

The Policy of Local Content and Economic Development in Nigeria, 2000-2017

By

Nyewusira, Vincent PhD

Department of Political Science,
Ignatius Ajuru University of Education Port Harcourt
vinsira@gmail.com, 08033167458

Igwe, Adaona Frank

Department of Political Science, Federal University Wukari
adaonafrank@fuwukari.edu.ng, 09156065419

&

Nwokah, Imere Lordmizer

Department of Political Science, Federal University Wukari
imerenwokah@yahoo.com, 08034222194

Abstract

Many African countries after attaining political independence sought to acquire economic independence by taking ownership and control of their natural resources for economic development. Nigeria has grappled with diverse development policies, one of which is the local content policy in the oil and gas industry. The sector generates about 95% of the total export revenue and about 80% of the total national income. However, the portion of domestic expenditure out of the annual 8 billion Naira expenditure in servicing its operation is low. Hence, the local content policy targets over 70% of this expenditure to be domiciled locally. This paper examines the extent to which local businesses have fared in achieving this target in championing the course for higher indigenous participation in the sector and value addition for the nation. It also examines the effects of local content policy on business and economic development in Nigeria as contained in the Nigeria oil and gas industry content development Act of 2010. Findings revealed that marginal inputs were recorded in the area of in-country fabrication projects delivered by indigenous local companies due to systemic challenges. The paper concludes that these challenges have continued to hinder a complete delivery of the objective of the local content policy. The paper recommends among others, that the local content act should be amended to embrace other important sectors and boost local content business in Nigeria.

Keywords: Local Content Policy, Business, Economic Development

Introduction

African countries after independence seem to have recognised the need for indigenous ownership and control of natural resources for exploitation that will engender economic growth and development without involving the continuous use of foreign



nationals considered as expatriates. To achieve these goals, various policies and laws have been pursued by various governments. Since independence in 1960, the Nigerian State has as its fundamental interest the pursuit and actualization of self-sustained economic development that is indigenously oriented. In line with this goal, previous governments conceived economic development as a core national interest and at various times diverse development policies have been adopted to make possible this renowned objective.

One of the many attempts at this indigenisation of development process is the enactment of the Local Content Act of 2010. The proponents of the local content act envisaged that the policy will ensure that the frequent use of expatriates to execute jobs that would have been handled by indigenous workers are no longer visible, hence promote indigenous participation and empowerment in Nigeria. The local content policy is understood to present exciting new potential for economic development in Nigeria by encouraging economic activity, value addition and job creation, a development which may finally make the country to be able to make its oil wealth a blessing instead of a curse (Esteves & Barclay, 2011). Accordingly, the aim of the local content policy in Nigeria is the 'domiciliation' of economic activity within the country.

In theory, the emphasis of domiciliation is on doing work in Nigeria that was previously done abroad, rather than on work being done by Nigerian-owned service providers. In practice, even under Nigerian content, a major emphasis on promoting Nigerian ownership remains. However, the acceptance of the local content policy by foreign multinational oil service companies have gained widespread support among both labour unions and industry groups.

In retrospect, the local content policy action started in 1971 through the establishment of the Nigerian National Oil Corporation, (NOC). NOC was established as a medium for the promotion of Nigeria's indigenization policy in the petroleum sector. It later became Nigerian National Petroleum Corporation (NNPC) in 1977 through NOC's merger with the petroleum ministry. According to Balougha (2019), NNPC flagged off the actual local content initiative through the acquisition of interests in the operations of the International Oil Companies (IOCs).

These interests grew to about 70%, with the responsibility of controlling all acreages and other activities. The contemporary local content initiative arose in 2001 through a workshop organised by the National Petroleum Investment and Management Services (NAPIMS), entitled, "National Workshop on Improvement of Local Content and Indigenous Participation in the Upstream Sector of the Petroleum Industry". In 2010, the Goodluck Jonathan administration took this drive further by signing into law the Nigerian Oil and Gas Industry Content Development Act No.2 of 2010. Paradoxically, despite several decades of efforts, the government's attempts to promote local content through indigenisation policies and other related laws and policy instruments did not substantially improve local content or facilitate the transfer of technologies that would promote technological self-sufficiency or indigenous control of the Industry. Thus, indigenisation attempts failed to achieve the development and promotion of indigenous entrepreneurial capacity in the industry. To a great extent, the failure of local content and indigenisation policies can be traced to the absence of indigenous expertise and technological capacity to exploit opportunities created by the establishment of such policies. Thus, the promotion of indigenisation policies has only succeeded in increasing the number of Nigerian shareholders





in foreign companies located within the country without the enterprising zeal or the managerial/technical know-how to take on higher responsibility in the actual running of the economic sector. In order words, the local content initiative has not translated to any form of economic development as expatriates still control the mainstream oil sector. This may not be unconnected with corruption and other internal systemic factors in Nigeria. It is against this backdrop that this paper examines the local content policy and its impact on the economic development in Nigeria between 2000 and 2017, expose the challenges associated with the policy and proffer solutions.

Conceptual Explications

Local Content Policy

The Nigerian content or 'Local Content' as it is popularly called is the quantum of composite value added or created in the Nigerian economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human, material resources and services in the Nigerian oil and gas industry (NNPC, 2010). The Nigerian content simply focuses on the promotion of value addition in Nigeria through the utilization of local raw materials, products and services to stimulate the growth of indigenous capacity. Local content is not a concept peculiar to only Nigeria, it is a commonly used concept especially among oil-producing countries. In the view of Warner (2007), local content is about realizing a competitive advantage among the local population to boost economic development. Inherent in this view is the idea that national or local suppliers or firms should be given preference especially those that can compete favourably with cost, quality and timeline. Also, preference is to be given to national subcontractors where such are competitive with foreign bidders in skill, technical and financial requirements.

In Nigeria local content Act stipulates a 95% managerial and supervisory position to indigenes' and a 100% risk insurance and legal services to be handled by indigenous professionals. The Nigerian oil and gas development law 2010 defines local content as the quantum of composite value added to or created in Nigeria through the utilization of Nigerian resources and services in the petroleum industry resulting in the development of indigenous capacity without compromising quality health, safety and environmental standards (Abegi & Adebisi 2013). They further contend that it is framed within the context of the growth of Nigeria entrepreneurship and domestication of assets to fully realize Nigeria's strategic developmental goal. To also increase the domestic share of the \$18 billion annual spending on the oil and gas industry from 45% to 70% in addition to enhancing the multiplier effect of this on the economy (Balouga, 2019). As has been noted earlier, the local content policy is not exclusively a Nigerian affair, other oil-producing nations have at one time or the other embarked on it to provide incentives for local industries to develop.

For Mirilli and Castro (2013) local content is a protectionist policy that the government of many oil and gas extracting nations like Brazil, Norway, and Trinidad and Tobago have adopted to allow the local capacity to develop to be able to sustain the local economy and increase the likelihood of local companies to export to other countries. They further contended that local content is a political orientation, designed to improve

participation of local and domestic companies providing services and goods for a specific economic sector, generating revenue, jobs and technological development. Like Nigeria, Brazil's goal in the implementation of its local content policy is to create participation of the national industry on a competitive basis, develop technologies in Brazil, increase the competence of the technical community, generate employment and increase income in Brazil. Balouga, (2019) argues that local content in Trinidad and Tobago is aimed at maximizing the participation of its national people enterprises, technology and capital through the development of locally owned businesses, local financing and human capabilities in the conduct of all activities connected with the energy sector, along its entire value chain within and outside Trinidad and Tobago.

In the opinion of Fessehaie (2011), there are variants of local content. There is regional content, national content and community content. Regional content entails the possibility of resource developers and sub-national government entities to jointly develop strategies and plans that ensures foreign companies contribute to regional development by sourcing from businesses and recruiting their workforce from within the region in which the oil and gas project is located. While national content is the use of regulation, legislation and contractual obligation by the government to promote transformational opportunities associated with the hydrocarbon sector through various types of linkages. Involving the collaboration efforts between the private and public sectors and how state and market work together. According to Esteves and Barclay (2011), Community content in turn focuses more on a project zone of influence, where the geographical boundaries tend to be defined in permitting processes. In this case, local content often involves low skilled employment and purchasing of goods and services within the community or camp. This could involve hiring camp maintenance, housekeeping staff, drivers and security personnel. The sphere of influence is in creating jobs and stimulating economic activity in local communities, developing skills, and access to broader opportunities for local communities and creating sustainability of economic benefits beyond the life of the oil and gas project. Drawing from the foregoing, local content stimulates employment, develop local skills, transfer technology, promote research and development R&D performance and create wealth in the petroleum industry.

In the context of this paper, local content is about securing direct and indirect opportunities for employment and procurement for home nationals, at the same time fostering the development of local skills, technology transfer, use of local manpower and local manufacturing in capital projects. Local content Act, also provides that, Nigeria companies with capacity in equipment, personnel and other aspects of handling the contract, shall be given preference over a non-Nigerian company. A Nigerian company, in this regard, is any company with ownership and or infrastructure in Nigeria that allows it to conduct manufacturing and service products in the country, a company with staff that are Nigerian (Heum, Quale, Karlsen, Kragha, & Osahon, 2003). Invariably one of the principal aims of local content policy is to give indigenous Nigerian companies and businesses first consideration in the award of contracts and employment and to contribute meaningfully to entrepreneurial and economic development in Nigeria.

Business and Economic development

The value of businesses to the economic development of a country cannot be overemphasized. It is responsible for changes in the level of development of a country by directly impacting on the creation of wealth, employment generation, reduction in poverty and thereby contributing to the Gross National Product (GNP) and Gross Domestic Product (GDP). Business enhances the provision of technical innovation and competition for better services and meeting the needs of other services by providing raw materials needed for other businesses to flourish. To properly situate the importance of business to economic development it is imperative to first understand the meaning of business. Business ordinarily can be understood to mean the activities centred on a group of people and resources structured to provide a product or service to others to support themselves economically and for generating an economic profile. Dicksee (1980, p.26) asserted that: Business refers to a form of activity conducted to earn profits, for the benefit of those on whose behalf the activity is conducted. It is a human activity directed towards producing or acquiring wealth through buying and selling of goods.

From the above therefore one can infer, that the term business means constant production and distribution of goods and services with the primary purpose of making profits under critical market conditions. Stephenson (2008) sees business as the regular production or purchase and sales of goods undertaken to earn profit and acquire wealth through the satisfaction of human wants. In other words, business refers to an activity in which, different persons exchange something of value whether goods or services for mutual gain or profit. Therefore, business also involves risk, which is the probability of loss or gain as a result of investing capital. Business therefore in the context of this paper is associated with the persistent activity in and around the oil and gas industry in Nigeria, relating to production and distribution of goods and services in this sector and all such activities involving the contracting of services to the oil majors, procurement, fabrication, welding, marine services, logistics, supply, construction services, marketing of products and all such other activities concerned with the production, exploitation exploration of oil and gas, especially the service and businesses handled by indigenous firms and companies doing business with the oil companies and all such activities or support services carried out in Nigeria, which was facilitated by the local content policy(Stephenson, 2008).

The correlations between business and economic development are significant in that development principally aims at improving the quality of human life, and human welfare, which involve increasing the number of goods and services available to the people. The more consistent and regular output produced, the more the wealth and benefit available. Therefore, business improves the economy by increasing the availability and quality of goods and services produced. In this case, therefore, it is expected that the more oil and gas business is domiciled in a country, the more it should be generating employment, competition, production of goods and services, thereby contributing to the GNP. A country's level of economic development is determined by its GNP. As business is expected to encourage innovations with the quest to improve productivity.

Economic Development

Economic development is concerned with how people can attain an acceptable standard of living and comfort, which is made possible by having the necessities required to live relatively happy lives, with guaranteed security, food, shelter, clean water and clothing. Easton (1997), argues that economic development is ordinarily understood to imply the process which is borne out of a long-term investment of innovative ideas, infrastructures and transfer of skills. For him, achieving the above depends on effective and efficient institutional systems where government and individual enterprises cooperate to position the economy on a higher growth path. This, as Easton posited, will lead to the establishment of multiple as well as modern opportunities in the various sectors of a nation's economy.

Sen (1983) describes economic development as the quantitative and qualitative changes in the economy, involving various areas, like, development of human capital, critical infrastructure, required competitiveness, environmental sustainability social inclusion, health, safety, literacy and other initiatives that create expansion in the capacity of the political system to extend the scope of individual flexibility opportunity and decisions. Economic development is different from economic growth. Economic development is an all-inclusive phenomenon, a deliberate policy intervention imbued with goals of economic and social well-being of the people, economic growth on the other hand is an aspect of economic development, majorly concerned with market productivity and rise in the gross domestic product (GDP). Sen (1983) further see economic development as, a sustained, concerted action of policymakers and communities that promote the standard of living and economic health of a specific area. For Lane and Ersson (1997, p.19):

Economic development involves various strategies processes, making for several improved changes in the social structures, political behaviour and national institutions, also the rapid economic growth the reduction of inequality and the elimination of poverty.

In this paper, economic development is the process by which the well-being and quality of life of a nation, region, local community, or an individual are improved according to targeted goals and objectives. Economic development is primarily a policy goal of governments of developing countries that are rich in natural resources. Nigeria has advocated, through legislation, the notion of Nigerian content through domestic capacity building and preferential participation as a policy in its Oil and Gas Industry (OGI) to achieve the objective of economic development. The enactment of Nigeria's Local Content Act 2010 was inspired by the considerations for economic development.

Theoretical Framework

This paper is anchored on the Protectionist Theory of Trade. Protectionism is a policy initiative of governments, restraining trade between countries or states utilizing methods like restrictive quotas, the tariff imposed on imported goods and a variety of other government regulations designed to allow fair competition between imports and goods produced domestically. Okoheta (2017) opined that protectionism is the economic tool whose primary

objective is to shield and protect local businesses, industry and workers within a country by regulating or restricting foreign countries ability to penetrate the local economy. Protectionism is better understood when located within the context of its emergence, revolving around the debate on mercantilism, which was a theory that discussed and focused on how to increase a nation's wealth. Proponents of this theory suggested that a nation could only attain wealth when it strives to produce everything within its borders and reduce to an absolute minimum any reliance on import. The government role is to impose huge tariffs on foreign manufactured goods so that they cannot compete with local manufacturers.

In Nigeria as in other resource extracting countries, there been a huge propensity for the use of local content policy to increase local participation in the extractive sector. This is a form of protectionist policy that reduces the level of foreign control and increase local participation in the industry. The policy is seen as the most reliable instrument to advance the stake of the people of the nation in the oil and gas industry in a sustainable manner. However, protectionism is most effective when a country has reached its production peak and is self-reliant. In many respects, Protectionism can come in various ways. All forms of protectionism are geared towards improving the position of domestic producers relative to foreign producers. It can take the form of policies that restrict the access of foreign producers to the home market, tariffs, quotas, regulatory barriers, subsidies and exchange control. In other words, Protectionism is better appreciated when a government of a nation introduces a form of restriction into a sector. This action is to benefit the producers and labour in the protected sector of the domestic economy. Mirilli et al(2013) described local content as a protectionist policy that is designed to allow local capacity to develop and be able to sustain the local oil and gas economy, to increase the likelihood of local companies to export to other countries. This makes the Protectionist Theory of Trade quite apt for this paper.

Evolution of Local Content Development Agenda in Nigeria

The necessity for a strategic mechanism to develop a level of indigenous participation in industries in Nigeria predates independence. This became a public issue during the Federal Parliamentary Debate on the Petroleum Profit Tax Bill in 1959 through Jaja Wachukwu, a member of the Federal House of Representatives. In his speech, Hon Wachukwu in Udok, Udofia and Okunbolade (2020,p.93) noted that:

It must be remembered that nearly all our leading industries are in the hands of foreigners. For instance, our cement company, our air transport, our shipping, our tin and other mining industries, now oil and probably iron and steel.

Again, Chief Obafemi Awolowo in 1961, sponsored a motion for a state programme of nationalisation. The motion was to approve in principle the nationalisation of basic industries and commercial undertakings of vital importance to the economy of Nigeria. The motion as Udok et al (2020) opined was a call for economic nationalism, hence, the enactment of the Immigration Act which recognised an expatriate proportion system by specifying the ratio of Nigerian-to-non-Nigerians that could be employed by foreign business organisations located in Nigeria. This was basically to increase the participation of Nigerians in all economic sectors. Similarly, the government established an Expatriate Quota Allocation



Boardin 1966, to ensure indigenous participation in the control, development and management of strategic economic sectors of Nigerian society (Ogbuagu, 1995). Yet, the military regime during the Civil War promulgated the Companies Decree, which generated a legal instrument for the incorporation of every foreign company operating in Nigeria. The Decree aimed to bring local subsidiaries of foreign-owned firms under the control of the Nigerian Government and also enhance the participation of Nigerians in such businesses (Uchenna, 2014).

The Petroleum Decree was also established to improve local content development through the development of a huge home-grown manpower base in the industry. Under the Decree, a company that holds an oil mining lease is under a legal obligation to employ 75 per cent of Nigerians in managerial, professional and supervisory grades within 10 years of the grant of the lease (Udok et al, 2020). Another step was the establishment of the Industrial Training Fund Decree in 1971 to enhance the transfer of technologies. This was intended to encourage the acquisition of relevant skills that would support the development of indigenous manpower to meet the needs of the Nigerian economy, including the oil and gas industry. In another development, the government established the Nigerian Enterprises Promotion Decree also known as 'Indigenisation Decree' to enhance the participation of Nigerians in strategic economic sectors, including the oil and gas industry (Uchenna, 2014).

The Indigenisation Policy was also intended to increase indigenous participation in the industry and one of the core reasons for the establishment of the Acquisition of Assets (British Petroleum Co Ltd) Decree, which nationalised the oil assets of British Petroleum that had operated with Shell Petroleum in a consortium known as Shell-BP. The Decree provided for the transfer of British Petroleum's assets to the Nigerian National Petroleum Corporation. The Decree further nationalised the Port Harcourt Refinery (originally owned by Shell-BP) and also gave the Federal Government a 60 per cent interest in all operations in the industry (Mbedi in Uchenna, 2014). The nationalisation of the industry is noted to have been influenced by British Petroleum's violation of the Nigerian Government's oil embargo against South Africa during its apartheid regime. Another view is that the new awareness of confidence and importance aroused amongst Nigerians after the civil war was largely responsible for the eventual promulgation of the Indigenization Decree of 1972 (Ogbuagu, 1995).

Further, Nigeria's efforts towards increasing local control of the Industry arose from its membership of the Organisation of Petroleum Exporting Countries (OPEC). For example, after joining OPEC in 1971, Nigeria signed various participation agreements with several multinational oil companies that gave the country a minimum of 35 per cent participation in all concessions and a projected 51 per cent by 1981; with prospects that Nigeria would achieve a 100 per cent control of all oil concessions in the Industry. By 1973, Nigeria had acquired an average of 60 per cent of participating interests in the operation of the oil companies. This action was in line with OPEC Resolution, which allowed all member countries to undertake, as far as was feasible, the direct exploration for, and development of, hydrocarbon resources and to acquire majority participation in the operation of the oil companies. Furthermore, to promote the development of local content the Federal Government promulgated a Decree Establishing the Petroleum Technology Development Fund (PTDF) in 1973 to train Nigerians to qualify as professionals and technicians in all fields in the Industry. This was followed by the establishment of the National Office for



Technology Acquisition and Promotion Act in 1979 to promote the acquisition and transfer of foreign technologies to Nigeria (Udok et al, 2020).

Indigenisation efforts in Nigeria were also enhanced as the Nigerian Government began to participate in oil concessions through joint-venture arrangements with multinational oil companies. This also led to the establishment of the Nigerian National Oil Corporation (NNOC) (later Nigerian National Petroleum Corporation [NNPC]) in 1977 through the NNOC-Ministry of Petroleum merger as a vehicle for promoting indigenisation programmes in the Industry. In 1988, the NNPC to enhance local content in the industry sought to pursue commercial objectives which brought about the establishment of 11 subsidiary companies under the NNPC (Uchenna, 2014). In the view of Balougha (2019), it was NNPC that signalled the actual take-off of the local content initiative when it acquired interests which grew to about 70%, with the responsibility of controlling all properties and other activities in the operations of the International Oil Companies (IOCs). Although conscious efforts were made in the past through the Petroleum Act and its subsidiary regulations, enforcement of a local content policy which was the catalyst for sustainable economic transformation in Nigeria stood as a road long travel in the domain of economic progression.

Nigerian Government again, established the Indigenous Concession Policy in 1991, to enlarge the space for indigenous participation in the industry as well as expand the bases for investment and funds in-flow into the industry. This resulted in the award of onshore and offshore oil blocks to Nigerian entrepreneurs and gave birth to the emergence of indigenous oil companies in oil exploration and production. Paradoxically, the aforementioned seem to have been largely influenced by the extent to which prominent shareholders was connected to the government rather than on technical competence and expertise. This pattern appears to have also had a steady trend in the industry as successive governments granted oil blocks to their associates (Uchenna, 2014).

The Nigerian Content Policy was envisioned by the NNPC in 2000 to serve as the basis for measuring local participation and job creation for Nigerians in the oil and gas industry. The objective of the policy was to increase the quantum of composite value added to, or created in, the Nigerian economy through the systematic development of capacity and capabilities and the deliberate utilisation of Nigerian human and material resources and services in the oil and gas sector. To realise the ideals of the policy, the Nigerian Content Division (NCD) was established within the NNPC to ensure the effective implementation of the policy in the oil and gas industry with the objective of 45% implementation in 2006 and 70% implementation in 2010 (Azoro, 2016; Obi, 2019). Its implementation efforts were to be focused on developing initiatives to build capabilities across the industry value chain. The immediate focus was on core industry activities and support services with the greatest impact on Nigerian content.

These key support industry areas include; fabrication, engineering, well and drilling services, refining, logistics, shipping, banking and insurance, manufacturing, materials as well as professional services. The NCD was required to produce Monthly and Quarterly Performance Reports, and the Nigerian Content Impact Report. Under its mandate, the NCD, on the 13th of October, 2006, issued the Nigerian Content Development Directives. The directives, inter alia, stated as follows: a) FEED and detailed engineering design of all projects are to be domiciled in Nigeria; b) project management teams and procurement centres for all projects must be located in Nigeria; c) operators and project promoters must



forecast procurement items required for projects and operational activities and forward the materials list to NCD on or before the 31st of January of every year, together with a master procurement plan (MPP) for ongoing and approved projects; d) fabrication and integration of all fixed (offshore and onshore) platforms weighing up to 10,000 tons are to be carried out in Nigeria; and e) all waste management, onshore and swamp integrated completions, onshore and swamp well simulations, onshore fluid and mud solids control, onshore measurement while drilling (MWD), logging while drilling (LWD) and directional drilling (DD) activities are to be performed by Nigerians or indigenous companies having genuine alliances with multinational companies (Udok et al, 2020).

The NNPC directive was structured similarly to the Canadian-Newfoundland and Nova Scotia benefits plan, the differences being that the Nigerian style is tailored to the Nigerian benefits plan, with directives given by the government to the multinational companies to ensure that local companies participate in the supply of goods and services whereas the Canadian and the South African situations are structured in a way to give a fair opportunity to citizens to participate competitively in the supply of goods and services. Essentially, the directives by the NCD were aimed at ensuring that a greater portion of the work in the oil and gas industry was done in Nigeria with the active participation of all sectors of the economy. Although the NCD directives did not have the force of law, they had far-reaching effects since NNPC was a major partner in industry projects (Obi, 2019).

Local Content Policy, Business and Economic Development in Nigeria

One of the principal reasons for the 2010 Local Content Act in the Petroleum Industry is for the supervision, coordination, monitoring and implementation of Nigerian content, and the involvement of Nigerian indigenous companies in the oil sector. Esteves and Barclay (2011) argue that an estimated expenditure of \$18 billion is spent annually on servicing the industry in operations such as fabrication, engineering procurement, construction (EPC), Front End Engineering Design (FEED), conceptual designs and seismic studies for this primary objective to be achieved, Section 1 of the Act stipulates that the provisions of the Act apply to all matters concerning Nigerian content concerning all operations in the oil and gas industry despite anything to the contrary contained in any other law. Invariably this local content Act overrides every other provision concerning Nigerian content especially in the oil and gas industry that may be found in any other statute. To address this it puts that, "All regulatory authorities, operators, contractors, and other entities involved in any project, operation, activity or transaction in the Nigerian oil and gas industry shall consider Nigerian content as an important element of their overall project development and management philosophy for project execution" (Section 1 of Nigerian Oil and Gas Industry Content Development Act No. 2 of 2010).

To reemphasize the trajectory of indigenization policy in Nigeria, Udok et al (2020) argued that the Nigerian Content Development and Monitoring Board (NCDMB) was created to drive the implementation of the local content policy. The implication so far is that there has been regular and gradual progress in local content development in the industry. In the opinion of Nwapa, (2013) Nigerians have started developing capability in jobs that were hitherto the exclusive preserve of expatriates, a good number of the jobs that were previously executed outside Nigeria are now being carried out by Nigerians and in Nigeria.

This has led to the withholding of a large portion of the industry expenditure in-country, with a consequent positive and multiplier impact on employment generation,





indigenous business development and growth of Gross Domestic Product (GDP). Also, with the signing into law of the Nigerian Oil and Gas Industry Content Development Act of 2010, a lot of structural changes have taken place that has bolstered the business environment. Chief among them is the proliferation of Nigerian owned businesses and companies in the industry. This to Alike (2013) has yielded a positive impact on the economic development of Nigeria. The Act in section 3 states that Nigerian independent operators shall be given first consideration in the award of oil blocks, oil field licenses, oil lifting licenses and all projects for which contract is to be awarded in the Nigerian oil and gas industry subject to the fulfillment of such conditions as may be specified by the Minister. Below is a list of indigenous Oil and Gas Companies that benefitted from this policy

List of Owners of Indigenous Oil and Gas Companies in Nigeria and Indigenous Operators

S/N	Name of Operator of licence	Year of Award	Names of Directors and Shareholders
1	Alfred James Petroleum Oil OPL 302	1991	Adewunmi Sijuade, Goke Sijuade, Adedeji Sijuade, Olayinka Sijude, Adeyemi Osiyemi and Femisola Awosika, with A.O Adeyinka as Chairman
2	Soglas Nigeria Limited OPL 226	1991	Oscar P. Udoji, P.E Udoji, E.E. Nwosu, with J.O. Udoji as Chairman
3	Optimum Petroleum OPL 310	1992	R.D. Adelu, Yusuf N'jie and O.A. Aremu with Ibrahim Bunu as Chairman
4	Sunlink Petroleum OPL 238 & OPL 311	1993	Olaniyi Olumide, Hayford Alile, Samuel Bolarinde, Richard Adelu, Martins Olisa, John Brunner and Emmanuel Ojei
5	Express Petroleum OPL 108 & 227	1995	Ahmade Rufai, Tajudeen Dantata, Dalhatu Gwarzo, Lawan Omar with Aminu Alhassan Dantata as Chairman
6	Dubril Oil Co. Nigeria OPL 96.	1987	B.N. Itsueli, C.A. Itsueli, O.O. Itsueli, A.E. Ihuegbu with U.J. Itsueli as Chairman.
7	Amni Int. Petroleum OPL 112 & 117	1998/1999	E.C Edozien, Tunde Afolabi with Sanni Bello as Chairman
8	Atlas Petroleum Int. Nig Ltd OPL 109	1996	Umaru Ndanusa, Ikechukwu Joseph, Mohammadu Murtala with Arthur Eze as Chairman
9	Consolidated Oil OPL 103, 458, 136	1993, 1998 & 2006	Adenuga and Ebi Omatsola with Mike Adenuga as Chairman
10	Oriental Energy Resources OPL 115	1999	Usman Danburan, Jibril Mohammed Indimi with Mohammed Indimi as Chairman
11	Cavendish Petroleum Nig. Ltd OPL 110	1996	Gambo Gubio with Mai Deribe as Chairman
12	Allied Energy Resources Nig. Ltd OPL 120 & 121	2001	Mickey Lawal as Director with Kase Lawal as Chairman





13	Peak Petroleum OPL 122	2001	Adekunle Olumide, W. Bolaji, Florence D. Oluokun and Ayodeji Oluokun with M.A. Oluokun as Chairman
14	Summit Oil Nig. Limited OPL 205 and 206	1990	L.K.O Abiola, Radio Communications Nig. Ltd with M.K.O Abiola as Chairman
15	Cronwell Petroleum Ltd OPL 305 and 306	1993	S.K Adejumo with SairKuashi as Chairman
16	Famfa Oil Ltd OPL 216 (OML 127)	1993	Folorunso Alakija with Modupe Alakija as Chairman
17	Moni Pulo OPL 114, 239, 234 & 231	1999, 2008	F.A. Agama with O.B. Lulu Briggs as Chairman
18	Yinka Folawiyo Pet. Company OPL 113	1998	S.T. Folawiyo, T.B Folawiyo with W.I Folawiyo as Chairman
19	Zebra Energy Limited OPL 248	2004	S.A. Oloko, Boni Madubunyi, Zimako O. Zimako with A.B.C. Orjiako as Chairman
20	Oil and Gas Limited OPL 249 and 140	2003, 2006	M.O. Idrisu with Reggie Uduhim as Chairman
21	Continental Oil and Gas Limited OPL 59	1998	Agbolade Paddy, Subair Shefiu with Mike Adenuga as Chairman
22	Emerald Energy Resources OML 141	2001	J.O. Amaefule, P.L. Caldwell, A.C. Uzoigwe, Amos NUR, C.N. Chieri, Femi Akingbe, F.A. Njoku with Emmanuel Egbogah as Chairman
23	Oranto Petr. Limited OPL 320	2002	Arthur Eze as Chairman
24	Dajo Oil Limited OPL 320	2004	R.B. Domingo, M.O. Domingo, U.R. Domingo with Domingo Obande as Chairman
25	Malabu OPL 245		Dan Etete as Chairman
26	Orient Energy OPL 915, 916		N. Nwawka with Emeka Anyaoku as Chairman
27	Sahara Energy Exploration OPL 284, 228,	2005 2006	Buba Lawal, Cole Tonye, Odunsi Ade as Directors
28	Enageed Resources Limited OPL	2007	Buba Lawal, Cole Tonye, Odunsi Ade as Directors
29	Seplat OPL 4, 38, 41	2010	A.B.C. Orjiako and Austin Avuru
30	Ekcrest E & P Limited OPL 40	2012	Emeka Offor as Chairman
31	First Hydrocarbon OPL 26	2011	O.A Azazi as Chairman
32	Neconde OPL 42	2011	Amesi Azudialu, John Umeh, Nnenna Obijesi
33	Niger Delta Western OPL 34	2012	Olayiwola Fatona, David Richards, P.O. Balogun, T. Omisore
34	Transcorp OPL 281	2011	Jim Ovia, Tony Elumelu, Femi Otedola, Funso Lawal, Jacob Ajekigbe,





35	Starcrest, Cross River Energy & NPDC OPL 242	2011	Emeka Offor, Chris Garuba
36	Starcrest OPL 291		Emeka Offor, Gidado Idris, Yzoni Yaw
37	South Atlantic (SAPETRO) OPL 264 130	1998	Miguel Guerrero, Joy Ikiebe, Guerrrero, with T.Y. Danjuma as Chairman
38	39 Oando OPL 278, 236	2005,2006	Magoro, J.A. Tinubu, O. Boyo, M.O. Osunsanya, O. Adeyemo, O. Akpata, Oba Gbadebo, A. Peppe and Appiah Korang
39	40 Ashbert OPL 325		Albert Esiri, Ifeoma Esiri
40	Oil World OPL 241	2007	Gbenga Olawapo, Adekunle Akintola, Ibukun Olawepo, Rachael Akintola
41	Pan Ocean OPL 98, 275	1976, 2007	F.A. Fadeyi, M.D. Yusuf, S.D. Adeniyi
42	Cleanwater Consortium OPL 289	2007	Arumeni-Ikhide Joseph, OkeyNzenwa, Abu Ibrahim
43	Afren Global Resources OPL 907, 917	2005,2008	2005, 2008 Rilwan Lukman, OsmahShahenshah, Evert
44	Centrica/CCC/All Bright Consortium OPL 276, 283	2005, 2006	Jake Mirica, John Sheers
45	46 Gas Transmission & Power Ltd OPL 905	2005	Ahmed Joda, Babangida Hassan Katsina, Makoji Aduku, Abubakar Joda
46	Global Energy Company Limited OPL 135 2005.	2005, 2010	S.A. Onabiyi, M.A. Koshoni, T.T. Anyansho, J.N. Obiagio
47	New Nig. Devt. Company OPL 733,809, 810,722		Northern State governors
48	Tenoil Petroleum Energy Services OPL 2008 2007		Jim Ovia, Tony Elumelu, Femi Otedola, Funso Lawal, Jacob Ajekigbe, Tony Ezenna, Ndi Onyiuke Okereke, Fola Adeola, Nicholas Okoye, with Elumelu as Chairman
49	Dajo Oil Limited OPL 320	2004	R.B. Domingo, M.O. Domingo, U.R. Domingo with Domingo Obande as Chairman

Source: <http://www.nigerianelitesforum.com/ng/bribery-and-corruption/32852-list-of-owners-of-nigerian-oil-blocks.html#ixzz2X5xP5ldW> Accessed 20 June 2021.

Sections 49-53 of the Act, provides for an exclusive preserve for Nigerian service providers in insurance, finance, legal, fabrication and welding. This creates the potential for the development of the relevant industry to create more capacity due to more opportunities in the market. Increase exportable expertise in Sections 43-45 stipulates that oil operators should support technology transfer through the establishment of joint ventures, alliances, partnerships and execution of licensing agreements, and also introduce programs that will lead to the actualization of capacity development in the Nigerian supply and service industry”

In the light of this provision, several fundamental developments took place in the oil and gas industry in Nigeria. Putting local content development into context, it is designed to give access to local businesses to thrive as a vehicle to propel indigenous capacity for economic development. As such business success is dependent on the ability of the





companies to develop local talent, build a competitive local supply base and deliver strong socio-economic benefits within the community where they operate. Government protective initiative in the policy implementation of the local content policy saw the privatization of Nigerdock Nigeria Plc and repositioning of Nigeria Petroleum Development Company (NPDC), an arm of the NNPC. The privatization of Nigerdock introduced and paved the way for local participation of indigenous companies in the emerging deepwater and offshore activities in the oil and gas industry in Nigeria.

Most prominent among these activities was the construction of the Bonga Bouy an offshore deep-sea platform for Shell Petroleum Development Company. According to Gbegi & Abebisi (2003), the Local content policy recorded another milestone with the Globe Star yard fabrication of the jacket for the Amenam platform; Saipem Okpoho platform; Chevron Texaco's maven-X well Jacket and Helipad fabricated by Trans-coastal Nigeria limited. In their opinion these developments triggered in-country capacity building, creating employment and stimulating the nation's economy. There was also the issue of a partnership between Nigerian companies and foreign companies to further strengthen the local content drive. In 2013, Samsung Nigeria Limited, a subsidiary of Samsung heavy industries, awarded the contract for the detailed engineering for the construction of offshore living quarters the Floating Production Storage Offloading (FPSO) vessel for Total's Egina deep-water platform to a truly Nigeria Company, Popham Walter Odusote (PWO). This singular venture was to help Nigeria companies increase indigenous technology and engineering capacity, create jobs and also contribute to Nigeria's economic development.

The Samsung and PWO Partnership brought to bear a continuous exchange of ideas and transfer of technology as many PWO engineers went to Korea to learn the technology for the development of offshore living quarters. This particular FPSO contract from Total upstream petroleum was valued at \$3.1 billion US dollars (Alike, 2013). The Egina FPSO is a multi-billion-dollar project in Oil Mining Lease (OML130) an offshore development project of the French multinational company. It has a reserve capacity above 550 million barrels with a production capacity of 150,000 b/d (150,000 barrels Per day) while the FPSO has a storage capacity of 2.3 million barrels. The living quarters are designed to have a total accommodation capacity of 242 persons on board. This particular project is significant in the sense that the actual construction of the work was done in Nigeria, with a Nigerian company in partnership with Samsung Heavy Industries (SHI).

Nwapa (2013) confirmed in line with the core objectives of the local content policy, that Nigerdock Nigeria Plc, in 2013 completed the offshore living quarters for the Ofon Phase II project for Total upstream, the first of such facility to be fabricated in Nigeria without compromising standards. This project is unique because the Nigeria content implementation model identified fabrication as one of the drivers in the oil and gas value chain to ensure that the fabrication scope that could be executed in Nigerdock should be fully executed with Nigerian content. Also, the Ofon Phase II living quarter platform and topside were built for Total Exploration and production by EIFEC construction Metallic of France in Partnership with OOP Engineering Limited a local Nigerian content partner. Furthermore, Mobil Producing Nigeria (MPN) built three wellhead platforms locally for the development of twenty (20) new oil fields in Nigeria. Employing the services of a Nigeria local company (Dorman Long Engineering Limited) to execute two (The Abang and Itut Platforms) of these facilities at the Snake Island Integrated Free Zone in Lagos State Nigeria in 2014. This



achievement as expressed in the Energy Mix Report (2003) was a major feat because the facilities were the largest fabrication contracts carried out in-country by a Nigerian company for a joint venture partnership between MPN and the NNPC. These achievements are significant in that fabrication is arguably the most developed manufacturing sector in the Nigerian petroleum sector. More so as this type of fabrication has over the years been carried out overseas. By insisting on platforms and other similar structures to be fabricated in Nigeria, Nwapa (2013) explains that a workforce of over 1,000 had been supported and developed by the Nigerian content law. Equally germane to the objectives of local capacity building, ExxonMobil used locally made pipes, while other International Oil Companies (IOCs) also committed to the use of locally-made pipes for crude oil transportation. In the light of this many companies have also commenced the setting up of pipe mills in Nigeria.

The Energy Mix Report (2013) further revealed that the Nigerian Content Development and Monitoring Board (NCDMB) and Shell Petroleum Development Company (SPDC) signed an agreement with five Original Equipment Manufacturers (OEMs) that have committed to invest \$62 million or about N9.6 billion in the manufacturing of local components in Nigeria. These five companies were part of the 58 manufacturers of oil and gas equipment that met the technical requirements prescribed by NCDMB in its Equipment Components Manufacturing Initiative (ECMI) and had been issued Nigerian Content Equipment Certificates. The investments designed by the five companies would create employment opportunities for Nigerians. Other benefits include the transfer of technological know-how, development of manufacturing skills and development of after-market maintenance skills.

Furthermore, based on the directives of the NNPC, Nigerian Engineering and Service Companies, as well as fabrication yards have invested hundreds of millions of dollars in skill acquisition and enhancement as well as capacity expansion (Nwapa 2013). In the same vein, Balouga (2019) contends that investment in Nigeria oil industry currently amounts to about \$18 billion annually. This investment trend is expected to continue annually, especially with the creation of the Nigerian content support fund designed to operate a free zone concept and provide working capital for local companies to bring down the cost of funds. Evidently, at post-consolidation, Nigeria banks as syndicates have offered between \$200 and \$600 million in \$1.2 billion projects. While some other projects have been solely funded by Nigerian banks with no international participation.

Meanwhile, before consolidation, Nigerian banks were only offering about \$60 million participation in a \$1.0 billion of the oil majors' key projects. However, these efforts notwithstanding, challenges in the system still prevent meaningful fabrication work from being awarded to Nigerian firms. If these projects are awarded to the existing Nigerian yards not only can they demonstrate their ability to deliver to international standards of quality and safety but they can also substantially build long-term industrial capacity, provide employment and global competitiveness which is currently in the hands of the overseas yards.

Challenges of Local Content Policy in Nigeria

However, despite Nigeria's sever-growing profile and wealth, the country remains one of the poorest and technologically backward, nations in the world. Adepetun (2010) has argued that this is largely because the rich endowments in natural oil and gas deposits have not translated into

tangible development that can usher in improved welfare for the citizenry and one reason for this, as he further asserts is the fact that more than 90 per cent of the annual oil and gas industry expenditure still escape the domestic economy as capital flight. Alike (2013, p.13) posited that:

The paucity of funds; absence of in-country capacity and inadequate manpower had denied the country the full benefits of her hydrocarbon resources as the wider scope of the industry jobs were performed in foreign fabrication yards; while expatriate workforce dominated local strategic positions in the industry.

Analysing the challenges that bedevilled the actualization of the local content imitative, (Abegi & Adebisi (2013), has argued that most local companies are small not having proper business structure and fragmental thereby not well packaged to attract huge loans for the execution of energy contracts that are valued in millions of US dollars. In many cases, the problems of indigenous companies revolve around capacity associated with technical and financial wherewithal. Another major challenge recorded is that Nigerian Banks are ill-equipped and with a weak financial base thereby unable to meaningfully contribute to energy financing, as the biggest Nigerian banks are small when compared to huge investments needed in energy financing. This invariably affects the local companies' ability to access credit, making them less competitive when placed side by side with their foreign counterparts.

Balouga (2019) has argued that their inability to compete favourably and get a huge part of the business in the upstream sector may not be due to incompetence but rather due to a dearth of funds. One major challenge of protectionist policies is that, for it to be effective and attain set objectives a country should have reached its production peak with the necessary infrastructural base in place, adequate power and water supply to support an extended manufacturing base. However, this provision is observed in breach in the case of Nigeria local content administration making this a major obstacle to achieving the set objectives of this policy. Abegi and Adebisi (2013) expressed that the very essence of the local content policy which is to ensure a Nigeria content development in the upstream operation of the oil and gas industry, guarantee the development of in-country capacity by executing contracts in Nigeria, using Nigeria local resources is defeated because about 70 per cent of the contracts awarded to Nigerian companies are executed overseas. Gbegi and Adebisi (2013) also argue that bottlenecks in the systems till prevent meaningful fabrication work from being awarded to Nigerian firms, the ever-growing number of local oil service companies notwithstanding the latter's annual gross earnings still account for less than 5per cent of the sector's aggregate annual contracting budget.

There is also the issue of the 'Knowing-Doinggap' in Nigeria, the lacuna that exists between policy formulation and policy implementation. Balouga (2019) describes this as the absence of a critical link between strategy and action. Public policy initiatives and actions in Nigeria have persistently been incapacitated by this gap, with many government programmes and projects ending in downright failure. Inadequate think through, weak institutional capacity, lack of political will to carry through change, inconsistency in government policies, lack of support from relevant stakeholders and corruption are some of the causes of this gap.

The implication of this is that the future of the Nigerian people is at present being dictated by foreign business interests, whose major objective is to post better returns on investment.

Another very important challenge to the realization of local content policy is the level of corrupt practices. Nigeria has become a centre for sharp and corrupt practices as a result of the absence of transparency among public officeholders. Corruption does not support any economic growth; it rather reduces confidence in both public and private institutions. Corruption can suffocate accountability and result in economic subversion. The pervading corruption in the country constitutes a major impediment to the enforcement of the Act. There is also the problem of Non-Compliance as one of the major allegations that have been raised against some multinational corporations who have continued to violate the provisions of the Nigerian Content Act through the use of expatriates, who perform job functions that Nigerians can execute. It has also been alleged that instead of resorting to the sanctions provided by the Act to enforce compliance, the Nigerian Content Development and Monitoring Board (NCDMB) instead resorts to a more collaborative or persuasive approach to get the erring multinationals to comply with the provisions of the Act.

In the same vein, Ihua (2010) posited that under-utilisation and discrimination of indigenous capacity is a challenge that needs to be addressed if local content policy must strive. He added that though the local content policy was to improve opportunities for small and medium-sized enterprises (SMEs) in the industry, resulting in more contract awards, there is no evidence to show the existence of higher SMEs participation. This is because there are still several bottlenecks to the award of such contracts such as tedious pre-qualification and tender processes. The problem of discrimination and under-utilisation of indigenous capacity in the oil and gas industry persists regardless of the increasing number of local oil service companies the latter's annual gross earnings still account for less than 5 per cent of the sector's aggregate annual contracting budget. Lack of capital for indigenous companies is another major challenge for an all-encompassing local content policy realization. As Udok et al, (2020) posited, the oil and gas sector is capital intensive. Indigenous companies lack access to funds to enable them to participate effectively and efficiently in this sector of the economy. However, most banks in Nigeria lack the financial base to make any meaningful impact on local content development. The biggest Nigerian banks are tiny banks when it comes to energy financing. Most Nigerian banks operate in a dilemma-laden territory as most indigenous contractors have no proper business structure (Udok et al, 2020). Another factor militating against the core objective of the local content policy is its area of coverage. The scope of the Local Content Act is delimited to the oil and gas sector in Nigeria rather than reaching out to other important sectors of the Nigerian economy (road construction, railway construction, construction of dams and bridges, marine and aviation development). The absence of local content policy in these critical sectors of the Nigerian economy has led to the influx of expatriates in these sectors to handle jobs that are predominantly reserved for Nigerians (Udok et al, 2020).

Conclusion

The primary objective of the local content policy by the Nigerian government as a protectionist policy has remained elusive. These objectives include the expansion of the upstream and downstream sectors of the oil and gas industry, the diversification of the sources of investment into the sector such that some of the funds would begin to come from local sources, the promotion of indigenous participation in businesses and the promotion of technological transfer. Other objectives like the increase in oil and gas reserves through aggressive exploration; employment generation for all categories of Nigerians; increased production capacity, and perhaps most importantly, the integration of the oil and gas industry into the mainstream economy through local refineries and petrochemicals have also not been completely realized.

However, some marginal imprints were made to the effect that several Oil Prospecting Leases (OPL) and Oil Mining Leases (OML) were given to so many Nigerian companies with their Board of Directors also completely constituted by Nigerian businessmen and women. Also, in the area of fabrication, minor input is recorded, this bolstered indigenous businesses, with the oil major patronizing local firm and awarding contracts for projects. But the challenges faced far dwarfs the gains. It is worthy of note that, the ever-growing number of local oil service companies notwithstanding, their annual gross earnings still account for less than 5per cent of the sector's aggregate annual contracting budget.

Recommendations

Nigerian government should as matter of urgency develop the critical infrastructure, show political will and commitment to implement to the letter the contents enshrined in the local content development Act.

Effective monitoring of the oil companies by the Nigerian Content Development and Monitoring Board (NCDMB) is also advocated.

Policy initiatives in the area of establishing a separate bank for energy financing in Nigeria. The establishment of an energy Bank to cater for the needs of local indigenous contractors and investors especially in the oil and gas sector of the economy.

The local content act should be amended to embrace other important sectors to boost real local content business in Nigeria

References

Adepeturn, S. (2010). Nigeria Content Act; Thoughts for Consideration. *Nigeria Oil and Gas (NOG)*: 24-27.

Azoro, C. J. S. (2016). National Participation in Nigerian Oil and Gas Industry: Prospects and Challenges, *Petroleum Technology Development Journal*, 6 (1). Available at

https://docplayer.net/30876361-National-participation-in-nigerian-oil-and-gas-industry-prospects-and-challenges-by.html#show_full_text Accessed 20 June 2021

- Balouga, J. (2019). Nigerian Local Content: Challenges and Prospects. *International Association for Energy Economics*, Third Quarter, 23-26. Retrieved 20th June 2021 from <https://www.iaee.org/en/publications/newsletterdl.aspx?id=176>.
- Dicksee, L.R. (1980) *Business Organization*. London: Arno Press Reprint.
- Esteves, A. M. & Barclay, M. (2011). 'Enhancing the Benefits of Local Content: Integrating Social and Economic Impact Assessment into Procurement Strategies' *Impact Assessment and Project Appraisal*. 29 (3): 205-215.
- Gbegi, D. O, & Abebisi J. (2013). Managing Local Content Policies in the Extractive Industries, *Research Journal of Finance and Accounting*, 4(7).
- Heum, P., Quale, C., Karlsen, J. E., Kragha, M. & Osahon, G. (2003). Enhancement of Local Content in the Upstream Oil and Gas Industry in Nigeria: A Comprehensive and Viable Policy Approach. Bergen: Institute for Research in Economics and Business Administration, Report No. 25/03.
- Ihua, U. B. (2010). Local Content Policy and SMEs Sector Promotion: The Nigerian Oil Industry Experience. *Int'l Journal of Business and Management*, 5(5), 3-13. <http://dx.doi.org/10.5539/ijbm.v5n5p3> Retrieved 20th June 2021 from
- Lane, J. E. & Ersson, S. (1997). *Comparative Political Economy: A Development Approach*, London: Printers,
- Mirilli, M. O. & Castro, D. (2013). Regulatory Challenges of Local Content Rules. Brazil Conference Paper in Offshore Technology Conference.
- NBS (2009). Nigeria Statistical Factsheets 2009. National Bureau of Statistics
- NCDMB (2010). Draft NCDMB Monitoring & Evaluation Directorate Procedure. Nigerian Content Development and Monitoring Board [Internal document].
- NCLCD (2002). Report of the National Committee on Local Content Development in the Upstream Sector of the Nigerian Petroleum Industry, 1. National Local Content Committee, April.
- Nigeria Oil and Gas Industry Content Development (2010) Act 2.
- NNPC-NCD (2008). Nigerian Content Development in Oil & Gas Industry. Abuja: Nigerian Content Division, Nigerian National Petroleum Corporation, July.
- NNPC-NCD (2010) NCD – IOC Joint Fabrication Yards Audit and Final Report. Abuja: Capacity Building Department, Nigerian Content Division, Nigerian National Petroleum Corporation.
- Obi, C. O. (2019). Local content development in the Nigerian oil and gas industry: Why it is not succeeding?' Available at

<<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.891.6618&rep=rep1&type=pdf>> Accessed 20 June 2021

- Ogbuagu, C. A. (1995). *Nigeria: Development Policies and Programmes*. Calabar: University of Calabar Press.
- Okafor, C. (2012). Nigeria's Demand for Steel Pipe Hits 1.2m Tonnes' *ThisDay* 28 November.
- Okoheta, J. (2017). Navigating Protectionist Policies in Africa: Effective Application of Protectionist Policies to Enable Economic Development; A Paper presented at the African Bar Association Conference, Port Harcourt.
- Olsen, W. (2008). Local Content Development: What Will It Take? Presentation prepared for United Nations Development Program Conference, Cambodia.
- Sen, A. (1983). Development: Which Way Noco? *Economic Journal* 93(372).
- Stephenson, J. (2008). *Ultimate Home-based Business Handbook*. Entrepreneur Press.
- Uchenna, O. (2014). Towards Sustainable Local Content Development in the Nigerian Oil and Gas Industry: an Appraisal of the Legal Framework and Challenges, I (1) *International* <https://www.researchgate.net/publication/328266210_Towards_Sustainable_Local_Content_Development_in_the_Nigerian_Oil_and_Gas_Industry_an_Appraisal_of_the_Legal_Framework_and_Challenges-Pt_I> accessed 27 June 2021
- UwemUdok, U., Udofia, M. & Okunbolade, O. (2020). Local Content Development in the Oil and Gas Industry in Nigeria: Problem and Prospects. *Global Journal of Politics and Law Research* 8(1): 90-110.
- Warner, M. (2007). Community Content: the Interface of Community Investment Programmes with Local Content Practices in the Oil and gas development Sector. Briefing Note 9, London: Available: www.odi.org.uk/business. Retrieved 20th June 2021 from

Nyewusira, Vincent holds a Bachelor of Science (B.Sc) degree in Political Science/Administrative Studies from the University of Port Harcourt. He also obtained M.Sc and PhD degrees in Public Administration from the University of Nigeria Nsukka. He is a Reader and teaches in the Department of Political Science, Ignatius Ajuru University of Education, Rumuolumeni, Port Harcourt.

Igwe, Adaona Frank holds B.Sc and M.Sc degrees in Political Science from the University of Port Harcourt. She is a PhD candidate in the Department of Political Science/Administrative Studies, University of Port Harcourt. She teaches in the Department of Political Science, Federal University Wukari, Taraba State.

Nwokah, Imere Lordmizer holds a Bachelor of Education and Master of Science degrees in Political Science from the University of Ibadan and the University of Nigeria Nsukka respectively. Nwokah, Imere Lordmizer is currently a PhD candidate in the Department of Political Science, Ignatius Ajuru University of Education, Rumuolumeni, Port Harcourt. He is a lecturer in the Department of Political Science, Federal University Wukari, Taraba State.