



Stanbic Business
Incubator Limited

OIL AND GAS EDITION

JULY 2023

Foreword

Wait!!! It seems like only yesterday we were planning for the New Year and now we were already halfway through it! Nonetheless, we can still evaluate and re-evaluate the business goals we set for ourselves at the beginning of 2023.

If all is going according to plan, then well done and keep it up. However, if you are struggling, remember falling down and getting up again, are all part and parcel of being an entrepreneur. And remember, by not giving up - that is already an achievement in itself.

But in case you feel overwhelmed, we are always here to help. We offer training, coaching, mentorship and more depending on the challenges that you face. We can also help you to tap into business networks that have assisted others like yourself to grow their enterprises.



A word from the Chief Executive



Tony Otoa
Chief Executive
Stanbic Business
Incubator

Uganda has the capacity to produce over 230,000 barrels of crude oil per day over 15 years, and the potential to cater for all of East Africa's oil needs for the foreseeable future. In the process, there will be an economic transformation that will ensure a solid middle-income status before the end of this decade.

By all accounts, this sounds very exciting! But there is much work to be done and the Stanbic Business Incubator is doing its part by preparing small and medium enterprises (SMEs) to take advantage of the emerging business opportunities in the oil and gas sector.

One of the most important reasons for starting the incubator in 2018 was to train early-stage SME owners and get them to move beyond their embryonic phase. At Stanbic Business Incubator we provide support, coaching and mentorship with the view of ensuring entrepreneurs see a sustained growth of their businesses.

Last year, we ran the Supplier Development Programme (SDP) attended by 38 trainees. Almost all of them are now running contracts to supply different services to several companies in the oil fields of western Uganda.

We recently concluded a training of Project Affected Persons (PAPs) of the East African Crude Oil Pipeline (EACOP) in the districts of Kikuube, Hoima, Kyankwanzi, Sembabule, Rakai, Kyotera, Gomba, Mubende, Kakumiro and Lwengo supported by the African Development Bank (AFDB) through Petroleum Authority Uganda (PAU). This training equipped the PAPs with skills needed to benefit from the proposed pipeline in a more sustainable way.

We want to see as many entrepreneurs as possible exploit their potential to the fullest extent. In our range of Enterprise Development Programmes, we offer training in such crucial areas as access to markets, finance and the necessary operational skills.

We have lined up plenty of very useful training stints for you during the third quarter (Q3) so keep in touch and happy reading.

As at end of 2022, the Oil and Gas sector directly **employed 10,651 people** out of which 9,988 (94%) were Ugandans and over 12,367 Ugandans have been trained and certified in Various O&G disciplines.

A Word From the Business Manager



Sheila Agaba
Business Manager
Stanbic Business
Incubator

Not everyone is cut out to be a business person, but those who succeed in business share a passion, patience and an endurance that has enabled their enterprises to thrive. The other important factor is a willingness to learn and adapt.

As the Stanbic Business Incubator, our core objective is to provide the necessary skills and advice to see that every entrepreneur achieves their goals.

You may have plenty of bright ideas, but lack the knowhow and capacity. We can help; either through physical or virtual trainings to turn these ideas into reality. Well, at least point you in the right direction.

When you come across one of our calls for applications to attend a training programme, you can be assured that you will be joining a network that will open up opportunities for you and your enterprise.

Networking is a vital element for business growth. It increases the visibility of your SME, as well as gives you access to latest information and also often leads to new contacts.

Currently, activities in the oil and gas sector are rapidly picking up as Uganda aims to start commercial production by 2025. There is a rising demand for a long list of services and a percentage has been ring-fenced for local suppliers.

We recently arranged for an exposure visit to the oil fields in the Albertine Graben region and it was an eye-opener for many of the entrepreneurs.

One general conclusion that the 22 entrepreneurs reached, was the need to work collectively; specifically forming joint ventures and partnerships as a means to gain scale and be able to competitively bid for contracts as service providers.

As a new entrant in the Oil and Gas industry, Uganda is opening up a brand-new domestic value-chain that offers plenty of opportunities in agriculture, logistics, construction, catering, health, transport and many more. Part of our job here at the Stanbic Business Incubator is helping entrepreneurs to prepare and cope with the challenges ahead. Do not hesitate to contact us. We are here to move with you on your business journey.

In order to be contracted to supply goods and services for Oil Activities in Uganda, Entities must register on the National Suppliers Data base. Over 2,300 entities are registered on the NSD. Registration is free on pau.co.ug

Stanbic Business Incubator trainees explore the Oil and Gas frontier

The Stanbic Business Incubator believes in providing real-world context as part of our training programmes to improve local content in the oil and gas sector. Field trips to the oilfields, not only provide a compelling and practical learning experience, but also give the Supplier development program trainees the chance to see businesses in action.

There is value in giving entrepreneurs the opportunity to size up their participation in the oil and gas value-chain by visiting the various sites and engage with people already involved in the sector. Here are some participants' testimonials from the recently concluded Albertine Graben visit as part of Stanbic Incubator Limited training on the Supplier Development program.

Testimonials



Jackie Kaitesi

Director, Business Development, Venjoh Engineering Limited

Registered during September 2019, Venjoh Engineering Limited is involved in the construction of schools, hospitals, roads, bridges, steel fabrications, civil works, and bus distribution. Our journey has been a learning experience of ups and downs. You have to make sure you bring in new opportunities, meet the clients' needs, and also ensure that you have the financing, especially for the construction part. In 2022, a friend posted the call for applications of the Supplier Development Program (SDP) by the Stanbic Business Incubator in a WhatsApp group. I applied and was accepted. We were taken through Bid Management, Occupational Health and Safety by people from the CNOOC and Uganda National Oil Company (UNOC). We were encouraged to have a bid library and also practice packaging bids. Before this training, we would really struggle, because we did not have the necessary requirements. But now, a good number of our bids have successfully gone through. The incubator training also gave us the skills to re-organize ourselves at the office. We have made sure all the necessary documentation and payments for bidding are ready and timely. We have also tasked someone to always ensure our tax data is updated monthly.

Instructors from E360 taught us the specifics for submitting technical proposals and how to put the proposal together. We were also trained on bid decisions. Previously, we used to run after every tender notice, but now we identify what is and what is not suitable for us.



Mukobe Isaac

Spacious Projects Uganda Limited

I was part of the Stanbic Business Incubator Supplier Development Program (SDP) in 2022.

Even though I am yet to win a contract, the training prepared us to place ourselves in a better position to compete for contracts and that is what I am working towards achieving right now.

Recently, I also joined a team of fellow entrepreneurs for an exposure visit to different oil fields in the Albertine Graben region. One key take away was that the business opportunities are available, especially at the tier 3 level.

From what we saw, local companies can contribute to the scope of supply, but the only challenge is lack of the technical expertise and financing. The Oil and Gas industry involves a lot of preparedness. Therefore, it is easier to tap into the various opportunities by teaming up with other companies, because small enterprises may not easily meet the required supplier needs.

We got in touch with several people and I hope to continue networking with them for possible opportunities in future.

Albertine exposure visit pictorial



Photo moment at Kingfisher Oil field



At the Hoima-Kabaale International Airport boardroom receiving project updates from SBC Uganda Ltd the contractor



An update session at the Kingfisher oil Field conducted by CNOOC



Session at Tilenga oil Field conducted by TOTAL Energies and Petroleum Authority Uganda



Photo moment at the Kingfisher oilfield drilling rig



At the Kabaale International Airport runway site

Appreciation to partners

The work we do at Stanbic Business Incubator is premised on partnerships and collaboration with thought leaders and key industry players. In the oil and gas space, the Petroleum Authority of Uganda (PAU) being the industry regulator, has been supportive in ensuring that local companies are prepared to supply the sector. When PAU put out a competitive bid for business development services (BDS) providers to build capacity for SMEs in the districts along the EACOP route, Stanbic Business Incubator with its consortium partners were well positioned to execute that contract.

Additionally, PAU partnered with Stanbic Business Incubator to grant permission and guide the Exposure visit for SMEs and staff of Stanbic, a trip that has opened up many opportunities for local businesses.

On the training front, it was imperative that we work with the International Oil companies. The Uganda National Oil Company (UNOC) and CNOOC delivered part of the training, which offers a direct line of business for the entrepreneurs. As much as it is part of their responsibility to build capacity of local businesses, these companies also value a relationship with Stanbic Business Incubator which is the leading capacity building hub in Uganda's oil and gas sector.

With support from UNOC, Stanbic Business Incubator was able to carry out capacity building for 40 farmer group leaders from the six districts of the Bunyoro Kitara Kingdom. A hands-on training of trainers was conducted at the Stanbic Business Incubator Hoima Demonstration Farm during December, including distribution of farm inputs and access to extension services at the respective farms. Better quality produce is now being produced by these farmers as witnessed by the aggregator (Pure grow) attached to these farmers.

Notably, appreciation goes to the partners we collaborated with, such as E360 Uganda Limited, Solid Rock Life & Business, Conexus Oil and Gas, Living Earth Uganda to mention but a few. Stanbic Business Incubator would never have been able to traverse the 10 EACOP districts without their support.



Our Partners in the Oil & Gas Sector





WE BELIEVE IN LOCAL BUSINESSES

City Ambulance is a proud beneficiary of the **Stanbic Business Incubator SME** capacity development programme. We believe in the growth and success of Ugandan businesses



Byarugabas start first private ambulance business in Ugar

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#WeBelieveInUganda

Did You Know?

National Local Content Policy: The National Content Policy provides for raising domestic supplier capabilities so that domestic firms can supply goods and services to the multi-national firms in the sector, according to their specific standards and requirements. Under the National Local Content policy, 16 categories of goods and services in the oil and gas sector have been ring-fenced for Ugandan companies only. These include transportation, security, foods and beverages, hotel accommodation, catering, human resource management, fuel supply, land surveying, clearing and forwarding, crane hire, locally available construction materials, civil works, the supply of locally available drilling and production materials, environment studies and impact assessment, communications and information technology services and waste management services.

Investment Opportunities: The oil and gas sector in Uganda presents opportunities for local investors and businesses can explore investment prospects in areas such as exploration and production, infrastructure development, equipment and services, and environmental management. The Ugandan government offers several investment incentives to attract businesses to the oil and gas sector like tax holidays, exemptions on import duties for machinery and equipment, and various other fiscal incentives to encourage investments.

Collaboration Opportunities: Uganda is open to international collaboration and partnerships in the oil and gas sector. Foreign businesses can explore opportunities for joint ventures, technology transfers, and knowledge sharing with local companies, enhancing their market presence and capabilities. For more information, please visit the PAU website, pau.go.ug.

Environmental Considerations: Sustainable practices and environmental impact assessments are crucial in the oil and gas sector. Businesses should adhere to environmental, health and safety regulations to ensure responsible extraction and production processes.

Uganda National Oil Company organizes Supplier development forums on a quarterly basis to create awareness of potential opportunities in the Oil and Gas sector and promote network opportunities with key sector players. The next forum will be happening in September 2023. For more information, refer to the UNOC website, unoc.co.ug.



The **Business Board Advisory**
happening this **August 2023**

Remember!
We have you covered.



Find us at Plot 5, Lower Kololo Terrace | Contact us on 0312 226 700



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