

NIGERIAN CONTENT DEVELOPMENT
&
MONITORING BOARD
(NCDMB)



HANDBOOK
OF
OPERATIONAL GUIDELINES

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PREFACE

The Nigerian Oil and Gas Industry Content Development Act, 2010 “*NOGICD ACT*” or “*the Act*” was enacted to enhance the development of local content in Nigeria’s Oil and Gas Industry. Targeting the promotion of Nigerian participation in the Oil and Gas Industry “**Industry**”, the Act provides exclusive consideration for Nigerian indigenous service companies who demonstrate ownership of equipment, as well as Nigerian personnel and capacity in the execution of jobs in the Industry.

Section 2 of the Act provides that:

“All regulatory authorities, operators, contractors, subcontractors, alliance partners 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”.

The provision underscores the seriousness attached by the Government to the critical issue of developing Nigerian capacities and capabilities in every area of the Oil and Gas sector.

The responsibility for the implementation and enforcement of the Act rests with the Nigerian Content Development and Monitoring Board; the “**NCDMB or the Board**” set up under Section 69 of the Act. The main focus of the Board is to ensure continuous and measurable growth of Nigerian Content in all oil and gas projects, operations and transactions.

Section 70 prescribes the functions and mandate of the Board; these include implementation of the regulations made by the Minister in relation to any aspect of the Act; the supervision, coordination, administration, monitoring and management of the development of Nigerian Content in the Industry; as well as supervision, coordination, administration and monitoring of the implementation and development of Nigerian Content as specified in the *Schedule* to the Act.

In summary, the mandate of the Board includes monitoring of the implementation of set Nigerian Content targets; developing interventions to ensure that targets are met and ensuring compliance with Government directives covering the service providers and operators in the Nigerian Oil and Gas Industry.

Section 70 (p) mandates the Board to, “do **legally anything necessary to be done to facilitate the carrying out of its functions.**”

Further to its mandate and the provisions of Sections 4, 63 and 70(i), the Board has powers to formulate Guidelines and procedures which give guidance to operators about their obligations under the Act. The Guidelines are also issued to prescribe the process which must be followed for obtaining the pre – requisite mandatory approvals which any operator, company or entity engaged in or interested in undertaking any business activity in the Industry requires before commencing such project.

Compliance with the Act, the Guidelines, procedures as well as directives issued by the Board to stakeholders in the Industry pursuant to the provisions of the Act, is mandatory. This derives from the unequivocal and explicit provisions of Section 3(3) of the Act which provides that:

“compliance with the provisions of the Act and promotion of Nigerian Content development shall be a major criterion for award of licences, permits, and any other interest in bidding for oil exploration, production, transportation and development or any operations in the Nigerian Oil and Gas Industry.”

Since its inception, the Board has been issuing Guidelines, Public Notices as well as procedures on various Nigerian Content requirements in order to ensure compliance with the provisions of the Act.

Recently, and for ease of reference, the Board took a decision to compile, revamp and collate the said issued Guidelines/ Public Notices, and publish them all as a HANDBOOK. Other relevant newly prescribed Guidelines are also included in the Handbook- these include the :

- ❖ Free Trade & Export Processing Zones Guidelines which illustrate the collaborative framework amongst NCDMB and two other Federal Government Agencies for the implementation of the Act within the Free Trade/ Export Processing Zones; and
- ❖ Guidelines on Fabrication and Welding: Education, Training, Qualification and Certification Services, which is to implement the provisions of Section 53 of the Act.

The advantage of the Handbook approach is that information relating to Nigerian Content requirements as well as stakeholders’ obligations thereon is being made available in one volume/ publication. This facilitates quick access to the requirements and provides guidance to the Industry and other stakeholders on the subjects covered therein.

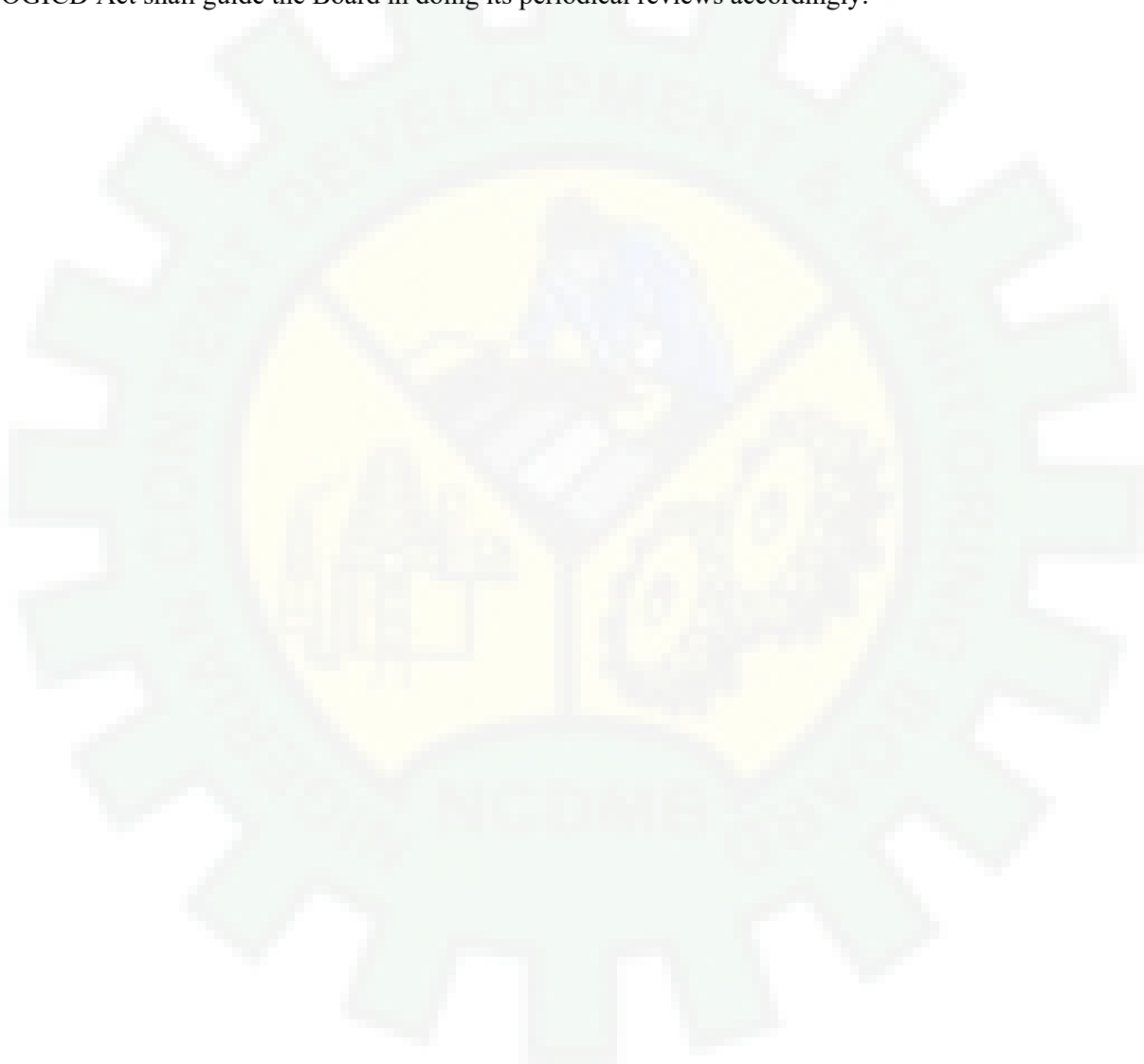
The expectation of the Board is that having such clear and easily accessible guidance on their Nigerian Content obligations would engender a higher compliance level on the part of Industry; the outcome of which will be of tremendous benefit to all stakeholders.

This Handbook also serves to apprise all stakeholders that, henceforth, the rules of engagement in the Industry have changed; and that compliance with the Nigerian Content requirements as captured in the Guidelines published as well as subsequent reviews thereof, shall be enforced as required by law.

In line with its practice, NCDMB will continue to interact with all relevant stakeholders to ensure continuous exchange of constructive ideas geared towards the achievement of its objectives.

Following the dynamics of the sector, the Board will amend and/or review these Guidelines as the need arises.

National aspirations; Trends and Practices in the Industry; Responsiveness to emerging trends and shifts in the industry that may have significant implications on the achievement of the objectives of the NOGICD Act shall guide the Board in doing its periodical reviews accordingly.



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2. INTRODUCTION TO LOCAL CONTENT IN THE NIGERIAN OIL & GAS INDUSTRY

BACKGROUND

1. *"The golden era of easy oil is over,"* so declared Accenture in its report entitled Developing Local Content Programs^{1*}.
2. *"Today the rules of the game have changed: Developing local economies, stimulating industrial development, increasing local capability, building a skilled workforce and creating a competitive supplier base are minimum requirements for doing business with host countries and national oil companies,"* the report correctly asserted.
3. Emerging economies have long acknowledged the necessity for their citizens to take ownership and control of their natural resources for exploitation and transformation into economic development. In order to achieve this goal, various policies and legal frameworks have been pursued by the administration of these developing countries.

THE NIGERIAN OIL & GAS INDUSTRY CONTENT DEVELOPMENT ACT, 2010

4. Taking a cue from the global trend, the Nigerian Government in April 2010 promulgated the Nigerian Oil & Gas Industry Content Development Act, "**the NOGICD Act or the Act**".
5. Until a few decades ago, the Nigerian Oil and Gas Industry, "**the Industry**" was almost the exclusive preserve of the international oil companies in areas ranging from exploration to production, refining and trading. In the 1960s, the downstream operations were initially controlled by expatriate companies.
6. As a precursor to its promulgation of the Act, the Federal Government of Nigeria had in the past made deliberate efforts to domesticate a significant portion of economic offshoots from the Industry by encouraging the development and deliberate utilization of Nigerian indigenous human and material resources in the Oil and Gas Sector. Such efforts led to the formulation of a number of local content- friendly policies, including the establishment of the Nigerian Content Division of the Nigerian National Petroleum Corporation "**NNPC**" to monitor and implement the

¹ www.Accenture.com

Nigerian Content “NC” agenda. This stimulated a consciousness in Nigerian Indigenous Companies to participate actively in activities within the Nigerian Oil & Gas Industry.

7. Accordingly, by the 1990s, the Government sought to ‘Nigerianize’ the sector by awarding onshore and offshore oil blocks to Nigerian entrepreneurs through competitive bidding. Yet as recently as 2008, analysts posited that although the Oil and Gas Industry accounted for 90% of Nigeria’s revenue, it contributed less than 38% to the Country’s GDP.
8. Apparently, one major cause of this anomaly was the absence of a legal or statutory framework for Nigeria to harvest the technological, industrial and capital assets being generated by oil and gas activities for diffusion into the local economy.

RATIONALES

9. Giving the rationales behind his sponsorship of the Bill that led to the passage of the Act by the National Assembly in 2010, Senator Engineer Lee Ledogo Maeba in his Book titled *The Nigerian Oil and Gas Content Industry- Content Development Act: Simplified*, explained that the aim was :

“to change the face of the Nigerian oil industry.....to empower our people, especially in the oil producing communities to partake in the industry as partners for the benefit of our children and future generations”.

LOCAL CONTENT DEFINITION

10. Section 106 of the Act defines Nigerian Content “ NC” as
“the quantum of composite value added to 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”

OBJECTIVES OF THE ACT

- 10.1 The Nigerian Oil and Gas Industry Content Development Act, 2010 was enacted to enhance the development of local content in Nigeria’s Oil and Gas Industry. The law targets the promotion of Nigerian participation in the Oil and Gas Industry. The Act provides exclusive consideration for Nigerian indigenous service companies who demonstrate ownership of equipment, as well as Nigerian personnel and capacity, to execute jobs in the Nigerian Oil and Gas Industry.
- 10.2 In simple terms, the driving force behind the legislation is to employ Nigerian skills and resources in local projects, in job creation and deepening the local supply chain.
- 11 The overall goal of the Act is to achieve the domiciliation of a greater spend of the Industry in Nigeria, as reflected in Section 2 of the Act which provides that:

“All regulatory authorities, operators, contractors, subcontractors, alliance partners 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”.

- 12 The provision of Section 2 of the Act underscores the seriousness attached by the Government to the critical issue of developing Nigerian capacities and capabilities in every area of the Oil and Gas sector.

FOCUS AREAS

13.1 The focus areas of the Act include the following; namely, the :

- a. development of indigenous skills across the oil and gas value chain;
- b. promotion of indigenous ownership of assets and use of indigenous assets in oil and gas operations;
- c. enhancement of the multiplier effect to promote the establishment of support industries; and
- d. creation of customized training and sustainable employment opportunities.

13.2 The NOGICD Act contains various provisions designed to ensure that Nigeria’s resources provide tangible benefits to the local population, and that projects leave behind legacy investments for sustainable development. The Act provides for adequate utilization of in-country resources; Capacity and Capability, through a specified Nigerian Content Plan that promotes the deliberate use of Nigerian goods, services, equipment and labor in the Oil and Gas Industry.

13.3 In line with the provisions of Section 3(1) for instance, the Act stipulates that

“Nigerian independent operators shall be given first consideration in the award of oil blocks, oil field licences, oil lifting licences 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”.

13.4 The Act requires that all international or multinational companies working through their Nigerian subsidiaries demonstrate that at least 50% of the equipment deployed for execution of work is owned by the Nigerian subsidiaries.

THE NIGERIAN CONTENT DEVELOPMENT AND MONITORING BOARD

14.1 The responsibility for the implementation and enforcement of the Act rests with the Nigerian Content Development and Monitoring Board the **“NCDMB or the Board”**.

14.2 The main focus of the Board is to ensure continuous and measurable growth of Nigerian content in all oil and gas projects, operations and transactions.

Functions of the Board

14.3 Section 70 prescribes the functions/mandate of the Board which include the following; namely :

- implementation of the Act;
- implementation of the regulations made by the Minister in relation to any aspect of the Act;
- supervision, coordination, administration, monitoring and management of the

- development of Nigerian Content in the Industry; as well as supervision, coordination, administration and monitoring of the implementation and development of Nigerian Content as specified in the Schedule to the Act.

14.4 Section 70 (p) mandates the Board to do legally, “**anything necessary to be done to facilitate the carrying out of its functions.**”

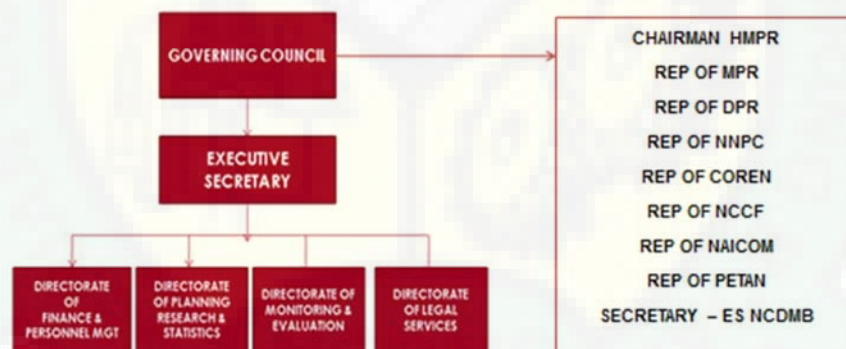
14.5 The powers of the Board can be summarized as follows, namely, to:

- monitor the implementation of set Nigerian Content targets;
- develop interventions to ensure that these targets are met; and
- ensure compliance with Government directives covering the service providers and operators in the Nigerian Oil and Gas Industry.

14.6. Section 71 of the Act established for the Board, a Governing Council, “GC” with the responsibility of conducting the affairs of the Board. The Chairman and members are to be appointed by the President, on part time basis, whilst the Executive Secretary, “ES” who is Secretary to the Council, has responsibility for running the affairs of the Board on full time basis.

14.6 Governing Structure of the Board

The Board has Nine (9) member Governing Council headed by HMPR with Executive Secretary as Secretary of the Council



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14.7 Organizational Structure

The Board is organized around four (4) Directorates and two (2) Divisions reporting to the Executive Secretary.

KEY FEATURES OF THE ACT

15.1 To further underscore the importance which the Act places on the development and growth of Nigerian Content, its provisions cover, among others, the mandatory use of Nigerian legal and financial professional services; mandatory Research and Development initiatives targeted at local industry gaps, as well as planned initiatives aimed at promoting the effective transfer of technologies from the operators and alliance partners to Nigerian individuals and companies.

15.2 Being mindful that one of the pillars on which the NC model is founded is **Capacity Building**, the Act places emphasis on Training, and empowers the Minister to prescribe the minimum standards, facilities, personnel and technology for training in the Industry. Also where there are training and/or capacity gaps, the Act stipulates in its Section 30 that *“every reasonable effort shall be made within a reasonable time to supply such training to Nigerians.”*

15.3 In furtherance of this, all Operators and Alliance Partners are required to make 4 years’ succession plans that shall automatically Nigerianise any position occupied by expatriates as a result of perceived training and /or capacity enhancement.

15.4 Section 106 defines “operator” as

“the Nigerian National Petroleum Corporation (NNPC), its subsidiaries and Joint venture partners and any Nigerian, foreign or international oil and Gas company operating in the Nigerian Oil and Gas Industry under any Petroleum arrangement”

and “partner” as

“any foreign company working on any project in partnership or as major contractor to an operator.”

16.1 The second pillar girding the Nigerian Content philosophy is **“monitoring and enforcing compliance”**; and in order to give effect to this philosophy, Section 59 of the Act empowers the Board to **“undertake an effective monitoring of the implementation of the provisions of the Act”**.

16.2 In this regard various provisions of the Act prescribe methodologies for the Board’s intervention and supervision of the Industry. These include provisions empowering the Board to issue directives to operators, contractors and other entities or persons in order to develop processes to facilitate reporting of activities relating to every aspect of the Act.

16.3 The three (3) most important tools provided by the Act for monitoring and enforcing compliance are as follows; the:

- a) Nigerian Content Plan: which every operator must submit to the Board before carrying out any project in the Industry, including contracts, subcontracts, or bid for any licence, permit or other interest in oil and gas;
- b.) Nigerian Content Compliance Certificate: which must be obtained prior to the commencement of any project whose value is estimated to be above USD 1 million; and
- c.) approval of the Board prior to application to the Ministry of Internal Affairs or any

other agency, or Ministry of the Federal Government for the grant of expatriate quota positions.

16.4 Some of the provisions of the Act which emphasize the importance of monitoring all activities in the Industry by the Board are as follows; namely :

- a. Section 4 which gives the Board “the **power to make procedure that will guide, monitor, coordinate and implement**” the provisions of the Act;
- b. Section 5 which stipulates that the Board shall implement the provisions of the Act with a view to **ensuring** a measurable and continuous growth of Nigerian content in **all oil and gas arrangements, projects, operations, activities or transactions** in the Nigerian Oil and Gas Industry;
- c. Section 59 which provides that the Nigerian Content Development and Monitoring Board shall undertake an “**effective monitoring of the implementation**” of the provisions of the Act, and
- d. Sections 70 (c) and (d) which empower the Board to monitor and manage the development of Nigerian Content in the Nigerian Oil And Gas Industry; and to supervise, coordinate, administer and monitor the implementation and development of Nigerian content as specified in the Schedule.

NCDMB OPERATIONAL GUIDELINES

17.1 The combination of several provisions of the Act, including those listed in paragraph 16 above, makes it imperative for the Board to formulate Guidelines and procedures which give guidance to operators about their obligations under the Act; as well as prescribe the process which shall be followed by any operator, company or entity engaged in or interested in undertaking any business activity in the Industry, for obtaining the mandatory approvals they require before commencing all such projects.

17.2 These include the provisions of :

- Section 4 which empowers the Board to make procedure that will guide, monitor and coordinate the implementation of the Act;
- Section 63 which provides that the Board **shall issue directives** to operators, contractors and other entities or persons in order to develop a process to facilitate reporting of activities relating to any aspect of the Act; and
- Sections 70(i) which mandates the Board to make procedures to guide the implementation of the Act and to ensure compliance with all the provisions of the Act.

COMPLIANCE AND ENFORCEMENT

18.1 Compliance with the Guidelines, the procedures as well as directives issued to stakeholders in the Oil and Gas Industry by the Board pursuant to the provisions of the Act, is mandatory.

18.2 This derives from the unequivocal and explicit provisions of Section 3(3) of the Act which provides

that

“compliance with the provisions of the Act and promotion of Nigerian Content development shall be a major criterion for award of licences, permits, and any other interest in bidding for oil exploration, production, transportation and development or any operations in the Nigerian Oil and Gas Industry.”

18.3 The provisions of the Act require Operators to supply sufficient information and materials as well as comply with the directives issued specifically or generally to operators in the Industry **“to the satisfaction of the Board”**, otherwise, the Board will be under no obligation to issue the mandatory Certificate of Authorization, the Nigerian Content Compliance Certificate **NCCC**, or its pre- approval required for the grant of expatriate quotas for the staff required on the project by Operators.

19. **To enable the Board implement its functions and in the exercise** of the powers given to it by the Act to ensure compliance with its provisions, the Board considers that it is important to apprise all stakeholders that, henceforth, the rules of engagement in the Industry have changed; and that compliance with the Nigerian Content requirements as captured in the Guidelines published in this Handbook as well as subsequent reviews thereof, shall be enforced as required by law.

CONTINUOUS ENGAGEMENT WITH STAKEHOLDERS

20.1 With the Board stepping up its efforts to revamp and publish comprehensive guidelines and with the reporting requirement as the first stage of a potential enforcement program, this is a critical time for all stakeholders.

20.2 The Board has put in place measures that will facilitate full compliance with Nigerian Content requirements. Operators, Partners, Service Companies and other stakeholders who choose not to adhere or comply with the published Guidelines shall face different categories of sanctions, which include prohibition from further participation in the Industry’s activities until the identified defaults in their operations are brought into compliance to the satisfaction of the Board.

20.3 The recent Public Notices issued by the NCDMB respectively on:

- a.) Divestments of Farm-In Farm-Out Transactions in the Industry from 2010 till date, and
- b.) Local Production Of Gas Cylinders, Maximizing In-Country Value Addition

make it clear that the Board shall keep up the momentum of ensuring maximum enforcement of the provisions of the Act; in order to achieve the national objectives.

SOME ACHIEVEMENTS OF THE ACT

21.1 As at 2013, the NCDMB Report on Industry Performance indicated that the implementation of the NOGICD Act had attracted a minimum of \$5bn (Five Billion Dollars) worth of investments into the country and created over 38,000 jobs. Also that the level of NC Compliance by the Industry was 60% as at June 2014.

21.2 Added to this is the growing value of the **Nigerian Content Development Fund “NCDF”** established under Section 104 of the Act, which is funded through the mandatory deduction from source of the sum of 1% (one percent) of the sum of every contract awarded to all operators, contractors, sub-contractors, alliance partners and every other entity involved in any project in the upstream Oil And Gas Sector.

21.3 Section 104 (3) of the Act provides that the Fund shall be managed by the Board and employed for

projects, programmes and activities directed at increasing Nigerian Content in the Industry. The Fund will also be employed as a tool to attract investor funds and venture capital which will be utilized for capacity building projects; as well as used for guaranteeing lending to Nigerian service companies and development of infrastructure and training.

REVIEWS AND/ OR AMENDMENTS

22.1 In line with its practice, NCDMB will continue to interact with all relevant stakeholders to ensure continuous exchange of constructive ideas geared towards the achievement of its objectives. Following the dynamics of the sector, the Board will amend or review these Guidelines, periodically, as the need arises.

22.2 In reviewing its Guidelines, the Board shall be guided, among other considerations, by national aspirations, trends and practices in the Industry.

22.3 Review activities shall be conducted to reflect:

- a. Responsiveness to emerging trends and shifts in the industry that may have significant implications on the achievement of objectives;
- b. Responsiveness to changes in the Country. As the gains of these Guidelines are realized, further changes may be made to increase the opportunities available to indigenous companies and support further growth of the Industry;
- c. Review of performance: It is imperative that insights from periodic reviews of the impact and performance of these guidelines are captured; and
- d. Government targets as encapsulated in the National Development Plans.

22.4 The above factors, amongst others, will be adopted as inputs to inform future revisions of the Guidelines.

DEFINITIONS and INTERPRETATION

S/N	ABBREVIATION/TERM	INTERPRETATION
1.	Act/NOGICD Act	The Nigerian Oil & Gas Industry Content Development Act, 2010
2.	ANB	Authorized National Body
3.	ADR	Alternative Dispute Resolution
4.	BMOA	Binding Memorandum of Agreement
5.	BOSIET	Basic Offshore Safety Induction and Emergency Training
6.	CAC	Corporate Affairs Commission
7.	CAC 02	Statement of Share Capital and Return of Allotment
8.	CAC 07	Particulars of Persons who are first Directors of the Company
9.	CDI	Capacity Development Initiative; An activity directed/geared towards: <ul style="list-style-type: none"> • Improving the in-country capacity to supply goods or services specified in the Schedule to the NOGICD Act, especially where in-country capacity gaps have been established; • Assisting/increasing the NCDMB's capacity to improve implementation of the provisions of the NOGICD Act; and/or; • Improving the participation of Nigerians and/or Nigerian-owned companies in the Industry.
10.	CDI Implementation Lead	The lead entity responsible for executing the CDI and communicating the status of the CDI to all stakeholders
11.	CBP	Capacity Building Plan
12.	COREN	Council for the Regulation of Engineering in Nigeria
13.	CSR	Corporate Social Responsibility
14.	DFPM	Directorate/Director of Finance and Personnel Management
15.	DLS	Directorate/Director of Legal Services
16.	DME	Directorate/Director of Monitoring and Evaluation
17.	DPR	Department of Petroleum Resources
18.	DPRS	Directorate/ Director of Planning, Research & Statistics
19.	EB	Expatriate Biometric
20.	EC	Employment Commitment

21.	ECMI	Equipment Component Manufacturing Initiative
22.	EPC	Engineering, Procurement and Construction
23.	EPCIC	Engineering, Procurement, Construction, Installation and Commissioning
24.	EQ	Expatriate Quota
25.	ES	Executive Secretary
26.	ESA	Engineering Service Agreement
27.	FMI	Federal Ministry of Interior/Internal Affairs
28.	FPSO	Floating, Production, Storage and Offloading
29.	FT/EPZs	Free Trade/Export Processing Zones
30.	GC	Governing Council
31.	GMC	Global Maintenance Contract
32.	HCD	Human Capital Development
33.	HSE	Health, Safety and Environment
34.	ICT	Information, Communications and Technology
35.	Industry/NOGI/OGI	Nigerian Oil and Gas Industry; all activities connected with the exploration, development, exploitation, transportation and sale of Nigerian oil and gas resources including upstream and downstream oil and gas operations.
36.	IOC	International Oil Companies
37.	ITT	Invitation To Tender
38.	JQS	Joint Qualification System; Industry databank of available capacities and capabilities in the Nigerian Oil and Gas Industry.
39.	Licensee	Bidders of Oil Blocks
40.	MDA	Ministries, Departments and Agencies
41.	MOA	Memorandum of Agreement
42.	MOU	Memorandum of Understanding
43.	Minister/HMPR/MPR	Minister of Petroleum Resources
44.	NAICOM	National Insurance Commission
45.	NC	Nigerian Content; the quantum of composite valued added to 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.
46.	NCCC	Nigerian Content Compliance Certificate

47.	NCCF	Nigerian Content Consultative Forum
48.	NCD	Nigerian Content Division
49.	NCDF	Nigerian Content Development Fund
50.	NCDMB/Board	Nigerian Content Development and Monitoring Board
51.	NCEC	Nigerian Content Equipment Certificate
52.	NCP	Nigerian Content Plan
53.	NDDC	Nigerian Delta Development Commission
54.	NDT	Non-Destructive Test
55.	Nigerian Company -	A company formed and registered in Nigerian in accordance with the provisions of the Companies and Allied Matters Act, 1990 (Cap. C24, Law of the Federation of Nigeria, 2004) with not less than 51% equity shares held by Nigerians
56.	Nigerian Independent Operator	Oil Producing Companies, Refineries, and Petrochemical plants with minimum 51% equity shares owned by Nigerians.
57.	NIMASA	Nigerian Maritime Administration and Safety Agency
58.	NIW	Nigerian Institute of Welders
59.	NNPC	Nigerian National Petroleum Corporation
60.	NOC	National Oil Company
61.	NOGIC JQS	Nigerian Oil and Gas Industry Content Joint Qualification System
62.	NRC	NCDMB Review Committee
63.	OEM	Original Equipment Manufacturer (International/Multinational ICT Companies)
64.	OGTAN	Oil and Gas Trainers Association of Nigeria
65.	Oil and Gas E-Market Place	A virtual platform for buyers and sellers of goods and services in the oil and gas industry that allows for speedy and transparent transactions
66.	OJT	On the Job Training
67.	OML	Oil Mining Lease
68.	Operator	The Nigerian National Petroleum Corporation (NNPC), its subsidiaries and joint venture partners and any Nigerian, foreign or international Oil and Gas Company operating in the Nigerian Oil and Gas Industry under any petroleum arrangement
69.	OPL	Oil Prospecting Licence
70.	OPTS	Oil Producers' Trade Section of the Lagos Chamber of Commerce and Industry

71.	PETAN	Petroleum Technology Association of Nigeria
72.	PROJECT	An investment in the Oil and Gas activity chain (exploration, development, and production operations), which when completed, will deliver a real value. Generally, they tend to be standalone, identifiable, and can span multi-years, in many cases.
73.	PROPS	Projects and Operations Division
74.	PTDF	Petroleum Technology Development Fund
75.	PWHT	Post-Work Heat Treatment
76.	R & D	Research and Development
77.	RTA	Recommendation to Award
78.	Schedule	Schedule to the Nigerian Oil & Gas Industry Content Development Act, 2010
79.	Service Company	Contractors, Vendors, Filing Stations
80.	SP	Succession Plan
81.	Stakeholders	NCDMB, Operators, Contractors, Alliance Partners, other Government Agencies
82.	TWP	Temporary Work Permit
83.	VLCC	Very Large Crude Carriers



4.2 CRUDE OIL LIFTING & OTHER PETROLEUM PRODUCTS' CONTRACTS

Pursuant to Section 3(1) of the Act

CONTENTS:

Introduction

Objectives

Applicability

Procedure

Enforcement and Consequences of Non-Compliance

1. INTRODUCTION

- 1.1 The NOGICD Act makes it mandatory by its Section 11 (1) for the minimum Nigerian Content level stipulated in the Schedule to be achieved in every project in the Oil and Gas Industry.
- 1.2 The provision of the Schedule to the Act on Shipping sets a minimum of “ninety percent (90%) retention of spend” on utilization of Very Large Crude Carriers “VLCC” in the Industry.
- 1.3 These Guidelines provide information and guidance on the administration of crude oil lifting, as well as on contracts relating to the marketing and distribution of other petroleum products, and the services subsumed therein, in line with the provisions of Section 4 of the Act.

2. OBJECTIVES

2.1 The Objectives of these Guidelines are to achieve through its application:

- a. Maximum utilization of vessels/tankers with Nigerian ownership;
- b. Training and employment opportunities for Nigerians with relevant qualifications; and
- c. Sole utilization of Nigerian financial, insurance and legal services in all transactions related to the lifting of Nigerian crude oil and the marketing and distribution of other petroleum products.

2.2 The Guidelines accordingly provide the procedure for the implementation of provisions of the Act relating to the appointment of marketers of Nigerian Crude Oil, and the utilization of crude tankers/vessels for the lifting of Nigerian crude oil and distribution of other petroleum products.

2.3 They also define the scope of application and operating framework for approving crude tankers.

3. APPLICABILITY

3.1 These Guidelines apply to all :

- a. Producers;
- b. Marketers of Nigerian equity crude;
- c. Crude vessel owners ;
- d. Crude tanker owners, carriers; and
- e. Agents

4. SCOPE

4.1 These Guidelines cover the following projects/ contracts, namely:

- 4.1.1 Crude oil allocation;
- 4.1.2 Utilization of tankers and vessels;

4.1.3 Training and employment; and

4.1.4 Utilization of Nigerian services across the crude oil marketing value chain.

5. PROCEDURE FOR ENGAGING MARKETERS OF NIGERIAN EQUITY CRUDE

5.1 Section 2 of the Act provides that

“All regulatory authorities, operators, contractors, subcontractors, alliance partners 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.”

5.2. Section 3 (1) also provides that Nigerian independent operators shall be given *“first consideration in the award of oil blocks, oil lifting licences”* subject to the fulfillment of such conditions that may be specified by the Minister.

5.3 Pending the specification by the Minister of those conditions that shall be fulfilled by the said independent operators, the procedure for engaging marketers of Nigerian Equity Crude shall be in accordance with these Guidelines.

5.4 Crude and Other Products’ Allocation

5.4.1 A minimum of fifty percent (50%) of Nigerian crude lifted, as well as fifty percent (50%) of other petroleum products produced in the Nigerian Oil and Gas Industry shall be reserved solely for Nigerian- owned crude oil trading and marketing companies within the definition of the Act.

5.5 Training and attachment

5.5.1 All marketers interested in lifting Nigerian crude oil shall submit a Nigerian Content Plan demonstrating to the satisfaction of the Board, their proposals on provision of training and attachment opportunities for Nigerians as part of the bid and/or application documents.

5.6 Utilization of Nigerian Professional Services

5.6.1 Legal Services:

- a. In compliance with the provisions of Section 51 of the Act, all applicants for and/or companies engaged to lift Nigerian equity crude shall retain only the services of a Nigerian Legal Practitioner or firm of Nigerian legal practitioners located in Nigeria for its legal requirements;
- b. The NCDMB Guidelines on Legal Services shall apply to this requirement.

5.6.2 Financial Services

- a. In compliance with section 52 (1) of the Act, all applicants for and companies engaged in the lifting of crude oil, as well as the distribution and/or marketing of other petroleum products in Nigeria shall retain only the services of Nigerian Financial Institutions.

5.6.3 Ten Percent (10%) Retention.

- a. In compliance with Section 52 (3) (f) all applicants for or companies engaged in the lifting of crude oil, as well as the distribution and/or marketing of other petroleum products in Nigeria shall demonstrate to the satisfaction of the Board, their compliance with the provisions of the Act requiring the retention of a minimum of ten percent (10%) of the total revenue accruing from their Nigerian operations in their Nigerian Bank account(s).
- b. The documentation to be submitted by the applicant shall be endorsed by the Nigerian Bank in which the said ten percent of the applicant's total revenue is kept.

5.6.4 Insurance Services

- a. In compliance with section 49 of the Act, all applicants for or companies engaged in the lifting of crude oil, as well as the distribution and/or marketing of other petroleum products in Nigeria shall insure all insurable risks related to the transaction with an insurance company through an insurance broker registered in Nigeria under the provisions of the Insurance Act.
- b. All applicants for or companies engaged in the lifting of crude oil, or in the distribution and/or marketing of other petroleum products shall demonstrate to the satisfaction of the Board, their compliance with the provisions of Section 50 of the Act on full utilization of local insurance capacity.

6 Charter of Crude Tankers

6.1 Utilization of tankers with Nigerian equity ownership shall be a mandatory requirement for all bidders interested in lifting Nigerian equity crude.

7 ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

7.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.

7.2 In particular, any Producer, Marketer of Nigerian crude, Crude vessel owner, Crude tanker owner, carrier and/or Agent or other stakeholder in the Industry who refuses to comply with the procedure and/prescriptions specified herein shall be deemed to be in default of the provisions of these Guidelines.

7.3 The Board shall first duly notify the person or company concerned of the identified default(s); and shall specify the step, action and/or remediation required to correct the non-compliance. The necessary timeframe within which compliance must be achieved to the satisfaction of the Board shall also be specified.

7.4 Where the Producer, Marketer, Crude vessel owner, Crude tanker owner, carrier and/or Agent or other Stakeholder fails to meet the directions given, the Board shall in its discretion, apply the sanction deemed applicable in the circumstances in order to enforce compliance with the Act.



4.3 EQUIPMENT COMPONENT MANUFACTURING INITIATIVE (ECMI) & CERTIFICATION PROCESS

Pursuant to Sections 10 (a), 41(1)(e), 41(2) of the Act

CONTENTS:

- Introduction**
- The Equipment Component Manufacturing Initiative (ECMI)**
- Objectives**
- Applicability**
- The Nigerian Content Equipment Certificate(NCEC)**
- Equipment Certification**
- Procedure/Conditions for obtaining the NCEC**
- Features of the NCEC**
- Validity Period of the NCEC**
- Compliance Monitoring of Investment Commitments**
- Renewal of NCEC**
- ECMI Intervention by Operating Companies**
- NCEC Implementation**
- Enforcement and Consequences of Non Compliance**

1. INTRODUCTION

- 1.1 The Nigerian Oil and Gas Industry Content Development (NOGICD) Act, 2010 provides in Section 10 (1) (a) that “*first consideration shall be given to services provided from within Nigeria and to goods manufactured in Nigeria*”; and in Section 41(1) (e) that regulations shall be made setting out targets to ensure full utilization and steady growth of indigenous companies engaged in exploration, **manufacturing and fabrication of equipment**, and other facilities as well as the provisions of other support services for the Nigerian Oil and Gas Industry.
- 1.2 Section 41(2) of the Act provides that “*International or multinational companies working through their Nigerian subsidiaries shall demonstrate that a minimum of 50% of the equipment deployed for execution of work are owned by the Nigerian subsidiaries*”.
- 1.3 These provisions of the Act mandate the Board to directly:
- a) develop capacity for local supply;
 - b) develop procedures; and
 - c) put in place enablers that will stimulate investment and assure utilization of locally made goods by the Industry.
- 1.4 The Schedule to the Act has set minimum Nigerian Content targets for services requiring the use of equipment or procurement of equipment in the Industry.

2. *The Equipment Component Manufacturing Initiative (ECMI)*

- 2.1 The Board conceived the Equipment Component Manufacturing Initiative (ECMI) in 2011, to address capacity gaps in supply of equipment to the Industry from local manufacturers.
- 2.2 The initiative has been further expanded to stimulate ownership of movable assets (excluding rigs and marine vessels) by Nigerian entities.
- 2.3 The initiative was designed to:
- a. Maximize retention of industry spend on procurement of equipment by promoting establishment of facilities for manufacturing equipment components, spare parts & accessories;
 - b. Create enablers that will encourage Original Equipment Manufacturers, (**OEMs**) to establish facilities in Nigeria in partnership with their Nigerian representatives, for the manufacturing and assembling, testing, blasting and/or painting of equipment, components, spare parts or accessories;

- c. Stimulate equipment ownership by Nigerian entities and enforce utilization of equipment having fifty percent (50%) Nigerian ownership by the local subsidiary of an international or multinational company in accordance with Section 41(2) of the Act;
- d. Assure sustainability of equipment manufacturing in Nigeria by introducing the Nigerian Content Equipment Certificate (NCEC) requirement in tenders involving supply or deployment of equipment in the Industry;
- e. Establish the mechanism for monitoring new investments related to domiciling manufacturing of equipment in Nigeria

3. OBJECTIVES

3.1 The objectives of these Guidelines are to :

- a. explain and define the Equipment Component Manufacturing Initiative (ECMI) of the NCDMB;
- b. prescribe the technical requirements and procedures for issuing the Nigerian Content Equipment Certificate (NCEC) to vendors supplying equipment or deploying movable equipment in the Industry; and
- c. emphasize the significance of the NCEC in tenders related to supply of equipment or deployment of equipment for services in the Industry.

4. APPLICABILITY

4.1 These Guidelines shall apply to all Operators, Contractors, Alliance Partners, Original Equipment Operators, OEMS, Small and Medium Scale Enterprises and other Stakeholders.

5. NIGERIAN CONTENT EQUIPMENT CERTIFICATE (NCEC)

5.1 A key component of the ECMI is a certification requirement which makes it mandatory for all vendors supplying equipment to the Industry to obtain a Nigerian Content Equipment Certificate (NCEC) from the Board.

5.2 The NCEC is a Nigerian Content requirement, *sine qua non*, for participation in tenders involving supply of equipment or deployment of equipment for oil and gas services.

6. EQUIPMENT CLASSIFICATION

6.1 The scope of NCEC covers all equipment, systems and packages contained in the Schedule to the Act and typical EPC packages.

6.2 The equipment type is classified into two broad categories namely Class A and Class B.

6.2.1 Class A: Equipment supplied for use - Equipment, systems or packages supplied directly to the Industry and/or used to form part of a facility or plant to be installed and /or used in the Industry.

6.2.2 Class A equipment is further classified into two sub-classes.

6.2.3 Class B: Equipment deployed for oil and gas services - these are movable assets deployed for critical operations in the Industry.

Class	Sub-class	Description	List of equipment (or components of these equipment)
A	1	Equipment or component procured or supplied for use in the Oil and Gas Industry with high value in terms of spend and volume <i>Value is in manufacturing equipment component, spare parts or accessories; equipment assembly, testing, blasting and/or painting of the equipment.</i>	<ol style="list-style-type: none"> 1 Turbines, compressors, pumps and other rotating equipment 2 Electrical and instrumentation equipment-switch gears, panels, cables, metering systems etc 3 Static equipment - line pipes, heat exchangers, process equipment, flanges, valves and actuators etc 4 Subsea Equipment- wellheads, Christmas trees, subsea production systems, subsea control systems, umbilical, riser systems etc
	2	Huge Equipment, package or system installed in the Oil and Gas Industry with high value in terms of spend and technology development <i>Value is in manufacturing equipment components, spare parts & accessories. Also maintenance, testing & certification and technology know how</i>	<ol style="list-style-type: none"> 1 Gas processing systems 2 Telecommunication systems 3 Substation and transformers 4 Generators and motors 5 Mills 6 Boiler Works 7 Drilling units- separators
B		Equipment used to provide a service or deliver critical offshore and onshore operations in the Oil and Gas Industry. <i>Value is in ownership of the equipment by Nigerians. Also maintenance facilities and personnel operating the equipment</i>	<ol style="list-style-type: none"> 1 Construction equipment - Heavy lift equipment, heavy duty trucks/loaders, pulverizers, crushers, Cranes, Forklifts, dredging equipment et cetera. 2 Drilling tools and Equipment - cementing unit, e-line trucks, logging equipment, burner boom, drill bits, drilling pipe, drilling motors, derricks, well monitoring instruments, tubing, blowout preventers, wire line systems, et cetera 3 Well completion tools and equipment 4 Marine equipment –ROVs, Diving Equipment et cetera.

7 PROCEDURE And CONDITIONS FOR OBTAINING THE NCEC

- 7.1 Companies seeking NCEC shall first and foremost be registered and have an active account on the NOGIC JQS platform on <https://portal.nogicjqs.com> .
- 7.2 NCDMB shall organize a minimum of two (2) Small and Medium Scale Enterprise (SME) Fairs per annum during which Original Equipment Manufacturers (OEMs) will have the opportunity to identify and enter into agreements with SMEs of their choice for the purpose of venturing into equipment component manufacturing with the SME.
- 7.3 OEMs applying for NCEC must show evidence of their participation in a SME fair (either organized by the OEM or the NCDMB, or through other channels leading to the OEM identifying the SME with whom the OEM will venture into the manufacture of the equipment or component for which they seek an NCEC, as a precondition for obtaining NCEC from the Board.
- 7.4 Application for the NCEC shall include:
- a. A formal application letter addressed to the Executive Secretary, Nigerian Content Development and Monitoring Board,
 - b. A completed template for the category of the NCEC being sought. This can be obtained from NCDMB website;
 - c. Relevant documents to support information provided in the template;
 - d. Evidence that an applicant OEM has attended and participated in one of the SME Fairs organized by the NCDMB or that the applicant OEM has organized a SME Fair and has executed an agreement with a SME of its choice for the purpose of using the SME to manufacture the equipment or component thereof for which the NCEC is being sought.
- 7.5 NCEC PROCESSING TIME
- a. The Board shall make a decision on NCEC applications submitted to it within thirty (30) working days of the receipt of the application.
 - b. Where the Board is unable to conclude on an application within 30 working days, the applicant shall be advised, via email, of the reasons for the delay and given a definite time within which a decision on the application shall be given.

- c. The extended period shall not be more than 15 days after the expiration of the initial 30-day period.
- d. If an applicant for a NCEC is required to present the Certificate during the pendency of processing its application, evidence of submission of its application to the Board shall be sufficient to meet the tender documentation.
- e. However after the 45 days' processing period, the applicant shall present the Certificate to the Operator.
- f. Designated officers of the Board shall communicate to the applicant once the NCEC is approved and ready for collection. The communication will be in the form of an email only.

8 FEATURES OF THE NCEC

8.1 A Nigerian Content Equipment Certificate (NCEC) consists of three (3) schedules:

- a. Schedule 1 is the sign off page detailing the equipment being certified by the Board and signature of beneficiary indicating commitment to establish manufacturing capabilities ; and authorized signatures of NCDMB staff;
- b. Schedule 2 contains general information about the applicant and the applicant's footprints in the oil and gas sector;
- c. Schedule 3 describes the committed investment activities and timelines.

8.2 Each certificate comes with a unique identification number. This unique number can be used to validate the authenticity of the certificate via the service company (equipment) module in NOGIC JQS portal (<http://portal.nogicjqs.com>).

8.3 Any vendor who presents a Certificate that cannot be authenticated by the Board shall be disqualified in the tender and blacklisted from participation in future tenders.

9 VALIDITY PERIOD OF NCEC

9.1 A Category "A" Certificate will be valid for two (2) years i.e. (24 months) from the date of issue;

9.2 Category "B" and "C" certificates issued by the Board will be valid for one (1) year i.e. (12 months) from the date of issue.

10 COMPLIANCE MONITORING OF INVESTMENT COMMITMENTS

10.1 From the date an NCEC is issued, the Board shall undertake inspection visits to assess the level of compliance with the milestones contained in the investment commitments made by the NCEC holder.

10.2 Such visits shall normally be twice in the life of a certificate.

10.3 A report shall be generated after every visit to highlight the level of performance/compliance and to advise the NCEC holder of the compliance and/or remedial steps that shall be undertaken by the holder of the Certificate to the satisfaction of the Board, failing which appropriate sanction shall be applied to ensure compliance accordingly.

10.4 Renewal of a Certificate shall depend on satisfactory performance feedback from the monitoring visits.

11 RENEWAL OF NCEC

11.1 A NCEC is eligible for renewal at the expiration of the validity period, upon meeting the following requirements:

- a. Achievement of due milestone(s) for the period upon which NCEC was issued
- b. Consistency in the investment commitment and timeline
- c. Category “B” NCEC holders may apply for upgrade to category “A” if the facility has been commissioned to commence manufacturing activities as at the time of applying for a renewal

11.2 Application for NCEC renewal shall be declined by the Board where the holder of the NCEC fails to deliver satisfactorily on the due milestone commitments for the period upon which the NCEC was issued; and the holder shall not be deemed to have a valid NCEC after the expiration of the current certificate.

12. ECMI INTERVENTION BY OPERATING COMPANIES

12.1 Operators/Vendors intending to promote the establishment of manufacturing facilities in Nigeria will be required to take the following steps:

- a. Submit their ECMI framework to the Board for input;
- b. Obtain approval from the Board to implement the initiative; and
- c. OEM receiving the NCEC is subject to the same requirements as other vendors in the area of utilization of NCEC in tenders, inspection visits and NCEC renewal requirements

12.2 A detailed description of the types of Certificates issued by the Board, requirements for obtaining the Certificate and the application of the Certificate in the tendering process are provided in the table below:



NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
Category A NCDMB	Certificate Classification for companies that already have existing and functioning equipment components manufacturing or equipment assembling and testing facility in Nigeria	<p>Companies seeking NCEC should first and foremost be registered and have an active account on the NOGIC JQS platform-https://portal.nogicjqs.com</p> <p>The Applicant party shall submit to the Board along with NCEC application, the following details:</p> <ol style="list-style-type: none"> Name of Original Equipment Manufacturer; Country of Origin of OEM; Other countries where the OEM has manufacturing facilities; List and Value of equipment to Nigerian Oil and Gas Industry in the past 10 years, where applicable; Name of Manufacturers' representative in Nigeria with evidence of appointment as OEM representative (where applicable); Details of OEM or OEM representative's office in Nigeria; Location for manufacturing activities in Nigeria (provide Title/ Lease agreement for manufacturing/ assembly site and other documents); Current manufacturing activities (provide certifications, licenses for manufacturing/ assembly process or products), HSE policy; Typical usage of the equipment in the Oil and Gas sector 		<p>All Nigerian or multinational vendors with category A NCEC shall be given first and exclusive consideration in tenders and shall be qualified to participate in technical bids in all tenders related to the equipment for which NCEC was obtained.</p> <p>Where there are more than one (1) vendors with category A certificate that qualify in a technical evaluation, only these vendors will be qualified to progress to commercial stage. This is to ensure commercial evaluation is based on pricing from local vendors</p> <p>All vendors intending to supply class A1 equipment must have category A NCEC</p>

NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
		<ul style="list-style-type: none">j. Detailed investment/growth plan with timelines and investment costk. Percentage local content value i.e. local value-add over total cost of equipment (expressed as a percentage)l. Registration with NOGIC JQS(http://portal.nogicjqs.com)m. Total workforce (Nigerian vs foreign) and evidence of Expatriate Quota approvals (where applicable)n. Installation and maintenance/ after-sales service plano. Any other information that will demonstrate domiciliation of activities		

NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
Category B NCDMB	<p>This class of equipment certificate is issued to vendors that are just venturing into manufacturing activities and have presented a credible investment plan, to set up facilities for assembling or manufacturing in Nigeria. The scope of manufacturing includes equipment components, spare parts, accessories and assembly of equipments.</p> <p>All OEMs being promoted by multinationals and IOCs under the ECMI will be issued Category B NCEC</p> <p>All vendors supplying any of the class A2 equipment must have category B1 or B2 NCEC.</p>	<p>The Applicant party shall submit to the Board along with NCEC application, the following details:</p> <ol style="list-style-type: none"> Name of Original Equipment Manufacturer (OEM) Country of Origin of OEM. Other countries where the OEM has manufacturing facilities. List and Value of equipment supplied to Nigerian oil and gas industry in the past 10 years. Name of Manufacturers' representative in Nigeria with evidence of appointment as OEM representative Details of OEM representative's office in Nigeria. Proposed location for manufacturing activities in Nigeria (provide Title/ Lease agreement for site and other documents) Planned manufacturing activities Details of equipment/component specification to be manufactured and its typical usage in the oil and gas industry Detailed investment plan with timelines and investment cost Projected percentage local content value i.e. local value-add over total cost of equipment (expressed as a percentage) Registration with NOGIC JQS(http://portal.nogicjqs.com) Total workforce (Nigerian vs. 	<p>B1 Vendors that have submitted a credible plan to start manufacturing; and have indicated in their plan that they have imported all the equipments required for in-country manufacturing activities. Timeline for facility commissioning is not more than Eighteen (18) months from the date of applying for NCEC</p> <p>B2 Vendors who have submitted a plan indicating that they shall commence in-country manufacturing within a time frame of not more than 4 years from the date of applying for NCEC. All vendors that present</p>	<p>All vendors with category B1 NCEC are qualified to participate in technical bids related to class A1 and A2 equipment.</p> <p>Where vendors with Category A and Category B1 NCECs are in a tender the following rule shall apply: Where a vendor for class A1 equipment was issued category B1 NCEC the vendor shall only be qualified at the technical evaluation stage where there is only one (1) vendor with category A NCEC or where it is estimated that the workload is in excess of the combined capacities of vendors with category A NCEC</p> <p>IOC to obtain approval of the Board before entering into any formal agreement with a vendor having category B1 certificate</p> <p>All vendors with B2 NCEC are to be qualified at technical bid stage when the full capacity of vendors with category A and B1 NCECs are exhausted Or in the event that no vendor with category A or B1 NCEC submits bids for the tender related to the procurement of</p>

NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
		<p>foreign) and evidence of Expatriate Quota approvals (where applicable)</p> <p>n. For OEMs being promoted by multinationals and IOCs state roles and responsibilities of both parties</p> <p>o. Any other information that will demonstrate investment commitment.</p>	investment plans beyond 4 years shall not be issued with NCEC	the equipment for which NCEC was obtained.
Category C NCDMB	<p>This class of equipment certificate is issued to vendors deploying equipments for operations such as drilling (tools, rigs) dredging, construction, survey, catering etc</p> <p>Category C NCEC will be issued to proprietary equipment owners who have demonstrated that 50% of the equipment ownership is domiciled in the Nigerian subsidiary of the international company (evidence to be shown from the bill of lading indicating that the consignee is an entity registered in Nigeria)</p> <p>Category C certificate will also be issued to companies that invest in the establishment of a facility in Nigeria for:</p> <p>a. Assembling proprietary equipment</p>	<p>The Applicant shall submit the following details, in addition to the NCEC application to the Board</p> <p>a. Name of Equipment owner</p> <p>b. Location of equipment owner in Nigeria</p> <p>c. List of equipment and ownership profile of each equipment owned</p> <p>d. In the case of equipment co-owned between an international service company and a local service company, provide MOA indicating equipment ownership profile</p> <p>e. List of equipment leased (where applicable)</p> <p>f. Location of the equipment owned in Nigeria</p> <p>g. Value of contracts carried out in Nigeria in the past 10 years.</p> <p>h. Name of alliance partners (if any)</p>	<p>C1</p> <p>This certificate is issued to vendors that demonstrate over 50% ownership of the equipment for which NCEC is being sought. OR</p> <p>Vendors that have established facilities in Nigeria for either</p> <p>a. Assembling proprietary equipment</p> <p>b. Manufacturing components, spare parts or accessories of proprietary equipment</p> <p>c. Servicing, maintenance and testing</p>	<p>All vendors with category C1 NCEC are eligible to participate in technical bids related to the equipment for which NCEC was obtained.</p> <p>The vendors with C1 NCEC shall also be qualified to move to commercial stage of the tendering process, provided other Nigerian content requirements are met.</p>

NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
	<p>b. Manufacturing components, spare parts or accessories of proprietary equipment</p> <p>c. Servicing, maintenance and testing</p> <p>OR</p> <p>Have submitted a credible plan to set up any of the facilities in a-c above within a period of not less than Eighteen (18) months</p>	<p>i. Location of service/maintenance workshop in Nigeria (provide Title/ Lease agreement for manufacturing/ assembly site and other documents)</p> <p>j. Location of facility (current or proposed) for equipment assembly, manufacturing of spare parts/ accessories/ components</p> <p>k. Typical usage of the equipment in the oil and gas industry</p> <p>l. Percentage local content value i.e. revenue retained in-country over revenue earned from deployment of equipment [consolidated] (expressed as a percentage)</p> <p>m. Registration with NOGIC JQS(http://portal.nogicjqs.com)</p> <p>n. Total workforce (Nigerian vs foreign) and evidence of Expatriate Quota approvals by NCDMB (where applicable)</p> <p>o. Any other information that will demonstrate investment in equipment ownership</p>		
			<p>C2</p> <p>This category of NCEC is issued to foreign entities that have a 'lease-to-own' operating MOA with an indigenous company which will lead to selling of at least</p>	<p>All vendors with category C2 NCEC are eligible to participate in technical bids related to the equipment for which NCEC was obtained.</p> <p>Vendors with C2 NCEC shall</p>

NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
			<p>50% of the equipment to the indigenous company within a time frame of not more than 2 years from the date of applying for NCEC. OR</p> <p>Vendors that have submitted a credible plan to set up any of the following facilities within a period of not less than Eighteen (18) months</p> <ol style="list-style-type: none"> a. Assembling proprietary equipment b. Manufacturing components, spare parts or accessories of proprietary equipment c. Servicing, maintenance and testing 	<p>also be qualified to move to commercial stage of the tendering process, provided other Nigerian content requirements are met.</p> <p>During commercial evaluation, where a vendor with C1 NCEC is in competition with a vendor with C2 NCEC for the deployment of the same equipment, the vendor with C1 NCEC having demonstrated 50% ownership of the equipment to be deployed shall be given first consideration</p> <p>During commercial evaluation where a vendor with C1 NCEC is in competition with a vendor with C2 NCEC for the deployment of the same equipment, the vendor with C1 NCEC shall not be disqualified on the basis of having a higher cost factor, provided the Nigerian content score of the vendor with C1 NCEC is higher than the Nigerian Content score of the vendor with C2 NCEC during technical evaluation</p> <p>Where there are no category C1 vendors in a bid, vendors with category C2 NCEC shall be allowed to compete amongst</p>

NCEC CATEGORIZATION LEGEND	DESCRIPTION	NCEC APPLICATION REQUIREMENT	SUB-CLASS	TENDER GUIDELINE
				<p>themselves and qualification shall be on the basis of highest Nigerian content score</p> <p>Where the service requires mobilization of equipment beyond the capacity of any of the vendors with Category C1 NCEC, vendors with C2 NCEC shall be allowed to form alliances with C1 NCEC holders for the purpose of providing the remaining equipment required to meet the needs of the operations</p> <p>Vendors with Category C2 NCEC may also be considered if during technical evaluation it is established that the Board has not issued C1 NCEC to any vendor for the equipment required</p>

13. ENFORCEMENT AND CONSEQUENCES OF NON-COMPLIANCE

- 13.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.
- 13.2 In particular, any operator or stakeholder who neglects, fails or refuses to comply with the steps and procedures specified in these Guidelines shall be deemed to be in default of its provisions.
- 13.3 The Board shall first duly notify the operator or other stakeholder concerned of any identified default(s); and specify the step, action and/or remediation required to correct the non-compliance; indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.
- 13.4 Thereafter, the Board shall in its discretion, apply the sanction deemed applicable in the circumstances in order to enforce compliance with the Act.

Template 4.3.1**Nigerian Content Equipment Certification (NCEC) Template (Pursuant to the Guidelines on Equipment Component Manufacturing Initiatives (ECMI))**

Category A (Established facility for the manufacturing/assembling/fabrication etc. of equipment/components)

S/N	REQUIREMENTS	REMARKS
1	State equipment for which application is being made	
2	Typical usage of the equipment in the industry	
3	Name of original equipment manufacturer (OEM)	
4	Country of origin of OEM	
5	Other Countries where the OEM has manufacturing/assembling facilities	
6	List equipment/components supplied to the industry in the past 10years	
7	Cost of equipment/component/parts supplied to Nigeria in the past 10 years	
8	State facility in-country for the manufacturing/assembling/fabrication/painting etc. of equipment/components	
9	State current manufacturing/assembling/fabrication activities (provide certifications, licenses for manufacturing/assembly process or products), HSE policy.	
10	Details/specification of equipment/component manufactured/assembled/fabricated in facility	
11	Location for manufacturing/assembling/fabrication facility (Provide title/lease agreement for manufacturing/assembling/fabrication site, photo, layout and other supporting documents)	
12	Name of OEM representative in Nigeria	
13	Evidence of appointment as OEM representative in Nigeria with responsibilities	Please attach supporting document(s)
14	Details of any further investment growth plan with timelines and proposed investment cost	
15	Percentage local content value i.e. local value-added over total total cost of equipment (see instruction below)	
16	Total workforce (Nigerian vs foreign) and evidence of expatriate quota approvals (where applicable)	
17	Any other information that will demonstrate domiciliation of activities	

Note: Companies seeking the NCEC should first and foremost be registered and have an active account on the NOGIC JQS platform <https://portal.nogicjqs.com>

In calculating the Nigerian content value (item 15), divide the total in-country spend by the sum of the total in-country and total foreign spends. The in-country/local expenses includes but not limited to the import duty/port handling cost, logistics and cost of manufacture/assembly/fabrication/coating/painting etc.



Template 4.3.2

Nigerian Content Equipment Certification (NCEC) Template (Pursuant to the Guidelines on Equipment Component Manufacturing Initiatives (ECMI))

Category **B** (Ongoing establishment of facility for equipment/components supplied to the industry)

S/N	REQUIREMENTS	REMARKS
1	State equipment for which application is being made	
2	Typical usage of the equipment in the industry	
3	Name of original equipment manufacturer (OEM)	
4	Country of origin of OEM	
5	Other Countries where the OEM has manufacturing/assembling facilities	
6	List equipment/components supplied to the industry in the past 10years	
7	Cost of equipment/component/parts supplied to Nigeria in the past 10 years	
8	Details and evidence of location for manufacturing/assembling activities in Nigeria (provide title/lease agreement for site, photo, layout and other documents)	
9	Details of activities already done, equipment procured or installed for establishment of the facility with cost implication (broken down to quarterly milestones and road map)	
10	Details of outstanding activities for establishment of the facility with cost implication (broken down to quarterly milestones and road map)	
11	Details of equipment/component specification to be manufactured/assembled and business plan with respect to equipment/components (assembly/manufacturing/threading/coating/fabrication etc.)	
12	Detailed investment plan with timelines and investment cost broken down to quarterly milestones (for starters)	
13	For OEMs being promoted by IOCs, state roles and responsibilities of both parties	
14	Name of manufacturer's representative in Nigeria	
15	Evidence of appointment as representative with responsibilities	Please attach supporting document(s)
16	Percentage local content value i.e. local value-added over total cost (see instruction below)	
17	Total workforce (Nigerian vs foreign) and evidence of expatriate quota approvals (where applicable)	
18	Any other information that will demonstrate domiciliation of activities	

Note: Companies seeking the NCEC should first and foremost be registered and have an active account on the NOGIC JQS platform <https://portal.nogicjqs.com>

In calculating the Nigerian content value (item 16), divide the total in-country spend by the sum of the total in-country and total foreign spends). The in-country/local expenses includes but not limited to the import duty/port handling cost, logistics and cost of manufacture/assembly/fabrication/coating/painting etc.



Template 4.3.3

Nigerian Content Equipment Certification (NCEC) Template (Pursuant to the Guidelines on Equipment Component Manufacturing Initiatives (ECMI))

Categories **C& D** (Equipment Deployed for providing Service)

S/N	REQUIREMENTS	REMARKS
1	State equipment for which application is being made	
2	Name, Detail and Location of equipment owner or equipment lessor	
3	State ownership status of equipment with evidence. If equipment is co-owned between an int'l service company and an indigenous service company or subsidiary (provide evidence of co-ownership on receipts, MoAs, C02/C07, etc.)	
4	If equipment is leased, provide lease agreements, details of equipment lessor including evidence of ownership, owning company's shareholding etc. (receipts, C02/C07, bill of laden etc.)	
5	Cost of equipment leased or owned	
6	Location in Nigeria where equipment is stationed	
7	Typical usage of equipment in the oil & gas industry	
8	Name of alliance partners (if any)	
9	Nigerian Banks used for receivables	
10	State Insurance company providing cover	
11	Nigerian law firm providing legal services	
12	List equipment/components supplied to the industry in the past 10years	
13	Location of facility (current or proposed) for equipment assembly, manufacturing of spare parts/accessories/components	
14	Percentage local content value i.e. revenue retained in-country over revenue earned from deployment of equipment (consolidated) (expressed as a percentage)	
15	Registration with NOGIC JQS (https://portal.nogicjqs.com)	
16	Total workforce (Nigerian vs foreign) and evidence of expatriate quota approvals (where applicable)	
17	Details of service/maintenance workshop in Nigeria (provide title/lease agreement for workshop, layout, photos and other documents)	
18	Cost of equipment/component/parts supplied to Nigeria in the past 10 years	

19	Installation & maintenance after-sales service plan	
20	Any other information that will demonstrate investment in equipment ownership	

Note: Companies seeking the NCEC should first and foremost be registered and have an active account on the NOGIC JQS platform <https://portal.nogicjqs.com>





4.4 EXPATRIATE QUOTAS

Pursuant to Sections 31 – 35 of the Act

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COMPLIANCE REQUIREMENTS & MONITORING.

ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

1. INTRODUCTION

- 1.1 In order to protect and take care of investors' interests, the NOGICD Act allows Operators as well as Project Promoters to retain a maximum of five percent (5%) of their Management as expatriate positions. (*Section 32*)
- 1.2 Section 31 (1) of the Act requires operators to submit a Succession Plan to the NCDMB of ALL positions not held by Nigerians and which are not currently on the list of the said approved five percent (5%) Management positions allowed for investors' interests.
- 1.3 The Succession Plan shall provide for Nigerians to understudy each incumbent expatriate for a maximum period of four (4) years. At the end of the four (4) year period, the position shall become Nigerianized except on projects with shorter than two (2) years' life span for which special consideration would be made by the NCDMB for a certificate of no objection based on the Human Capacity Development Plan (HCDP) submitted by applicants for the affected positions.
- 1.4 Pursuant to the provisions of Sections 31- 33 of the Act, the NCDMB is vested with powers for the administration and management of applications for Expatriate Quota, Succession Plan and deployment of Expatriates in the Industry.
- 1.5 Section 33 makes it mandatory for all applications for expatriate quota approvals, including the five percent (5%) Management positions to be submitted to the NCDMB for approval before any application is submitted for expatriate quota to the Federal Ministry of Interior/Internal Affairs (FMI) or any other agency or Ministry of the Federal Government. This includes applications for Temporary Work Permits, "TWP".

2. OBJECTIVES

- 2.1 In view of the fact that only positions that cannot be held by Nigerians are to be occupied by expatriates, the objectives of these Guidelines are to:
 - a. establish a procedure for the administration and issuance of approval for Expatriate Quota; succession and deployment of all expatriate staff ; including the five percent (5%) expatriate Management positions; and
 - b. make provision for compulsory Biometric Data Capture by the NCDMB of all expatriate staff in the Oil and Gas Industry.

3. APPLICABILITY

- 3.1 These Guidelines are intended to facilitate compliance with Sections 31-33 of the Act dealing and/or connected with issues of Expatriate Quota, deployment of Expatriates and Succession Planning.
- 3.2 They are applicable to all Operators (National Oil Company, International Oil Companies and indigenous operators), Service Companies, Project promoters and all entities providing services and carrying on business in the Industry

4. APPLICATION PROCEDURE :

4.1 Five percent (5%) Management Positions Allowed For Investors' Interests

- a. Any application for the position of the Management position shall be submitted to the Board for approval.
- b. These five percent (5%) positions shall be effective from the time the FMI gives approval.
- c. On an annual basis, the NCDMB will monitor the deployment and utilization of the expatriate staff.

4.2 New Expatriate Quota

- a. The Applicant shall provide documentary evidence to show that the position(s) covered under its application have been advertised in at least two major Nigerian newspapers, and in the NOGIC JQS established under Section 55 of the Act. The Applicant shall also ensure that the position(s) had been advertised internally in the company and that no Nigerian had been found qualified for the position(s) within the institution as well as within or outside Nigeria.
- b. The draft of external advertisements for such positions under application shall be submitted to NCDMB for review and certification prior to publication. The Applicant shall notify NCDMB of receipt of applications, planned interview dates and results of interview for each vacancy advertised.
- c. The Applicant shall provide the following, namely :
 - i. the information specified in *Form NCDMB EQ/A*, in hard (paper) and electronic (Excel) formats;
 - ii. Proof that no Nigerian indigene is qualified to occupy the position(s) advertised;
 - iii. the information as specified in *Form NCDMB EQ/C* on ALL existing expatriates in the company on paper and electronic (Excel) formats;

- iv. the information as specified in *Form NCDMB EQ/D* on ALL Nigerian indigenous employees in the company on paper and electronic (Excel) formats; and
- v. The electronic copies of required **Forms in (i), (iii) & (iv)** shall be uploaded into the NOGICJQS through the Portal Account Profile of the Applicant Company at portal.nogicjqs.com and electronic copies forwarded to the Board appropriately.

4.3 Renewal of Existing Expatriate Quota

- a. An Applicant seeking extension or renewal of existing Expatriate Quotas shall provide the following, namely:
 - i. The information specified in *Form NCDMB EQ/B*, on paper and electronic (Excel) formats in its application to the NCDMB;
 - ii. The information as specified in *Form NCDMB EQ/C* on ALL existing expatriates in the company on paper and electronic (Excel) formats;
 - iii. The information as specified in *Form NCDMB EQ/D* on ALL Nigerian indigenous employees in the company or other entity on paper and electronic (Excel) formats; and
 - iv. Documentary proof of Succession Plans and understudy of relevant expatriate(s) by Nigerian indigenes in progress since its last application as well as documentary confirmation that competent Nigerian indigenes are not available either internally within the company or externally (within or outside Nigeria) to occupy the required position(s) or state any other applicable reasons.
- b. The electronic copies of required Forms in (i), (ii) & (iii) shall be uploaded into the NOGICJQS through the Portal Account Profile of the Applicant Company at portal.nogicjqs.com and paper copies forwarded to the Board appropriately.

4.4 Information to be provided in Application with Supporting Documents

- a. All applications for EQs shall be accompanied with the following:
 - i. Succession Plan: Program/strategy for the reduction of expatriates and specific target dates to convert the expatriate positions to Nigerian positions within four years
 - ii. Organizational Chart of the Applicant Company
 - iii. Advert Report (for new applications)
 - iv. Job Descriptions/Qualifications for the required positions
 - v. Training schedule for understudies and other Nigerian staff
 - vi. Employment Commitment
 - vii. Past FMI approval letters for the required positions
 - viii. Proof of expatriate registration with professional bodies in Nigeria

- ix. Cross Posting/Exchange Program: This should include the positions, names and contact details of the Nigerian and Expatriate staff involved.
- x. Experiences gained by both the Nigerian and expatriate staff should be submitted to the Board.

5. CONSIDERATION OF APPLICATIONS BY NCDMB

- 5.1 Upon receipt of the application and the submissions, the NCDMB may hold a joint evaluation of the application with the Applicant in order to ascertain that the application is in line with the provisions of the Act.
- 5.2 The NCDMB shall make a determination on expatriate quota applications submitted to it within 30 days of the receipt of the application provided that all information and documents as required by the NCDMB are duly submitted by the Applicant. However, if the NCDMB is unable to determine on an application within the time stipulated, it shall inform the applicant, communicate the reasons for the delay and give a definite time within which a determination shall be made. The extended period shall not be more than fifteen (15) days after the expiration of the initial 30-day period
- 5.3 Where considered necessary, the NCDMB shall invite the Applicant Company for a meeting to defend its application. For service companies, the NCDMB may also request a tripartite meeting with the service company and the project promoter of the project for which the expatriate application is/are being made
- 5.4 Thereafter, the NCDMB shall make a determination on the application prior to the Applicant Company submitting its application to the FMI.
- 5.5 Applicant to communicate FMI Approvals:
 - a. Within one month of receiving the grant of Expatriate Quota from the FMI, the Applicant shall communicate to the NCDMB the list of the approved positions on paper and electronic (Excel Worksheet) formats.
 - b. The “*Effective Date of current Quota*” and “*Expiry Date of current Quota*” fields in Form *NCDMB EQ/C* shall be completed for the approved positions, and uploaded on the NOGIC JQS.
 - c. Unless otherwise authorized in writing by the issuing agency, the job-titles or designations on the Expatriate Quota approval shall remain unchanged for the duration specified in the FMI’s letter(s) of grant of Expatriate Quota.
 - d. The list of Nigerians to fill the rejected positions shall be forwarded by the Applicant to the NCDMB for approval before final approval of the expatriate quota positions is obtained from the FMI.

5.6 Continuous Monitoring of Approved Expatriate Quota

Whenever the need arises for an already approved application to be re-evaluated, the Applicant shall submit a Capacity Building Plan (CBP) stating the capacity building initiatives that will be undertaken by it (as agreed with the NCDMB) with regards to Nigerian indigenes for any of the positions to be granted.

5.7 Re-Designation of Expatriate Quota Positions

Whenever the need arises for an already approved quota title to be re-titled, the Applicant shall make a request to the NCDMB, stating the old quota title, the new quota title; the expatriate staff occupying the position and provide justification for the re-designation to the satisfaction of the Board.

6. BIOMETRIC DATA CAPTURE

- 6.1 All Operators, IOCs, Indigenous Operators and all other entities providing services and carrying on business in the Industry shall present all their expatriate staff to the NCDMB within a week of their entry into the country for the capturing of their Biometric Data.
- 6.2 For renewals and re-designations, biometric data of expatriate staff must have been captured by the NCDMB prior to the applications being made by the Applicant.

7. REGISTRATION ON NOGIC JQS

- 7.1 Registration on the NOGIC JQS shall be a condition precedent for all contractors' expatriate staff working for Operators in the Industry.
- 7.2 Operators in the Oil and Gas Industry engaging services of contractors with expatriate staff shall ensure that such expatriates have valid NOGIC Expatriate Biometric (EB) Identification Cards issued by the Board.

8. EMPLOYMENT COMMITMENT

- 8.1 In line with Section 29 of the Act, every operator, project promoter, contractor, stakeholder including Service Companies shall upon application for Expatriate Quota, submit a detailed Employment Commitment plan indicating employment positions for Nigerian indigenes with timelines for the employment (as agreed with the NCDMB).
- 8.2 Renewal of quota positions will be dependent on the compliance level with the previously submitted employment commitment plan.

9. SUCCESSION PLAN

- 9.1 In line with Section 31 of the Act, every operator, project promoter, contractor, stakeholder including service companies shall upon application for Expatriate Quota, submit a Succession Plan “SP”.
- 9.2 The SP shall consist of a minimum of two appropriately qualified Nigerian Indigenes understudying each incumbent expatriate position and such SP shall include a detailed work program on how the position will become Nigerianized over a maximum of four (4) year period from the date of establishment of the position.
- 9.3 If the need arises for the relocation of an understudy, the NCDMB shall be notified with sufficient reasons regarding the relocation and confirmation of an immediate replacement as an appropriate alternative; provided that the duration of the understudy shall not be affected by this relocation.

Information to be provided in SP

- 9.4 All submissions for the SP shall be accompanied with the following:
- a. Program/strategy for the reduction of expatriates, specific target dates to convert the expatriate positions to Nigerian indigenous positions within a maximum of four (4) years. This will include all trainings (on and off the job)
 - b. Salaries, wages, and benefits as provided in the company’s conditions of service for Nigerian indigenous employees
 - c. Conditions of service and staff demography on cadres

10. ANNUAL MANDATORY SUBMISSIONS TO NOGIC JQS ON HUMAN CAPACITY PROFILE

- 10.1 All Operators, Alliance Partners and Service Companies are required to submit the under-listed documents to the NCDMB by March 31 of the current year, notwithstanding whether or not an EQ application had been submitted or would be submitted during the year:
- i. List of all expatriate staff on temporary or permanent employment in the company or entity as listed in Form *NCDMB EQ/C*, on paper and electronic (Excel) format;
 - ii. Total list of Nigerian indigenous Staff as provided in Form *NCDMB EQ/D*, made on paper and electronic (Excel) format;
 - iii. Form *NCDMB SP/A and SP/B*, made on paper and electronic (Excel) format
 - iv. The electronic copies of required Forms in (i), (ii) & (iii) shall be uploaded into the NOGICJQS through the Portal Account Profile of the Applicant Company at portal.nogicjqs.com and paper copies forwarded to the Board appropriately.

11. COMPLIANCE REQUIREMENTS & MONITORING.

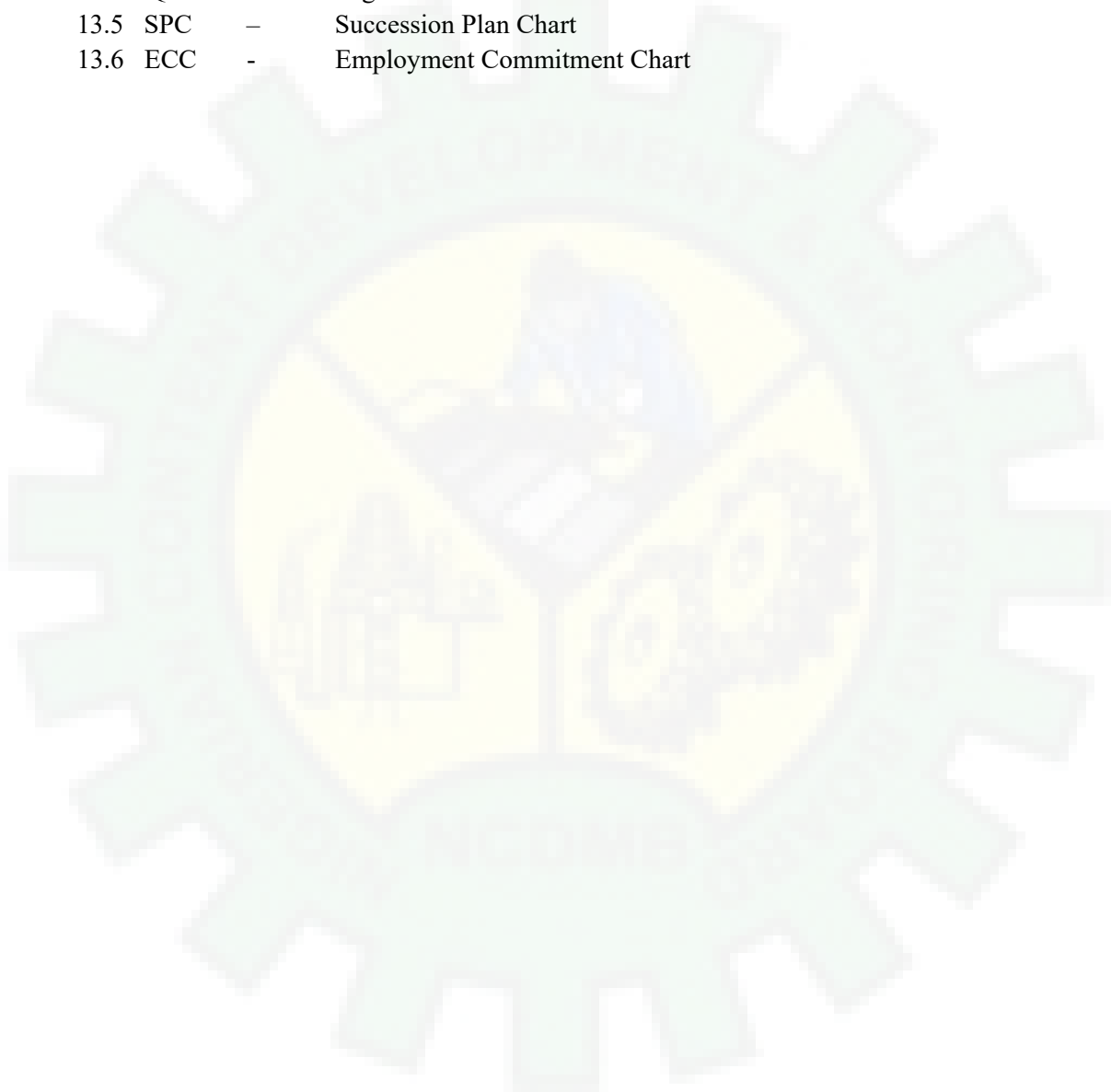
- 11.1 Compliance with these Guidelines to the satisfaction of the Board shall be a major criterion for any award of NCCC and NC requirements for ITTs.
- 11.2 Every operator, alliance partner, project promoter, contractor, service companies and stakeholder in the Industry shall each be responsible for ensuring the strict adherence to these Guidelines by its corporate entity.
- 11.3 In furtherance of this, all Expatriate(s) shall be duly designated and deployed strictly in accordance with the approved designations and shall not be deployed, engaged or permitted to undertake any other role, service or responsibility contrary to the approval granted pursuant to the Expatriate Quota application made.
- 11.4 Expatriate(s) shall depart from Nigeria promptly upon the completion of the project or work for which the Expatriate Quota approval was granted by the FMI and in no event shall any Expatriate(s) be permitted or authorized to remain in the employment of any stakeholder following the completion of the relevant project unless with the written approval of the NCDMB and the FMI, and in line with the provisions set out in these Guidelines.
- 11.5 NCDMB shall, in accordance with the provisions of Section 59 and 62 of the Act monitor compliance with these Guidelines and the provisions of the Act. Such monitoring may include but is not limited to unscheduled visits to offices or job sites of the companies, as the Board deems necessary

12. CONSEQUENCES OF NON-COMPLIANCE

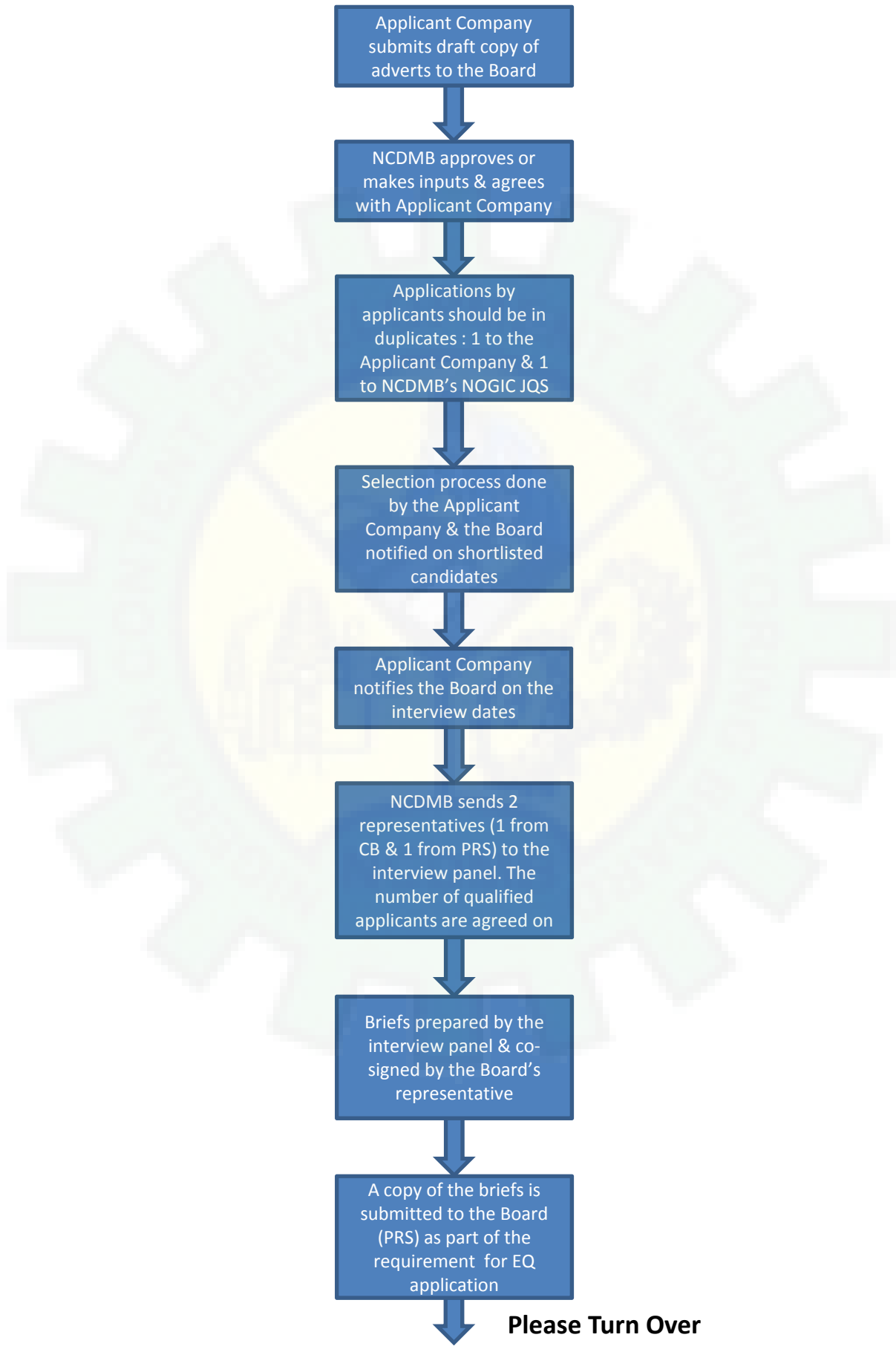
- 12.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.
- 12.2 In particular, any Operator or stakeholder who employs , permits or procures the employment of any expatriate staff either on permanent or temporary position(s) including TWP in the Industry outside of the procedures specified in these Guidelines shall be deemed to be in default thereof.
- 12.3 The Board shall first duly notify the operator or other stakeholders concerned of any identified default(s); and specify the step, action and/or remediation required to correct the non-compliance indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.
- 12.4 Thereafter, the Board shall in its discretion, apply the sanction deemed applicable. Where appropriate, this shall include making necessary arrangements for the removal/expatriation of those affected by the default, from Nigeria.

13. FORMS AND CHARTS

- 13.1 EQ/A – New EQ Applications Form
- 13.2 EQ/B – EQ Renewals Form
- 13.3 EQ/C – All Expatriate Staff Details
- 13.4 EQ/D – Nigerian Staff Details
- 13.5 SPC – Succession Plan Chart
- 13.6 ECC – Employment Commitment Chart



INTERVIEW PROCESS FOR ESTABLISHING NEW EXPATRIATE QUOTA



Please Turn Over



Supporting Documents

- ✓ Employment commitment
- ✓ Succession Plan
- ✓ Job descriptions and qualifications
- ✓ Complete Company organogram with names of staff occupying management positions
- ✓ Training plan/Schedule for Nigerian staff
- ✓ Nigerianized positions with dates
- ✓ Nigerians on Cross Posting/Exchange Program
- ✓ Current projects being carried out by the Company
- ✓ Proof of expatriate registration with professional bodies in Nigeria
- ✓ List of Biometric Data Capture for staff
- ✓ List of expatriate staff not yet captured

Template 4.4.2

EXPATRIATE QUOTA CHECKLIST

1. Application letter to the Executive Secretary stating the positions being applied for
2. Total expatriate and Nigerian staff list completely filled out and uploaded on the NOGIC JQS
3. Employment Commitments listing number of Nigerians to be employed, positions and timelines
4. Compliance level with previous employment commitments
5. Advertisements in the media and NOGIC JQS for all new expatriate quota positions to be established
6. Job descriptions and qualifications for all quota positions applied for
7. Organogram of the Company showing placement of all Management staff (expatriates and Nigerians)
8. EQ forms completely filled out in soft copies with 2 understudies per quota position
9. All past and current FMI approval letters
10. Succession Plan template for the expatriate positions completely filled out with understudies and their positions/experience
11. List of expatriates on NDCMB biometric database with photocopies of biometric ID cards
12. Nigerianized positions with names, positions and dates (if any)
13. Nigerians on cross posting with names, positions, duration of stay and date of posting (if any)
14. Training plan/schedule for Nigerian staff
15. Current projects being carried out by the Company
16. Proof of expatriate registration with professional bodies in Nigeria
17. Details of staff rationalization from January 2012 to date (if any)

Name of Project:

S/N	Name of Expatriate	Position of Expatriate	Qualification of Expatriate	Name of Nigerian Understudy 1	Position of Understudy	Qualification of Understudy	Skills Sets (Job Description and Skills Required for this Position)	Identified Skills Gap between Expatriate and Understudy	Gap Closure Plan	Start Date of Training	End Date of Training	Deliverables from On-The-Job (OJT) Training	*Detailed Breakdown of Understudy Achievements (Every 6 Months)/Milestones	**NC Commitments (As indicared below)

*We expect a detailed breakdown of what the understudy would have learnt at the end of each six months , which will spread across the duration of the understudy period.we expect a detailed breakdown of skill transferred over a period of 4 years in measurable / determinable indices.

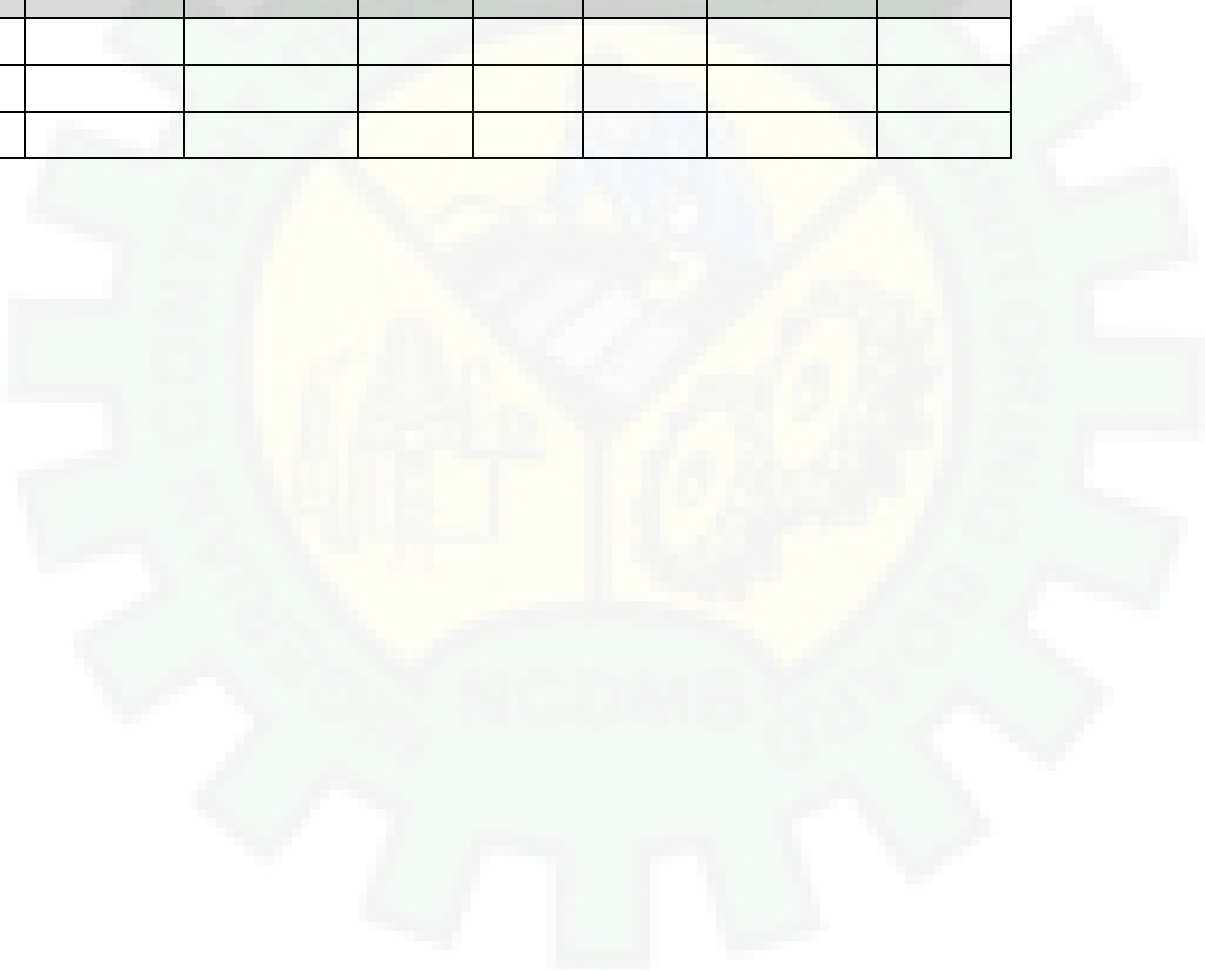
**NC Commitments - This should comprise of assurances the requesting company is making to the Board regarding the understudy's progress as a result of knowledge tranfer on the project.
 Examples of Such Commitments include:

e.g. 1 - At the end of project, the Nigerian Understudy will be competent enough to execute the duties for which he/she was understudying.

Type of Training- Ascertain the Job description.Identify skills sets required for this Position.

Plan- Detailed breakdown of the Knowledge/Skills transfer.

Name of Nigerian Understudy 2	Position of Understudy	Qualification of Understudy	Skills Sets (Job Description and Skills Required for this Position)	Identified Skills Gap between Expatriate and Understudy	Gap Closure Plan	Start Date of Training	End Date of Training	Deliverables from On-The-Job (OJT) Training	*Detailed Breakdown of Understudy Achievements (Every 6 Months)/Milestones	**NC Commitments (As indicated below)





4.5 FABRICATION AND WELDING: EDUCATION, TRAINING , QUALIFICATION AND CERTIFICATION SERVICES

Pursuant to Section 53 of the Act

CONTENTS:

INTRODUCTION

OBJECTIVES

APPLICABILITY

SCOPE

NIGERIAN CONTENT REQUIREMENTS

ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

1. INTRODUCTION

- 1.1 Section 53 of the Act provides that all Operators, project promoters, contractors and any other entity engaged in the Nigerian Oil and Gas Industry shall carry out all fabrication and welding activities in Nigeria.
- 1.2 Accordingly, in order to give full implementation to this provision, the Board deems it fit to provide guidance to operators, project promoters, contractors and other stakeholders on the requirements which shall be complied with by every entity undertaking the business of fabrication and welding.
- 1.3 Also, the Board gives due recognition to the Nigerian Institute of Welding (NIW) as the Authorized National Body (ANB) for accreditation of all welder training programs, qualification and or certification of all practicing welders (expatriate or national), and witnessing of welding procedures in the Industry.
- 1.4 Specifically, the Guidelines provide procedure for the Education, Training, Qualification and Certification of welders, pipers, joiners, fitters and welding inspectors to international standards and engagement of testing service providers; as well as the role of NIW in such activities. In addition, it establishes rules and stipulates compulsory requirements for the practice of welding and welding inspection in the Industry.

2. OBJECTIVES

- 2.1 The objectives of these Guidelines are to:
 - a. Create an efficient fabrication industry for in-country fabrication of welded products in view of Section 53 of the NOGICD Act which effectively places a ban on importation of welded products;
 - b. provide Nigerian Content requirements for rendering services related to fabrication and construction in the Industry;
 - c. prescribe the skills' set required for carrying out fabrication services;
 - d. standardize training and certification of welders in Nigeria under the ambit of the Nigerian Institute of Welding (NIW);
 - e. Establish compulsory rules and guidance for the national practice of welding and welding inspection, whether by Nigerians or expatriate welders and/or welding inspectors; and
 - f. Establish a national system (database) for monitoring, validating and re-evaluating skills (welders, fitters, inspectors or supervisors) whether expatriate or not for all fabrication and construction services in the Industry.

3 APPLICABILITY

- 3.1 The Guidelines apply to:

- a. all operators, project promoters, contractors as well as every other entity whose business involves the fabrication and construction of items specified in the Schedule to the Act, and
- b. The Nigerian Institute of Welding

4 SCOPE

4.1 The fabrication of the following shall be in accordance with the NC Level specified in the Schedule, namely:

- a. Terminal Oil Movement Systems;
- b. Drilling Modules/Packages;
- c. Piles, Anchors, Buoys, Jackets, Bridges, Flare;
- d. Booms , Storage Tanks, Pressure Vessels Umbilical;
- e. Topside Module;
- f. Accommodation module;
- g. Subsea Systems;
- h. Pipeline Systems;
- i. Risers; and
- j. Utilities module Package.

5. NIGERIAN CONTENT REQUIREMENTS

5.1 In order to create an efficient fabrication industry for in-country fabrication of welded products, every stake holder namely NIW, Service Companies, as well as Operators shall make provision for:

- a. continuous Training, Certification and Qualification of its welders, pipers, joiners and fitters to international standards;
- b. such training, certification and accreditation shall be undertaken at NIW or such institutions or centres accredited and certified by the NIW to provide the training; and
- c. the engagement of third party testing service providers.

5.2 Certification and Accreditation Requirements

5.2.1 All providers of tests relating to fabrication and construction such as (but not limited to) Non-Destructive Test (NDT), mechanical tests, Post Work Heat Treatment (PWHT) shall provide evidence of being certified by the Nigerian Institute of Welding to render such services.

5.3 Evidence to be supplied during the tendering process shall include:

- a. proof of membership of the NIW; and
- b. details of location where the fabrication and welding projects of the company will be done.

5.4 All fabrication and construction yards providing service to the Oil and Gas Industry must provide certification of their welding procedures from NIW as part of bid documents during tenders.



4.6 FREE TRADE & EXPORT PROCESSING ZONES

Pursuant to Section 1 of the Act

CONTENTS:

INTRODUCTION
OBJECTIVES
APPLICABILITY
RESPECTIVE ROLES and RESPONSIBILITIES
NCDMB/NEPZA/OGFZA COLLABORATION FRAMEWORK
MODALITY/PROCEDURE FOR COLLABORATIVE FRAMEWORK
SUBMISSION OF PERFORMANCE REPORTS
NIGERIAN CONTENT COMPLIANCE MONITORING
NC OPPORTUNITIES and BENEFITS OF COMPLIANCE
CONSEQUENCES OF NON COMPLIANCE

FREE TRADE & EXPORT PROCESSING ZONES: Guidelines for Inter-Organizational Implementation of the Act by NCDMB, NEPZA and OGFZA

1. Introduction

1.1 These Guidelines illustrate the collaborative approach engaged by NCDMB in conjunction with the Nigerian Export Processing Zone Authority “NEPZA” and the Onne Oil and Gas Free Zone Authority “OGFZA” for the purpose of creating an enabling environment for the Board to perform its statutory mandate of driving, monitoring and enforcing Nigerian Content among organizations operating within the Free Trade/ Export Processing Zones “FT/EPZs”.

1.2 Specifically these Guidelines provide the operational framework, the protocol, coordinating procedure as well as the methodology that the three (3) institutions will engage for the implementation of the NOGICD Act within the FT/EPZs.

2. Objective

2.1 The Guidelines seek to achieve the following objectives:

- a) Create awareness of the Act and its provisions which affect organizations operating within the FT/EPZs;
- b) Drive the development of Nigerian Content among organizations that operate within the export processing zones and provide products and/or service to the Nigerian Oil & Gas Industry;
- c) Create a platform for joint collaboration between the Board and regulators of FT/EPZs;
- d) Foster cordial relationship between the Board and regulators of FT/EPZs;
- e) Enable a seamless enforcement and monitoring of the Act among the Board and companies operating within the FT/EPZs.

3. Applicability of Nigerian Content Guidelines to Free Trade/ Export Processing Zones

3.1 Section 1 of the Act provides that:

“Notwithstanding anything to the contrary contained in the Petroleum Act or in any other enactment or law, the provisions of this Act shall apply to all matters pertaining to Nigerian content in respect of all operations or transactions carried out in or connected with the Nigerian Oil and Gas Industry”

3.2 Pursuant to the above, all the provisions of the Act are fully applicable to and enforceable in respect of all activities in the FT/EPZs.

4. Respective Roles and Responsibilities

4.1 NEPZA

- a. The Nigerian Export Processing Zone Authority (NEPZA) is the government Agency managing areas designated as Free Trade and Export Processing Zones in Nigeria.
- b. NEPZA has responsibility for promoting and facilitating local and international investments within the said FT/EPZs.
- c. The Agency monitors the activities of industries and businesses licenced to operate in FT/EPZs; and also ensures as well as enforces their obedience and compliance to rules and regulations prescribed by the Government; including the Nigerian Content requirements established under the Act.

4.2 OGFZA

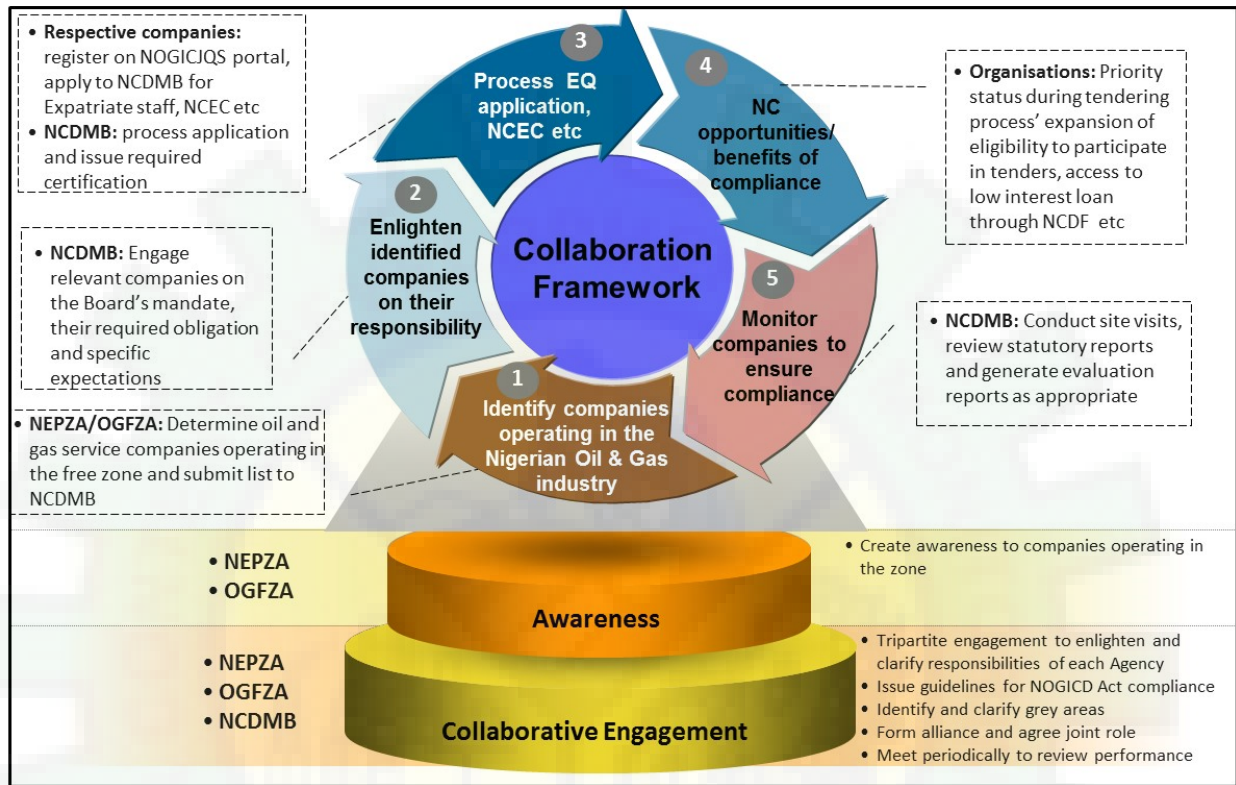
- a. Onne Oil and Gas Free Zone (OGFZ) is a dedicated oil and gas free zone located at Onne/Ikpokue in Rivers State, Nigeria.
- b. OGFZA is a one stop agency that liaises with other Government Agencies and parastatals on behalf of clients and businesses operating in the Zone.

4.3 NCDMB

- a. The responsibility for the implementation and enforcement of the Act rests with the **NCDMB**.
- b. Under the Act, the role of the NCDMB includes the supervision, coordination, administration and monitoring of the implementation of Nigerian Content requirements with regards to *“all operations or transactions carried out in or connected with the Nigerian Oil and Gas Industry”*; including in the FT/EPZs.
- c. The NCDMB has the mandate of making procedures/guidelines to guide the implementation of the Act and ensure compliance with all the provisions of the Act.

4.4 In the light of the above, the Board has developed a Framework to engender a collaborative interface between the Board and respective managements of NEPZA and OGFZA.

5. NCDMB/ NEPZA/ OGFZA Collaboration Framework



5.1 In line with the mandate given to the NCDMB under the provisions of the Act, the Board seeks to drive Nigerian Content in the FT/EPZs through the issuance of guidelines across each phase of the NCDMB/ NEPZA/ OGFZA Collaborative Framework.

5.2 These Guidelines, which are in consonance with the Act serve as the means through which the Board shall implement the outlined activities that are stated in the Collaboration Framework.

6. Modality/ Procedure for Collaboration

6.1 Creation of Nigeria Content Desk:

a. Each of the respective managements of NEPZA and OGFZA shall appoint a Nigerian Content liaison officer "NC Liaison" from the middle or senior management cadre of the organization who will act as the direct interface/contact with the Board on monitoring/ inspection related matters.

b. The NC Liaison officer shall be responsible for sensitizing and drawing attention of the responsible officers in the Companies and enterprises operating in the FT/EPZs to the Nigerian Content requirements, stipulations and directives issued by the NCDMB.

c. **Communication on Nigerian Content:** As part of his schedule, the appointed NC liaison officer shall receive and respond to all enquiries relating to Nigerian Content within the FT/EPZs.

d. Enquiries which are beyond the immediate purview of the NC liaison officer shall be referred to the NCDMB by the said officer.

e. In addition, the enquirer may engage directly with the NCDMB where further clarification is required on any matter that has been referred to the NC liaison officer.

6.2 Joint Awareness Drive

a. NCDMB, in conjunction with the respective management teams of NEPZA and OGFZA, shall embark on phased Nigerian Content enlightenment campaigns, fora, workshops and other awareness programmes for licensees and businesses operating in the FT/EPZs.

b. The purpose of the awareness drive is to avail companies operating within the FT/EPZs of the:-

- i. Nigerian Content requirements of the Act;
- ii. contents of Operational Guidelines, procedures, directives; and
- iii. public notices as well as other relevant information published by the NCDMB ;

in order to familiarize the said companies with their compliance responsibilities and obligations under the provisions of the Act.

6.3. Direct Engagement

Where necessary, companies operating within the FT/EPZs may also seek to hold direct engagement with the Board on Nigerian content matters.

6.4 Nigerian Content Requirements In Free Zone Operating Protocols:

6.4.1 Section 2 of the Act provides as follows “*all regulatory authorities..... shall consider Nigerian Content as an important element of their overall project development and management philosophy.*”

6.4.2 In compliance with the above provision the respective managements of NEPZA and OGFZA shall include Nigerian Content requirements as part of the “Terms and Conditions” in their operating agreements including tenancy agreement with their tenants, namely organizations operating in the FT/EPZs.

6.5 Mandatory Registration on NOGIC JQS portal.

6.5.1 In compliance with the provisions of Sections 55 and 56 of the Act, the respective managements of NEPZA and OGFZA shall make it mandatory for all companies operating in the FT/EPZs; including those supplying products and/or rendering services to Oil & Gas operators in Nigeria to register with NOGIC JQS portal (<http://portal.nogicjqs.com>).

6.5.2 The registration shall be in accordance with the Guidelines issued by the Board for the purpose.

6.5.3 Registration on NOGICJQS is a requirement for participation in oil and gas related tenders and for obtaining relevant Nigerian Content certifications and categorisation from the NCDMB.

6.6 Application of Tender Eligibility Requirements to FT/EPZs

6.6.1 All suppliers of equipment to the Oil & Gas Industry operating within the FT/EPZs and/or service providers that use equipment for rendering service within the Industry must obtain NCEC for each type of equipment to qualify for participation in tenders related to the equipment.

6.6.2 All operators of marine vessels whose office of operation is within a Free Trade/ Export Processing Zone shall register all their vessels with the NCDMB for the purpose of their being categorized and qualified to participate in tenders.

6.6.3 All companies that operate within the FT/EPZs and carrying on activities or rendering service within the Industry in Nigeria who require the services of expatriate staff shall, in compliance with Section 33 (1) of the Act, submit and obtain Expatriate Quota approval from the NCDMB prior to applying to the Ministry of Interior/ Internal Affairs or any other agency or Ministry of the Federal Government, for the Quota approval.

6.6.4 The Guidelines issued by the NCDMB in respect of the above NC requirements shall be complied with.

7. Submission of Performance Reports

7.1 All companies operating within the FT/EPZs are required to submit their performance reports to the NCDMB in such format satisfactory to Board, detailing their performance on contracts related to the Industry.

8. Nigerian Content Compliance Monitoring

8.1 All companies operating within the FT/EPZs are required to provide vital information to NCDMB staff that may visit their facilities on need basis and/ or NCDMB staff that may visit their facilities to assess progress on approved contracts emanating from any oil and gas project.

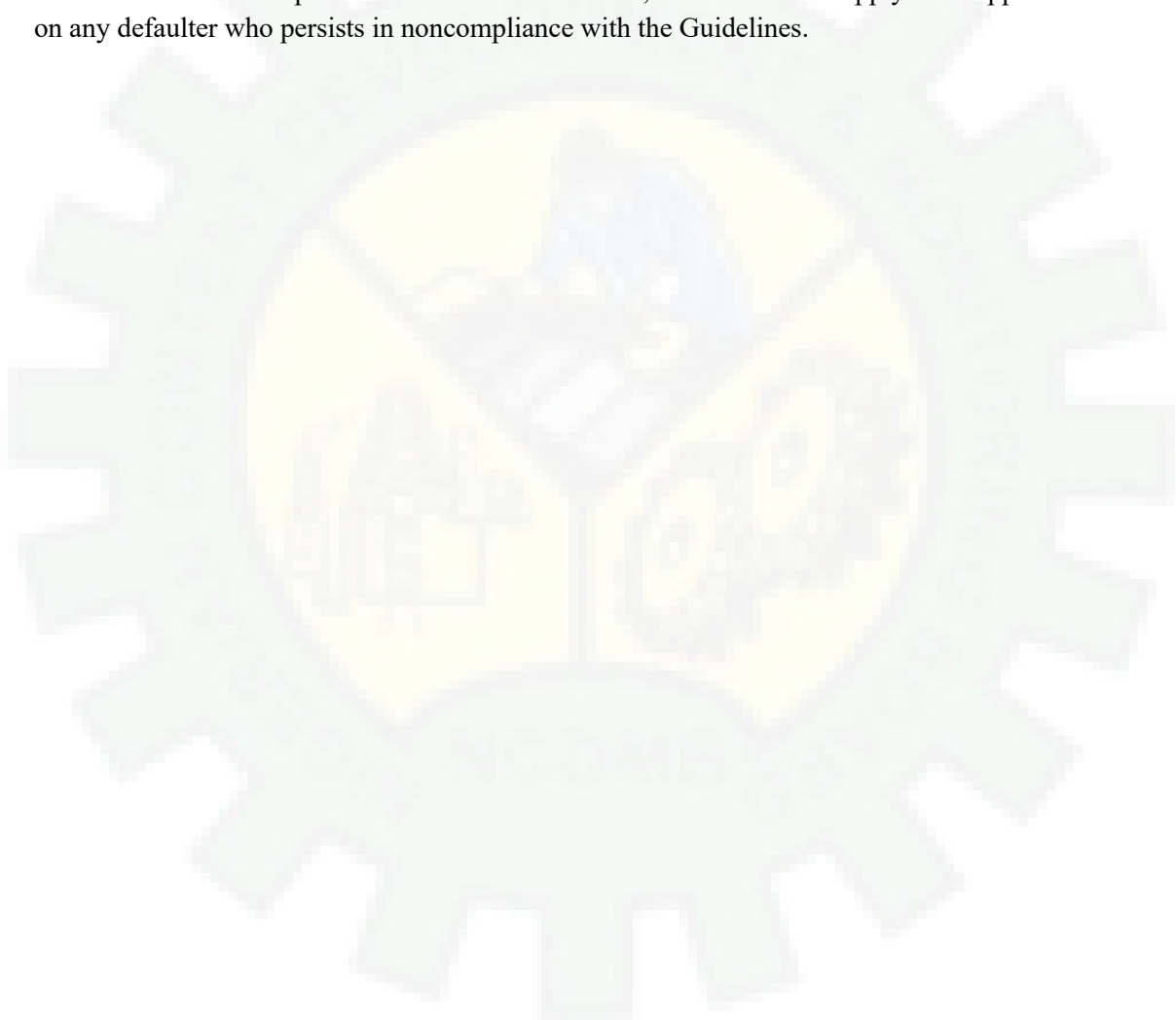
9. NC Opportunities and Benefits of Compliance

9.1 Companies operating within the FT/EPZs who have obtained relevant Nigerian Content certification in accordance with the Guidelines and procedure issued by the NCDMB shall receive appropriate Nigerian Content score during tender evaluation.

9.2 Companies operating within the FT/EPZs are eligible to access NCDF using the approved guidelines issued by the Board for accessing the fund.

10. Consequences of Non-Compliance

- 10.1 The failure, delay and/or refusal on the part of any company operating in the FT/EPZs to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.
- 10.2 In particular, any company in the FT/EPZs to whom these Guidelines apply shall ensure strict compliance with the provisions herein; otherwise the company or service provider shall be deemed to be in default of the Guidelines.
- 10.3 The Board shall first duly notify the company involved about the identified default(s); and specify the step, action and/or remediation required to correct the non-compliance; indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.
- 10.4 To ensure effective implementation and enforcement, the Board shall apply such applicable sanction on any defaulter who persists in noncompliance with the Guidelines.





4.7 HUMAN CAPITAL DEVELOPMENT

Pursuant to Sections 10(1)b, 28, 29,30,31(1), 40 and 70 of the Act

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APPENDIX 2:(A) TRAINING IMPLEMENTATION TEMPLATE
(B) BUDGET/COST BREAKDOWN

1.0 PREAMBLE

These Guidelines are developed to guide the implementation of the provisions of the NOGICD ACT with respect to Human Capital Development in the Nigerian Oil and Gas industry. The Guidelines will enable Operators and all other stakeholders in the Industry to develop relevant project-based HCD plans aimed at closing identified skill gaps in the Industry in conformity with the Act.

1.1 SCOPE

The Guidelines shall be applicable to all training program initiatives, which shall be targeted at growing relevant capacities in-country in the Industry, including the NCDMB Skill Development Program.

1.2 REFERENCES

The following Sections of the Act and its Schedule:

Sections 10 (1) (b); 28; 29; 30; 31(1); 40; and 70.

1.3 DEFINITIONS

OGTAN – Oil and Gas Trainers Association of Nigeria

PROJECT – An Investment in the Oil and Gas activity chain (exploration, development, and production operations), which when completed, will deliver a real value. Generally, they tend to be standalone, identifiable, and can span multi-years, in many cases.

2.0 IMPLEMENTATION PROCEDURE FOR HCD PROGRAMS

2.1 HCD TRAINING MODEL

The training model for all HCD programs is aimed at addressing entry level qualifications and improving level of employability into the Industry. All trainings under this model must be tailored to an identified need and ultimately lead to Industry recognized or approved certification, based on industry/project specifications.

The following shall be considered in the development of any HCD program:

1. Training shall be conducted by Certified trainers – membership of bodies is not sufficient.
2. Training may be performed by the contractor, so long as they are equipped to train.
3. Training duration shall be the same as the duration of the project, or 12 months, whichever is longer.
4. Training programs shall consist of the following:
 - a. Classroom Training
 - b. OJT for hands on experience on live projects or prototype projects
 - c. Industry recognized Competency Certification
5. The Training Curriculum shall not be limited to technical modules but shall include modules on Personal Effectiveness and Entrepreneurship.



2.2 SKILLS DEVELOPMENT PROGRAM

- a. Pursuant to the provisions of Section 70(n) of the Act which empowers NCDMB to carry out capacity building initiatives, NCDMB commenced a Skills Development Program, wherein training and certification shall be provided for graduates of Engineering, Geosciences, Environmental Sciences and Vocational fields (welding, fitting and metal machining, NDT technicians, Quality Control and HSE).
- b. NCDMB shall engage OGTAN members who are Internationally Certified or possess requisite qualifications to provide training services in the identified areas.
- c. NCDMB shall approach Operators for collaboration through provision of practical training and post-certification attachments in relevant technical areas.
- d. NCDMB shall fund this Program from the NCDF and its budgetary provisions.

2.3 OPERATORS' PROJECT-BASED TRAINING

- a. Sections 10(b), 28 (1), and 30 of the Act require that Operators give first consideration to Nigerians with respect to employment and training in their projects. The Operator shall, based on skills analysis performed for the Project, identify skill gaps, and indicate how they intend to close the gap in the NC Plan for each Project.
- b. This shall be reviewed and approved by NCDMB within 30 days of receipt of the NC Plan.
- c. The Operator shall provide information of the level of resources commitment (Total Training Man Hours, Training Budget/Costs, etc) under the HCD program in the Project's NC Plan which shall be approved by the NCDMB.
- d. Prior to commencing training implementation, the Operator shall submit detailed Training Implementation Plan as outlined in the NC Plan. The implementation details which shall include the information below, shall be approved by the NCDMB, which approval shall not be unreasonably withheld; -
 - Approved or draft copy of Nigerian Content Compliance Certificate (NCCC)
 - Description of Project Scope of Work
 - Total Project Man Hours
 - Project Cost
 - Training Manhours
 - Training Cost

- Training Curriculum which should comprise of technical modules and include Personal Effectiveness and Entrepreneurial topics
- O.J.T. Schedule/Plan
- Classroom Schedule/Plan
- Names/Shortlist of training providers (NCDMB will verify and visit training facilities)
- Criteria for selecting Training provider and selection process
- Information on relevant Certifications
- Where applicable an M.O.A should be provided to NCDMB for offshore training providers
- Submission of employment plan for Project phases
- Personnel required for the different phases of the Project

e. The duration of this program shall be optimally determined based on the nature of each specific skill to be acquired and shall run within the life of the project for which the NC Plan was submitted or for 12 months, whichever is longer.

f. Where applicable, and as much as is practicable, provision shall be made for relevant HSE, Basic Offshore Safety Induction and Emergency Training (BOSIET), and any other safety related training that will enable the trainees to visit and work on offshore platforms and onshore facilities.

2.4 THIRD PARTY TRAINING

NCDMB shall provide guidance to other agencies, institutions and sectors that are interested in training, and who enquire about the HCD program from time to time. This is to ensure that their programs address relevant needs and meet industry certification, standards and best practice.

2.5 NOMINATION AND SELECTION OF CANDIDATES/TRAINEES FOR HCD PROGRAMS

- a. Following approval of the Training Implementation Plan by NCDMB which approval shall not be withheld for more than 15 working days, (provided the submitted Training Implementation Plan has met the NCDMB's specified requirements), the Operator shall request NCDMB to provide the nominations of prospective candidates who shall undergo selection tests and oral interview.
- b. NCDMB shall not withhold the approval of candidates to be trained on any project for more than 15 working days.
- c. NCDMB shall nominate candidates for all trainings under these Guidelines from its database, the NOGIC JQS. Candidates to be nominated and selected/shortlisted will be from the six (6) geopolitical zones of the Federation with a minimum of fifty percent (50%) of the nominees from the Oil and Gas Producing areas and catchment areas of the Project/ Operations (for Project based training programs). The candidates shall undergo preliminary tests to be organized by the trainer in conjunction with the Operator to ensure selection of appropriate trainees for each program. NCDMB shall be represented during the selection exercise.
- d. Final selected candidates shall be officially communicated by the Operator to NCDMB.
- e. The number of candidates and training manhours will be calculated in accordance with the Man hours Calculation Template attached as Appendix I.
- f. Joining instructions shall be communicated by the trainer to the selected trainees and a formal kick-off meeting held with NCDMB and Operator in attendance.

2.6 ALLOWANCES FOR TRAINEES

- a. During the period of training (Classroom and OJT), trainees shall be paid monthly allowances to cover cost of transportation to and from training/ work place and other personal expenses. The minimum shall be as stated below and categorised as follows:
 - ✓ University Degrees/ HND – N120,000.00 (monthly);
 - ✓ OND and Lower entry qualifications – N85,000.00 (monthly);
- b. Trainees shall be served lunch meals at the training site or paid allowances in lieu of such;
- c. Trainees shall be given access to medical facilities of the trainer during the training period.

2.7 CERTIFICATION

The following shall be a minimum as it relates to the discipline as recommended by the Operator and shall be agreed and approved by NCDMB

2.7.1 SOFTWARE ENGINEERING TRAINING

- AutoCAD- Automated Computer Aided Design
- MS- Microstation Designer
- SPR - Smart Plant Review Model Navigation
- PDS/EQP- PDS Equipment Modeler
- Electrical - SKM, ETAP or equivalent
- Instrumentation - Intools or equivalent
- Other relevant Softwares

2.7.2 GEOSCIENCE TRAINING

- Preparatory to qualifying for trainers in-house certificate (Diploma)

2.7.3 QA/QC

- American Society for Quality(ASQ)
- Certified Quality Process Analyst (CQPA)
- British Standard Institution (BSI)
- Quality Management System
- Lead Auditor
- Non Destructive Test- ASNT I & II

2.7.4 ARTISAN TRAINING

- Scaffolding - CITB or Equivalent
- Rigging - CERTIFIED RIGGER LEVEL I or Equivalent
- Welders - IIW, IWC, WQTC or Equivalent
- Pipe Fitting - IIW, IWC, WQTC or Equivalent

2.7.5 Global Maintenance for FPSO and Other Oil and Gas Production Facilities

- i. Operations and Maintenance of ICSS on the FPSO- To qualify for Certified Automated Engineering (CAE) or a training on specific ICSS Vendor's Product Solution.

- ii. Computerised Maintenance Management System (CMMS) Software, including AMOS, Q4, etc. - To qualify for trainers in-house certificate
- iii. Crane Operations- To qualify for:
 - Certificate of Safe Operations of Cranes, Forklift Trucks, etc.
 - Certificate of Competency for Crane operator
- iv. Operations of Oil Meters (LACT)/Calibration of Prover Units- To qualify for trainers in-house certificate
- v. Maintenance of Rotating Equipment, including Pumps, Compressors, Turbines, etc.-To qualify for trainers in-house certificate
- vi. Maintenance of Static Equipment, including Tanks, Vessels, Heat Exchangers, Drums, Manifolds, etc -To qualify for trainers in-house certificate
- vii. Maintenance of Heating, Ventilation & Air Conditioning System (HVAC) on the FPSO Unit - To qualify for trainers in-house certificate
- viii. Maintenance of Wellheads and Valves-To qualify for trainers in-house certificate.

3.0 RESPONSIBILITIES

3.1 MONITORING

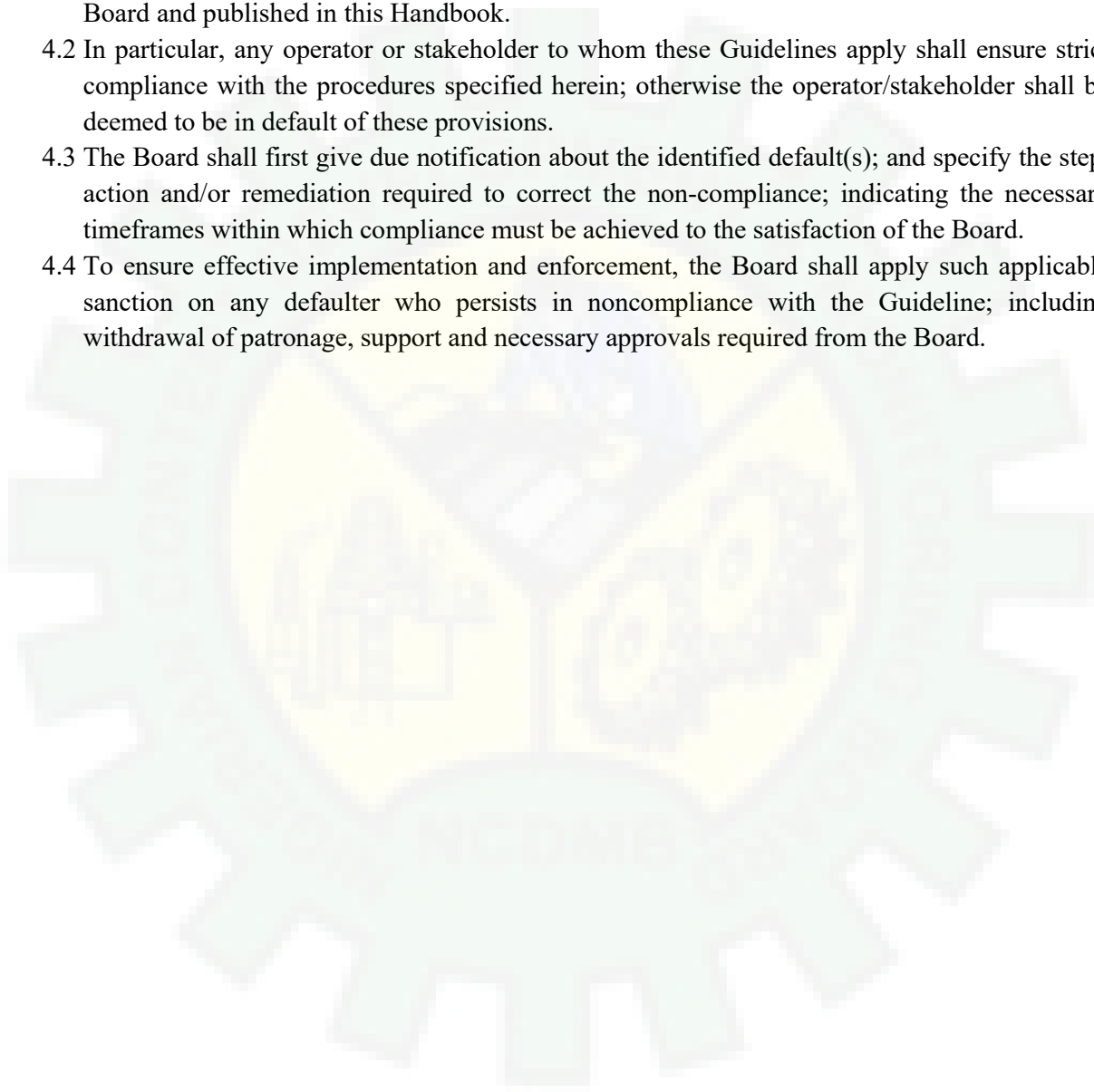
- a. NCDMB shall carry out regular monitoring of all HCD programs in line with the provisions of the Act
- b. The Contractor shall be responsible for the day-to-day monitoring of the training program. Joint NCDMB and Operator monitoring/inspection exercise shall be undertaken to ensure compliance with the scope committed in the approved Training Implementation Plan.

3.2 REPORTING OF TRAINING ACTIVITIES

- a. It shall be the Contractor's responsibility to ensure performance of the training requirement vis a vis utilization of the training manhours and adherence to the approved training schedule/curriculum etc even when it is contracted to a third party.
- b. The Trainer/Contractor shall ensure that a weekly/monthly competency development report is completed by every trainee and signed off by their supervisor.
- c. The Contractor shall ensure monthly performance reporting of the training activities to the Operator who in turn shall report to NCDMB.
- d. Upon completion, the Training Organization/Trainer shall provide feedback on each trainee, including achieved competency/certification; which shall be migrated to NCDMB's Joint Qualification System.
- e. A detailed Close-Out Report shall be submitted to the Operator at the end of every training program and transmitted to NCDMB.
- f. Information on the training shall be the sole preserve of the Operator and NCDMB. NCDMB shall have the prerogative to divulge information on any training program as may be deemed necessary.

4. ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

- 4.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.
- 4.2 In particular, any operator or stakeholder to whom these Guidelines apply shall ensure strict compliance with the procedures specified herein; otherwise the operator/stakeholder shall be deemed to be in default of these provisions.
- 4.3 The Board shall first give due notification about the identified default(s); and specify the step, action and/or remediation required to correct the non-compliance; indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.
- 4.4 To ensure effective implementation and enforcement, the Board shall apply such applicable sanction on any defaulter who persists in noncompliance with the Guideline; including withdrawal of patronage, support and necessary approvals required from the Board.



APPENDIX 1

PROJECT CATEGORY MATRIX FOR DETERMINATION OF TRAINING MAN HOURS AND TRAINING FUND.

	PROJECTS (% of total project man-hours)	SERVICE (% of total contract cost)	PROCUREMENT (% of total contract cost)
MAJOR (Above \$500M)	10%	1%	0.5%
MEDIUM (\$100M-\$500M)	12%	2%	1%
SMALL (Below \$100M)	15%	3%	2%

APPENDIX 2**A. TRAINING IMPLEMENTATION TEMPLATE**

S/N	TRAINING SCOPE/DESCRIPTION	TRAINER	DURATION	NO. OF TRAINEES	MAN HOURS	ENTRY REQUIREMENT/DISCIPLINE	SELECTION CRITERIA	SCHEDULE (START-END)	CERTIFICATION	OJT/INTEGRATION PLAN

B. BUDGET/ COST BREAK DOWN

S/N	COST ELEMENT	DESCRIPTION	QTY	UNIT COST	TOTAL COST
	CURRICULUM				
	FACILITIES				
	TRAINEES				
	EQUIPMENTS				
	SOFTWARES				
	CERTIFICATION				
	CONSUMABLES				
	WELFARE				
	MISCELLANEOUS				
	BUDGET				



4.8 INFORMATION SYSTEMS/ INFORMATION TECHNOLOGY/ COMMUNICATIONS SERVICES

Pursuant to Sections 43, 44, 45 and 46 of the Act

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1. INTRODUCTION

- 1.1 In line with the National ICT vision for Nigeria to be a knowledge-based and globally competitive economy, it is imperative that information and communications' technologies are fully integrated into the socio-economic development and transformation of Nigeria.
- 1.2 The promotion of ICT indigenous participation in the Nigerian Oil and Gas Industry is one of the means by which the facilitation of rapid growth and development in the nation's economy can be achieved.
- 1.3 To ensure this, the NOGICD Act requires every Operator in the Industry to carry out programmes in accordance with Nigeria's own plans and priorities for the promotion of technology to Nigeria in relation to its Oil and Gas activities.
- 1.4 The Board has identified Information, Communication and Technology as a veritable tool for the transfer of technology in the Nigerian Oil and Gas Industry.
- 1.5. By virtue of the provisions of Sections 43-46 of the Act, every Operator is required to submit annually to the Board, a plan setting out a programme of planned initiatives aimed at promoting the effective transfer of technology from the Operator and Alliance Partners to Nigerian individuals and companies.

2. OBJECTIVES

- 2.1 The objectives of these Guidelines are to:
 - a. specify the National ICT priorities in the Nigerian Oil and Gas Industry;
 - b. provide guidance on how to achieve the Information ,Communication and Technology targets set out in the Schedule to the Act;
 - c. stimulate ICT equipment component manufacturing, assembly of ICT equipment and technology acquisition by indigenous ICT companies;
 - d. encourage indigenous software development; and
 - e. promote and strengthen the indigenous ICT human capacity development in the Industry

3. APPLICABILITY

- 3.1 These Guidelines apply to all Operators, Original Equipment Manufacturers, OEM International/Multinational ICT Companies and OEM ICT companies carrying out business in the Industry.

4. ICT Nigerian Vision 20:2020

- 4.1 The long term strategic vision for the ICT sector was elaborated in the National Development Plan titled "Nigerian Vision 20:2020".

4.2 According to the document, the national vision and mission statement on ICT are as follows:

- *“The increasing globalization driven by ICT makes it imperative for Nigeria as an emerging market to irreversibly consider the application and promotion of ICT strategy to facilitate its rapid growth and development. This will involve the development of a vibrant ICT sector to drive and expand the national production frontiers in agriculture, manufacturing and service sectors. It would also require the application of the new knowledge to drive other soft sectors; governance, entertainments, public services, media sector, tourism, et cetera; and acknowledges that:*
- *‘In respect of knowledge and digital divide the situation remains worrisome. This is, in terms of knowledge generation, penetration of ICT, access to and usage of internet and telephone penetration (fixed and mobile) and physical infrastructure. The knowledge and digital divide cuts across geographical, gender and cultural dimensions. It exists among the 36 states of the Federation plus the Federal Capital Territory, the 774 Local Governments, rural and urban areas, men and women, rich and poor, young and old, able bodied and disabled, illiterate and educated’.*

4.3 VISION STATEMENT

- a. The Vision Statement is “Nigeria as a knowledge-based and globally competitive society”

4.4 MISSION STATEMENT

- a. The Mission Statement is “To fully integrate information and communications technologies into the socio-economic development and transformation of Nigeria into a knowledge-based economy”.

4.5 To tackle the issues mentioned above, the Government has put in place strategies designed to promote indigenous participation in ICT activities within the Industry.

4.6 The said strategies are captured in these Guidelines:

5. MANDATORY REQUIREMENTS FOR INTERNATIONAL / MULTINATIONAL ICT COMPANIES (OEM)

5.1 The manufacture of components of ICT hardware in Nigeria shall be a mandatory requirement for all procurement, installation and related services in ICT hardware.

5.2 All ICT OEM Companies, contractors involved in or having interest in the Nigerian Oil and Gas Industry shall on annual basis submit a satisfactory plan to the Board for the manufacture of ICT hardware components in Nigeria.

5.3 All ICT OEM Companies shall carry out their sales engagements and execution, including products sales, services, licensing and all such business transactions and/ or Consultancy services through Nigerian Indigenous ICT companies, Nigerian subsidiaries of the OEMS and Nigerian partners of the International ICT Original Equipment Manufacturers.

5.4 The Nigerian Subsidiary of such Multinational ICT Original Equipment Manufacturers shall be responsible for all Nigerian ICT engagements of the Operators. Multinational ICT Companies are prohibited from using virtual and/or remote engagement from locations outside Nigeria and/or using foreign nationals to usurp or take over jobs that capable Nigerians can do in-country.

5.5 Revenue and proceeds from engagements by the Operator with the OEM on ICT products, services and solutions shall be through the Nigerian Subsidiary of such ICT OEM.

5.6 All Operators, OEM ICT companies, Contractors, Subcontractors in Nigeria Oil and Gas Industry shall comply with these Guidelines in the design, procurement, deployment, and implementation of Information Systems/Information Technology and Communication Services.

5.7 Commercial fulfillment, supply and implementation of ICT products, services and solutions shall be done only through Nigerian partners of the ICT OEMs.

6. COMPLIANCE TRACK-RECORDS

6.1 Evidence of compliance with these Guidelines as well as other relevant provisions of the Act shall be a Nigerian Content requirement for ITTs.

7. CONSEQUENCES OF NON-COMPLIANCE AND SANCTIONS

7.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.

7.2. The Board shall first duly notify the operator or other stakeholder concerned of any identified default(s); and shall specify the step, action and/or remediation required to correct the non-compliance indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.

7.3 Where the Operator, contractor, alliance Partner or other Stakeholder fails to meet the directions given, the Board shall in its discretion, apply the sanction deemed applicable in the circumstances in order to enforce compliance with the Act.



4.9 LEGAL SERVICES

Pursuant to Section 51 of the Act

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1. INTRODUCTION

1.1 Section 51(1) of the Act provides that “all operators, contractors and other entities engaged in any operation, business or transaction” in the Industry and who require legal services shall retain only the services of a Nigerian legal practitioner or a firm of Nigerian legal practitioners whose office is located in any part of Nigeria.

1.2 Section 51 (2) provides that every operator shall submit to the Board, every six months, its Legal Services Plan (LSP).

2. OBJECTIVES

2.1 The objectives of these Guidelines are to facilitate:

- a. compliance with the provisions of section 51(1), 51(2) and 51(3) of the Act;
- b. maximise utilization of the services of Nigerian legal practitioners for every aspect requiring legal services in the Oil and Gas Industry; and
- c. the development by Nigerian legal practitioners, of the requisite capacity to meet all the legal service requirements in the Industry.

3. APPLICABILITY

3.1 The Guidelines are applicable to all Operators, including NNPC, International Oil Companies and Indigenous Operators, Service Companies, as well as all Companies providing services and carrying on business in the Nigerian Oil and Gas Industry.

4. DEFINITION

- Nigerian Legal Practitioner means a person called to the Nigerian Bar and licensed to Practice law in Nigeria in accordance with the provisions of the Legal Practitioners Act, Cap L11, Laws of the Federation of Nigeria, 2004.

5. APPLICABLE PROVISIONS OF THE ACT

5.1 Section 51 specifically provides as follows:

Section 51 (1)

“All operators, contractors and any other entity engaged in any operation, business or transaction in the Nigerian Oil and Gas Industry requiring legal services shall retain only the services of a Nigerian legal practitioner or a firm of Nigerian legal practitioners whose office is located in any part of Nigeria”.

Section 51(2)

‘All operators shall submit to the Board, every six months, its Legal Services Plan (LSP)’.

5.2 Accordingly, in line with the provisions cited above, all Operators shall use only Nigerian legal practitioners in a firm of Nigerian Legal Practitioners for legal services required by them for all their operations in Nigeria in compliance with the Act.

5.3 In the area of employment, only Nigerian legal practitioners shall be employed in the Oil and Gas Industry.

5.4 Retainership of legal services shall be procured from Nigerian legal practitioners whose offices are located in Nigeria.

6. LEGAL SERVICES PLAN

6.1 Section 51(3) of the Act stipulates the contents of the Legal Services Plan, which shall include:

- a. Comprehensive report on:
 - i.) legal services utilized in the past six months by expenditure;
 - ii) a forecast of legal services required during the next six month; and
 - iii) the projected expenditure for the services.
- b. a list of :
 - i. external solicitors utilized for the legal services in the past six months;
 - ii the nature of work done;
 - iii) the expenditure made by the operator; and
- c. the annual legal services budget for the past one year in Naira and foreign currencies.

6.2 CONTENTS of LEGAL SERVICES PLAN

6.2.1 Every Legal Service Plan shall include but not limited to the following:

- a. Submission of Legal Services utilized in the past six (6) months detailing the nature of work done and the Nigerian Legal Practitioners retained;
- b. A forecast of the Legal Services Plan for the next six (6) months, nature, Legal Practitioners engaged and the expenditure; and
- c. Annual budget for Legal Services.

6.2.2 The Report shall be in line with the annexed template

6.2.3 The Nigerian Content target for legal services is 100% utilization of Nigerian legal practitioners and legal services.

6.2.4 Under item 14 in the Schedule to the Act; namely for project management, operators are required to achieve only fifty percent (50%) Nigerian Content target for legal consultancies; meaning that only fifty percent (50%) of their spend for legal consultancy shall be exclusively for Nigerian legal practitioners.

6.2.5 It should be noted that the fifty percent (50%) legal consultancy referenced here covers legal services related only to “project management”. Every other legal service required by an operator carrying on business in the Industry is one hundred percent (100%) Nigerian Content level under the Act.

7. ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

7.1. The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.

7.2. In particular, any operator or stakeholder who fails to comply with the provisions of these Guidelines or who delays, fails or refuses to submit its Legal Services Plan (LSP) in accordance with the procedure specified in these Guidelines shall be deemed to be in default of the provisions of the Guidelines.

7.3 The submission of any LSP which contains falsified or inaccurate information shall be treated as a default.

7.4. The Board shall first duly notify the operator or other stakeholders concerned of any identified default(s); and specify the step, action and/or remediation required to correct the non-compliance indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.

7.5 Thereafter, the Board shall in its discretion, apply the sanction deemed applicable.

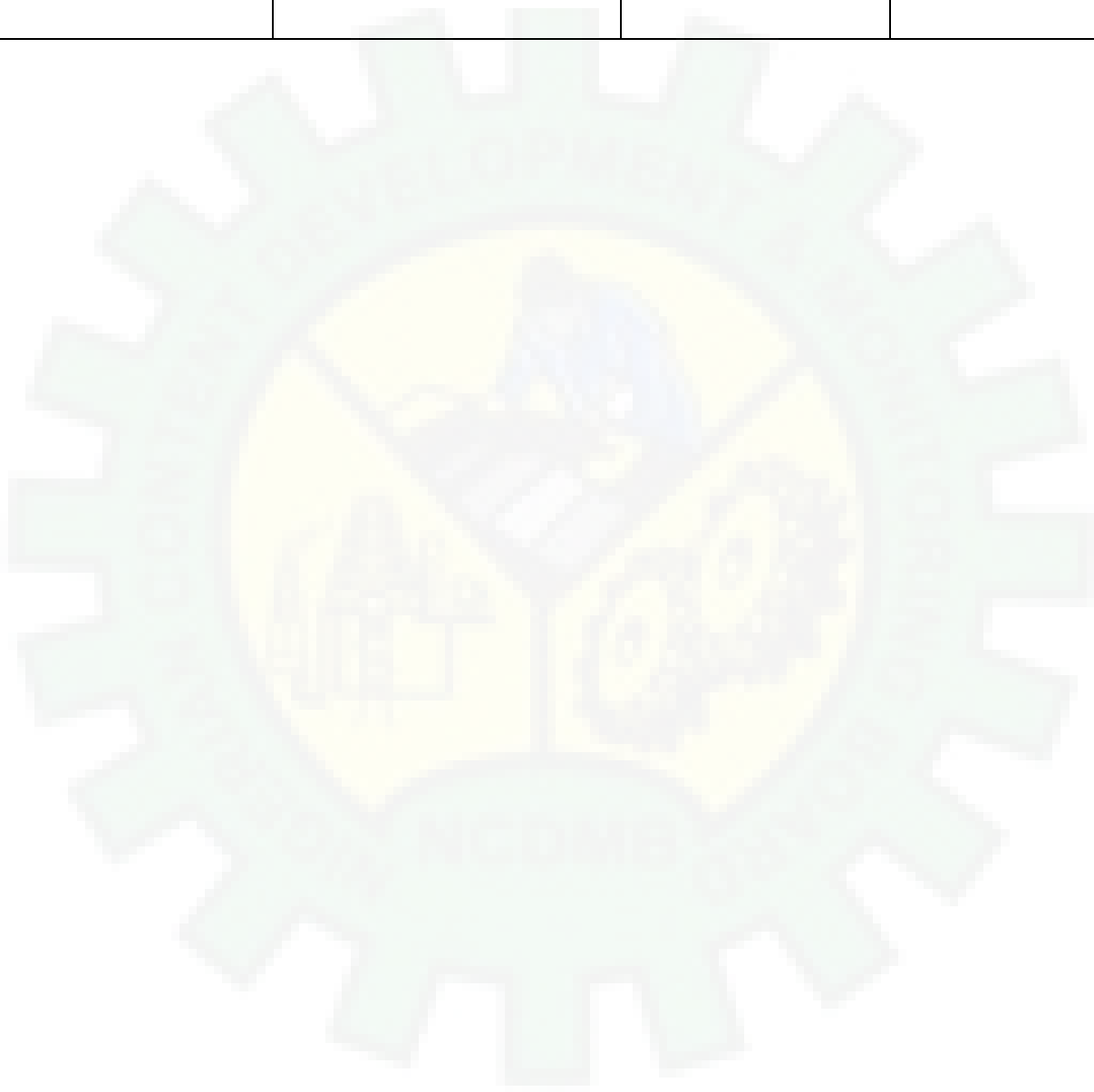
TABLE 1**LEGAL SERVICES IN THE LAST SIX (6) MONTHS**

S/NO	NATURE OF LEGAL SERVICES UTILISED	NAME OF NIGERIAN LEGAL PRACTITIONER ENGAGED FOR THE SERVICE UTILISED	OFFICE ADDRESS OF THE LEGAL PRACTITIONER	VALUE OF THE SERVICES UTILISED
i	Project Development and Project Implementation			
ii	Project Management/Consultancy Services			
iii	Local Commercial Transactions			
iv	International commercial transactions			
v	Finance & Corporate Transactions for all Projects			
vi	Shares Acquisition and divestment			
vii	Property acquisitions, sales, leases of real estate			
viii	Claims			
ix	Oil and Gas Assets acquisitions, leases and sales			
x	Trade Dispute			
xi	Intellectual Property Rights			
xii	Alternative Dispute resolution (ADR)			
xiii	Host Communities Matters			
xv	Litigations			
xvi	Any other Legal Advisory Services			

TABLE 2**FORECAST OF LEGAL SERVICES TO BE ULTISED IN THE NEXT SIX (6) MONTHS**

S/NO	NATURE OF LEGAL SERVICES ULTISED	NAME OF NIGERIAN LEGAL PRACTITIONER ENGAGED FOR THE SERVICE ULTISED	OFFICE ADDRESS OF THE LEGAL PRACTITIONER	VALUE OF THE SERVICES ULTISED
i	Project Development and Project Implementation			
ii	Project Management/Consultancy Services			
iii	Local Commercial Transactions			
iv	International commercial transactions			
v	Finance & Corporate Transactions for all Projects			
vi	Shares Acquisition and divestment			
vii	Property acquisitions, sales, leases of real estate			
viii	Claims			
ix	Oil and Gas Assets acquisitions, leases and sales			
x	Trade Dispute			
xi	Intellectual Property Rights			
xii	Alternative Dispute resolution (ADR)			

xiii	Host Communities Matters			
xiv	Litigations			
xv	Any other Legal Advisory Services			





4.10 MARINE VESSEL CATEGORISATION PROCEDURE

Pursuant to Sections 12, and 41(1) of the Act

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1. INTRODUCTION

- 1.1 Section 12 of the Act provides that:
‘Subject to Section 7 of this Act, the Nigerian Content Plan submitted to the Board by an operator shall contain a detailed plan, satisfactory to the Board, setting out how the operator and their contractors will give first consideration to Nigerian goods and services, including specific examples showing how first consideration is considered and assessed by the operator in its evaluation of bids for goods and services required by the project’.
- 1.2 Section 105 gives the Board powers in conjunction with the Nigerian Maritime Administration and Safety Agency (NIMASA), to enforce compliance with relevant Sections of Coastal and Inland Shipping, (Cabotage) Act in relation to matters pertaining to Nigerian Content Development.
- 1.3 Pursuant to the foregoing, vessels built in Nigeria or vessels owned by Nigerian entities shall be given first consideration in any tender or spot hire.
- 1.4 A vessel owned by a foreign entity or a foreign built vessel will only be allowed to operate in the Industry after local capacity has been fully exhausted.

Marine Vessel Utilization Scheme

- 1.5 A strategy has been designed to deliver on the intent of the Act and targets set by the Board to place at least sixty percent (60%) of marine assets in the hands of Nigerians by 2018.
- 1.6 The strategy is encapsulated in the NCDMB Marine Vessel Utilization Scheme which seeks to:
- a. encourage construction of vessels in Nigerian yards;
 - b. promote ownership of marine vessels by Nigerian entities;
 - c. stimulate flagging & registration of vessels in Nigeria; and
 - d. deepen Nigerian manning of marine vessels.
- 1.7 Under the scheme, Nigerian marine vessel owners and vessels built in Nigeria are prequalified to participate in tenders based on a set of criteria established by the Board, thereby reducing the long period hitherto taken to pre-qualify vendors. This is in line with Government and Industry aspiration to shorten cycle time for contract award in the sector.

2.0 OBJECTIVES

The objectives of these Guidelines are to:

- 2.1 Disseminate the information about the targets set by the Board for placing at least 60% of Marine assets in the hands of Nigerians by 2015;
- 2.2 Sensitize the Strategies developed by the Board for the achievement of the said targets which are encapsulated in the NCDMB Marine Vessel Utilization Scheme; and
- 2.3 Inform the Industry Stakeholders about the procedure for the categorization of marine vessels; as well as the benefits/ advantages of the Utilization Scheme to all concerned.

3.0 METHODOLOGY

- 3.1 A key component of the Marine Vessel Utilization Scheme is the Categorization of marine vessel providers (vendors) according to ownership status and where a vessel is built.
- 3.2 A three- stage process has been designed to receive and evaluate vessel records submitted to the Board; determine ownership profile of marine vessels, identify vessels constructed in Nigerian yards and evaluate Nigerians with genuine commitments to own marine vessels. The process also pre-qualifies and classifies marine vendors on the basis of which they will be engaged by industry.
- 3.3 Ultimately, vessels built in Nigeria and Nigerian companies that own vessels or have taken concrete steps to own vessels are well positioned to be given first consideration in award of marine vessel contracts by the Industry. In this way, Nigerian companies that do not currently own vessels will be encouraged to take concrete steps to own vessels or build new vessels in Nigeria, knowing that such investments translate to fair and first consideration for marine vessel work in the Oil and Gas Industry.



4.0 CATEGORIZATION FRAMEWORK

4.1 Categorization of marine vessels is based on NCDMB's classification of marine vessels used for oil and gas operations, as depicted in the table below.

Vessel Category Legend	Typical Vessel Types
CATEGORY 1 (Non Dynamically Positioned- DP)	CREW BOAT (CWB), SECURITY VESSEL (SCV), DIVING SUPPORT VESSELS (DSV), FAST SUPPLY INTERVENTION VESSEL (FSIV), SUPPLY VESSELS (SPV), MOORING LAUNCH VESSELS (MLV), SHALLOW DRAFT VESSELS (SDV),
CATEGORY 2 (DP)	ACCOMMODATION VESSEL (ACCV), PLATFORM SUPPLY VESSEL (PSV), ANCHOR HANDLING TUG VESSEL (AHTV), TUG BOAT (TUGB), MULTI- PURPOSE VESSEL (MTPV), PIPE LAY BARGES (PLB)
CATEGORY 3 (short term vessels)	INSTALLATION BARGES (INSV), JACKUP BARGES (JUB), LIFT BOATS (LFB), SEISMIC ACQUISITION VESSELS (SAV),

Category 1 vessels are essentially non-DP of these types of vessels. Where these types are DP enabled, they fall into Category 2.

There are 5 categories of marine vessel providers as depicted in the table below. The three (3) Key drivers for categorization are ownership of vessel by a Nigerian entity, construction of vessel in Nigeria and Nigerian manning of vessel.

Service Company Categorization Legend	Description	Sub-Description	
CLASS AAA	Classification for Nigerian built vessel and flagged vessel		

CATEGORY A	<p>Nigerian company having marine asset ownership status as defined in vessel ownership requirement criteria i.e. vessel documents bear the name of the Nigerian company, evidence of bill of sales, evidence of NIMASA certificate of registration etc.</p> <p>Vessels built, delivered and flagged in Nigeria and operated by Nigerians</p> <p>Class AAA vessels and Category A (AA and A) vendors are prequalified and shall be accorded first consideration in tenders.</p>	AA	Evidence of ownership of category 2 (DP) and/or category 3 vessels
		A	Evidence of ownership of category 1 (Non DP) vessels
CATEGORY B	<p>Nigerian company that is into long term bare boat lease of foreign owned vessel wherein the Nigerian company provides the manning for the leased vessel.</p> <p>Basis of Categorization include financial, insurance and legal services requirements, evidence of lease to own agreement, manning declaration etc.</p> <p>Category BB and B respectively shall be accorded next consideration in event that there are no Category A (AA and A) vendors.</p>	BB	Nigerian lessee with plan to own Vessel
		B	Nigerian lessee without plan to own vessel but have a subsisting affiliation with foreign vessel owners for bare boat charter
CATEGORY C	New Entrants with evidence of plan to build a vessel and/or short term lessee of foreign-owned vessels	Not applicable, (N/A)	

CATEGORY D	A foreign company operating in Nigeria with wholly owned foreign vessels and no lease arrangement with any Nigerian entity	Where vessels of the company are built and flagged in Nigeria the vessels are classified as AAA.
CATEGORY E	This category is for Nigerian/ Foreign	Incomplete/ No documentation



Service Company Categorization Legend	Description	Sub-Description
	Company that have not submitted adequate documentation to enable the Board place the company in the appropriate category	

5.0 Evaluation Criteria

5.1 The basis for categorization of marine vendors is the extent of their compliance with the under listed requirements to the satisfaction of the Board.

S/N	Requirement	Documents to be uploaded	Y E S	N O	SCORE	VESSEL
1	Corporate Status of the vessel owner	Nigerian or foreign (Forms CAC 2- Statement of Share Capital and Return of Allotment) and CAC7 – Particulars of Persons who are directors of the Company				
2	Place of manufacture/ build of vessel or components of vessel	<ul style="list-style-type: none"> • Builders Certificate • Nigerian flagged 				
3	Vessel ownership Records	<ul style="list-style-type: none"> • Bill of sales • Purchase receipt • Lloyds registration • Deed of ownership • Condition survey certificate • Vessel photograph • NIMASA vessel registration certificate 				

4	Financial services	Letter from Nigerian Bank confirming the following: <ul style="list-style-type: none"> • Company receivables from marine vessel transactions are deposited in the bank • Loan for vessels acquisition was raised by or through the bank 			
5	Custom duty Payment	<ul style="list-style-type: none"> • Customs assessment report • Customs duty receipt 			
6	Insurance Providers	Letter from Nigerian insurance company confirming placement of insurance cover and payment of premium			
7	Legal services	Letter from Nigerian legal firm confirming that they handle all legal transactions			
8	Maintenance History	Record of Vessel maintenance in Nigeria in the last one year			
9	Manning declaration	Manpower profile by job categories			
Total score (100%)					

6.0 REPORTING:

6.1 The final report describes the type of vessel owned by a vendor and category of the vendor. This Categorisation pre-qualifies the vendor to proceed into the technical evaluation stage of the contracting process. A typical sample report is shown below.

S/n	NAME S OF COMP ANY / VESSE L	CAT 3	CATEGORY 2						CATEGORY 1						VESSEL CLASS (NIGERIAN BUILT)	DP STATUS	COMPANY CATEGORIZAT ION	REMARK	
			ACC V	PLB	AHT V	PSV	TUGB	MTPV	OTHE R	FS IV	CW B	SP V	SC V	MLV					SD V
1.	Compa MV A																A		
									X										
2.	Compa MV B																DP1	A	
3.	Compa ny 3 MV C																	D	Foreign owned, Nigerian Built

- Company 1 owns category 1 FSIV and is therefore a category A (A) company
- Company 2 owns Category PSV DP1 Enabled and is therefore a category AA company
- Company 3 is foreign owned and operates a Nigerian Built vessel and is therefore category D but with AAA classified vessel

7.0 Marine Vessel Tender Guidelines

- 7.1 All vendors in category A and AA are prequalified to proceed to the technical stage of the contracting process and shall be given first consideration by Operators and stakeholders in all tenders for all types of vessels
- 7.2 Note: Category A and AA vendors are also prequalified to provide vessels that are not in their current fleet.
- 7.3 All vessels classified as AAA are prequalified to proceed to the technical stage of the contracting process and shall be given first consideration by Operators and stakeholders in all tenders provided the AAA classified (Nigerian Built) vessel meets the specification of the vessel requirement in the tender.
- 7.4 In the event that no Category A (i.e. AA and A) vendors or AAA classified vessels submit bids for a particular tender, operators shall give next consideration to Category B (i.e. BB and B) vendors.

- 7.5 Categories C, D and E vendors are not pre-qualified to participate in tenders for any type of vessel.
- 7.6 At technical stage, where a prequalified vendor does not have a vessel with the required specification in the tender, the vendor must show evidence of plans towards ownership of the vessel presented for the tender or manufacture of the vessel in Nigeria such as:
- a. Memorandum of Agreement (MOA) between bidder and vessel seller/ shipyard
 - b. Letter of offer between vessel owner/ builder and vendor
 - c. Contractual commitment to build vessel with a shipyard
 - d. Evidence of availability of finance to acquire the vessel from a Nigerian financial institution
 - e. Evidence of at least 10% deposit on the vessel invoice etc.
- 7.7 These requirements must be presented during the technical stage for evaluation by NCDMB as pre- condition to progress to commercial stage.

8.0 ADVANTAGES

- 8.1 The NCDMB report on categorization of marine vessels' providers will be published quarterly.
- 8.2 The Marine Vessels Categorization Scheme provides the opportunity for service providers/ vendor to attain higher categorization upon progression in ownership plan.

9.0 ENFORCEMENT AND CONSEQUENCES OF NON-COMPLIANCE

- 9.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.
- 9.2 In particular, any operator or stakeholder who provides or uploads any information or material that is found false or misleading in any material particular or who fails to comply with the procedure and/prescriptions specified herein shall be deemed to be in default of the provisions of these Guidelines.
- 9.3 The Board shall first duly notify the operator or other Stakeholder concerned of the identified default(s); and specify the step, action and/or remediation required to correct the non-compliance. The necessary timeframe within which compliance must be achieved to the satisfaction of the Board shall also be specified.

- 9.4 Where the Stakeholder fails to meet the directions given, the Board shall apply appropriate sanction and in addition the defaulter shall be dropped from the bid process in order to enforce compliance with the Act.
- 9.5 Also, Service providers/ vendors who fail to maintain their current ownership profile on the NOGIC JQS or who fail to fulfil their commitments to acquire a vessel would be downgraded to a lower category.





4.11 NIGERIAN CONTENT COMPLIANCE CERTIFICATE (NCCC)

Pursuant to Sections 17- 27 of the Act

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DEFINITIONS

RESPONSIBILITIES

PROCEDURE

ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

1. INTRODUCTION

- 1.1 The Nigerian Oil and Gas Industry Content Development Act 2010, “the Act” provides for the development of Nigerian Content in the Nigerian Oil and Gas Industry, “the Industry”. The Act also makes provision, among others, for Nigerian Content Plan, as well as the supervision, coordination and implementation of Nigerian content.
- 1.2 The rationale behind this legislation is to use Nigerian Content as an economic engine for national growth by promoting the development of local oil and gas capability, thereby providing a better linkage of the Oil and Gas Industry to other sectors of the Nigerian economy.
- 1.3 The Nigerian Content concept seeks to achieve strategic value-creation in the Nigerian economy, through the systematic development of capacity and capabilities with a mandatory maximum utilization of Nigerian human, and material resources as well as services, in every project, operation, activity or transaction within the Industry.
- 1.4 The Act creates the Nigerian Content Development and Monitoring Board “the **Board**” with a mandate to
 - ❖ monitor the implementation of set Nigerian Content targets;
 - ❖ develop interventions to ensure that targets are met ; and
 - ❖ ensure that Government directives covering the local supplier services industry are achieved.
- 1.5 Sections 17 to 27 of the Act make specific provisions governing the
 - ❖ bid process;
 - ❖ execution; and
 - ❖ managementof projects, contracts, subcontracts and purchase orders estimated by the operator to be in excess of USD 1 million Dollars.
- 1.6 The Act provides that the procedures, processes and conditions stipulated in these provisions shall be strictly adhered to by all operators, projects promoters, alliance partners and other entities who wish to participate in projects of the size referred to in the said sections before obtaining the approval of the Board for their execution.
- 1.7 In line with the provisions of Section 17 of the Act, and subject to satisfying the requirements stipulated in Sections 17-22 to the satisfaction of the Board, an operator who does not comply with the provisions of these Guidelines shall not be issued with a Nigerian Content Compliance Certificate “NCCC” which is a pre-requisite and condition precedent for the execution of such projects under the Act.

OBJECTIVES

2. The objectives of these Guidelines are to:-
 - a. set down the requirements, conditions and processes that must be fulfilled before the Board issues the NCCC for the commencement of projects in excess of One million US dollars, (USD 1m) ; as well as
 - b. provide guidance for the use of operators, contractors, subcontractors, alliance partners and other stakeholders involved in projects of this size in the Industry on how to obtain the NCCC.

3. APPLICABILITY

- 3.1 The Guidelines apply to Operators, contractors, project promoters, alliance partners and other stakeholders in the Industry.

4. MODALITY/ RESPONSIBILITIES

4.1 Operator/ Stakeholder

4.1.1 30 days prior to the first day of each quarter, an operator or other relevant stakeholder shall submit to the Board a list of all contracts, subcontracts and purchase orders exceeding USD 1 Million, 'List' which will be bided or executed in the upcoming quarter.

4.1.2 For each contract, subcontract and purchase order, the Stakeholder shall submit with the List, the following information, namely:

- a. a description of the service or item to be contracted or purchased (material and equipment specifications shall be provided upon request);
- b. estimated value of contract, subcontract or purchase order;
- c. the Invitation to Tender (ITT) issuance date, ITT closure date and award date; and
- d. any other information requested by the Board for the purposes of implementing the provisions of the Act.

4.1.3 For each said project, the Stakeholder shall apply for the NCCC using the template prescribed for the same, if any, by the Board.

4.1.4 Materials to be submitted in support of the application for the NCCC shall include the following:

- a. The name of the selected contractor or vendor;
- b. A list of designated sub-contractors or sub-vendors;
- c. Where applicable, a list of proposed sub-suppliers;
- d. For construction or service contracts, the estimated Nigerian employment (in person

hours)

- e. Contract or purchase order commencement and completion dates;
- f. Award Notification Form signed by an appropriate official of the Operator; and
- g. Statement of Award Rationale (evaluation of bids) showing the following; namely:
 - i. percentage difference in price between selected bidder and each bid;
 - ii. a primary location of work associated with each bidder;
 - iii. estimates of Nigerian Content associated with the bid of each bidder calculated in accordance with the definition of Nigerian Content as provided by the Board; and
 - iv. other information relevant to the evaluation of bidders including where applicable, a summary of the technical, commercial and Nigerian Content aspects of the bid evaluations.

4.1.5 The above documents/materials are to be submitted with a Recommendation to Award; **‘RTA.’**

4.1.6 Every material submitted shall contain sufficient information that will enable the Board to effectively assess the project.

4.1.7 The Stakeholder shall submit such other information as may be required by the Board for its assessment.

4.2 The Board

4.2.1 The Board shall endorse the NCCC after notification from the Operator as well as verification that:

- a. The recommended contractor had complied with every Nigerian Content requirement during the Commercial Evaluation;
- b. The basis of Nigerian Content assessment for the contract award is consistent with the Nigerian Content commitment of the contractor at the technical and commercial phases of tendering;

5. SUMMARY of the PROCEDURE for Issuance of NCCC

5.1 The operator submits an application; namely, a Draft NCCC to the Board requesting for the issuance of the NCCC;

5.2 The Draft NCCC is accompanied by the Operator’s RTA;

5.3 The Draft NCCC and RTA are reviewed by the Board against the NCDMB Commercial Report as well as the Nigerian Content requirements;

5.4 The Board transmits its comments on the materials submitted to the Operator;

5.5 The Operator incorporates the comments of the Board into the Draft NCCC, as applicable;

5.6 The Operator transmits the revised NCCC, signed by the Chief Executive of the Operator, to the NCDMB; and

5.7 Where satisfied that the NC requirements have been fully met, the Board endorses the NCCC for the

use of the Operator.

6. ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

- 6.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.
- 6.2 In particular, any operator or stakeholder who fails to adhere or comply with the procedure set down herein or who fails, refuses or delays in complying with any directive of the Board as regards the issuance of the NCCC, or who gives inadequate, false or misleading information in its application for the NCCC shall be deemed to be in default of the Guideline.
- 6.3 The Board shall first duly notify the Operator or other stakeholder concerned of the identified default(s); and specify the step, action and/or remediation required to correct the non-compliance. The necessary timeframe within which compliance must be achieved to the satisfaction of the Board shall also be specified.
- 6.4 Where the Operator or other Stakeholder fails to heed or comply with the directions given to it, the Board shall in its discretion, impose the sanction deemed applicable in the circumstances in order to enforce compliance with the Guideline and the Act. This may include a withdrawal/cancellation of the NCCC issued.



Nigerian Content Development and Monitoring Board

NAME OF COMPANY:

REGISTERED ADDRESS:

PERIOD OF SUBMISSION:

PROJECT TITLE / No.:

CLIENT:

PROJECT START DATE :

PROJECT END DATE :

Personnel	As at Dec 2015	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	AVERAGE 2016	TOTAL AVERAGE
Expatriates															
Permanent Personnel															
Contract Personnel															
Sub Total (Expatriates)															
Nigerians															
Permanent Personnel															
Contract Personnel															
Sub Total (Nigerians)															
Permanent Personnel															
Contract Personnel															
Total Personnel															
Personnel (Other) NCDMB / LCC															

Man-hours	As at Dec 2015	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	TOTAL - 2015	TOTAL PROJECT
Permanent Personnel															
Contract Personnel															
S/Total Expatriates															
Permanent Personnel															
Contract Personnel															
Personnel (Others)															
S/Total Nigerians															
Permanent Personnel															
Contract Personnel															
Total Man-hours															

Man-hours - Spend	As at Dec 2015	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	TOTAL - 2015	TOTAL PROJECT
Permanent Personnel															
Contract Personnel															
S/Total Expatriates															
Permanent Personnel															
Contract Personnel															
Personnel (Others)															
S/Total Nigerians															
Permanent Personnel															
Contract Personnel															
Total Man-hour Spend															



Nigerian Content Development and Monitoring Board

Total manhours spend																
% SUMMARY																
Description	Jan-00	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	AVERAGE 2015	AVERAGE TOTAL PROJECT	
Expatriates																
Nigerian																
Total Manpower																
Expatriates																
Nigerian																
Total Man-hours																





4.12 NIGERIAN CONTENT PLAN

Pursuant to Sections 7, 8, 9, 10, 12 and 13 of the Act

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PROCEDURE

CORPORATE SOCIAL RESPONSIBILITY (CSR)

OTHER NIGERIAN CONTENT DEVELOPMENT INITIATIVE

ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

1. INTRODUCTION

1.1 The NOGICD Act provides for adequate utilization of in-country resources, Capacity and Capability, through a specified Nigerian Content Plan, 'NCP', that leads to utilization of Nigerian goods, services, equipment and labor in the Oil and Gas Industry.

1.2 Section 7 of the Act provides that:

"In bidding for any license, permit or interest and before carrying out any project in the Nigerian Oil and Gas industry, an Operator shall submit a Nigerian Content Plan ("the Plan") to the Board demonstrating compliance with the Nigerian content requirements of the Act"

2. OBJECTIVES

2.1 The objectives of these Guidelines are to provide:

- a. guidance for the preparation of the Nigerian Content Plan, in order to ensure that first consideration is given to Nigerian human, material, equipment and services in the operations and execution of all projects in the Industry; and
- b. the list of items required to be detailed in a standard Nigerian Content Plan.

3. SCOPE of THE NIGERIAN CONTENT PLAN

3.1 The aim of a Nigerian Content Plan is to ensure that all available resources in-country are exhausted before engaging similar resources and facility from outside of Nigeria.

3.2 The scope of these Guidelines therefore covers:

- a. Equity ownership;
- b. Location of facility in-country;
- c. Location of the Project Management and Procurement Decision Centre in the area of their operation;
- d. Personnel Information;
- e. Equipment ownership;
- f. Capacity and Capability Development;
- g. Personnel training and technology transfer;
- h. List of subcontractors and the services they will be providing;
- i. Community Social Responsibility; and
- j. Other Nigerian Content Development innovation.

4. RESPONSIBILITIES

4.1 Submission of Plan

- a. The IOCs, NOC, Independent Operators, and Project Promoters shall be responsible for submission of Draft NC Plan to the Board.
- b. The Contractors/Subcontractors shall be responsible for submission of Draft NC Plan to the IOC

4.2 Evaluation and Approval

The Board shall be responsible for the evaluation and approval of the Nigerian Content Plan.

5. PROCEDURE

5.1 EQUITY OWNERSHIP

- 5.1.1 Every Nigerian Content Plan submitted shall detail with documentary evidence, the equity ownership of the entity submitting the NC Plan.
- 5.1.2 Documentary evidence required shall include certified true copies of the Company's Certificate of Incorporation; Form CAC 2 and CAC 7. The certificate and forms submitted shall be readable and not defaced.
- 5.1.3 If there has been change of ownership of the entity, documentary evidence shall be provided to confirm such changes, as well provide details of the changes including amount of shares that has been transferred between the parties.

5.2 LOCATION OF FACILITY IN-COUNTRY.

- 5.2.1 Every Nigerian Content Plan submitted shall detail location of all facilities owned by the entity submitting the NC Plan. The list of facilities shall include; Office(s), Workshop(s), Fabrication Yards, Jetties, Laboratories, Warehouses, Testing facilities etc, as applicable.
- 5.2.2 The sizes and capacity of the facilities shall be detailed as dictated by the features of the contract, as well as the purpose for the submission of the NC plan.
- 5.2.3. If several contracting entities are involved in the contract and more than one location shall be involved in the execution of the contract, details of all facilities that will be involved in the execution of the contract shall be provided.

5.3 PROJECT MANAGEMENT AND PROCUREMENT CENTRE LOCATION

- 5.3.1 The location of the Project Management and Procurement Decision Center of the entity submitting the NC Plan shall be detailed in the Nigerian Content Plan.
- 5.3.2 For the NC Plan to be acceptable, the Project Management Centre and Procurement Decision Centre shall be located in Nigeria. Either for Companies or Projects, location of Management centre and Procurement centre out of Nigeria shall not be acceptable.

5.4 PERSONNEL INFORMATION.

5.4.1 The Nigerian Content Plan shall provide details on the personnel employed by the entity submitting the NC Plan.

5.4.2 The personnel information shall follow the format shown in the table below.

S/No	NAME	NATIONALITY	POSITION	CADRE	NO. OF YEARS IN ORG.	REMARKS

5.4.3 The Organogram for the company as well as project specific organogram shall be submitted detailing names and positions held by individuals in the organization as well as the project organogram.

5.4.4 Curriculum Vitae of key personnel in the organization and for the project shall be submitted with the Nigerian Content plan.

5.4.5 In cases where expatriate personnel are involved in the operations of an operator or contracting company, a minimum of two appropriately qualified understudying Nigerians shall be indicated in the list of personnel, specifying the period of understudy.

5.4.6 The List of subcontractor personnel shall also be included in the NC Plan.

5.5 EQUIPMENT OWNERSHIP.

5.5.1 The Nigerian Content Plan shall provide a detailed comprehensive list of all the equipment owned/leased by the entity submitting the NC Plan.

5.5.2 The Act is explicit on the ownership of equipment to be deployed for operation of a company or execution of a contract in Nigeria.

5.5.3. The entity submitting the NC plan must provide evidence of ownership of at least fifty percent (50%) share of the equipment to be used in the project and not fifty percent (50%) of all the equipment owned by the entity.

5.5.4 In the case of marine equipment like Vessels, Rigs, Dredgers, Lay barge, House boat, Tugboats et cetera, the relevant documentary evidence of purchase shall be provided as well as proof of payment of necessary Custom duties for all equipment listed.

5.5.5 All evidence of relevant Nigerian Maritime Administration and Safety Agency (NIMASA) documentation and registration shall be included for all marine equipment.

5.5.6 Details of the representative of the Original Equipment Manufacturer (OEM) shall be provided in the submission.

5.6 CAPACITY AND CAPABILITY DEVELOPMENT

5.6.1 The Nigerian Content Plan to be submitted shall detail capacity and capability available in the establishment of the entity submitting the NC Plan.

5.6.2 The details shall include information on human, facility (capacity & capability), equipment (capacity), software, hardware and other resources available

5.6.3 Adequate plans for capacity and capability development shall be included in the NC Plan depending on the duration of the project.

5.6.4 Where capacity and capability gaps exist, such gap shall be detailed and plan to close such gap with timeline shall be provided.

5.6.5 Documentary evidence of plans to close existing capacity and capability gaps shall be provided for verification by the Board.

5.6.6 In the case of NC Plan submitted for a project, the timelines for gaps' closure plan shall be tied to the project schedule where practicable.

5.7 PERSONNEL TRAINING AND TECHNOLOGY TRANSFER.

5.7.1 Personnel Training

a. Personnel training and technological transfer are important factors of the Nigerian Content Plan.

b. Accordingly, the NC plan shall provide details of the corporate training policy of the entity submitting the NC Plan.

c. A training plan with personnel training matrix for all staff of the organization shall be submitted. The training matrix shall show: *Name of personnel, Personnel Category, Personnel status, Course Title, Training Provider, Duration of Training, Certificate & Award, as well as Remarks (Detailing competence to be gained).*

5.7.2 The training plan shall also detail where applicable, programme for understudying personnel. Such understudying plan shall detail the following: *Position Understudied, Name of current holder of the position, Name of personnel understudying the holder of the position, Duration for understudying, Assessment programme, Remarks.*

5.7.3 There shall also be provision for training of Nigerians as distinct from Company personnel. Ten percent (10%) of project man-hours shall be allocated for training Nigerians as provided in the Human Capital Development Guideline developed and published by the Board.

5.7.4 Safety training is a standard requirement and obligation to be provided to personnel by their employer. Accordingly, safety training shall not be treated as one of the statutory training and developmental plans covered by these Guidelines.

5.7.5 Technology transfer:

The Nigerian Content Plan shall detail programme for Technology transfer for the next three (3) years minimum, where applicable.

5.7.6 The technology transfer programme shall include the following:

- a. Technology to be transferred;
- b. Owner of the technology;
- c. Source country;
- d. Beneficiary department in the Organization;
- e. Cost of technology transfer;
- f. Capacity gap to be covered; and
- g. .Remarks.

5.8 SUBCONTRACTS.

5.8.1 The Nigerian Content Plan shall detail every contract and subcontract that will emanate from the operations and/or contracts of the entity submitting the NC Plan.

5.8.2 At all times, preference shall be given to Nigerian contractors/subcontractors for procurement of services, equipment and materials for use in the Nigerian Oil and Gas Industry.

5.8.3 Full information about the scope, details, the respective obligations of every party involved in all contracts connected with the project for which a Plan is being submitted; including the detailed timelines shall be provided in the Plan.

5.8.4 In the case of subcontracting, a Binding Memorandum of Agreement (BMOA) shall be executed between the parties involved, and submitted with the Plan.

5.8.5 The BMOA shall contain the following provisions, namely : the title of the Agreement; Date the agreement is signed; the parties involved; effective date; scope; tenor; the conflict resolution mechanism (which shall be by Alternative Dispute Resolution (ADR) processes); the Governing Law of the BMOA as well as Governing Law of the ADR process which shall both be the law of the Federal Republic of Nigeria and which shall be specifically so stated in the BMOA, as well as any other relevant information that has not been specified herein.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

6.1 All programmes and activities which are relevant to the development of Nigerian Content and which the entity submitting the Nigerian Content Plan had previously engaged in as its Corporate Social Responsibility project shall be detailed in the Plan, with evidential proof of such activities.

6.2 The Value creation achieved through such activities, which should be substantial, shall be outlined in the Plan.

- 6.3 Every operator and other stakeholders shall submit in its NC Plan, the details, scope, as well as timeframe for any other Nigerian Content Development initiative which the entity wishes to pursue and/or execute for the consideration and input of the Board before embarking on its execution.
- 6.4 The list of activities involved, and the value to be added to Nigerian economy through the execution of such initiative shall be specifically stated in the Plan.

7. Enforcement and Consequences of Non-Compliance

7.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.

7.2 In particular, any operator or stakeholder who fails to adhere or comply with the procedure set forth in these Guidelines for the preparation of its Nigerian Content Plan, or who fails, refuses or delays in the preparation of its NC Plan, or gives inadequate, false or misleading information in its NC Plan shall be deemed to be in default of provisions of these Guidelines.

7.3 The Board shall first duly notify the operator or other Stakeholder concerned of the identified default(s); and specify the step, action and/or remediation required to correct the non-compliance. The necessary timeframe within which compliance must be achieved to the satisfaction of the Board shall also be specified.

7.4 Where the operator or other Stakeholder fails to heed or comply with the directions given to it, the Board shall in its discretion, impose the sanction deemed applicable in the circumstances in order to enforce compliance with the Act.

PROJECTS PRESENTATION

List of Projects/Contracts to be Presented



SERVICES CONTRACTS PRESENTATION:

(Well & Drilling, Catering, Maintenance, Engineering,
Marine Operations, IT, etc)

***Note:** Presentation on each Services Contract shall follow the format highlighted in the following slides 9-21

PROJECT/CONTRACT TITLE:- GENERAL OVERVIEW

CONTRACTOR NAME, LOCATION AND ADDRESS	
Company Equity (%Nigerian vs %Foreign)	
Project/Contract Award Date	
Project/Contract Start Date	
Project/Contract Completion Date	
Applicable NC Approval date (Pre-NOGICD ACT or Post-NOGICD ACT)	
Total Project/Contract Cost	
Total Project NC Cost	

GENERAL OVERVIEW CONT'D

Total Project Spend to date	
NC Spend to date	
Description of Project Scope	
Description of Project NC Scope	
Project Scope Completed to date	
NC Project Scope Completed to date	
NCDF 1% Remittance & Date:	

PROJECT/CONTRACT ORGANOGRAM

**** Insert Project Organogram (Operator/Client & Contractor) showing distribution of Expatriates and Nigerians at all levels (Management & Non-Management)****

EXPATRIATE QUOTA APPROVALS

**** Insert Evidence of Expatriate Quota Approvals for Company and Sub-contractor Expatriates****

CONTRACT ACTIVITIES BREAKDOWN

Main Scope of Work	Relative Weight on the project	PLAN			ACTUAL			
		Contract Value	NC Value	NC%	Contract Value Expended	Project Progress	NC Contract Value Expended	Total NC %
	%	US\$	US\$	%	US\$	%	US\$	US\$
Project Management	22.7%	13,000,000.00	7,000,000.00	53.8	6,500,000.00	50%	2,200,000.00	33.8
Mobilization								
Engineering								
Load Out/ Transportation								
Installation								
Procurement								
Commissioning								
*include activities as may be applicable								

**Note: present status according to the main/critical items, proportion to overall project physical progress*

Nigerian Content Compliance Certificate (NCCC)

*each activity shall be reported as per the approved NCCC

S/N	Description of Activity	NC Values (\$ or N)	Comment/Description	NC values spent by previous reporting cycle	NC Values spent for period under review	NC values spent to date (\$ or N)	NC Scope Achieved to Date (%)
	(As stated on NCCC)	(As stated on NCCC)					
1	Engineering						
2	Procurement						
3	Materials						
4	OCTG/Pipes						
5	Fabrication						
6	Equipment/Tools/Vessels						
7	Construction						
8	Installation						
9	Personnel						
10	Others (specify)						
11	Others (specify)						
12	Others (specify)						
	TOTAL SUM:						

PERSONNEL

NC Performance

- Personnel Man-Hours Performance

Planned Contract Man-Hours	Planned NC Man-Hours	Total Contract MH Utilized to Date	Total Contract NC MH Utilized to Date	NC Performance (%)

- Personnel Expenditure Performance:

Budgeted Personnel Cost (USD)	Budgeted Personnel NC Cost (USD)	Total Spend to Date on Personnel	Total Spend to Date on NC Personnel	NC Performance (%)

EQUIPMENT DEPLOYED

NC Performance

- Equipment Details

Equipment Name	Type/Spec	% Nigerian Equity	% Foreign Equity

- Equipment Expenditure

Budgeted Cost (USD)	Budgeted NC Cost (USD)	Total Spend to Date	Total Spend to Date	NC Performance (%)

PROCUREMENT

Procurement Spend Performance

Total Procurement Project Cost	Total Procurement NC Cost	Total Project Spend to date	NC Spend to date

AUXILIARY/SUPPORT SERVICES

Types of Service	Sub-Contractor	Total Spend	NC Spend

NC TRAINING

Performance

- Total number of trainees:
- Approved NC Training Budget Cost:

Training Man-Hours Performance

Planned Training MH	Training MH Performed	Performance (%)

Training Type/Activity	No. of Trainees	Training Company	Training Location	Cost (USD)	Start Date	End Date

EMPLOYMENT

* to be completed by company/subcontractor

	TOTAL EMPLOYEES AS AT PROJECT INCEPTION						PEAK EMPLOYMENT ATTAINED ON THE PROJECT						CURRENT TOTAL EMPLOYEES					
	Foreign			Nigerian			Foreign			Nigerian			Foreign			Nigerian		
	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O
Company Personnel:																		
Contractor Personnel																		
Total																		
	KEY: P = Permanent Employees C = Contract Employees O = Others (exchange , growth program etc)																	

ADDITIONAL INFORMATION



TITLE PAGE - SERVICES CONTRACTS PRESENTATION



OUTLINE OF PRESENTATION

1. **Company** Expatriate Quota Approvals
2. **Company** Employment
3. **Company** NCD Department Activities
4. List of projects/contracts to be presented
5. Services Contracts Presentation Templates (*Slides 9 – 21 to be repeated for each services contract*)

EXPATRIATE QUOTA APPROVALS

** Insert Evidence of Expatriate Quota Approvals
for **Company** Expatriates **

COMPANY EMPLOYMENT*

to be completed by Company

	TOTAL EMPLOYEES AS AT BEGINNING OF YEAR (JANUARY)						PEAK EMPLOYMENT ATTAINED						CURRENT TOTAL EMPLOYEES					
	Foreign			Nigerian			Foreign			Nigerian			Foreign			Nigerian		
	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O
	KEY: P = Permanent Employees C = Contract Employees O = Others (exchange , growth program etc)																	



Company NCD Department Activities

Overview of Activities

Type of Activity	NCD Department Action	Status

PROJECTS PRESENTATION

List of Projects/Contracts to be Presented



SERVICES CONTRACTS PRESENTATION:

(Well & Drilling, Catering, Maintenance, Engineering,
Marine Operations, IT, etc)

***Note:** Presentation on each Services Contract shall follow the format highlighted in the following slides 9-21

PROJECT/CONTRACT TITLE:- GENERAL OVERVIEW

Description of Contract	
Client	
Contract Award Date	
Contract Start Date	
Contract Completion Date	
Applicable NC Approval date (Pre-NOGICD ACT or Post-NOGICD ACT)	

GENERAL OVERVIEW CONT'D

Total Contract Value (USD/Naira)	
Total Contract NC Value (USD/Naira)	
Total Contract Spend to date (USD/Naira)	
Total NC Spend to date (USD/Naira)	
NCDF 1% Remittance & Date:	

PROJECT/CONTRACT ORGANOGRAM

** Insert Project Organogram (Operator/Client & Contractor) showing distribution of Expatriates and Nigerians at all levels (Management & Non-Management)**

EXPATRIATE QUOTA APPROVALS

** Insert Evidence of Expatriate Quota Approvals for Company and Sub-contractor Expatriates**

CONTRACT ACTIVITES BREAKDOWN

Main Scope of Work	Relative Weight on the project	PLAN			ACTUAL			
		Contract Value	NC Value	NC%	Contract Value Expended	Project Progress	NC Contract Value Expended	Total NC %
	%	US\$	US\$	%	US\$	%	US\$	US\$
Project Management	22.7%	13,000,000.00	7,000,000.00	53.8	6,500,000.00	50%	2,200,000.00	33.8
Mobilization								
Engineering								
Load Out/ Transportation								
Installation								
Procurement								
Commissioning								
*include activities as may be applicable								

**Note: present status according to the main/critical items, proportion to overall project physical progress*

Nigerian Content Compliance Certificate (NCCC)

*each activity shall be reported as per the approved NCCC

S/N	Description of Activity	NC Values (\$ or N)	Comment/Description	NC values spent by previous reporting cycle	NC Values spent for period under review	NC values spent to date (\$ or N)	NC Scope Achieved to Date (%)
	(As stated on NCCC)	(As stated on NCCC)					
1	Engineering						
2	Procurement						
3	Materials						
4	OCTG/Pipes						
5	Fabrication						
6	Equipment/Tools/Vessels						
7	Construction						
8	Installation						
9	Personnel						
10	Others (specify)						
11	Others (specify)						
12	Others (specify)						
	TOTAL SUM:						

PERSONNEL

NC Performance

- Personnel Man-Hours Performance

Planned Contract Man-Hours	Planned NC Man-Hours	Total Contract MH Utilized to Date	Total Contract NC MH Utilized to Date	NC Performance (%)

- Personnel Expenditure Performance:

Budgeted Personnel Cost (USD)	Budgeted Personnel NC Cost (USD)	Total Spend to Date on Personnel	Total Spend to Date on NC Personnel	NC Performance (%)

EQUIPMENT DEPLOYED

NC Performance

- Equipment Details

Equipment Name	Type/Spec	% Nigerian Equity	% Foreign Equity

- Equipment Expenditure

Budgeted Cost (USD)	Budgeted NC Cost (USD)	Total Spend to Date	Total Spend to Date	NC Performance (%)

PROCUREMENT

Procurement Spend Performance

Total Procurement Project Cost	Total Procurement NC Cost	Total Project Spend to date	NC Spend to date

AUXILIARY/SUPPORT SERVICES

Types of Service	Sub-Contractor	Total Spend	NC Spend

NC TRAINING

Performance

- Total number of trainees:
- Approved NC Training Budget Cost:

Training Man-Hours Performance

Planned Training MH	Training MH Performed	Performance (%)

Training Type/Activity	No. of Trainees	Training Company	Training Location	Cost (USD)	Start Date	End Date

EMPLOYMENT

* to be completed by company/subcontractor

	TOTAL EMPLOYEES AS AT PROJECT INCEPTION						PEAK EMPLOYMENT ATTAINED ON THE PROJECT						CURRENT TOTAL EMPLOYEES					
	Foreign			Nigerian			Foreign			Nigerian			Foreign			Nigerian		
	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O
Company Personnel:																		
Sub-contractor Personnel																		
Total																		
	KEY: P = Permanent Employees C = Contract Employees O = Others (exchange , growth program etc)																	

ADDITIONAL INFORMATION

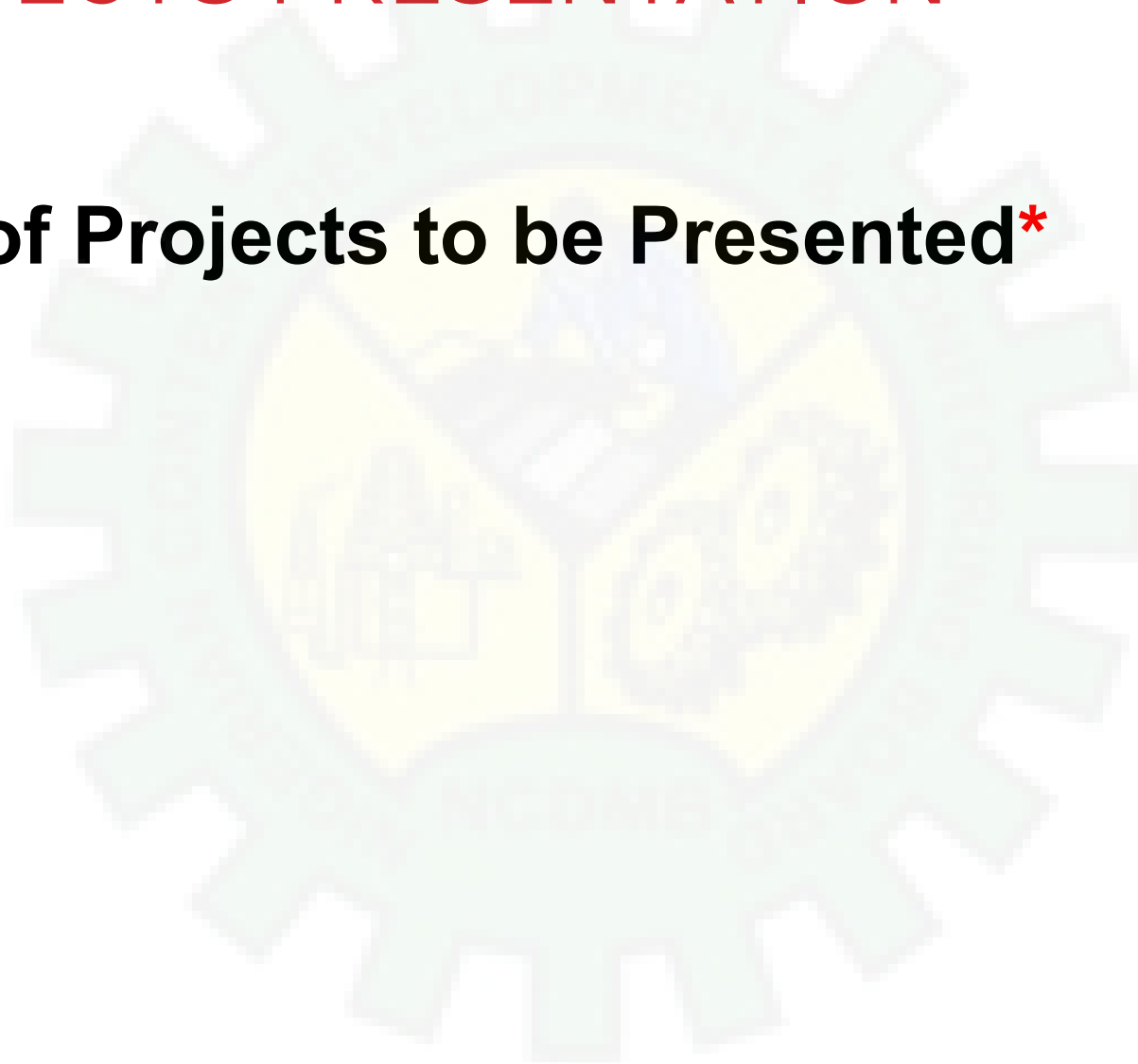


TITLE PAGE



PROJECTS PRESENTATION

List of Projects to be Presented





PRESENTATION

***Note:** Presentation on each Project Package shall follow the format in the following slides (Slides 05 - 20)

PROJECT/CONTRACT TITLE:- GENERAL OVERVIEW

CONTRACTOR NAME, LOCATION AND ADDRESS	
Company Equity (%Nigerian vs %Foreign)	
Project/Contract Award Date	
Project/Contract Start Date	
Project/Contract Completion Date	
Applicable NC Approval date (Pre-NOGICD ACT or Post-NOGICD ACT)	
Total Project/Contract Cost	
Total Project NC Cost	

GENERAL OVERVIEW CONT'D

Total Project Spend to date	
NC Spend to date	
Description of Project Scope	
Description of Project NC Scope	
Project Scope Completed to date	
NC Project Scope Completed to date	
NCDF 1% Remittance & Date:	

PROJECT ACTIVITES BREAKDOWN

Main Scope of Work	Relative Weight on the project	PLAN			ACTUAL			
		Contract Value	NC Value	NC%	Contract Value Expended	Project Progress	NC Contract Value Expended	Total NC %
	%	US\$	US\$	%	US\$	US\$	US\$	US\$
Project Management	22.7%	13000000.00	7,000,000.00	53.8	6500000.00	89%	2,200,000.00	33.8
Engineering								
Fabrication/Construction								
Load Out/ Transportation								
Installation								
Procurement								
Commissioning								
*include all other activities as may be applicable								

***Note:** present status according to the main/critical items, proportion to overall project physical progress

PROJECT/CONTRACT ORGANOGRAM

** Insert Project Organogram (Operator & Contractor) showing distribution of Expatriates and Nigerians at all levels (Management & Non-Management)**

EXPATRIATE QUOTA APPROVALS

** Insert Evidence of Expatriate Quota Approvals for Contractor Expatriates **

Nigerian Content Compliance Certificate (NCCC)

*each activity shall be reported as per the approved NCCC

S/N	Description of Activity	NC Values (\$ or N)	Comment/Description	NC values spent by previous reporting cycle	NC Values spent for period under review	NC values spent to date (\$ or N)	NC Scope Achieved to Date (%)
	(As stated on NCCC)	(As stated on NCCC)					
1	Engineering						
2	Procurement						
3	Materials						
4	OCTG/Pipes						
5	Fabrication						
6	Equipment/Tools/Vessels						
7	Construction						
8	Installation						
9	Personnel						
10	Others (specify)						
11	Others (specify)						
12	Others (specify)						
	TOTAL SUM:						

ENGINEERING

Name of Contractor & Sub-Contractor	Company Equity (% Nigerian vs % Foreign)	Location and Address

Performance

▪ Scope and Performance

Description of Project Scope	Description of NC Scope	Description of NC Achieved to date

▪ Engineering Man-Hours Performance

Total Project Man-Hours	NC Scope Man-Hours	Total Project MH utilized	In-Country MH Utilized		NC Performance (%)
-	-	-	Expatriate MH	Nigerian MH	

▪ Engineering Spend Performance

Total Project Engineering Cost (USD)	Total NC Engineering Cost	Total Project Eng. Spend to date	In-country Spend to date		NC Performance (%)
-	-	-	Expatriate	Nigerian	-

ENGINEERING CONT'D

Performance

- **Total Man-Hours for Project Management**

Total Project Man-Hours	NC Scope Man-Hours	Total Project MH utilized	In-Country MH Utilized		NC Performance (%)
-	-	-	Expatriate MH	Nigerian MH	

FABRICATION AND CONSTRUCTION

Name of Contractor & Sub-Contractor	Company Equity (% Nigerian vs % Foreign)	Location and Address

Performance

▪Scope and Performance

Description of Project Scope	Description of NC Scope	Project Scope achieved to date	NC Scope achieved to date

▪Total man-hours Performance – fabrication/construction

Total Project (Man-Hours)	NC Scope (Man-Hours)	Total Project `MH utilized	NC MH (Nigerian MH utilized)	Location of Fabrication/Construction Yard	NC Performance (%)

FABRICATION AND CONSTRUCTION CONT'D

Total Tonnage Performance – fabrication/construction

Total Project Tonnage	NC Scope Tonnage	Total Project Tonnage Completed	NC Tonnage Completed	Location of Fabrication/Construction Yard	NC Performance (%)

Total Spend Performance – fabrication/construction

Total Project Cost	NC Scope Cost	Total project Spend to date	NC Spend to date	Location of Fabrication/Construction Yard	NC Performance (%)

PROCUREMENT

▪Procurement Spend Performance

Total Procurement Project Cost	Total Procurement NC Cost	Total Project Spend to date	NC Spend to date	Actual NC Spend (items o be sourced in-country)

▪Procurement Man-Hours

Total Project Man-Hours	NC Scope Man-Hours	Total Project MH utilized	In-Country MH Utilized		NC Performance (%)
-	-	-	Expatriate MH	Nigerian MH	

TRAINING

Performance

- Total number of trainees:
- Total Project Man-hours:
- Total Project NC Man-hours:
- Approved Training Budget Cost:

Training Man-Hours Performance

Planned Training MH	Training MH Performed	Performance (%)

Types of Training, Cost and Duration

Training Type/Activity	No. of Trainees	Training Company	Training Location	Cost (USD)	Start Date	End Date

EMPLOYMENT

*
to be completed by contractor

	TOTAL EMPLOYEES AS AT PROJECT INCEPTION						PEAK EMPLOYMENT ATTAINED ON THE PROJECT						CURRENT TOTAL EMPLOYEES					
	Foreign			Nigerian			Foreign			Nigerian			Foreign			Nigerian		
	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O	P	C	O
Contractor Personnel:																		
Operator Personnel																		
Total																		
	KEY: P = Permanent Employees C = Contract Employees O = Others (exchange , growth program etc)																	

ADDITIONAL INFORMATION



Operator Pending Issues with NCDMB

S/N	Title and Date	Brief Description	Current Status



4.13 NIGERIAN OIL AND GAS INDUSTRY CONTENT JOINT QUALIFICATION SYSTEM (NOGIC JQS)

Pursuant to Sections 55 and 56 of the Act

CONTENTS:

INTRODUCTION

REGISTRATION ON NOGIC JQS PLATFORM

PURPOSE and OBJECTIVES

APPLICABILITY

RESPONSIBILITIES

PROCEDURE

ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

1. INTRODUCTION

1.1 Section 55 of the Act mandates the Board to establish, maintain and operate a Joint Qualification System (JQS) hereafter referred to as **NOGIC JQS** in consultation with industry stakeholders which shall constitute an Industry Databank of available capabilities.

1.2 Pursuant to Section 56, the NOGIC JQS shall be used for:

- a. sole System for Nigerian content registration and pre-qualification of contractors in the Industry;
- b. verification of contractors' capacities and capabilities;
- c. evaluation of application of Nigerian Content in the operations of Oil companies and contractors;
- d. database for national skills development pool; and
- e. ranking and categorization of Service Companies based on capabilities and Nigerian Content.

1.3 The NOGICD JQS shall be administered in accordance with these Guidelines; and shall be subject to updating as a result of the following:

- a. changes in policies and activities in the Oil and Gas Industry;
- b. Recommendations approved by the Board from stakeholders on best practices in the Oil and Gas Industry; and
- c. Changes in the usage terms and conditions stipulated by the Board.

1.4 Updates to the usage terms and conditions shall be made available on the NOGIC JQS portal; and appropriate notification of all changes made to the NOGIC JQS will be sent to all users.

2. OBJECTIVE

2.1 The objective of these Guidelines is to prescribe the terms and conditions governing the usage of the NOGIC JQS.

3. APPLICABILITY

3.1 The Guidelines apply to all Operators and Service companies carrying on business in the Nigerian Oil and Gas Industry.

3.2 The NOGIC JQS platform is applicable for the implementation of the following key objectives of the Board as mandated under the Act, namely:

- a. Registration and pre-qualification of Contractors in the Nigerian Oil and Gas Industry;
- b. Marine Vessel Registration and Categorization;
- c. Categorization of marine service vendors;
- d. Nigerian Content Equipment Certificate Application & management;
- e. Expatriate Quota Application and Management;
- f. Tenders' Management; and
- g. Management of HCD and Capacity Building Initiatives in the Industry.

3.3 The NOGIC JQS platform shall be the:

- a. Data bank of Nigerians for talent sourcing in the Industry
- b. information platform on capacities and capabilities In-country
- c. platform for obtaining procurement plan of the Operators
- d. platform for the Conduct of Tendering process for the Industry
- e. platform for Marine Vessel Categorization
- f. registration platform for all Individuals, Service Companies (Contractors), Marginal Field Operators, Operators (International Oil Companies), National Oil Company (NOC), OEM companies in the Nigerian Oil and Gas Industry
- g. Platform for the submission of EQ documents

4. REGISTRATION ON NOGIC JQS PLATFORM

4.1 The NOGIC JQS Portal registration and verification process is an important stage in the pre-qualification and categorization of stakeholders in the Nigerian Oil and Gas Industry. These Guidelines provides the guidance for the usage of the NOGIC JQS platform.

4.2 Definitions

A. USER: A User can be:

- i) An individual;
- ii) An Operator;
- iii) A Service Company;
- iv) National; or
- v.) Marginal Field Operator.

B. REGISTERED USER is a User that has provided the statutory documents to the NOGIC JQS for registration as provided in C below.

C. ACTIVE USER is a registered user that has completed the entire appropriate online questionnaire and, who remains active on the portal by complying with the periodical updates as specified in these Guidelines.

D. VERIFIED USER is a user whose information on the NOGIC JQS Portal has been verified by the Board. Only verified users shall be considered for the following:

- a. Nigerian Content Registration and pre-qualification of contractors in the Industry.
- b. Verification of capacities and capabilities.
- c. Evaluation of application of Nigerian Content in the operations of Oil Companies and Contractors.
- d. Database for national skills development pools.

4.3 Registration is Compulsory:

- a. Registration on the NOGIC JQS Portal is compulsory for all companies carrying on or wishing to carry on businesses in the Nigerian Oil and Gas Industry.
- b. Registration of all categories of company staff on the NOGICJQS is compulsory and where a company has uploaded its staff list, it is mandatory for each staff whose name is on the staff list to log into his individual account and complete the entire appropriate online questionnaire.
- c. Companies whose staffs fail to update their respective individual accounts shall be tagged as inactive.

4.4 Registration Requirements

4.4.1 To register on the NOGIC JQS, a User has to provide the following information:

A. INDIVIDUAL: submission of BIODATA on the NOGIC JQS Portal.

B. OPERATOR, NATIONAL, or MARGINAL FIELD OPERATOR: Joint Venture Agreement, Registration documents filed with the C.A.C including Forms CAC 2 and CAC7, as well as documents evidencing the Oil and Gas Operations undertaken.

C. SERVICE COMPANY: Forms CAC 2, CAC 7; and D.P.R permit.

4.4.2 The procedure for registering on the NOGIC JQS is attached to these Guidelines as Appendix 1

4.4.3 registered users shall complete the entire appropriate online questionnaire within 12 months; failing which they shall be de-activated.

4.4.4 Confirmation of Uploads should be done on support@nogicjqs.com, and /or +234(0) 8107489889, +234(0)8107489888.

4.4.5 Upon the publication of these Guidelines, NOGIC JQS registration shall be a NC requirement in the tendering process for projects/ contracts as well as provision of services in the Industry.

4.5.1 NOGIC JQS ID Generation

- a. The NOGIC JQS ID is a central feature of the registration process which uniquely identifies all Expatriates and Nigerians that are currently working or who have a contract in the Nigerian Oil and Gas Industry.
- b. This identification is critical for the creation of NOGIC JQS Portal Accounts and also to assign authorized users of the application to the said Accounts.

4.5.2 The following steps shall be used to create a NOGIC ID number:

- a. Launch the NOGIC JQS Portal via portal.nogicjqs.com
- b. Click on the "SIGN UP" button to create an Individual Portal Account
- c. Log into the Individual Portal Account
- d. Upload personal information on the following work-spaces:

❖ *Basic Data*

- ❖ *Educational Profile*
- ❖ *Certification*
- ❖ *Job Experience*
- ❖ *Skills Profile*
- ❖ *Oil and Gas Recruits*
- ❖ *Click on “My Portal Account” to view the NOGIC JQS ID created.*

5. STATUTORY SUBMISSIONS TO THE BOARD

5.1 The NOGIC JQS shall be the primary medium for the submission of the under-listed materials to the Board;

- a. Staff list (Nigerian & Expatriates).
- b. Financial Service Plan.
- c. Legal Service Plan.
- d. Technology Transfer Plan.
- e. Insurance Plan.
- f. Tender documents.
- g. Research and Development plan.
- h. Employment and Training report.
- i. Expatriate Quota approval and Succession Plan.
- j. Quarterly Procurement report.
- k. Service Gap notification in the Oil and Gas Industry.
- l. Company profile information (Contact details, Equipment capacity, Raw material, Facility, Original equipment manufacturer, Service executed, et cetera.).
- m. Application for Nigerian Content Equipment Certificate to the Board.

5.2 Submission of the above-listed documents via any other medium shall not be valid unless otherwise advised or directed by the Board.

6. NOGIC JQS PLATFORM SECURITY

6.1 The under-listed are some of the measures put in place to ensure that all data expected for processing are received and processed completely, accurately and in a timely manner, and all outputs are delivered in accordance with the best business requirements:

- a. Validation checks are incorporated into systems to detect corruption through processing error or deliberate acts.
- b. Applications shall have routines to detect data corrupted by processing errors or deliberate acts.
- c. Templates are designed and implemented with global practice standards observed.
- d. Encryption procedures are implemented on data exchange.

7. INTELLECTUAL PROPERTY

7.1 The Board fully respects the intellectual property of other parties. Users of the Portal and other stakeholders shall maintain the secrecy and confidentiality of intellectual property.

8. GENERAL DISCLAIMER / PRIVACY POLICY

8.1 The information, data, designs, graphics, compilations, magnetic translation, digital conversion and other matters published in the NOGIC JQS Portal including any attachments are strictly confidential.

8.2 The Board is committed to protecting the privacy of its Portal Users, and preventing unauthorized use of information submitted to it.

8.3 The Board does not authorize any person to sell, trade, rent, and otherwise distribute any submitted information to others.

9. ENFORCEMENT and CONSEQUENCES OF NON-COMPLIANCE

9.1 The failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with and adhere to these Guidelines shall attract sanction in accordance with the implementation and enforcement process established by the Board and published in this Handbook.

9.2 Any operator or stakeholder to whom these Guidelines applies shall ensure strict compliance with the procedures specified herein; failing which the operator/stakeholder shall be deemed to be in default of its provisions. . To ensure effective implementation as well as enforcement of the provisions of the Act, the Board shall in its discretion, impose such sanction deemed applicable where anyone to whom the Guideline applies persists in non-compliance with the notified default(s).

9.3 The Board shall first duly notify the said Operator or other stakeholder concerned of any identified default(s); and specify the step, action and/or remediation required to correct the non-compliance; indicating the necessary timeframes within which compliance must be achieved to the satisfaction of the Board.

9.4 In particular, failure to submit , upload or complete all required information and material as required in the Guideline, or the submission of false, incomplete, inaccurate or misleading information shall attract sanction and the defaulter shall not be able to access the necessary information, approval or support from the Board until compliance is achieved.

APPENDIX

PROCEDURE FOR REGISTRATION

1. Individual Registration

- a. On portal.nogicjqs.com
 - b. Click on the "SIGN UP" button to create an Individual Portal Account
 - c. Log in to the Individual Portal Account created , using personal account login credentials
 - d. Upload all personal information on the following work-spaces:
 - ❖ *Basic Data (Upload of Personal Passport Inclusive - jpeg format)*
 - ❖ *Educational Profile (Upload of Educational Qualification Certificates Inclusive - jpeg format)*
 - ❖ *Certification (Upload of Industry or Professional Certificates Inclusive - jpeg format)*
 - ❖ *Update of Job Experience*
 - ❖ *Update of Skills' Profile*
 - ❖ *Update training undertaken every year*

2. Service Company Registration

2.1 Service Companies shall

- a. send an email to the NOGIC JQS Support via support@nogicjqs.com stating the following;
 - ❖ *Company Name*
 - ❖ *full name of staff that will have access to the company's portal accounts*
 - ❖ *JQS ID of staff that will have access to the company's portal accounts*
 - ❖ *Username of staff that will have access to the company's portal accounts*
 - ❖ *The Portal accounts (Service Company Portal Account, Service Company Admin Portal Account or Both) as the company may wish to assign to the staff.*

2.2 Companies shall attach soft copies of the following documents to support@nogicjqs.com

- a. Current DPR Certificate
- b. Certificate of Company's Incorporation
- c. Forms CAC 2 and CAC 7

3 Operators' Registration

3.1 Operators (International Oil Companies) and Marginal Field Operators shall send an email to the NOGIC JQS Support via support@nogicjqs.com stating the following;

- a. Joint Venture Agreement
- b. CAC Certificate of Incorporation
- c. Forms CAC 2 and CAC 7
- d. Evidence of Oil and Gas Operations undertaken as an Operator



5. PERIODIC STATUTORY REPORTS

S/N	Section	Description	Period of Report
1	18	Job Forecast	Quarterly
2	22	Contract Award Documents	Per contract
3	24	Quarterly Procurement Report	Quarterly
4	31	Expatriate Succession Plan	Per Expatriate
5	38	Research & Development Plan	Bi-annually
6	39	R&D Performance Report	Quarterly
7	44	Technology Transfer Plan	Annually
8	46	Technology Transfer Report	Annually
9	49	Insurance Report	Bi-Annually
10	51	Legal Services Report	Bi-Annually

5. PERIODIC STATUTORY REPORTS

11	52	Financial Services Report	Bi-Annually
12	60	NC Performance Report	Annually & on contract basis
13	29	Employment & Training Plan	Annually
14	29	Employment & Training Report	Quarterly
15	7	Nigerian Content Plan	Prior to the commencement of any project
16	17	List of contracts	For all proposed projects
17	20	Pre-qualification Documents	During pre-qualification stage
18	21	Contract bidders List	Prior to issuing an ITT



6. IMPLEMENTATION & ENFORCEMENT OF NIGERIAN CONTENT REQUIREMENTS

CONTENTS:

INTRODUCTION

RATIONALES

ENFORCEMENT PROCESS

CATEGORIZATION OF INFRACTIONS AND SANCTIONS

APPLICATION FOR REVIEW

IMPLEMENTATION & ENFORCEMENT OF NIGERIAN CONTENT REQUIREMENTS

1. INTRODUCTION

- 1.1. These Guidelines present an overview of the steps and procedure which the Board has put in place for the effective implementation of its enforcement functions under the NOGICD Act.
- 1.2. With the growing pressure of globalization, governments as well as captains of industry are charged with the burden of finding ways to ensure that their regions maximally explore and exploit local opportunities, as well as remain competitive globally.
- 1.3. Deriving from the extensive monitoring and supervision functions vested in the NCDMB in respect of all activities in the Oil and Gas Industry, it is apparent that the necessary intentment of the NOGICD Act is to achieve maximum compliance with “Local Content” requirements and targets.
- 1.4. Consequently, with a clear understanding of the objectives of Government in promulgating the Act, and adopting a corporate approach of pro-active compliance with its provisions; these Guidelines and other policy directives issued therefrom are beneficial business strategies that should be robustly employed by every Operator, including the National Oil Company, IOCs, Contractors, alliance partners and all those engaged in any activity in the Oil and Gas Industry.
- 1.5. The provisions of Section 2 of the Act make it clear that all participants in the Industry must consider Nigerian Content as an “important element” for their overall project development and management philosophy for project execution.
- 1.6. The overall aims are to achieve for Nigeria, the development of local skills, technology transfer, use of local manpower and local manufacturing and to stimulate on **continuous basis**, the development of indigenous capabilities; which are critical national objectives.

2. RATIONALES FOR THE ENFORCEMENT PROCESS

- 2.1. The framework of the current enforcement regime takes into consideration the vision, objectives, strategic goals and role of the NCDMB in the Industry.
- 2.2. The steps, procedures and other enforcement processes that the NCDMB has established and published herein for implementing the Act are designed to provide incentives for compliance with the Nigerian Content provisions of the Act; the Guidelines; Regulations; Public Notices as well as Directives issued generally or specifically to operators and stakeholders in the Industry.
- 2.3. This enforcement regime accords with the statutory mandate of the Board which includes motivating and ensuring that all stakeholders accord priority to complying with Nigerian Content requirements.
- 2.4. The overall objective of the current implementation posture of the Board is to ensure that there is a *“measurable and continuous growth of Nigerian Content in all oil and gas arrangements, projects, operations, activities or transactions in the Nigerian oil and gas Industry”*; and that Government directives covering the local supplier services’ industry are achieved.

- 2.5. The enforcement process is also tied directly into several performance measures that will form the basis for tracking the progress and impact of the Guidelines in order to enable frequent stock taking and re-evaluation of strategies and directives- an approach that is critical for managing and regulating such a fast paced and changing Industry.
- 2.6. This Implementation and Enforcement process derive from the following provisions of the Act; namely:
- 2.6.1. Section 4, which empowers the NCDMB to make *'procedure that will guide, monitor, coordinate and implement the provisions of this Act'*;
- 2.6.2. Section 5, which provides that the Board shall *'implement the provisions of this Act with a view to ensuring a measurable and continuous growth of Nigerian Content in all oil and gas arrangements, projects, operations, activities or transactions in the Nigerian Oil and Gas Industry'*;
- 2.6.3. Section 59, which provides that the Board shall *'undertake an effective monitoring of the implementation of this Act'*; and
- 2.6.4. Sections 70, (i) (l) and (p) which mandate the Board respectively to:
- a. *'i- Make procedures to guide the implementation of this Act and ensure compliance with all the provisions of the Act'*;
 - b. *'l- provide guidelines, definitions and measurement of Nigerian Content and Nigerian Content indicator to be utilized throughout the Industry'*; and
 - c. *'p- do legally anything necessary to be done to facilitate the carrying out of its functions'*
- 2.7. Accordingly, the Board has put the following Implementation and Enforcement process in place to sensitize all stakeholders in the Industry that the failure, delay and/or refusal on the part of any operator, project promoter, contractor or other stakeholder in the Industry to comply with or adhere to the Guidelines or other policy directions given and/or issued by the Board shall attract such sanction deemed appropriate by the Board.

3. ENFORCEMENT PROCESS

- 3.1. The procedure is that the Board shall first give NOTICE, in writing, to any Operator or other stakeholder concerned, specifying any identified default(s); and the Board shall indicate the corrective step, action and/or remediation required to address the non-compliance.
- 3.2. The specific time-frame(s) within which compliance must be achieved shall be stated in the notification. Such remediation/ compliance shall be done to the satisfaction of the Board, as provided in the Act.
- 3.3. Failure to comply shall attract the imposition by the Board, of such appropriate sanctions and/or penalties as may be deemed applicable in the circumstances.

4. CATEGORIZATION OF INFRACTIONS, and SANCTIONS

4.1. Non-compliance, breach and/or refusal to comply with issued Guidelines and respective applicable sanctions are as follows; namely:

4.2.1 **Minor Infraction:** includes first time defaults, inadvertence or deficits in meeting time deadlines for periodic reports; and similar defaults.

4.2.2 **Sanctions applicable to Minor Infractions:**

- a. Letter of Warning;
- b. Invitation of Management Team of the Operator/ stakeholder for corrective dialogue with the Board;

4.3.1 **Serious Infraction:** includes repeated or persistent defaults; and/or deliberate refusal to comply with directives issued by the Board.

4.3.2 **Sanctions applicable to Serious Infractions:**

- a. Name and shame of defaulting Operator/stakeholder with publicity within national and international Oil and Gas communities;
- b. Notification by NCDMB to other MDAs about the non-compliance of the Operator/stakeholder with NC obligations, including request for the withdrawal of tax privileges, and/or preventing the Operator/stakeholder from getting “cost recovery”, where applicable;
- c. Cancellation of Certificate of Authorization issued for the project under Section 8 of the Act;
- d. Withdrawal of any approval given by the Board as required under the provisions of Sections 17, 19 and 20 of the Act on Nigerian Content Compliance Certificate;
- e. Classification of the act/conduct/infracton as Economic Sabotage; with reference to the appropriate authority to apprehend the saboteur;
- f. Refusal/ withdrawal of other privileges/support, and/or approvals required from the Board until compliance is achieved; and
- g. Disqualification from participation in other projects in the Oil and Gas Sector for specified periods.

4.4.1 **Chronic/Critical infraction:** includes flagrant attempt to undermine/ circumvent the implementation functions of the Board and deliberate refusal to comply with specific directives in order to compromise the achievement of Nigerian Content requirements.

4.4.2 **Sanctions applicable to Chronic/Critical Infractions**

- a. Entry into premises in collaboration with Law Enforcement Agencies and closing down of operations;
 - b. Impounding and /or quarantining products or goods which constitute the infraction or which are subject-matter of a default;
 - c. Directive to Cease and/or Desist specified activity (ies) until compliance is achieved; and
 - d. Prosecution under the provisions of Section 68 of the Act.
5. The prerogative for categorization of infractions as well as the decision of the applicable sanction to be applied shall be at the discretion of the Board.

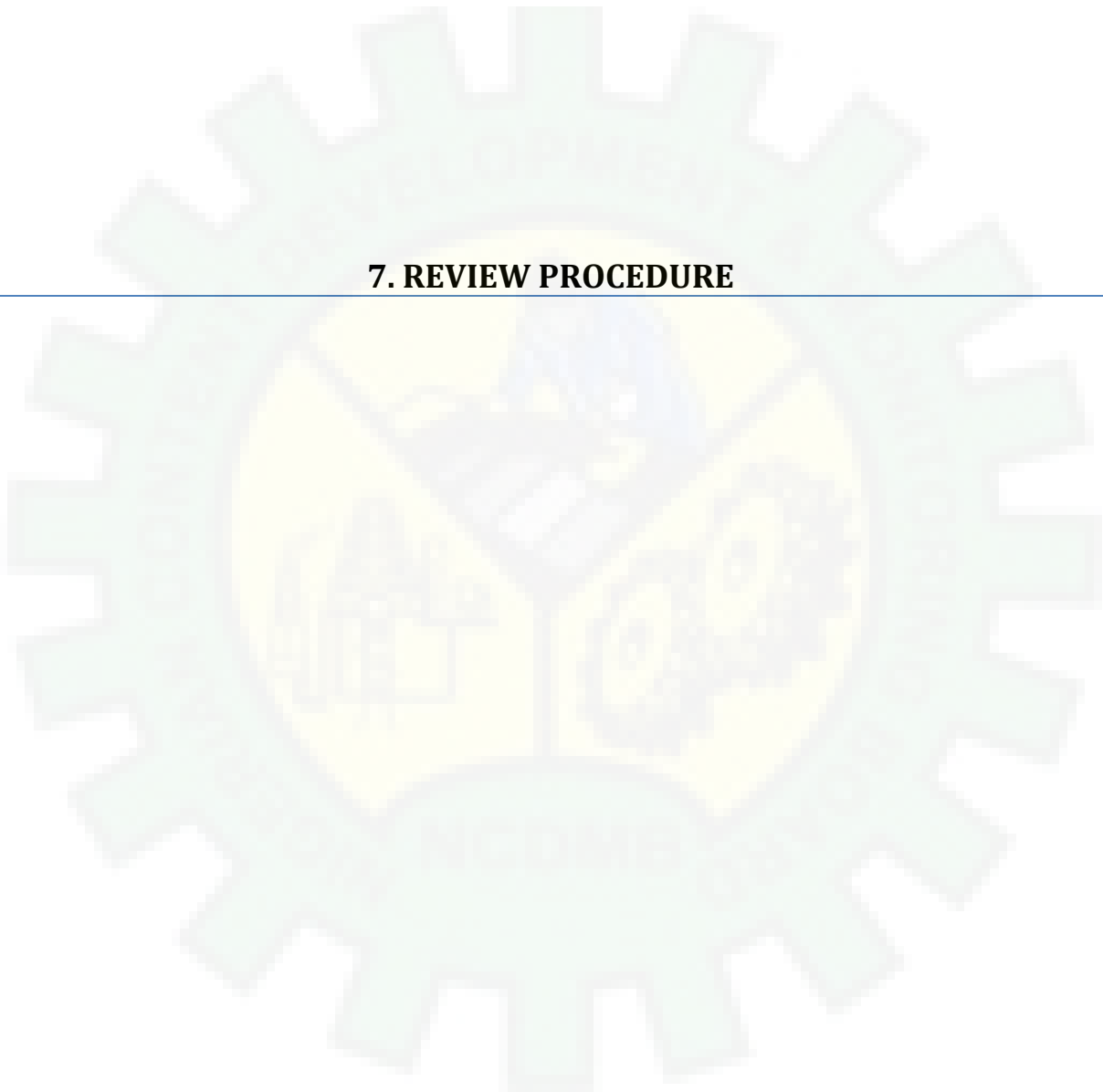
APPLICATION FOR REVIEW

6. An operator, company or other stakeholder directly affected by any decision or sanction issued by the Board shall be at liberty to apply to the office of the Executive Secretary for a review in accordance with the rules and process established and published by the Board for the purpose in this Handbook.





7. REVIEW PROCEDURE



Initiation of Review Process

1. Within a maximum period of three (3) months after the issuance of any sanction or directive by the Board in relation to any Nigerian Content compliance or requirement, any Operator, Contractor, Alliance Partner or other stakeholder directly affected by the said sanction, penalty or other directive, **“the Applicant”** shall be at liberty to apply to the office of the Executive Secretary, **“ES”** for a review of the same.
2. The Application, which shall be in the format prescribed by the Board for the purpose, shall be accompanied with a detailed statement, including relevant documents and / or materials, demonstrating reasonable compliance steps that have been taken by the Applicant.

Establishment of NCDMB Review Committee

3. Upon the receipt of an application for review, the Executive Secretary shall constitute a 3-man NCDMB Review Committee **“NRC”** to consider and review such applications. The NRC shall be required to consider the reasons, explanations and/or justification proffered for the review and make recommendations thereon to the Executive Secretary.
4. The ES shall prescribe the Terms of Reference of the NRC in the letter setting up the Committee, specifying the membership, as well as time allowed for the work of the Committee.
5. Reviews’ Committees shall, where applicable, have power to mediate any dispute referred to the ES, arising from the implementation of the Act, where such conflict or dispute arises between Operators, Contractors and other stakeholders.
6. Reviews’ Committees shall be constituted on a need’s basis at the discretion of the ES.

Composition of NRC

7. The Committee shall consist of a Chairman who shall be a Director of one of the Directorates established for the Board under Section 88 of the Act; and 2 other members who shall be appointed by the ES, who have relevant technical competence and experience in the subject of the review required.

8. A Committee may consult with and use the services of a professional Consultant where the need arises.
9. The Secretary to the NRC shall be appointed from the Directorate of Legal Services.

Terms of Reference

10. The Terms of Reference for the NRC shall be as follows; namely, to:
 - a. receive all relevant information, deliberate on the issues raised by the Applicant; and
 - b. make appropriate recommendations to the ES.
11. The decision of the ES on the recommendations of the NRC shall be final.

Procedure

12. Proceedings of the NRC shall be held at the Headquarters of the Board or at such other sites as deemed necessary by the Committee.
13. An Applicant shall appear for himself and may be accompanied by his Legal Practitioner. The Applicant may request the attendance of any witness at the hearing of the application, with such witness attending at the expense of the Applicant. The names and contact details of such witness (s) shall be contained in the application to the ES.
14. Applications and all accompanying materials shall be in writing, in six (6) copies along with an electronic version or as may be otherwise specified by the NRC. Each set of the Application shall be complete in all respects.
15. Administrative/processing fees may be prescribed by the NRC, and where applicable, shall be payable along with the Application.

16. The NRC shall establish a procedure for its review, and whilst it shall not be bound strictly by judicial rules of evidence in the conduct of its proceedings, the Committee shall be guided by the need to meet the justice of the matter, without compromising the rules of Natural Justice; and the provisions of the Act.

17. The NRC shall have the discretion to receive evidence from any local community, association or other persons either at the request of the Applicant or suo motu.

18. Upon its constitution, the Committee shall write to the Applicant advising that his application has been referred to a Review Committee, and communicate the hearing date, as well as other relevant administrative issues, including the processing fees payable by the Applicant.

19. Where, on the date fixed for hearing or any other date to which such hearing may be re-scheduled, an applicant or his authorized representative fails to attend without prior notice, the NRC may, in its discretion strike out the Application.

20. Decisions of the NRC shall be construed as Recommendations, and shall be on the basis of simple majority; provided however that in the event of an equality of votes, the Chairman shall have a casting vote.

21. The decision of the NRC shall be in writing; and shall be dated and signed by all members. The decision shall contain a brief statement of facts, the points or issues for determination, recommendations thereon and the reasons for the recommendations.

22. Upon submission, it shall be the prerogative of the Executive Secretary to accept, reject or modify any recommendation of the NRC.

23. The NRC may hold a public hearing on any matter under the Nigerian Oil and Gas Industry Content Development Act which the NRC determines to be of significant interest to the issues to be determined.

24. The NRC shall, as far as is reasonably practicable, notify all persons having an interest in the matter to be reviewed and give them the opportunity to make representations if they so wish.

25. All representations shall be in writing, and shall be submitted as prescribed by the Committee on the date so fixed by the NRC for such submissions. An applicant may make oral presentation of his submission on the date fixed for the hearing by the Committee.

Mediation between stakeholders

26. Disputes between stakeholders on Nigerian Content or issues arising from the interpretation of the Act or Guidelines may be referred to the ES, who shall refer the same to an NCDMB Review Committee for recommendations.
27. Any Party may commence the mediation process by serving a Notice on the ES and the other party to the dispute.
28. The NRC constituted for the purpose shall issue notices to the parties concerned to present a statement of issues they wish the Committee to mediate upon.
29. The NRC shall be guided by the rules contained in the Arbitration and Conciliation Act, Cap 10, Laws of the Federation, 2004.
30. The decisions reached by the agreement of the parties to the mediation shall be binding on them.

NIGERIAN OIL AND GAS INDUSTRY CONTENT DEVELOPMENT ACT, 2010

ARRANGEMENT OF SECTIONS

SECTION:

PART I - NIGERIAN CONTENT DEVELOPMENT IN OIL AND GAS INDUSTRY

1. Application.
2. Nigerian content as management philosophy for project execution.
3. First consideration to be given to Nigerian operators.
4. Role of Nigerian Content Monitoring Board.
5. Promotion of measurable growth of Nigerian content.
6. Conformity of petroleum arrangements and other agreements
7. Submission of Nigerian content plan for all projects.
8. Certificate of Authorization.
9. Public review of Plan.
10. Contents of the Plan.
11. Minimum and specification of Nigerian content.
12. First consideration for Nigerian goods and services.
13. Content of the plan to contain details.
14. Nigerian content in bid Evaluation.
15. Full and fair opportunity for Nigerians.
16. Principal of bid Evaluation.
17. List of contracts to be submitted to the Board.
18. Submission of job forecasts, etc. to the Board.
19. Designation of contract for review.
20. Documents to be submitted to the Board during pre-qualification stage.
21. Documents to be submitted to the Board during bidders' list stage.
22. Documents to be submitted to the Board during award stage.
23. Designation and review of contracts.
24. Quarterly procurement report.
25. Establishment of Project Office.
26. Personnel for Local Office.
27. Office in community of operation.
28. First consideration for Employment and Training.
29. Submission of Employment and Training Plan.
30. Training of Nigerians.

31. Requirement for succession Plan.
32. Allowance for expatriate position.
33. Approval of Board for application for Expatriates.
34. Requirement for Labour Clause.
35. Compliance by the operators.
36. Research and development regulations.
37. Programme for research and development.
38. Submission and content of Rand D Plan.
39. Report on Rand D plan.
40. Regulations for Training.
41. Regulations for further growth of indigenous capacity.
42. Regulations for registration with Nigerian professional bodies.
43. Programme for Technology transfer plan.
44. Submission of Technology transfer plan.
45. Support of Technology Transfer.
46. Technology Transfer Report.
47. Regulation to establish operations in Nigeria.
48. Fiscal incentives.
49. Insurance and Reinsurance Business.
50. Approval for offshore Insurance.
51. Legal Services.
52. Financial Services.
53. Prohibition of Importation of welded products.
54. Petroleum e-market place.
55. Establishment of Joint Qualification System.
56. Functions of the Joint Qualification System.
57. Setting up of Nigerian Content Consultative Forum.
58. Composition of Nigerian Content Consultative Forum.
59. Powers of NCMB to monitor implementation of this Act.
60. Requirements for submission of Nigerian Content Performance Report.
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PART II-ESTABLISHMENT OF THE NIGERIAN CONTENT MONITORING BOARD

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70. Functions of the Board.

71. Establishment of the Governing Council of the Board.
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74. Status of appointment of Executive Secretary.
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80. Remuneration of members.
81. Appointment of Executive Secretary, his functions and tenure.
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104. Establishment of Nigerian Content Development Fund.
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106. Interpretation.
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SCHEDULE

NIGERIAN OIL AND GAS INDUSTRY CONTENT DEVELOPMENT ACT

2010 Act No. 2

AN ACT TO PROVIDE FOR THE DEVELOPMENT OF NIGERIAN CONTENT IN THE NIGERIAN OIL AND GAS INDUSTRY, NIGERIAN CONTENT PLAN, SUPERVISION, COORDINATION, MONITORING AND IMPLEMENTATION OF NIGERIAN CONTENT; AND FOR RELATED MATTERS.

[22nd Day of April, 2010]

Commence-
men.

ENACTED by the National Assembly of the Federal Republic of Nigeria-

PART I-NIGERIAN CONTENT DEVELOPMENT IN OIL AND GAS INDUSTRY

1. Notwithstanding anything to the contrary contained in the Petroleum Act or in any other enactment or law, the provisions of this Act shall apply to all matters pertaining to Nigerian content in respect of all operations or transactions carried out in or connected with the Nigerian oil and gas industry.

Application
Cap. PIO,
LFN 2004.

2. All regulatory authorities, operators, contractors, subcontractors, alliance partners 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.

Nigerian
Content as
Management
Philosophy
for Project
Execution.

3.-(1) Nigerian independent operators shall be given first consideration in the award of oil blocks, oil field licences, oil lifting licences and in all projects for which contract is to be awarded in the Nigerian oil and gas industry subject to the fulfilment of such conditions as may be specified by the Minister.

First
consideration
to be given
to Nigerian
operators.

(2) There shall be exclusive consideration to Nigerian indigenous service companies which demonstrate ownership of equipment, Nigerian personnel and capacity to execute such work to bid on land and swamp operating areas of the Nigerian oil and gas industry for contracts and services contained in the Schedule to this Act.

Schedule.

(3) Compliance with the provisions of this Act and promotion of Nigerian content development shall be a major criterion for award of licences, permits and any other interest in bidding for Oil exploration, production, transportation and development or any other operations in Nigerian Oil and Gas industry.

4. The Nigerian Content Development and Monitoring Board ("the "Board") established in accordance with this Act shall make procedure that

Role of Nigerian Content Monitoring Board.	will guide, monitor, coordinate and implement the provisions of this Act.
Promotion of measurable growth of Nigerian content.	<p>5. The Board shall implement the provisions of this Act with a view to ensuring a measurable and continuous growth of Nigerian content in all oil and gas arrangements, projects, operations, activities or transactions in the Nigerian oil and gas industry.</p> <p>6. Upon the commencement of this Act, all subsequent oil and gas arrangements, agreements, contracts or memoranda of understanding relating to any operation or transaction in the Nigerian oil and gas industry shall be in conformity with the provisions of this Act.</p>
Conformity of petroleum arrangements and other agreements.	<p>7. In the bidding for any licence, permit or interest and before carrying out any project in the Nigerian oil and gas industry, an operator shall submit a Nigerian Content Plan ("the Plan") to the Board demonstrating compliance with the Nigerian content requirements of this Act.</p>
Submission of Nigerian content plan for all projects.	<p>8. The Board shall review and assess the plan and, if satisfied that the plan complies with the provisions of this Act, issue a Certificate of Authorization ("the Certificate") to the operator for that project.</p>
Certificate of Authorization	<p>9. For the purposes of reviewing or assessing the plan, the Board may conduct a public review in relation to the exercise of any of its functions under this Act provided that any such review or assessment is completed and certificate issued or denied within 30 days from the date of commencement of such review or assessment.</p>
Public review of plan.	<p>10.(1) A plan shall contain provisions intended to ensure that-</p> <p>(a) first consideration shall be given to services provided from within Nigeria and to goods manufactured in Nigeria; and</p> <p>(b) Nigerians shall be given first consideration for training and employment in the work programme for which the plan was submitted.</p> <p>(2) Any collective agreement entered into by the operator, project promoter or other body submitting the plan with any association of employees respecting terms and conditions of employment in the project shall contain provisions consistent with this section.</p>
Content of Plan.	<p>11. (1) As from the commencement of this Act, the minimum Nigerian content in any project to be executed in the Nigerian oil and gas industry</p>

shall be consistent with the level set in Schedule to this Act.

(2) Where a project description is not specified in the Schedule to this Act, the Board shall set the minimum content level for that project or project item pending the inclusion of the minimum content level for that project or project item through an amendment of the Schedule to this Act by the National Assembly.

(3) All operators, alliance partners and contractors shall comply with the minimum Nigerian content for particular project item, service or product specification set out in the schedule to this Act

(4) Notwithstanding the provisions of subsection (1) of this section, where there is inadequate capacity to any of the targets in the Schedule to this Act, the Minister may authorize the continued importation of the relevant items and such approval by the Minister shall not exceed 3 years from the commencement of this Act.

12. Subject to section 7 of this Act, the Nigerian Content Plan submitted to the Board by an operator shall contain a detailed plan, satisfactory to the Board, setting out how the operator and their contractors will give first consideration to Nigerian goods and services, including specific examples showing how first consideration is considered and assessed by the operator in its evaluation of bids for goods and services required by the project.

13. The Nigerian content plan submitted to the Board by any operator or alliance partner shall contain detailed plan on how the operator or its alliance partner intend to ensure the use of locally manufactured goods where such goods meet the specifications of the industry.

14. All operators and project promoters shall consider Nigerian content when evaluating any bid where the bids are within 1 % of each other at commercial stage and the bid containing the highest level of Nigerian content shall be selected provided the Nigerian content in the selected bid is at least 5% higher than its closest competitor.

15. All operators and alliance partners shall maintain a bidding process for acquiring goods and services which shall give full and fair opportunity to Nigerian indigenous contractors and companies.

16. The award of contract shall not be solely based on the principle of the lowest bidder where a Nigerian indigenous company has capacity to execute such job and the company shall not be disqualified exclusively on the basis that it is not the lowest financial bidder, provided the value does not exceed the lowest bid price by 10 percent.

Minimum and Specification of Nigerian content.

Schedule

First consideration for Nigerian goods and services.

Contents of the plan to contain details.

Nigerian content in bid evaluation.

Full and fair opportunity for Nigerians

Principle of bid evaluation

List of contracts to be submitted to the Board.	<p>17.-(1) For all proposed projects, contracts, subcontracts and purchase orders estimated by operator to be in excess of \$1 ,000,000 (USD), the operator shall provide to the Board for approval, advertisements, pre-qualification criteria, technical bid documents, technical evaluation criteria and the proposed bidders lists.</p>
Submission of job Forecasts, e.t.c. to Board,	<p>(2) The operator or project promoter shall submit sufficient information with the notifications to enable the Board assess the subject matter and to be satisfied that the requirements for Nigerian content have been complied with by the operator or project promoter.</p> <p>18. (1) The operators shall submit to the Board, 30 days prior to the first day of each quarter, a list of all contracts, subcontracts and purchase orders exceeding \$1,000,000 (USD) which will be bided or executed in the upcoming quarter.</p>
Designation of contract for review.	<p>(2) For each contract, subcontract and purchase order, the list shall provide -</p> <p>(a) a description of the service or item to be contracted or purchased (material and equipment specifications shall be provided upon request) ;</p> <p>(b) estimated value of contract, subcontract or purchase order;</p> <p>(c) the Invitation To Tender (ITT) issuance date, ITT closure date and award date; and</p> <p>(d) any other information requested by the Board for the purposes of implementing the provisions of this Act.</p> <p>19. Subject to section 17 of this Act, the Board shall advise the operator, by the first day of each quarter, which contracts and sub-contracts have been designated by the Board for review and shall advise the operator of the outcome of such contract review.</p>
Document to be submitted to the Board during pre-qualification stage.	<p>20. Prior to issuing of adverts or pre-qualification notification to prospective bidders, the operator or the project promoter shall submit to the Board the following for review and approval-</p> <p>(a) a description of the scope of work;</p> <p>(b) a copy of the pre-qualification notification, if these documents differ from the standard pre-qualification notification previously reviewed by the Board;</p> <p>(c) a list of companies, indicating locations of head offices, to whom questionnaires shall be issued ; and</p> <p>(d) anticipated dates for closure of prequalification and commencement of technical evaluation, issuance of an Invitation To Tender (ITT).</p>

21. For the purposes of compiling a bidding list for any project, the operator, project promoter or alliance partner shall submit to the Board, prior to issuing an Invitation To Tender (ITT)-

- (a) a list of bidders;
- (b) a copy of the Invitation To Tender (ITT) (the Board shall advise the operator of its requirements in this regard on a case by case basis) ;
- (c) a description of corporate ownership (main shareholders by percentage) of bidders;
- (d) location of any Nigerian based office, plant or facility;
- (e) anticipated dates for closure of bids and award of contract or purchase order; and
- (f) any other information requested by the Board.

Document to be submitted to the Board during bidders' list stage.

22. Prior to the award of contract, subcontract or purchase order to the selected bidder, the operator shall submit to the Board-

- (a) the name of the selected contractor or vendor;
- (b) a list of designated sub-contractors or sub-vendors;
- (c) where applicable, a list of proposed sub-suppliers;
- (d) for construction or service contracts ; the estimated Nigerian employment (in person-hours) ;
- (e) contract or purchase order commencement and completion dates;
- (f) award Notification Form signed by an appropriate official of the operator ; and
- (g) statement of award rationale (evaluation of bids) showing-
 - (i) percentage difference in price between selected bidder and each bid,
 - (ii) a primary location of work associated with each bidder,
 - (iii) estimates of Nigerian content associated with the bid of each bidder calculated in accordance with the definition of Nigerian content to be provided by the Board, and
 - (iv) other information relevant to the evaluation of bidders including where applicable, a summary of the technical, commercial! and Nigerian content aspects of the bid evaluations.

Document to be submitted to the Board during award stage.

23. Upon assessment of the documentation received in compliance with section 19 of this Act, the Board shall advise the operator, within 10 days, which contracts, subcontracts and purchase orders have been designated by the Board for review, and the designated contracts, subcontracts and purchase orders shall be reviewed to the satisfaction of the Board.

Designation and review of contracts.

Quarterly Procurement report	<p>24.-(1) The operator shall submit to the Board, within 30 days at the end of each quarter, a listing of all contracts, subcontracts and purchase orders exceeding \$1,000,000 (USD) or such other limit as the Board may determine, awarded in the previous quarter.</p> <p>(2) This listing shall provide-</p> <ul style="list-style-type: none">(a) a list of all items and services;(b) value of contract or purchase order;(c) name of successful contractor or vendor;(d) a primary location of work;(e) estimates of Nigerian content;(f) commencement and completion date; and(g) any other information required by the Board for the purposes of implementing the provisions of this Act.
Establishment of project office.	<p>25. Where applicable, before carrying out any work or activity in Nigeria, the operator or other body submitting a plan shall establish in the Catchment Area where the project is to be located, a project office where project management and procurement decision making are to take place, to the satisfaction of the board</p>
Personnel For Local Office.	<p>26. The operator shall locate, within the project office, personnel with decision- making authority in accordance with a list of personnel to be approved by the Board.</p>
Office in community of operation.	<p>27. Subject to section 25 of this Act, the Board shall have powers to require any operator to maintain an office in a Community where the operator has significant operations.</p>
First consideration for employment and training	<p>28.-(1) Subject to section 10(1)(b) of this Act, Nigerians shall be given the first consideration for employment and training in any project executed by any operator or project promoter in the Nigerian oil and gas industry.</p> <p>(2) The Board shall ensure that the operator or project promoter maintains a reasonable number of personnel from areas it has significant operation.</p>
Submission of employment and training plan.	<p>29. The plan submitted by any operator or project promoter for any project shall contain an Employment and Training Plan (E and T Plan) which shall include-</p> <ul style="list-style-type: none">(a) an outline of the-<ul style="list-style-type: none">(i) hiring and training needs of the operator or project promoter and operator's major contractors with a breakdown of the skills needed,(ii) anticipated skill shortages in the Nigerian labour force,(iii) project specific training requirements, and(iv) anticipated expenditures that will be made directly by the operator in

implementing the E and T Plan as a forecasted and actual expenditure;
(b) a time frame for employment opportunities for each phase of project development and operations, to enable members of the Nigerian workforce to prepare themselves for such opportunities;

(c) the operator or project promoter shall- report to the Board quarterly on employment and training activities for the reporting period and compare this to the E and T Plan and the report shall include-

- (i) number of new employees hired during the year,
- (ii) their place of residence at the time of hiring, and
- (iii) their employment status; and

(d) any other information required by the Board for the purposes of implementing the provisions of this Act.

30. Where Nigerians are not employed because of their lack of training, the operator shall ensure, to the satisfaction of the Board, that every reasonable effort is made within a reasonable time to supply such training locally or elsewhere and such effort and the procedure for its execution shall be contained in the operator's E and T Plan.

Training of Nigerians.

31.-(1) For each of its operations, the operator shall submit to the Board a succession plan for any position not held by Nigerians and the plan shall provide for Nigerians to understudy each incumbent expatriate for a maximum period of four years and at the end of the four year period the position shall become Nigerianised.

Requirement for succession plan.

(2) All indigenous (Nigerianised) positions shall attract salaries, wages and benefits as provided for in the operators' conditions of service for Nigerian employees.

(3) All conditions of service and staff demography for all operators shall be made available to the Board.

32. For each of its operations, an operator or project promoter may retain a maximum of five per cent of management positions as may be approved by the Board as expatriate positions to take care of investor interests.

Allowance for expatriate position

33. (1) Upon the commencement of this Act, the operators shall make application to, and receive the approval of, the Board before making any application for expatriate quota to the Ministry of Internal Affairs or any other agency or Ministry of the Federal Government.

Approval of Board for application for Expatriates.

(2) The application shall be detailed and shall include-

- (a) job Titles;
- (b) description of responsibilities;

(c) the duration of the proposed employment in Nigeria; and
 (d) any other information required by the Board for purposes of implementing the provision of this Act.

Requirement for Labour Clause.	<p>34. Notwithstanding the provisions of the Schedule to this Act, all projects or contracts whose total budget exceeds \$100 million (USD) shall contain a "Labour Clause" mandating the use of a minimum percentage of Nigerian labour in specific cadres as may be stipulated by the Board.</p>
Schedule	<p>35. All operators and companies operating in the Nigerian oil and gas industry shall employ only Nigerians in their junior and intermediate cadre or any other corresponding grades designated by the operator or company.</p>
Compliance by the operators.	<p>36. The Minister shall make regulations with requirements and targets for the growth of research and development in the Nigerian oil and gas industry.</p>
Research and development regulations.	<p>37. For every project for which a plan is submitted, an operator shall carry out a programme and make expenditure, to the satisfaction of the Board, for the promotion of education, attachments, training, research and development in Nigeria in relation to its work programme and activities.</p>
Programme for research and development.	<p>38.-(1) The operator shall submit to the Board and update, every six months, the operator's Research and Development Plan (R and D Plan).</p>
Submission and content of R and D plan.	<p>(2) The Rand D Plan shall-</p> <p>(a) outline a revolving three to five year plan for oil and gas related research and development initiatives to be undertaken in Nigeria, together with a breakdown of the expected expenditures that will be made in implementing the Rand D Plan; and</p> <p>(b) provide for public calls for proposals for research and development initiatives associated with the operator's activities.</p>
Report on R and D plan.	<p>39. The operator shall report to the Board, on quarterly basis, with respect to its Rand D activities and the Board shall compare these activities to the operators Rand D Plan.</p>
Regulations for training.	<p>40.-(1) The Minister shall make regulations establishing the minimum standards, facilities, personnel and technology for training in the oil and gas industry.</p> <p>(2) The regulations shall specify modalities for involving operators as partners in training and development.</p>
	<p>41.-(1) The Minister shall make regulations setting out targets to ensure-</p> <p>(a) full utilization and steady growth of indigenous companies engaged</p>

in exploration;
(b) seismic data processing;
(c) engineering design;
(d) reservoir studies;
(e) manufacturing and fabrication of equipment; and
(f) other facilities as well as the provisions of other support services for the Nigeria oil and gas industry.

Regulations for further growth of indigenous capacity.

(2) International or multinational companies working through their Nigerian subsidiaries shall demonstrate that a minimum of 50% of the equipment deployed for execution of work are owned by the Nigerian subsidiaries.

42. The Minister shall make regulations which shall require any operator or company or its professional employees engaged in the provision of engineering or other professional services in the Nigerian oil and gas industry to be registered with the relevant professional bodies in Nigeria.

Regulations for registration with Nigerian professional bodies.

43. Each operator shall carry out a programme in accordance with the country's own plans and priorities, to the satisfaction of the Board, for the promotion of technology transfer to Nigeria in relation to its oil and gas activities.

Programme for technology transfer plan.

44. The operator shall submit to the Board annually a plan, satisfactory to the Board, setting out a programme of planned initiatives aimed at promoting the effective transfer of technologies from the operator and alliance partners to Nigerian individuals and companies.

Submission of technology transfer plan. Support of technology transfer.

45. The operator shall give full and effective support to technology transfer by encouraging and facilitating the formation of joint ventures, partnering and the development of licensing agreements between Nigerian and foreign contractors and service or supplier companies agreements for all such joint ventures or alliances shall meet the requirements of Nigerian content development to the satisfaction of the Board.

46. The operator or project promoter shall submit a report to the Board annually describing its technology transfer initiatives and their results and the Minister shall make regulations setting targets on the number and type of such joint venture or alliances to be achieved for each project.

Technology transfer report.

47. The Minister shall make regulations which shall require any operator to invest in or set up a facility, factory, production units or other operations within Nigeria for the purposes of carrying out any production, manufacturing

Regulations to establish operations in Nigeria.

or for providing a service otherwise imported into Nigeria.

Fiscal incentives

48. The Minister shall consult with the relevant arms of Government on appropriate fiscal framework and tax incentives for foreign and indigenous companies which establish facilities, factories, production units or other operations in Nigeria for purposes of carrying out production, manufacturing or for providing services and goods otherwise imported into Nigeria.

Insurance and reinsurance business.
Cap. 117 LFN 2004.

49.-(1) All operators, project promoters, alliance partners and Nigerian indigenous companies engaged in any form of business, operations or contract in the Nigerian oil and gas industry, shall insure all insurable risks related to its oil and gas business, operations or contracts with an insurance company, through an insurance broker registered in Nigeria under the provisions of Insurance Act as amended.

(2) Each operator in subsection (1) of this section shall submit to the Board, a list of all insurance companies and insurance brokers through which insurance covers were obtained in the past six months, the class of insurance cover obtained and the expenditures made by the operator;

(3) The insurance programme shall include-

(a) a comprehensive report of-

(i) insurance covers obtained in the past six months of all insurance by expenditure,

(ii) a forecast of insurance covers required during the next six months, and

(iii) the projected expenditure for the covers;

(b) a list of-

(i) all insurance companies brokers through which insurance covers were obtained in the past six months,

(ii) the class of insurance cover obtained, and

(iii) the expenditures made by the operator; and

(c) the annual insurance premium budget for the past one year in Naira and foreign currencies.

Days of Election.

50. No insurance risk in the Nigerian oil and gas industry shall be placed offshore without the written approval of the National Insurance Commission which shall ensure that Nigerian local capacity has been fully exhausted.

Approval for offshore insurance.

51.-(1) All operators, contractors and other entities engaged in any operation, business or transaction in the Nigerian oil and gas industry requiring legal services shall retain only the services of a Nigerian legal

practitioner or a firm of Nigerian legal practitioners whose office is located in any part of Nigeria.

Legal
Services

(2) All operators shall submit to the Board, every six months, its Legal Services Plan (LSP).

(3) The LSP shall include-

(a) comprehensive report on;-

- (i) legal services utilized in the past six months by expenditure,
 - (ii) a forecast of legal services required during the next six months,
- and
- (iii) the projected expenditure for the services;

(b) a list of-

- (i) external solicitors utilized for legal services in the past six months,
- (ii) the nature of work done, and
- (iii) the expenditure made by the operator; and

(c) the annual legal services budget for the past one year in Naira and foreign currencies.

52.-(1) All operators, contractors and any other entity engaged in any operation, business or transaction in the Nigerian oil and gas industry requiring financial services shall retain only the services of Nigerian financial institutions or organizations, except where, to the satisfaction of the Board, this is impracticable.

Financial
Services

(2) All operators shall submit to the Board, every six months its Financial Services Plan (FSP).

(3) The FSP shall include-

- (a) financial services utilized in the past six months by expenditure;
 - (b) a forecast of financial services required during the next six months;
 - (c) the projected expenditure for the services;
- (d) A list of -
- (i) financial services utilized in past six months,
 - (ii) the nature of financial services provided, and
 - (iii) the expenditure for financial services;
- (e) a list of-
- (i) financial services utilized in the past six months,
 - (ii) the nature of financial services provided, and
 - (iii) the expenditure for financial services made by the operator or its main contractors;
- (f) all operators, contractors and sub-contractors shall maintain a bank account in Nigeria in which it shall retain a minimum of 10 per cent of its total revenue accruing from its Nigerian operations.

Prohibition of importation of welded products. Petroleum e-marketplace.

53. As from the commencement of this Act, all operators, project promoters, contractors and any other entity engaged in the Nigerian oil and gas industry shall carry out all fabrication and welding activities in the country.

54. The Board shall establish an oil and gas e-marketplace which shall-

(a) provide a virtual platform to facilitate the transactions required for efficient delivery of goods and services in the industry;

(b) provide functional interface with the Joint Qualification System and provide a universal and transparent governance structure drawn from industry stakeholder ;

(c) perform all other functions, roles and responsibilities to be set out in the regulations to be made by the Minister in accordance with the provisions of this Act.

(d) track and monitor the Nigerian content performance of operators, project promoters as well as suppliers and service providers with the provision of relevant feedback.

55. The Board shall establish, maintain and operate a Joint Qualification System (JQS) in consultation with industry stakeholders which shall be administered in accordance with provisions set out in the Regulations to be made by the Minister in accordance with the provisions of this Act.

Establishment of Joint Qualification System.

56. The Joint Qualification System shall constitute an industry databank of available capabilities and shall be used for -

(a) sole system for Nigerian content registration and pre-qualification of contractors in the industry ;

(b) verification of contractors' capacities and capabilities;

(c) evaluation of application of Nigerian content in the operations of oil companies and contractors;

(d) data base for national skills development pool; and

(e) ranking and categorization of old service companies based on capabilities and Nigerian content.

Functions of the Joint Qualification System.

57. The Board shall set up a consultative body to be known as the Nigerian Content Consultative Forum (NCCF) which shall provide a platform for information sharing and collaboration in the Nigerian oil and gas industry with respect to-

(a) upcoming projects in the oil and gas industry;

(b) information on available local capabilities; and

(c) other policy proposals that may be relevant to Nigerian content development.

Setting up of Nigerian Content Consultative Forum

58. The Nigerian Content Consultative Forum shall be made up of key industry stakeholders, government and regulatory agencies and representatives from the following sectors-

- (a) fabrication;
- (b) engineering;
- (c) finance services, legal and insurance;
- (d) shipping and logistics;
- (e) materials and manufacturing;
- (f) information and communication technology;
- (g) petroleum technology association of Nigeria;
- (h) education and training; and
- (i) any other professional services nominated by the Board.

Composition of Nigerian Content Consultative Forum.

59. The Nigerian Content Monitoring Board shall undertake an effective monitoring of the implementation of the provisions of this Act.

Powers of NCMB to monitor implementation of this Act.

60. Within sixty days of the beginning of each year, each operator shall submit to the Board their annual Nigerian Content Performance Report covering all its projects and activities for the year under review.

Requirements for submission of Nigerian Content Performance Report.

61. Subject to section 60, the report shall specify by category of expenditure the Nigerian content on both a current and cumulative cost basis and shall set out-

- (a) employment achievement in terms of hours or days worked by Nigerian and foreign workers and their status; and
- (b) procurement achievement in terms of quantity, tonnage of locally manufactured materials and materials of foreign origin.

Content of performance report.

62. The Board shall undertake regular assessment and verification of the Nigerian Content Performance Report filed by all operators in compliance with the provisions of this Act as may be considered appropriate by the Board.

Assessment and verification of performance report

63. The Board shall issue directives to operators, contractors and other entities or persons in order to develop a process to facilitate reporting of activities relating to any aspect of this Act.

Directives to facilitate reporting.

64. For the purposes of assessment and verification, all operators and contractors shall provide the Board or its designated agent with access to their facilities and all documentation and information required for substantiating the Nigerian content reported.

Access to facilities for assessment and verification purposes.

65. The operator shall ensure that its partners, contractors and subcontractors are contractually bound to report Nigerian content information to the operator and, if so requested by the Board, directly to the Board, and to allow the Board or its designated agent access to their records for the purposes of assessment and verification of Nigerian content information reported to the operator or the Board.

Requirements for third party access and reporting

66. The operators shall effectively communicate its Nigerian content policies and procedures to its contractors and subcontractors and to monitor and enforce their compliance.

Responsibility to communicate Nigerian content policies to contractors.

67. The Board shall conduct workshops, conferences, seminars, symposia and any other public forum considered as appropriate for the benefit of operators, contractors, the public and other stake holders to enhance the implementation of the provisions of this Act.

Responsibility of Board for enlightenment on Nigerian content.

68. An operator, contractor or sub-contractor who carries out any project contrary to the provisions of this Act, commits an offence and is liable upon conviction to a fine of five per cent of the project sum for each project in which the offence is committed or cancellation of the project.

Offences and penalties

PART II-ESTABLISHMENT OF THE NIGERIAN CONTENT MONITORING BOARD

69.-(1) There is established the Nigerian Content Monitoring Board (in this Act referred to as "the Board") which shall have the functions and powers conferred on it by this Act.

Establishment of the Nigerian Content Monitoring Board.

(2) The Board-

- (a) shall be a body corporate with perpetual succession and a common seal; and
- (b) may sue and be sued in its corporate name.

70. The functions of the Board shall be to-

- (a) implement the provisions of this Act;
- (b) implement the regulations made by the Minister in relation to any

aspect of this Act;

Functions of
the Board

(c) supervise, coordinate, administer, monitor and manage the development of Nigerian content in the Nigerian oil and gas industry;

(d) supervise, coordinate, administer and monitor the implementation and development of Nigerian content as specified in the Schedule to this Act in the operations of operators, contractors and all other entities in the Nigerian oil and gas industry;

Schedule

(e) appraise, evaluate and approve the Nigerian content plans and reports submitted to the Board in compliance with the provisions of this Act;

(f) award Certificate of Authorization and conduct reviews of the Nigerian content plans and reports submitted to the Board in compliance with the provisions of this Act;

(g) administer and operate the e-market place and Joint Qualifications Systems set up in accordance with the provisions of this Act;

(h) assist local contractors and Nigerian companies to develop their capabilities and capacities to further the attainment of the goal of developing Nigerian content in the Nigerian oil and gas industry;

(i) make procedures to guide the implementation of this Act and ensure compliance with all the provisions of this Act;

(j) monitor and coordinate the Nigerian content performance of all operators in accordance with the provisions of this Act;

(k) make auditing procedures and conduct regular audits for the purposes of monitoring and implementing compliances with the provisions of this Act;

(l) provide guidelines, definitions and measurement of Nigerian content and Nigerian content indicator to be utilized throughout the industry;

(m) conduct studies, researches and investigations that may further the attainment of the goal of developing Nigerian content in the Nigerian oil and gas industry ;

(n) organize conferences, workshops, seminars, symposia, trainings, road shows and other public education fora to further the attainment of the goal of developing Nigerian content in the Nigerian oil and gas industry ;

(o) delegate any of its functions to any agent or operative appointed by the Council ; and

(p) do legally anything necessary to be done to facilitate the carrying out of its functions.

71.-(1) There is established for the Board the Governing Council (in this Act referred to as the "Council") which shall conduct the affairs of the Board.

Establishment of the Governing Council of the Board.	<p>(2) The Head Office of the Council and the Board shall be located in any of the oil or gas producing States of the Federation.</p> <p>(3) The Council may establish branch offices of the Board in any of the gas or oil producing States of the Federation.</p>
Composition of the Council.	<p>72. The Council shall consist of-</p> <p>(a) a Chairman who shall be the Minister of Petroleum Resources;</p> <p>(b) a representative of-</p> <p>(i) Nigerian National Petroleum Corporation,</p> <p>(ii) the agency in charge of technical regulation of the industry,</p> <p>(iii) Ministry of Petroleum Resources,</p> <p>(iv) Petroleum Technology Association of Nigeria,</p> <p>(v) Nigerian Content Consultative Forum,</p> <p>(vi) Council of Registered Engineers of Nigeria,</p> <p>(vii) National Insurance Commission; and</p> <p>(c) Executive Secretary who shall be the Secretary of the Council.</p>
Appointment of Chairman and Membership of the Council.	<p>73.-(1) The Chairman and members of the Council shall be appointed by the President and shall be persons of proven integrity and ability.</p> <p>(2) The membership of the Council shall be on part time basis.</p>
Status of appointment of Executive Secretary.	<p>74. The Executive Secretary shall be on full time status.</p>
Powers of the Council.	<p>75.-(4) The Council shall have power to-</p> <p>(a) manage and superintend the affairs of the Board;</p> <p>(b) make rules and regulations for the proper functioning of the Board;</p> <p>(c) employ and pay the staff of the Board appropriate remuneration commensurate in scale with that of staff in organizations of similar stature; and</p> <p>(d) enter into any negotiation, agreement and contractual relationship as may be necessary or expedient for the discharge of the functions of the Board.</p> <p>76. Subject to the provisions of section 75 of this Act, the Chairman and members of the Council shall each hold office-</p>

<p>(a) for a term of four years and may be re-appointed for a further term of four years and no more ; and</p> <p>(b) on such terms and conditions as may be specified in their letters of appointment.</p>	<p>Tenure of office.</p>
<p>77. A person shall cease to hold office as a member of the Council if -</p> <p>(a) he dies;</p> <p>(b) he becomes bankrupt;</p> <p>(c) he is convicted of a felony or any offence involving dishonesty or fraud;</p> <p>(d) he becomes of unsound mind or is incapable for any reason of carrying out his duties;</p> <p>(e) he is guilty of a serious misconduct in relation to his duties;</p> <p>(f) in the case of a person possessed of a professional qualification, he is disqualified or suspended, other than at his own request, from practising his profession in any part of the world by an order of a competent authority made in respect of that member; or</p> <p>(g) he resigns his appointment by written notice under his hand to the President.</p>	<p>Cessation of membership of Council.</p>
<p>78. Where a member ceases to hold office for any reason before the expiration of his term, another person representing the same interest as that member shall be appointed in his place to finish the unexpired residue of the term.</p>	<p>Replacement of membership.</p>
<p>79. The President may remove a member if he is satisfied that it is not in the interest of the Board or the public that the member continues in that office.</p>	<p>Removal of members.</p>
<p>80. A member of the Council shall be paid such allowances and expenses as may be determined by Revenue Mobilization, Allocation and Fiscal Commission using the scale applicable in Nigeria oil and gas industry.</p>	<p>Remuneration of members</p>
<p>81.-(1) There shall be an Executive Secretary for the Board, who shall be appointed by the President.</p> <p>(2)The Executive Secretary shall be-</p> <p>(a) the Chief Executive and Accounting Officer of the Board;</p> <p>(b) responsible to the Council for the execution of the policies and the administration of the daily affairs of the Board; and</p> <p>(c) a graduate of at least 15 years with cognate experience in the Nigeria oil or gas industry.</p> <p>(3) The Executive Secretary-</p>	<p>Appointment of Executive Secretary, his function and tenure</p>

	<p>(a) shall be appointed for a term of four years in the first instance; and (b) may be appointed for a further term of four years and no more.</p>
Tenure of Office	<p>82. The Executive Secretary shall be paid such remuneration as may be specified in his letter of appointment or as determined by the Revenue Mobilization, Allocation and Fiscal Commission using the scale applicable in the Nigeria oil and gas industry.</p>
Remuneration of the Executive Secretary,	<p>83. The Executive Secretary shall cease to hold office if any of the conditions specified in section 77 pertaining to cessation of membership of the Council applies to him.</p>
Cessation of office.	<p>84. The Executive Secretary may resign his appointment by a written notice under his hand delivered to the President.</p>
Resignation of appointment Other staff	<p>85. The Council may appoint for the Board such number of employees as may in the opinion of the Council be expedient and necessary for the proper and efficient performance of the functions of the Board and shall pay them remunerations and allowances as it determines using the scale applicable in the Nigeria oil and gas industry.</p>
	<p>86. The Council shall have power to appoint for the Board either directly or on secondment from the Public Service of the Federation, such number of employees as may, in the opinion of the Council, be required to assist the Board in the discharge of any of its functions under this Act.</p>
Direct appointment and secondment	<p>87. The person seconded under Section 85 may elect to be transferred to the service of the Board and the previous service he may have rendered in the public service shall count as service to the Board for the purpose of any pension subsequently payable by the Board.</p>
Transfer of service	<p>88. There shall be established in the head office of the Board-</p> <ul style="list-style-type: none">(a) the Directorate of Finance and Personnel Management;(b) the Directorate of Planning, Research and Statistics;(c) the Directorate of Monitoring and Evaluation;(d) the Directorate of Legal Services; and(e) any other Directorate which the Council may establish.
Directorates.	<p>89.-(1) The Service in the Board shall be approved service for the purposes of the Pension Reform Act.</p> <p>(2) The officers and other persons employed in the Board shall be entitled</p>

to pension, gratuities and other retirement benefits as are enjoyed by persons holding equivalent ranks in the Civil Service of the Federation.

Service in the Board.

(3) Nothing in subsections (1) and (2) of this section shall prevent the appointment of a person to any office- on terms which preclude the grant of pension and gratuity in respect of that office.

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90.-(1) The Board shall establish and maintain a fund to which all monies accruing to it shall be paid into or from which shall be defrayed all expenditure incurred by the Board.

Funds of the Board

(2) The Fund of the Board shall consist of-

(a) all subventions and budgetary allocations provided by the Federal Government;

(b) sums accruing to the Board by way of donations, gifts, grants, endowment, bequest or otherwise;

(c) interest and revenue accruing from savings and investments made by the Board;

(d) loans, which may be required from time to time for the objects of the Board, provided that the Board shall not, without the prior approval of the President, borrow money in compliance with the provisions of the Fiscal Responsibility Act; and

Act No. 31 of 2007.

(e) other revenues accruing to the board from any other source.

91. The Council shall, not later than 30th September of each year, submit to the National Assembly, through the Minister, an estimate of the projected expenditure of the Board during the next succeeding year and shall include a copy of the audited accounts of that year and a copy of the auditor's report.

Budgetary and estimates report.

92.-(1) The Board may accept gifts of money, land or other property on such terms and conditions, if any, as may be specified by the person or organization making the gift.

(2) The Board shall not accept any gift if the conditions attached thereto are inconsistent with the functions of the Board under this Act.

Gift to the Board

93. The Council shall approve any expenditure of the Board and shall-

(a) issue proper accounts and records of the transactions and affairs of the Board and ensure that all expenditure is duly authorized;

(b) prepare in respect of each financial year, a statement of account in such form as the Auditor-General may direct.

Expenditure and account

94. The audit of the council shall be in accordance with the provisions

	of the Constitution of the Federal Republic of Nigeria, 1999.
Audit	95. -(1) For the purpose of providing offices and premises necessary for the performance of its functions under this Act, the Board may, subject to the Land Use Act-
Acquisition of land or interest in land for office use. Cap. L5 LFN.2004.	(a) purchase or lease any interest in land or other property; and (b) construct offices and premises, equip and maintain same. (2) The Board may, subject to the Land Use Act, sell or lease out any office or premises held by it, which office or premises is no longer required for the performance of its functions under this Act.
	96. The provisions of the Public Officer's Protection Act shall apply in relation to any suit instituted against any officer or employee of the Board in his capacity as such.
Legal proceeding Cp P41 LFN, 2004.	97. A member of the Council, the Executive Secretary, any officer or employee of the Board shall be indemnified out of the assets of the Board against any proceeding, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted, if any such proceeding is brought against him in his capacity as a member, Executive Secretary, officer or employee of the Board.
Indemnity of officers.	
Service of documents.	98. A notice, summons or other document required or authorized to be served upon the Board under this Act or any other law or enactment may be served by delivering it to the Executive Secretary or by sending it by registered post and addressed to the Executive Secretary at the head office of the Board.
Engagement of professionals and other staff.	99. The Executive Secretary may with the approval of the Council engage persons with knowledge or experience in Nigerian content development or in matters relevant to the functions of the Board to assist the Board in the performance of its functions.
Power of the Minister to give directive to the Board.	100. The Minister may issue to the Board directives in relation to Nigerian content development with respect to the application, administration and implementation of this Act.
Registration.	101. -(1) The Minister shall make regulations generally for the purpose of carrying out or giving effect to the provisions of this Act. (2) The Minister shall conduct a review of the Schedule to this Act every two years with a view to ensuring a measurable and continuous growth in Nigerian content in all projects, operations, activities and transactions in the Nigerian oil and gas industry.

(3) The Council shall make standing orders regulating its proceedings or those of its standing committees in consultation with the Minister.

Schedule.

102. Subject to the approval of the Minister, the Board shall conduct a review of the Schedule to this Act at such intervals as it may determine but not later than every two years with a view to ensuring a measurable and continuous growth in Nigerian content in all projects, operations, activities and transactions in the Nigerian oil and gas industry for onward transmission to the National Assembly.

Review of the Schedule.

103. Upon the commencement of this Act, all functions and powers conferred on any agency or department of the Federal Government of Nigeria to carry out the implementation of Nigerian content development or policy in the Nigerian oil and gas industry by any law or enactment is hereby transferred to the Nigerian Content Monitoring Board established under this Act.

104.-(1) A Fund to be known as the Nigerian Content Development Fund (the "Fund") is established for purposes of funding the implementation of Nigerian content development in the Nigeria oil and gas industry.

Savings and transitional provision.

(2) The sum of one per cent of every contract awarded to any operator, contractor, subcontractor, alliance partner or any other entity involved in any project, operation, activity or transaction in the upstream sector of the Nigeria oil and gas industry shall be deducted at source and paid into the Fund.

Establishment of Nigerian Content Development Fund.

(3) The Fund shall be managed by the Nigerian Content Development Board and employed for projects, programmes, and activities directed at increasing Nigerian content in the oil and gas industry.

105. The Nigerian Content Monitoring Board in conjunction with NIMASA shall have powers to enforce compliance with relevant sections of Coastal and Inland Shipping (Cabotage) Act in relation to matters pertaining to Nigerian content development.

106. In this Act-

"Joint Qualification System" means the industry databank of available capacities and capabilities in the Nigerian oil and gas industry;

Enforcement of compliance Act No 5,2003

"Labour Clause" means a clause mandating the use of a minimum percentage of Nigerian Labour in professional cadres in all contracts awarded in the Nigerian petroleum industry above a threshold value as stipulated by the Minister from time to time;

"Minister" means the Minister of Petroleum Resources;

Interpretation

"Nigerian Company" means a company formed and registered in Nigeria in accordance with the provision of Companies and Allied Matters Act with not less than 51 % equity shares by Nigerians;

"*NNPC*" means Nigeria National Petroleum Corporation;

"*NNPC Joint Ventures Partners*" means oil companies that executed various petroleum agreements with NNPC ;

"*Nigerian Content*" means the quantum of composite value added to 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;

"*Nigerian Content Indicator*" means a percentage rating of a company based on specific criteria defined on the basis of values ascribed to each criterion;

"*Nigerian Oil and Gas Industry*" means all activities connected with the exploration, development, exploitation, transportation and sale of Nigerian oil and gas resources including upstream and downstream oil and gas operations ;

"*Operator*" means the Nigeria National Petroleum Company (NNPC), its subsidiaries and joint venture partners and any Nigerian, foreign or international oil and gas company operating in the Nigerian oil and gas industry under any petroleum arrangement;

"*Partner*" means any foreign company working on any project in partnership or as major contractor to an operator;

"*Plan*" means a Nigerian content plan submitted in compliance with any aspect of this Act;

"*Oil and Gas e-market Place*" means a virtual platform for buyers and sellers of goods and services in the oil and gas industry that allows for speedy and transparent transactions.

Citation. **107.** This Act may be cited as the Nigerian Oil and Gas Industry Content Development Act, 2010.

SCHEDULE

Sections 3(2), 11(1), (2), (3)
and (4), 34 and 70(d)

CODE DESCRIPTION

NIGERIAN CONTENT (NC) LEVEL

FEED AND DETAILED ENGINEERING AND
OTHER ENGINEERING SERVICES

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
FEED and Detailed engineering on Onshore facilities	90%	Man-Hour
FEED and Detailed engineering on Offshore facilities- Shallow Water	90%	Man-Hour
FEED and Detailed engineering on LNG facility	50%	Man-Hour
FEED and Detailed engineering on Gas gathering Facilities	90%	Man-Hour
FEED and Detailed engineering on Deep offshore facilities-Hull and topside modules	80%	Man-Hour
FEED and Detailed engineering on Deep offshore Floating concrete structure	80%	Man-Hour

FABRICATION AND CONSTRUCTION

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Terminal/Oil Movement Systems	80%	Volume
Drilling Modules/Packages	75%	Tonnage
Piles, Anchors, Buoys, Jackets, Bridges, Flare Booms, Storage Tanks, Pressure Vessels	80%	Tonnage
Umbilical	60%	Tonnage
Topside module (process modules and storage modules)	50%	Tonnage
Accommodation module	70%	Tonnage
Subsea Systems	60%	Tonnage
Pipeline Systems	100%	Tonnage
Risers	100%	Tonnage
Utilities module/packages	50%	Tonnage

MATERIALS AND PROCUREMENT

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
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Steel plates, Flat Sheets, Sections	100%	Tonnage
Steel Pipes	100%	Tonnage
Low Voltage Cables	90%	Length
High Voltage Cables	45%	Length
Valves	60%	Number
Drilling mud-Baryte, Bentonite	60%	Tonnage
Cement (Portland)	80%	Tonnage
Cement (Hydraulic)	60%	Tonnage
Heat exchangers	50%	Number
Steel Ropes	60%	Tonnage
Protective paints	60%	Litres
Glass Reinforced Epoxy (GRE) pipes	60%	Tonnage

WELL AND DRILLING SERVICES/PETROLEUM TECHNOLOGY

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Reservoir Services	75%	Spend
Well completion services (permanent gauges and intelligent wells)	80%	Spend
Wire line services (electric open holes, electric cased hole, slick line)	45%	Spend
Logging While Drilling (LWD) services	75%	Man-Hour
Measurement While Drilling (MWD) (direction and inclination/Gamma ray)	90%	Man-Hour
Production drilling service	85%	Man-Hour
Performance services (T and P)	90%	Man-Hour
2D Seismic data acquisition services	85%	Length
Well Overhauling/Stimulation Services	85%	Man-Hour
Wellhead Services	85%	Man-Hour
Directional Surveying Services	100%	Man-Hour
Cutting Injections/Cutting Disposal Services	100%	Man-Hour
Recutting Inspection Services	85%	Man-Hour
Cased Hole Logging Services (Gyro, Perforation, Gauges, Gyro, PLT, Perforation, PLT, Gauges)	90%	Man-Hour
Well Watch Services	70%	Man-Hour
Cement service	75%	Man-Hour
Coiled Tubing Services	75%	Man-Hour
Pumping Services	95%	Man-Hour
Fluid/Bottom Hole Sampling Services	80%	Man-Hour
OCTS Services (Cleaning, hard banding, recutting, rethreading, storage)	95%	Man-Hour
Well Crisis Management Services	90%	Man-Hour

Directional Drilling Services	90%	Man-Hour
Other Drilling Services	80%	Man-Hour
Petro physical Interpretation Services	75%	Volume/ Man-hour
Extended Well Test/Early Production Services including Provision of Floating or Jack up Production Unit		
Provision of all Catering, Cleaning, Office and Security Service at Location/Platform	50%	Spend
Rental of Drill Pipe	80%	Spend
Electric Open Hole	75%	Spend
Electric ceased Holes	45%	Spend
Slick line	100%	Spend
Well head Safety panels	100%	Spend
CHEMICAL:		
Drilling, process, Maintenance	90%	Spend
RESEARCH AND DEVELOPMENT SERVICES (R AND D-RELATED TO OPERATOR'S IN-COUNTRY		
<i>Description</i>	<i>NC %</i>	<i>Measured Unit</i>
Engineering Studies - Reservoir, Facilities, Drilling etc.	60%	Spend
Geological and Geophysical Services	80%	Spend
Safety and Environmental Studies	75%	Spend
Local Materials substitution Studies	75%	Spend
EXPLORATION, SUBSURFACE, PETROLEUM ENGINEERING AND SEISMIC		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
3D Seismic Data acquisition services	100%	Spend
4D Seismic data processing services	55%	Spend
2D Seismic data processing services	100%	Spend
Geophysical interpretation services	90%	Spend
Geological evaluation services (Organic Geochemistry, Petrology, Digenesis, Giostratigraphy, Fluid Characterization, PVT, Core Analysis, Flooding)	80%	Spend
Mud logging services	90%	Spend
Coring services	90%	Spend
Well Testing Service	55%	Spend
Drilling rigs (Swamp)	60%	Man-hour

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Drilling Rigs (Semi submersibles/Jack ups/Others)	55%	Man-hour
Drilling Rigs (Land)	70%	Man-Hour
Work-over Rigs (Swamp)	70%	Spend
Snubbing Services	80%	Spend
Liner Float, Hangers and Running Equipment Services	55%	Spend
Field Development Plan	100%	Spend
2D Seismic Data Interpretation Services	100%	Spend
3D Seismic Data Interpretation Services	100%	Spend
4D Seismic Data Interpretation Services	55%	Spend
Drilling rigs (Land)	70%	Man-Hour
TRANSPORTATION/SUPPLY/DISPOSAL SERVICES		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Tugs/Remotely Operated Vehicle (ROV) support/diving support vessels	65%	Spend
Barges	95%	Spend
Accommodation platforms/Vessels	90%	Spend
Disposal/Distribution and Waste Transport Services	100%	Spend
Rental of Cranes and Special Vehicles	75%	Spend
Freight Forwarding/Logistics Management Services	65%	Spend
Supply Base/Warehouse/Storage Services	70%	Spend
Truck Package/Product Transportation Services	100%	Spend
HEALTH, SAFETY AND ENVIRONMENT		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Site Clean-up Service	100%	Man-Hour
Pollution Control	45%	Spend
Waste Water Treatment Services	65%	Man-Hour
Fire and Gas Protection System Services	50%	Man-Hour
Ventilation/Heating/Sanitary Services	85%	Man-Hours
Waste Disposal/Drainage Services	100%	Man-Hours
Industrial Cleaning Services	100%	Man-Hours
Disposal/Distribution and Waste Transport Services etc.	100%	Spend
Safety/Protection/Security/fire fighting System Services	90%	Man-Hours
Preservation of Mechanical and Electrical Components Services	95%	Man-Hours

Equipment brokerage services	75%	Spend
Temporary Accommodation/Camp Services	80%	Spend
Catering Services	100%	Spend
Cleaning and Laundry Services	100%	Spend
Security Services	95%	Spend
Medical Services	60%	Spend
Equipment Brokerage Services	75%	Spend
Other Supporting Services	85%	Spend
Pollution Control	90%	Man-hour/ Spend

INFORMATION SYSTEMS/INFORMATION
TECHNOLOGY/COMMUNICATION SERVICES

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Network Installation/Support Services	85%	Spend
Software Development and Support Services	45%	Spend
Computer Based Modelling Services	51%	Spend
Computer Based Simulation/Training Programs Services	51%	Spend
CALICAP Services	51%	Spend
Hardware Installation Support Services	50%	Spend
Operating System Installation/Support Services	50%	Spend
User Support/Help Desk Services	60%	Spend
Library Services	70%	Spend
IT Management Consultancy Services	50%	Spend
Data Management Services	50%	Spend
Telecommunication Installation/Support Services	60%	Spend
Data and Message transmitting Services	60%	Spend
Rental of Telecommunication Lines	75%	Spend
Telecommunication Subscription Services	85%	Spend
Public Address System Services	95%	Spend
Other Information Systems (IS)/Information Technology (IT) Services	75%	Spend

MARINE, OPERATIONS AND LOGISTICS SERVICES

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Telecommunication Services	90%	Man-Hour

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Supply of crew men for domestic coastal services	80%	Number
Diving/RO'v/Submersible Operations	70%	Man-Hour
Hook-up and Commissioning including Marine Installation Services	75%	Man-Hour
Dredging Service	55%	Man-Hour/ Spend
Gravel and Rock Dumping Service	65%	Man-Hour
Floating Storage Units (FSU)	45%	Man-Hour
Subsea Pipeline Protection Services	55%	Man-Hour
Installation of Subsea Package	60%	Man-Hour
Mooring System Services	50%	Man-Hour
Ship Chandler Service	90%	Spend
Moving Services	100%	Man-hours/ Spend
Supply Vessels	45%	Man-hours/ Spend
Stand-by Vessels	55%	Spend
Domestic Clearing of Cargos	30%	Spend
Bunkering Services	60%	Spend
Marine Insurance	40%	Spend
Marine Consulting	40%	Spend
Marine Logistic	30%	Spend
FINANCE AND INSURANCE		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
General Banking Services	100%	Usage
Monetary Intermediation Services	70%	Usage
Credit Granting Services	50%	Loan Amount
Security Braking and Fund Management Services	100%	Spend
Financial Management Consultancy Services	70%	Spend
Accounting Services	70%	Man-hours
Auditing Services	100%	Spend
Life Insurance Services	100%	Spend
Pension Funding Services	100%	Spend
Non-Life Insurance Services	70%	Spend
Insurance Broking Services	100%	Spend
INSTALLATION, HOOKUP AND COMMISSIONING		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Surface Treatment, Sandblasting, Painting,		

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Coating and Fire proofing Services	80%	Man-Hour
Subsea construction services	45%	Man-Hour
Hook-up and commissioning including marine installation services	75%	Man-Hour
Installation of subsea packages	45%	Man-Hour
Electrical/Instrument Services	45%	Man-Hour
Insulation Services	50%	Man-Hour
Diving/ROV /Submersible operations	75%	Man-Hour
Subsea Construction Services	45%	Man-Hour
Pipe Cutting and Bending Services	100%	Man-Hour
Catalyst Handling/Regeneration Services	85%	Man-Hour
Bolt Tensioning Services	75%	Man-Hour
Rope Access Services	70%	Man-Hour
Welding and Jointing Services	60%	Man-Hour
Maintenance and Modification of Pumps and Rotating Equipment	65%	Man-Hour
Heat Treating and Demagnetising Services	80%	Man-Hour
Tank Bottom Sludge Treatment Services	85%	Man-Hour
Valve Management Services including Testing and Repair	85%	Man-Hour
Crane Management Services	80%	Man-Hour/ Rate
Other Construction/Maintenance Services	80%	Man-Hour/ Tonnage/Rate
Pipe laying/Cable Laying Services	50%	Man-Hour
Trenching and Excavation Services	100%	Man-Hour
Cranes/Crane Barges/Heavy Lift Vessels	100%	Man-Hour
Marine Services	65%	Man-Hour/ Spend
Subsea Services	45%	Man-Hour/ Spend
Well Services	70%	Man-Hour/ Spend
Cutting Services	75%	Man-Hour/ Spend
Site Services	85%	Man-Hour/ Spend
Other Decommissioning and Abandonment Services	90%	Man-Hour/ Spend
Service Station Tank Maintenance/Services	75%	Spend

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Electrical/Electronic Systems Integration	55%	Spend
Process Testing including Helium and Nitrogen Services	65%	Spend
INSPECTION, TESTING AND CERTIFICATION		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Material Technology/ Anti-Corrosion/Surface Protection Services	85%	Man-Hour
Non-Destructive Testing (NOT) Services	60%	Man-Hour
Pipeline Flushing, External/Internal Inspection, Pigging Services	85%	Man-Hour/Rate
Surface Treatment Inspection Services	90%	Man-Hour
Pressure Testing Services	90%	Man-Hour
Instrument Testing/Calibration Services	85%	Man-Hour
Load Testing Services	75%	Man-Hour
Diving/ROV operations	65%	Man-Hour
Laboratory Testing Services	55%	Man-Hour
Dimensional Control/Verification Services	45%	Man-Hour
Third Party Measurement Services	45%	Man-Hour
Other Inspection Services	45%	Man-Hour
Quality Management Systems Certificate	55%	Nos. of Certification obtained
Environmental Management Systems Certificate	45%	Nos.
Safety Management System Certification	45%	Nos.
Information Security Management Systems Certificate	45%	Nos.
Certification of Welders	50%	Nos.
Certification by NOT personnel	45%	Man-Hour
Certification of machinery and equipment	45%	Numbers
Certification on NOT Personnel	50%	Nos.
Certificate of Machinery	50%	Nos.
Certification of Cranes and Lifting Appliances	45%	Nos.
Certification of Pressurised Equipment	45%	Nos.
Evaluation and Certification of Software and Electronics (IT)	45%	Nos.
Notified Body for Machinery	45%	Nos.
Notified Body for simple Pressure Vessels	45%	Nos.
Notified Body for Telecommunication Terminal Equipment	50%	Nos.

Notified Body for Personal Protection Equipment	45%	Nos
Notified Body for Lifts	50%	Nos
Notified Body for Pressure Containing Equipment	45%	Nos
Integrity Management Services	50%	Nos
Other Certification Services	50%	Nos
Other Testing Services	49%	Man -Hour

PROJECT MANAGEMENT/CONSULTING

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Construction Management and Supervision Services	80%	Man-Hour
Project Administration Services/Project Management	80%	Man-Hour
Quality Assurance QA/QC Consultancy	45%	Man-Hour
Safety, Health and Environment Consultancy	45%	Man-Hour
Risk Analysis Consultancy	45%	Man-Hour
Personnel/Training System Consultancy (for Training Courses select 3.99.13)	45%	Man-Hour
Legal Consultancy	50%	Contracts
Cost and Planning Consultancy	75%	Man-Hour
Material Administration Consultancy	75%	Man-Hour
Technical Documentation/Document Control Consultancy	85%	Man-Hour
Advertising/Public Affairs/Public Relations Consultancy	80%	Man-Hour
Marketing and Market Research Consultancy	75%	Man-Hour
Translation and Manual Writing Consultancy	45%	Man-Hour
Welding and Jointing Consultancy	45%	Man-Hour
Warranty Surveyors	45%	Man-Hour
Third Party Evaluation/Verification Consultancy	50%	Spend
Energy Conservation Consultancy	65%	Spend
Decommissioning and Abandonment Consultancy	90%	Spend
Meteorological Consultancy	55%	Spend
Staff Search/Selection Consultancy	80%	Spend
Sub-surface Consultancy (Geological, Geophysical, Reservoir)	90%	Spend
Design Consultancy (Industrial Design, Web Design etc.)	85%	Man-Hour
Marine Consultancy	50%	Spend
Subsea Consultancy	45%	Spend

Career/Outplacement Consultancy	70%	Spend
General Management and Business Development Consultancy	80%	Spend
Other Consultancy Services	55%	Spend
Pollution and Pollution Control Works and Consultancy	65%	Spend
SURVEYING/POSITIONING SERVICES		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Soil Investigation Services	80%	Spend
Navigation/Positioning Services	50%	Spend
Geotechnical Services	60%	Spend
Geophysical and Hydrographic Site Survey	100%	Spend
Oceanographic Services	60%	Spend
Rig Positioning Services	65%	Spend
Photogrammetric Surveying Services	45%	Spend
Chart and Map Production Services	45%	Spend
Rental of Surveying/Positioning Equipment Services	45%	Spend
Survey and Positioning Support Services	75%	Spend
Aeromagnetic Survey	45%	Area
MODIFICATION AND MAINTENANCE		
<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Car Wash Equipment Maintenance/Services		
Canopy Equipment Maintenance/Services	90%	Spend
Dredging services	90%	Spend
Signs and Accessories Maintenance/Services	55%	Spend
Services Station Pumps Maintenance/Services	80%	Spend
Payment Terminal Maintenance/Services	65%	Spend
Service Station Tanks Maintenance/Services	80%	Spend
Subsea systems	75%	Spend
Pipeline Systems	45%	Spend
Risers	60%	Spend
Umbilicals	49%	Tonnage
Terminal/Oil Movement Systems	51 %	Tonnage
Accommodation/Office/Workshop/Storage Modules	70%	Volume
Process Modules/Packages	80%	Spend
Utilities Modules/Packages	65%	Tonnage
Drilling Modules/Packages	80%	Tonnage
Buildings including Services Stations	70%	Tonnage

Engineering Modification and Maintenance

Services for a Site/Platform	90%
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SHIPPING

<i>Description</i>	<i>NC%</i>	<i>Measured Unit</i>
Domestic coastal carriage of petroleum products	60%	Spend
Tow of oil and gas infrastructure and vessels conveying Oil and Gas products from or to any Port or point in Nigerian waters	90%	Spend
Supply of very large crude carriers (VLCC)	90%	Spend

I certify, in accordance with Section 2 (1) of the Acts Authentication Act, Cap. A2, Laws of the Federation of Nigeria 2004, that this is a true copy of the Bill passed by both Houses of the National Assembly.

OLUYEMI OGUNYOMI

Clerk to the National Assembly

29th Day of March, 2010

EXPLANATORY MEMORANDUM

This Act provides for the development of Nigerian content in the Nigerian oil and gas industry, Nigeria content plan, supervision, co-ordination, monitoring and implementation of Nigerian content.

SCHEDULE TO NIGERIAN OIL AND GAS INDUSTRY CONTENT DEVELOPMENT BILL, 2010.

(1) <i>Short Title of the Bill</i>	(2) <i>Long Title of the Bill</i>	(3) <i>Summary of the Contents of the Bill</i>	(4) <i>Date passed by the Senate</i>	(5) <i>Date Passed by the House of Representatives</i>
Nigerian Oil and Gas Industry Content Development Bill, 2010	An Act to provide for the development of Nigerian content in the Nigerian Oil and Gas Industry, Nigerian content plan, supervision, co-ordination, monitoring and implementation of Nigerian and for related matters.	This Bill seeks to provide for the development of Nigerian content in the Nigerian Oil and Gas Industry, Nigerian content plan, supervision, co-ordination, monitoring and implementation of Nigerian content.	10th March, 2010	3rd March, 2010

I certify that this Bill has been carefully compared by me with the decision reached by the National Assembly and found by me to be true and correct decision of the Houses and is in accordance with the provisions of the Acts Authentication Act Cap. A2, Laws of the Federation of Nigeria, 2004.

OLUYEMI OGUNYOMI,
Clerk to the National Assembly
29th Day of March, 2010

I ASSENT.



DR GOODLUCK EBELE JONATHAN, GCFR
President of the Federal Republic of Nigeria
22nd Day of April, 2010