**SUPPLIERS (FIRST, SECOND AND THIRD TIERS) OF OILFIELD SERVICES COMPANIES**

1. ***About the company***
2. Could you clarify whether this company is classified as a local or a foreign company?
3. Could you tell us a bit about your company’s history?
4. How many years have you operated in this country?
5. What are your company’s significant areas of expertise/capabilities (of both parent and subsidiary) – core competences?
6. If your company is a subsidiary of another company, what is your relationship with your parent company and what level of independence do you have in terms of corporate decision making?
7. What proportion of your parent company’s revenue is accounted for by your operations in this country?
8. **Local business environment**

What informed your decision to invest in this country (or sector, in the case of a local company)? What were the key factors which enabled you to make a final decision to actually select this country (or sector)?

If you were to make this decision today, would you still decide to invest in this country (or sector) and why?

Do you intend to look for more business opportunities in this country and/or in other sectors?

How enabling do you find the business environment in this country? What are the major risks and challenges you face in this country? What strategies have used over the years in confronting these challenges?

How do you finance your operations in this country?

1. Do you have any competitive edge over other companies providing similar products/services in this country? What are the factors underpinning your competitiveness?
2. ***Nature and determinants of linkages***
3. *Linkages (Depth and breadth)*

***Questions on employment***

1. How many workers do you directly employ with regards to the following categories?
2. Skilled
3. Unskilled
4. Could you provide us with details about the proportion of your workers in the categories provided in the table below that are local employees?

|  |  |  |  |
| --- | --- | --- | --- |
| Year | Skilled | | Unskilled |
|  | Engineers &technicians | Others |  |
| 2010 |  |  |  |
| 2016 |  |  |  |
| Any other year with available data |  |  |  |

1. What kind of career development programme have you got for your employees, in particular, for local employees?
2. What is the average salary of your workers – (a) skilled and (b) unskilled? How does the average salary of local workers compare with that of expatriates, if you employ any?

***Relationship &linkages with lead firms***

1. Who are your main customers? How would describe your relationship with them (arm’s length etc)?
2. How large are your typical orders/contracts? How are you able to deliver on these large contracts?
3. Could you outline the tendering procedures of your major clients?
4. Do you review or analyse your tendering success?
5. What proportion of your revenue comes from contracts with firms in sectors other than the oil and gas sector?
6. Could you outline the range of goods and services you outsource? What proportion of your total revenue does outsourcing account for?
7. What is your average gross profit margin for activities over the last five years?

***Relationship/linkages with suppliers***

1. Who are your main (or first tier) suppliers for the goods and services you outsource?
2. Are there any local companies in your first tier suppliers? How much of the goods and services you outsource is accounted for by these local companies?
3. How would describe your relationship with your major suppliers? Would you say it is arm’s length? To what extent are you able to influence their production methods? How much of their total output does your purchases account for? How does this differ between local suppliers and foreign ones?
4. How many of your second and third tier suppliers are local companies?
5. What factors determine where and how goods and services are procured for your operations in Ghana?
6. In terms of quality and cost (i.e. the quality-adjusted cost), how are items procured locally compared with those from abroad?
7. Could you outline your screening criteria for contracting local suppliers? What support do you provide for local suppliers to meet your required standards?
8. How do you assess the reliability of supply/delivery of items procured locally in relation to those from the global market?
9. How do local enterprises cope with the challenge of delivering on the size or complexity of contracts?
10. Are you aware of an instance when a local enterprise failed to deliver according to the quantity, quality, or delivery date of an order? What were the reasons for failure?
11. *Local content policies and implementation*
12. How do local content rules apply you?
13. What are the major steps/activities you have undertaken to satisfy the local content regulations?
14. What is the nature of support you have received from government and your major customers (the lead firms) in implementing the above activities?
15. To what extent would say you have been able to achieve the local content requirements? [Indicate achievements against the following areas]:
16. FEED, detailed engineering and other engineering services
17. Fabrication and construction
18. Materials and procurement
19. Well drilling services
20. Research and development relating to in-country services
21. Exploration, subsurface, petroleum engineering and seismic services
22. Transportation, supply and disposal services
23. Health safety and environment services
24. Information systems, information technology and communication services
25. Marine operations and logistics services
26. With respect to satisfying the local content requirements, how much of an issue is the level of local capabilities? Where are the major gaps in local capabilities?
27. In what ways are you collaborating with government organisations, other companies (major customers) and other institutions to help bridge the gaps in local capability?
28. To what extent do the requirements/policies of your parent company or financiers/banks affect your ability to fulfil the local content rules in this country? How do you resolve such conflicts when they occur?
29. Are there other challenges affecting your efforts to satisfy the local content requirement? How are you dealing with these challenges?
30. Could you outline how your procurement decisions are determined? To what extent are your decisions not dependent on the policies of your parent company (headquarters)? Or what is the scope of goods or services for which procurement decisions are made in your Ghana office?
31. Are there any rewards for fulfilling the local content rules? What about sanctions? Have you received any warning or sanctions for not satisfying any of the local content requirements? What are these? What were the effects on your operations?
32. Do you find any such sanction or warning justifiable and what has been your reaction?
33. Do you envision a time when the local content policy could be terminated? Five yours from now? 10 years? 15 years? What are the indicators which you think are crucial for determining whether or not the local content policy could be terminated?
34. Do you have suggestions on how the design or implementation of local content policy could be improved? Are there specific “carrots” or “sticks” which you think could be effective in achieving the economic welfare goals of local content policy?
35. *Oil price volatility, localisation and linkages*
36. How is the downturn in the global oil market or recent volatility in oil prices affecting your operations in this country?
37. Has there been any decrease in the procurement of local goods or services after the oil price fell? By how much? Have local enterprises gone bankrupt after the oil price fell?
38. What strategies have you adopted to cope with this downturn in oil prices? To what extent are you looking to localization and supporting local linkage development as a strategy?
39. What are the challenges in terms of adapting to this low oil price environment?