S.H. SALIH CSR Advisor MINISTRY OF NATURAL RESOURCES

CURRICULUM VITAE

CAREER

June 2012-present: CSR Advisor, Ministry of Natural Resources, KRG 2007-2011: Governance Advisor, Provincial Reconstruction Team, US Department of State

Offering courses in petroleum engineering, English and computers has helped facilitate operations.

IN FIGURES

Number of local staff working for international oil companies in the Kurdistan Region as of 2012

2,118

Number of local staff working for oil service companies in the Kurdistan Region as of 2012



Complementary development

As the pace of development across the Kurdistan Region of Iraq's exploration and production sector picks up, the Kurdistan Regional Government is fostering a strong corporate social responsibility policy to ensure that local communities have limited disruptions and see tangible benefits from the region's oil boom.

What challenges do international oil companies face as they begin operations in rural areas?

The differences in culture between the management of the oil companies and the communities have to be taken in consideration. Corporate social responsibility (CSR) programmes must be founded on an acute cultural sensitivity, which will facilitate the positive community relations needed for firms to operate successfully. Many operators will be an active part of these communities for decades of exploration and development. It is important that there is mutual trust and understanding between firms and communities.

Will capacity-building and educational initiatives build sustainable local employment?

Capacity building is important because it addresses the people's basic needs and builds a foundation for development. Providing training in seismic acquisition and geology, as well as offering courses in petroleum engineering, English and computers has helped facilitate operations and built local content. Certain companies go beyond capacity building and invest in improving educational opportunities for the youth.

For example, US-based General Exploration Partners invested \$1.3 million in building a secondary school in the Atrush area. Some companies bring students from the local oil engineering college to the work sites to gain practical experience in their field, or sponsor their study at international universities. In tandem with investment in youth education, energy companies are now holding literacy courses for adults to help them enter the evolving workforce.

Will oil companies take more active roles in community support relations as they begin to transition from explorers to producers?

Most companies we work with now are in the exploration stage. We hope that when they become successful producers, they will support the community even more. Companies could sponsor the building and renovation of clinics and hospitals or support regional agriculture by providing resources for drip irrigation systems.

Recently, the Ministry of Education requested that the Ministry of Natural Resources provide 2,500 schools with water purification systems, and now we are co-ordinating the implementation of this plan. Programmes such as these will be priorities as the region develops further.

How is the Kurdistan Regional Government working on the issue of land compensation? The Council of Ministers has begun to address the issue of land compensation by delivering a new set of rules that will allow large oil companies to compensate landowners in a timely manner. This is a complicated matter that will require a comprehensive policy. Some families have been stewards of these lands for generations. However, they may not have official documentation, which then complicates the process.

Ever since the KRG's oil policies came into force, both the government and the people of the region have been working through the Ministry of Natural Resources to address these difficulties by enacting policies that will best serve the interests of farmers and landowners. When a company starts a new project, it informs the Ministry of Natural Resources, which then issues a letter to the concerned ministries requesting the formation of a committee. This committee is responsible for surveying the land before the start of the operation and inspecting the site after its completion to assess the damages and calculate compensation for the constituents accordingly.

ZLABOUR

Number of locals to total staff in the oil and gas industry in the Kurdistan Region

