



Association of Uganda
Oil and Gas Service Providers



National Participation; Our Perspective

Presented by AUGOS 12-03-2015

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Eagle Air Uganda Ltd

Globe Trotters Ltd

Three Ways Shipping Services Group Ltd

Bemuga Forwarders Ltd

Quantum Associates Ltd

Intercar (trading as Europcar)

Richflo Lift Services Ltd

Background



- The Association;
 - locally owned and incorporated.
 - Operating in the oil and gas industry since 1998.
 - Started by indigenous Ugandans at the arguing of PEPD.
 - Employs a total of over 20,000 Ugandans
 - Invested heavily in acquiring land, equipment, farm inputs and highly skilled staff.
 - Total investment in the economy is over USD 800M
 - Non Partisan, non racial and not for profit
 - 78 member companies across the board; services, banks, farming, insurance, transporters, clearing agents, warehousing, catering, food production, Construction, Drilling, Law firms, welding, etc

Opportunities

- Catering and food supplies
- Security services
- Welding and fabrication
- Transport of goods and personnel
- Warehousing
- Camp management
- Cold chain management
- Hotel services
- Recreational and social amenities
- Logistics supplies like clearing, forwarding and handling
- Housing, infrastructure and roads.



What we need from Govt

Enterprise development
Capacity building
Facilitating national participation
Monitoring and Evaluation
Institutional development
Hedge fund to spur local participation



Challenges

- The government should pay for local operators to receive training and this should be enforced, eliminating this matter will disadvantage Ugandans.
- More stringent monitoring of the multinational oil companies business practices in Uganda is required. A National Content Board should be formed to monitor and supervise strict adherence to the rules.
- Increase awareness to ensure that indigenous operators are aware of the opportunities and their rights.
- Nigeria compels international companies to have 75% local content
- Angola recommends 71% local content inclusion
- Uganda 48% local content for those services that can't be locally availed. We think Joint Ventures will help in transferring skills and technology.

Bottlenecks

- The sector is highly regulated
- Capital intensive
- Corporate secrecy and divide and rule.
- Poor business practices killing competition (under costing, trickery).
- Standards can not be relaxed to accommodate local business environment.
- Risks are very high and therefore funding limited
- Competition is so high because of foreign experienced and skilled companies that know very well these companies.
- Lack of a strong local financial policy that supports local investment
- Legal and regulatory framework doesn't favor locals.
- An investor needs 15 procedures to start a business in Uganda. Kenya (10), TZ (09), Burundi (04) and Rwanda (2).
- You need an average of 33 days in Uganda, Kenya (32), TZ (26), Burundi (08) and Rwanda (03) to complete start up procedures.

“Ultimately the goal is to build Africa, for Africans” Obama

