

April - September 2019



CENTRE AT A GLANCE

The Centre is Guyana's leading source for local oil and gas procurement, business and industry information, policy advocacy and networking opportunities.

THE LIZA DESTINY

The Liza Destiny is poised for the historic job of being the first FPSO offshore Guyana to process hydrocarbons, store oil and offload oil onto tankers.

THIS IS GUYANA

The oil and gas industry offers notable possibilities for Guyana to diversify its economy, build sustainable growth and uplift living standards.

www.clbdguyana.com

In Photo: FPSO Liza Destiny | © ExxonMobil

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**CENTRE FOR
LOCAL
BUSINESS
DEVELOPMENT**

Centre for Local Business Development

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Welcome from the Centre

Dear Reader,

Welcome to Centre.gy magazine. For the past two years, our mission at the Centre for Local Business Development has been to be Guyana's leading source for oil and gas business and industry information, policy advocacy and professional networking. We provide reliable, up-to-date information on the sector as well as offering training opportunities, mentoring for business growth and employment linkages.

Since its inception, the Centre has evolved to meet the needs of the Guyanese businesses and oil and gas sector. The Centre continuously responds to market trends by broadening its reach and diversifying its services.

Centre.gy has been launched to further support Guyanese and international companies in better understanding what's happening in Guyana – primarily the oil and gas sector and to highlight where new and emerging opportunities occur.

In this first issue, the Centre provides insight to the macro economic progress of Guyana, explores the road to first oil including a pictorial feature on the floating production storage and offloading (FPSO) vessel the Liza Destiny, exciting new discoveries by Tullow and introduces the Centre's recently launched Health, Safety, Security and the Environment (HSSE) programme.

Guyana is one of the most compelling places to be doing business today. With decades of transformative growth ahead, the Centre is well positioned as the nexus of Guyanese and international business.

Finally, I would like to acknowledge the continued support of ExxonMobil, Hess Corporation, and the CNOOC in supporting the Centre and our programmes.

We are inspired for what lies ahead this year; the Centre staff hopes that you are too.

Please visit us at www.clbdguyana.com or stop by the Centre in person.

Patrick Henry

Director,

Centre for Local Business Development





Natasha Gaskin-Peters
Deputy Director,
Centre for Local Business
Development

This is Guyana

duction from the Paris Club and multilateral debt relief under the Highly Indebted Poor Countries (HIPC) Initiative. In the 2000's, economic growth continued, but slowed in comparison to the previous decade, averaging 1.9% between 2000-2009. In line with its National Development Strategy (NDS) of this era, the country made significant investments in the health, education, housing, and the water sector.

remained undiversified and dependent on primary commodities including rice, sugar, timber, gold, and bauxite.

However, the recent discovery of oil in the Stabroek block offers incredible possibilities for Guyana. ExxonMobil estimates the Stabroek block contains over 6 billion barrels of recoverable reserves. ExxonMobil has announced the potential to produce 750,000 barrels of oil per day by 2025. While oil production will have an immediate impact on the country's GDP, it should be noted there will be a lag between the impacts on GDP as compared to the fiscal revenues. Oil revenues will increase by small amounts initially before spiking after the cost recovery period is complete.

The oil and gas industry offers notable possibilities for Guyana to utilize these revenues to further its goal of diversifying the economy, building sustainable growth, and uplifting the socioeconomic standards of its people.

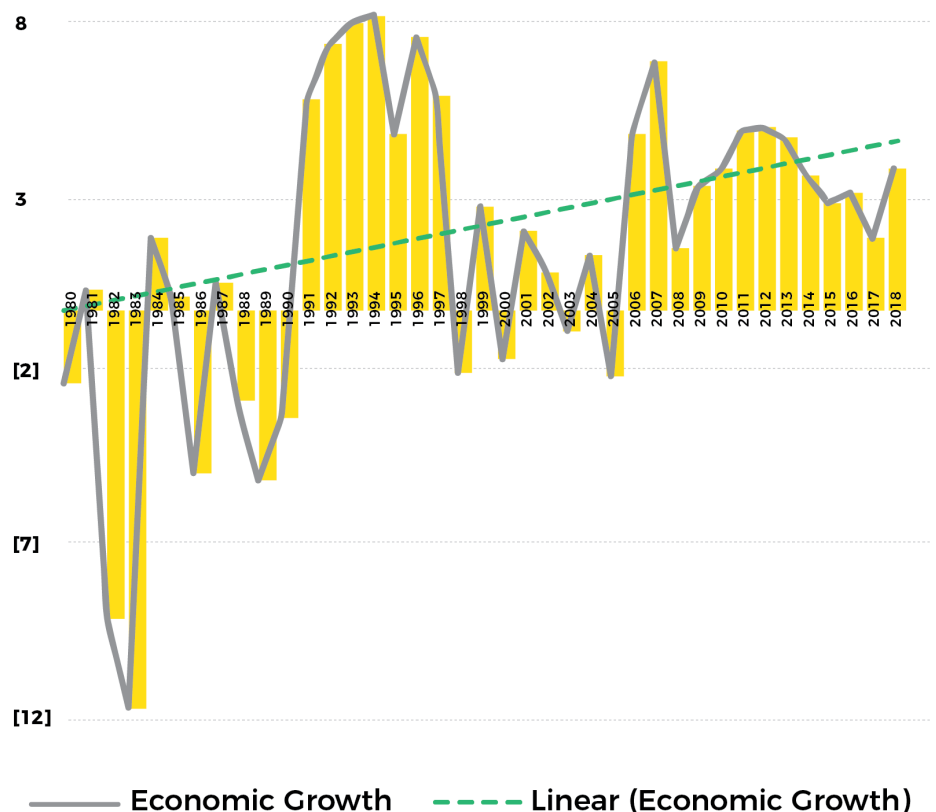
Guyana, a former British colony, has come a long-way since gaining independence in 1966. Known primarily for its pristine rainforest, gold mining, bauxite, timber, rice, and sugar production, Guyana now stands on the precipice of becoming a significant oil-producing nation. The recent discovery of oil in the Stabroek block by ExxonMobil and its co-venturers offers tremendous economic growth possibilities. The next decade represents exciting times for Guyana. The revenue expected from these projects and employment arising from the growth of associated industries is anticipated to bring tremendous new wealth to the country.

Following independence, the country moved from a socialist economy during the 1970s and 1980s towards a more market-oriented economy in the 1990s. This transition period in the late 1980s resulted from the crafting and implementation of the Economic Recovery Programme (ERP) that was supported by the International Monetary Fund (IMF) and the World Bank. The implementation of the ERP required the state to privatize several of its assets, including Guyana Telecommunications Corporation, Guyana Timbers Ltd., Soaps and Detergents and Demerara Woods Ltd. Economic growth in the country moved from an average rate of -3.1% between 1980-1989 to 4.8% between 1990-1999. Guyana also made significant progress in reducing its public debt with external public debt to GDP ratio reducing from over 580% in 1991 to 177% in 1999.

This economic transformation went hand-in-hand with economic austerity measures, leading to political strikes and civil unrest during the latter part of the 1990s. During the 1990s, Guyana's public debt levels saw relief thanks to significant bilateral debt re-

Between 2010-2018, economic growth averaged 4% primarily resulting from expansion in the mining sector. The agriculture sector declined from 23.9% of Real Gross Domestic Product (GDP) in 2006 to 16.1% of Real GDP in 2018. Growth in mining occurred primarily in the gold industry, which benefitted from investment by Guyana Gold Fields and Troy Resources. Rising global prices for gold provided a great incentive for companies to expand production in the gold industry. Despite making progress over the last three decades, Guyana's economy still

Guyana Economic Growth (%)





Dr. Mark Bynoe
Director, Department of
Energy, Ministry of the
Presidency, Cooperative
Republic of Guyana

Our Liza, One Nation, Our Destiny....

By any metric the Cooperative Republic of Guyana (herein after referred to as Guyana) is about to experience a tectonic shift in its development trajectory that behooves every Guyanese to be prepared and positioned to contribute to such development and benefit therefrom. The discovery of significant oil offshore the country in 2015 by ExxonMobil's affiliate, Esso Exploration and Production Guyana Ltd. (EEPGL), and its co-venture partners Hess Guyana Exploration Limited and CNOOC Petroleum Guyana Limited, estimated at approximately 6 billion barrels of oil equivalent to date, is expected to be the main catalyst for this transformation. In fact, the Nasdaq Index projects Guyana to be the fastest growing economy between 2018 and 2021, growing at an average annual rate of 16.3%, fueled mainly by its hydrocarbon sector that has the potential to catapult the country towards impactful and sustained development.

The Department of Energy's first year

Guyana, as a new and emerging energy producer, finds itself in a crucial and unprecedented position in the country's history; faced with the challenging and complex task of establishing a petroleum sector and developing the country's new found wealth, while simultaneously creating a framework for the profitable production of oil and gas that will result in the transition of natural capital from the ground into intangible capital (human and institutional) and produce physical capital that in turn will generate benefits for every Guyanese (current and future generations).

In confronting this new and, soon to be, burgeoning industry, the Government of the Cooperative Republic of Guyana established the Department of Energy (DE) within the Ministry of the Presidency on August 1,

2018, with His Excellency President David Granger being the Minister with responsibility for the Sector. The Department's mandate is to manage the nation's oil and gas resources; while simultaneously maintaining on a continuous basis, stakeholder engagement on the hydrocarbon sector of the economy. The DE currently ending its first year, is responsible for several key areas. Among them are strengthening the policy and legislative framework for oil and gas governance and management, regulation of the petroleum sector, enabling local content, crude oil marketing, administration of contracts, stakeholder engagement and capacity development.

In managing the sector, the Department has taken the approach to prioritize those areas of intervention that Government is likely to have a comparative advantage, facilitated by technological intervention wherever possible. This approach has allowed the DE to achieve some measured success with its small but dedicated staff, and unstinting support received from its Minister, sister agencies, and bilateral and multilateral partners.

Moving forward

As we prepare for First Oil and beyond, the Guyanese people can be assured that the Department, with its partners, will continue to work assiduously to extract greatest value for the people of Guyana by reducing value leakages, pursuing robust marketing strategies for Guyana's crude oil, building out a Guyana-relevant fit-for-purpose regulatory body, expanding the physical and technological capacity within the sector, and making empirically driven decisions.

The future

The future for Guyana is thoroughly pregnant with potential. It is time for all Guyanese to turn their minds towards a few critical questions of our times. How do we wish to see our oil revenues deployed? Perhaps, the country may strategically utilise, in a people-centred and balanced manner, its oil and gas revenues for structural transformation and improving people's lives in the short-term to allow the country in the medium-term to transition

to a post-carbon economy. Perhaps we may aggressively push for renewable energy conversion as a definitive policy allowing households, whether in the hinterland or on the coast, access to clean, stable, reliable and affordable energy.

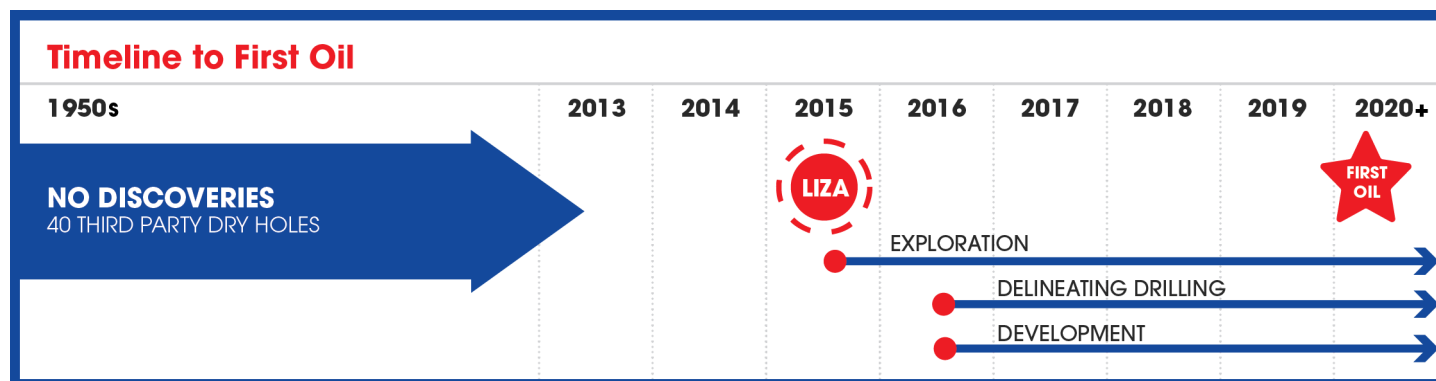
We are on a journey, but a journey not for the faint-hearted nor the sluggish but one for aggressive, industrious and innovative minds. A journey where our children can shatter glass ceilings, be what they want to be, where our young men and women can dream dreams again to be gainfully employed and be captains of their own destinies, where families can see expanding disposable income and our seniors can be assured of social, economic and physical security for their remainder of their years. **Come and let's together make Guyana great for ALL Guyanese!**

Conclusion

As the first floating, production, storage and offloading (FPSO) vessel approaches Guyana in preparation for first oil, we can all be truly proud. This is a momentous achievement. The Department wishes to thank its Minister, committed and dedicated staff, its sister agencies, and like-minded donors for their unstinting support in its first year. DE looks forward to a deepened relationship as we chart a course to ensure that the benefits from this sector redound to Guyana and all Guyanese. Guyana is destiny's favored child. We welcome Liza Destiny, our first FPSO to her home Guyana, along with her crew and staff.

We congratulate ExxonMobil, Hess, CNOOC and all its contractors and partners as well as all those Guyanese agencies such as MARAD, the Environmental Protection Agency, The Civil Aviation Authority, The Guyana Geology and Mines Commission, The Ministry of Legal Affairs, the Guyana Revenue Authority, The Ministry of Natural Resources, The Ministry of Finance and the Ministry of Public Infrastructure for working with great focus and professionalism that we should all see this blessed day. Congratulations allwelcome bright future! I wish you all peace and prosperity as we enter into a wonderful new phase of our history.

Road to First Oil



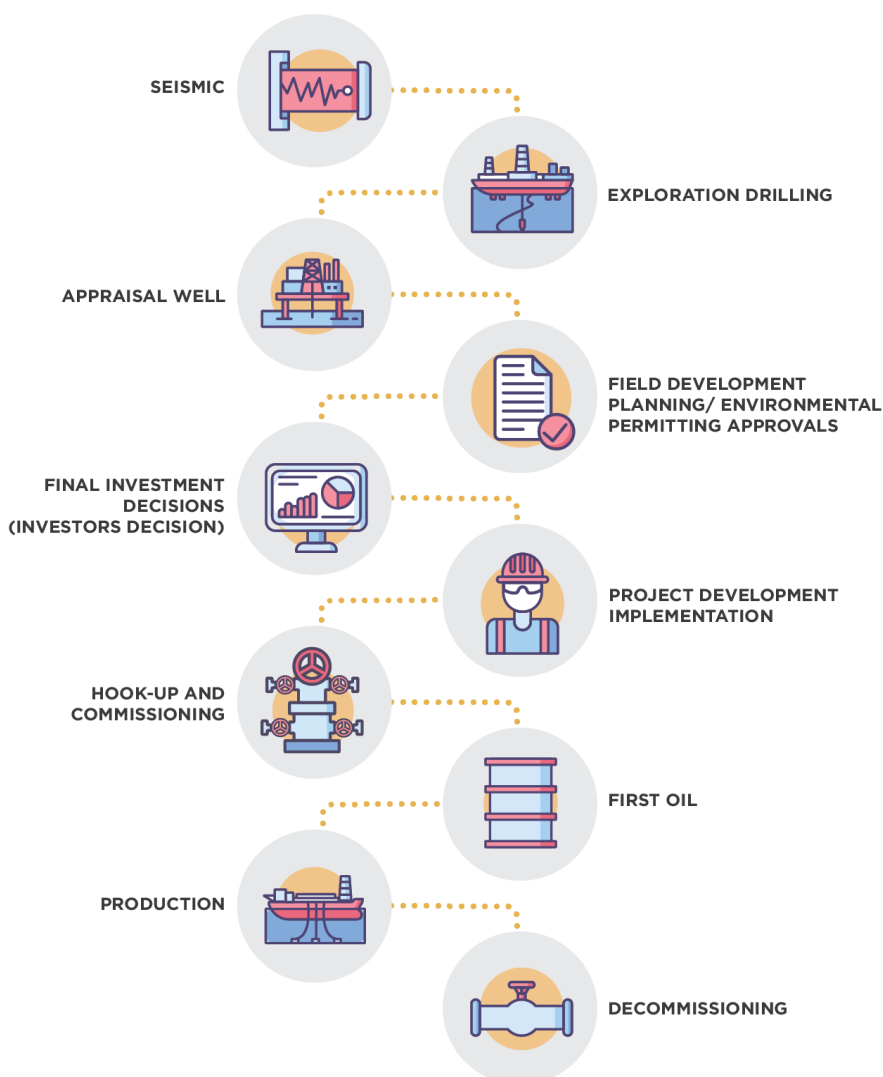
With over 40 wells drilled by various parties along the Guiana Basin over past decades, it was not until ExxonMobil and its co-venture partners Hess and CNOOC announced a commercial discovery in May of 2015 about 200 kilometers (120 miles) offshore Guyana in the Stabroek Block that the steps on the road to first oil finally became a reality. Since then, additional exploration has led to discoveries totaling more than 6 billion barrels of oil equivalent resources of which the first barrels are set to be produced by the Liza Destiny Floating Production Storage and Offloading (FPSO) vessel in early 2020.

The road to first oil has, and continues to be, an exciting and quite remarkable journey. Less than five years from discovery to expected first oil, astonishing physical progress is evident with efforts directed towards a shared goal: completing development activities for first oil in a safe and environmentally responsible manner. The arrival of the first FPSO - Liza Destiny - to Guyanese waters is one of the most significant project milestones; one that will soon propel Guyana into becoming an oil-producing nation.

It all began in 1999, when ExxonMobil signed a production sharing agreement with the Guyana Government for the offshore Stabroek Block. Work activities were initially stalled and then in 2008, exploration activities were initiated with the collection and evaluation of seismic data. Following the 2015 discovery, the largest 3D survey the company has undertaken to date was conducted. While exploration continues, the initial discovery of the Liza field is being developed in two phases.

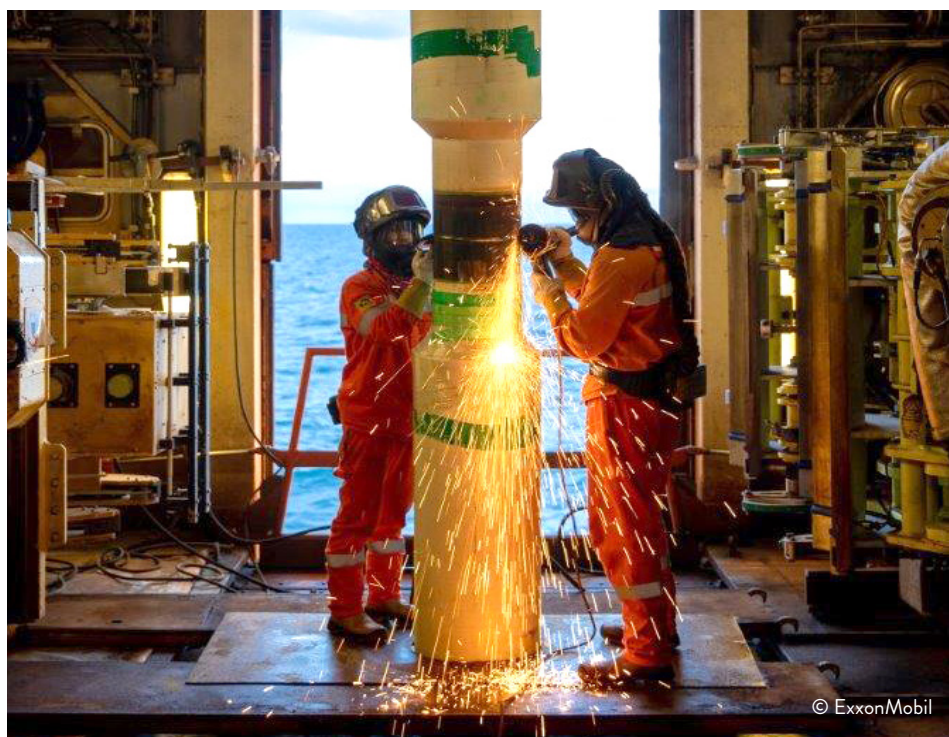
The Liza Phase 1 development plan includes completion of an FPSO designed to produce up to 120,000 barrels of oil per day from 17 wells in total; eight production wells, six water injection wells, and three gas injection wells. The second phase will be a larger operation with an FPSO with the capability to produce up to 220,000 barrels of oil per day, and startup is targeted for 2022.

Offshore Oil and Gas Project Lifecycle



Protection of the environment

The first production license granted by the Guyanese Government was issued in June 2017 for Liza Phase 1, and the second for Liza Phase 2 in May 2019. These licenses, along with permits from the Environmental Protection Agency (EPA), which require Environmental Impact Assessments (EIA), were essential for the projects to progress. The EIA process, which requires design and scope of the project; possible effects on the environment; the duration of the project; and a non-technical explanation of the project, led to modelling and coastal sensitivity mapping. This identified and characterised the potential impact of production, un-



planned events or oil spills. While prevention is at the forefront, which includes high level technology; vigilant maintenance; robust health and safety measures and ongoing risk management, effective emergency preparedness is also an essential facet.

Therefore a response plan has been built around the findings from the EIA, giving Guyana a tailored plan utilising specialised spill response capabilities and tactics that have been developed in collaboration with government agencies and local entities.

Oil spill response training has been conducted, demonstrations undertaken in the coastal communities and training will continue to prepare the country before first oil and throughout the lifetime of operations.

Real changes for local content along the way

Local content is an important component when an extractive industry enters a new country. Balancing the essential need of experienced standardised services for the safety and efficiency of a project with growing expectations can be challenging. While prime contracts were understandably awarded to global companies with essential specific capabilities, the approach to local content in Guyana has been a coordinated and focused effort to enhance the local economic and social opportunities associated with their activities. Although similarities exist with other extractive industries, it is also quite distinct.

Exploring for, developing and producing oil is a massive effort which requires global experience, countless operational resources and a commitment to safety and the environment. This highly technical sector brought not only new terminology, but a new way of doing business to Guyana.

The first was its unwavering approach to safety. Health and safety is especially important in the oil and gas industry so it employs thorough safety programs with effective and relentlessly focused management of safety at its core. As the importance of creating and maintaining a safe workplace becomes more widely recognised as good for business in Guyana, tangible changes are evident in small but effective ways; from meetings now starting with safety moments to Job Safety

Assessments (JSAs) being conducted prior to work commencement. Perhaps the most visible development is the Personal Protective Equipment (PPE) being utilized across sectors in Guyana driven by the minimum requirements of the oil and gas sector. High visibility vests, hard hats and steel capped boots are now regular images around town. These benefits will extend beyond the sector and positively impact to all industries as a safety culture is expanded and respected.

Secondly, the sector has brought new business and employment opportunities for Guyanese in Guyana. While some companies that supported other sectors such as construction, marine and mining have now expanded to service oil and gas, additional services have entered the economy; all with elevated standards and requirements. Examples of growth services and diversification include scaffolding; ropes and slings; non-destructive testing; welding; equipment certification; load testing; high pressure testing and calibration; and fabrication.

To assist Guyanese companies to maneuver into this new sector, the Centre for Local Business Development was established in 2017. Since then, the Centre has provided information on what being part of the industry entails, including an introduction to oil and gas seminars that affords businesses the opportunity to make the decision if this is in fact an arena they would like to enter. It also provides insight into how tenders are conducted by international companies with a focus on technical and commercial competitiveness.

In addition to business growth, infrastructure for the industry has been developing. High tech materials from around the globe are converging on the shores of Guyana. Two Guyanese-owned shore bases are actively being utilised to provide support for ongoing drilling and development activities from warehousing to waste management, assist in installation activities for the Liza 1 project, and serve as a marine hub for support vessels.

As the oil and gas industry continues to expand in Guyana, human resource needs also open opportunities for Guyanese. While not being a labour intensive industry, opportunities have expanded and new roles and responsibilities have emerged. Drilling engineers, Operations and Maintenance Technicians, Roustabouts, Marine Logistics, Quality Control and Assurance, Business Controls, Procurement, Accounting, Envi-

ronmental engineers, fork lift operators and trained drivers are now sought after skills and careers in Guyana. With the longevity of the industry now clearly apparent, positions such as these and others will be available in the market for many years to come.

First oil is just the beginning

With first oil around the corner, the growth and investments can already be seen and as the country readies itself for a transformational period ahead, the anticipation can be felt in many facets of society. Knowledge transfer and capacity building is occurring in

Guyana, and involvement of Guyanese in the industry will continue to grow over time. While recognizing investments and developing skills are in early stages, near term opportunities are being captured by Guyanese companies and individuals while on the journey to production.

Valuable social investments have also been made over the years since exploration activities began. The development of communities goes hand in hand with the development of the industry. Meaningful relationships have already been established in the areas of edu-

cation, youth development and the environment, with the goal of contributing to lasting socioeconomic development.

Amazingly, this is only just the beginning with many activities on the horizon. A third development project in the Stabroek Block, Payara, is being considered, and ExxonMobil has a number of prospects to continue to explore. Exploration activities are also progressing in other offshore blocks for operators such as Tullow, Repsol and CGX. With all that's been accomplished to date and plans for more to come, the future for Guyana's oil and gas industry certainly looks bright.



Rod Henson
Country Manager,
ExxonMobil Guyana

The undertaking of the first oil and gas project in Guyana is a magnificent opportunity and exciting challenge for ExxonMobil and its co-venture partners in the Stabroek Block – Hess and CNOOC. Guyana is on the cusp of a milestone in its history, and we are proud to be partners in this endeavor.

Less than five years from the first discovery of oil, the Liza Phase 1 Floating Production Storage and Offloading vessel (FPSO) - Liza Destiny - has arrived in Guyana. This effort entailed excellent planning, focus and initiative. This efficient pace of progress sets the stage for Guyana to become an oil producing nation by early 2020. There have been a number of major accomplishments for the Liza Phase 1 project, and with the arrival of the first FPSO, crucial elements are moving into place. Noble drill ships continue development well completion, TechnipFMC's major subsea structures have been installed and Saipem's pipe lay activities progress. Workforces at Guyana Shore Base Inc. and John Fernandes Ltd. and on support vessels have been busy mobilising equipment to the field in preparation for first oil.

The Liza Phase 2 development received government and regulatory approvals in May of

ExxonMobil

- Partnering for the Long-term

2019. Engineering and procurement activities continue with SBM, with construction of the Liza Unity FPSO underway in China and topsides module fabrication work progressing at Dyna-Mac in Singapore. ExxonMobil continues to demonstrate our commitment to leveraging new technologies as we finalise detailed well designs and drilling plan designs aimed at increasing production and enhancing recovery.

Our Local Content Plan implementation has been greatly supported by the Project-established Centre for Local Business Development. A Supplier Development Forum held December 2018 in Guyana facilitated direct communication and enhanced relationships between Guyanese suppliers and our Prime Contractors. Utilisation of Guyanese personnel and resources continues to increase. In the first half of 2019, Guyanese personnel working on ExxonMobil activities reached 1,357 and local spend totaled US\$52M/ GY\$10.4B with 478 local vendors. Guyanese companies continue to further their capacity, and the ripple effect of benefits from the emerging industry are becoming evident. The Liza Phase 1 project and exploration ac-

tivities have created multiple opportunities for socioeconomic growth, and the trend is anticipated to continue with Liza Phase 2 and subsequent projects. Payara is the third Stabroek Block project on the horizon and is slated to deliver a third FPSO as early as 2023 pending government and regulatory approvals.

The total number of discoveries in the Stabroek Block offshore Guyana stands at 13 mid-2019. We have a number of prospects to explore on the Stabroek Block, starting with Tripletail later this year. As operator on the Canje and Kaeiteur Blocks, we are also progressing plans for initial exploration drilling in these blocks in 2020.

All of this work could not be possible without the dedication of our workforce, contractors and subcontractors, working safely each and every day, and our ongoing collaboration with the government. As a committed partner with the people of Guyana, we will continue to develop its oil and gas resources in a responsible and mutually beneficial manner now and in the decades to come.



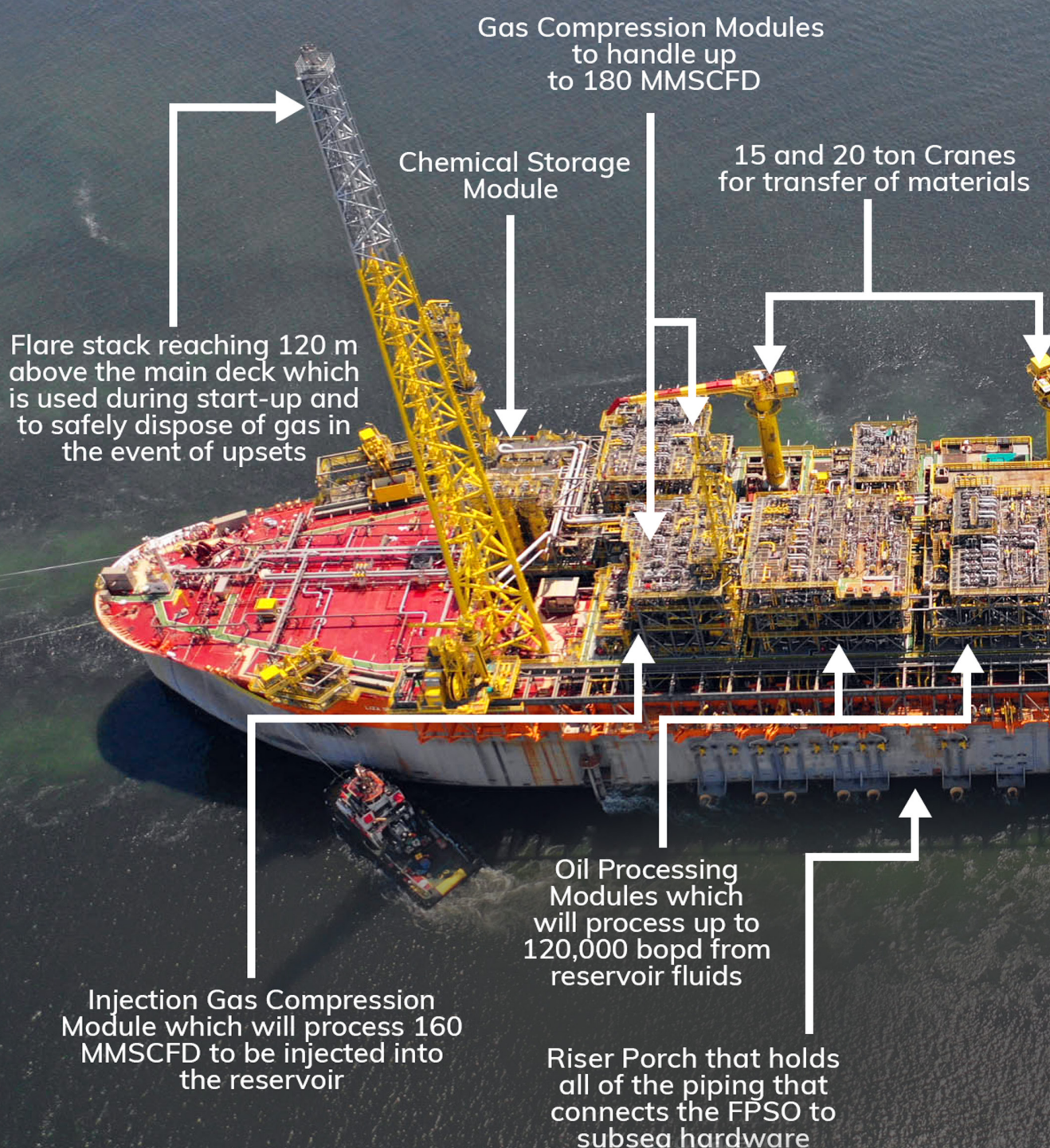
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Liza Destiny

After two years in development, Guyana's first Floating Production Storage and Offloading (FPSO) vessel has arrived. In June 2019, an FPSO naming ceremony was held for "Liza Destiny" when the First Lady of the Cooperative Republic of Guyana, Her Excellency Madam Sandra Granger became the Godmother of the vessel.

The conversion included upgrading of the hull and integration of 14 new topside processing modules, totaling 14,000 metric tons. Topside modules include sea water, water and gas injection, power generation, oil processing and offloading measurement.

The Liza Destiny sailed nearly 11,000 nautical miles to the Stabroek Block where it is now being connected to the spread mooring and will begin preparations for the historical job of producing, storing and offloading Guyana's oil.

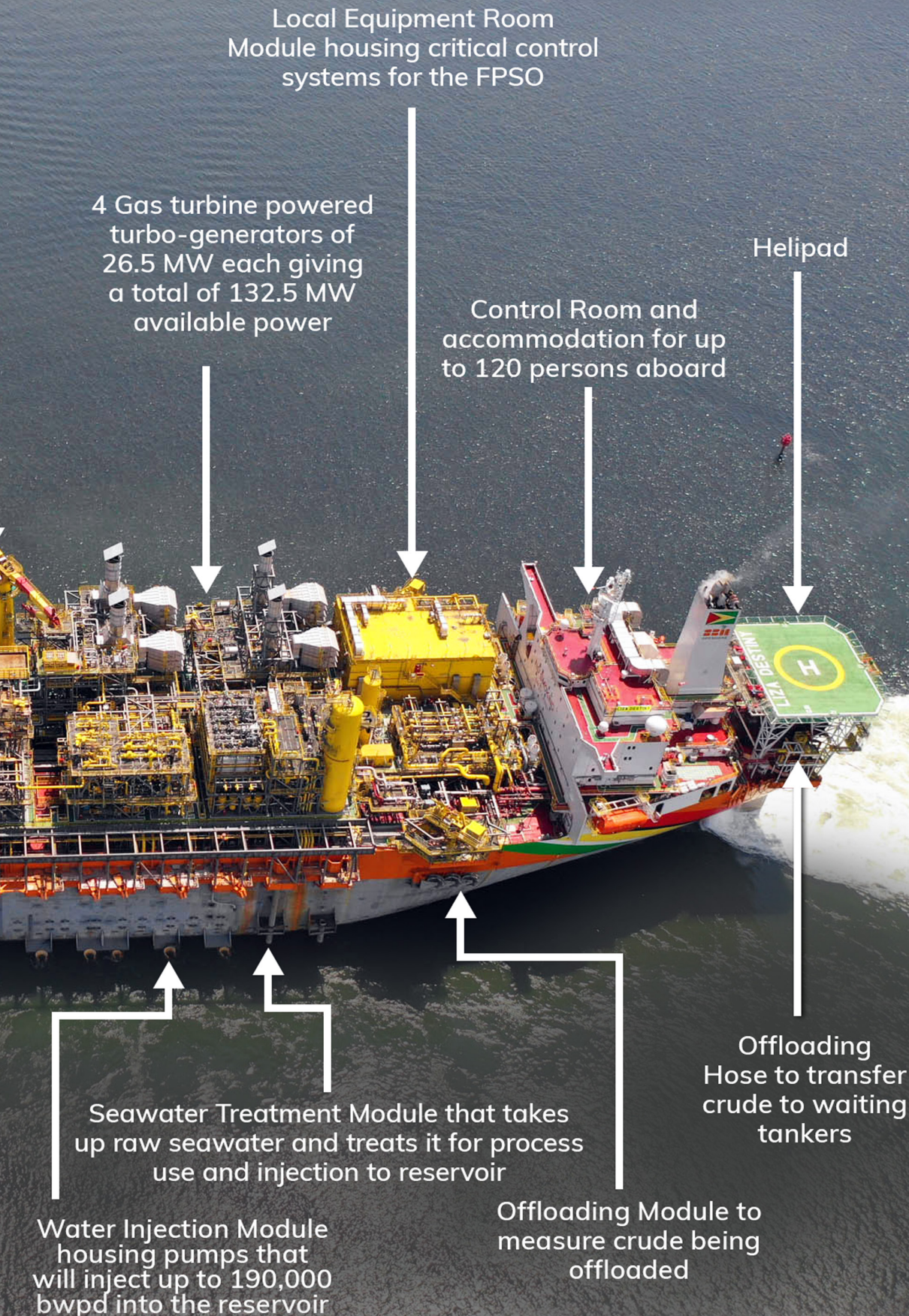


Oil Storage:
1.6 million barrels

Length:
1,115 ft (340 m)

Width:
190 ft (60 m)

For more information on FPSO Liza Destiny, visit:
www.facebook.com/exxonmobilguyana



Tullow Oil

– An Experienced Oil & Gas Explorer and Producer

Tullow Oil plc is a leading independent oil and gas exploration and production company with interests in over 80 licences across 15 countries. We have our headquarters in London along with major offices in Ireland, Ghana, Kenya, Uganda and South Africa. Our shares are listed on the London, Irish and Ghana Stock Exchanges and we are a member of the FTSE 250 index.

Tullow is an exploration and production company, focused on finding new oil, selectively developing discoveries and maximising our low-cost production. We have more than thirty years' experience of working in emerging markets, having been founded in Ireland in 1986, and we focus on balancing the interests of our three key stakeholder groups - our shareholders, our host countries and our people.

The Jubilee and TEN fields in Ghana represent the majority of our production. Since 2006, Tullow has had interests in two ex-

bring Ghana its first major oil production. In November 2010, following a successful development programme, which included the building of a Floating Production Offtake Vessel (FPSO), first oil was achieved from the Jubilee field. This was some 40 months post the initial discovery well which represents the fastest ever comprehensive full scale deepwater development.

Tullow's second major discoveries and subsequent development in Ghana is the TEN field. In May 2013, the Plan of Development for TEN was approved by the government of Ghana and Tullow commenced its second major operated deepwater development. First oil was achieved on time and on budget in August 2016, three years after the Plan of Development was approved by the Government of Ghana. We also have a portfolio of non-operated producing assets, operated by our Joint Venture partners in Gabon, Equatorial Guinea and Côte d'Ivoire.

these discoveries. Our New Ventures team carries out frontier exploration and appraisal activity across South America and Africa, to manage and replenish Tullow's exploration portfolio. South America continues to be an exciting area of potential growth for Tullow and we are particularly focused on offshore low-cost, light oil plays which can be targeted with simple wells. We have high-impact exploration licences in Guyana, Suriname, Peru, Jamaica and Argentina.

Tullow currently holds two licences in Guyana that sit up-dip of the Liza discoveries, a 60% operated interest in the Orinduik licence and a 37.5% interest in the Repsol operated Kanuku Block. Tullow commenced a three-well drilling programme in Guyana in July 2019 and made a significant discovery with the Jethro-1 well which was drilled on the Orinduik Block with the Stena Forth drillship. Tullow CEO, Paul McDade commented after the discovery was announced, "this result is an excellent start to our drilling campaign in the highly prolific Guyana oil province." The drillship will now drill the Joe prospect on the same licence. The Rowan EXL II jack-up rig has been contracted to drill the Carapa prospect in the non-operated Kanuku licence and is expected to commence operations in the third quarter of 2019.

Tullow aims to create meaningful and enriching business opportunities in our countries where we work. We are committed to improving livelihoods and community welfare by building the skills that will increase local business participation in the supply chain. We call this approach Shared Prosperity and concentrate our efforts on three core areas: optimising local content and developing supplier capacity; building local skills and developing people; and making socio-economic investments that deliver shared infrastructure and support local communities.

ploration licences offshore Ghana. Following seismic acquisition and interpretation, Tullow and its partners drilled two successful exploration wells in 2007. The wells discovered the major Jubilee oil field in the Gulf of Guinea's Tano Basin. In October 2008, Tullow was appointed as the Jubilee field Operator and set about working with the partners and Government of Ghana on developing the field to

In East Africa, we have invested in projects in Uganda and Kenya. In Uganda, we have licence interests in the Lake Albert Rift Basin where we discovered 1.7 billion barrels of gross recoverable oil resources. In Kenya, our work is focused on the South Lokichar Basin where we have discovered 560 million barrels of recoverable resources so far. We are now focused on progressing the development of

We also focus on building capacity through educating and training local employees and suppliers and supporting local communities to make their own choices about development. Tullow is also totally committed to transparency and was one of the first Oil & Gas companies globally to declare all its payments to governments in the countries in which we work.



© Tullow Oil plc

The Centre for Local Business Development

The Centre for Local Business Development was established in 2017 with the objective to assist Guyanese businesses to become more competitive and to support their entry into the nascent oil and gas supply chain. The Centre became Guyana's leading source for local oil and gas procurement, business and industry information, policy advocacy and professional networking opportunities. It provides reliable, up-to-date information on the offshore oil and gas sector, in addition to training and mentorship for business growth.

The Centre supports Guyanese business through seminars that allow firms to make informed investment decisions. These seminars explain the fundamentals of the offshore oil and gas industry, its procurement processes, and highlight the industry's rigorous safety culture. Over 3,000 representatives from the public and private sector have successfully attended the Centre's seminars. To further the geographic reach of the seminars, the Centre will soon launch an online Computer-Based Training (CBT) module in 2019.

The Centre's Supplier Registration Portal (SRP) is the premier spot for oil and gas suppliers as they seek to contract, partner, and purchase goods and services from Guyanese businesses. The SRP registered over 1,700 Guyanese businesses to date. Based on its growing success, the SRP continues to develop new tools, like its mobile application, to broaden its reach and improve access. Highlighting the Centre's global reach, the SRP hosts over 1,500 international businesses

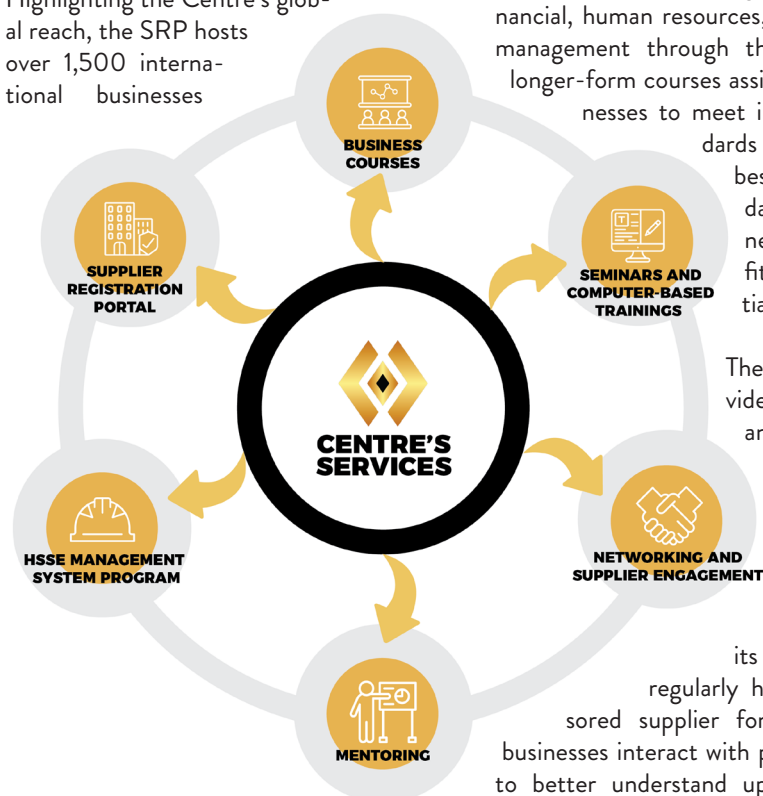


© Centre for Local Business Development

tracking market opportunities in Guyana through the online system. Guyanese businesses have opportunities to improve their internal systems in targeted areas like financial, human resources, and supply chain management through the Centre. These longer-form courses assist Guyanese businesses to meet international standards and adopt global best practices. To date over 100 businesses have benefited from this initiative.

The Centre also provides an important and emerging platform for Guyanese businesses to network and engage directly with suppliers. ExxonMobil and its prime contractors regularly hold Centre-sponsored supplier forums where local businesses interact with procurement leads to better understand upcoming opportunities. Periodically the Centre hosts major international events like the Liza Phase 1 Supplier Development Forum. This two-day event brought together over 1,500 Guyanese business people, ExxonMobil, and 12 prime contractors to promote upcoming procurement opportunities. As part of its "Smart Partnerships," prior to the Forum the Centre provided nearly 100 Guyanese businesses with a "Pitch Course" to help them effectively market their services and products. The Centre also works with other international organizations including the Newfoundland and Labrador Oil and Gas Association to host industry trade missions to Guyana.

With initiatives like the Master Class on Local Content, which engaged a wide-variety of leading industry, government, and business stakeholders to discuss emerging policy issues, and new offerings like the Health, Safety, Security and the Environment (HSSE) programme to meet business demand for improved HSSE management systems; the Centre will remain at the forefront of business development -- expanding its services and supporting Guyanese business owners as new policies and regulations emerge.



The Centre's New HSSE Programme



One of the most common questions asked by businesses visiting the Centre is what are the Health, Safety, Security and Environment (HSSE) standards required for the oil and gas industry and how companies can comply with these requirements. What seems like a straightforward question actually requires a complex answer.

Standards in the oil and gas industry cover a myriad of diverse topics. However, the overarching dictates of the industry around HSSE are: “no one gets hurt” and “everyone goes home.” Prevention and preparedness to minimize risk form the bedrock of the industry’s highly evolved HSSE culture.

The Centre is playing an integral role in changing safety behavior in Guyana. With Guyana on the brink of large-scale oil and gas production, there is an opportunity to address the existing gaps and ensure HSSE is interwoven into the burgeoning business culture.

Since 2018, the Centre has delivered a series of introductory seminars on the HSSE best practices of the industry. These seminars provide businesses with an overview of core HSSE concepts. It was quickly apparent

from the large number of companies attending the seminars and feedback from the participants that there was high demand for the Centre to expand its HSSE offerings. Local businesses seeking to obtain contracts and provide services to the oil and gas industry overwhelmingly sought Centre assistance with their HSSE management systems.

To match this increased demand, the Centre developed an HSSE Management System Programme in conjunction with the oil and gas industry. This programme is intended to assist businesses to draft HSSE management plans and build their HSSE management systems that will become the foundation of a rapidly increasing safety culture in Guyana. Successful implementation of HSSE management systems will allow Guyanese businesses to demonstrate their commitment to safety by providing required documentation and auditability to industry during tendering and procurement processes.

The Centre’s aim is to assist businesses in building their HSSE management systems. This is a multi-phase process that initially includes an interactive seminar tailored for Senior Management Executives from Guyanese businesses. The seminar is then followed-up by individual consultations with

the Centre’s international and local HSSE experts. These one-on-one sessions provide an opportunity for each business to discuss the status of its HSSE initiatives and receive personalized guidance on developing their own HSSE management system.

History has shown that to successfully implement, HSSE must start from the top and be nurtured at all levels. It is a culture based upon continual evaluation and improvement. The introductory seminar provides management with the Occupational Health, Safety, Security, and Environmental expectations required from international oil and gas companies such as ExxonMobil and its prime contractors.

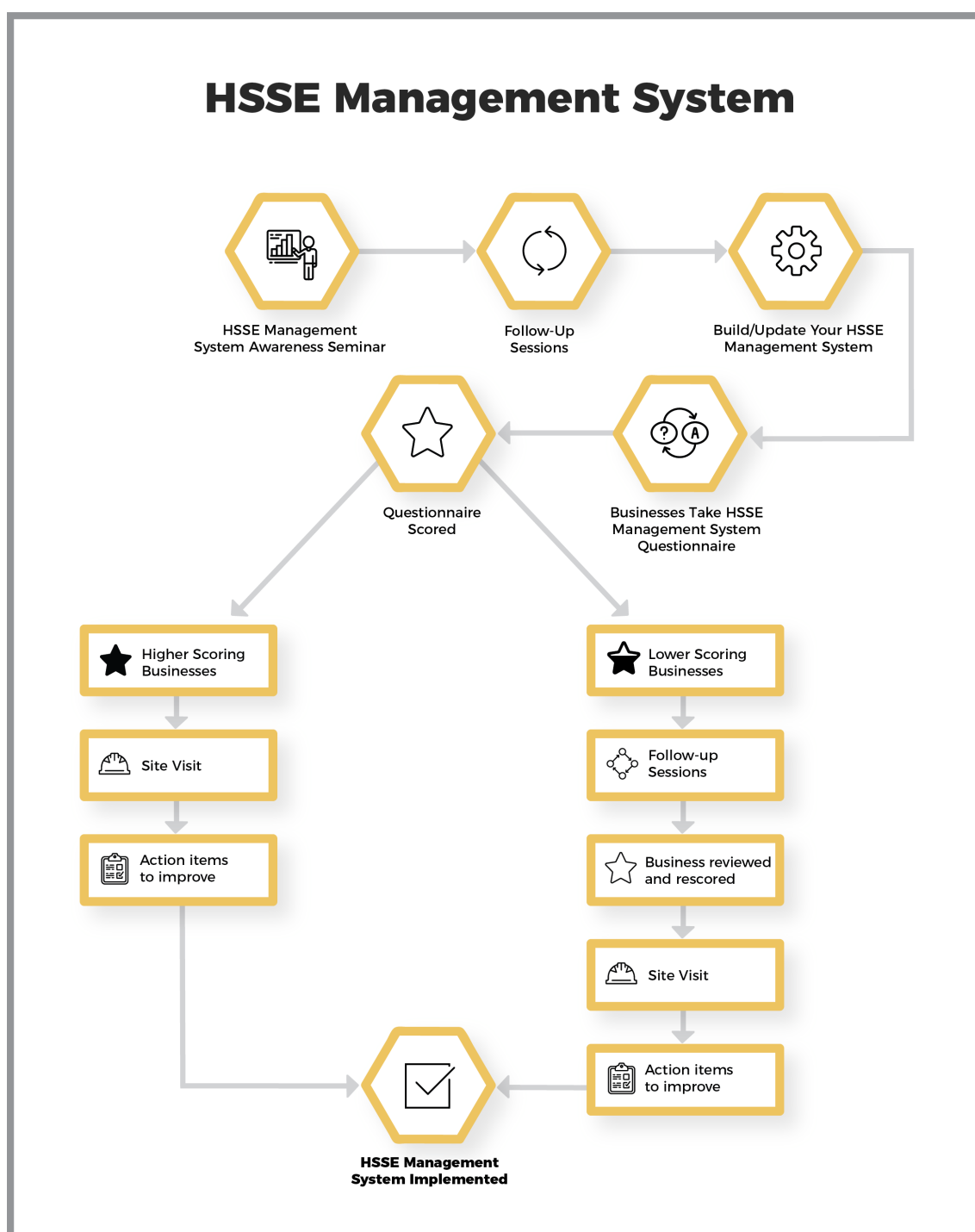
This four-hour seminar covers a vast array of critical information including Guyanese regulations; international oil company, prime contractor, and International Association of Oil and Gas Producers (IOGP) HSSE requirements; and HSSE management systems. The HSSE management system sections focus on safety leadership and the tools necessary to implement a system. The seminar is the first step in the Centre’s HSSE assistance to Guyanese business. The individual follow-up consultations support businesses to develop and build their own customized

safety management systems to comply with international standards. Businesses and local suppliers come to the Centre and meet with HSSE professionals to review their HSSE documentation and provide photos of their work practices and environment. This allows the Centre to review in detail existing plans, programmes, and background materials as well as to identify potential hazards and risks. Based on the Centre's input and recommendations, a business may need to update existing plans or build a new HSSE management system.

The Centre does not stop there. The Centre continues to support businesses as they

proceed towards the next step. Any business that chooses to develop an HSSE management system will be able to complete an online questionnaire. If the HSSE documents submitted are sufficiently complete, reviewed and are aligned with compliance, the Centre will conduct a walk-through to verify the documents and provide a list of actions to help identify hazards and to further strengthen the HSSE management system. Once all of the steps are completed and Guyanese businesses have successfully implemented an HSSE management system that is aligned with international expectations, it could be used as a basis for contracting with international companies.

By answering the critical question as to how a Guyanese company can strive to achieve international standards, the Centre's HSSE program achieves management buy-in to guide a broad range of Guyanese companies through an HSSE management system development process. While it is up to individual companies to develop and implement tailored systems for their operations, like the Centre's other initiatives, the HSSE program builds a foundation that ensures Guyanese companies are more competitive and – in this case – more safe.



GUYANA:

At the Epicenter of Energy – GIPEX 2019

Building on the success of the inaugural Guyana International Petroleum Business Summit & Exhibition (GIPEX) 2018, major players from across the international oil and gas sector and related businesses will gather in Georgetown from 20-22 November 2019 to once again explore market trends and commercial opportunities. This year's theme will be: "GUYANA: At the Epicenter of Energy".

GIPEX 2018 – organized by Ministry of Natural Resource in partnership with GO-Invest and Valiant Media with ExxonMobil, as a strategic partner – was the first major local event designed exclusively to promote the country's emerging petroleum and gas sector. The event provided international investors, local suppliers, and contractors with a unique gateway through which to feature the country's largely untapped business potential.

Over 200 organizers, 600 delegates, 100 speakers and exhibitors, and 5,000 visitors from across the international oil and gas sector and related businesses were in attendance. GIPEX attracted representatives from more than 25 countries including: Norway, Brazil, the U.S., U.K., Trinidad & Tobago, Suriname, Canada, Venezuela, Malaysia, Cameroon, and Australia.

Presentations and panel discussions from industry leaders including ExxonMobil, CGX, Noble Drilling, Total, Tullow Oil plc, the Guyana

Geology & Mines Commission (GGMC), the Ministry of Natural Resources, GO-Invest and others focused on critical business drivers: the impact of oil on Guyana's economy; an overview of oil and gas development; strategies to overcome challenges and support the growth of independent producers and service providers; and the Guyanese regulatory framework.

GIPEX 2019 event will feature a number of high-profile speakers, led by His Excellency David Arthur Granger, addressing key areas that have emerged recently in Guyana's oil and gas sector including the significance of offshore engineering and innovative technology; skills and knowledge transfer in the context of local content; oil and gas licensing and contracts; environmental hazard and risk assessment; health management; and the empowerment of women.

GIPEX 2019 represents an accelerated platform for international and local businesses to network, form collaborative partnerships in allied industries, and better appreciate and enter the promising oil and gas sector in Guyana.

For more information on how to register and/or exhibit at GIPEX 2019, please visit: www.guyanaoilexpo.com



20-22 NOVEMBER, 2019

GUYANA MARRIOTT HOTEL
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MINISTRY OF THE PRESIDENCY
DEPARTMENT OF ENERGY

GIPEX 2019

GUYANA: AT THE EPICENTER OF ENERGY

GUYANA'S SECOND ANNUAL INTERNATIONAL PETROLEUM BUSINESS SUMMIT & EXHIBITION

Why Guyana?

Guyana is expected to become the next big oil producer in the world with resources exceeding over 6 billion barrels of oil equivalent and expected to be producing over 750,000 barrels of oil per day by 2025.

What is GIPEX?

GIPEX is a global initiative which will provide a top-notch networking platform for existing and new petroleum companies, services providers and equipment companies anticipating meeting prominent stakeholders associated with the oil and gas industry.

GIPEX 2018 IN NUMBERS

- 200+ Organisations
- 600+ Delegates
- 30+ Sponsors
- 55+ Exhibitors
- 55+ Speakers

PARTNERS



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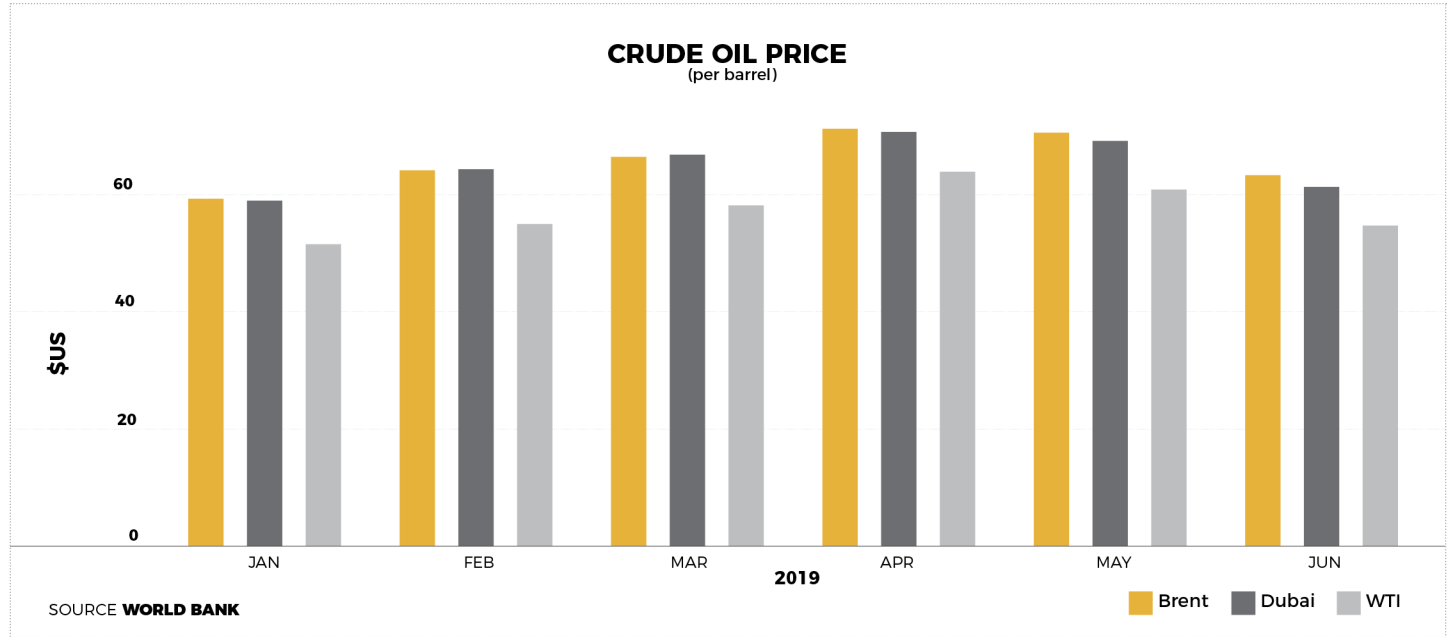


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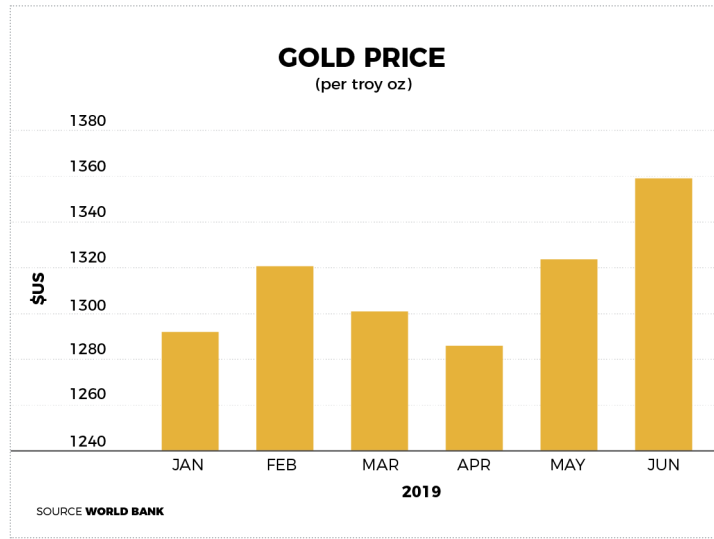


Guyana Economic Indicators

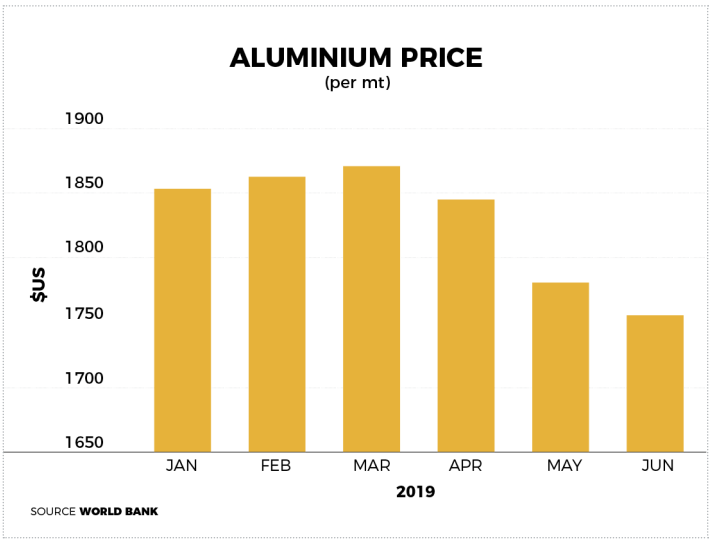
CRUDE OIL PRICE
(per barrel)



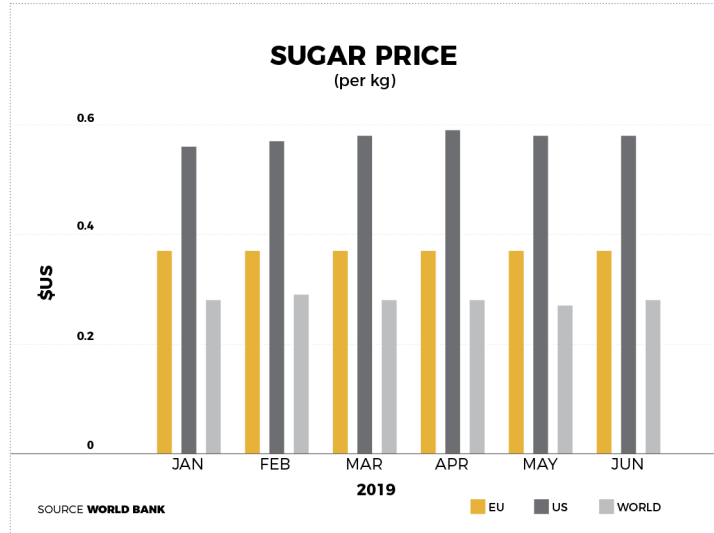
GOLD PRICE
(per troy oz)



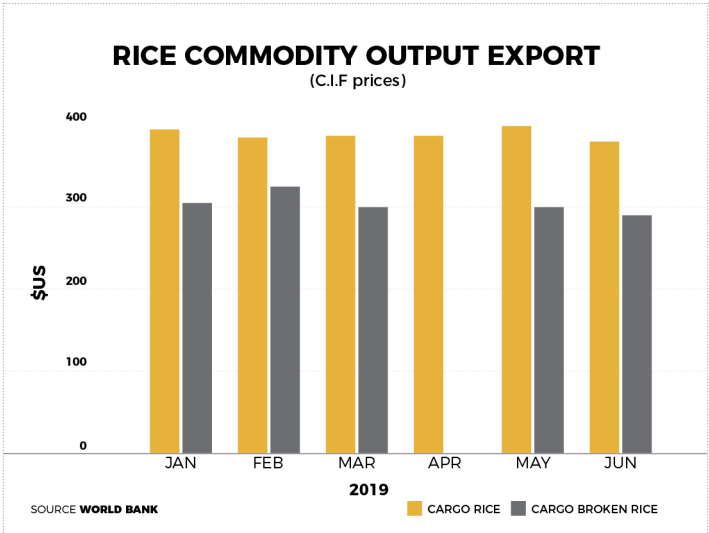
ALUMINIUM PRICE
(per mt)



SUGAR PRICE
(per kg)



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(C.I.F prices)



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