

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**STRENGTHENING DEVELOPMENT LINKAGES FROM THE
MINERAL RESOURCE SECTOR IN ECCAS COUNTRIES**

Regional Workshop
Brazzaville, Republic of the Congo
28 to 30 September 2016

The mining and oil sector in Central Africa

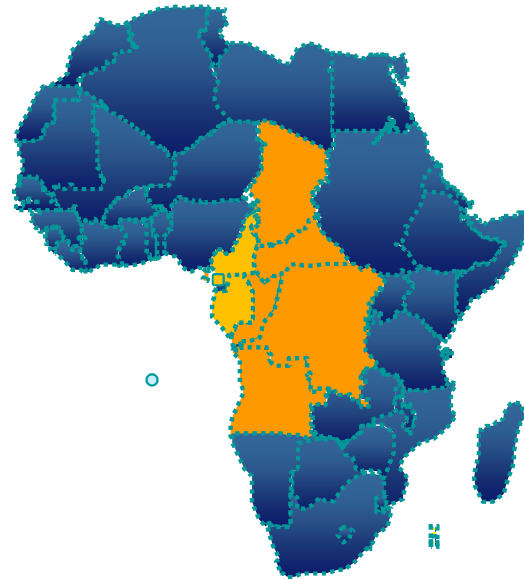
by

Samuel Safo Tchofo, Vice-President Executif, CONSOLTIA

The opinions expressed in this document are those of the author and do not necessarily reflect the views of UNCTAD.

Renforcement Des Capacités Du Secteur Des Ressources Minérales Sur L'économie Locale

Le secteur minier et pétrolier en Afrique centrale



Samuel Safo Tchofo
Vice-President Executif
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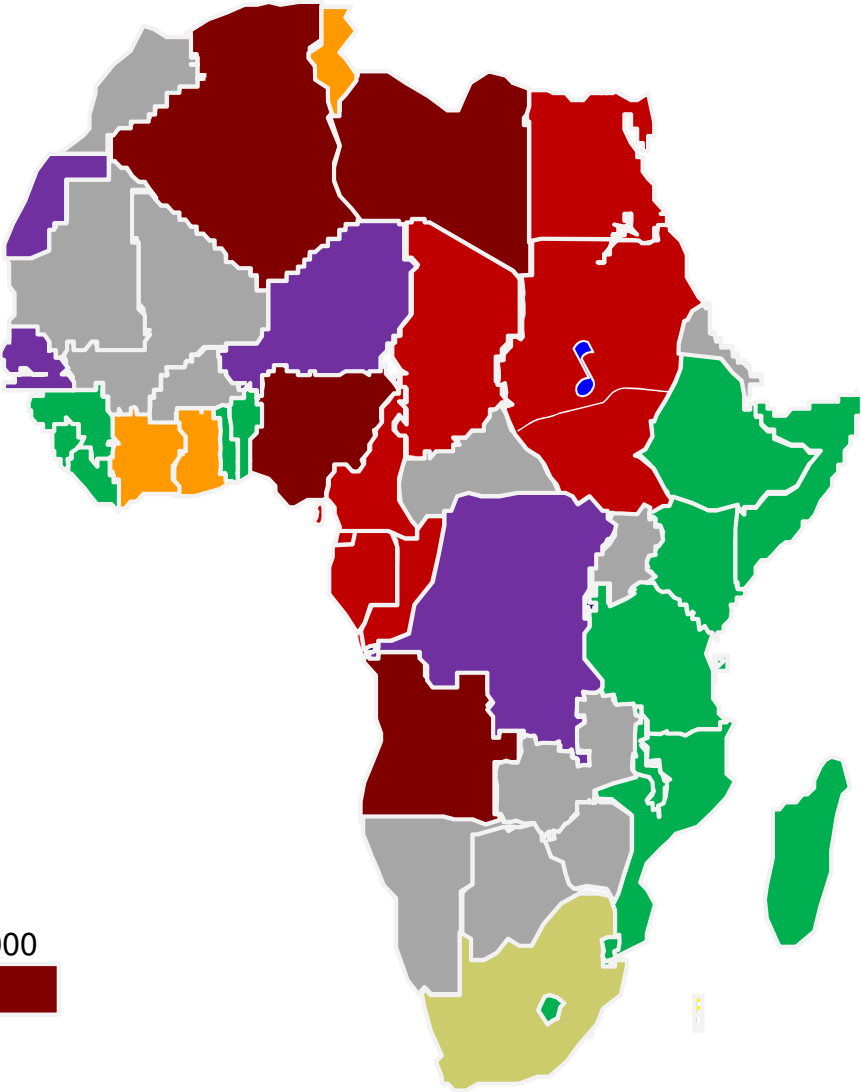


Content

1. Economic Environment, Oil & Mines Impact
2. Production Evolution and Consequences
3. Key Direct Actors in Petroleum Sector
4. Some Regional Content Examples
5. Diversification: Gas



Africa Oil Producers



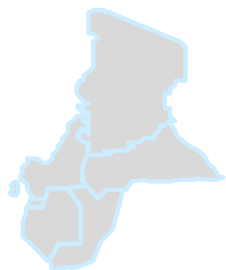
In 1000 BOPD



■ >2 generations



Economic indicators



	Population (million-2016)	GDP PPP (2015-B\$)	GDP PPP per Capita (2015-\$)	IDH(2014)	Doing Business ranking (2014)
World	7400	111027	15000.0	0.682	
Gabon	1.76	34	20010	0.674	144
Congo (Brazzaville)	4.7	29	6277	0.564	178
E. Guinea	0.87	25	31041	0.556	165
Angola	25	184	6949	0.526	181
Cameroun	24	73	2972	0.504	158
Tchad	15	30	2182	0.372	185
RDC	79	60	746	0.338	184

source:

IMF

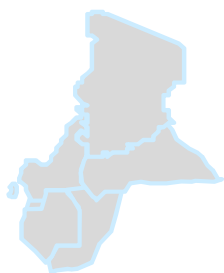
World Bank

Pnud

World bank



Oil and Mining Sectors Economic Impact



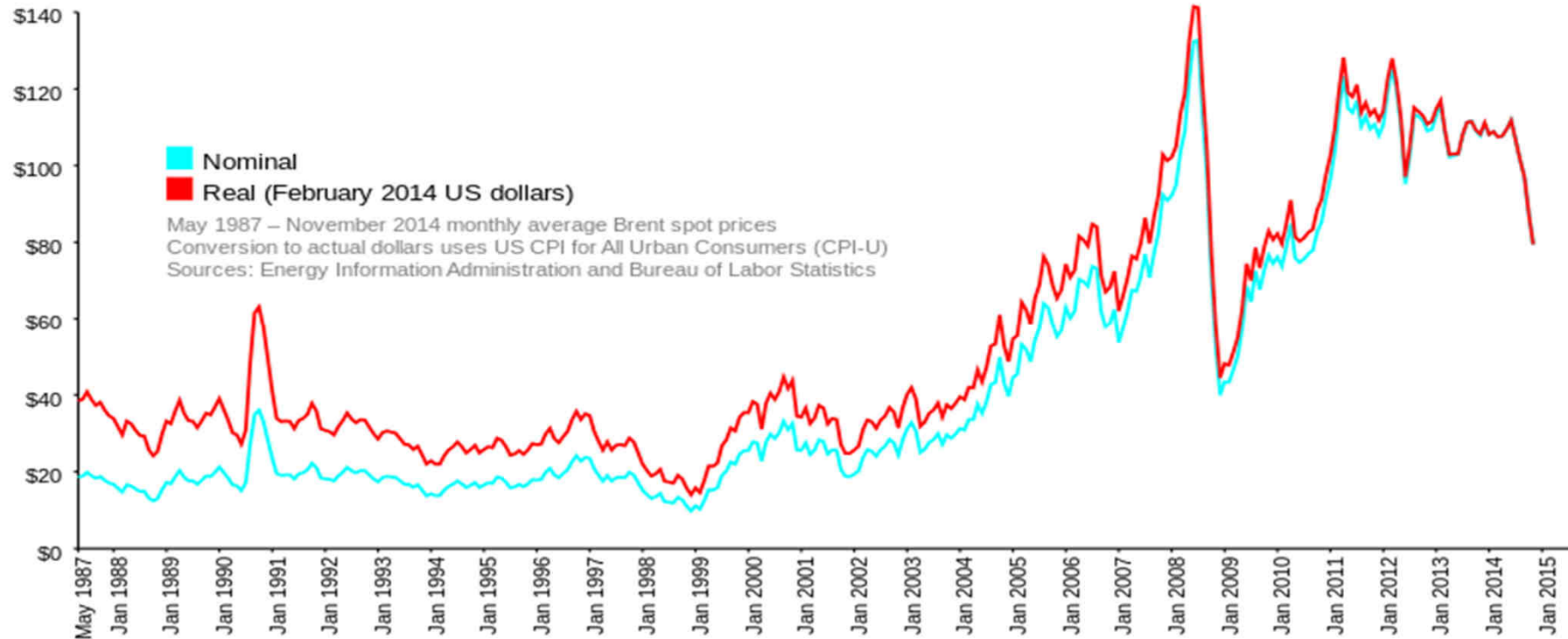
	Revenu Oil (M\$)	% Revenu	% Budget	% PIB	Employement	Revenu Mining (M\$)	% Total Revenu
Gabon		70%	50%	40%	3%		6%
Congo (Brazza)	5086	76%	70%	37%		3.05	0.06%
E. Guinea	6000	87%	86%	90%		~0	
Angola	52000	70%		40%		809	1.6%
Cameroun	1614	29%	30%	5.40%	0.20%	4.99	0.3%
Tchad	1718	72%	60%	20%		0.3436	0.02%
RDC	415	9.3%	33%	7.3%		830	18.60%

RDC Petrole + Mines 28% 65% 22% 11%

source: ITIE , 2013,(Sauf Gabon and EG)



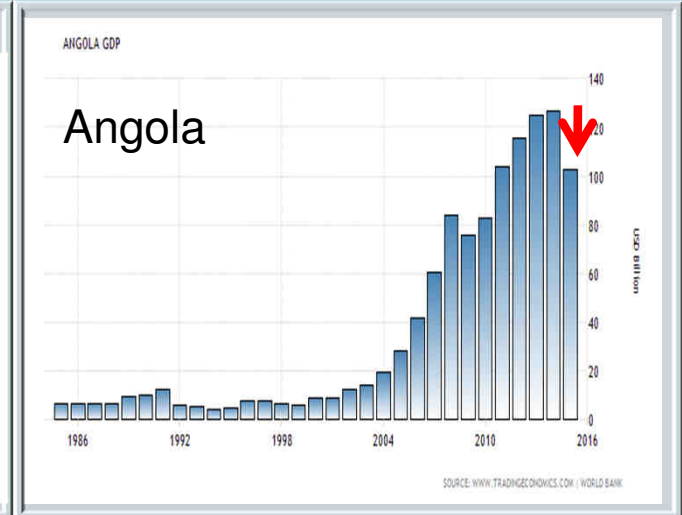
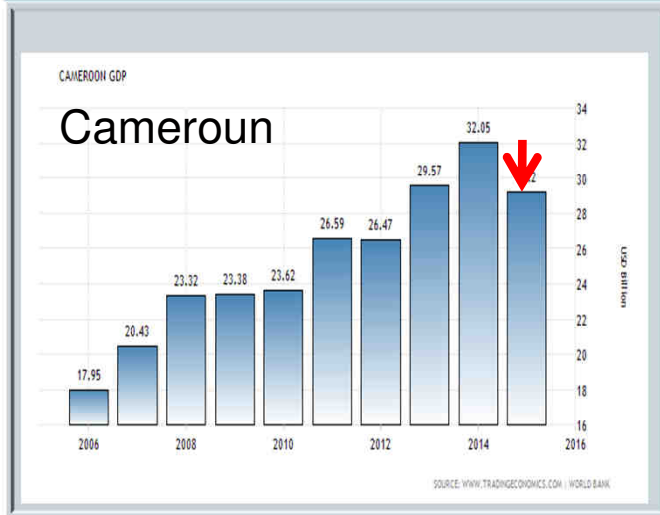
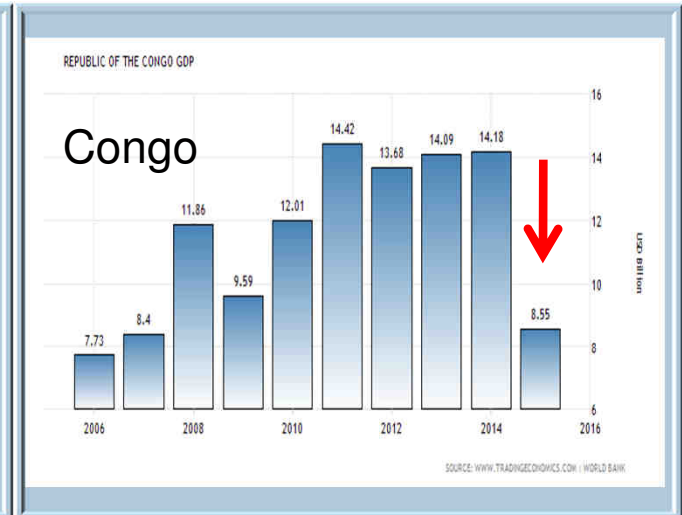
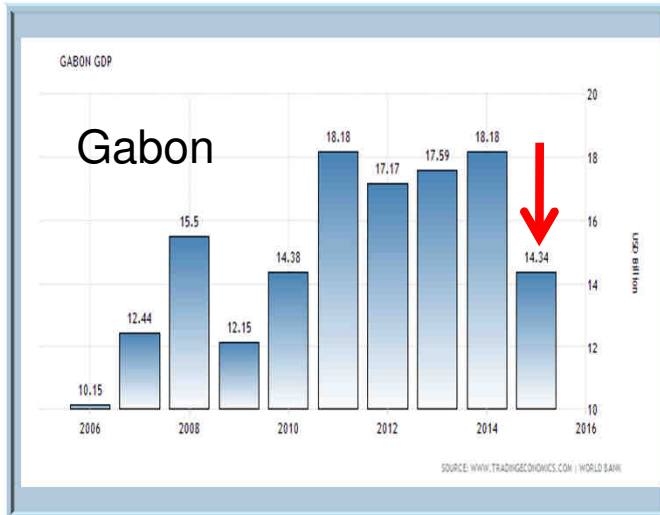
Historical Oil Price



“Cost and people reduction during down cycle”



Evolution of GDP



Production and reserves- 2014

Ranking in Africa	World Ranking	Country	Production	Reserve (MBBL)	Years of production
1	13	Nigeria	2427	37	41.77
2	16	Angola	1756	11	17.16
3	17	Algeria	1721	12.2	19.42
6	33	Equatorial Guinea	269	1.1	11.2
7	34	Congo (Brazzaville)	267	1.6	16.42
9	36	Gabon	240	2	22.83
12	48	Chad	103	1.5	39.9
13	52	Cameroon	81	0.2	6.76
16	78	Congo (Kinshasa)	20	0.18	24.66

Source : eia



Offshore - On Shore

Onshore

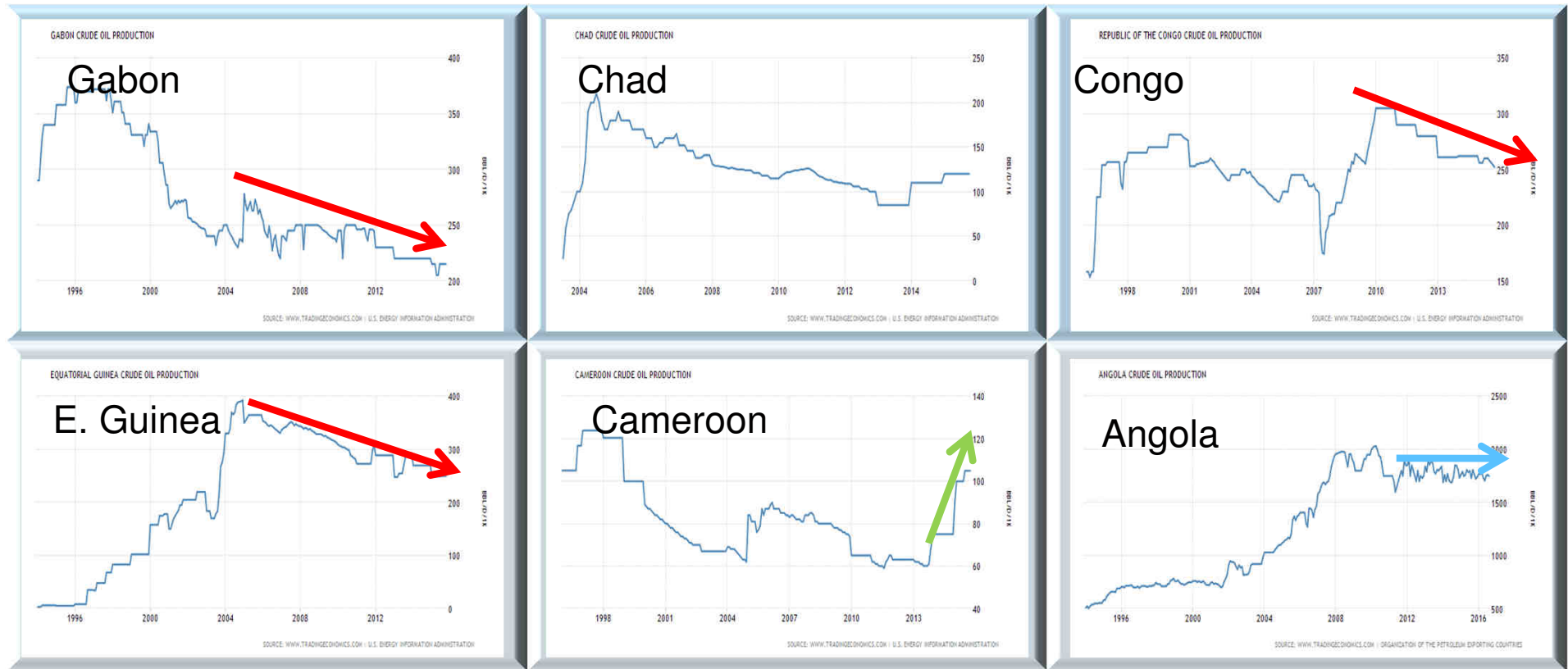
- Less expensive to produce
- Lower Technologie

- Very good starting point
For local producers/actors
- Easier technical cooperation

	Offshore	Onshore
Gabon	x	x
Chad		x
Congo	x	x
E. Guinea	x	
Cameroun	x	x
Angola	x	x
RDC	x	x



Historical Oil Production



Managing the Production decline:

1-More exploration, 2-New production wells, 3-Production Enhancement Technologies



Number of Active Drilling and Workover Rigs

	2013	2014
GABON		
Workover	3	0
Drilling Rigs	15	17
Total Active Rigs	18	17
CONGO		
Workover	2	2.9
Drilling Rigs	7	5
Total Active Rigs	9	7.9
TCHAD		
Workover	6	5
Drilling Rigs	9	10
Total Active Rigs	15	15

Chad production was maintained due to a strong workover program



Main operating companies by country

Gabon	Perenco	Total Gabon	Maurel&Prom	
Chad	Esso E&P	Glencore	CNPCI	Caracal
Congo	ENI	Total	Chevron	SNPC
E. Guinea	Exxon	Noble	Hess	
Cameroon	Perenco	Addax	Rodeo	
Angola	Exxon	Total	Chevron	BP

Main Service Companies:

Schlumberger , Halliburton , Weatherford



National Oil Companies

	Name	Creation	Commercialisation	Participation	Operator	Filiales
Gabon	GOC Gabon Oil company		Yes	Yes	No	
Chad	SHT Ste des Hydrocarbures du Tchad		Yes	Yes	No	
Congo	SNPC Ste Nationale des Hydrocarbures du Congo		Yes	Yes	Yes	Yes
E, Guinea	Gpetrol G. Equatoriale Petrol	2001	Yes	Yes	No	Yes
Cameroon	SNH Ste Nationale des Hydrocarbures		Yes	Yes	Yes	Yes
Angola	Sonangol		Yes	Yes	Yes	Yes



Example Regionaux

Cotco

- Chad Cameroon pipe-line

Tradex

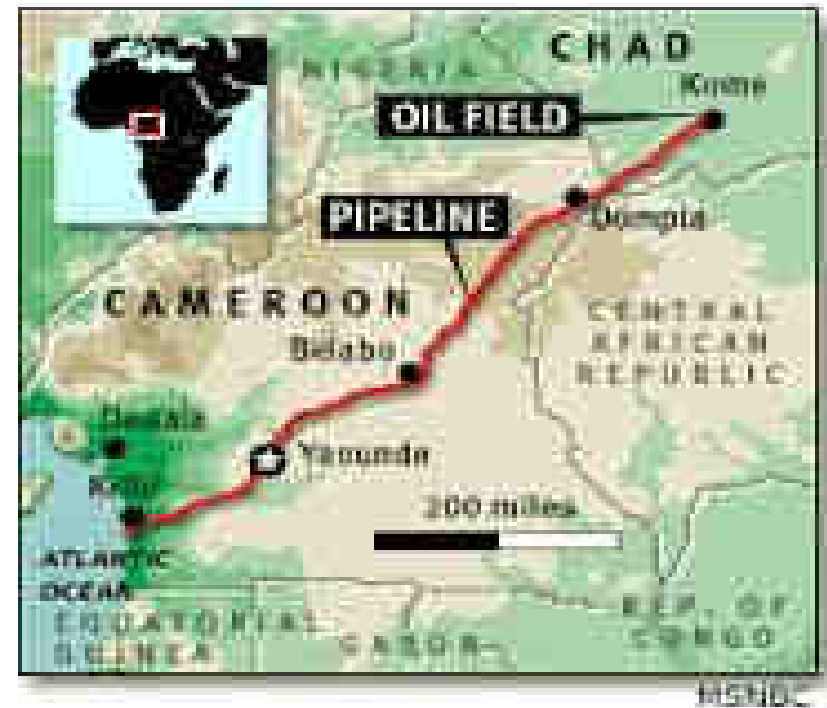
- Fuel distribution,
- Domestic Gas

Afrigaz

- Domestic Gas industry

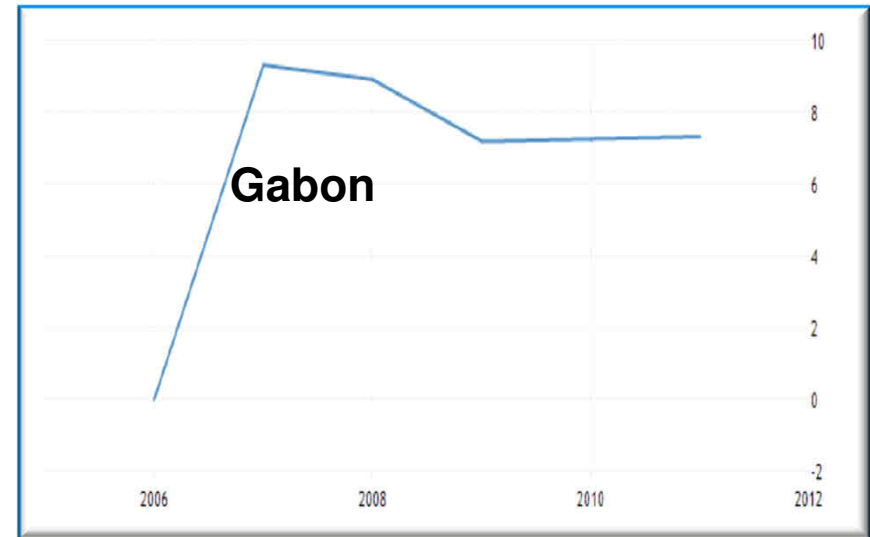
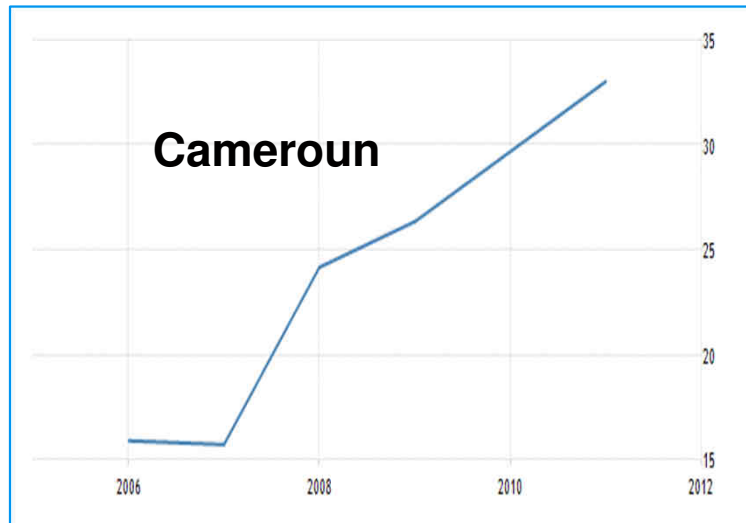
Mbalam

- Future iron mining



Local Diversification: Gas Example

- Electricity Production



- Domestic Gas

Present in all ceeac countries

Is an area of local/regional content development



Conclusion

1- Countries Budget are dominated by Extractive resources

2- Except DRC Mining sector is weak in CEEAC

3-The Regional Content/Actors is limited

4-More Economic Diversification is required



Thank you for your attention



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Let us bring clarity to complexity



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Consulting for Africa

Activity Specificities

- Capital extensive
- High level expertise
- High level of Technology
- High Quality & Safety standards
- High Productivity
- Quick reaction time
- High salaries / compensation
- Cyclic



Statistics from Sub-Sahara Africa, Service Provider Company

Professional Categories	Nb of Positions	SSA Nationals	%
Operators	559	562	101%
Specialist & Engineers	1269	1308	103%
Senior Specialists, Engineers, Geoscientists	940	941	100%
Managers	409	336	82%
Senior Managers	70	45	64%
Total	3248	3189	98%

