DISTRICT SENSITIZATION DURBAR ON OIL AND GAS

PETROLEUM SECTOR; THE LOCAL CONTENT

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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
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.
THANK YOU