



LOCAL CONTENT SECRETARIAT

LOCAL CONTENT ANNUAL PLAN **SUBMISSION GUIDELINE**

Version 2.0
January 03, 2023



Local Content Annual Plan Submission Guideline

Version 2.0

About

The Local Content Secretariat, a unit within the Ministry of Natural Resources, was created pursuant to the Local Content Act No. 18 of 2021 ('the Act'). In accordance with the Act, the Secretariat is mandated to ensure that the provisions of the Act are implemented. The Secretariat functions as the focal point for the monitoring, evaluation, coordination, and reporting of local content in the petroleum operations of Guyana.

Note

This Guideline is one of several guidelines issued by the Local Content Secretariat aimed at providing guidance with respect to the provisions stipulated in the Act. This Guideline may be amended from time to time as the Secretariat deems necessary for the purpose of carrying out the provisions of the Act.

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Document Revision Control Matrix

Version 1.0	February 22, 2022	This is the first version of the guideline.
Version 1.1	April 19, 2022	An update was made to the definition of 'Sub-Contractor' under subsection 2.
Version 2.0	January 03, 2023	An update was made to section 3 of the Guideline to incorporate the submission of the Annexes in Microsoft Excel format.



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1. Introduction

1.1. Background

The Government of Guyana has solidified its commitment to ensuring that the benefits derived from the foreign direct investments into Guyana's petroleum sector are captured and retained in-country, through the enactment of the Local Content Legislation. The [Local Content Act No. 18 of 2021](#) ('the Act') provides for the implementation of local content obligations on companies and persons engaged in petroleum operations or related activities in the petroleum sector and prioritizes Guyanese nationals and Guyanese companies in the procurement of goods and services for the enhancement of the value chain of the sector. The Act also serves to enable local capacity development and provide for the investigation, supervision, coordination, monitoring, and evaluation of, and participation in, local content in Guyana.

The Local Content Secretariat ('the Secretariat') is mandated to ensure that the provisions of the Act are implemented and functions as the focal point for the monitoring, evaluation, coordination, and reporting of local content in the petroleum operations of Guyana.

In so far as the Act mandates every Contractor, Sub-Contractor, or Licensee to implement local content as an essential component of their petroleum operations, the Secretariat, through the issuance of industry guidelines, aims to provide detailed and specific guidance to Contractors, Sub-Contractors, or Licensees with regards to their reporting obligations.

The Act obligates Contractors, Sub-Contractors, or Licensees to submit a Local Content Annual Plan ('Annual Plan') to the Minister for approval. As such, this guideline serves to standardize reporting requirements, procedures, and the form with regards to the submission of the Annual Plan for approval by the Minister with responsibility for Petroleum, representing the Government of Guyana.

1.2. Purpose and Objectives of Guidelines

The Local Content Annual Plan Submission Guideline:

- (a) Provides guidance to Contractors, Sub-Contractors, or Licensees on their obligation, under the Act to submit the Local Content Annual Plan to the Minister for approval;
- (b) Outlines the relevant information to be included in the Local Content Annual Plan to be submitted to the Minister for approval;
- (c) Promotes effective and efficient procedures for the standardization of the submissions to the Secretariat; and
- (d) Outlines the steps after submission of the Local Content Annual Plan.



1.3. Legal Basis and Authority

This guideline is issued in accordance with the Act.

Section 5(e) of the Act provides for the Secretariat to develop formats for local content plans and reporting

Section 5(f) of the Act provides for the Secretariat to develop guidelines for inter alia, local content reporting.

Section 10(1) of the Act mandates Contractors, Sub-Contractors or Licensees to submit a Local Content Annual Plan to the Minister for approval.

1.4. Scope and Applicability

This guideline applies to the Annual Plan required to be submitted to the Minister for approval pursuant to the Act, by Contractors, Sub-Contractors, or Licensees undertaking petroleum operations in the Corporate Republic of Guyana.

2. Definitions

For the purposes of these guidelines:

“Act” refers to the Local Content Act No. 18 of 2021 and its subsidiary Regulations;

“Annexes” refers to the tables that form part of the Annual Plan that contains the details outlined in section 3.2 of this guideline;

“Annual Plan” refers to the Local Content Annual Plan submitted pursuant to section 10(1) and the Second Schedule of the Act;

“Business Day” means a day on which the banks in Georgetown, Guyana are customarily open for business;

“Calendar Year” means a period of twelve (12) consecutive months commencing on January 1 and ending on the succeeding December 31;

“Contractor” includes any person who enters into a Petroleum Agreement with the Minister in accordance with section 10 of the Petroleum (Exploration and Production) Act of 1986;



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“Guyanese Company” means –

(a) any company incorporated under the Companies Act –

- (i) which is beneficially owned by Guyanese nationals who ultimately exercise, individually or jointly, voting rights representing at least fifty-one per cent of the total issued shares of the company; and
- (ii) that has Guyanese nationals holding at least seventy-five percent of executive and senior management positions and at least ninety percent of non-managerial and other positions; or

(b) any partnership between Guyanese nationals and a company constituted under subclause (a) in accordance with the Partnership Act.

“Guyanese national” means a citizen of Guyana;

“Director” means the Director of the Local Content Secretariat;

“Employment Forecast” refers to Annex 2 of the Annual Plan that contains the details outlined in section 3.2.4 of this guideline;

“Employment Strategy” refers to Annex 1 of the Annual Plan that contains the details outlined in section 3.2.3 of this guideline;

“Employment Sub-Plan” refers to the Annexes 1 and 2 of the Annual Plan submitted pursuant to section 10(3) and the Second Schedule of the Act;

“Estimated Expenditure” refers to the projected amount of money to be spent for the related item during the reporting year.

“Licensee” means the holder of a licence granted under the Petroleum (Exploration and Production) Act;

“Local Capacity Development Forecast” refers to Annex 8 of the Annual Plan that contains the details outlined in section 3.2.10 of this guideline;

“Local Capacity Development Strategy” refers to Annex 6 of the Annual Plan that contains the details outline in section 3.2.8 of this guideline;

“Local Capacity Development Sub-Plan” refers to the Annexes 6, 7 and 8 of the Annual Plan submitted pursuant to section 10(3) and the Second Schedule of the Act;

“Local content” means the monetary value of inputs from the supply of goods, or the provision of services, by Guyanese nationals or Guyanese companies and includes local capacity development;



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“Local Content Master Plan” refers to the plan approved by the Minister, submitted pursuant to section 8(1) and the Second Schedule of the Act;

“Local Market Condition Analysis” refers to Annex 7 of the Annual Plan that contains the details outlined in section 3.2.9 of this guideline;

“Minister” means the Minister with responsibility for petroleum;

“Narrative” refers to the written component of the Annual Plan that contains the details outlined in section 3.1 of this guideline;

“Petroleum operations” include operations carried out for, or in connection with, the prospecting for, or production of, petroleum;

“Procurement Forecast” refers to Annex 5 of the Annual Plan that contains the details outlined in section 3.2.7 of this guideline;

“Procurement Strategy” refers to Annex 3 of the Annual Plan that contains the details outlined in section 3.2.5 of this guideline;

“Procurement Sub-Plan” refers to the Annexes 3, 4 and 5 of the Annual Plan submitted pursuant to sections 9(1)(d); 10(3); and the Second Schedule of the Act;

“Projected Value of Local Content” refers to the aggregate of the monetary expenditure forecasted to be expended with regards to the employment of Guyanese nationals, procurement of goods and services from Guyanese nationals and Guyanese companies, and the training or development of Guyanese nationals and Guyanese companies;

“Secretariat” means the Local Content Secretariat established pursuant to section 6 of the Local Content Act;

“Sub-Contractor” includes any person with whom a Contractor or Licensee has entered into an agreement for the provision of goods and services within the Contractor’s or Licensee’s supply chain management, and -

(a) operates in Guyana either:

- (i) registered as an external company; or
- (ii) as a company incorporated,

under the Companies Act Cap 89:01;



- (b) has a physical presence in Guyana;
- (c) procures goods and services for petroleum operations; and
- (d) provides the following services:
 - (i) marine vessel support;
 - (ii) FPSO vessel;
 - (iii) Shore Base;
 - (iv) Drilling Support;
 - (v) Drilling;
 - (vi) SURF;
 - (vii) Manpower and Crewing Services; or
 - (viii) any other service(s) identified by the Minister by Notice.

“Supply Chain Management” includes all stages involved in the procurement of goods and services for use in petroleum operations;

“Supply Chain Management Strategy” refers to Annex 4 of the Annual Plan that contains the details outlined in section 3.2.6 of this guideline.

All capitalized terms not otherwise defined in this guideline shall have the meanings ascribed to them in the Laws of Guyana.

In this guideline, unless the context otherwise requires, words in the singular shall include the plural and, words in the plural shall include the singular.

3. Structure of the Local Content Annual Plan

This section of the guideline provides an annotated version of the Annual Plan detailing the content and format requested by the Secretariat in the submission of the Annual Plan pursuant to Section 10(1) and the Second Schedule of the Act. Contractors, Sub-Contractors, and Licensees are hereby required to adopt the structure outlined herein to ensure consistency of reporting.

In accordance with section 10(3) and the Second Schedule of the Act, the Annual Plan submitted for approval by the Minister shall include an annual programme with respect to matters of employment. These matters shall be covered within the Employment Sub-Plan that is a component of the Annual Plan. The Employment Sub-Plan is constituted of:

- a) Annex 1 - Employment Strategy and



b) Annex 2– Employment Forecast.

In accordance with sections 9(1)(d); 10(3); and the Second Schedule of the Act, the Annual Plan submitted for approval by the Minister shall include an annual programme with respect to matters of procurement. The Procurement Sub-Plan is constituted of:

- a) The Criteria for the Supply of Goods and the Provision of Services;
- b) Annex 3 – Procurement Strategy;
- c) Annex 4 – Supply Chain Management Strategy; and
- d) Annex 5 – Procurement Forecast.

In accordance with section 10(3) and the Second Schedule of the Act, the Annual Plan submitted for approval by the Minister shall include an annual programme with respect to matters of local capacity development. The Local Capacity Development Sub-Plan is constituted of:

- a) Supplier Measurement Standards;
- b) Annex 6 – Local Capacity Development Strategy;
- c) Annex 7 – Local Market Condition Analysis; and
- d) Annex 8 – Local Capacity Development Forecast.

These sub-plans are spilt across different sections in the overall Annual Plan submission which is constituted of two (2) parts, that is, i) the Narrative and ii) the Annexes. The format with respect of each of these parts and how they merge to create the Annual Plan are outlined below:

3.1. Local Content Annual Plan – Narrative

The Narrative of the Annual Plan shall contain information that is primarily descriptive in nature and is aimed at providing the Minister and the Secretariat with context to how the Contractor, Sub-Contractor, or Licensee intends to include local content in all phases of their operations during the respective Calendar Year. The Narrative is required to contain, but is not limited, to the following sections:

3.1.1. Executive Summary

The Executive Summary shall provide a general overview of the Annual Plan being submitted by the Contractor, Sub-Contractor, or Licensee.

3.1.2. Clarifications and Notes



This section of the Narrative shall provide justifications, explanations, context, clarifications, supporting notes, and any other supplemental information in support of the plan being submitted. Considerations to be taken into account in the review of the Annual Plan should be stated. Contractors, Sub-Contractors, or Licensees are asked to refrain from making comments, opinion statements, or views regarding the lawfulness of the Local Content Act or any guideline or document published by the Secretariat.

3.1.3. Operational Overview

This section of the Narrative shall provide the Secretariat with an overview of the Contractor's, Sub-Contractor's, or Licensees' petroleum operations. For Contractors or Licensees, the following information is required to form part of the overview:

- General Company information (name, local address, etc.);
- Brief history of the company's operations in Guyana, highlighting key milestones;
- Relevant Petroleum Agreement & Amendments entered into with the Government of Guyana;
- Map of Block/s;
- Current Phase of Operations;
- Current Work Obligations;
- Brief on ALL Exploration, Appraisal, Development, and/or Production activities planned for the calendar year;
- Relinquishment(s) within the Calendar Year (if applicable);
- Primary Sub-Contractors;
- Summary of Estimated Local Content Impact for the Calendar Year; and
- Any local content highlights/milestones from the previous year.

For Sub-Contractors, the following information is required to form part of the overview:

- General Company information (name, local address, etc.);
- Brief history of the company's operations in Guyana highlighting key milestones;
- Description of type of good/service provided to Contractors;
- Brief on all Contractors/Licensees with whom an active Master Service Agreement exists;
- Summary of Estimated Local Content Impact for the upcoming calendar year; and
- Summary of Estimated Local Content Impact for the upcoming calendar year.

3.1.4. Local Content Strategy



This sub-heading shall provide a description of the management philosophy or principles that guide the Contractor's, Sub-Contractor's, or Licensees' local content strategy.

3.1.5. [Year] Local Content Activities

This sub-heading shall provide details of the key local content activities planned by the Contractor, Sub-Contractor, or Licensee for the Calendar year.

3.1.6. Value of Local Content for Guyana

In accordance with section 9(1)(e) of the Act, this sub-heading shall provide a statement on and an estimate of the disaggregated value of local content to reflect, but not be limited to employment, procurement, and local capacity development to be acquired, delivered, and rendered for Guyana. The following table shall be completed to support this sub-heading.

Table 1: Format of the table to be used to state the Projected Value for Local Content for the respective Calendar Year

	Employment	Procurement	Local Capacity Development	Total Projected Value for Local Content
Projected Value for Local Content (USD) ¹				

3.1.7. Criteria for the Supply of Goods and the Provision of Services

In accordance with section 9(1)(d) of the Act, this sub-heading shall provide a description of the quality criteria and quantity criteria being required by the Contractor, Sub-Contractor, or Licensee for the supply of goods and the provision of services for petroleum operations.

Further, Contractors, Sub-Contractors, and Licensees are required under this section to stipulate the current term for the payment of suppliers after the receipt of a correct invoice. Additionally, Contractors, Sub-Contractors, and Licensees are required to indicate the status of the strategy proposed in the Master Plan approved by the Minister, to incorporate an appropriate payment

¹ "Projected Value of Local Content" refers to the aggregate of the monetary expenditure forecasted to be expended with regards to the employment of Guyanese nationals, procurement of goods and services from Guyanese nationals and Guyanese companies, and the training or development of Guyanese nationals and Guyanese companies.



period/term, to facilitate competitive financing and growth pursuant to the Second Schedule of the Local Content Act No. 18 of 2021.

3.1.8. Supplier Measurement Standards

In accordance with section 1(a) under 'Local Capacity Development Sub-Plan' in the Second Schedule of the Act, this sub-heading shall provide a description of the parameters and criteria to be utilized by the Contractor, Sub-Contractor, and Licensees to measure and compare the capabilities, qualification, and certification of the skills, goods, and services of a national or company (Guyanese or otherwise). These parameters and criteria shall include information on whether there is distinction of measurements by nationality, scope/type of the good or service provided, sector, size, etc. In this section, Contractors, Sub-Contractors, or Licensees are required to outline how suppliers are ranked in the bidding process, giving an explanation of the bidding process and the desired outcome. Further, a description of the steps that will be taken to assist suppliers that were not successful in bidding for contacts, in correcting their shortfalls.

3.2. Local Content Annual Plan – Annexes

This part of the Local Content Annual Plan shall provide information on the procurement, employment, and capacity development activities forecasted for the Calendar Year. Published in conjunction with this guideline, is the template for the Local Content Annual Plan - Annexes, provided in Microsoft Excel format which is required to be utilized in the submission of the Annual Plan.

The template is made up of ten (10) tabs (worksheets), as follows:

- Background
- General Information
- Annex 1: Employment Strategy;
- Annex 2: Employment Forecast;
- Annex 3: Procurement Strategy;
- Annex 4: Supply Chain Management Strategy;
- Annex 5: Procurement Forecast;
- Annex 6: Local Capacity Development Strategy;
- Annex 7: Local Market Analysis; and
- Annex 8: Local Capacity Development Forecast.



The following is a description of each Annex along with the Background and General Information tabs that form part of the template.

3.2.1. Background

This tab (worksheet) provides context and explanatory information about the Excel template and its applicability.

3.2.2. General Information

This tab (worksheet) captures information regarding the Contractor, Sub-Contractor, or Licensee submitting the Annual Plan to the Minister for Approval, such as the:

- Name of Company Submitting Report;
- Company Type (that is Contractor, Sub-Contractor, or Licensee);
- Calendar Year;
- Date;
- Co-Venturers (applicable only to Contractors);
- Name of Company Head or Duly Authorized Representative; and
- Designation of Company Head of Duly Authorized Representative

3.2.3. Annex 1: Employment Strategy

This Annex forms part of the Employment Sub-Plan of the Local Content Annual Plan. Subject to section (1)(b) under 'Employment Sub-Plan' in the Second Schedule of the Act, the Employment Strategy shall provide an outline of short-term deliverables and targets set out to be completed in the calendar year in fulfilment of the employment goals outlined in the Act and for the given year in the Master Plan approved by the Minister. The Employment Strategy is required to take the format of a table and shall stipulate for each goal, the related activities, key performance indicators (KPIs), and deliverables. The following information relating to the employment of persons to support petroleum operations in Guyana:

Goal	Provide an overall context of what is to be accomplished regarding the implementation of local content measures with respect to the employment of personnel to support petroleum operations for Guyana. Pre-entered are the local content employment goals stipulated in the Act. While the pre-entered goals reflect the requirement of the Act, Contractors, Sub-Contractors or Licensees may add additional employment goals for local content in Guyana's petroleum sector.
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At a minimum, Contractors, Sub-Contractors, or Licensees are required to input activities, KPIs, and outputs related to the following employment goals:

1. To support the accelerated industrial and technical education and training for Guyanese nationals and Guyanese companies. [Second Schedule, Employment Sub-Plan (1)(b)(i)];
2. To ensure that first consideration is accorded to Guyanese nationals having the relevant qualification and experience for employment. [Second Schedule, Employment Sub-Plan (1)(b)(ii)];
3. To mentor, coach, and/or train Guyanese nationals that possess the relevant qualifications for employment but lack the requisite experience. [Second Schedule, Employment Sub-Plan (1)(b)(ii)];
4. To ensure equal treatment and opportunity is afforded to all Guyanese nationals, including equal remuneration, irrespective of race, political opinions, colour, creed, age, disability, marital status, sex, gender, language, birth, social class, pregnancy, religion, conscience, belief or culture, or geographical location in Guyana. [Second Schedule, Employment Sub-Plan (1)(b)(iii)]; and
5. To enhance the skills of Guyanese nationals. [Second Schedule, Employment Sub-Plan (1)(b)(iv)].

Activities	Identify the action tasks that must be executed to achieve the output.
Key Performance Indicators	Identify the quantifiable measure of performance over time for the overall goal.
Output	State the tangible and/or intangible product that will be achieved as a result of the completed activities.



3.2.4. Annex 2: Employment Forecast

This Annex forms part of the Employment Sub-Plan of the Local Content Annual Plan. Subject to section (1)(a) under 'Employment Sub-Plan' in the Second Schedule of the Act, the Employment forecast shall provide a forecast of the hiring needs and training needs of a Contractor, Sub-Contractor, or Licensee, required to support their petroleum operations in the respective Calendar Year. This Annex is required to contain information on all current employment, forecasted employment, and the associated expenditure anticipated by the Contractor, Sub-Contractor, or Licensee, identified per job position for the Calendar year. Therefore, Contractors, Sub-Contractors, or Licensees are required to list ALL job positions within their organization and the associated information being requested in the forecast.

This Annex is comprised of a table that requires Contractors, Sub-Contractors, or Licensees to input the following information relating to the employment of persons to support petroleum operations in Guyana:

Job Position	Input each job title or designation within the organization.
Employment Category	From the drop-down menu, select whether the job title inputted is considered a Management position, Technical position, or Non-Technical Position.
Employment Classification	From the drop-down menu, select the employment classification related to each job title listed. The Employment Classification follows the International Standard Classification of Occupations, 2008 (ISCO-08) published by the International Labour Organization (ILO). A detailed breakdown of this classification can be retrieved from: <u>Microsoft Word - Resolution Concerning Updating ISCO.doc (ilo.org)</u>



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Required Qualifications and Experience	For the job position/title stated, list the minimum qualifications and experience required for employment.
Main Functions of Position	Provide a summary of the role of the job title/position listed within the Contractor's, Sub-Contractor's, or Licensees' operation.
Total Number of Persons Currently Employed	State the total number of persons employed under the stated job title.
Total Number of Guyanese Nationals Currently Employed	State the number of Guyanese nationals employed under the stated job title at the time of drafting the plan.
Number of Forecasted Hires for Calendar Year	The number of personnel forecasted for hiring in the Calendar Year for the position listed.
Anticipated Expenditure on Employment (USD)	Provide the total expenditure (in USD) anticipated to be incurred with respect to the employment of personnel to support petroleum operations for Guyana.

3.2.5. Annex 3: Annual Procurement Strategy

This Annex forms part of the Procurement Sub-Plan of the Local Content Annual Plan. Subject to section (1)(b) under 'Procurement Sub-Plan' in the Second Schedule of the Act, the Procurement Strategy shall provide an outline of short-term deliverables and targets set out to be completed in the Calendar Year in fulfilment of the procurement goals outlined in the Act and for the given year in the Master Plan approved by the Minister. The Procurement Strategy is required to take the format of a table and shall stipulate for each goal, the related activities, key performance indicators (KPIs), and deliverables. The following information relating to the procurement of goods and the provision of services for petroleum operations in Guyana is required:



Goal Provide an overall context of what is to be accomplished regarding the implementation of local content measures with respect to the procurement of goods and the provision of services to support petroleum operations for Guyana. Pre-entered are the local content procurement goals stipulated in the Act. While the pre-entered goals reflect the requirement of the Act, Contractors, Sub-Contractors or Licensees may add additional procurement goals for local content in Guyana's petroleum sector.

At a minimum, Contractors, Sub-Contractors, or Licensees are required to input activities, KPIs, and outputs related to the following procurement goals:

1. To include local content in each phase of petroleum operations. [Second Schedule, Procurement Sub-Plan (1)(b)(i)]. [Second Schedule, Employment Sub-Plan (1)(b)(i)];
2. To ensure maximum participation of Guyanese nationals and Guyanese companies supplying goods or providing services in the Guyanese petroleum sector. [First Schedule a.];
3. To ensure fair opportunity for Guyanese nationals and Guyanese companies to actively participate and gain experience so as to attain requisite standards. [Second Schedule, Procurement Sub-Plan (1)(b)(ii)]; and
4. To give first consideration to goods and services supplied or provided by Guyanese nationals and Guyanese companies. [Second Schedule, Procurement Sub-Plan (1)(b)(iii)]

Activities Identify the individual action tasks that must be executed to achieve the output.

Key Performance Indicators Identify the quantifiable measures of performance over time for the overall goal.



Output State the tangible and/or intangible products that will be achieved as a result of the completed activities.

3.2.6. Annex 4: Supply Chain Management Strategy

This Annex forms part of the Procurement Sub-Plan of the Local Content Annual Plan. Subject to section (1)(a)(iii) under 'Procurement Sub-Plan' in the Second Schedule of the Act, the Supply Chain Management Strategy shall provide an outline of short-term deliverables and targets set out to be completed in the Calendar Year in fulfilment of the supply chain goals outlined in the Act and for the given year in the Master Plan approved by the Minister. The Supply Chain Management Strategy is required to take the format of a table and shall stipulate for each goal, the related activities, key performance indicators (KPIs), and deliverables. The following information relating to the supply chain that supports petroleum operations for Guyana is required:

Goal Provide an overall context of what is to be accomplished regarding the implementation of local content measures with respect to the supply chain that supports petroleum operations for Guyana. Pre-entered are the local content Supply Chain Management goals stipulated in the Act. While the pre-entered goals reflect the requirement of the Act, Contractors, Sub-Contractors or Licensees may add additional Supply Chain Management goals for local content in Guyana's petroleum sector.

At a minimum, Contractors, Sub-Contractors or Licensees are required to input activities, KPIs and outputs related to the following supply chain management goals:

1. To provide Guyanese nationals with timely and appropriate access to information. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(aa)];
2. To provide Guyanese nationals with timely and appropriate access to business opportunities. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(bb)];



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3. To provide Guyanese nationals with timely and appropriate access to joint venture and partnership opportunities. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(cc)];
4. To provide Guyanese nationals with timely and appropriate access to technology and know-how. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(dd)];
5. To provide Guyanese nationals with timely and appropriate access to procurement systems and procedures suited to the scale and capacity of the local market. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(ee)];
6. To provide Guyanese nationals with timely and appropriate access to contract and payment terms that facilitate competitive financing and growth. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(ff)]; and
7. To provide Guyanese nationals with timely and appropriate access to performance management systems and procedures, with feedback and support for improvement. [Second Schedule, Procurement Sub-Plan (1)(a)(iii)(aa)].

Activities	Identify the individual action tasks that must be executed to achieve the output.
Key Performance Indicators	Identify the quantifiable measures of performance over time for the overall goal.
Output	State the tangible and/or intangible products that will be achieved as a result of the completed activities.

3.2.7. Annex 5: Procurement Forecast

This Annex forms part of the Procurement Sub-Plan of the Local Content Annual Plan. Subject to section (1)(a)(i) and (ii) under 'Procurement Sub-Plan' in the Second Schedule of the Act, the Procurement forecast shall provide a forecast of the goods and services required by a Contractor, Sub-Contractor, or Licensee, in support of their petroleum operations during the respective Calendar Year. Further, the Procurement Forecast shall identify the goods and services to be



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procured from qualified Guyanese nationals and Guyanese companies. This Annex is required to contain information on ALL procurement activities for Guyana operations and includes a projection of goods and services required during the Calendar Year related to:

- Ongoing Contracts for which expenditure may occur during the year;
- New Contracts that are proposed to be awarded during the Calendar Year; and on,
- Contracts that are on hold and whose status is anticipated to change during the Calendar Year.

This Annex is comprised of a table that requires Contractors, Sub-Contractors, or Licensees to input the following information relating to the procurement of goods and the provision of services to support petroleum operations for Guyana:

Good/Service	From the drop-down menu, select whether the item being procured is a good or service.
Related Sector	From the drop-down menu, select the sector (based on the First Schedule of the Act) related to the good supplied or service rendered. Select 'other' if the good supplied or service rendered is NOT related to any of the sectors listed in the drop-down menu.
Description of Good/Service	State the expected services or work as agreed to in the contract entered into with the supplier.
Procurement Status	From the drop-down menu, select the applicable status of the related good/service being procured as described below: 'New' – Select this option if a contract for the procurement of the good or service is anticipated to be awarded to a qualified vendor during the Calendar Year.



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‘Ongoing’ – Select this option if the good or service relates to a contract awarded prior to the Calendar Year, for which expenditure is anticipated during the Calendar Year.

‘On-Hold’ – Select this option if the good/service relates to a contract awarded prior to the Calendar Year but was halted but may be activated during the Calendar Year.

Procurement Type

From the drop-down menu, select whether the contract was (for Ongoing contracts/contracts on Hold), or is planned (for New Contracts) to be awarded based on a competitive bidding process (Competitive) or through sole sourcing (Sole Sourced).

Supplier Name

For goods/services related to existing contracts (Ongoing or On-Hold), state the name of the supplier supplying the good or providing the related service.

For ‘New’ contracts, a supplier name is NOT required unless the ‘Procurement Type’ was stated as ‘Sole Sourced’.

Supplier Type

From the drop-down menu, for existing contracts (Ongoing or On-Hold), select whether the supplier is Guyanese or Non-Guyanese.

Note that only companies that have been issued with a Local Content Certificate of Registration should be flagged as ‘Guyanese’.



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A supplier name is NOT required for 'New' contracts unless the Procurement Type was given as 'Sole Sourced'.

Date

For goods/services related to existing contracts (Ongoing or On-Hold), state the date the contract was awarded to the supplier.

For goods/services related to 'New' contracts, state the proposed start date of the contract.

Contract Duration (months)

For goods/services related to existing contracts (Ongoing or On-Hold) state the duration of the contract in number of months.

For goods/services related to 'New' contracts, state the projected duration of the contract in number of months.

Total Contract Value (USD)

For goods/services related to existing contracts (Ongoing or On-Hold), state the contract's total value.

For goods/services related to 'New' contracts, state the projected total value of the contract to be awarded.

Estimated Expenditure for the Reporting Year (USD)

State the projected amount of money to be spent on the related item during the reporting year.

3.2.8. Annex 6: Local Capacity Development Strategy

This Annex forms part of the Local Capacity Development Sub-Plan of the Local Content Annual Plan. Subject to section (1)(b) under 'Local Capacity Development Sub-Plan' in the Second Schedule of the Act, the Local Capacity Development Strategy shall provide an outline of short-term



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deliverables and targets set out to be completed in the Calendar Year in fulfilment of the capacity development goals outlined in the Act and for the given year in the Master Plan approved by the Minister. The Local Capacity Development Strategy is required to take the format of a table and shall stipulate for each goal, the related activities, key performance indicators (KPIs), and deliverables. The following information relating to capacity development to support petroleum operations in Guyana are required:

Goal	Provide an overall context of what is to be accomplished regarding the implementation of local content measures with respect to capacity development to support petroleum operations for Guyana. Pre-entered are the local capacity development goals stipulated in the Act. While the pre-entered goals reflect the requirement of the Act, Contractors, Sub-Contractors or Licensees may add additional capacity development goals for local content in Guyana's petroleum sector.
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At a minimum, Contractors, Sub-Contractors or Licensees are required to input activities, KPIs and outputs related to the following local capacity development goals:

1. To facilitate the formation of partnerships, joint ventures, or other alliances between qualified Guyanese nationals or Guyanese companies, and non-Guyanese nationals or non-Guyanese companies in the petroleum sector. [Second Schedule, Local Capacity Development Sub-Plan (1)(b)]; and
2. To enhance the skills of Guyanese nationals that will allow Contractors, Sub-Contractors, or Licensees to meet the minimum local content levels set out in the First Schedule. [Second Schedule, Procurement Sub-Plan (1)(b)(iv)].

Activities	Identify the individual action tasks that must be executed to achieve the output.
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Key Performance Indicators	Identify the quantifiable measures of performance over time for the overall goal.
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Output	State the tangible and/or intangible product that will be achieved as a result of the completed activities.
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3.2.9. Annex 7: Local Market Analysis

This Annex forms part of the Local Capacity Development Sub-Plan of the Local Content Annual Plan. Subject to section (1)(c) under 'Local Capacity Development Sub-Plan' in the Second Schedule of the Act, the Local Market Condition Analysis shall provide an overview of the perceived status of the market in relation to goods/services procured to support petroleum operations for Guyana. The analysis is required to include a profile of the current and potential supply capacity of Guyanese nationals and Guyanese companies.

This Annex is comprised of a table that requires Contractors, Sub-Contractors, or Licensees to input the following information relating to the condition of the local market in relation to the ability to supply goods and services required to support petroleum operations for Guyana in the Calendar Year.

Description of Good/Service	Describe the good/service being procured.
Method of Analysis	State the method that was used to conduct an analysis of the market with respect to the good/service identified.
Findings	List the critical points resulting from the market analysis.
Local Market Deficiencies	List the deficiencies that are perceived to be existing with regard to the ability of Guyanese nationals and Guyanese companies to supply the related good/service.

3.2.10. Annex 8: Local Capacity Development Forecast

This Annex forms part of the Local Capacity Development Sub-Plan and the Employment Sub-Plan of the Local Content Annual Plan. All information pertaining to developing the capacity of Guyanese nationals and Guyanese companies to better supply goods and services at the standard required for petroleum operations is related to the Local Capacity Development Sub-Plan. In this regard, subject to section 13(6) of the Act, Contractors, Sub-Contractors, or Licensees are required



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to conduct half-yearly workshops to educate Guyanese nationals and Guyanese companies about the procurement process, qualification criteria, bid evaluation criteria, performance standards, and lessons learned from previous bidding processes. Further, section 15(3) of the Act stipulates that Contractors, Sub-Contractors, or Licensees shall support and facilitate local capacity development. Additionally, the First Schedule of the Act states that Contractors, Sub-Contractors, or Licensees must comply with the target outlined for the respective sectors to ensure local capacity development.

All information pertaining to the training of Guyanese nationals employed by the Contractor, Sub-Contractor, or Licensee will be attributed to the Employment Sub-Plan. Subject to section (1)(a) under 'Employment Sub-Plan' in the Second Schedule of the Act, Contractors, Sub-Contractors, or licensees are required to provide a forecast of their training needs and the associated expenditure that will be incurred.

Considering the foregoing, this Annex is required to contain information on ALL capacity development activities related to petroleum operations for Guyana that are projected for the Calendar Year. This Annex is comprised of a table that requires Contractors, Sub-Contractors, or Licensees to input the following information relating to local capacity development to support petroleum operations for Guyana:

Name of Capacity Development Activity	State the name of the capacity development activity proposed.
Objectives of Capacity Development Activity	Indicate the objectives of the capacity development activity proposed.
Target Participant	From the dropdown menu, select the Participant Type for each capacity development activity proposed during the Calendar Year, that is whether Guyanese only (internal or external), non-Guyanese only (internal or external), Mixed (internal or external), and Guyanese, non-Guyanese or mixed supplier.



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A description of each Participant Type is given in the template.

Targeted Job Positions

If applicable, indicate the job positions targeted for the capacity development activity proposed.

Training Type

From the drop-down menu, select the category applicable to the capacity development activity stated, that is, whether Administrative, Basic and Induction, Leadership/ Management, HSSE, Technical/Professional, Scholarship, Technical or Financial Support, Trade and Craft, Feedback session, or Other.

Duration (Days)

State the duration of the capacity development activity in days.

Estimated Number of Participants

Indicate the number of persons estimated to participate in the capacity development activity.

Estimated Cost to Participants

Indicate the cost that will be incurred by the persons participating in the capacity development activity.

Estimated Expenditure (USD)

State the sum total of expenditure forecasted to be incurred during the Calendar Year by the Contractor, Sub-Contractor, or Licensee in facilitating the activity.



4. Submission of the Annual Plan

4.1. Timeframe for Submission

- (a) Section 10(1) of the Act obligates Contractors, Sub-Contractors, or Licensees existing immediately before the coming into operation of the Act to submit a Local Content Annual Plan to the Minister for approval **within sixty days** after the coming into operation of the Act, that is to say, **on or before the 1st day March 2022**.
- (b) Section 10(5) of the Act obligates Contractors, Sub-Contractors or Licensees to submit a Local Content Annual Plan to the Minister for approval within **sixty days prior to**, but no later than thirty days after, the beginning of each calendar year, that is to say, **on or before the 30th day of January annually**.
- (c) Where a postmark/submission date falls on a weekend or bank holiday, the submission deadline will be automatically extended to the next Business Day.

4.2. Submission Method

- (a) Contractors, Sub-Contractors, or Licensees are required to submit an Annual Plan containing the information outlined in sub-section 3 of this guideline and in the format stipulated, to the Local Content Secretariat.
- (b) Contractors, Sub-Contractors, or Licensees are required to submit a **“Notice of Submission of Local Content Annual Plan”** (‘the Notice of Submission’) along with the Annual Plan. The format for this notice is provided in [Appendix 1](#) of this Guideline.
- (c) The Notice of Submission must be signed, scanned, and submitted along with the Annual Plan, electronically (softcopy) to the Local Content Secretariat via the email address: localcontent@nre.gov.gy with the following title (subject) format:
Local Content Annual Plan – [Year] – [Name of Contractor, Sub-Contractor or Licensee]
- (d) The Local Content Annual Plan – Narrative shall be submitted in searchable Portable Document Format (PDF) with the notice being the first page of the PDF document.
- (e) The Local Content Annual Plan Annexes shall be submitted in Microsoft Excel (.xlsx) format and may be password protected at the discretion of the Contractor, Sub-Contractor, or Licensee. If the Contractor, Sub-Contractor, or Licensee chooses to password protect the Annexes, the password shall be included in the email at the time of submission of the Annual Plan.
- (f) The cover page of the Local Content Annual Plan – Narrative, submitted in PDF, shall be dated and shall specify the Calendar Year.
- (g) The Annual Plan is required to be titled as follows:



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Annual Plan Narrative: Local Content Annual Plan Narrative [Year] [Name of Contractor/Sub-Contractor/Licensee]

Annexes: Local Content Annual Plan Annexes [Year] [Name of Contractor/Sub-Contractor/Licensee]

4.3. Steps After Submission of the Annual Plan

- (a) Upon receipt of the Annual Plan with the Notice of Submission, the Secretariat will review the documents submitted to ensure that the submission made is consistent with the structure provided in subsection 3 of the guideline. Once satisfied, a **“Notice of Receipt of Submission of Local Content Annual Plan”** will be sent to the Contractor, Sub-Contractor, or Licensee indicating the time and date the submission was received.
- (b) If the Secretariat, after reviewing the content of the documents submitted, finds that necessary information is missing from the submission, the Contractor, Sub-Contractor of Licensee will be informed and the outstanding information will be requested.
- (c) The Secretariat reserves the right to request a Contractor, Sub-Contractor of Licensee to make a presentation regarding the information submitted in the Annual Plan, as is deemed necessary.
- (d) Upon reviewing and assessing the Annual Plan, if the Minister intends to accept the submitted Annual Plan, the Secretariat shall, within forty-five (45) days from the date of receipt of the Annual Plan, inform the Contractor, Sub-Contractor, or Licensee of the Minister’s decision. In this regard, the Secretariat shall issue a **“Notice of Approval of Local Content Annual Plan”** to the Contractor, Sub-Contractor, or Licensee.
- (e) Upon reviewing and assessing the Annual Plan, if the Minister intends to refuse the submitted Annual Plan, the Secretariat shall, within forty-five days from the date of receipt of the Annual Plan, inform the Contractor, Sub-Contractor or Licensee of the Minister’s decision. In this regard, the Secretariat shall issue a **“Notice of Intention to Refuse the Local Content Annual Plan”** to the Contractor, Sub-Contractor, or Licensee.
- (f) The notice issued in accordance with 4.3(e) above shall include the grounds for the intended refusal of the Annual Plan.
- (g) The Contractor, Sub-Contractors or Licensee will be afforded a period of **fourteen days from the receipt of the Notice of Intention to Refuse the Local Content Annual Plan**, during which, representation can be made in respect of the grounds stated in the notice or to propose modifications to the Annual Plan.
- (h) Upon receipt of the representation or proposed modifications to the Annual Plan made pursuant to 5.3(g) above, the Secretariat shall review and assess the merits of the representation made or the modifications proposed and advise the Minister on the acceptance or refusal of the representation made or the modification(s) proposed.



- (i) Upon the advice of the Minister, the Secretariat shall EITHER,
 - (i) Issue the Contractor, Sub-Contractor, or Licensee with a **“Notice of Acceptance of the Modifications to the Local Content Annual Plan”** (“Notice of Acceptance”);
OR
 - (ii) Issue the Contractor, Sub-Contractor, or Licensee with a **“Notice of Refusal of the modifications to the Local Content Annual Plan”** (Notice of Refusal).
- (j) Upon receipt of a Notice of Acceptance, the Contractor, Sub-Contractor or Licensee shall amend the Annual Plan to include the modifications and resubmit the Annual Plan to the Minister.
- (k) Upon receiving the modified version of the Annual Plan, after ensuring the modifications are done in accordance with the direction given in the Notice of Acceptance, the Secretariat shall issue the Contractor, Sub-Contractor, or Licensee with a Notice of Approval of the Local Content Annual Plan.
- (l) Alternatively, a Contractor, Sub-Contractor, or Licensee, upon receipt of the Notice of Refusal of the modification to the Local Content Annual Plan, shall, within a timeline stipulated by the Secretariat, revise the modifications to the Annual Plan based on reasons outlined within the Notice of Refusal; or if stipulated by the Secretariat, shall abide by the latest approved revision of the Local Content Annual Plan.

5. Publication of Information and Confidential Information

- (a) Pursuant to section 11(5) of the Act, the Secretariat shall cause to be published an approved extract of the approved Annual Plan submitted by a Contractor, Sub-Contractor, or Licensee after consultations with the Contractor, Sub-Contractor or Licensee. The approved extract shall be published on the ministry’s websites: www.nre.gov.gy and www.petroleum.gov.gy, and on any other media of wide circulation.
- (b) The approved extract published in accordance with section 11(5) of the Act shall not include any confidential or proprietary information.
- (c) Further, subject to section 22(1) of the Act, any information submitted to the Minister or the Secretariat which is not required to be published in accordance with the Act, shall be regarded and dealt with as secret and confidential.



6. Offences and Penalties

- (a) A Contractor, Sub-Contractor, or Licensee who - pursuant to section 23(1) of the Local Content Act - submits, or causes to be submitted, a Local Content Plan knowing or ought reasonably to have known, that the submission is false or misleading, commits an offence and is liable on summary conviction to a fine of ten million dollars.
- (b) A Guyanese national or Guyanese company who aids or abets anyone to contravene any provision of the Act in order to defeat the local content obligations under the Act commits an offence and is liable on summary conviction –
 - (i) in the case of an individual, to a fine of five million dollars;
 - (ii) in the case of a body corporate, to a fine of ten million dollars.
- (c) A Contractor, Sub-Contractor, or Licensee who – pursuant to section 23(3)(b) of the Act – carries out petroleum operations without the minimum local content requirements commits an offence and is liable on summary conviction to a fine of fifty million dollars.
- (d) A Contractor, Sub-Contractor, or Licensee who fails to submit a Local Content Annual Plan as required by the law - pursuant to section 23(3)(c) of the Act - commits an offence and is liable on summary conviction to a fine of five million dollars.
- (e) A Contractor, Sub-Contractor, or Licensee who - pursuant to section 23(3)(d) of the Act - submits beyond the prescribed time as stated in the Act and referenced in these Guidelines, a Local Content Annual Plan, commits an offense and is liable on summary conviction to a fine of one million dollars.
- (f) A Contractor, Sub-Contractor, or Licensee who fails to satisfy the prescribed content requirement of an approved Local Content Annual Plan - pursuant to section 23(3)(e) of the Act - commits an offence and is liable on summary conviction to a fine of ten million dollars.
- (g) A Contractor, Sub-Contractor, or Licensee who - pursuant to section 23 (3)(g) - fails to comply with a request by the Minister or Secretariat to review or provide information on, any return, report, record, or any other document pursuant to the provisions of the Act commits an offence and is liable to a fine of one million dollars.
- (h) Pursuant to section 22(3), a person who causes information to be published which is not required to be published in accordance with the Act commits an offence and is liable on summary conviction to a fine of one million dollars.



Appendix 1: Format for Notice of Submission of Local Content Annual Plan

<p>[Date]</p> <p>The Minister Responsible for Petroleum, Ministry of Natural Resources 96 Duke Street, Kingston, Georgetown, Guyana Attn: Honourable Vickram Bharrat Minister of Natural Resources Minister Responsible for Petroleum Ministry of Natural Resources 96 Duke Street, Kingston, Georgetown, Guyana E-mail: minister@nre.gov.gy</p> <p>Dear Honourable Minister,</p> <p><u>Subject/Re: Notice of Submission of Local Content Annual Plan for the year</u> <u>– [insert year here]</u></p> <p>Pursuant to Section 10 of the Local Content Act No. 18 of 2021 ('the Act'), and in keeping with the Guidelines issued by the Local Content Secretariat for this purpose, <i>[Insert Name of Contractor, Sub-Contractor, or Licensee]</i> hereby submits a Local Content Annual Plan for the year <i>[insert year here]</i> attached to this Notice, for approval.</p> <p>Kindly acknowledge receipt of this Notice in good order.</p> <p>Sincerely,</p> <p>.....</p> <p>[Name of Signatory] [Designation of Signatory]</p>	<p>Printed on the company's official letterhead</p> <p>Format: January 30, 2023</p> <p>Kindly remove the parentheses and insert the name of the Contractor, Sub-Contractor, or Licensee seeking approval.</p> <p>Kindly remove the parentheses and insert the year.</p> <p>The Notice must be completed and signed by a duly authorized representative of the company.</p> <p>The company stamp or seal must be affixed.</p>
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