

Exploration is critical for investment

 By [Nicci Botha](#)

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The African narrative is very different to the global narrative, and it is one that cannot be ignored, said Guillaume Doane, CEO of Africa Oil and Power at the opening of the industry conference in Cape Town.



Guillaume Doane, CEO of Africa Oil & Power

He described the energy industry as the economic engine of the African continent, and questioned whether enough was being done to promote growth on the continents. "Investors, are you ready to make Africa a bigger priority of your spending agenda? African governments, are you prepared to do what it takes to create a better environment for investors to come in. The time is now for Africa to be the leading destination for global energy investment. We must and we can do more."

Although oil and gas have been enormous contributors to GDP performance, they have been very poor for creating employment. Natural resource sectors employ less than 1% of Africa's workforce. "So as the continent's labour force reaches more than 500-million people next year, we should also consider what the optimal conditions can be for job creation in the oil and gas industries. We must make sure that future generations have the same opportunities."

The eagerness of African governments to seek out investment is evident in the increase of licensing rounds. Just this year, Equatorial Guinea, Angola, South Sudan, Gabon, Egypt, Ghana and Uganda have all opened or concluded licensing round.

“Never before have we witnessed such proactive measures to attract upstream exploration. And the timing could not have been better.

“The reason for that won’t surprise any of you. A lot of African oil producers are working to reverse declining production that has provoked a decline in economic performance and government revenue. This is a widely known issue which the delegations from Equatorial Guinea, Gabon, Angola and Nigeria can all attest. The solution to this problem is simple: make new discoveries to replace lost reserves. And that means a lot more new oil and gas exploration. African countries are very proactive in addressing this issue.

“Without new exploration there can’t be new investment. That is our reality,” Doane said.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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