

Lift the woman in oil boom - expert

During the recently concluded Women Advancing Africa Forum in Dar es Salaam, *New Vision's* Gloria Nakajubi caught up with Shiela Khama, the practice manager, Energy and Extractive Industries Global Practice and engaged her on how Uganda can best reap from the much-anticipated oil and gas industry. Here are excerpts from the interview

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Q What explains the irony of a mineral-rich continent dogged with a high level of poverty?

A The natural geological wealth of minerals, oil and gas alone, is not enough to address poverty. It is the intervention that governments and companies put in place that enables the translation of this natural wealth into economic, financial and social wealth. That is where the gap is. Part of the reason why we do not succeed is that in some countries we do not bridge this gap between the potential and the manifestation of reality.

The youth are the biggest part of Uganda's population, how would you tip them on reaping from the highly-anticipated oil boom?

Knowledge is everything. Young Ugandans must educate themselves about the oil industry. This has to be at both angles as an engineering process and as a commercial process. You should use the information to identify the opportunities rather than making assumptions.

You are empowered with the internet, you should use this to find out what an oil value chain looks like

and what aspects of the value chain will be in the Ugandan sovereignty. Based on this value chain and thus the opportunities, young people should be able to determine where they fit depending on their skill, aspirations and capabilities.

As a person who has an understanding of a particular sector, I can tell you that what you read in the newspapers barely scratches the level of information that one needs to be able to take advantage of the oil and gas sector.

Where would you place the rural woman in the male-dominated sector?

It depends on where the woman is in relation to the activity and what their capabilities and skills are. It is important for women groups and governments to do a profile of the Ugandan rural woman.

You have to be able to determine where she fits in terms of the knowledge, entrepreneurial skills and level of capacity. With that, you are able to analyse the level of opportunity in the value chain. If there is a gap between the opportunity and what she is capable of, then you have to find out how to bridge that gap.

How best can the Government manage the public expectation



Shiela Khama

of the industry?

Some of the reasons why people feel that they may not be benefitting from extractives is that the expectation is usually disproportionate to reality.

There is a long time stretch between exploration, exploitation and actual realisation of impact. This is the reason why we advise governments to put enough information in the public domain for people to understand in realistic terms what they can expect, when and what the limitations are.

What should we foresee as benefits from the sector?

There are several ways to benefit from the oil and gas industry. These projects create jobs, but also bring a certain skill that would have otherwise not been in the given economy. These jobs can be transferable to other sectors.

An electrical engineer remains so, regardless of the sector. When we make these discoveries there can be a lot of media and if capitalised on, you can attract investment in other sectors away from oil.

Uganda will, for instance, become

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visible and other than the companies that come to invest directly in oil, many of their relations such as suppliers could as well be attracted to come closer to their clients. This has a ripple effect.

We should actually be focusing on these sectors that are not directly related to oil, considering that the oil deposits themselves are not too large. This means the life of the oil field is short.

What is your perspective of the oil curse and how best can Uganda shield itself from falling victim?

The notion of a curse is a term that economists use to refer to the apparent disconnect between countries that are rich in extractive wealth, but seem not to succeed in using that to leverage themselves economically.

But this can be managed. It requires a certain fiscal discipline and monetary policies. Countries such as Botswana and South Africa were able to shield themselves from this curse.

The extractive industry has a huge potential to change the fortunes of people and indeed countries. But this depends on how the resources are managed. There has to be a balance in the social, economic and the physical environment.

I was born and raised in Botswana. Studies show that over the last 40 years, Botswana migrated from being one of the poorest countries to now one of Africa's only four middle income countries. Botswana derives the biggest part of her income (up to 3/4) from mining. The country has the highest literacy rates in Africa and has one of the highest number of women employed as senior executives.

Morocco, which is the largest producer of phosphate, is the other country that can be a good benchmark on how best to use mineral wealth.

The key to surviving the oil curse lies in how best governments manage the particular resource.

Fact file

Khama is responsible for a variety of programmes in the extractives unit, with a particular focus on east and southern Africa, Latin America and the Caribbean, south Asia, Europe and central Asia, and the Extractives Global Programmatic Support Trust Fund. She joined the World Bank after serving as director of the African Natural Resources Centre at the African Development Bank.



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