

Chinese, local firm partner to provide oil drilling tools



Talks. Left to right: Inspecta Uganda managing director Nick Mugira, minister of State for Energy Peter Lokeris, MSP Drillex regional manager for Middle East Tom Zhao and general manager Metco Trans Aaron Shen after holding talks in Kampala recently. PHOTO BY JONATHAN ADENGO

Opportunities. Government has been asked to localise drilling services for Ugandans to benefit.

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KAMPALA. Chinese firm MSP Drillex, an oil rig and drilling equipment company, has partnered with Inspecta, a Ugandan firm, to provide oil drilling equipment for the oil well development.

Mr Nick Mugira, the managing director Inspecta Uganda, said the partnership will bring the much needed oil expertise and financial muscle that they need to be able to partake in the oil and gas activities.

"Partnering with a company like MSP Drillex will bring standards such as the API and ISO which they already adhere to and they will pass them on to us. This will be helpful in our participation in the oil and gas activities," he said.

Mr Mugira said it is important that government localises the drilling ser-

vices so as to make sure the local companies benefit.

Mr Peter Lokeris, the minister of State for Minerals who met members of the two companies said government would support joint ventures. He encouraged investors to focus on supporting and promoting local content.

ABOUT THE FIRM

Portfolio: Inspecta does inspection, installation and supervision of oil well. Through this partnership they intend to supply and manufacture drilling equipment.

He also urged Ugandans to take advantage of the regulatory framework and form strategic partnerships that can enable them to participate in the oil and gas activities.

Mr Tom Zhao, the MSP Drillex inc regional manager for Middle East, said oil will trigger development in Uganda because it means a lot of other industries will develop as a result of oil.

He said now that the oil price has started appreciating at the global market, the government can remain positive about the new fortunes that oil will bring.

"Our partnership with Inspecta will look at skills transfer and training the local engineers to assemble parts here locally. Going forward we are also looking at setting up a manufacturing and assembling plant for the oil equipment here locally. To localise the production of this equipment there is requirement of local content to benefit other people so that there is job creation and skills transfer to the local population," he said.

Mr Zhao said they are looking at investing over \$90 million (Shs324b) in skilling Ugandans and also setting up an assembly plant in the country and training facility for the local engineers.