Oil jobs: Museveni wants Ugandans skilled

OIL-RELATED SKILLS

The President said Ugandans should set up institutions to teach skills required in oil sector

By Pascal Kwesiga and John Odyek



Tullow Uganda General Manager Jimmy Mugerwa chatting with Karuhanga and former energy minister Richard Kaijuka in Kampala yesterday. This was during the oil and gas skilling conference. Photo by Hajarah Nalwadda

As Uganda appears to be edging closer to oil production, there are fears that Ugandans may not reap significantly from its development phase, which will include building production facilities and the crude export pipeline.

The fears stem from the feeling that few Ugandans have been trained as technicians and craftsmen/women to supply labour during the development of the two central processing facilities in Hoima and Buliisa, the crude export pipeline and the 60,000 barrels-per-day refinery.

So far, the Uganda Petroleum Institute in Kigumba (UPIK) has graduated less than 150 students with diplomas in petroleum engineering, but it is now planning to launch six new diploma courses, including six months training packages at certificate level.

As the skilling and local content forum for Uganda and Tanzania came to a close at the Sheraton Kampala Hotel yesterday, there was consensus among a section of industry players for a special fund to be set up by government to skill Ugandans for the petroleum and others industries in the economy.

The chairman of the Chamber of Mines and Petroleum, Elly Karuhanga, said the Ugandan industry players and the education ministry have already agreed to set up the fund to be run by the private sector to offer technical training to Ugandans to qualify for jobs in the oil and other sectors of the economy.

The oil companies, he explained, can contribute toward capitalising the fund, as long as the Government agrees to grant them incentives.

"The Government and oil companies need to set up a fund. But the oil companies need an incentive. This fund will not skill Ugandans for the oil industry alone, but for the whole economy. Some countries do not have oil and gas, but have skilled their people."

However, President Yoweri Museveni said the oil companies asked the Government to allow them build technical institutions and train Ugandans after discovering petroleum in 2006, but he rejected the proposal on grounds that the country would probably lose a lot of money in recovery cost.

"We rejected that proposal, but, maybe, we can look at it again. Let us do a cost benefit analysis. All the issues you are talking about are not new. You do not have to panic," he stated.

Ideally, Museveni said, Ugandans should take the lead in setting up private vocational and technical institutions to train welders who will be required in building the 1,445km crude export pipeline from Hoima to Tanga seaport in Tanzania and about 500km network of pipelines from production fields to the processing facilities, refinery and (pipeline).

"I am not worried at all. Let Ugandans set up these technical institutions and train welders and other technicians. Ugandans spend a lot of money on education. They will send their children to technical schools because we need technicians. Some will pay their fees, and the state can pay for some in private institutions," he added.

However, if the private sector does not tap into this opportunity, the President said, the Government will continue skilling students in its existing technical colleges in various parts of the country and that oil production will commence whether the country will have trained enough technicians or not.

"Nothing will delay us. If we do not have Ugandans, we shall get from our neighbours and they will be here in the first years and go back after we have trained enough. We have dealt with more thorny issues," Museveni explained. The two-day conference was organised by the Uganda Chamber of Mines and Petroleum and the ministries of energy and education. Uganda intends to begin oil production by 2020.



President Yoweri Museveni

In response to a question asked by Museveni on where Uganda could get skilled labour, Total E&P corporate affairs manager, Ahlem Friga-Noy said it might source from African oil-producing countries, such as Angola and Nigeria, as well as the Middle East.

Jobs

The development phase of the industry is expected to create 14,000 direct jobs, 42,700 indirect and 105,000 induced employment opportunities at peak. Of these, 15% will be engineers and managers, 60% technicians and 25% unskilled workers.

Irene Muloni, the energy minister, said the focus of government was skilling and local content for Ugandans to get opportunities from oil and gas.

Muloni noted that there were high costs involved in certification for oil and gas.

"There is a mismatch of the national curriculum to the industry demand. But the education ministry is working on this so that training programmes develop the skills needed by the industry," she said.

Thierry Foubert, the technical lead of the Belgian Technical Co-operation, said skills development takes time. Foubert observed that for a long time, skills development in Uganda was certificate and supply driven. He recommended that proper skills training require that before graduation, students must have experience from the field.

Robert Salmon, the business development manager of Halliburton – East Africa, inspired Ugandans, saying oil fields are not easy to build, but they could still do it.

Salmon said the oil fields in Uganda are likely to last more than 20 years. "In Venezuela and Nigeria, oil was discovered many years ago. More fields have been discovered in those countries and the oil industry has lasted many years," Salmon said. Some of the local training institutions asked the Government to remove high taxes on training materials and equipment for oil and gas because they make the cost of training high.

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