

ACTIVE PARTICIPATION OF WOMEN IN THE OIL AND GAS ECONOMIES OF AFRICA: Lessons from Catherine Uju Ifejika, the continent's most successful female oil tycoon

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SYNOPSIS

A lawyer by profession, Catherine Uju Ifejika previously worked in the oil and gas industry for 20 years with Texaco, which later merged with Chevron, rising from junior counsel to regional company secretary before retiring early to focus on building her company. She became the chairman and chief executive of her company, Britannia-U Limited in Nigeria, an indigenous integrated company that delivers energy services through exploration & production, subsurface engineering & consultancies. Having no prior formal training and educational background in petroleum engineering, Catherine Uju Ifejika was able to pull off this company and keeping it afloat. Despite the inevitable setbacks she faced, she has a hands-on approach towards running her company which makes Britannia-U Limited successfully achieve a number of awards and ranks first in petroleum production, while breaking old industry records. Her story led to some important lessons that also imply policy recommendations.

Key Conclusion and Lesson: By promoting gender sensitive public policies and trusting more women, African countries can fully unleash the untapped potential of women and let them actively participate in the oil and gas economies of Africa. Moreover, this case study brought out good leadership behaviors that Catherine Uju Ifejika applied to become the continent's most successful female oil tycoon.

The case study is worth sharing, first to inspire other women in engaging into this sector, and second, to incite African leaders in adopting relevant public policies that enhance women participation in the oil and gas economies of Africa.

Recommendation: The expertise of capacity building institutions, like the African Capacity Building Foundation (ACBF), is required to assist African countries in setting up policies that empower women to actively participate in the achievement of development results on the continent.

Introduction

Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in ways which recognize the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of

the benefits of growth (Eyben et al., 2008). Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information (OECD, 2012a). But the latter is not a reality in Africa economies, though women efforts

are catalysts for multiplying development efforts. According to OECD (2012a), women often face discrimination and persistent gender inequalities, with some women experiencing exclusion because of factors such as ethnicity or caste. However increasing the participation of women in all sectors of development of the economy is part of the solution to the financial and economic crises and critical for economic resilience and growth. According to the International Finance Corporation (2011), strengthening women's participation in the private sector both empowers women and harnesses an untapped potential for advancing development and it entails business opportunities for the private sector itself, in the form of higher productivity, stronger flexibility, and development of new market segments. This is also confirmed by the Organization for Economic Cooperation and Development (OECD, 2012b) which stated that if countries saw full convergence of men and women in the labor force, these countries would benefit from an overall increase of 12% in GDP over the next 15 years. Some emerging countries could see increases of 20% in GDP or more in the same time period.

One of the current emerging sectors in African Economies is the oil, gas and mining sector. According to Christine Musisi, Regional Director of UN Women Eastern and Southern Africa, Africa has witnessed impressive and sustained growth rates, largely driven by the extractive (mining, oil and gas), infrastructure, energy, transport and agricultural sectors (Musisi, 2015). According to UN Women progress report (2015), Africa holds 30% of the world's mineral wealth and also holds 30% of the world's poor, the majority of whom are women. The same report revealed that 89% of women in sub-Saharan Africa are in the informal sector. Therefore, in order to bring women to the heart of Africa's development and transformation, women (especially businesswomen) need to become central actors and beneficiaries of the sectors that drive Africa's economies. According to the Mining for Talent 2013 Report, company profit margins are higher for mining companies when women are on their board of directors. It goes to show that

investing in gender equality in this sector, makes business and economic sense for the sector (Delano, 2007). Unfortunately, women only hold 11 % of professional and 1 % of leadership positions in the mining sector globally (KPMG, 2013).

To conduct petroleum operations in Nigeria, participants must first obtain from the Minister an Oil Exploration License (OEL), Oil Prospecting License (OPL) or Oil Mining License (OML) to explore, exploit and produce petroleum (including natural gas) within the concession area (Egbogah, 2004). According to Iledare (2007), it was noted that the sector was dominated by international companies to the detriment of local entrepreneurs. Thus, the government opted for the domestication (Indigenization) of the oil and gas industry in Nigeria. This policy consisted to promote active local participation in the petroleum business, not only in terms of human resources at the upper management and technical staff level, but material resources in terms of internalizing a significant portion of inputs in upstream operations (Iledare, 2007; Nicholas, 1980). Known as "Indigenization, this policy made the Nigeria as the continent's primary oil producer (IBP, 2015), which has taken on steps to open its oil industry to the local investors.

In Nigeria, a handful of women, which was staggering ahead to make a change in gender equality, took the advantage of this policy to increase women participation in the sector (Iledare, 2003). Thus, the power of women in Nigeria has grown very successively, with two top cabinet positions being held by women. Currently, in terms of female representation in the upper echelons of oil and gas, Nigeria may be an outlier because it is seeing a growing number of female oil industry bosses.

The success of these businesswomen demonstrated to what extent women could actively contribute to the oil and gas economies of Africa.

This case study aims first to publish an interesting story on Catherine Uju Ifejika, Chairperson and Chief Executive Officer of Britannia-U Limited, who became arguably one of the richest women in Africa and the

continent's most successful female oil tycoon. Second, it also aims to inspire and illuminate others on how by doing certain things, taking certain actions, one can succeed. Moreover, it should entice, in one hand, African leaders in setting up similar public policies that enhance women participation in the oil and gas economies of Africa and, on the other hand, African capacity building institutions in the strengthening of African countries capacities.

Presentation of the case study

- **Who is Catherine Uju Ifejika?**

Catherine Uju Ifejika was born on October 28th 1959 to the family of Chief & Mrs. Clifford Ikpeze. Her father was a Chartered Accountant. She is the sixth child in a family of ten children. Ifejika began her academic career at the University Primary School, Nsukka, and Eastern Nigeria. Her post-primary education was at Queens School, Enugu, after which she gained admission into the Ahmadu Bello University, Zaria, in 1980 where she obtained a Diploma in Law degree in 1985. She was called to the Nigerian Bar in 1986 (Women for Africa, 2014).

Catherine Uju Ifejika served her one year National Youth Service at the Marketing Department of Texaco Nigeria Plc (later Chevron Oil Nigeria Plc), in 1986/87 and she was retained there as a staff of the company. Thus, she started her working career in the Legal Department of Texaco as a Junior Counsel in 1987. From 1988 to 1989, she was seconded to Texaco Overseas Petroleum Unlimited, the upstream arm of the Texaco Group on an experience broadening assignment and later returned to the downstream company where she became the Acting Chief Counsel by 1991 (Women for Africa, 2014).

In July, 1997, Catherine Uju Ifejika was appointed Company Secretary and Manager, Public and Government Affairs. In 2003, her Government and Public Affairs portfolio was expanded to cover Texaco's business in Cameroon, Togo, Benin Republic, Cote d'Ivoire and the Democratic Republic of Congo. She held both positions until September 1st, 2007, when she elected to take an early

retirement, having served the company dutifully for twenty years (Women for Africa, 2014).

- **From lawyer to woman entrepreneur: Thinking big**

After having founded Britannia-U Limited in December, 1995, Catherine Uju Ifejika joined it in late September of 2007 and assumed the position of Chairman/Chief Executive Officer of the company. She was personally instrumental to Britannia-U's successful procurement of its initial loan of 23 million Naira from a Nigerian bank and the company's first drilling phase in Ajapa field in OML 90, which saw the company drilling two side tracks, one of which was successful. She combined the loan with her severance pay of 10 million Naira from her former workplace in order to well set up the company.

She steered Britannia-U to designing and the construction of the company-owned 80,000 bbls Floating Production Storage and Offloading (FPSO) Unit christened "BU 1", as well as its purchase of a 75,000bbls Shuttle tanker and a 400HP AHT Boat. These were all achieved in a record time of 17 months during which the company also produced its first OIL; a record yet to be equaled by any other company in Nigeria. She has further grown and developed her business interests by establishing a number of companies.

- **What is company Britannia-U about?**

Britannia-U is an indigenous integrated company that delivers energy services through exploration & production, subsurface engineering & consultancies. A leader in Nigeria's petroleum industry, Britannia-U is a major player in the upstream and downstream segments of the petroleum sector. With a quality portfolio of oil and gas assets in Nigeria, its capabilities extend through upstream (exploration & production and drilling), downstream, trading of oil product, sub-surface engineering and data appraisal for geophysics and petroleum projects. Its portfolio of solutions is well aligned with the country's infrastructure needs and is contributing to economic development and improved quality of life in Nigeria.

Through its extensive local operating capabilities, the company has partnerships with both indigenous and international oil companies, and it holds interests in licenses for the exploration, development, and production of oil and gas assets located onshore, swamp, and offshore. The company has established affiliate entities that belong to either the hydrocarbon exploitation chain or provide services to the businesses in the hydrocarbon chain. This has made Britannia-U become more integrated and versatile in the oil gas industry and allied services, in that it has presence in the oil and gas chain; from sub-surface engineering to drilling services, and Shipping and downstream trading. Throughout, the company has retained its spirit, grit, innovation, perseverance, and most of all, its fundamental purpose to be a profitable and fully integrated Nigerian Oil and Gas Company of first choice, in all aspects.

- **Encountered challenges**

In developing her business, Catherine Uju Ifejika faced five big challenges that she had never faced before becoming a successful businesswoman. Firstly, she started her first job in the oil sector as one of the junior counsels at Texaco Petroleum, and within a few years the young woman was occupying the coveted position of company secretary which was a challenging position where you work under pressure. Speaking about that challenge, she said during a past interview with “The Doing Business Magazine” that: “I remember when I took up the job, some people said I wouldn’t last long in that position. You see, one thing about me is that I like challenges and I perform better under pressure. Other people wobble under pressure, but if you want to see the best of me, it is when I am under pressure.”

Secondly, she walked on a tightrope, setting up the company with her severance pay of 10 million Naira from her former workplace and a 23 million Naira loan. But, showing great determination, she moved on to boost her own company.

Thirdly, having no prior formal training and educational background in petroleum engineering, people often wondered how she pulls off running an

oil and gas production and servicing company and keeping it afloat. During the same interview, she said that the only thing she knows is how to take something that is nothing and create something out of it that you can see and appreciate. She explained the latter by saying that inner intuition and the vision of what you want to do are the main drivers that led to acquiring new skills and competencies. And she ended the explanation by affirming that this is the reason why today she speaks the language of the geologist, can interpret the maps, etc. because she was able to rise above her fear level.

Fourthly, she faced gender imbalances especially on this field still primarily dominated by men. However, she has a hands-on approach towards running her company.

Fifthly, she had to face two different responsibilities of entrepreneur & CEO and wife & mother. But, she said that she never let one interfere with the other or take precedence. She added that: “The hard-working mother nurtures not just her three biological children but also three adopted kids”.

Outcomes and overall assessment

The business venture into which Catherine Uju Ifejika entered led her to the following outcomes:

During its years of operation, Britannia-U has continued to achieve a number of firsts in petroleum production, while breaking old industry records: Based on its performance in the oil and gas sector, Britannia-U attained some achievements to date. Among them, Britannia-U is the first and only indigenous Exploration and Production Company to be headed by a Nigerian woman, as its Executive Chairman/Chief Executive Officer. It is the first indigenous Exploration & Production Company to be funded 100% by a local Bank and First Bank of Nigeria plc, to the tune of about Fifty Million US Dollars for its offshore operation. More, Britannia-U became the first indigenous Oil & Gas Company to buy out its foreign partners within two years of operation.

Britannia-U also won two awards based on their performance on oil and gas sector: Indeed, these

achievements already resulted in two important awards that enhance internationally the company's credibility. First, the United States Consulate in Nigeria awarded in 2010 the company a prestigious award by the United States Commercial Service "International Partner" for improving trade relationship between Nigerian and United States due to purchases of equipment and material from the United States within one year which for an indigenous company is unprecedented. The company was also honored in 2012 with "International Trophy for Quality Award" by Global Grade Leaders Club, Paris.

Catherine succeeded in developing her oil and gas company named Britannia-U: Britannia-U started from a humble beginning in Nigeria in 1995, but ever since the arrival of Catherine Ifejika, it has made giant strides in the energy industry in Africa. Its growth has been meteoric and today those humble beginnings have led to various offshoots in the energy industry. She did all this by taking risks such as lending money from Banks and exploring new sites. She also had to convince the bank to provide her with a lot of money because the business climate did not trust women in running big business. Moreover, she partnered with international companies to expand her clientele and boost her company's turnover. All these initiatives increased the company's activities and its credibility in the sector.

Having no prior formal training and educational background in petroleum engineering, Catherine Uju Ifejika was able to pull off an oil and gas production and servicing company and keeping it afloat: This was a direct outcome of the leadership she developed in her business. Indeed, as a leader, she learnt the necessary skills that can help her to understand technical details and lead the group. During an interview, she said that the only thing she knows is how to take something that is nothing and create something out of it that you can see and appreciate. She added that not being an engineer or a geologist was immaterial because today she speaks the language of the geologist, can interpret the maps, and look at technical things

together with engineers. She also added that this was possible because she was able to rise above her fear level.

Catherine Uju Ifejika succeeded in separating her business responsibilities from family responsibilities: Indeed, she said that she never let one interfere with the other or take precedence; adding that she nurtures not just her three biological children but also three adopted kids.

Conclusions, lessons learned and policy implications

Catherine Uju Ifejika is a Nigerian woman whose wealth is traceable to earnings from oil-related businesses. She is the chairman and chief executive of Britannia-U which is an indigenous and integrated oil and gas company which has upstream, downstream, shipping and sub-surface engineering affiliate companies. Despite inevitable setbacks Catherine Uju Ifejika encountered, she was able to get the full support and cooperation of players in the sector and since then it has been full steam ahead. Her story led to some lessons that also imply policy recommendations.

By promoting gender sensitive public policies, African countries can increase the number of women who participate in the oil and gas economies of Africa, hence a good way to reduce gender inequality: By opening its oil industry to the locals, a handful of women in Nigeria used this policy to increase women's stake in the industry. This experience enabled number of Nigerian women to enter this sector and develop successful businesses that are flourishing. It is worth replicating in other African countries that produces oil and gas for increasing the economic growth on the continent. As such, the experience of Nigeria should be scaling up to other important oil producer countries like South Africa, Angola, Gabon, Equatorial Guinea by promoting more gender sensitive policies to facilitate women integration into oil and gas industries and related decision making processes.

Women could perform as better than men in oil industry: Evidence (WM and PWC, 2013) show that

the companies in which women were in the board of directors make higher profit margins than men. Also, the experience of Catherine Uju Ifejika is very conclusive about the potential of women in succeeding in business. Thus, it should lead African women in making steps in this important and emerging sector in Africa.

Having an educational background in oil and gas fields is not a requirement to evolve, however there is a need for women at early age to enroll in science and oil engineering:

Although Catherine Uju Ifejika did not have an educational background in oil engineering she performed well in her company. However, this is not a lesson to further expand. Rather, it is important for African countries to build women capacities in this sector by encouraging women at early age to enroll in science and oil engineering through various instruments such as scholarships, etc.

Good leadership behaviors do lead to success:

Although, she took the risk to walk on a tightrope, setting up the company with her severance pay and a loan, her ability to multi-task and think on her feet gave her an edge over her peers. Also, as a novice woman in a field still primarily dominated by men, she has a hands-on approach towards running successfully her company. Indeed, 70% of her staff are male and are not used to having a woman especially from a minority being at the top table. As such, she involves herself in all technical things that need good directives to succeed. Also, she is used to promoting qualified staff, which created incentives for always ensuring quality work. Finally, as affirmed by Catherine Uju Ifejika during an interview, performing better under pressure and thinking out the box are two keys points that always led you to success.

The support of capacity building institutions is necessary to accompany African countries in setting up and measuring public policies' impacts towards women participation in such sector as oil and gas: There are some African capacity building institutions that committed themselves to supporting African countries in their development process. Among them, there is the

African Capacity Building Foundation (ACBF) whose expertise will be needed in supporting countries set up policies that empower women to actively participate in the achievement of development results on the continent.

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