

How can companies make the most of local content ?

By CLC Solution

A local content advisory company, supporting companies through all steps of the design and implementation of their in-country value strategy, in accordance with local regulations and stakeholder expectations.



About us

We are professionals with proven experience in local content development within mega-projects context.

We noticed from local stakeholders:

- Are good willing
- Are experts in their field

However... they also

- Have limited budget
- Misunderstand what is local content
- Lack of preparation and plan of development
- Duplicate initiatives
- Are individualist
- Are not convinced on how to monetize LC investments
- Don't know where to start

We believe we can help

Advisory

- Turnkey services
- Specific services on demand

Technical Assistance

- Placement of local content professionals (TAS)
- Frame-Agreements

Research & Development

Research & Development

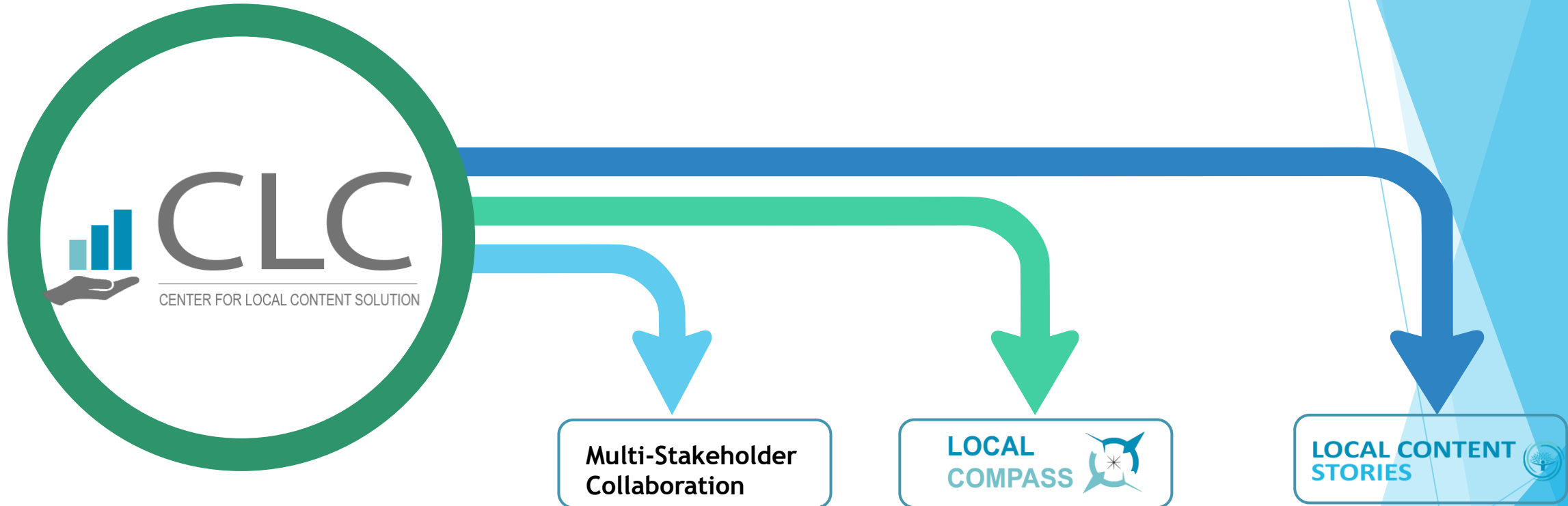
- ✓ Stakeholders' engagements
- ✓ Case studies

LOCAL CONTENT STORIES 

LOCAL COMPASS 

Multi-Stakeholder Collaboration

R&D Activities - 2022



We support an inclusive market place for local content development:

Multi-Stakeholder Collaboration

Stakeholder engagement

Our Multi-Stakeholder Collaboration approach does not only support alignments between actors but support collaborative projects.

LOCAL COMPASS

Capacity building

LocalCompass, a platform for SMEs and capacity building providers in developing countries.

LOCAL CONTENT STORIES

Communication

LocalContentStories, a platform to support awareness of stakeholders, recognition to implementing actors, sourcing & production of stories, sharing of good practices.

What is local content ?

Local Content, National Content or In-Country Value are all terms to define the sum of local added value produced as part of one activity. Although definitions may vary from a country to another, the goal is the same: Use activities to support the use and the competitiveness of a local business ecosystem.

How does it translate ?

1. Vision
2. Principle
3. Target
4. Commitment
5. Requirement

Requirements ?

Regulatory framework:

- Quotas (local manpower, local procurement)
- Procurement practices
- Definition of “local companies”
(often involving national equity)
- Planning

Client:

- Competitive local content proposal

Main KPIs ?

- Local manpower: % local vs foreign, manhours, #job creation.
- Local procurement: % local vs foreign, volume of local spend.
- Capacity building: # of trainee, # training hours.

Facts and outcomes for the private sector

More and more companies are using local content to improve and differentiate their services although they are not always required to do so by regulatory or client requirement. In the coming years, we forecast it will be closely monitored, much like ESG / CSR and spread to more industries.

Local content Facts

- Regulatory requirements
- High expectations from local stakeholders
- Contractual requirements by concessionaires and contractors
- Evaluation of local content proposals as part of tenders (e.g. weight up to 50%)
- Using local supply chain (vs foreign) promotes your green footprint

Outcomes for

the private sector

- ✓ Improved relation with stakeholders
- ✓ Competitive local content proposals
- ✓ Cost savings
- ✓ Lower technical risks
- ✓ Operational efficiencies
- ✓ Transparency & anti-corruption
- ✓ Recognition
- ✓ Reactiveness

the market

- ✓ Support economic growth
- ✓ Better-informed policy & corporate strategy
- ✓ Geo-political stability
- ✓ Socio-economic community benefits

There are no perfect solutions when it comes to local content, it is but a benchmark for constant improvement. There is an opportunity for positioning your activity amongst the lead squad.

Challenges ?

Competitiveness regarding local content is not granted, there are several challenges toward local content performance.

Visibility on local market capacity

Resource consuming

Visibility on local business opportunities
Regulatory interpretation

Lobbyism

Planning

More sanction than incentives

QHSE

Political pressure

Cost

Management of expectations

& +

Be mindful you are not the only one encountering these challenges, collaboration is key toward mitigation initiatives.

Add a footer

7

The opportunities ?

Demonstrate & value your ability to generate sustainable local content performance. Project have by definition a start date and an end date; it is critical to be reactive. Preparation is a field differentiator. Find here some recommendation:

Market entry

- ✓ Set your requirements
 - For a local partner / shareholder
 - Local asset investment
- ✓ Have a local content strategy which outline how your expertise / core business supports local stakeholders.

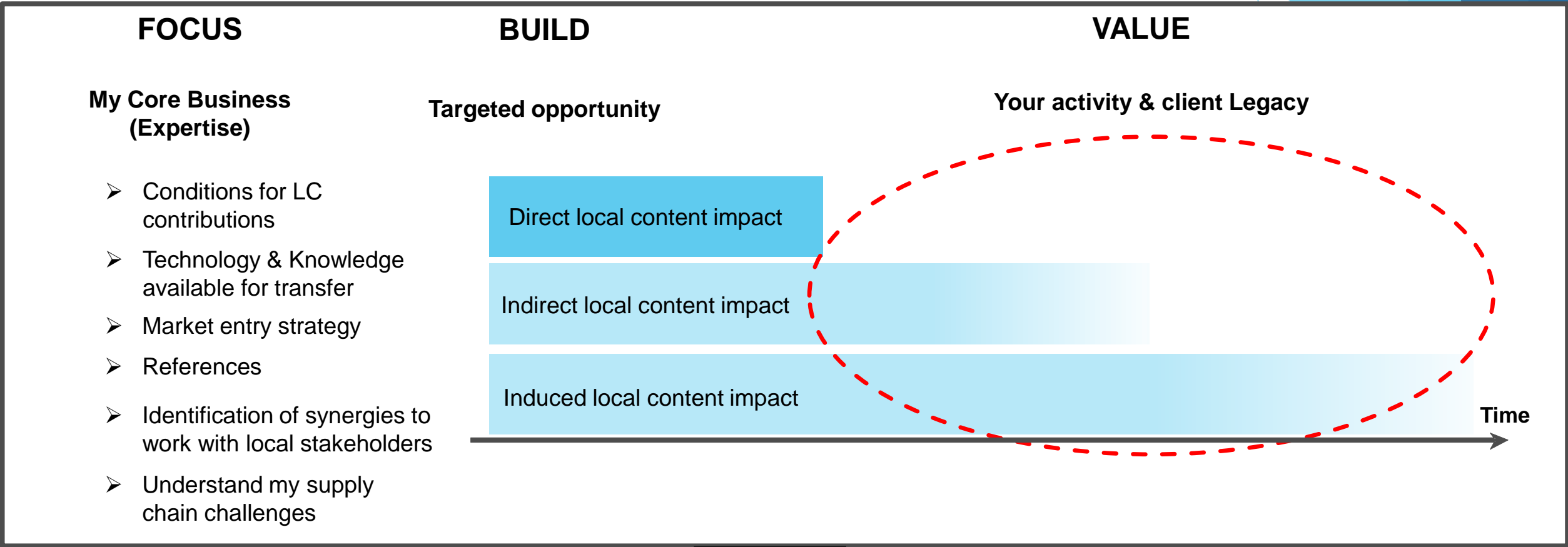
Business opportunity

- ✓ Anticipate & prepare your company to compete on local content
 - ✓ Have a strategy
 - ✓ A local content plan baseline
 - ✓ References of past projects & performance
 - ✓ Set your conditions to ramp up the performance

Use local content to differentiate from your competitors, make it a competitive advantage

Where to start ?

No need to re-invent the wheel, you are already experts, start by valuing your past local content performance / initiative, and build a benchmark for your teams, partners to challenge.



Your local content expertise and proposal to client

Develop your local content competitiveness:

Key steps to impact your activities:



Best fit for:

Majors **SMEs** **Institutions**

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Our solutions are customized to fit our client activities and resources

e.g. Local content diagnostic

5% Discount to Africa House members.

Includes

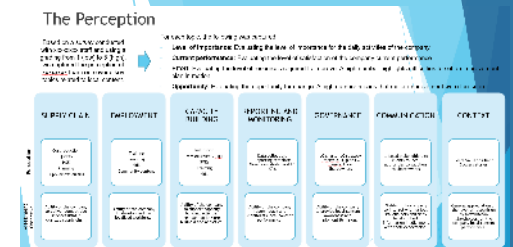
- ▶ Key findings on company core business
- ▶ Perception of company's key personnel's
- ▶ Benchmark of company practices against practices expected to be implemented on SoW of 5MUSD + and 50 MUSD +
- ▶ Potential of improvement through quick-wins implementation
- ▶ Recommendation of actions for improvement accounting for the level of effort, opportunity and pertinence to the company activities and vision.
- ▶ Recommendation to consider as part of a LC strategy

User case

- ▶ First steps to build LC value to clients and its daily operation.
- ▶ Supports the design of the company LC strategy
- ▶ Monitor company progress
- ▶ Targeted challenges for collaboration

Key findings
from the company staff

Area	Key findings
1. Leadership	1. The company's leadership is not clearly defined. The CEO is the main decision maker, and the board of directors is not fully engaged in the company's strategic direction.
2. HR	2. The company's HR practices are not aligned with its business strategy. The recruitment process is slow and inefficient, and the compensation structure is not competitive.
3. Finance	3. The company's financial performance is not optimal. The operating margin is low, and the working capital is high.
4. Marketing	4. The company's marketing strategy is not clear. The brand is not well-known, and the sales volume is low.
5. Operations	5. The company's operations are not efficient. The production process is slow, and the quality control is not strict.



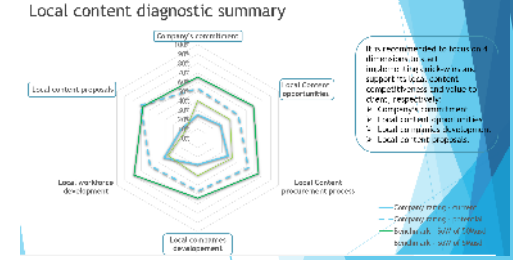
The Perception

Area	Score	Color
Leadership	4.5	Green
HR	3.5	Yellow
Finance	2.5	Red
Marketing	3.0	Yellow
Operations	2.0	Red

Assessment highlights:

- High priority for improvement: Leadership, HR, Finance, Marketing, Operations.
- Low priority for improvement: None.

Note: The assessment is only a guide to the company's key personnel's perception. It is not a formal assessment and should be used as a recommendation.



Opportunities for improvement - Quick-Wins

Quick-Wins	Short-term impact/benefit
1. Leadership	1. Clear definition of the company's leadership structure and roles.
2. HR	2. Streamline the recruitment process and improve the compensation structure.
3. Finance	3. Improve the operating margin and reduce the working capital.
4. Marketing	4. Develop a clear marketing strategy and increase the brand awareness.
5. Operations	5. Optimize the production process and improve the quality control.

Opportunities for improvement - Instruments

Instruments to drive future activities	Local content proposal
1. Leadership	1. Develop a clear leadership structure and roles.
2. HR	2. Streamline the recruitment process and improve the compensation structure.
3. Finance	3. Improve the operating margin and reduce the working capital.
4. Marketing	4. Develop a clear marketing strategy and increase the brand awareness.
5. Operations	5. Optimize the production process and improve the quality control.

Recommendation to support xxxxxxxx local content strategy

Based on the assessment and interviews performed, we recommend the company to consider the following as local content strategy:

Recommendation to account for in xxxxxxxx local content strategy	Local content proposal
1. Leadership	1. Develop a clear leadership structure and roles.
2. HR	2. Streamline the recruitment process and improve the compensation structure.
3. Finance	3. Improve the operating margin and reduce the working capital.
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5. Operations	5. Optimize the production process and improve the quality control.



Where to start

Do feel free to investigate a collaboration with us



Your choice !

- ❖ We **quote to your need**
- ❖ We share **market intelligence** to support multi-stakeholder engagement (open communication channel)
- ❖ We support you at your request and as you require through a **frame agreement**
- ❖ Request a **presentation of one or ALL of our R&D projects** and support the initiative
 - ❖ Give another life to your past success stories and source new ones
 - ❖ Support local entrepreneurs simplified business plan
 - ❖ Sponsor local SMEs self assessment

In partnership with Africa House, we will be proposing local content induction and training:

General:

- ▶ Local Content Induction (2h)

Support market entry:

- ▶ Tanzania local content ecosystem
- ▶ Uganda local content ecosystem
- ▶ Mozambique local content ecosystem

Support local content performance:

- ▶ Build a competitive local content proposal
- ▶ Build a local content performance report





Thank you



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