

# **DISTRICT SENSITIZATION DURBAR ON OIL AND GAS**

## **PETROLUUM SECTOR; THE LOCAL CONTENT**

Dates: FEBRUARY 19 2009

BY: KYEI KWADWO YAMOAHA



# IMPORTANCE OF OIL

Oil has become the world's most important source of energy since the mid-1950s

## USES

The largest volume oil products are used for fuel:- Diesel fuel, Fuel oils, Gasoline(Petrol), Jet fuel, Kerosene, Liquefied petroleum gas (LPG)

## Other uses

Raw material:- chemical products, pharmaceuticals, solvents, fertilizers, pesticides, and plastics.

Asphalt, Lubricants (produces light machine oils, motor oils, and greases)

Wax, Sulfur or Sulfuric acid.

Cosmetics, etc.



# IMPACTS OF OIL EXPLIOTATION

## Environmental & Health Impacts

- Gas flaring, leaks and spills, Infrastructure, Traffic & congestion, increase sea traffic, etc.
- Diesel fuel pollution, impacts on marine ecosystems, soil, air and water,
- Acid rain, gas flaring, Pipelines laying, cancer and asthma.





# Social & Economic impacts

Crime, Promiscuity, Alcoholism, Break in social order, community unrest, violence, kidnapping, pirating, introduction of foreign cultures, interfere with fishing,

- Dutch Disease'
- Livelihood pressures
- Increased Cost of living



# MANAGING GHANA'S OIL INDUSTRY

There are three main segments and activity phase in any petroleum industry that a petroleum nation must regulate

## Upstream activities;

- ✗ (pre-licensing, field development, licensing, exploration and appraisal, planning for development and production operations, petroleum production and Disposal to primary customers)

## Midstream activities

- ✗ Marine transportation and pipelines

## Downstream activities

- ✗ Refining and processing
- ✗ Downstream marketing and retail activities





# HOW

## **Upstream activities;**

- ✗ Transparency in contracts.
- ✗ Involvement of competent expertise for process monitoring. (expenditure, contracts agreements, operations, etc).
- ✗ Ensuring adherence to laws  
(international, national, environmental laws, etc)

## **Midstream activities & Downstream activities**

- ✗ Refining and processing in Ghana
- ✗ Ensuring value addition (Allied industries).
- ✗ Developing a comprehensive local content

# LOCAL CONTENT

- ✖ Development of strategic local business;  
(Midstream and the Downstream activities.)
- ✖ Development of indigenous enterprises  
(Influx of people and allied businesses)
- ✖ Capacity building of natives to take over

## GOVERNMENT'S ROLE

Good environment for local participation.

➤ (Policy; Contracts and Agreements)

Individuals and host communities

(initiative for the community lead local content.)



# **Generation of capital for local content**

(financing of local businesses, flexible bank loans, partnerships, investments, etc)

## **Capacity building and higher learning**

Petrochemicals and related studies.

(Scholarships, bursaries, study loan, grants, etc)





# Developing of Technical & Vocational Skills

- ✖ Hospitality services
- ✖ Soap making, sewing,
- ✖ Batik tie & dye,
- ✖ Fashion & dressmaking,
- ✖ Hairdressing, beauty therapy,
- ✖ IT and secretarial skills.
- ✖ Welders, Auto mechanics,
- ✖ electrical work,
- ✖ computer technicians,
- ✖ Building: carpentry,
- ✖ mason and bricklaying,
- ✖ plumbing and fitting.
- ✖ Etc.





# Pause





# THANK YOU

