



African Natural Resources Center
African Development Bank

POLICY TOOL SERIES

Women's economic empowerment in oil and gas industries in Africa



AFRICAN DEVELOPMENT BANK GROUP

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Abstract

Extractive industries (EI) account for a significant share of the public finances of many African countries, but only one percent of the continent's labor force. The lack of local content and employment possibilities is particularly important in the capital-intensive and mainly offshore oil and gas industries. There are, moreover, considerable gender gaps in access to opportunities and wealth generated by these industries. Evidence suggests a gender bias in the distribution of risks and benefits within the sector. Economic empowerment of women in the oil and gas industry remains an area insufficiently explored. Low job creation combined with a skills-biased pattern of labor demand contributes to maintaining high levels of inequality.

The purpose of these guidelines is to serve as a practical tool to African countries with new oil and gas industries whose benefits must contribute to equity and inclusive development. The focus on women's economic empowerment (WEE) is justified by their relative lack of access to productive resources, including in the oil and gas industries in Africa.

Key words

Africa, Azerbaijan, Brazil, economy, employment, empowerment, extractive industries, gas, gender, Ghana, Indonesia, industry, Kazakhstan, Kenya, Malaysia, Mozambique, Nigeria, oil, Papua New Guinea, Peru, Qatar, SME, South Africa, Tanzania, Uganda, women

Foreword

To regulate and make the right decisions for investing in and negotiating natural resources project agreements, governments of resource-rich countries require skills and knowledge from credible sources. Admittedly, support is available from many institutions. What is often missing, however, are practical information and knowledge tools that enable governments to make informed decisions and investment choices.

The African Development Bank's (Bank) African Natural Resources Center is taking a pragmatic approach to filling the gap, with a bias towards solutions that apply across different natural resources. The center supports African countries' efforts to leverage the continent's natural resources for inclusive and sustained green growth. Specifically, the Center provides institutional capacity building, policy advice, strategic guidance on investments and negotiations, and targeted technical assistance on regulatory matters. By designing policy tools that are adaptable across sectors, the Center is able to address the characteristics of a specific sector and meet the needs of individual countries. The goal is institutionalized knowledge that enables policymakers to leverage a common set of guidelines to tackle diverse challenges and opportunities.

"Guidelines for women's economic empowerment in oil and gas industries in Africa" forms a specific response to the considerable gender gaps in access to opportunities and wealth generated by these industries in Africa. In particular, African countries with new oil and gas industries whose benefits must contribute to equity and inclusive development can use these practical guidelines as a tool for policy makers and other stakeholders, such as oil and gas companies, women's and entrepreneur's associations, chambers of commerce and development partners. These guidelines provide recommendations based on practical, tested measures of how to increase women's access to opportunities created in particular by the newly discovered oil and gas resources in Africa. As such, the guidelines aim to contribute to evidence-based decisions regarding women's economic empowerment in the sector.

Other policy tools that are currently being developed by the Center include:

- A land governance tool
- Gender guidelines on land reforms
- Gender guidelines on integrated renewable natural resources programs.

As part of the Center's core business of capacity building, these tools will be disseminated through different channels.

The development of this tool would not have been possible without the tireless work of Dr. Amani Abou-Zeid, OIC of the Center, who task-managed the report, and Dr. Johanna Maula, gender consultant who prepared the report. The tool also benefited from valuable input from experts and colleagues from across AfDB, in particular gender focal points in various departments and field offices as well as experts from the Agriculture & Agro-Industry department, the Power, Energy, Climate & Green Growth Complex, and the Gender, Women and Civil Society Department.

Modibo Traore

Officer-In-Charge, African Natural Resources Center

Executive Summary

Although extractive industries (EIs) constitute a significant share of the public finances of many African countries, a mere one percent of the continent's labor force is found in EI. Africa's natural gas resources form 7% of all global reserves while oil represents 8%, but several factors have led to scant development impacts of the wealth generated by them. The lack of local content and employment possibilities is particularly important in the capital-intensive and mainly offshore oil and gas (O&G) industries.

There are considerable gender gaps in access to opportunities and wealth generated by these industries. Evidence also suggests a gender bias in the distribution of risks and benefits within the sector. Economic empowerment of women in the oil and gas industry remains an area insufficiently explored. Low job creation combined with a skills-biased pattern of labor demand contributes to maintaining high levels of inequality.

The purpose of these guidelines is to serve as a practical tool, especially to African countries with new O&G industries whose benefits must contribute to equity and inclusive development. The focus on women's economic empowerment (WEE) is justified by their relative lack of access to productive resources, including in the O&G industries in Africa.

While benefits and risks of O&G industries are often measured at the community level, they fail to distinguish their gender-specific impacts. Evidence shows that men tend to benefit more than women from new jobs in the industry. However, there are many potential benefits in promoting women's economic empowerment within O&G industries, such as more inclusive development, improved welfare for families, greater diversity and productivity, better corporate images of firms as gender champions, as well as more wealth and jobs staying in the host country. Among the risk factors of O&G industries are health and environmental risks, issues with property rights of women and negative impacts on community and gender relations. These risk factors tend to affect more women than men.

There are both challenges and opportunities for the economic empowerment of women within the various phases of O&G value chains. These consist of low education levels among women (as compared to men), poverty, fears of harassment and sexual violence. Women form only a minority of the labor force in O&G industries and their incomes and job titles remain inferior to those of men, which can impact productivity and growth at all levels.

Local content¹ policies provide an important entry point for promoting women's economic empowerment in the O&G industry. Investments in infrastructures and services for affected communities should form a part of O&G companies' local content policy agreements. WEE can take place by: ensuring that women benefit equally from compensation, community programs and royalties (social investments) from these industries; promoting women's direct, waged employment in the O&G sector; encouraging or mandating suppliers and subcontractors to employ women (indirect employment); and also enabling women entrepreneurs to gain access to O&G industries as suppliers and subcontractors. A prerequisite for all these measures is to enable women and girls' equal access to education, including STEM² subjects, skills training and capacity development, along with their male counterparts.

The total life span of O&G operations can be decades. A number of questions need to be posed when analyzing the value chains from a gender perspective, such as: the division of labor by gender within the different phases of industry value chains; the proportion of men and women in the industry by activity; whether women or men are part of the formal or informal economy; whether women are involved in the stages where value is added; and power distribution and information dissemination between genders.

Strategies for the economic empowerment of local women either as workers or as entrepreneurs within the O&G industry may consist of: mandatory requirements for subcontractors to employ local workers (including women), or firms (including women-owned firms); incentives for employing women or subcontracting women-owned firms; promoting joint ventures and alliances that include women-owned firms; and coordination and information sharing with special efforts made to reach women-owned firms.

Small- and medium-sized enterprises (SMEs) have a huge potential for employment and wealth generation, but their participation in the capital-intensive O&G sectors has remained insignificant. A significant gap exists in opportunities for SMEs in the O&G sector, and it is even more accentuated for women-owned SMEs that generally have fewer resources.

An enabling legal and institutional framework would allow local firms struggling to compete with larger, international suppliers to participate in the industry's supply chains. It can also provide an entry point for women's economic empowerment in the sector. Women's entrepreneurship is common in Africa, but the majority of women-owned enterprises fall in the micro- and small-enterprise category. Approaches to giving SMEs more equal opportunities include: O&G companies having procurement systems that mandate or provide incentives for suppliers to engage local women-owned enterprises; offering specific training and credit programs for small local firms, including women-owned firms; and foreign O&G companies paying a social tax or providing direct funds to local development projects to benefit women as well.

A checklist for identifying opportunities for women-owned SMEs at different stages of O&G industry value chains includes:

- (a)** Mapping the skills and resources in the affected communities;
- (b)** Mapping the needs of local SMEs;
- (c)** Mapping possible contract management and tendering training programs that are also available for women;
- (d)** Looking at other capacity building efforts for local women, men and youth;
- (e)** Assessing access to information for women-owned SMEs;
- (f)** Assessing access to credit;
- (g)** "Unbundling" tenders to smaller lots;
- (h)** Determining whether possible community compensation or royalty funds also cater to the needs of women.

Recommendations for responsible actors relate to social norms limiting women's access to education and jobs; women's low participation in O&G industries; gender perspectives on the possible negative impact of O&G industries on communities; quality of employment in and perceptions of O&G industries as male-dominated; and information about jobs and bidding processes in O&G industries as well as their procurement policies. Governments along with other development partners and O&G companies should provide training for improving the skills and competencies of local entrepreneurs, male and female. Credit services should also be assured, allowing local firms to access start-up capital. In addition, O&G companies should create community compensation funds that are managed in a gender-responsive way.

Background information on the African Natural Resources Center

The African Natural Resources Center delivers capacity-building programs to governments in natural resources management. Its work covers both renewable (water, forestry, land and fishery) and non-renewable (oil, gas and minerals) resources. The mandate of the Center is to assist governments in maximizing development outcomes derived from Africa's natural resources by boosting the capacity of African governments to achieve inclusive and sustained growth from natural resources.

In the context of the Bank's High 5 operational priorities, the Center's focus is on three main work streams: deepening Bank teams' knowledge of extractives through analytics, internal seminars and a knowledge portal for lending departments; providing information on natural resources policies, markets, value chains and governance; and supporting African countries in creating an enabling environment for investment by advocating for policies that achieve positive development outcomes.

The Center's review of African land tenure systems

Consistent with the Bank's High 5s, the Center's strategy is anchored upon two pillars, namely integrated resource development and good governance of natural resources. This report is part of the Center's support for resources planning, conservation and transparency under the Integrated Resources Development and Good Governance of Natural Resources strategic pillars.

Diagram 1 African Natural Resources Center strategic pillars



The Bank, through its Agriculture Transformation Strategy, recognizes the important role that land policies will play in achieving its goals. Among others, the Bank acknowledges the need to assist regional member countries (RMCs) in creating an enabling environment and conditions through inclusive land policies that balance the needs of different users. This role is captured in the “Agenda for Transformation”, which requires addressing seven areas, including creating an enabling agribusiness environment with appropriate policies and regulations.

One of the most important enablers is the availability of land resources upon which subsistence and commercial agricultural activities occur. This is achievable through land tenure systems based on policies, laws and institutions that govern land ownership and

other forms of usage rights. Clear policy-based land planning and resources utilization is necessary for RMCs to scale agricultural activities. In the absence of an overarching policy framework, it is not possible for governments to rationalize conflicting land utilization needs, manage allocation, guarantee security of tenure and attract long-term investment in agricultural production.

Rwanda has well-documented land policy legislation and institutions to guarantee equitable land rights. The regulatory frameworks have been adapted, amended and reviewed to align with development needs. This study will provide a detailed review of these institutions and policy frameworks to assess the extent to which they create an enabling or restraining environment for land tenure regulation. This is in line with the Center's mandate and contribution to the High 5 priority areas of the Bank.

**Women's
economic
empowerment
in oil and gas
industries in
Africa**

1. Introduction

1.1. Rationale

Extractive industries (EIs) have great potential to reduce poverty in Africa. Their share of the public finance is significant, with some African countries' public revenues almost entirely dependent on EIs. Due to the capital-intensive nature of EIs,³ lack of local linkages and emphasis on raw material exports, only one percent of the continent's labor force is currently found in the EI sector. Where jobs are created in EI, they are often higher-skilled. Given that a low-skills base is often characteristic of low-income African countries, high-skilled labor is often imported into these economies. The lack of local content and linkages as well as employment possibilities are particularly exacerbated in O&G industries that are very capital intensive and where operations often take place in offshore sites. There are also considerable gender gaps in access to resources and resource-related opportunities.

In fact, evidence suggests a gender bias in the distribution of the risks, costs and benefits within the O&G sector: while benefits accrue mostly to men in the form of employment and compensation, the costs (e.g. family or social disruption, environmental degradation) fall most heavily on women. In view of the rapid evolution of the O&G sector in Africa, there is thus an urgent need to incorporate local content, and to identify strategies and policies for enhancing gender equity in accessing employment and entering the industries' value chains. While there are already general guidelines on mainstreaming gender dimensions in EI, WEE in the O&G sector is a much less explored area.

1.2. Oil and gas industries in Africa

Africa's natural gas resources amount to 7% of all global reserves and oil resources amount to 8%. Sixteen African countries are exporters of oil, and there are at least 24 countries with gas reserves, with exploration continuing elsewhere on the continent. Revenues from recent O&G discoveries could contribute considerably to government revenues and poverty alleviation. For example, in Angola, the hydrocarbon (O&G) sector accounts for more than 96% of exports, 80% of government revenue and more than 60% of gross domestic product (GDP). Although oil giant Nigeria has an economy that has diversified in recent years, O&G still account for 96% of export receipts, around 15% of GDP and over 80% of fiscal revenue.

However, fluctuations in O&G world market prices create an element of volatility in expected revenues. "Dutch disease" – the causal relationship between the increase in economic development of a specific sector (especially natural resources) and a decline in other sectors (like manufacturing or agriculture) – is a risk that many O&G producing countries face. Moreover, a considerable share of current O&G production in Africa takes place in countries mired in conflict and war.

There is a prevalence of extreme inequality in Africa – even with respect to global levels, and it is particularly pronounced in seven "outlier economies" that have a Gini coefficient⁴ above 0.55: Angola, Central African Republic, Botswana, Zambia, Namibia, Comoros and South Africa. With the exception of Comoros, all of these countries are characterized by an important EI sector. The sector has also been associated with poverty, conflict and corruption, and resources have not always translated into higher levels of household income. Bhorat et al. (2016) maintain that low job creation combined with a skills-biased pattern of labor demand contributes to maintaining high – and possibly increasing – levels of inequality. This is significant, as recent research indicates that higher initial levels of income inequality reduce growth's impact on poverty reduction.⁵ Given that there is a large gender gap in gross national product (GNP) per capita in all surveyed African countries,⁶

women stand to gain more from economic empowerment and boosting of their incomes, be it through formal sector employment or entrepreneurship.

In particular, a gap exists in opportunities for local micro-, small- and medium-sized enterprises (MSMEs and SMEs) to enter as suppliers and service providers into the value chains of O&G industries, including potential business linkages and partnerships. The problem is even more pronounced for local women-owned firms, which generally have fewer resources. High unemployment and even acts of sabotage, including the emergence of militancy in some areas, have been attributed to the lack of local content and linkages of O&G industries.⁷

2. Purpose of the guidelines

These guidelines are meant as a practical policy tool for African countries with new O&G industries whose benefits must reach local populations, both men and women. Other stakeholders, such as O&G companies, women's and entrepreneurs' associations, chambers of commerce, and development partners can also use them. This document provides guidance based on examples of practical and tested measures to increase women's access to opportunities created by new O&G resources. The aim is to contribute to evidence-based decisions regarding women's economic empowerment in the sector, with the goal of inclusive growth and equity.

Globally, O&G companies increasingly tend to diversify into the renewable energy field. In the future, promoting women's economic empowerment within the field should therefore also cover renewable energy operations as well as "green jobs" created within the industry. Present guidelines however are limited to O&G industries due to large gender gaps that still characterize them.

The focus on economic empowerment of women is justified by their relative lack of access to productive resources in Africa, including within the O&G sector. There are many important reasons to promote greater women's participation in O&G industries in Africa, including:

- The goals of equality and inclusive development call for greater inclusion of women in O&G industries, either as members of the labor force or as entrepreneurs profiting of supply side possibilities offered by the sector.
- Countries with a low-skill labor force should use all available human resources to keep wealth and jobs in the country.
- Economic literature⁸ indicates that women tend to use most of their income to feed and educate their children. Increased incomes for women therefore contribute directly to the well-being of their children and the reproduction of a future labor force.
- There is evidence⁹ that workforce diversity in the O&G industry promotes and increases efficiency, competitiveness and innovation. Hence, it is essential for women to be attracted to and retained in the industry to further growth and development.
- Diversity can also improve a firm's corporate image as a gender champion.

The structure of these guidelines is as follows: Section 3 discusses benefits and risks of O&G industries from a gender perspective; Section 4 defines women's economic empowerment in the context of the O&G sector; Section 5 introduces an analysis of O&G industry value chains from a gender perspective; Section 6 provides examples of approaches to women's economic empowerment in the O&G industry; Section 7 presents recommendations; and finally, conclusions are provided in Section 8.

While these guidelines talk about women in general, their **focus is on low-skilled, low-income local women**. However, Section 6.3. also discusses the challenges and opportunities for higher-skilled women professionals in O&G industries.

3. Benefit and risk analysis of oil and gas industries from a gender perspective

While benefits and risks of the O&G sector are often measured at the community level, they fail to distinguish the different impacts on men and women. As there is already a growing body of literature on such impacts in general,¹⁰ the main gender-specific benefits and risks in the O&G sector are described only briefly here.

The overall benefits of the O&G industry are evident: They create wealth and jobs for host countries in the form of royalties, rent, taxes and new jobs. Yet women were only 7.8% of the global labor force in the O&G sector in 2012; in offshore operations the gender balance is even more skewed.¹¹ Globally, women make up only 5% of executive members and 14% of senior management at the top 200 power and utility companies.¹²

The gender-specific distribution of O&G revenues in the form of government investments is spurred by increasing public concern about the spending of O&G revenues. Attempts to increase the transparency of such revenues in general are underway for instance in Ghana.¹³ Also women's associations have been active in demanding greater transparency and gender-balanced participation in decision-making regarding O&G revenues.¹⁴ Several African countries have also initiated gender budgeting,¹⁵ i.e. looking into expenditure in various sectors and ministries from a gender perspective. These techniques will ultimately allow African countries to analyze in detail for instance what share of O&G revenues is used to benefit both communities affected by these industries, as well as women, men, girls and boys (see Annex 4).

On the other hand, while direct employment in the O&G industries workforce is often limited (and exacerbated by companies bringing foreign¹⁶ experts for managerial and higher professional functions), the provision of other inputs such as start-up capital, training and appropriate infrastructure (electrification, roads, internet access) can foster and support small female and male entrepreneurship in previously isolated areas. Likewise, provision of services for affected communities (schools, health centers and pre-school/childcare) can allow women, who are mainly responsible for caretaking, to focus more on productive activities. It has been estimated that every new job in Ghana's mining sector creates 27 other indirect work opportunities. Increasing incomes in communities can also create demand for new products and services and lead to what is called "induced entrepreneurship" that is not directly connected to the O&G industry.

Benefits within the O&G sector¹⁷ associated specifically with women's economic empowerment include:

- (a) Enhanced developmental outcomes for women, families and communities;
- (b) Fully realizing the potential of almost half of the labor force and reducing the need for foreign experts (i.e. more jobs and wealth staying in the country);
- (c) More equal and inclusive growth;
- (d) Increased innovation and productivity as well as improved corporate images for companies (Box 1).

Negative gender-specific impacts of O&G industries can be divided into the following categories: health and environmental risks; issues with property rights; negative impacts on community and gender relations; and possibly opportunity costs from a gender point of view.

Health and environmental risks. Although their physical impacts are often smaller than those left by mining operations (especially in the case of offshore operations), the investments of O&G industries' change relations with land, water and environmental resources. Commoditization and land "grabbing," drops in agricultural activities and diminished nutritional consumption can apply also to onshore O&G industries.¹⁸ O&G companies will not allow communities to grow certain crops over pipeline corridors, even when buried. Where flaring is undertaken, poisonous gas emissions affect communities, especially women and children who stay home most of the time. Water pollution and depletion will first affect women and children who are responsible for fetching water in most African communities. Longer hours fetching water will mean more work for women and can affect children's education. Offshore O&G operations can reduce biodiversity and limit families' access to seafood and related economic activities.¹⁹ Oil spillages could affect both fish and humans. Contamination of water can result in prenatal health impacts, birth defects, and bioaccumulation of environmental contaminants in breast milk. Women's caretaking work might increase. The presence of migratory male labor force has, in different parts of the world, been associated with increased prostitution and rising levels of HIV/AIDS, other sexually transmitted diseases (STDs) and sexual violence.²⁰ There could also be risks in terms of tension and violence against women who are employed in O&G industries.

Property rights. Women are often the first affected when industries appropriate local agricultural lands for oil/gas extraction. Although the availability of productive land might diminish, women's responsibilities for feeding their families continue. As many benefits derive from land claims, and most often it is men who hold the land titles,²¹ women, tenant farmers and child-headed households might fail to receive compensation and royalty payments from companies. When men leave to earn cash wages from oil or gas companies, women's non-remunerated reproductive labor (providing food, water, fuel and care) loses value compared to men's cash earnings, even as the need for it could increase.²²

Community and gender relations. If mainly men have increased access to formal employment and decision-making platforms, women may become more marginalized. Women and men might prioritize community needs differently, and there is ample evidence that women frequently prefer more sustainable outcomes when they have more say in setting priorities for community investments. In many African societies women tend to be excluded from equal participation in decision-making and lack access to information flows about possible jobs and business opportunities. This in turn limits their possibilities to also benefit from O&G resources.

Opportunity costs. O&G industries could involve lost opportunities in, for instance, agriculture, tourism or manufacturing. Agricultural labor in many parts of Africa is largely the domain of women as well as apparel manufacturing.²³ It could hence be argued that countries that depend on O&G industries fail to develop sectors that could potentially provide more work opportunities for women (cf. "Dutch disease").

Box 1**Benefits of diversity in oil and gas industry**

According to the chief executive for the Shell Group Jeroen van der Veer, group diversity and inclusion are vital for winning in today's business environment: "They create a competitive edge by helping us to attract and retain the best people, increase creativity, and improve decision-making. Most importantly diversity and inclusion (D&I) build trust and strengthen relationships with all of our stakeholders. We need to put D&I at the very heart of our business processes, with greater accountability for results at business, country and individual levels. By integrating diversity and inclusion into the mainstream of the business, we can improve our global performance." (www.shell.com)

Anglo-American mining company BHP Billington, operating *inter alia* in Brazil and Indonesia, recently announced plans to increase the share of female staff from the current 17% to 50% by 2025. Bonuses to senior management will be tied partly to an annual 3% increase of female staff. The CEP for BHP Billington noted that productivity in more gender-inclusive sites is 15% higher than in less diverse operations. (The Guardian, 19.10.2016)

4. Definition of women's economic empowerment

WEE refers to a phenomenon whereby equality in economic opportunities increases and the "gender gap" decreases. Socio-cultural and economic factors as well as the legal framework and governance influence WEE. This is depicted in **Figure 1**.

Figure 1 Women's economic empowerment



* Economic activity rates, employment/unemployment, access to credit

The Africa Gender Equality Index (2015) identifies five indicators that measure equality in economic opportunities: labor participation rate, share of women among wage and salary workers, wage equality, estimated income and having a loan from a financial institution in the last year.

WEE in the O&G sector can be achieved in many ways, including:

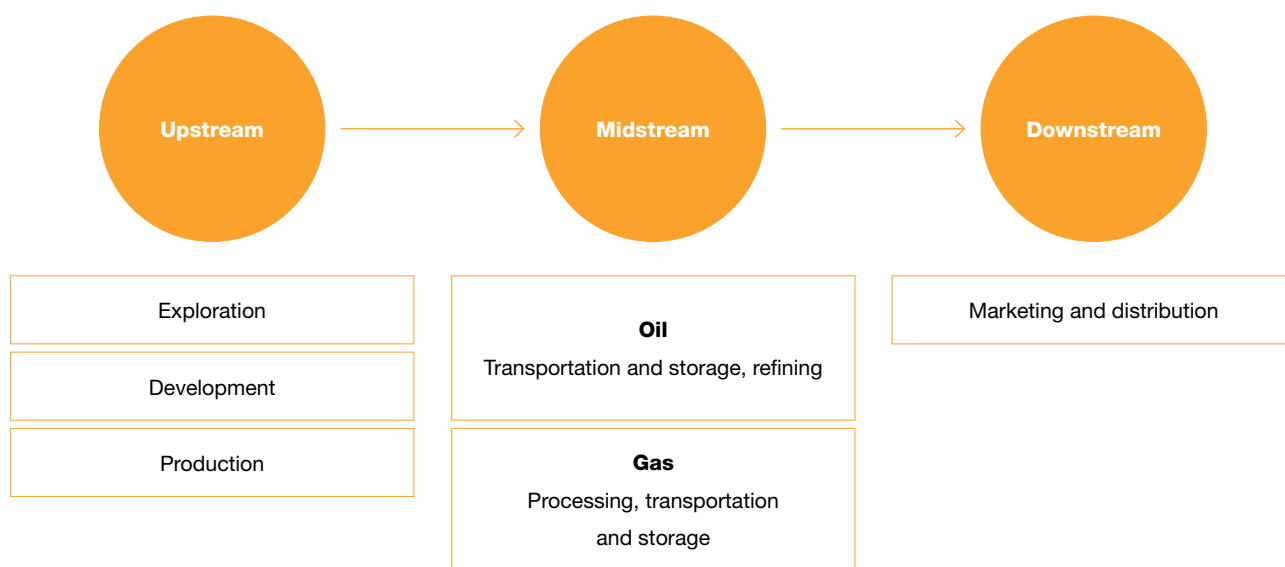
- (a) Ensuring that women benefit equally from compensation and community programs (i.e. social investments) and royalties from gas and oil industries.
- (b) Promotion of women's employment (direct, waged) directly in the O&G sector. This includes appropriate and timely skills training, capacity building and education, especially in STEM subjects, as well as more targeted measures.
- (c) Encouraging or mandating suppliers and subcontractors to employ women (indirect employment).
- (d) Enabling women to gain access to O&G wealth as entrepreneurs, i.e. entering the value chains of these industries (enterprise promotion). This can furthermore take place as direct suppliers or indirectly as subcontractors entering the value chains of larger suppliers and subcontractors. Skills and business training, education, licensing, access to credit, etc. are some of the elements encompassed by enterprise promotion.

WEE could ideally take place in the context of an O&G industries local content policy framework, which will be discussed in Section 6.1. This will be followed by a closer look at the four above-mentioned approaches to promoting WEE. The following section looks more closely at the value chains of O&G industries from a gender point of view.

5. Gender analysis of oil and gas industry value chains

The total life span of O&G industry operations can be decades, with up to ten years spent just at the explorative stage. A value chain approach focuses on the vertical relationship between buyers and sellers and the movement of a good or service from producer to consumer. **Figure 2** depicts the value chains of O&G industries in a simplified form.

Figure 2 Oil and gas industries value chain²⁴



Some of the questions that a gender analysis of O&G value chains should pose include:

- How is the division of labour by gender within the different phases of the O&G value chains (exploration and development, production, processing, transportation, storage and distribution)?
- What is the proportion of men and women in the O&G sector by activity (exploration, development, production, processing, transport, storage, marketing and distribution)?
- Are these women and men (or their firms) part of the formal or the informal economy?
- Are women also involved in stages where most value added is generated?
- How is power distributed within production and exchange relationships along the O&G sector value chain? Are women involved in decision making?
- How is information disseminated? Can women access information about opportunities available at different segments of the O&G industries' value chains, or about the value chains of large contractors and suppliers to these industries?
- Does the management of O&G companies or government institutions consider gender issues as important?

Opportunities and limitations for WEE within each stage of the value chain will be discussed in Section 6.4.

6. Various approaches to women's economic empowerment within oil and gas industry

6.1. Local content policy framework as an entry point for women's economic empowerment within oil and gas industries

Many O&G producing states are currently introducing requirements for "local content" into their regulatory frameworks. These requirements aim to create jobs, promote enterprise development and accelerate the transfer of skills and technologies. When foreign O&G companies operate in a country, the local content legislation seeks to maximize the opportunities available for indigenous businesses and people, keeping more jobs and money in-country.

Local firms' participation in the supply chain – with strengthened capacity to compete – is crucial to the promotion of local content. Providing an enabling legal and institutional framework for investment in the sector (e.g. a Local Content Policy and Act) is a prerequisite for participation of local people and firms in the value chain and can also provide an excellent entry point for incorporating gender issues in the O&G sector. A number of African countries, such as Ghana, Nigeria, and South Africa have already developed local content policies, some of which explicitly call for the participation of women-owned businesses (see Annex 4).

Local procurement²⁵ refers to the purchase of goods and services from local businesses. Typically this occurs in emerging and developed markets where local communities have expectations to participate in new opportunities. Some examples of local purchasing as a means to promote women-owned businesses are provided in Annex 4. There are three main reasons why local procurement (also known as business linkages, local supplier development or local sourcing) is seen as a strategic business tool by international companies in the extractive industries: to mitigate risk to company operations; in response to government regulations; to provide benefits to the local community by creating business opportunities with local enterprises.

The local content policy should identify specific entry points for SME engagement, including those sectors where women-owned firms are often found (hospitality services and retail trade). Local procurement practices of O&G companies can be utilized to create linkages between SMEs – including those owned by women – and the industry.

Local and sectoral policies should hence identify gaps and create support measures (access to credit, training, information flows, etc.) for local SMEs, including those owned by women, in order to encourage linkages and joint ventures. Promotion of SME engagement in the sector would form a particularly important option for women in Africa, as they are more actively engaged in entrepreneurship than women in any other continent.²⁶ Apart from agriculture, the majority of women in Africa are self-employed or have MSMEs, although their share varies from 62% in Côte d'Ivoire to a mere 3% in Algeria. Although women increasingly own large enterprises in Africa, including in the O&G sector, the overwhelming majority fall into the micro and small entrepreneur category,²⁷ driven by necessity rather than opportunity.

Moreover, many small local firms struggle to compete with larger, international suppliers. There are different approaches to level the opportunities for small men- and women-owned enterprises to access wealth from O&G:

- (a) A more realistic opportunity for local firms usually lies in the supply chain of large contractors. Where incentives for larger contractors to engage local enterprises are weak, an O&G company's procurement system could mandate or provide incentives to larger contractors to engage small local enterprises, including women-owned businesses.
- (b) Governments and development partners, as well as O&G industries, can create training programs building the skills and competencies of local firms; in addition they can also encourage development of credit programs that also enable small women-owned firms to access capital needed to act as suppliers for the O&G sector.
- (c) Governments could demand O&G industries to pay a social tax or provide direct funds to local development projects, and ensure that these also benefit women.

As to the first point above, there is a range of strategies for encouraging the participation of local women – either as workers or through their enterprises – in the procurement strategies of larger foreign or local contractors, including:

- Mandatory requirements, i.e. obligatory employment of local enterprises or workers, including women. Suppliers can be required to have a certain percentage of female workers among their staff or a staff development plan increasing gender diversity.
- Incentives, i.e. incorporating advantages for employing or subcontracting women or their firms within tender evaluation criteria. For instance, the percentage of women among a labor force could constitute one of the criteria.
- Joint ventures and alliances would allow local women-owned firms to receive significant capacity-building benefits. Women-owned micro and small firms can be encouraged to join others in providing services and goods to larger contractors
- Special training courses should be provided in languages and places and at such times that are also appropriate for women micro and small entrepreneurs. Information about possibilities for joint ventures and alliances should be provided in languages and ways that are appropriate also for local women (see Annexes 2 and 3).
- Coordination and information sharing, i.e. facilitation between large contractors and local women-owned firms through communication and special events. Special efforts

should be made to reach local women-owned firms through languages that women know and channels that reach them, e.g. community meetings, radio. Coordination and information-sharing events should take place in such settings and at times that women, who have multiple responsibilities, are able to attend them (see Annex 2).

There are other measures that governments could undertake to incorporate gender aspects in legal and regulatory frameworks for the O&G sector. These are outlined in the guidelines and recommendations (Section 7) of this document.

6.2. Promoting women's direct waged employment within oil and gas industries

Some of the skilled jobs held by women in O&G and related industries in various countries include:

- **Scientific, professional and related roles** (architects, geologists, geoscientists, geological and petroleum technicians, surveying, engineering, civil electrical engineering, chemical engineering, surveyors, mapping technicians, social science, environmental management, mechanical engineering, etc.);
- **Management, business and financial roles** (cost estimating, management, accounting and auditing, project management, human resources, occupational health and safety);
- **IT roles** (database management, systems engineering, help desk, systems support and software programming);
- **Trade-based opportunities requiring vocational training** (electricians, boilermakers, carpenters, welders) requiring vocational training;
- **Sales and related roles** (sales representatives, wholesale and other);
- **Office and administrative support** (first line supervisors, bookkeeping, accounting and auditing clerks, secretaries and administrative assistants);
- **"Hard-hat" roles, or skilled and semiskilled blue collar** (first line supervisors of construction and extraction workers, drillers, roustabouts, oil and gas helpers, extraction workers, drivers, mobile plant operators, i.e. driving front-end loaders, bulldozers, excavators, forklift trucks, welders, crane and tower operators, cutters, solderers, brazers, inspectors, maintenance and repair workers, petroleum pump system operators, refinery operators, industrial machinery mechanics, etc.) where at least vocational training and certification are needed.

The above jobs are naturally as suitable for women as for men,²⁸ and women can be found in them in different parts of the world. For instance, companies that have trained women as mobile plant operators have generally been pleased, as women have turned out to be careful and skilled operators.²⁹ In addition, there are also jobs that unskilled women can qualify for in O&G industries. Among them are construction laborers, fence erectors, office clerks, catering (e.g. kitchen assistants, counter hands), field work (data gathering) and data entry.³⁰ Likewise, services such as security guards, janitors and building cleaners provide opportunities for unskilled female and male labor.

Following is a brief look at the obstacles to promoting women's waged employment followed by a discussion on measures to promote women's direct employment in O&G industries.

6.2.1. Obstacles to women's waged employment in the oil and gas industry

An important driver of gender inequality is access to education, which remains crucially important in determining an individual's labor market outcomes.³¹ There are several reasons why girls do not have equal access to education in many African countries, such as cultural norms that prefer educating boys, opportunity costs of home work performed by girls as well as early marriage and pregnancy. Since the 1990s there has been progress in equalizing access to primary education for girls and boys, even in sub-Saharan Africa, which had previously lagged behind North Africa in this respect. Over the same period, there has been no progress on average in achieving gender parity in secondary schooling, while there has been a widening of gender inequality in tertiary educational enrolment.³² Additionally, women are less likely than men to study science, technological, engineering and management subjects in Africa.³³

Apart from lack of education, there might be other factors preventing women from seeking work in O&G industries. The fact that O&G industries are perceived as male-dominated can prevent even qualified women from applying for jobs. Distant and offshore locations of O&G fields as well as family responsibilities and lack of appropriate childcare facilities could prevent women with small children and families from seeking employment in the sector. To retain and make jobs more appealing to skilled women with small children and families, reputable O&G firms are beginning to provide on-site family housing, sabbatical leave, flexible hours or distance working opportunities. Possible supply-side obstacles, such as resistance from fathers or husbands and fear of family violence could also prevent women from entering these industries as a labor force.

Fear of job discrimination and sexual harassment can also form serious obstacles to women entering waged employment in the O&G sector. While data on sexual harassment of women in the sector is elusive, in countries as different as the US, Australia and South Africa, sexual harassment of women is increasingly leading to court cases. This hints at an underlying abyss of problems that must be tackled to make the industries safe and appealing for women workers as well.

When women are employed in O&G industries, they often hold lower echelon jobs with lower earnings than men. For instance, in Côte d'Ivoire, women represent 22.1% of the labor force in O&G industries. However, while men in the sector were mostly found in technical jobs, women worked most often in the category of "other jobs", i.e. unskilled support functions.³⁴ In Ghana, women represent less than 20% of people employed in the mining and quarrying sector (including O&G industries), and their earnings were only 73% of those of men.³⁵

6.2.2. Recruitment and retainment of women workers and professionals in oil and gas industry

When the potential of almost half the workforce is not fully realized, it can have considerable implications for productivity and growth at the enterprise, sector and national level.³⁶ It is increasingly being understood that a skilled female labor force can be crucial for countries with a lack of professional staff, be they male or female. Different packages have therefore been created independently by industries or jointly with governments in order to guarantee recruitment and retainment of a qualified female labor force in O&G industries.

In summary, although O&G industries remain highly male-dominated for a variety of reasons, there are examples of countries such as Australia and Malaysia that have narrowed the gender gap in these industries through measures targeting both the working environment and attitudes (see Box 2 and Annex 4). These measures have consisted of both incentives for women to work in O&G industries (such as making the working environment more

“women-friendly” through separate rest rooms, child care, etc); mandatory requirements to employers (quota for employing women); and sanctions for non-compliance with gender sensitivity (strict policies against gender-based discrimination and violence). It is also encouraging that optimism towards increasing the share of women professionals in the O&G industries appears to be growing in Africa (Annex 4).

Box 2

Increasing the share of women working in oil and gas industries

These are examples of well-targeted programmes from countries such as Australia, South Africa, Malaysia and Norway that aim to increase the share of women workers in oil and gas industries. In Malaysia, publicly listed companies are required by law to have women in 30% of senior decision-making and board positions by 2016. In Shell Malaysia, the share of the female labour force is 36% and, among senior management and leadership, 30%. The company offers its staff flexible working hours, distance working and sabbatical to retain skilled women professional. Since 1994, South Africa has set to strengthen women's access to mining jobs in general through different legislative and regulatory measures. A target of including 10% women in the mining sector labour force was set in 2009, and it reached 10.5% in 2014. In Norway, all publicly listed companies are required to have 50% women in board positions.

South African trade unions have been vocal in challenging stereotypes and harassment of women in mining industries. Some mining companies have introduced hotlines for employees needing to report sexual harassment. In Australia, oil and gas industries are facing a critical skills shortage and increasing the participation of women is seen as key to addressing it. Many companies recognise the significant opportunities to increase business productivity by recruiting and retaining more women in the labour force. New opportunities for women are being created through flexible work packages, parent-friendly work rosters, female appropriate uniforms, on-site childcare, comfortable working conditions, excellent pay rates, gender-inclusive work environments, extended maternity leave, breastfeeding facilities and couples on-site housing.

Specific measures that can be taken to increase and retain women's employment in O&G industries include:

- Target local women, men and youth with technical skills development programs. Insist that gender and age diversity are ensured in enrolments. Plan skills training programs in anticipation of forthcoming activities. Arrange study tours and visits for engineering and other students, female and male, to visit O&G fields, including off-shore (Annex 4);
- Encourage women engineers and other professionals to consider employment in O&G industries. Highlight examples of successful women professionals in the O&G sector in company brochures and in national education;
- Governments develop punitive policies aimed at discouraging gender discrimination in the O&G sector. Consider introducing gender quota in board positions (Box 2);
- Companies should: provide staff sensitization programs about gender discrimination and prevention of gender-based violence; adopt strict guidelines on prevention and

dealing with gender-based violence; provide hotlines for employees to anonymously report sexual harassment and gender-based violence; and sensitize impacted communities about preventing gender-based violence;

- Provide clear and transparent skill-level clusters to classify employees in the sector along with equal pay for equally demanding work;
- Provide publicly or company-funded childcare to facilitate women's employment; parental leave and possibilities for breastfeeding; and advice on family planning, especially for low-skilled workers;
- Provide family housing to cater for employees in O&G industries;
- Provide training and mentoring for women to obtain skilled supervisory and management positions;
- Provide distance working possibilities and sabbaticals;
- Provide separate sanitation facilities and changing rooms for men and women;
- Provide suitable work clothing³⁷ and equipment for women.

6.2.3. Indirect employment

Both local and foreign large contractor or suppliers to O&G industries can be encouraged to employ more women by including workforce diversity as a mandatory precondition for bidding or by rewarding it in tender evaluations. The benefits for industries of having a more diversified labor force can be multiple, such as more creativity and innovation in everyday workings of the company. A number of companies also report improvements in accident rates and health and security as a result of increased gender diversity.³⁸

6.3. Promotion of women-owned SMEs in oil and gas sector

SMEs are acknowledged as having huge potential for employment and wealth generation. The participation of SMEs, especially in capital-intensive O&G industries has, nevertheless, remained rather insignificant in many parts of Africa. As mentioned above, women in Africa account for a large number of all entrepreneurs in many countries. There is, however, abundant evidence that, apart from the general problems associated with SME development, women sometimes face additional obstacles. For instance, women can suffer from "time poverty" due to their domestic responsibilities as mothers and wives. In some regions, there can be social norms curtailing the possibilities to engage in other than limited business sectors or women's mobility can be restricted. Given that women have only a minority of land and house titles in Africa, they lack an important form of collateral. Thus, possibilities for them to raise credit from formal sector financial institutions are curtailed.³⁹

Some of the challenges that SMEs face when trying to enter the O&G sector include their fragmented, sole proprietor ownership structure, and a lack of substantial capital, access to credit information and fixed-assets. Most local SMEs lack international standards and certifications. O&G industries are strictly regulated, so licensing or accreditation can be challenging. As discussed earlier, these issues can be particularly problematic for women-owned SMEs due to their lower resource and skills base. Measures that could be taken to enable women- and men-owned local firms better access to O&G value chains include:

- Governments and O&G companies with other stakeholders should provide training, upgrading the business and other skills of local entrepreneurs, both men and women.
- Governments should ensure access to credit services for populations affected by O&G industries.

- Governments and O&G companies could consider procurement provisions and policies to support SMEs, local businesses and women-owned firms.⁴⁰
- O&G industries should create community funds allowing local businesses to access start-up and working capital.

There are several areas in the O&G sector where local SMEs owned by both women and men could be promoted. Opportunities and limitations for women-owned SMEs in the various stages of the O&G industry value chain (Figure 2) are discussed in the following.

6.3.1. Upstream phase

The upstream phase starts with exploration and development and continues with the production of O&G (Figure 2). Companies are involved in exploration, development and production of O&G. Production involves getting O&G out of the ground (production) or sea bottom (offshore O&G). Oilfield services and equipment are needed, as well as other services and inputs, such as financing, research and development, and process chemicals.

Activities at this stage could include: camp and catering services, seismic services, trucking and transportation services, drilling and coring services, environmental services, social audit, freight forwarders and customs clearing services, security services, telecommunications, civil works, lifting inspections and audits, cranes and fork lifting services, construction, refinery building and servicing, and welding services (see Annex 1).

The drawback in terms of all SMEs – as well as considering women's economic empowerment – is that the total procurement spent on goods and services in the exploration phase is small relative to the entire project value chain. On the other hand, the exploration and development period can be lengthy, it requires provision of some of the least capital- and skill-intensive services such as camp, catering and food production, laundry, gardening, cleaning, pest control, sewing uniforms, and providing safety equipment, hygiene and cleaning products. Opportunities also exist for local SMEs to enter O&G sector value chains under transportation, supply and disposal services as well as within the health, safety and environment sector. Providing agricultural produce, lodging and conference facilities, plumbing, vehicle spare parts, building materials and electrical services are examples of indirect services that local SMEs can provide to O&G industries. Some of these supply opportunities (catering, providing fresh produce, cleaning, laundry services, etc.) could apply also in offshore settings.

A migratory labor force will probably need services such as accommodation, restaurants, pubs, barbershops, telephone cards and accessories, public washrooms and laundry services. These could provide opportunities for even smaller firms owned by women. New business and contracting opportunities can arise and these need to be identified at early stages of project planning and developed jointly in partnership between the public and private sectors. Likewise, low-skilled women could find unskilled jobs such as cleaning, catering, gardening, etc. in the companies and among their staff.

6.3.2. Midstream phase

The midstream phase covers transportation (by pipeline, rail, sea barge or truck) and storage for oil industries, and processing, transportation and storage for gas industries (Figure 2).

Some of the business opportunities for suppliers consist of providing transportation and storage facilities; hauling petroleum products from depots, refineries, oil tank farms, etc. to various filling stations; providing spare parts and mechanical services for transport businesses; and starting an oil spillage cleaning company, among others.

A risk for low-skilled women with little starting capital is that, at the midstream phase, most business opportunities for suppliers are rather capital-intensive or require professional skills. This phase would appear to offer more opportunities for medium-sized and larger local enterprises with access to more capital, equipment and skills. Small, women-owned firms could enter the value chains of these large suppliers by providing services to them, such as cleaning the trucks and storage facilities, sewing uniforms, etc. Women could find also waged employment with these suppliers.

6.3.3. Downstream phase

The downstream phase includes marketing and distribution for oil products and marketing for gas (Figure 2). Some of the business opportunities for suppliers in this phase are production and marketing of liquefied natural gas (LPG), “cooking gas”; manufacturing of LPG cylinders, valves and regulators; retail distribution of simple, flexible and less expensive gas burners; small-scale production of petrochemicals and solvents from natural gas (benzene, ammonia, ethylene; etc.); gas retailing; filling stations; domestic kerosene retailing; and lubrication oil retailing, among others.

Many of the activities in the downstream phase require large-scale suppliers with considerable initial and working capital and equipment. The business opportunities with the least capital requirements for small firms are retailing kerosene, cooking gas and gas burners. Medium-sized firms with more capital or groups of women could also pool their resources and manage a filling station, for example.

The following checklist (Table 1) can be used when mapping challenges and identifying opportunities for local SMEs in different stages of O&G industries' value chain.

Table 1 Chile public services provision and development indicators (1970-2014)

✓	What are the skills and resources available in the nearby or affected communities, including women-owned SMEs?
✓	Do local SMEs have specific needs (literacy and numeracy skills, vocational or basic business training, credit, etc.) to enable them to supply goods and services to the O&G sector?
✓	Are there contract management and tendering training programs available for SMEs, including those owned by women (sometimes organized by O&G companies)? Are women-owned firms advised on how to provide joint tenders to increase the possibility to win bids? Are training programs arranged in such times and places that women can also attend? (See Annexes 2 and 3.)
✓	Are there other capacity building opportunities for women, enabling them to take advantage of business and employment opportunities related to the O&G sector (e.g. training of trainers, local women leaders and associations that can train other women in their communities)?
✓	Are smaller, women-owned firms able to access information about tenders, requests for services and job offers? Is information about forthcoming tenders disseminated in ways that can be accessed by local women (i.e. in local languages, on the radio, in focus groups or community meetings)? (See Annexes 2 and 3)
✓	Do women entrepreneurs have access to banking, microcredit, grants or other financial services available to the larger community? Are local women entrepreneurs linked to formal financial institutions (e.g. commercial banks can operate ambulatory services that cater to the needs of isolated rural communities and women entrepreneurs)?
✓	Can tenders for goods and services be “unbundled”, i.e. divided in tiny lots such that also smaller, often women-owned firms can take part in?
✓	Are there specific community compensation funds available to local entrepreneurs, and do these cater in an equitable manner to women entrepreneurs? Are women's groups invited to community meetings? Are these held at times and in places such that women are able to participate without having to neglect their household tasks and without risk of gender-based violence? (See Annexes 2 and 3.)

6.4. Local community funds, royalties and social investments

In order to give back to society or to enhance their corporate image, many large companies in the O&G sector are engaged in local community development through community funds and social investments. In some cases royalties are paid directly to local communities affected by these industries. Such investments include usually less than 1% of the total investments of an O&G company, but, if planned wisely and implemented carefully, these projects can have beneficial impacts in the communities affected by O&G industries. It is crucial that women's voices are heard and that women's associations and representatives take part in planning community funds or other social responsibility programs.

- Investments in infrastructures and services for the affected communities should form a part of the local content policy agreements with O&G industries.
- These investments should be planned and designed in a gender-responsive way, also allowing women's groups and women entrepreneurs to voice concerns and needs.

Annex 4 provides examples of how women's interest in O&G industries can be better understood. In the same vein, examples are provided of how O&G companies and local authorities could increase women's participation in decision-making in communities impacted by the O&G industry. Moreover, Annex 4 presents examples of community funds that assist impacted communities.

7. Conclusions

Many already proven measures can be taken at the national, regional, community and company level to incorporate gender issues into the value chains of O&G industries and to improve women's access to productive resources, capacity building and decision-making. With well-designed policies, strategies and targeted actions, it is possible to increase women's share in the wealth generated by O&G industries in Africa, either as community members in impacted areas, or as laborers in and suppliers to these industries and their larger suppliers. This will contribute to more equitable and inclusive development in Africa.

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LIST OF ACRONYMS

AfDB	African Development Bank (Group)
CSO	Civil society organization
EIs	Extractive Industries
GDP	Gross national product
HIV/AIDS	Human immunology deficiency virus/Acute immunology deficiency syndrome
IT	Information technology
MSME	Micro-, small-, and medium-size enterprise
RMC	Regional member country (of the AfDB)
SME	Small- and medium-sized enterprise
SMET	Science, mathematics, engineering and technology
STD	Sexually transmitted disease
O&G	Oil and gas
WEE	Women's economic empowerment

Annexes

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ANNEX 1 Supply opportunities of SMEs within oil and gas industries**GENERAL SERVICES****SUPPLY OPPORTUNITIES**

1. Accommodation
2. Basic professional services (e.g. legal and accounting)
3. Catering
4. Cleaning and laundry services
5. Forestry and environmental services
6. Landscaping and gardening
7. Logistics and warehousing
8. Mailing and courier services
9. Personnel agencies
10. Pest control
11. Printing and photography
12. Security
13. Translation services
14. Transportation services

**CONSTRUCTION AND TRADES****SUPPLY OPPORTUNITIES**

1. Air-conditioning maintenance
2. Carpeting and floor coverings
3. Civil works maintenance
4. Earthworks
5. Fencing and paving
6. Low-voltage electrical maintenance
7. Painting and corrosion protection
8. Road marking and signage
9. Roofing and waterproofing
10. Sewerage, storm water and drainage
11. Simple mechanical maintenance
12. Small vehicle maintenance
13. Telecommunications and data systems
14. Waste recycling and management

**GOODS**

(wholesale, distribution, manufacture)

SUPPLY OPPORTUNITIES

1. Appliances and electrical goods
2. Automotive parts
3. Cleaning supplies
4. Construction supplies and hardware
5. Food supplies
6. Fuel, lubes and greases
7. Furniture and fixtures
8. Laundry equipment
9. Machine tools and spare parts
10. Office equipment and stationary
11. Small motor vehicles
12. Uniforms
13. Safety equipment

ANNEX 2 Factors influencing women's participation in community-level decision-making**TIME / WORKLOAD**

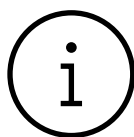
Women often have the burden of domestic, productive and reproductive workloads, so may have difficulty attending meetings if they are held away from local communities at unsuitable times.

**CULTURAL NORMS**

Women may not be able to participate fully (or speak out) in meetings where men are present, due to cultural norms. Women may risk domestic violence if seen as too forthcoming. **NB.** The same can apply also to younger women (and men) in the presence of elders.

**MOBILITY**

Women's domestic responsibilities may impact their ability to travel away from home. Women may risk sexual harassment or violence and are less likely to have access to safe transport.

**ACCESS TO INFORMATION**

Relative education and literacy differences may mean that women do not have equal access to company or project information, nor equal opportunity to communicate their concerns or participate in decision making.

ANNEX 3 Examples of actions to increase women's participation in oil and gas industry-impacted communities

1. Appointing a gender focal point or "champion" – a company representative who can address women's concerns and grievances in the community

2. Ensuring a safe environment for women in the community to discuss their ideas, issues and needs, and guaranteeing that these are addressed

3. Ensuring that meetings are conducted in languages understood by all, or that translation is provided

4. Providing literacy and numeracy training for adult women to allow them to take part in project monitoring and evaluation

5. Holding meetings in convenient locations and times for community women, providing transport to meetings/activities

6. Providing or supporting child care initiatives

7. If necessary, holding separate meetings with men and women, followed by joint meetings

ANNEX 4 Examples of women's economic empowerment in oil and gas industries

1. Attracting and retaining female professionals in O&G industries in Malaysia⁴¹ and Qatar

In Malaysia, a female employee network, Shell Women's Aspiration Network (SWAN), has been set up to lead initiatives supporting the group's gender diversity objectives. SWAN has the mission to "support and encourage women in Shell Malaysia to achieve their full potential in Shell." SWAN drives the following three-point strategy in developing women in Shell: early career development; coaching and mentoring; and supportive environment and work-life balance policies to develop and retain talent. Examples of these accommodations include: childcare support, mother's rooms, telecommuting (working away from the office); part-time working; and career breaks. Many of these initiatives are new to the Malaysian workplace and have proven to be a great way to retain female talent and help them progress mid-career.

In the Middle East, only 3% of employees in the O&G sector are women. However, Maersk Oil Qatar has managed to raise the share of women to 25% for several targeted measures. These include making the industry visible and attractive to young women from early age. For example, to counter family- or self-imposed restrictions on travelling offshore, the company allows women to go offshore on one-day, female-only trips to gain insight and experience in working offshore.

2. Improving attitudes towards women's labor in the O&G industry

Recent research (Rigzone BP, 2013) among female energy professionals in Africa revealed that 57% of them thought that career opportunities for women had improved, whereas 14% maintained that they had decreased. The figure expressing optimism in Africa was higher than the corresponding one for the Middle East and Europe, but lower than in North and South America, and Asia.

3. Vocational training for oil and gas sector jobs

In Eastern and Southern Africa, the German Federal Ministry for Economic Cooperation and Development and UK's Department for International Development have jointly established a technical skills and vocational training program to improve the employability and income of women, men and youth in Kenya, Mozambique, Uganda and Tanzania in new O&G industries. The initiative seeks to increase the number of local people in O&G industry jobs by 32,000 and raise the incomes of 240,000 people by, on average, 10%.

4. Access to Information

In Ghana, four women's rights organizations are working together on a project seeking to promote gender and social responsiveness in the O&G sector through increased participation of women and socially-excluded groups in O&G sector policy formulation and budgeting, monitoring and evaluation. Two key results expected at the end of the project are mainstreaming gender into O&G sector policy and regulatory frameworks to protect the interests of women and other socially-excluded groups, particularly those in oil fringe communities in Ghana; and enhanced capacity of such groups to demand inclusion and protect their interests in the two oil fringe districts in the Western region.

5. Information sharing

In Papua New Guinea, the Women in Mining and Petroleum (WIMAP) initiative has hosted three international conferences to gather mining, oil and gas industry representatives, donors, and government in a forum where they can listen to the direct testimony of women from resource-rich communities, and understand their capacity-related needs and challenges. A special training course has been provided to affected community women. Skills training courses have been given to women's associations in the remote mining and petroleum areas of the country.⁴²

6. Multinational companies in Kazakhstan

In Kazakhstan, the government requires large multinational organizations to pay a mandatory social tax, or provide direct funds to local development projects. The program provided Chevron Texaco the opportunity to enhance its reputation and brand image, while supporting local development projects that, in the end, also benefit the company.⁴³

7. Local entrepreneurship promotion through community funds

In northern coastal Peru, a mining company's social responsibility program offers support to local entrepreneurial initiatives. An executive committee of citizens disburses funds, working with the municipality to suggest projects for the participatory budget process. The company has also funded enterprises, one of which is a micro-enterprise that sews uniforms for the company.⁴⁴

8. Examples of O&G industry social responsibility programs

In Azerbaijan, the BP Enterprise Center helps train SMEs in business skills and technical areas. It provides consultancy and assistance to local companies on current and future business opportunities and information on industry standards for health, safety, environment, contracting and procurement, as well as ethical and technical requirements. The purpose is to help SMEs access business opportunities around the Baku Tbilisi Ceyhan pipeline projects.⁴⁵

In the same vein, the Shell Livewire program supports young entrepreneurs to establish SMEs in countries in which Shell operates. The program varies in different countries and encompasses more than 20 countries globally. All approaches include a competition, although participation in the program is the main benefit to entrepreneurs. Shell and its partners provide the following support to young entrepreneurs, women and men, as part of the annual livewire competition: training and support in IT, finance and marketing; mentoring through business planning support; credibility through association with the livewire program; cash prizes; and press coverage for competition winners. The program targets entrepreneurs aged 18-30; there have been more than 9.2 million young participants since 1982.

9. Local procurement as a means to promoting women-owned businesses

According to IFC (2013), large corporations benefit from creating opportunities for disadvantaged or marginalized groups such as women and young people. By diversifying its suppliers to include under-represented groups, an O&G company can increase its pool of eligible SMEs. This in turn can create more competition, leading to better quality, service and

increased efficiencies in the supply chain. Addressing family welfare and women's poverty could also strengthen the company's social license to operate.

10. Gender in local content policies for O&G companies

In Nigeria, the enactment of the Nigerian Content Development Act 2010 defines the minimum level of Nigerian content required for each sector of O&G industries.⁴⁶ The Act hence provides a number of opportunities for local SMEs – implicitly including those owned by women – to create linkages to industries where their participation has been largely insignificant. Likewise in Ghana, the Local Content and Local Participation Bill of 2013 stipulates that Ghanaians should be prioritized in terms of employment in O&G industry. It recommends a range of measures, including the use of local expertise, goods and services, business and financing; developing local capacities in the supply chain; and promoting education, skills transfer and expertise.⁴⁷ In South Africa, the updated Broad-Based Black Economic Empowerment (BBBEE) law aims to ensure that black- and women-owned businesses (as well as other traditionally underrepresented groups in South Africa) are now included in supply chains. Measures were introduced to ensure that minority groups, different ethnicities and women would benefit from oil drilling and exploration. The aim of local content development laws is to ensure that wealth generated in-country is redistributed to historically disadvantaged communities.⁴⁸

11. Views on gender diversity from within the industry

"Gender diversification isn't just important from an equal opportunity perspective. The industry is already confronted with a major talent shortage – especially in science and engineering-related fields. That's only going to worsen as baby boomers who make up a large share of the existing workforce retire over the next 10 years." – Dr Jennifer Dupont, Research Director, EXXON Mobile Research, Qatar.⁴⁹

Neeti Joshi is a reservoir engineer with Shell Technology India. Working with an integrated exploration and production company has given her extensive exposure to the industry, a wide range of knowledge and the ability to use multidimensional approaches to resolve issues at work. According to her, Shell has a standard recruitment procedure that does not favor male or female applicants. They mainly seek CART – capacity, achievements, relationships, and technical skills – in a person.⁵⁰

Qamar Wan Noor, a distribution manager at Shell Oman, is the only female executive at Shell Refining Company. "At the refinery, I do what the male employees have to do. I travel extensively and I also work shifts in the control room. When I have to climb a tank, I climb it," says the Malaysian-born lady, who was trained as a chemical engineer.⁵¹

"In my opinion the main challenge is changing the male mindset. The government should create policies from the top down for it to be effective. During my tenure in the energy industry, men simply didn't welcome women in the environment – plant or offshore." Mishael el Ansari, Board Member, Qatari Businesswomen Association.⁵²

End notes

¹ Local content refers to the added value brought to the host nation (or region or locality) through workforce development (employment and training of local workforce) and investments in supplier development (developing and procuring supplies and services locally).

² STEM: Science, technology, engineering and mathematics.

³ E.g. in Nigeria, onshore reserves in the Niger river delta gradually declining, the current exploration activities are mostly focused in the deep and ultra-deep offshore areas, with some activities planned in the Chad basin in the northeast of the country. In Angola, most of oil production takes place offshore in the South Atlantic Ocean. On the other hand, Uganda could be endowed with one of the largest onshore oil reserves in SSA.

⁵ Gini coefficient measures the degree of income inequality in an economy. It theoretically varies between 0 and 1, with 0 would mean total equality and 1 total inequality. The average Gini coefficient for Africa is 0.43, whilst the figure for the rest of the developing economies is 0.39. In Africa, it is highest in South Africa (0.65) and lowest in Egypt (0.31). Bhorat et al (2015, 2016)

⁶ UNDP (2015)

⁷ E.g. Mayanja (2014)

⁸ Eftimie et al. (2009), Scott et al. (2013) BothEnds (2012) suggests that while women invest 90 % of their income in the families, the corresponding figure for men is 30-40%

⁹ E.g. www.shell.com.my/aboutshell/careers-mys/diversity-and-inclusion/gender-diversity.html, IFC (2013)

¹⁰ E.g. UN Women (undated), Eftimie et al. (2009), Scott et al. (2013)

¹¹ Thegulfintelligence.com A Gulf Intelligence Special Report 2015.

¹² EY (2016), p.2

¹³ <http://theconversation.com/how-revenues-from-oil-and-gas-in-africa-can-be-made-to-work-for-ordinary-people-61918> (July 18, 2016), Dovi (2013)

¹⁴ Zaney, G.D. (undated) Gender mainstreaming in oil and gas policies and laws. Government of Ghana

¹⁵ Gender budgeting is an initiative to use fiscal policy and administration to address gender inequality and women's advancement. Several African countries have adopted gender budgeting, including Benin, Cameroon, Ethiopia, The Gambia, Mali, Mauritius, Mozambique, Nigeria, Rwanda, Senegal, South Africa, Tanzania, Uganda, and Zimbabwe (Stotsky et al., 2016)

¹⁶ E.g. research in Kenya indicated that expatriates formed 66. % of directors and 69.7% of management in O&G companies. Kenyans made up 97.6% of unskilled workers (Oiro Omolo, 2014)

¹⁷ E.g. Eftimie et al. (2009)

¹⁸ Eftimie et al. (2009)

¹⁹ In many African economies women dominate the post harvest section of fisheries sector. In others they fish and harvest oysters, cockles etc. (Jallow, 1997)

²⁰ E.g. Eftimie et al. (2009)

²¹ Despite of producing up to 80 % of food in Africa, women own only one percent of the agricultural land in the continent. (AfDB, 2015)

²² Scott et al. (2013)

²³ Globally four out of every five jobs in apparel industries are undertaken by women. C.f. also the burgeoning apparel industry in Ethiopia that employs mainly women.

²⁴ Adapted from Oiro Omolo (2014)

²⁵ IFC (2013)

²⁶ E.g. Hallward-Driemeier (2013).

²⁷ Only 15% of formal sector firms in Africa have a woman as a managing director, while 32% have some degree of female entrepreneurship. (AfDB, 2015b)

²⁸ With possible exceptions during pregnancy and lactation periods for certain types of jobs.

²⁹ Ward and Strongman (2011), IFC (2013)

³⁰ IHS (2014)

³¹ Bhorat et al. (2016)

³² UNDP (2014)

³³ There are exceptions to this pattern though. In Tunisia, 58 % of university students were women in 2008, and women constituted 30.4% of the graduates in engineering and 49.5% in computing. (Cheick, 2010)

³⁴ Konan (2016)

³⁵ Boah-Boateng (2016)

³⁶ IFC (2013)

³⁷ E.g. two piece uniforms are more practical for women than one-piece.

³⁸ IFC (2013)

³⁹ E.g. in Uganda, women own 38% of all registered enterprises but access only 9% of formal finance. In Kenya, women own 48% of all micro and small enterprises, but access only 7% of credit. (AfDB, 2015b)

⁴⁰ E.g. in Canada, public procurement includes "set-asides" reserving certain purchases for competition only among a certain group of disadvantaged owners of SMEs. This is evidenced in mandatory provisions for Aboriginal suppliers. "Contract compliance" seeks to advance a wider concept of equal opportunity to compete and stimulate increased entrepreneurial activity among historically underutilized groups. The most prominent contract compliance policy is the US Small Business Act, which requires each government department and agency with contracting authority to establish a federal Office of Small and Disadvantaged Business Utilization. Currently, US government's national procurement goals are: 20% for small businesses, 5% for disadvantaged businesses and 5% for women-owned enterprises (Orser, 2009). In the same vein, some large companies, such as Anglo-American have local procurement policies that aim to enable access by local businesses to supply chain opportunities that arise from the presence of their projects and operations (IFC, 2011).

⁴¹ www.shell.com

⁴² IPECA (2011), www.shell.com/sustainability/communities/local-employment-and-enterprise.html

⁴³ IPECA (2011)

⁴⁴ Aigboduwa, J.E. and Oisamoje, M.D. (2013). These are up to 100% in sectors such as fabrication and construction, transportation/supply/disposal services, health, safety and environment.

⁴⁵ www.achilles.com (undated)

⁴⁶ www.achilles.com (undated)

⁴⁷ Thegulfintelligende.com

⁴⁸ <https://jobscentral.com.my/resources/index/21/0/women-in-the-oil-and-gas-industry> (Accessed in June 2016)

⁴⁹ <https://jobscentral.com.my/resources/index/21/0/women-in-the-oil-and-gas-industry> (Accessed in June 2016)

⁵⁰ <https://jobscentral.com.my/resources/index/21/0/women-in-the-oil-and-gas-industry> (Accessed in June 2016)

⁵¹ Thegulfintelligence.com

⁵² Thegulfintelligence.com



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