

Table of Contents

1. Introduction.....	1
1.1 Opportunities for international manufacturers	1
1.2 Objectives and structure of this report	2
2. Regional Analysis	4
2.1 Description of the region	4
2.1.1 Consumption.....	5
2.1.2 Legal and regulatory framework.....	6
2.1.3 Barriers to economic development in sub-Saharan Africa	9
2.2 Upstream activities	11
2.2.1 Overview.....	11
2.2.2 Proven reserves and production	14
2.2.3 Exploration activities.....	22
2.2.4 Recent discoveries of oil and gas.....	25
2.3 Mid- and downstream activity	27
2.3.1 Refineries.....	27
2.3.2 Future oil refineries in sub-Saharan Africa.....	31
2.3.3 LNG plants and terminals.....	33
2.3.4 Chemical plants and other major gas users.....	36
2.3.5 Oil and gas pipelines.....	40
2.4 Oil and gas exports	45
2.4.1 Oil exports	45
2.4.2 Gas exports	48
2.5 Oil companies.....	49
2.5.1 African Petroleum Producers Association (APPA), and national oil companies (NOCs)	49
2.5.2 International oil companies (IOCs)	51

2.6 International suppliers operating in sub-Saharan Africa	54
2.6.1 Major international suppliers	55
2.6.2 Strategies and practices	60
3. Nigeria	64
3.1 Business environment.....	64
3.1.1 Political stability and security	66
3.1.2 Economy	67
3.1.3 Infrastructure	68
3.1.4 Operating in Nigeria.....	69
3.2 Resources and infrastructure	70
3.2.1 Oil.....	70
3.2.2 Gas	74
3.2.3 Oil and gas infrastructure	77
3.2.4 Planned oil and gas projects.....	82
3.3 Laws and regulations.....	86
3.3.1 Petroleum Industry Bill	88
3.3.2 Local content law	89
3.4 Operators and concessionaires	90
3.4.1 International oil companies (IOCs)	90
3.4.2 Domestic companies.....	97
3.4.3 National oil companies	98
3.5 International and domestic suppliers	100
3.5.1 Overview	100
3.5.2 Upstream	101
3.5.3 Midstream	106
3.5.4 Downstream.....	107
3.6 Future opportunities for international suppliers.....	109

4. Angola	112
4.1 Business environment	112
4.1.1 Political stability and security	114
4.1.2 Economy	115
4.1.3 Infrastructure	115
4.1.4 Operating in Angola	116
4.2 Resources and infrastructure	118
4.2.1 Oil	118
4.2.2 Gas	122
4.2.3 Oil and gas infrastructure	124
4.2.4 Planned oil and gas projects	126
4.3 Laws and regulations	128
4.3.1 Policies and governance of oil and gas in Angola	128
4.3.2 Local content law	130
4.4 Operators and concessionaires	131
4.4.1 International oil companies (IOCs)	131
4.4.2 National oil companies	134
4.5 International suppliers	135
4.5.1 Upstream	135
4.5.2 Midstream	139
4.5.3 Downstream	141
4.6 Future opportunities for international suppliers	141
5. Equatorial Guinea	143
5.1 Business environment	143
5.1.1 Political stability and security	145
5.1.2 Economy	145
5.1.3 Infrastructure	146

5.1.4 Operating in Equatorial Guinea	147
5.2 Resources and infrastructure.....	148
5.2.1 Oil.....	148
5.2.2 Gas	151
5.2.3 Oil and gas infrastructure.....	154
5.2.4 Planned oil and gas projects.....	155
5.3 Laws and regulations	157
5.3.1 The Hydrocarbons Law 2006	157
5.3.2 Local content law	158
5.4 Operators and concessionaires	158
5.4.1 International oil companies (IOCs)	158
5.4.2 National oil companies	161
5.5 International suppliers	162
5.5.1 Upstream	162
5.5.2 Midstream	163
5.5.3 Downstream.....	164
5.6 Future opportunities for international suppliers.....	165
6. Ghana	166
6.1 Business environment.....	166
6.1.1 Political stability and security	168
6.1.2 Economy	168
6.1.3 Infrastructure	169
6.1.4 Operating in Ghana.....	170
6.2 Resources and infrastructure.....	171
6.2.1 Oil.....	171
6.2.2 Gas	173
6.2.3 Oil and gas infrastructure.....	173

6.2.4 Planned oil and gas projects	174
6.3 Laws and regulations.....	176
6.3.1 Policies and governance of oil and gas in Ghana	176
6.3.2 Local content law	178
6.4 Operators and concessionaires	179
6.4.1 International oil companies (IOCs)	179
6.4.2 National oil companies	182
6.5 International suppliers	183
6.5.1 Upstream	183
6.5.2 Midstream	184
6.5.3 Downstream.....	184
6.6 Future opportunities for international suppliers.....	185
7. Mozambique	187
7.1 Business environment.....	187
7.1.1 Political stability and security	189
7.1.2 Economy	190
7.1.3 Infrastructure	190
7.1.4 Operating in Mozambique.....	191
7.2 Resources and Infrastructure.....	192
7.2.1 Oil.....	192
7.2.2 Gas	193
7.2.3 Oil and gas infrastructure.....	199
7.2.4 Planned oil and gas projects.....	199
7.3 Laws and regulations.....	203
7.3.1 The Petroleum Law	203
7.3.2 The “Mega-Projects” Law.....	204
7.3.3 Local content law	204

7.4 Operators and concessionaires	206
7.4.1 International oil companies (IOCs)	206
7.4.2 National oil companies	207
7.5 International suppliers	209
7.5.1 Upstream	209
7.5.2 Midstream	210
7.5.3 Downstream	210
7.6 Future opportunities for international suppliers	211
8. Tanzania, United Republic of	213
8.1 Business environment	213
8.1.1 Political stability and security	215
8.1.2 Economy	215
8.1.3 Infrastructure	216
8.1.4 Operating in Tanzania	217
8.2 Resources and infrastructure	218
8.2.1 Oil	218
8.2.2 Gas	219
8.2.3 Oil and gas infrastructure	222
8.2.4 Planned oil and gas projects	222
8.3 Laws and regulations	225
8.3.1 Petroleum (Exploration and Production) Act (1980)	225
8.3.2 National natural gas policy	226
8.3.3 New Model Production Sharing Agreement (2013)	228
8.3.4 Local content law	229
8.4 Operators and concessionaires	230
8.4.1 International oil companies (IOCs)	230
8.4.2 National oil companies	232

8.5 International suppliers	234
8.5.1 Upstream	234
8.5.2 Midstream	235
8.5.3 Downstream.....	235
8.6 Future opportunities for international suppliers.....	236
9. Conclusion and country comparisons.....	238
9.1 International oil companies.....	238
9.2 International suppliers.....	240
10. Appendices	243
10.1 Appendix I - Chinese oil companies	243
10.1.1 Investment activity	243
10.1.2 Sinopec and China Sonangol	246
10.1.3 China National Petroleum Corporation (CNPC)	247
10.1.4 China National Oil and Gas Exploration and Development Corporation (CNODC) petrochemical trading company	249
10.1.5 China National Offshore Oil Company (CNOOC)	249
10.2 Appendix II – Featured interviews.....	249
10.2.1 Interview with a Management Consultant with experience in the Angolan oil and gas industry	249
10.2.2 Interview with an engineering sub-contractor working in Equatorial Guinea.....	253
10.2.3 Interviews with other oil and gas company employees and contractors working in sub-Saharan Africa	254
10.3 Appendix III – Conclusion matrix methodology	254