to create an account on it and joining over 130,000 individuals whose credentials are registered on the database. The Board selects qualified candidates from this portal and subjects them to tests. The successful ones are placed on ongoing projects where they acquire theoretical and on-the-job trainings. At the end of the programme, which often lasts one year, the trainees are awarded certifications, which help them to secure other jobs. Some organisations employ the very best candidates, depending on the vacancies they have.

After writing an aptitude test, Musa got a call a month later, informing him of his success.

The graduate of Mechanical/Production Engineering from Abubakar Tafawa Balewa University, Bauchi, gladly swapped teaching Physics and Mathematics in a secondary

school for learning and contributing to the delivery of the Egina FPSO.

"I was selected alongside 50 others for the training," he said. The Nigerian Content On-the-Job-Training spanned various disciplines: ITC/Security, Towing Operations, Document Control and Project Scheduling. He acknowledges that he learnt critical skills, which include project management, project interface and inter-personal capabilities.

The best part of the training for Musa was the contributions he made to the execution of the FPSO integration. "I wrote and transmitted minutes during Integration and Pre-commissioning meetings. I coordinated the trial fit-up of riser heads to riser seats of sea water lift pump caissons, assembled flexible hoses for sea water lift pump caissons, disposal caissons," he happily recalls, adding: "I was also involved in trial fit-up of lifting elevator for the flexible hoses, trial fit-up of hang-off tool for dirty water disposal caisson. I also did follow-up and reporting of work progress on installation of hull appurtenances, trial fit-up of spools for the 12 riser lines (fit-up, welding and NDT), fit-up and welding status of gas export line and other construction activities."

He describes the experience as "wonderful, memorable and beneficial".

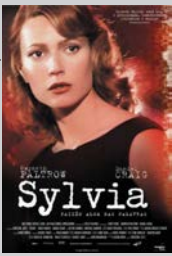
On the completion of the programme, the trainees were awarded CSWIPS 3.1(welding inspection) certificate. Musa's joy knew no bounds when he and one other trainee were retained and converted to full-time employees of SHIN, following their superlative performance on the OJT.

The experience garnered on the training helped the young engineer in various disciplines on site and in coordinating field workers. He advises youths to always work hard and respect policies of any organisation they are lucky to work with.

Musa's career in the oil and gas sector has started out brilliantly, courtesy of the NOGICJS. You cannot bet against him becoming a project manager in a few years.

■ **Teleola Oyeleke,**  
**Popoola Shakirat Abisola**





### Sylvia

*Sylvia* is an enthralling thriller that tells a tale of love, lust, betrayal and obsession. It centres on the cause and effect in the nature of relationships, mental health and the dichotomy between the real world and the surreal. Former *Tinsel* star, Chris Attoh, stars as Richard, the protagonist who always existed between the real world and a fantasy world; home to his friend and lover Sylvia, played by former *Moments with Mo* presenter, Zainab Balogun. Filled with passion and love, the two devotees embark on a journey of commitment. The film is written by Vanessa Kanu, directed by Daniel Oriahi and produced by Ekene Mekwunye.



### From Lagos with Love

In this romantic comedy written by popular OAP, Dami Elebe, who is best known for her work in the web-series, *Skinny Girl in Transit*, we follow the story of two couples — one of them being the perfect love story, while the other seems to be a forbidden love. The film, which explores the theme of parental pressure on relationships, showcases that no family is perfect and it dramatises a reunion that exposes secrets and truths untold. *From Lagos with Love*, which stars newbies like Enado Odigie, Sharon Ooja, Jon Ogah, Nonso Bassey and familiar faces, like Damilola Adegbite, Shaffy Bello, Bimbo Manuel and Funke Kuti, is directed by Tola Odunsi and produced by his old time friend and collaborator, Akin Akinkugbe.



### Lion Heart

One of the most iconic female faces in Nollywood, Genevieve Nnaji, marks her directorial debut with *Lion Heart*, a tale that follows an Igbo family that is involved in the transport business. With a stellar assemblage of Nigeria's most respected and revered screen icons that include Pete Edochie, Nkem Owoh, Onyeka Onwenu, Kanayo O. Kanayo, Chika Okpala, Kalu Ikeagwu, Sanni Mu'azu, Yakubu Mohammed, Ngozi Ezeonu, Peter Okoye (P-Square), Chibuzor Azubuike, with Genevieve in the lead role of Adaeze Obiagu, *Lion Heart* delves into hard-nosed rivalry and often contrarian efforts to rescue an ailing business using the tropes of a "family drama, female empowerment and a humorous charmer", to tell its story. The movie is written by C.J. Fiery Obasi, based on a screenplay by Ishaya Bako and Emil Garuba. It is produced by Chinny Onwugbenu.



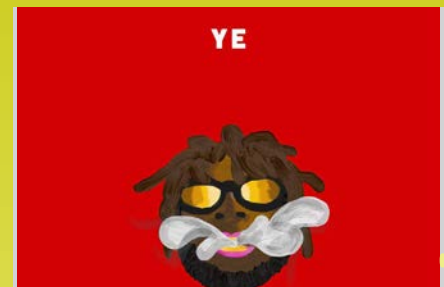
### Fake Love - Duncan Mighty ft Wizkid

What do you get when the self-proclaimed first son of Port Harcourt, with his distinct Ikwerre-highlife vibes, Duncan Mighty, teams up with international neo-Afrobeat crooner, Wizkid, to bring the former out of "retirement"? *Fake Love*, which has become an anthem at most parties and clubs, is a love song in the form of a plea for authenticity in a world that is reeling with "fake life" being peddled on social media. In *Fake Love*, the two artistes, who are heard singing *only fakers will be loving when they have eh eh, when e red dem tuwamaweni red eh eh...* clearly have found their sweet spot.



### Amaka - 2Baba ft Peruzzi

New music from the legendary 2Baba, which borrows some vocals from DMW star, Peruzzi is his way of saying to the audience that he isn't tired or retired. In *Amaka*, 2Baba showcases his philandering credentials when he says that *I like woman, I dey straight forward; I like truth and I dey rock rumours* in an obvious nod to Rumours Night Club where he is a part-owner. The lyricism in the jam has gifted the public with one of the most used phrases this season – *I don wait you sotey I don dey lose weight o*. This sincere and straight-to-the-point confessional statement expresses the frustration of young men who are left hanging by unrequited advances.



### Ye - Burna Boy

With *Ye*, Burna Boy's legal drama seems to be in the rear view mirror as he drops a "woke" anthem on us in which he channels his inner Fela impression. You won't be wrong if you describe the song as a homage to the late Abami Eda (the strange one, literally), Fela Anikulapo-Kuti's, *'Sorrow, Tears and Blood*. *I no wan pai; I no wan die; I no wan peme; I wan enjoy; I wan chop life; I wan buy motor; I wan build house; I still wan turn up*. *Ye* mixes pop, dancehall and afrobeats into its own unique thing with a message - always strive to live your life to the fullest, as you hope for a better tomorrow.

## APPOINTMENT



**Dr. Amaijaan Bertram Ikuru**  
*General Manager, Capacity Building Division*

Amaijaan joins the Board on secondment from Shell Petroleum Development Company of Nigeria (SPDC). He holds a Bachelors degree in Civil Engineering from the University of Nigeria, Nsukka, Master of Business Administration (MBA) and PhD in Management (Business Policy and Strategic Management) from the Rivers State University of Science and Technology, Port Harcourt, Rivers State.

The new GM, CB was previously the Manager, Programme Management - Fit for the Future Programme. He held

other positions, namely, Manager, Upstream International Cost Ambition Programme; Manager, Community Content Development and Head, Corporate Affairs Planning and Strategy.

Dr. Ikuru has 22 years work experience with SPDC and won the award of Excellence from the Royal Dutch Shell CEO; Special recognition award for "exceptional performance in the Planning team delivery," SPDC – 2004 and Excellence in Social Performance for the Shell Contractor's Funding Scheme.



**Mr. Abdulmalik Halilu,**  
*General Manager, Planning Research and Statistics (PRS)*

was elevated to the grade of fellows by the Nigeria Institute of Management (Chartered). The President and Chairman of the Council of the NIM, Professor Olukunle Iyanda conveyed the council's approval.

## WEDDINGS



**Mr. Emmanuel Umeme Paulker**, an officer in the Monitoring and Evaluation Directorate, walked down the aisle with former Miss Kesiye Mercy Samuel, on August 18, 2018 at Charismatic Renaissance International Church (CRIC), Opolo, Yenagoa, Bayelsa State.



**Barr. Nelson Ajuonuma**, an officer in the Directorate of Legal Services, wedded his heartthrob, former Miss Chidinma Jachi Njoku on September 1, 2018 at Our Saviours Anglican Church, Onikan, Lagos State.

## OBITUARY

**Mr. Numondogio Micah**, Manager, Internal Audit, passed on August 13, 2018 after a brief illness, aged 53. He joined the Board in 2012 as the Head, Budget in the Finance and Account Division, after a glittering career in the banking sector where he rose to become a branch manager with United Bank for Africa.

He was interred at his residence, Abainkiri, Okpoama, Brass LGA, Bayelsa State on September 29. We pray for the repose of his soul.





## NPDC to comply with NC guidelines

The Nigerian Petroleum Development Company (NPDC) has restated its commitment to complying with the provisions of the Nigerian and Oil and Gas Industry Content Development (NOGICD) Act and other guidelines of the Nigerian Content Development and Monitoring Board (NCDMB).

Mr. Yusuf Matashi, its Managing Director, made the promise in a meeting in Abuja with Engr. Simbi Kesiye Wabote, Executive Secretary of NCDMB. He said the company would not seek waivers from the Board for its projects but abide by the provisions of the Act, especially in carrying out competitive bidding and utilising Nigerian oil and gas service companies and locally manufactured goods and services.

NPDC would also approach the Board to obtain Nigerian Content Plans (NCP) approval as required by the NOGICD Act for all its future projects in excess of one million dollars, Matashi said. NCP sets out work scopes that would be executed in-country and guides project execution and monitoring. The NPDC managing director also promised to direct the company's personnel on the primacy of Nigerian Content guidelines to project execution.

The Managing Director solicited the Board's support to build capacity for its workers, develop and institutionalise Nigerian Content systems and processes within the NPDC to ensure compliance.

Mr. Yakubu Mustapha, Managing Director of National Engineering and Technical Company (NETCO) who also attended the meeting, noted that the company is a major beneficiary of the Nigerian Content Act. He added that NETCO competed with its international counterparts because the Nigerian Content Act enabled it to build requisite capacity.

Wabote stressed the need for NPDC to be a role model for the industry through Nigerian Content compliance, bearing in mind that NNPC, its holding company, played leading roles in the development and enforcement of the Nigerian Content policy and establishment of the NCDMB.



MV Tamuno-Dein 11, a new multi-role ballistic security vessel acquired recently by BGAM Services Nigeria Limited with funding from the Nigerian Content Intervention Fund.

## BGAM Services acquires vessel with NCI Fund

BGAM Services Limited, the first Oil and Gas Company to access the Nigerian Content Intervention Fund (NCI Fund), has commissioned a new security vessel, MV Tamuno-Dein II. It is a multi-role ballistic security vessel, with protective machine gun panels, electronic fuel monitoring system and deck command centre for security personnel. It will work with the Nigerian Navy to provide security for offshore oil and gas operations.

Hon Lucky Brown, Chief Executive Officer of BGAM Services, confirmed that it took the firm less than two months to process its NCI Fund application. The

acquisition of MV Tamuno-Dein II has increased the company's fleet size to three vessels of different sizes and modes of operation. He advised other companies seeking to access the NCI Fund to be thorough in their accounting and applications and seek help when they have difficulties.

Engr. Simbi Wabote, Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB) performed the commissioning of the new security vessel at the Naval Shipyard, Port Harcourt, Rivers State. He said the NCI Fund is part of the initiatives to increase Nigerian Content in the Oil and

Gas sector to 70 percent within the next 10 years. "We launched the Fund about a year ago with five products, all at single digit interest rates."

He stressed that an important condition for accessing the NCI Fund is that applicants must be contributors to the one percent statutory Nigerian Content Development Fund (NCDF). He said BGAM Services benefitted from the Fund because it was faithful in its contributions to the NCDF, kept its accounts correctly and met the corporate governance requirements of the Bank of Industry (BoI).

# Overcoming constraints of developing marginal oilfields

By Prof Chijioke Nwaozuzu

**M**arginal oilfields development in Nigeria represents an opportunity to increase indigenous participation in petroleum upstream activities. It is also anticipated that the additional production from these stranded/satellite fields will boost the nation's daily crude production output and government revenue.

The term 'marginality of a field' is subjective but whether it is untapped, abandoned or partially depleted reserves, the most important factor is always the degree of profitable production.

However, from an economic standpoint, a marginal field is one that can be developed with marginal profits regardless of the actual size of the oilfield, and so requires special field development planning and reservoir management strategies to yield acceptable returns on investment (ROI).

Marginal oilfields in Nigeria can be categorised into five, based on surface terrain and the typical range of minimal recoverable reserves required for profitable production, as follows: onshore land (2-5 mmstb); onshore swamp (7-20 mmstb); coastal offshore (12-25 mmstb); continental shelf offshore (20-45 mmstb) and deep offshore (>40 mmstb). This indicates that the deeper into water the higher the minimum recoverable reserves.

In the 2001 licensing rounds, 17 fields were awarded to sole operators and seven to joint-venture operators, making a total of 24 licences awarded to 31 companies.

The government, in awarding these marginal fields to indigenous operators, hoped to increase oil production by about one billion barrels. Some progress has been made in marginal fields' development as eight of the 24 operators have taken their fields to first oil by 2015.

However, more still needs to be done. Six factors have constrained the activities of marginal field operators. The main factors relate to the lack of funding and the marginality of the fields. Other factors are: inadequate technical expertise, government policies on royalties and petroleum taxes, board/partnership wrangling in some cases and in other cases, the presence of significant anti-entrepreneurial mentality among the operators.

Funding constraints is the main reason cited by the growing number of Nigerian E&P companies for their inability to progress on projects, as well as the necessity to invite foreign technical partners.

Dependence on local commercial banks as sources of funds for multi-million dollar project is rather absurd, considering the diversity of international sources of funding, including international commercial and investment banks, bilateral and multilateral financial institutions, international finance corporation, insurance and hedge funds, among many others.

Most local bankers insist that the problem with funding marginal fields' development is that the only asset available on the table as collateral is the marginal field itself. Such bankers insist that if a marginal field operator has cashflow from other oilfield operations, or other businesses or has a sizeable deposit with the bank, then the bank can leverage on these to approve loan facilities. Marginal field operators will argue that deposits to the banks can only accrue if they are assisted to produce their fields. It is more like the chicken and egg situation!

Reserves-based lending, which is the modus required for financing start-ups like marginal field operations, is yet to be embraced by local banks in Nigeria. The traditional banking concept in this country, which emphasises lending against collaterals and securities, still holds sway, and this is not applicable to marginal field development.

The concept of reserves-based lending accepts 'oil in the ground' as collaterals and more of the local banks in Nigeria should be willing to embrace this concept for their lending decisions.

Other constraints are the relative marginality of the fields, availability of local technical expertise and government policy on royalties and taxes.

Government has a crucial role to play in enhancing the profitability of these ventures. It can assist marginal fields development as follows: revise the fiscal terms and make them more investor-friendly and suspend royalty payment for at least three years from commencement of production, to eliminate front-loading of royalty payments and



**Government has a crucial role to play in enhancing the profitability of these ventures. It can assist marginal fields development as follows: revise the fiscal terms and make them more investor-friendly and suspend royalty payment for at least three years from commencement of production, to eliminate front-loading of royalty payments and thereafter apply the sliding-scale method to royalty payments, based on producibility.**

thereafter apply the sliding-scale method to royalty payments, based on producibility. Others include providing tax holiday of three years by suspending VAT, import fees, education tax; the CBN can support local banks in reviewing lending terms for energy projects and government can also establish a Specialised Energy Bank, as separate from the Bank of Industry, to enable local energy companies gain access to funds at globally competitive rates.

*Prof Chijioke Nwaozuzu is former British Chevening Scholar, former PTDF PhD Scholar and currently Deputy-Director at Emerald Energy Institute (for Energy & Petroleum Economics, Policy, & Strategic Studies), University of Port Harcourt.*





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**▣ OUR RAISON D'ETRE:**

To redefine indigenous service standards

**▣ OUR VISION:**

To be the dominant indigenous marine logistic services provider in the Nigerian Oil and Gas industry

**▣ OUR WAY:**

A first class operationally efficient organisation.

A Continuous Improvement based ISO certified processes.

A vibrant and performance driven team of highly motivated and skilled indigenous talents.

All coming together to create truly world class quality services – our trade mark!

**OUR SERVICES:**

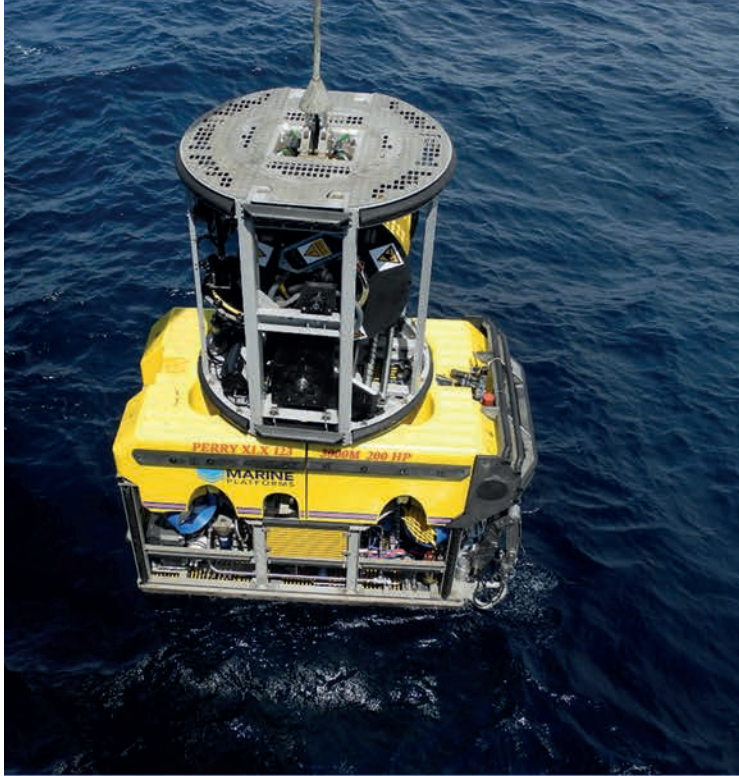
- ▣ Offshore Marine Security Services
- ▣ Terminal Services
- ▣ Platform Supply Services
- ▣ Integrated Procurement Services



***TAMROSE – redefining indigenous service standards since 2010.***

Tamrose House, Plot 7, Okuru-Abuloma Link Road, By Emmanuel College Junction,  
Abuloma, Port Harcourt, Rivers State.  
[www.tamroseventures.com](http://www.tamroseventures.com)





The growth of local capacity in both human and equipment is a key aspect of the company's objective in its contribution to the nation's building through local content.

We understand that there are a few skillset in Nigeria but in readiness for the future, we are keen on developing the required expertise. We started out with 5 ROV trainees and today, we have trained over 40 ROV Supervisors, Pilot Technicians as well as over 24 cadets. Now we have embarked on a capacity development initiative to train 35 candidates from the Nigerian Content Development Monitoring Board (NCDMB) in Design & engineering, ROV operations, marine engineering and nautical sciences.



**SUBSEA SOLUTIONS**  
**WELL SERVICES**  
**VESSEL CHARTERING**  
**BROWNFIELD DEVELOPMENT**

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**LADOL**  
LIMITLESS | OPPORTUNITIES  
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# NIGERIA'S ONLY 100% PRIVATE INDUSTRIAL FREE ZONE



**LADOL's mission is to help make Nigeria Africa's hub  
for industrial maritime and oil & gas activities.**

A \$500 million award-winning Free Zone, LADOL provides technologically advanced infrastructure and round-the-clock support for all companies in the Zone.

LADOL has already reduced the cost of offshore logistics support by 50% and its fully serviced facilities allow new entrants to set-up and access the high growth African market at minimal cost, maximum efficiency and complete focus on their core business.

***LADOL: THE IDEAL LOCATION FROM WHICH  
YOU CAN PARTICIPATE IN  
THE WORLD'S NEXT BIG GROWTH STORY***