AFRICAN NATURAL RESOURCES CENTER’S (ANRC) Regional Perspective on Gas Sector Policy and Institutional Framework.

A Presentation at a Gas Competency Seminar 22-23 September, 2015 – Maputo, Mozambique.
Regional Member States with capacity to improve development outcomes from natural resources.

Good governance, improved economic impact on citizens and preservation inter-generational benefits.

**Renewables**
- Water,
- Land,
- Fisheries,
- Forestry.

**Non-renewables**
- Minerals,
- Oil,
- Gas.

**Capacity building**
- Policy advice,
- Advocacy,
- Knowledge building,
- Technical assistance.
STRATEGIC DIRECTION
Focus *Upstream Value Chain*

**Integrated Resources Development**
- Resources planning
  (Resource corridors)
- Resources conservation
  (Illicit trade, desertification)

**Good Governance of Natural Resources**
- Transparency & public participation
- Negotiations
- Local content

Green Economy

Economic and Social Value Enhancement

FOR MORE DETAILS;
OPERATING MODEL

- RMCs
- REC.s
- AU initiatives (AMV, LPI, etc.)
- CSO
- Investors

Knowledge Building
(Advocacy, products, case studies, knowledge seminars)

Country Programs
(Capacity building, Policy advice, Technical assistance)

Policy, Economics and Analytics

Renewables

Non-Renewables

Fisheries
- Illicit trade

Forestry, Land & Water
- Conservation
- Green growth
- Resource access
- Resources Access

Mineral, Oil & Gas
- Environmental Protection
- Local content
- Negotiations
- Contracts Negotiations
BIRD’S EYE VIEW OF THE POLICY LANDSCAPE

What Have We Observed/Mixed trends?

An evolving process

• Old relatively indifferent oil producers,
• Established players,
• New and emerging producers,
• Limited knowledge,
• Limited institutional capacity,
• Experimental approach,
• Emerging trends.
DRIVER of POLICY & INSTITUTIONAL FRAMEWORKS

What policymakers respond to.

- Public pressure,
- Political environment,
- Historic experiences,
- Economic needs,
- Global trends,
- Investor relations,
- Country brand.
EMERGING REGIONAL TRENDS

What are the Common threads?

• National corporations,
• Pursuit for value addition,
• Impact of rising community voice,
• National versus regional enclaves,
• Growing but unmanaged stakeholder expectations
• A proliferation of institutions,
• Complex regulatory institutional structures.
REGIONAL POLICY IMPLICATIONS

What is the Take Away?

GOVERNMENTS

• Need to strike the right balance,
• Underscore policy with clear strategic intend,
• Balance upstream and downstream policies,
• Take stock of institutional costs,
• Structure public narrative to align with reality,
• Interrogate resource economics,
• Weigh regional and national value matrix,
• Getting it right tough but feasible.

INVESTORS

• No arms-length relationships,
• JVs and no wholly-owned entities,
• Show more transparency & ridge knowledge gap,
• A new breed of corporate citizenship,
• Potentially lower margins,
• Potentially strong value proposition,
• Manage CHQ/shareholder expectations.
ANRC’s APPROACH TO CAPACITY BUILDING

Integrated approach

Bias towards solutions

Knowledge and fact based policy

Focus on Problem Solving

Advocate for fair value based on resource economics

Cross-cutting and adaptable solutions
CONCLUSIONS

What then?

- No single size fits all,
- Mind project economics,
- Public narrate important,
- Sustainability through mutual benefit.
DISCUSSION

THANK YOU!