



GOVERNMENT OF THE REPUBLIC OF NAMIBIA

**OFFICE OF THE PRESIDENT: UPSTREAM
PETROLEUM UNIT**

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**NATIONAL UPSTREAM PETROLEUM LOCAL CONTENT POLICY
(NUPLCP)**

Acknowledgement

The Office of the President: Upstream Petroleum Unit (UPU) extends its sincere appreciation to all stakeholders who contributed to the development of the National Upstream Petroleum Local Content Policy (NUPLCP). The successful formulation of this Policy reflects a collaborative and consultative process, drawing on the expertise, insights, and commitment of a wide range of institutions and individuals.

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The UPU is grateful for the collective efforts of all stakeholders whose contributions have shaped a Policy that seeks to advance Namibia's national interests and aspirations within the petroleum sector.

Carlo Mcleod

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Foreword

As Namibia advances its journey to develop its petroleum resources, it is imperative that this sector contributes meaningfully to national development, economic transformation, and the well-being of all Namibians. The emergence of a petroleum industry presents a historic opportunity to strengthen our economy, but it also places a responsibility on us to ensure that these resources are managed prudently, sustainably, and inclusively.

This Policy has been developed as a strategic framework to maximise the socio-economic benefits derived from Namibia's petroleum resources. It seeks to ensure that Namibians actively participate across the petroleum value chain and that the development of this sector creates lasting value for the country through employment, enterprise development, skills transfer, and industrial growth.

It also recognises that, without deliberate intervention, the petroleum sector may operate with limited linkages to the domestic economy. It therefore provides a structured approach to promoting local participation, strengthening national capacity, and fostering meaningful partnerships between Government, industry, and local stakeholders. Through this approach, the Policy aims to support the development of a competitive and capable Namibian workforce and business sector.

Aligned with Namibia's broader national development agenda, including Vision 2030 and successive National Development Plans, this Policy reinforces the Government's commitment to inclusive economic growth, economic diversification, and sustainable resource management. It further reflects the principle of Namibianisation, ensuring that citizens, particularly previously disadvantaged Namibians, are empowered to participate meaningfully in the sector.

The successful implementation of this Policy will require strong collaboration among all stakeholders, including Government institutions, petroleum operators, contractors, local businesses, civil society and communities. It will also require a shared commitment to transparency, accountability, and adherence to international best practices.

The development of this Policy has been the result of extensive consultation and collaboration across Government, industry, and civil society. I wish to extend my sincere appreciation to all stakeholders who contributed their expertise and insights into this important national framework.

As we move forward, I call upon all stakeholders to work collectively to ensure the effective implementation of this Policy and to realise its vision of a petroleum sector that delivers sustainable and equitable benefits for all Namibians.

I hereby formally endorse the National Upstream Petroleum Local Content Policy (NUPLCP).

Hon. Kornelia Shilunga

Head: Upstream Petroleum Unit

Acronyms

GRN	Government of the Republic of Namibia
HPP	Harambee Prosperity Plan
NUPLCP	National Upstream Petroleum Local Content Policy
MIME	Ministry of Industries, Mines and Energy
MoF	Ministry of Finance
NAMCOR	National Petroleum Corporation of Namibia
NDP 6	Sixth National Development Plan
PETROFUND	Petroleum Training and Education Fund
SDGs	Sustainable Development Goals
SME	Small and Medium Enterprises
UPU	Upstream Petroleum Unit

Glossary

Appraisal	Activities carried out following a discovery for the purpose of estimating the quantity and quality of recoverable petroleum and whether it is a commercial discovery.
Beneficial owner	A natural person referred to in Schedule 5 who— (a) ultimately owns or controls, directly or indirectly, a legal person, trust, partnership or other legal arrangement; or (b) exercises ultimate effective control over a legal person, trust, partnership or other legal arrangement, as defined in section 1 of the <i>Financial Intelligence Act, 2012 (Act No. 13 of 2012)</i> .
Company	A company incorporated or registered under the <i>Companies Act, 2004 (Act No. 28 of 2004)</i> .
Contractor	Any company engaged by an Operator to provide services and goods and or equipment to support the Operators in performing petroleum operations.
Calendar Year	A period of the year commencing on the 1 st day of January.
Discovery	The discovery of petroleum recoverable at the surface of the earth in a flow measurable by conventional petroleum industry testing methods as defined in Section 1(1) of the <i>Petroleum (Exploration and Production) Act, 1991</i> .
Exploration	The search for petroleum within a licensed area through geological, geophysical, and drilling activities aimed at identifying petroleum deposits, as authorised under the <i>Petroleum (Exploration and Production) Act, 1991</i> .
External Company	A company incorporated outside Namibia that carries on business or maintains a place of business in Namibia, in accordance with the <i>Companies Act, 2004 (Act No. 28 of 2004)</i> .
Fronting	To deceive or behave in a particular manner to conceal the fact that a company is not a local company. Fronting also includes a citizen who acts as a front or connives with the companies to deceive the regulator as representing a local company to achieve the local content requirements.
Local company	A company incorporated or registered under the <i>Companies Act, 2004 (Act No. 28 of 2004)</i> was a company in terms of the <i>Companies Act, 1973 (Act No. 71 of 1973)</i> in which Namibian citizens own at least 51 percent equity and at least 30 percent equity is owned by Previously Disadvantaged Persons and with its

	principal place of business located Namibia. This includes a Close corporation incorporated in terms of the Close Corporations Act, 1988 (Act 26 of 1988) and a partnership or joint venture, so created in terms of Namibian laws.
Local Content	The added value created and retained in the Namibian economy achieved through systematic development and utilisation of local goods and services, human capital, companies, infrastructure, and other national capabilities across the petroleum sector value chain.
Local goods and services	Local goods and services are those that originate from Namibia and create real economic benefit for the country by utilizing Namibian resources, labour, ownership and industrial capacity, whether through local production, local delivery, local value addition or meaningful local participation.
Local Content Plan	A comprehensive, forward-looking strategic document submitted by a license holder, contractor, or subcontractor outlining how it will promote, develop, and maximise the participation of Namibian goods, services, businesses, and workforce throughout the lifecycle of petroleum operations.
Annual Local Content Plan	An operational implementation document submitted annually by a license holder, contractor, or subcontractor detailing specific activities, targets, and commitments to be undertaken within a given calendar or financial year to achieve the objectives set out in the approved Local Content Plan.
Local Content Performance Report	A periodic compliance and monitoring report submitted by a license holder, contractor, or subcontractor to the relevant regulatory authority detailing the actual implementation and measurable outcomes of its approved Local Content Plan and Annual Local Content Plan within a specified reporting period.
Operator	A company which is legally designated and authorised to conduct, manage and control petroleum operations on behalf of itself and other co-ventures within a license.
Petroleum Operations	Comprehensive activities carried out for or in connection with the exploration, appraisal, development, production, decommissioning and disposal of petroleum within a license area.
Regulator	State institution mandated to oversee and enforce compliance in the upstream petroleum sector.
Previously Disadvantaged Persons	Any person falling under the Designated groups as per the Affirmative Action (Employment) Act, 1998 (Act No. 29 of 1998)

Racially disadvantaged persons	All persons who belong to a racial or ethnic group which was or is, directly or indirectly, disadvantaged in the labour field as a consequence of social, economic, or educational imbalances arising out of racially discriminatory laws or practices before the Independence of Namibia, as defined in section 1 of the Affirmative Action (Employment) Act, 1998 (Act No. 29 of 1998).
Subcontractor	A company or an individual hired by the contractor to perform specific tasks or specialized work under a project.
Upstream	Activities that include reconnaissance, exploration, appraisal development and production of crude oil and natural gas.
Midstream	Refers to the transportation, storage, and processing of crude oil and natural gas.

Executive Summary

The policy sets out the strategic framework of the Government of the Republic of Namibia (GRN) to maximise the socio-economic benefits derived from the country's emerging petroleum sector. The Policy seeks to ensure that Namibia's petroleum resources contribute meaningfully to sustainable economic development, industrialisation, and inclusive growth.

The discovery of commercially viable petroleum resources presents a transformative opportunity for Namibia. However, the upstream petroleum sector is characterised by high capital intensity, advanced technology requirements, and long project development timelines, often resulting in limited local participation and high dependence on foreign expertise. Without deliberate policy intervention, a significant portion of the value generated by the sector may accrue outside the domestic economy, thereby limiting its contribution to national development.

This Policy addresses these challenges by promoting the systematic development of local capabilities, including the participation of Namibian citizens, businesses, and institutions across the petroleum value chain. It establishes a structured framework to support employment creation, local enterprise development, skills and technology transfer, and increased utilisation of local goods and services.

The Policy applies primarily to upstream petroleum activities, with linkages to midstream and, where relevant, downstream segments. It aligns with Namibia's broader national development agenda, including Vision 2030, the Harambee Prosperity Plan (HPP), the Sixth National Development Plan (NDP 6), and other key policy frameworks aimed at economic diversification and industrialisation.

Guided by principles of national stewardship, progressive development, sustainability, and inclusion, the Policy adopts a phased and impact-driven approach to local content development. It recognises the need to balance investment attractiveness with national development objectives, ensuring that local content requirements evolve in line with domestic capacity.

The Policy outlines clear objectives and strategies to:

- Establish a clear regulatory and institutional framework for local content,
- Identify and Prioritise strategic sectors for capacity building.
- Maximise development and employment of Namibians.
- To strengthen supply chain localisation by prioritising the development and participation of Namibian suppliers of goods and services.
- To ensure the transfer of technology, knowledge and skills to Namibians.
- To promote meaningful Namibian participation, ownership and financing at all levels of the sector.
- To accelerate innovation, research and development (R&D).

Implementation will be supported by robust monitoring, reporting, and compliance mechanisms, including mandatory Local Content Plans and performance reporting by operators. The UPU will play a central role in coordinating, monitoring, and enforcing the Policy.

The Policy adopts a flexible and adaptive approach, recognising the dynamic nature of the global petroleum industry. It will be periodically reviewed to respond to evolving market conditions, technological advancements, and national development priorities.

Ultimately, the policy seeks to ensure that Namibia's petroleum resources are developed in a manner that maximises national value, strengthens domestic capabilities, and delivers long-term, inclusive, and sustainable benefits for all Namibians.

1. Introduction

The GRN recognises the petroleum sector as a strategic driver of economic transformation, with the potential to significantly contribute to national development, industrialisation, and long-term economic growth. The recent discovery of commercially viable petroleum resources has positioned Namibia as an emerging petroleum producer, presenting both substantial opportunities and complex policy challenges.

While petroleum resources offer the potential to generate significant revenues, employment, and investment, international experience demonstrates that such outcomes are not automatic. Without deliberate and well-designed policy interventions, the benefits of petroleum development may be concentrated in limited segments of the economy, with minimal linkages to domestic industries and limited participation by local citizens and businesses.

Namibia's petroleum sector is characterised by high capital requirements, advanced technology, and specialised expertise, much of which is currently sourced from international operators. This reliance on external capacity, if not strategically managed, may constrain the extent to which the sector contributes to broad-based economic development and may exacerbate existing socio-economic inequalities.

In this context, the Government has developed this policy to establish a clear and structured framework for maximising national participation and value creation within the petroleum sector. The Policy seeks to promote the development of local skills, enterprises, and industries, while facilitating the transfer of knowledge, technology, and investment into the domestic economy.

The Policy provides clear guidance on the expectations for local content across the petroleum value chain and outlines the roles and responsibilities of key stakeholders, including Government institutions, operators, contractors, and local enterprises. It

further establishes mechanisms for implementation, monitoring, and compliance to ensure that policy objectives are achieved effectively.

This Policy forms part of a broader national development agenda and is aligned with existing legislation and policy frameworks, including the Petroleum (Exploration and Production) Act, 1991 Vision 2030, the National Development Plans, and other strategies aimed at promoting inclusive and sustainable economic growth.

The structure of this Policy is as follows:

- Section 2 provides the background and context of Namibia's petroleum sector,
- Section 3 outlines the rationale for the Policy,
- Section 4 sets out the policy alignments
- Section 5 provides the guiding principles,
- Section 6 defines the vision, mission, and goals,
- Section 7 presents the policy objectives and strategies, and
- Section 8 outline implementation, monitoring, and institutional arrangements.
- Section 9 concludes the Policy.

Through this Policy, the Government seeks to ensure that Namibia's petroleum resources are developed in a manner that maximises national benefits, promotes inclusive participation, and contributes to sustainable socio-economic development.

2. Background

Petroleum exploration activities in Namibia resumed shortly after independence in 1990, when the Government launched its first licensing round in 1991 to attract international oil companies (IOCs) to explore the country's hydrocarbon potential. While these licensing rounds initially attracted investment interest, declining global oil prices in the late 1990s slowed exploration activity. In response, Namibia introduced an open licensing system in 1999, allowing companies to apply for exploration licenses throughout the year and thereby providing greater flexibility for investors. Since then, petroleum exploration has been conducted by several international oil and gas companies operating through joint ventures with one another and with NAMCOR.

Exploration activity has expanded steadily over time. Since Independence, a total of 35 exploration wells and 15 appraisal wells have been drilled to date. These activities have also involved extensive seismic data acquisition by license holders, including approximately 165,788 line-kilometers of offshore two-dimensional (2D) seismic data, 5,955 line-kilometers of onshore 2D seismic data, and 117,566 km² of three-dimensional (3D) seismic data.

After several decades of exploration, Namibia recorded its first major offshore oil discoveries in 2022 in the Orange Basin. These discoveries, followed by additional

successful exploration campaigns in subsequent years, have significantly increased confidence in Namibia's hydrocarbon potential and positioned the country as one of the most promising emerging petroleum provinces globally. Ongoing exploration and appraisal activities are expected to further define the resource base and support the development of large-scale petroleum projects in the coming years.

The emergence of a potentially significant petroleum industry presents a major opportunity for Namibia to stimulate economic growth, generate government revenues, create employment opportunities, and support industrial development. However, the upstream petroleum sector is globally characterised by high levels of investment risk, capital intensity, advanced technological requirements, and long project development timelines. Exploration activities can take many years and involve complex geological surveys, seismic data acquisition, exploratory drilling, and appraisal activities before commercial viability can be confirmed. If commercial discoveries are made, the development of production infrastructure may take between 5 and 10 years or longer before production begins.

Due to the high cost and technical complexity of petroleum operations, exploration and development activities are typically undertaken by multinational companies that possess the necessary financial resources, technology, and expertise. As a result, without deliberate policy interventions, a significant portion of goods, services, and technical expertise required by the industry may be sourced from abroad. This can limit the participation of domestic businesses and reduce the broader economic benefits that petroleum development could generate for the national economy.

In many resource-producing countries, this challenge has resulted in the petroleum sector operating as an economic enclave with limited linkages to local industries and limited opportunities for national participation. Recognising this risk, several countries have adopted Local Content Policies aimed at increasing domestic participation in the petroleum value chain. These policies seek to promote the use of local goods and services, develop national skills and expertise, support technology transfer, and strengthen the participation of local enterprises in petroleum-related activities.

Namibia currently does not have a comprehensive policy framework dedicated to promoting local participation and capacity development in the petroleum sector. While existing legislation and regulatory frameworks govern petroleum exploration and production activities, they do not fully address the broader objective of ensuring that Namibian citizens and businesses benefit meaningfully from petroleum resource development.

Given Namibia's estimated hydrocarbon potential and the recent pace of exploration success, the absence of a clear local content framework presents a risk that the country may not fully capture the economic and developmental opportunities associated with petroleum development. Without deliberate policies to strengthen local participation, the majority of value creation could occur outside the domestic economy.

This policy is therefore intended to address these challenges by establishing a clear framework for promoting the participation of Namibian citizens, businesses, and institutions across the petroleum value chain. The policy aims to strengthen domestic capabilities, encourage the development of local industries, facilitate skills development and technology transfer, and create stronger linkages between the petroleum sector and the broader national economy.

The policy will contribute to increased employment opportunities for Namibians, greater participation of local enterprises in petroleum supply chains, enhanced national technical capacity, and improved economic diversification. Ultimately, the policy seeks to ensure that Namibia's petroleum resources are developed in a manner that maximises national benefits and supports inclusive and sustainable economic development.

3. Rationale

This Policy has been formulated to ensure that the development of Namibia's emerging petroleum sector contributes meaningfully to national development and social equity. The discovery of commercially viable petroleum resources presents a significant opportunity for Namibia to accelerate economic growth, reduce unemployment, and promote industrial development. However, without a clear policy framework, the benefits derived from petroleum resource development may not be widely shared across the national economy.

Historically, Namibia has experienced structural inequalities in economic participation and access to opportunities. The petroleum sector, due to its high capital intensity and reliance on specialised technology and expertise, risks replicating these inequalities if deliberate measures are not implemented to promote local participation.

Accordingly, this Policy aims to increase Namibian participation in the petroleum value chain, support job creation, promote local enterprise development, and facilitate the transfer of skills and technology to Namibians. By prioritising the procurement of Namibian goods and services and encouraging the development of local industries, the Policy seeks to stimulate broader economic growth and strengthen linkages between the petroleum sector and other sectors of the economy.

This Policy complements existing legislation, including the Petroleum (Exploration and Production) Act, 1991, by establishing a structured framework for local content development within the petroleum industry. It also supports broader national development priorities relating to economic diversification, industrialisation, and sustainable resource management.

4. Policy Alignment

This policy is anchored in and aligned with Namibia's constitutional, legislative, policy, and international obligations, ensuring coherence with national development

priorities and global best practices in the governance of extractive resources.

At the constitutional level, this policy is aligned with Article 23, 91(c) and 100 of the Namibian Constitution and other applicable legislations which provides for affirmative action measures aimed at redressing social, economic, environmental and educational imbalances arising out of discriminatory laws or practices. In this regard, the policy supports the advancement of historically disadvantaged Namibians and promotes equitable participation in the petroleum sector as a means of achieving broader socio-economic transformation. To this end this policy has further been aligned with legislations canvassed under this policy.

The Policy is further grounded in the Petroleum (Exploration and Production) Act, 1991 (Act No. 2 of 1991), particularly Section 14, which obligates license holders to give preference to Namibian citizens in employment and to procure locally available goods and services where feasible. These statutory provisions are reinforced contractually through Clauses 22 and 23 of the Model Petroleum Agreement (1998), which establish clear expectations for local participation, training, and capacity development within petroleum operations.

In addition, the Policy aligns with Namibia's broader national development frameworks, including Vision 2030, which emphasises human capital development, industrialisation, and economic empowerment as key pillars for long-term prosperity. It also supports the objectives of the HPP, as adopted from time to time, which prioritise inclusive economic growth, job creation, and enhanced service delivery.

The policy is further consistent with NDP 6, particularly its focus on industrialisation and value addition through local procurement. In this context, it reinforces the objectives of the Growth at Home Strategy, which encourages the prioritisation of locally produced goods and services to stimulate domestic industries, reduce import dependency, improve the balance of payments, and create sustainable employment opportunities.

Alignment is also ensured with the National Energy Policy, which aims to enhance local participation across the Namibia's energy value chain and seeks to maximise the country's socio-economic benefits from its natural resources. The Policy complements sectoral efforts to enhance local capacity, deepen value addition, and strengthen linkages between the petroleum sector and the broader economy.

From a governance and regulatory perspective, the Policy is aligned with applicable legislation relating to public procurement, labour, investment, and industrial development, including frameworks that promote fair competition, skills development, and enterprise growth. These include, *inter alia*, legislation governing public procurement, vocational education and training, investment promotion, and competition regulation, all of which contribute to the effective implementation of local content objectives.

At the regional level, this Policy is consistent with Namibia's commitments under the Southern African Development Community (SADC) frameworks, particularly those

relating to industrialisation, regional integration, and value chain development. It supports regional aspirations to enhance beneficiation, promote intra-African trade, and strengthen local industries within the extractive sector.

At the continental level, the Policy aligns with the African Union's Agenda 2063 and the African Mining Vision (AMV), both of which advocate for the transparent, equitable, and optimal exploitation of mineral resources to underpin broad-based growth and socio-economic development. It also supports the objectives of the African Continental Free Trade Area (AfCFTA) by promoting the development of competitive local industries capable of participating in regional and continental markets.

Globally, this Policy is aligned with the United Nations Sustainable Development Goals (SDGs), particularly:

- SDG 1 (No Poverty)
- SDG 5 (Gender Equality)
- SDG 8 (Decent Work and Economic Growth)
- SDG 9 (Industry, Innovation and Infrastructure)
- SDG 10 (Reduced Inequalities)
- SDG 12 (Responsible Consumption and Production)
- SDG 17 (Partnerships for the Goals)

Furthermore, the Policy takes cognisance of international best practices in extractive sector governance, including principles relating to transparency, accountability, and sustainable resource management, as reflected in global frameworks such as the Extractive Industries Transparency Initiative (EITI), where applicable.

5. Guiding Principles

The Government is committed to ensuring that the Policy is guided by the following principles:

5.1. Effective National Stewardship

Petroleum resources belong to the people of Namibia and must be managed responsibly. All petroleum activities should therefore be effectively regulated by competent institutions with strong governance systems, sound management practices, and adequate technical capacity. Strengthening institutional capacity remains a key priority to ensure effective oversight of the sector.

5.2. Progressive Development and Impact Focus

The policy will be implemented progressively, prioritising areas of highest impact while ensuring the sustainability of the sector. The Government will identify and prioritise strategic sectors for capacity development, with the expectation that as local human and physical capital grow, local content requirements will progressively increase. The

policy will employ a mix of legal mandates, performance targets, economic incentives, and negotiated agreements to achieve its goals.

5.3. Commitment to Health, Safety, and Environmental Conservation.

License holders must adopt practices that optimise petroleum resource recovery, minimise waste, and balance commercial objectives with national development priorities. All petroleum activities must comply with all applicable national legislation and international best practices, ensuring that safety, quality, and environmental standards are not compromised in pursuit of local content or industrial development objectives. This approach safeguards long-term benefits for Namibia and promotes sustainable, responsible sector development.

Given the risks associated with the petroleum sector, the Government is committed to upholding the highest standards of health, safety, and environmental protection. All industry participants will be held accountable to national laws and international best practices. Local content goals will not compromise quality or safety standards.

5.4. Energy Security and Economic Contribution

The petroleum sector will support Namibia's energy independence, reduce reliance on imports, increase export earnings, and contribute to the national energy transition agenda.

5.5. Economic Diversification and Industrialisation

Petroleum development will act as a catalyst for broader economic diversification. Strategic linkages with other sectors will stimulate local manufacturing, services, infrastructure development, and job creation, leveraging public and private sector collaboration.

5.6. Social and Economic Inclusion

The policy promotes active participation of Namibians in the sector. Local content and value chain development will create new industries, develop competencies, and ensure equitable socio-economic benefits.

5.7. In-country Value Addition

Petroleum resources should be progressively processed in Namibia, supported by public enterprises. Natural gas should be processed onshore where feasible, enhancing domestic market development, inter-sectoral linkages, and job creation.

5.8. Securing the State's Commercial Interest

The State will safeguard its commercial interests through active participation of NAMCOR and other relevant institutions in strategic infrastructure and petroleum projects.

5.9. Balanced Fiscal Regime and Prudent Revenue Management

A conducive fiscal regime will attract investment while ensuring optimal returns to both the State and investors. Petroleum revenues will be managed transparently to address socio-economic needs, with a portion allocated to the Welwitschia Sovereign Wealth Fund for national savings.

5.10. Partnerships between Government and Industry

A strong partnership between the State and investors is essential for a thriving petroleum sector. The Government will maintain a clear, predictable regulatory and fiscal environment that ensures transparent and fair treatment of all investors. The sector's growth will be driven by private sector initiatives, supported by strategies that foster cooperation and coordination among all stakeholders to enhance Namibian participation and value addition.

5.11. Transparency and Accountability

Transparency and accountability will be fundamental in the design and implementation of this policy. Efforts will focus on setting realistic targets and fostering a transparent decision-making process to encourage compliance and maximise value.

5.12. Adherence to International Best Practices

The Government is committed to applying international best practices in managing the petroleum sector and maximising value for the people of Namibia. This includes learning from global experiences, industry trends, and adopting proven measures to increase local value addition effectively.

6. Policy Direction

6.1. Vision

To develop an internationally competitive petroleum industry in Namibia, characterised by strong Namibian participation and in-country value creation, while positioning Namibia as a leading investment destination and a regional and global hub for oil and gas goods and services.

6.2. Mission

This Policy establishes a framework to ensure that Namibia's petroleum resources deliver lasting value to Namibians through meaningful local participation, capacity development and sustainable economic growth.

6.3. Goal

To develop local expertise and capacity in the petroleum sector, maximising in-country value through sustainable and meaningful local participation across the value chain, while positioning the National Oil Company, and any other designated state-owned entity, as a world-class operator across the value chain. The goal includes achieving measurable outcomes, such as increasing local content levels and fostering innovation, collaboration, and economic growth within the sector.

7. Policy Objectives and Strategies

The Policy provides a framework to maximise the benefits of petroleum resources for Namibian citizens by promoting phased and strategic participation of the Namibian workforce, goods and services, companies, ownership, and financing throughout the entire value chain.

The key objectives of the policy are to:

1. To establish a clear and stable regulatory and institutional framework for local content requirements.
2. To identify and prioritise strategic sectors for capacity building.
3. To maximise employment and development of Namibians.
4. To strengthen supply chain localisation by prioritising the development and participation of Namibian suppliers of goods and services.
5. To ensure the transfer of technology, knowledge and skills to Namibians
6. To promote meaningful Namibian participation, ownership and financing at all levels of the sector.
7. To accelerate innovation, research and development (R&D).

The objectives outlined in this section will be implemented using the following strategies:

7.1. To establish a clear and stable regulatory and institutional framework for local content requirements.

The GRN shall provide a clear regulatory and institutional framework for local content to ensure that the industry stakeholders understand and support the Government's objectives. In formulating the regulatory framework, the Government will ensure that realistic targets are set and aligned with the country's capabilities to avoid unrealistic expectations and inefficiencies.

To ensure flexibility, the regulatory framework will include both specific and flexible targets. These targets will be designed based on careful empirical assessment, consistent with international best practices, and introduced in consultation with industry stakeholders.

Furthermore, the Government shall establish or designate a well-resourced and technically competent institution responsible for the development, implementation, monitoring, and enforcement of local content requirements. This institution shall operate within the established regulatory framework and shall be empowered to ensure compliance, promote capacity development, and support the effective participation of Namibian businesses and workforce in the petroleum sector.

STRATEGIES:

1. Define local content requirements clearly to provide precise guidance on what constitutes local participation and value addition.
2. Establish and maintain strong, well-resourced institutions to effectively develop, monitor, and enforce local content requirements in line with industry growth and evolution.
3. Regularly review and update the regulatory framework to ensure local content requirements reflecting Namibia's strategic interests and aligned with international best practices.
4. Integrate local content development as a mandatory criterion in the awarding of permits, licenses, and contracts.
5. Ensure operators are accountable for enforcing local content compliance throughout the supply chain, while minimising any undue burden on local companies.
6. Require operators and contractors to submit a Local Content Plan and Local Content Performance Reports as part of their regulatory obligations.
7. Develop a local content strategy to build national capacity and capability

7.2. To identify and prioritise strategic sectors for capacity building.

The petroleum sector is typically characterised by a high reliance on foreign expertise, labour, and specialised service providers due to its capital-intensive and technologically complex nature. Furthermore, the potential for local content participation varies significantly across the lifecycle of petroleum activities, as the input required during the exploration, development, and production phases differ substantially in terms of skills, technology, and capital requirements.

As a frontier petroleum jurisdiction, Namibia currently has limited specialised skills, technical experience, and industrial capacity required to support a rapidly developing petroleum sector. However, recent hydrocarbon discoveries have generated a significant increase in demand for specialised skills, goods, and services, many of which are not yet fully developed within the domestic market. These developments present a strategic opportunity for the country to strengthen domestic participation in the sector and enhance the broader economic benefits derived from petroleum activities.

To effectively capitalise on these opportunities, the development of local capacity must progress in tandem with the growth and evolution of the petroleum industry. This approach is necessary to avoid situations where local capacity is either insufficient to meet industry needs or developed prematurely at a scale that cannot be sustained. Achieving this balance will require close collaboration between Government and industry stakeholders to ensure that present and future industry requirements are proactively identified and addressed.

To maximise Namibians' participation, a strategic approach to the development of the local market to supply the industry is therefore at the heart of Government's approach. Successful implementation will require developing the right capabilities in order for individuals and companies to participate in the industry. This will require an assessment of the capacity gaps at the present time as well as consideration for different possible scenarios. Such analysis should lead to an understanding of which skills are needed immediately, but also which areas, if any, are worth pre-investing and developing capabilities for the future, especially if skills are transferable to and or complementary with other sectors (e.g. logistics, mining).

The key is to understand the nature of the opportunities for Namibians, and to identify which specific products/services or sectors can be targeted and over what time horizon (e.g. based on specific triggers). Diagnostic studies to identify strategic sectors and activities in the petroleum industry where domestic participation can be strengthened, as well as areas where strong linkages can be developed with other

sectors of the economy. Based on the findings of these studies, Government will promote the targeted development of local capabilities in priority areas. This approach will ensure alignment between the pace and sequencing of petroleum industry activities and the implementation of local content requirements, thereby supporting sustainable and meaningful participation by Namibians in the sector.

STRATEGIES:

1. Conduct regular studies to identify strategic sectors for targeted capability building of local firms, including financial and support services.
2. Perform manpower studies in collaboration with industry and educational institutions to identify current and future skills gaps for targeted training and development.
3. Strengthen local training capabilities by developing new and existing training centres and leveraging regional facilities.

7.3. To maximise employment and development of Namibians.

The Government of Namibia recognizes that total direct employment opportunity from the petroleum industry is not as significant as in other sectors. Notwithstanding this, the Government resolves to maximise the employment opportunities that do exist for Namibians and will focus on ensuring that Namibian citizens can meaningfully participate in the industry.

In this regard, the Government is committing to ensuring that Namibia develops an adequately skilled and competitive workforce to participate in the industry. A comprehensive review of the current and expected workforce requirements will be undertaken which will inform focussed development of expertise including vocational skills. All efforts shall be made for the training programmes intake to be representative of Namibian society, with particular emphasis on gender and previously disadvantaged persons.

In line with the current regulatory framework (Petroleum Exploration and Production Act, 1991), the Government encourages all industry participants to prioritise the employment of Namibians, recognising the vital role this plays in national development. Companies are expected to adopt recruitment, training, and development practices that reflect this commitment to nurturing local talent.

Consistent with widely applied measures of local content, employment performance will be assessed based on the proportion of nationals employed relative to the total number of full-time equivalent (FTE) employees. Whilst easy to compute and monitor,

this metric does not provide information on the extent to which nationals are able to progress in their career, or the distribution of employment benefits across different occupational levels, particularly given that professional and managerial positions typically command higher remuneration than unskilled roles.

To address this limitation, the Government will adopt a more comprehensive approach to monitoring employment outcomes within the sector. In addition to overall employment ratios, attention will also be given to the distribution of Namibian employees across key skills categories, including managerial, professional and technical, and unskilled positions, as well as gender representation within the workforce. The Government expects that all unskilled jobs are filled by Namibian citizens and that over time there is an increased representation of Namibians in professional technical and managerial positions. The achievement of these objectives will be pursued through a realistic and phased approach developed in consultation with industry stakeholders.

Proactive steps will be taken to prevent practices that undermine this policy, including fronting by means of window-dressing. Window-dressing refers to practices in which racially disadvantaged persons are appointed to, or introduced within, a company on a tokenistic basis and are subsequently discouraged or inhibited from meaningfully participating in the core activities of the company or in the stated areas and levels of their purported participation. Legislation will be passed to provide the most stringent measures or penalties against practices of fronting.

The Annual Local Content Plan will include a Human Resources section to encompass recruitment, training and development. This will be the primary mechanism for monitoring and enforcing local content requirements associated with the labour force.

STRATEGIES:

1. Mandate meaningful employment opportunities to be publicly advertised, with preference given to Namibian citizens.
2. Ensure companies employ expatriates only where no suitably qualified local personnel are available, upon evidence of genuine efforts to recruit locally, with a focus on gender equality and Previously Disadvantaged Persons and shall have succession plans in place.
3. Require Operators and Service Providers to contribute an agreed amount towards a fund dedicated to reskilling, upskilling and training of Namibians, including staff members of the Regulator, targeting essential skills development.

4. Require submission of a Local Content Plan, including a Human Resources section on recruitment, training, and development, as a condition for holding a license.
5. Develop meaningful training and development programmes that will capacitate Namibians to take up opportunities in the petroleum sector with a focus on gender equality and Previously Disadvantaged Persons.
6. Develop and regularly update a database of specific job categories to be exclusively reserved for Namibians.

6.4. To strengthen supply chain localisation by prioritising the development and participation of Namibian suppliers of goods and services.

The Government is committed to ensuring that Namibian suppliers of goods and services actively participate and thrive across the upstream petroleum value chain. To strengthen these economic linkages and maximise domestic value creation, a targeted and strategic approach will be adopted to encourage the procurement of local goods and services.

Efforts will initially be focused on specific subsectors with limited technological and investment barriers, focusing on products and services that are already produced locally or that can be competitively produced within the local market. As the sector and local capability develops and as appropriate, the Government will support the expansion into more areas of the supply chain. This will be done in a manner that promotes competition and supports the emergence of an efficient and sustainable domestic supply chain.

To facilitate this process, the Government will introduce programmes which ensure the maximisation of the participation and development of local suppliers along the Namibian petroleum value chain. To enhance the competitiveness of local firms, there will be deliberate efforts at the creation of partnerships with experienced international companies to maximise knowledge and skills transfer to local firms. The Government expects all participants operating in the petroleum sector to actively support the Government initiatives aimed at the development of local providers of goods and services while ensuring adherence to internationally accepted standards of health, safety, human rights, and environmental protection. Proactive steps will be taken to prevent practices that undermine this policy, including fronting. Legislation will be passed to provide the most stringent measures or penalties against practices of fronting.

Significant efforts will be made to encourage and support local investors to actively participate in the sector's development along the supply chain. The Annual Local Content Plan will include a section on procurement and will be the primary

mechanism for monitoring and enforcing LC requirements and efforts associated with developing and use of local companies.

STRATEGIES:

1. Ensure legislation prioritise Namibian suppliers and strengthen local capacity.
2. Require submission of a Local Content Plan, including a Procurement section focused on developing and participation of Namibian companies.
3. Mandate public disclosure of beneficial ownership and shareholding structures to the regulator, for companies participating in the petroleum industry.
4. Mandate contracts unbundling and diversification to align with the timing, financial, and human capacities of local enterprises.
5. To promote and provide access to procurement opportunities, practices and standards for local suppliers of goods and services, including establishing a tender advertising platform.
6. Develop and regularly update a database of registered local suppliers of goods and services, including a list of goods and services to be exclusively reserved for Namibians.

6.5. To ensure the transfer of technology, knowledge and skills.

The GRN recognises that the transfer of technology, knowledge, and skills is a critical component in maximising the long-term value derived from the petroleum sector. Given the technological complexity and specialised nature of the industry, the Government considers the development of domestic technological and human capabilities to be a key pillar of its local content strategy.

Accordingly, this policy includes, there are explicit policy objectives contained within this policy that are aimed at fostering the transfer of knowledge and skills to the local workforce (Objective 3) and technology to local companies (Objective 4). In addition to these, the Government also expects that in so far as practically possible all efforts will be made to deploy and develop facilities, technology and Research and Development (R&D) in country to promote and accelerate the development of Namibian citizens and companies 'capabilities.

To facilitate this process, the Government will pursue innovative programmes and mechanisms designed to ensure the effective transfer of technology, knowledge, and skills that would otherwise be imported into Namibia. Such initiatives will contribute to the development of sustainable domestic capabilities and reduce long-term dependence on external expertise.

To ensure accountability and effectiveness, the Government will establish appropriate frameworks for monitoring and evaluating technology, knowledge, and skills transfer initiatives. These frameworks will support continuous improvement, ensure alignment with international industry standards, and help ensure that the intended developmental outcomes of this policy are achieved.

STRATEGIES:

1. Foster collaboration with industry stakeholders to identify, design, and implement projects, alliances, and research initiatives that support the transfer of skills, knowledge, and technology within Namibia.
2. Promote the development of mandatory apprenticeships, certification programs, internships and exchange programs to accelerate technology and knowledge transfer and build expertise within government agencies and local companies.
3. Require operators and service providers to report on technology transfer initiatives in their Local Content Plans and Local Content Performance Reports.
4. Mandate operators and service providers to report on knowledge and skills transfer initiatives in their Local Content Plans and Local Content Performance Reports.

- 6.6. To promote meaningful Namibian participation, ownership and financing at all levels of the sector.

In promoting Namibian participation in company ownership, the Government recognises the capital intensity, inherent uncertainty, and volatility of the petroleum sector, and their impact on financial performance. As the sector is still developing, local participants may have limited awareness of opportunities and industry requirements. The Government is therefore committed to fostering sustainable and resilient equity participation by Namibians.

NAMCOR and other State-Owned Enterprises (SOEs) will serve as key vehicles for participation across the petroleum value chain. Legislation will provide for the right to acquire a negotiated interest in projects, including carried interests where appropriate. The Government will also encourage broader participation by private local companies, particularly those owned by Previously and Racially Disadvantaged Persons.

Targeted support will be provided to enable local investors to participate across the sector's supply chain, including through the identification of strategic clusters and the use of existing support mechanisms such as business incubation programmes, and Small and Medium Enterprise (SME) development initiatives.

Access to finance remains a key constraint. The Government will support the development of innovative financing mechanisms and leverage opportunities within the sector to strengthen domestic financial markets. In this context, financial services, including insurance, are recognised as critical enablers of sector development, risk management, and domestic value retention. The Policy promotes the participation of Namibian financial institutions, including insurers, in servicing the sector. Operators shall, to the extent practicable and in compliance with applicable legislation, utilise local insurance providers, with co-insurance and reinsurance arrangements encouraged where local capacity is limited.

STRATEGIES:

1. Ensure that the National Oil Company and other state agencies have the option to participate in upstream activities.
2. Promote equity participation by Namibians, with a focus on Previously Disadvantaged Persons, in companies within the petroleum value chain, including through joint ventures and other ownership arrangements between local and foreign companies.
3. Facilitate innovative financing structures and mechanisms to enable the Namibian financial sector to support local businesses, particularly those owned by Previously Disadvantaged Persons, in the petroleum industry.
4. Promote access to credit and enterprise development initiatives to enhance the competitiveness and sustainability of local businesses.
5. Mandate the utilisation of local insurance services in accordance with applicable legislation and market capacity.

6.7. To accelerate Innovation, Research and Development (R&D)

The GRN recognises that innovation, research, and technological advancement are fundamental drivers of competitiveness, operational efficiency, and long-term sustainability in the petroleum industry. In order to maximise the developmental impact of Namibia's emerging petroleum sector, the Government will promote and facilitate the advancement of research and development (R&D) as a strategic component of the Policy.

This objective seeks to strengthen Namibia's national innovation system by fostering an enabling environment for technological development, knowledge creation, and skills enhancement within the petroleum sector. The Government will therefore encourage and support collaborative partnerships between petroleum operators, local companies, academic and research institutions, technology providers, and other relevant stakeholders to promote the development and transfer of knowledge and technology.

In this regard, petroleum operators and contractors will be encouraged, and where appropriate required, to support local R&D initiatives, invest in innovation programmes, and collaborate with Namibian institutions to develop locally relevant technologies, solutions, and expertise. Emphasis will be placed on initiatives that enhance operational efficiency, environmental sustainability, safety standards, and the broader development of the national petroleum value chain.

Through these interventions, Namibia aims to build domestic technological capabilities, strengthen local research institutions, and position the country as a centre for petroleum research and innovation in the region. This will contribute to sustainable resource management, skills development, and the long-term growth and competitiveness of the Namibian economy.

STRATEGIES:

1. Promote collaboration between local companies, government agencies, educational institutions and leading global firms to enhance innovation, research and development in the petroleum sector.
2. Require Operators and Service Providers to contribute a stipulated amount towards research and development initiatives.
3. Support the creation of innovation hubs and incubators focused on petroleum technology to foster local entrepreneurship and technological advancement.

7. Implementation Framework

This section describes the high-level framework within which this policy will be implemented. The policy is intended to guide developments in key areas that increase value to the local economy. As a long-term strategic instrument, the Policy will be subject to periodic review by the Government to ensure responsiveness to evolving national priorities and global developments.

The government, in consultation with the industry stakeholders, will ensure that this Policy is supported by a clear, specific and transparent legislative framework, including robust performance monitoring and evaluation mechanism.

This policy has been developed through a consultative process with key stakeholders and incorporates lessons learnt and international best practices, adjusted as appropriate to the national context. The policy shall be applicable across the entire value chain of the petroleum upstream industry.

7.1. Institutional Arrangements for Implementation

To ensure the effectiveness of the policy Framework, it must be complimented by clarity on responsibilities for execution and appropriate resources for implementation and monitoring.

The Government is committed to incorporating the various aspects of developing local content into existing institutions rather than the creation of new agencies, as it holds the view that this is efficient and will aid in the sustainability of efforts. Therefore, the key institutions for the implementation of this policy and their respective roles are as follows:

Institution	Roles
Office of the President: Upstream Petroleum Unit (UPU)	To coordinate, implement, monitor and enforce the requirements of the NUPLCP, including compliance, reporting, and regulatory oversight functions.
PETROFUND	To develop and strengthen local human capital and businesses for the petroleum industry, including the administration of scholarships and bursaries for Namibians in petroleum-related fields, supported by industry contributions.

Ministry of Environment, Forestry and Tourism	To promote sustainable management of the environment and the use of natural resources. It will ensure that local content development in the petroleum sector is aligned with environmental sustainability, biodiversity conservation, and responsible natural resource management, while promoting inclusive participation of local communities in environmentally sustainable economic opportunities.
Ministry of Finance (MoF)	To mobilize, allocate and oversee financial resources and fiscal instruments that support local content development and the participation of Namibians and local enterprises in the petroleum sector.
Namibia Financial Institutions Supervisory Authority (NAMFISA)	To strengthen and promote the provision of local insurance cover to petroleum operations.
Banking Institutions	To provide financing and financial services to support local businesses' development and participation in the petroleum value chain.
Ministry of Home Affairs, Immigration, Safety and Security	To manage immigration, work permits, and national security considerations, ensuring balanced localisation and skills transfer.
Namibia Statistics Agency (NSA)	To collect, analyse, and publish data on local content performance, supporting monitoring and evaluation.
National Planning Commission (NPC)	- To align local content objectives with national development plans, ensuring integration into long-term economic and industrial strategies. - To provide strategic oversight of the NUPLCP, including evaluation and monitoring of the Regulator's implementation of this Policy.
NAMCOR	- To promote national participation, skills transfer and capacity development by acquiring an interest in each petroleum license, at a percentage determined in accordance with applicable laws. - NAMCOR is responsible for the implementation of activities that fall within its designated mandate, including additional mandates that may be added through this and other policies.

Namibian Standard Institution (NSI)	To develop, maintain, and enforce technical standards and quality assurance for goods, services, and local content processes in the petroleum sector, ensuring that locally supplied products and services meet national and international benchmarks.
Operators, Contractors and Service providers	To implement local content requirements by prioritising the employment of Namibians, procurement of local goods and services, and the execution of skills transfer and capacity development initiatives, while ensuring transparent reporting, support for the development of local enterprises and adherence to applicable laws and regulations.
Local Business Community	- To build their capacity to be able to effectively and competently participate in the petroleum value chain through the provision of goods and services to the industry. - To actively engage with the Regulator and petroleum industry participants, identify and pursue business opportunities, form strategic partnerships, while ensuring compliance with applicable industry standards and regulations.
Academic and Research Institutions	To provide education, training, research and innovation to support skills development in the petroleum industry.
Ministry of Industries, Mines and Energy (MIME)	To promote growth and development of the economy through the formulation and implementation of appropriate policies to attract investment, increase trade, develop and expand the country's industrial base.
Ministry of Education, Innovation, Youth, Sport, Arts and Culture (MEIYSAC).	To regulate higher education and promote training and innovation, ensuring Namibia advances towards a knowledge-based economy. This includes aligning technical, vocational, and engineering curricula with the needs of petroleum exploration and production and developing or approving petroleum-related qualifications where relevant.
Ministry of Justice and Labour Affairs	- To provide legal oversight and support for the policy, including enforcement of laws, contract compliance, and dispute resolution, ensuring fair and transparent participation of Namibians in the petroleum sector. - To oversee labour and employment aspects of local content, including workforce localisation, skills development, capacity building, and the promotion of equitable labour opportunities in the petroleum sector.

Ministry of Works and Transport	To ensure the safety of life and property at sea, prevent marine pollution, promote Namibia's maritime interests, and facilitate the effective management, operation, and development of Namibian ports while supporting local participation and capacity development.
Media	To promote public awareness and understanding of petroleum sector developments and local content initiatives through accurate, timely, and responsible reporting.
Civil Society	To represent the interests of communities, particularly vulnerable and marginalised groups, and support capacity building and awareness of local content opportunities.

Inter-Agency Technical Committee

The Regulator will constitute an Inter-Agency Technical Committee to coordinate and oversee the implementation of this policy. The Committee shall be a permanent multi-stakeholder coordination mechanism and shall comprise representatives from:

- The Regulator
- NAMCOR
- PETROFUND
- Other relevant ministries, regulators, and statutory bodies involved in petroleum activities (as necessary)
- Private sector (operators, contractors, service providers)
- Local business community representatives
- Academic and research institutions
- Media and civil society organizations
- Development partners (as necessary)

The industry regulator shall serve as the Secretariat for the Committee. The main responsibilities of the Committee will include:

- Coordinating multi-sectoral local content interventions and financing mechanisms to support Namibian participation in the petroleum upstream sector.
- Guiding legal, regulatory, and institutional frameworks necessary for the effective implementation of the NUPLCP.
- Conducting periodic reviews and preparing reports on the implementation of local content initiatives, ensuring timely feedback to Ministers, regulators, and other relevant decision-making bodies.

7.2. Legal and Regulatory Arrangements

The development of local content requires a robust legal and regulatory framework. As indicated in Chapter 2, this Policy is guided by the Constitution of Namibia and is aligned with relevant legislation governing various aspects of the petroleum industry and local content development. Accordingly, all upstream petroleum operations are expected to be conducted in full compliance with Namibian laws. The following legal instruments are of immediate relevance to the implementation of this Policy:

- **Petroleum (Exploration and Production) Act, 1991 (Act No. 2 of 1991) as amended** - makes provision for the reconnaissance, exploration, production, and disposal of, and the exercise of control, petroleum; and to provide for matters incidental thereto. Any such license is issued under the Act and applications for these licenses must conform to the requirements of the Act.
- **Petroleum (Exploration and Production) Regulations, 1991** - The Regulations governs the health, safety and welfare of persons employed or performing work and the protection of the environment and natural resources in respect of any area where petroleum activities are carried out.
- **Model Petroleum Agreement- In terms of Section 13 of the Petroleum Act** - the Minister is required to enter into a petroleum agreement with an applicant for a petroleum exploration license before such license is granted. The Model Petroleum Agreement serves as a basis of negotiation with applicants for exploration licenses.
- **Affirmative Action (Employment) Act, 1998 (Act No. 29 of 1998)** in line with Article 23 of the Constitution, this Act regularizes the application of affirmative action in employment. The very essence of this Act is that it, just as the policy does, promotes preferential treatment for certain groups within Namibia who have been previously disadvantaged.
- **Labour Act, 2007 (Act No. 11 of 2007)**- provides for basic conditions of employment affirmative action measures and regulates collective bargaining and collective labour rights in line with international standards.
- **Public Procurement Act, 2015 (Act No. 15 of 2015)** – regulates the provision of goods and services or awarding work assignments by a state body, organization, institution or some other legal person regarded as a procuring entity. It entrenches the concept of preferential procurement which pursues certain socio-economic objectives, such as the promotion of former disadvantaged groups of Namibia.
- **Environmental Management Act, 2007 (Act No. 07 of 2007)**– Sets standards for environmental protection and sustainable resource use.

7.3. Resource Mobilisation

The mobilization of resources required to implement this Policy will apply a variety of channels and approaches, and the main options and responsibilities are:

FUNDING SOURCE	ENVISAGED APPLICATION	MAIN RESPONSIBILITY
PETROFUND	Use Training & Development contributions to fund targeted skills development.	PETROFUND
Government Budget	Utilise Government allocations for all critical activities that cannot be funded by other sources.	The regulator in consultation with the MoF
Private Sector	Mobilize financial and other resources to support the implementation of the strategies of this Policy.	The regulator in consultation with the private sector
NAMCOR	Facilitate skills transfer and knowledge transfer initiatives at joint venture level.	NAMCOR

7.4. Monitoring and Evaluation framework

The industry regulator, as a custodian of this policy, shall be responsible for monitoring compliance with and enforcing local content requirements.

Monitoring and evaluation of the Policy will be guided by the Implementation Plan (see Appendix A; Implementation Action Plan) and will further be elaborated in the regulator's strategic plans. detailed in UPU's strategic plans as needed. The Implementation Plan will be periodically updated to reflect the current state of the industry developments.

Each operator will be required to submit a "Local Content Plan" when applying for exploration and production licenses. This submission is required initially during the negotiation of the Petroleum Agreement (for exploration licenses) and, if a discovery

is made, as part of the Field Development Plan (for the award of the production licenses).

The Local Content Plan will be required to address each of the policy objectives and when approved by the MME, will provide the basis for ongoing monitoring and evaluation of each operator/licensee's progress against commitments made. The Local Content Plan is thus an integral aspect of monitoring and evaluating the impact of the policy.

7.5. Advocacy and Dissemination

A comprehensive dissemination and communication strategy shall be developed to create awareness of this Policy among all stakeholders, including government entities, petroleum industry participants, local businesses, academia, civil society, and the general public. The Policy shall be formally launched and widely publicised through multiple platforms, including print, broadcast, and digital media. These advocacy and dissemination activities shall be incorporated into the Implementation Action Plan and monitored to ensure effective outreach and stakeholder engagement.

7.6. Implementation Action Plan

As part of this policy, a coordinated framework is established to ensure compliance with local content requirements across the petroleum sector. This framework includes standardised guidelines and templates for operators to submit Local Content Plans as part of their license obligations for approval by relevant government authorities. Government will work closely with industry stakeholders to support the achievement of local content objectives including workforce development, supplier engagement and technology transfer. Regular audits, reporting mechanisms and evaluation processes will be implemented to track progress and address any gaps.

The plan identifies the entity/entities responsible for initiating specific actions, based on the policy's strategies, as well as the entity responsible for mobilising the requisite funding. This does not imply that the identified entity must fully execute the activity, the responsible entity may delegate when appropriate but retains the responsibility for initiating the activity and for achieving the outcomes. Similarly, the entity responsible for the deployment of funding does not necessarily have to fund the activity itself but must arrange for funding from whatever source may be available and suitable.

8. Conclusion

This policy represents a critical step in ensuring that Namibia's emerging petroleum sector delivers meaningful, inclusive, and sustainable benefits for the nation. As the

country advances towards becoming a petroleum producer, it is essential that resource development is strategically managed to maximise national value and strengthen domestic capabilities.

This Policy provides a clear and structured framework to promote local participation, build national skills and capacity, and stimulate economic diversification and industrial development. It reflects the Government's commitment to ensuring that petroleum resources are utilised as a catalyst for broad-based socio-economic transformation.

The successful implementation of this Policy will depend on strong institutional coordination, effective regulatory oversight, and sustained collaboration between Government, industry, and other stakeholders. It will also require continuous monitoring, evaluation, and adaptation to respond to evolving industry dynamics and national priorities.

Through this Policy, Namibia is positioned to harness its petroleum resources in a manner that supports long-term economic resilience, social inclusion, and environmental sustainability, ensuring that the benefits are shared equitably among current and future generations.