



LOCAL CONTENT MASTER CLASS

DAI Local Content Master Class

the industry-leading Master Class enabling regulators, companies, and contractors to effectively design and manage Local Content in ways that maximize benefits and minimize risk

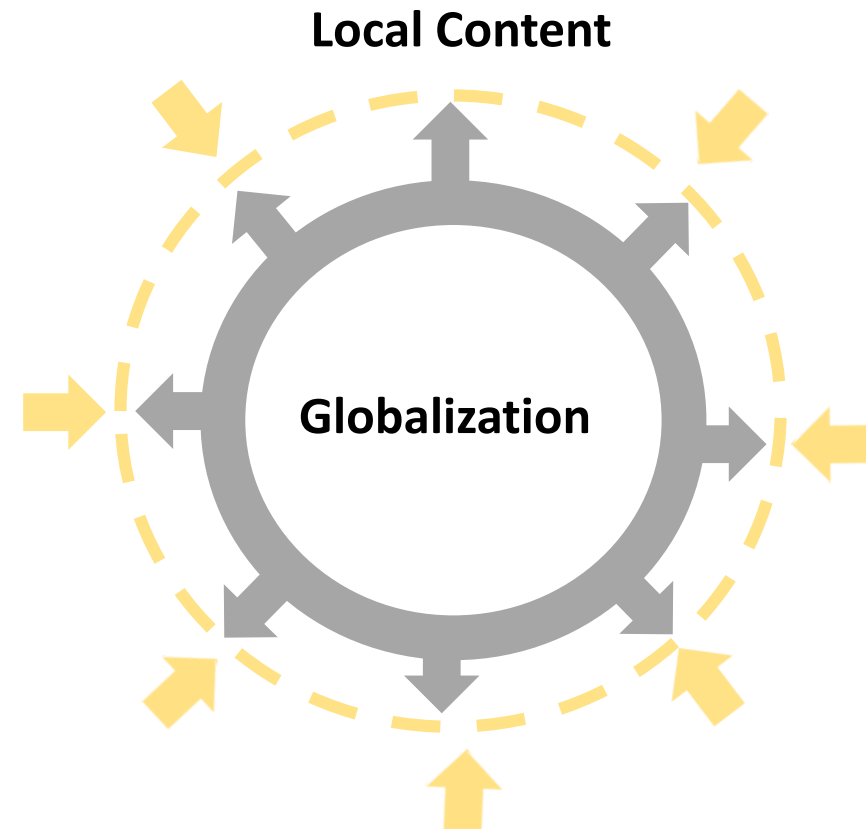
“Certainly the prime Local Content course in the market. Highly recommended”

International oil field services Local Content Manager

Global Economic Context

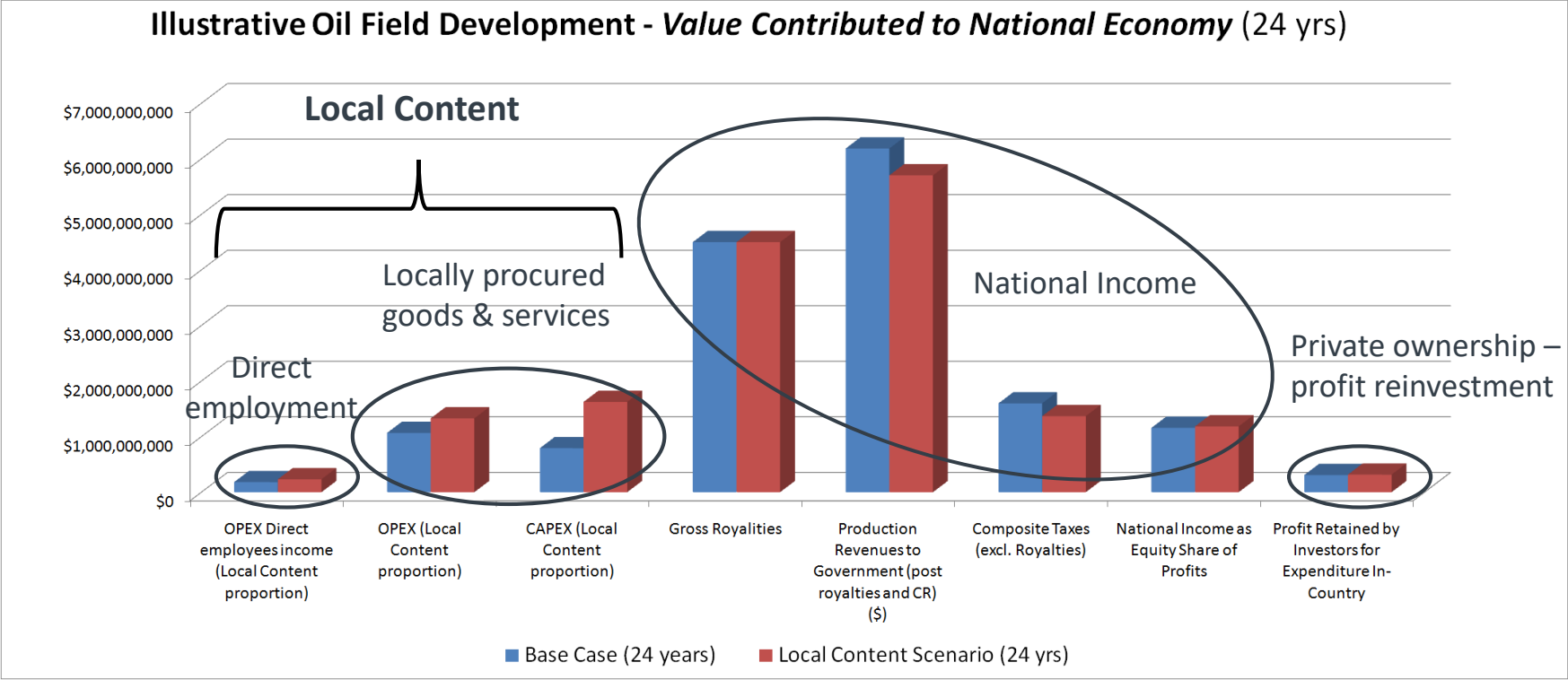
The New Political and Compliance Landscape

Since mid 2015, the topic of Local Content has fast moved center stage across the globe, and with it the need for a **new profession** to implement fast-developing local content compliance regimes and deliver tangible local benefits as a balance to unrestrained globalization



Why does Local Content matter?

Local Content has the potential to provide a significant political and monetary contribution to the host economy from major inward investments



Market Context for the Master Class

DAI SBG specializes in tackling the growing challenges facing private sector companies (investor, operators, contractors) and public authorities in meeting Local Content regulations and supporting sustainable industrial development of host economies through the impact of capital investments and operations.

The challenges include:

- Since 2015 **dramatic falls** in commodity oil and gas prices and challenging metal and mineral prices
- Uncertain **global demand** for oil and gas and mining products
- Uneven **global recovery** after the 2008 shock, which has driven many governments to seek to privatize public infrastructure operations and investments in order to reduce government expenditure budgets
- Limited government and **regulatory capacity**
- Growing trend for governments to pass and/or strengthen **Local Content legislation**, regulations, and policy due to realization that globalization does not always demonstrably benefit local populations
- Balancing the **unintended consequences of globalization** with the **risks of protectionism** for inflation, disinvestment, unemployment, and recession

“Ultimately...

*“...the main challenge addressed by the Local Content Master Class is how governments, investors, operators, contractors and local suppliers can better **balance the commercial realities** of reduced global demand and sustained cost pressures with the current political momentum for **increased Local Content**”*

Dr. Michael Warner

DAI SBG Senior Technical Advisor

What is the Master Class?



Four-day or three-day training programs covering the full landscape of Local Content



Framed by the **regional context** of Local Content regulation and sector development



Comprised of **lectures**, hands-on **group exercises**, **computer modelling**, and video **case studies**



Examines **strategic alignment** of regulations, industrial policy, and commercial interests, **smart procurement** to manage Local Content, and the **mechanics/metrics** of Local Content

Key topics covered:

- State-of-play on Local Content **regulations** around the world
- Stimulating **stakeholder dialogue** to align Local Content public policy and regulations with corporate country-level Local Content strategy
- Hands-on economic **optimization modelling** to forecast Local Content trade-offs
- Analyzing local supplier **market capabilities** and competitiveness
- Local Content **forecasting** through expenditure projection and local supplier market analysis
- Formulating **contracting strategies** matched to local capabilities
- Local supplier **registration and pre-qualification**
- Local **supplier development** and designing Enterprise Development Centers (EDCs)
- Adapting **Invitations to Tender** (ITTs), Tender Evaluation Plans (TEPs), and contract and compensation provisions so as to incentivize Local Content
- **Tender evaluation** of Local Content in a bid submission
- Metrics for measuring and **reporting** Local Content performance
- **Ethical issues** with Local Content in procurement
- **'Who should pay'** for managing Local Content and supplier development

Course Map and DAI Analytical Tools:

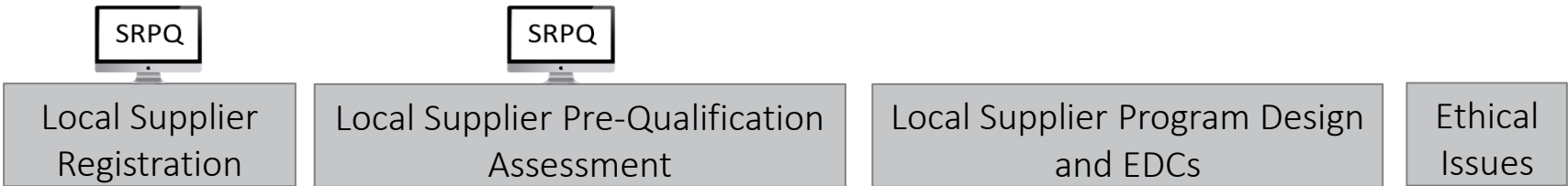
Day 1 – Policy, Regulation and Strategy for Local Content



Day 2 – Local Content Forecasts, Plans and Procurement





Day 3 – Local Supplier Assessment and Development



Day 4 – Local Content Reporting and Analysis



DAI Tools

-  Local Content Trade-Off Model
-  Local Content Optimization Model
-  Supplier Registration and Pre-Qualification Portal
-  Local Content Plan and Report Platform

All four tools are part of DAI SBG's Suite of Software Tools, which are described on the following page.

DAI Analytical Tools utilized in the Master Class



Local Content Trade-Off Model

- Sensitivity analysis of public policy trade-offs between Local Content and other economic and social policy objectives



Local Content Optimization Model

- Demand/Supply assessment of capabilities of local suppliers and labor to win work in projects and major contracts. Generates forecast of what Can, Could and Cannot be provided by local supply chains. Informs targets, plans, contracting strategy and tender evaluation



Supplier Registration and Pre-Qualification Portal

- On-Line portal to register local suppliers, pre-qualify for bid selection, match to international partners, and design supplier development programs



Local Content Plan and Reporting Platform

- On-line platform to assure compliance with regulations for Local Content Plans and targets for Reporting. Generates dashboards and scorecards, evaluates major contract tenders, and calculates impact on the economy

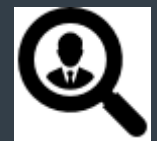
What is the Master Class ‘value add’?



Provides a comprehensive understanding of the different **pillars of effective Local Content participation** and Local Content **development**



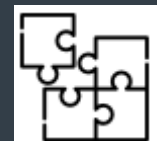
Builds capacity of the industry to better understand and assure compliance with regulatory requirements in cost-effective ways, and **extract greater social value**, in the form of jobs, training and local economic developments



Builds capacity of the regulator to execute its regulatory obligations in accordance with industry good practice



Breaks down the **challenges** of Local Content from different viewpoints (policy makers, regulators, investors, operators, contractors)



Offers a range of practical, concrete **solutions** that have been tested in the field

Who can participate?

To stimulate engagement and cross-learning between participants during the Master Class, every effort is made to invite individuals from a range of organisations involved in the Local Content management. Typical participants:

- **national and international oil, gas and mining companies** - individuals from commercial departments, contracting and procurement, external and government affairs, human resources, social performance and sustainable development
- national and international **companies** involved in other capital intensive **infrastructure, transportation, renewable energy, utilities and water management** etc. - individuals from commercial departments, contracting and procurement, external and government affairs, human resources, social performance and sustainable development
- **government policy-making authorities** - those working at the national or provincial level engaged in industrial policy, private sector development, supply-chain linkage programs and the promotion of inward investment and exports
- **host country regulatory agencies** - those responsible for setting Local Content targets, compiling aggregate demand, assessing local market capability, managing registers of domestic suppliers, engaging in tendering processes
- **international and larger-scale domestic contractors and suppliers** - those who manage local supply chains, source globally and/or have business development interests in emerging economies. Relevant departments would include: business development, account management, marketing, service delivery, production, human resources, social performance and sustainable development
- local supplier business and **trade associations**
- **official development agencies and development finance institutions** - especially those from procurement departments, oil, gas, mining and infrastructure departments and those involved in business linkage advisory services

2017-2018 Regional Master Class Locations

- North America – Houston
- Europe – London
- West Africa – Ghana
- East Africa – Tanzania
- South America - Guyana

Details to be confirmed



Testimonials

“Certainly the prime Local Content course in the market. Highly recommended”

~ Local Content Manager, Schlumberger Nigeria & Gulf of Guinea Countries

“One of the best I have been to. Good mix between exercises and classroom”

~ Regional Supply Chain Director, Africa, Newmont Mining Ghana

“Very good. New, innovative and needed in the industry”

~ Operations manager, Taleveras Group Nigeria

“Well organized, good content, excellent materials... created an atmosphere of openness, teamwork and discussion”

~ Project Director, TCO Kazakhstan, DHL Global Forwarding

“Excellent information, a real eye-opener. Good syndicate work and interactive approach”

~ In-Country Value manager, PDO/Shell, Oman

“Very dynamic and interactive. Well balanced between theory and real life examples”

~ Local Content and Technology Manager, Shell Brazil Petroleo Ltd



Trainers



Dr. Michael Warner. Senior Technical Advisor

- One of the world's leading authorities on local content in the context of the oil and gas, mining, and infrastructure sectors
- Founder and lead trainer of the BAC accredited Local Content master Class, where he trained more than 400 professionals in local content
- Former Managing Director of Local Content Solutions Ltd., a local content advisory and training company acquired by DAI in 2017
- Radio appearances to discuss business and international development on BBC Newsnight, BBC Radio 4, BBC World Service and CNBC, and has authored articles in Newsweek Magazine and The Guardian Newspaper
- Author of multiple books and papers on local content business and development, including "Local Content in Procurement" published by Greenleaf Publishing in 2012

Trainers



Warwick Strong. Local Content Specialist

- Over ten years experience as a socio-economic development manager in Ethiopia, Kenya, Madagascar, and Mauritania
- Developed local content policies for the extractives industries in Madagascar and Mauritania
- Led a local content study with the World Bank Group to determine optimum levels of Foreign Direct Investment within Guinean supply chains in order to maximize actual value contributed to the local economy
- Helped shape Guinea's Local Content policy and strategy within the mining sector
- Former Officer in the United Kingdom's Royal Military, where he was deployed on peacekeeping missions to work with community leaders to achieve stronger, more transparent governance systems and build stronger communities

Contact Us

If you would like to find out additional information, apply for an upcoming Regional Master Class, and/or arrange a demonstration to view our Suite of Local Content Tools please email masterclass@dai.com

You may also reach out directly to one of the SBG Master Class facilitators:

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