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# Localisation & Capacity building for the Power Sector Workforce

**Presentation By**

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# Highlights

- National Content Development NESI 2013
- Requirements from NERC
- Requirements from Utility Companies
- Building the Workforce for the Power Sector

# NESI 2013

- Signed into Law on December 14, 2014
- Prioritisation of Nigerian workers, technologies and consultants
- Prioritisation of goods, works and provision of services from Nigeria in the award of contracts
- Prioritisation of suitably qualified Nigerians for employment and training

# Advantages to Nigeria

- Potential to be a job spinner if properly implemented
- Positive impact on economy short to medium to long term
- Significant localisation and nationalisation of services in the industry
- Technology

# Requirements from NERC

- Creation of Joint Qualification System
  - Industry databank of available capacity and capabilities.
  - Prequalification of and verification of contractors' capacity and capability
- Creation of National skills development pool
- Review progress in National Content Development
- Ranking and categorization of service companies on capabilities and national content

# Requirements from NERC – cont'd

- Facilitate fiscal framework and tax incentives from Government for industry players in support of the Nigerian Content Plan
- Establish the Nigerian Content Consultative Forum (NCCF) to review and determine the extent of local content participation in the NESI

# Requirements from Utility Companies

- Development of a framework for the development and promotion of Nigeria content
- Maintain an annual Nigerian Content Performance report covering all project activities in the year under review
- Commercial bids with the highest Nigerian content plan to be selected for award of contracts
- Maintain an employment and training plan for every reporting year



# Requirements from Utility Companies – cont'd

- Carry out succession planning
- Maintain financial, legal, insurance and reinsurance services rendered by firms in Nigeria

# Areas to watch closely

- Award of contracts for goods made in Nigeria
- Award of contracts for services that can be provided by Nigerian firms
- Recruitment and staffing
- Projects
- Operations
- Consultancy services
- Procurement services

# Employment & Expatriate Quota

- Effort to avoid the mistake of the Oil Industry
- No more than 5% of management staff to be from overseas
- Diligent search for suitably qualified Nigerians to fill vacancies before soliciting applications from expatriates
  - Immigration rules must be strictly adhered to

# Training & Staff Welfare

- Work programme to include training of Nigerians
- Involve Nigerians in Research & Development activities undertaken by utility
- Acquire and facilitate the transfer of technology
- Collective agreement reached with employees and/or their unions regarding the terms and conditions of employment to be honored

# Professional Services

- COREN registered Engineers (or those with Overseas equivalent) to carry out engineering services in Nigeria
- Give priority over foreign counterparts
- Foreign Engineering firms must work with local firms licensed to provide such services

# Know-How/Technology Transfer

- Request each utility to submit a technology acquisition report and maintain a technology transfer plan
- Scrutinize the details and modalities for transfer of technologies
- Facilitate JVs, Partnerships, Alliances etc
- Avoid restricting trade by imposing difficult growth and development requirements for the power sector
- Avoid Nigerians who are neither competitive nor capable; lacking proven expertise in order to maintain the high quality standards required by the NESI
- Think Repatriates, not Expatriates!!!

# Building the Workforce – WHY?

- Power Industry worldwide suffers from skill shortage.
  - Opportunities and challenges for Nigeria
- Utilities cannot find skilled staff and existing staff have not received adequate training in many years
- Surest way to guarantee localisation and nationalisation of NESI is training and capacity development
- Strict enforcement of the Regulation on National Content – need for an independent authority for this is high!!!

# Building the Workforce – HOW?

- Establish a Power Skills Development Agency that will be responsible for the scheme
- Power Academy
- Apprenticeships – NVQs (Levels 1 – 6)
- Graduate & Technical Training Schemes
- Research and Development grants – PhD Scholarships focusing on specific areas of need in NESI



# Building the Workforce – Quick wins

- Tap into the gains recorded in the Oil and Gas industry
- Replicate learning across West Africa
- Technical Aid as a means of National Income
- Stakeholder involvement – Government, Trainers, Industry, Professional bodies & Academia

# Developing the People, Developing the Nation!!!

- Nigeria's wealth directly proportional to human capacity development
- Nation's greatest value – Our Human Capital!!!
- Reposition the nation as one of the first 5 economies in the world!!!
- Create value, Create capacity = Economic Growth