

# Oil and Gas Development: A Conundrum Prosperity or the Resource Curse?

## Way Forward: The Turtle Theory of Development

Bank of Namibia

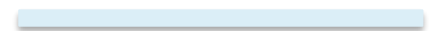
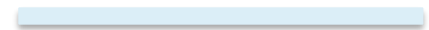
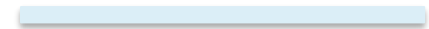
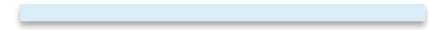
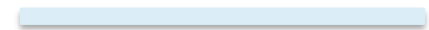
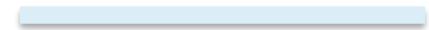
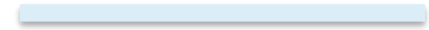
2026 Annual Symposium  
Windhoek, Namibia  
September 24 2026

Jenik Radon, Adjunct Professor  
Columbia University  
School of International and Public Affairs (SIPA)



# Overview

- 01 **Context & Opportunity**
- 02 **Choice: Prosperity or Resource Curse?**
- 03 **What Can Go Wrong**
- 04 **Governance, Issues and the Answer**
- 05 **Challenge of Management**
- 06 **What successful countries have in common?**
- 07 **Way Forward: the Turtle Theory of Development**



The background image is a landscape photograph. It features a winding, reddish-brown dirt road that curves through a dry, hilly area. The hills are covered with sparse, low-lying vegetation and some small trees. In the distance, a blue truck is visible on the road. The overall scene is bright and clear, suggesting a sunny day.

**Real Estate Principle**

**Location,  
Location,  
Location.**

**If you have it, you are in the driver's seat.  
You are a Partner, you are the equal of  
the Company. The Company needs you!**

Image courtesy: Jim Wilson, The New York Times

# Natural resources are an opportunity.

## ✓ **Human development**

- Schools and education
- Universities and research
- Hospitals

## ✓ **Industrial and Technological development**

Oil wealth can help create sophisticated engineering, technology, maritime, and supply industries, some of which develop international markets.

## ✓ **Economic Diversification**

- Transport - UAE turned into a global trade bridge by building international airports using its oil wealth.
- Tourism and Real Estate

## ✓ **Wealth for Future Generations**

Norway channels petroleum revenues into the Government Pension Fund Global, rather than simply spending the oil income as it arrives. The fund was worth about NOK 22.7 trillion (~2.39 trillion USD) at the end of June 2026.

**Oil Development is the Opportunity that can now bring to life  
my dream for Namibia from over 2010 years ago**

# **Namibia as the Singapore of Southern Africa-**

**Report by Jenik Radon**

If Namibia sticks with this measured approach to development, its people are likely to see a gradual increase in their quality of life over the next 15 years. However, this plan only scratches the surface of Namibia's true potential.

A more rapid and revolutionary approach to development that emphasises Namibia's capacity to become a world class logistics and transport hub for all of southern Africa, supported by a carefully designed natural resource fund, would allow Namibia to leap frog from its place in the middle of the pack into a new league among the most dynamic and prosperous economies of Africa and the world.

With its prime geographic location, socio-political stability, human capital and sound bureaucratic infrastructure, Namibia has the potential to become the Singapore of southern Africa. This means aiming high. Singapore is a country that rapidly transformed its economy in just 50 years by positioning itself as a vital hub in a competitive region. Namibia should follow its example by: 1) rallying the country around a shared vision, 2) establishing a natural resource fund, 3) investing in health and human capital development, and 4) curbing corruption at all levels.

When I first visited Singapore in 1971, mosquito-laden swamps had not yet been drained in sections of the city and its socio-economic indicators were similar to those of Namibia now. Less than 45 years later, Singapore has become one of the world's most advanced economies with a highly educated population, one of the world's leading universities and impeccable infrastructure, serving as a logistics and transport hub for all of Southeast Asia. This transition happened so swiftly and directly because prime minister Lee Kuan Yew recognised the true potential of Singapore's prime location in Southeast Asia. He laid out a clear vision for Singapore's future as a regional hub, giving the population something to work toward collectively.

Vision 2030 already lays a foundation for Namibia's transformation into a regional hub. However, the image of Namibia as a centre for the region needs to be communicated more effectively and frequently to the population. Emphasis should be put on Namibia's unique potential. Upgrading the deep water port of Walvis Bay would cut out hundreds of miles that people and shipments need to travel to reach strategic locations in southern Africa. With upgrades to the rail system and port infrastructure, Walvis Bay can become a port for minerals from Angola, Zambia, Zimbabwe and Botswana. This vision of Namibia at the centre of the region needs to not only inform all policy planning, but also to be constantly communicated to domestic and international audiences until it becomes a reality.

Source: [www.namibian.com](http://www.namibian.com)

# **What Does it Take?**

**Making Namibia a Land of Opportunity, a New  
Singapore**

**for Future Generations, Namibia's Youth**

Bring back the diaspora of the youth:

follow Estonia and Singapore, which have become go-to spots, drawing talent from around the world

# Investment in a Productive Future: The Norway Way

A massive expansion of both education and research

In technical disciplines in Norway.<sup>1</sup>

Investment in technical universities, research laboratories, and workforce development, building the human capital for long-term economic diversification.<sup>2</sup>

Cover broad non-oil deficit for public needs

Long-term economic diversification

Including public healthcare and education.<sup>3</sup>

See notes for references.

**Yes: Natural resources are an  
opportunity for prosperity, a beautiful  
tomorrow**

**BUT it is not guaranteed**

**There are risks to be met.**

# Oil & Gas Discovery

Can create prosperity but the  
outcome is

**Open, Not Assured.**

There are risks – and lawyers see them!

# Oil & Gas

UNDERGROUND • FINITE • PERMANENT

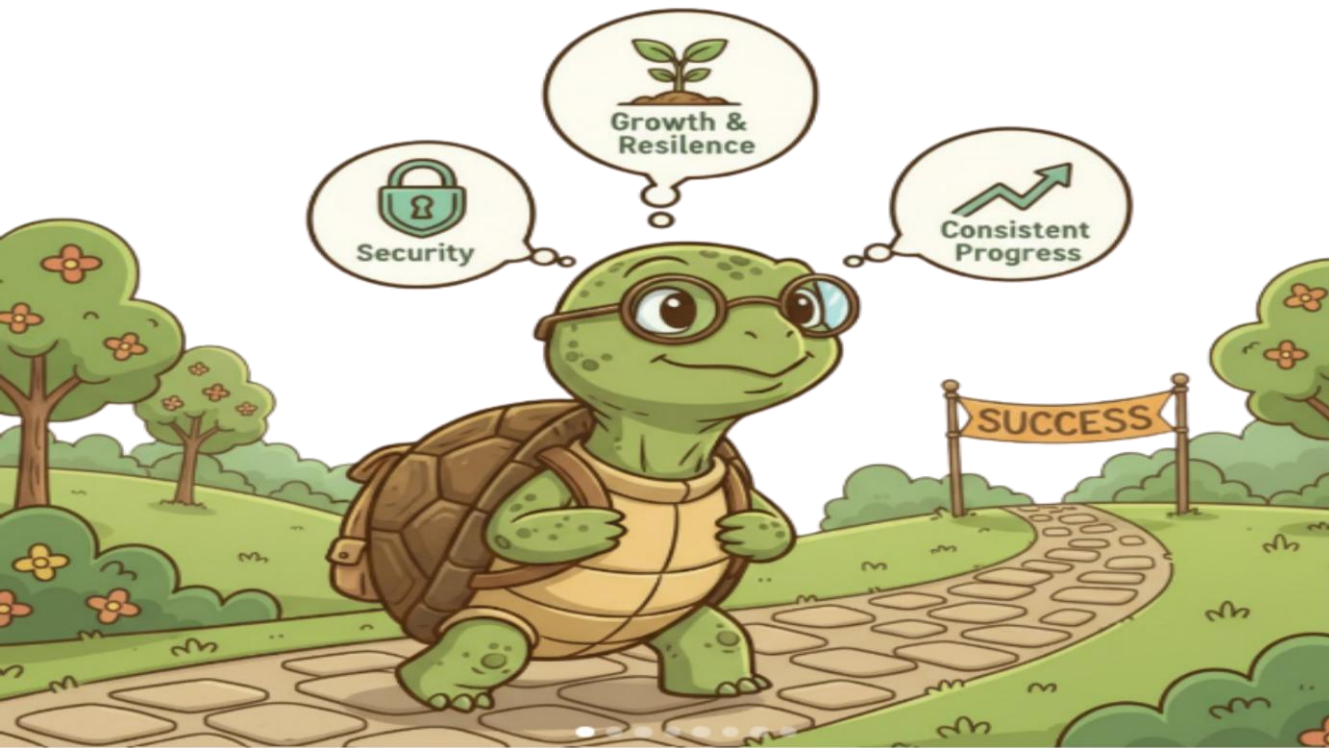
**Challenge: Change finite  
permanent asset to a  
financial asset**

# What is required to effect, bring about, the **change**?

DIFFERENT EXPERT AND PROFESSIONAL SKILLS •

MANAGEMENT

# What is the Way? Step-by-step: Turtle Approach



# But first, a vision is necessary..

Without knowing what we have and where we want to go, we may reach our goal without knowing we are there. **Here goal is a beautiful tomorrow**



# The Fork at the Road:

## Choice to make

**PROSPERITY**



**RESOURCE CURSE**

## **DELIBERATE STEADY DEVELOPMENT**

- ✓ Legal system
- ✓ Strong institutions
- ✓ PSA is not a legal system
- ✓ Professional capacity + expertise
- ✓ Revenue management
- ✓ Environmental and Health  
Safeguards

## **RUSHED DEVELOPMENT**

- ✓ Weak institutions
- ✓ Poor ambiguous laws
- ✓ Regulatory gaps
- ✓ Lack of institutional coordination
- ✓ Weak financial and operational  
management
- ✓ Expectations not managed
- ✓ Short-term spending
- ✓ The canary in the mine: corruption

**What can go wrong?**

**Unfortunately**

**A Lot.**



**Environmental  
damages**



**Public health  
damages**



**Legal &  
Financial risks**

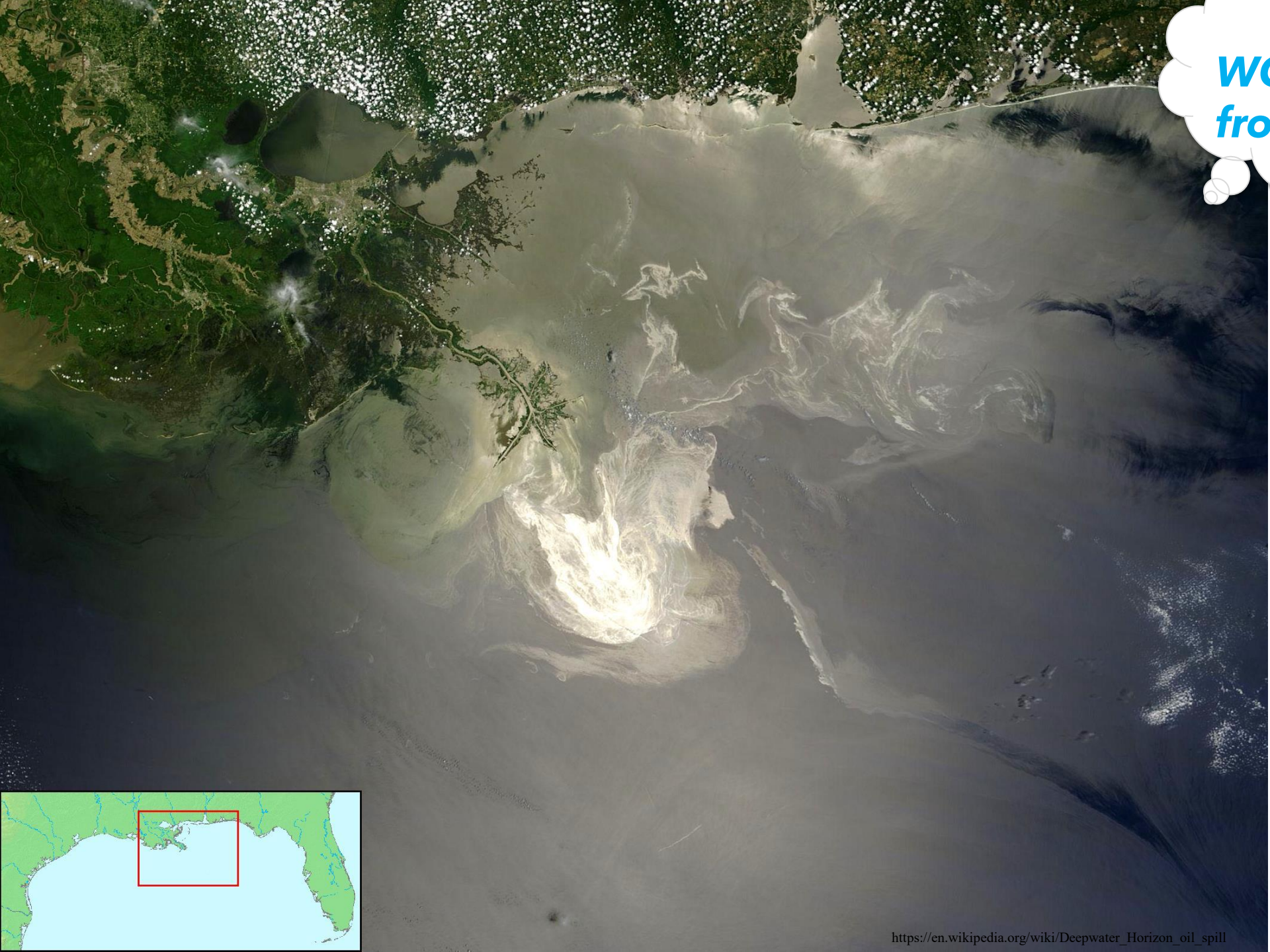


**Social unrest  
and so on..**

*Deepwater Horizon*  
offshore oil spill in  
the  
Gulf of Mexico  
by **BP**  
in April 2010



© Derick Hingle / Greenpeace

A satellite image showing the Deepwater Horizon oil spill in the Gulf of Mexico. The spill is visible as a large, swirling, yellowish-white cloud of oil and sediment in the dark blue water. The coastline of the United States is visible on the left side of the image.

**WOW**  
*from space*

Deep Water:  
Visuals  
from space  
as of  
May 2010



# *Exxon-Valdez Oil Spill in Alaska*

## *by **Exxon** in March 1989*



*Cleanup efforts at an oil-soaked beach at Naked Island (left) and six oil-soaked sea otters lie dead on Green Island beach (right) in April, 1989*

**Spills are literally  
everywhere**

# Africa Has Suffered: Niger Delta

The Deepwater Horizon disaster caused headlines around the world, yet the people who live in the Niger delta have had to live with environmental catastrophes for decades

**IGNORED:**



📷 A ruptured pipeline burns in a Lagos suburb after an explosion in 2008 which killed at least 100 people. Photograph: George Esiri/Reuters

Eric Dooh showing his hand covered with oil from a creek near Goi, Ogoniland, Nigeria.

Photograph: Marten van Dijk/EPA



“We were eating,  
drinking, breathing  
the oil”

**Think: People, Health**

# Offshore again 2026

# <https://maritime-executive.com/article/pemex-reveals-internal-cover-up-behind-offshore-oil-spill>

Oiled nets, Veracruz, March 27 (Jorge Serrano / Greenpeace)

Published Apr 20, 2026 10:56 PM by [The Maritime Executive](#)



**The consequences last for**  
**years,**  
**many years...**

# The Gulf Oil Spill Isn't Really Over, Even Five Years Later

Two Louisiana scientists reflect on the event and how its lingering effects are continuing to change the Gulf Coast



Gulf of Mexico Spill by BP occurred in 2010, the coast hasn't recovered even in 2015.



# A LEGACY OF DESTRUCTION: THE DEEPWATER HORIZON DISASTER 10 YEARS LATER 2010

**Loss of more than 25,000 jobs and \$2.3 billion**  
in industry output.

The **aftermath** of a disaster often times leads to **restricting** fishing and recreational activities, causing **income loss** for those who depend on them.



# Native Alaskans Still Reeling **25 Years** After Exxon-Valdez Oil Spill

Lost income  
Drug & alcohol abuse  
Suicides  
Divorces

No society is immune to issues arising from  
job losses

# Australia – offshore:

even without spills, offshore has its challenges  
catch rates fell drastically or seismic surveying

**99%** decline in whiting fish catch rates,

**75%** decline in flathead fish catch rates

Intense disturbances caused fishes  
to move away

If the restrictions on fishing can be imposed **after** a spill,

Strict preventive regulation could be imposed **proactively** to stop a disaster from even happening.

**It is a choice.**

# Nauru: Sad Posterchild of Mismanagement of Environment and Finances



Coastal scenery along Nauru's ring road. Photo: Winston Chen, Unsplash

## Phosphate mining ruined Nauru. Can it find its way again?

*A small Pacific island grapples with the loss of its sole resource*

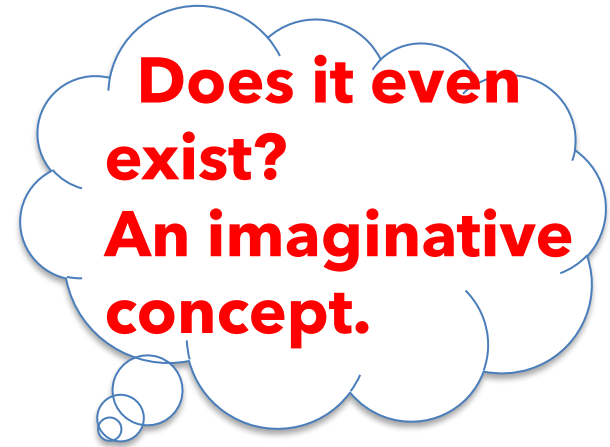
# What is Needed?

**Environmental  
management**

**Operational  
management**

**Oversight:  
Supervisory/  
Enforcement --  
-that is also  
management**

# Company Answer to What is Needed:



## Follow Internationally Best Practices?

## Do not be distracted.

# What is Environmentally Acceptable?

**Who  
decides?**

*It should be the  
law*

**How is  
compliance  
effected?**

*By using and  
mandating the best  
technology in the world*

**How is  
compliance  
measured?**

*Are people healthy?*

**Mining** has similar risks.



# Environmental degradation in Sierra Leone



# **The devil is in the (boring) details:**

in the laws

in the regulations

in the contracts

in the international treaties

**Problem: too often ambiguous, vague, open to  
interpretation**

# Overlooked

## Contract Negotiation

**Long, hard, intense, takes time  
It is an art, not a science.**

**Requires necessary and indispensable  
skills, and patience, lots of patience**

# **Bilateral Investment Treaties**

**The tail that wags the dog  
Vague, Imprecise, one-sided**

**Why: Lawyers use this in  
litigation/arbitration**

India has it right--- get out of, if  
you can, investment treaties –  
a topic for another day

# **Bilateral Tax Agreements**

**Accountants use this to lower  
tax payments**

**Yes, these treaties impact local  
taxes**

**E.g. Capital Gains Taxes**

# What is **Needed?**

- ✓ Professionals, Experts
- ✓ Takes time to train and gain experience
- ✓ Companies have them, global experience
- ✓ Oh, yes deliberation, patience
- ✓ Go slow is to go fast



# "You have to go slow in order to go fast"

October 31, 2012, 1:55 am

>> Next: "The President cannot know everything"

<< Previous: "Oil revenues should be used to make a more humane society"



Image Not Found

Professor Jenik Radon

Uganda should move carefully and without haste to develop its oil industry and wider economy. Well crafted laws, with institutional checks and balances, are essential to govern the commercial aspects. Revenues should be deposited overseas in hard currency accounts, with a portion saved for the future—because

development cannot take place overnight, it needs to be phased. Increased government spending should be tied to a comprehensive development plan. Environmental, health and safety issues should be governed by regional laws that bind international oil companies to the same standards they would have to apply in their countries of incorporation—because otherwise they 'won't take it seriously.'

So says Columbia University professor, scholar-activist and renowned extractives industries expert, [Jenik Radon](#), who has been delivering a series of lectures at Makerere University. Oil in Uganda caught up with him as he packed his bags to return to storm-buffed New York City.

**Oil in Uganda: What is your current take on Uganda's ongoing petroleum bills debate? It seems there's been some last-minute horse trading and efforts to compromise on some issues—for example, upgrading the status of the Petroleum Authority from an 'Authority' to a 'Commission.' Do you think that will make any real difference in practice?**

**Jenik Radon:** There should be a series of checks and balances in established systems. That means

# Contractual, Legal & Tax Issues

- ✓ Operations
  - Production
  - Budget
- ✓ Cost recovery
  - What is? & Time period
- ✓ Clear defaults

- ✓ Stabilization clauses
- ✓ Funds
- ✓ Arbitration
- ✓ Force Majeure

***And more...and more, yes, do not forget transfer pricing  
there is no end.***

# Tax Topics to Address, Devil is in the Detail

Permanent  
Establishment

Special taxes: non-  
creditable

Exploration

Development

Processing

Transport

Refining

Trading Marketing &  
Sales

Decommissioning

Offshore indirect transfers  
of assets

Loans,  
royalties  
(IP) or  
services  
provided  
by the  
foreign  
parties

# Cost Recovery Items of a Company to Watch Out For

Cost Recovery Over What Time Period

Capped

Nos:

Non-recoverable Taxes, eg VAT

CSR donations

Inflated Invoices

Overhead & Administrative Costs

Non-direct project costs

Affiliate and Inter Company Costs (**Transfer Pricing**)

and and and

# Stabilization = Freezing of Laws for 30+ years

“In the event of changes in legislation that may create *a material adverse effect* to the economic benefits of the Company under this contract, the parties shall, as soon as possible, meet to agree on the changes that are required in the contract to restore, as closely as possible , the economic benefits that the Company would have derived if the change in the legislation had not been adopted.”

Contracts are 30-50 years.  
Environmental and Health knowledge advances -  
**need** to update, amend laws.

So why should the company not pay these costs?

# Should there be a stabilization clause?

**No**, except very limited financial stability

But, yes but there is a gap in information:

What is the Company ROI? Need to Know.  
AHH, a secret.

# Controversial Questions, Food for Thought

Should there be a Windfall Profit tax/ super profits tax?

Should there be mandatory release of Company ROI, return on investment?,

or at least waiver of legitimate expectation, a growing creative legal issue, should be a matter of serious concern

Why: arbitration

# Transfer Pricing (between parent company and operating company)

Contracts with Affiliates (effectively internal)  
Long-term pricing not market adjusted

Intangibles/IP -valuation

How do you really value proprietary intellectual property when it is not sold on the market

Inter-company loans

Interest rates

**It is art at best, not a science.** Can be profit shifting.

**How is the operating company/the licensee technologically and financially capable?**

# Parent Company Responsibility and Liability

## *What is needed:*



Full parent company guarantee: strict liability

Operational

Environmental

Abandonment



Submission to Jurisdiction by parent company

# Transparency

- ✓ No confidentiality of agreement except for technical IP, should have public disclosure
- ✓ Necessary disclosure to regulatory and tax authorities, e.g. chemicals, agreements terms
- ✓ Trends
  - Payment Disclosure
    - Cardin-Lugar Amendment (Dobbs-Frank 1504)
      - Publish What You Pay
    - UK, EU rules
    - Shanghai Stock Exchange:
      - what should companies disclose?
  - Supply Chain Control
    - Dobbs-Frank (SEC): Congo
      - reasonable

# Beware of vague contractual, even legal standards

“Petroleum Operations shall be carried out diligently and with due regard to *good oil field practices*”

What are they?  
What does good  
mean?  
Diligently?  
Who decides?

# Regulated party/company should not write its own rules

Stabilizing Environmental Practice, for the life of the  
contract??????

the **State Authorities** [i.e. the host government, local authorities and state controlled or owned entities] **shall take all actions available to them to restore the Economic Equilibrium** established under the Project Agreements if and to the extent that the Economic Equilibrium is disrupted or negatively affected, directly or indirectly, **as a result of any change** (whether the change is specific to the project or of general application) in Azerbaijan Law (including any Azerbaijan Laws **regarding Taxes, health, safety and the environment**) occurring after [date of the HGA ...]...

The foregoing obligation to take all actions available to restore the Economic Equilibrium shall include the obligation to take all appropriate measures to resolve promptly by whatever means may be necessary, **including by way of exemption**, legislation, decree and/or other authoritative acts, any conflict or anomaly between any Project Agreement and such Azerbaijan Law”.

AGREEMENT, made and entered into in the city of Baku in the Azerbaijan Republic as of this 17th day of October, 2000, between: THE GOVERNMENT OF THE AZERBAIJAN REPUBLIC and THE STATE OIL COMPANY OF THE AZERBAIJAN REPUBLIC, a company created pursuant to Presidential Decree No. 200 dated 13 September 1992 and its Charter; BP EXPLORATION (CASPIAN SEA) LTD., a corporation organised and existing under the laws of England et al

# Regulated party/company should not write its own rules (2)

## Code of Environmental Practice that Supersedes State Regulation.

In conducting Pipeline Activities, it is agreed that ... technical standards and practices specifically set forth below ... (the “Specified Technical Standards”) which are appropriate ... or, to the extent the Specified Technical Standards are silent or are inapplicable, standards and practices **generally observed by the international community**. The **relevant technical standard or practice shall be determined by the [ the Energy Developer]**..., as the needs of the Project require ...

In conducting all activities involved in the construction, reconstruction, capacity expansion, relocation, repair, replacement, decommissioning, dismantling, removal, use or operation of the Facilities ... the [ the Energy Developer] shall use **Best Endeavours to minimise potential disturbances to the environment**, including the surface, subsurface, sea, air, lakes, flora, fauna, other natural resources and property

# Beware of contractual provisions that undermine state sovereignty.

## Project Agreement effective as prevailing legal regime

**AGREEMENT** among Georgia, The Azerbaijan Republic and The Republic of Turkey, Relating to the Transportation of Petroleum Via the Territories of The Azerbaijan Republic, Georgia and The Republic of Turkey Through the Baku-Tbilisi-Ceyhan Main Export Pipeline

(5) Each State hereby represents and warrants that the terms and conditions of this Agreement and the undertakings hereunder are **in conformity with its Constitution** and that, upon the taking of the actions with respect to the ratification and/or adoption provided in this Agreement and any other applicable Project Agreement (to the extent therein required) **will be effective as the prevailing legal regime** of the State respecting the MEP Project under its domestic law.

(6) With respect to this Agreement, each State hereby represents and warrants that, as of its ratification and/or adoption as herein contemplated, the **State is not a party to any domestic or international agreement or commitment or lawfully bound to observe or enforce any domestic law or regulation, or international agreement or treaty, that conflicts with, impairs or interferes with this Agreement or limits, abridges or adversely affects the State's ability to implement this Agreement or enter into and implement any other applicable Project Agreement.**

## Should it ever be prevailing LEGAL regime?

# Which “international standards”?

“Petroleum Operations shall be carried out in accordance with environmental and safety standards *generally accepted in the international petroleum industry* and applicable from time to time in similar circumstances”

Are there any? Answer: NO

A creative concept.

What does general mean?

Who decides: the company or the country?

# Broad rights attached to concessions

The rights granted under this contract to the Company shall include the right of use and enjoyment of the land and maritime areas encompassed in the license area, for the purpose of conducting petroleum operations.

*For that purpose the Company may construct and operate such works, facilities, platforms, structures and pipelines as may be necessary....*

What are the standards?

Is there any limit?

Are they needed?

# Broad rights attached to concessions (2)

“...Such rights to be exercised by the Company provided, however, that the owner shall retain all rights it may have to use the surface of the land, except to the extent that such use interferes with the operations in the area.”

So what are the rights of the owner?

# Defining “intervention”

“...the Government shall be deemed to have intervened in the property or assets of the Company if it assumes power of management over such property or assets or exercises effective control of such property or assets.”

When does a government need to exercise management power?

Government needs to regulate!

# **Material Breach, Material Compliance for Arbitration Award**

What does that mean?

What is material?

Why should it be material?

How do you prove it?

# **The Answer:**

**Negotiate better • Negotiate with knowledge**

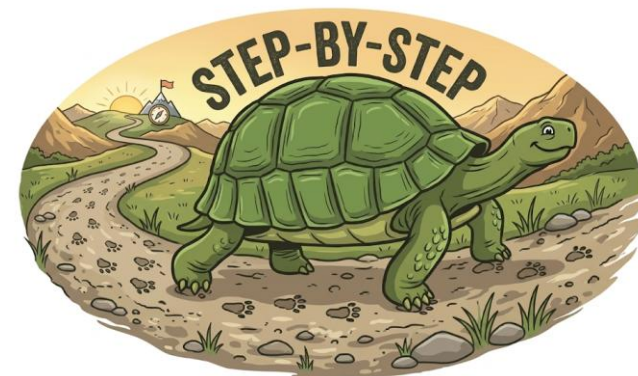
**Negotiate with expertise,  
And draft well**

Build the legal, technical, and financial/accounting  
expertise

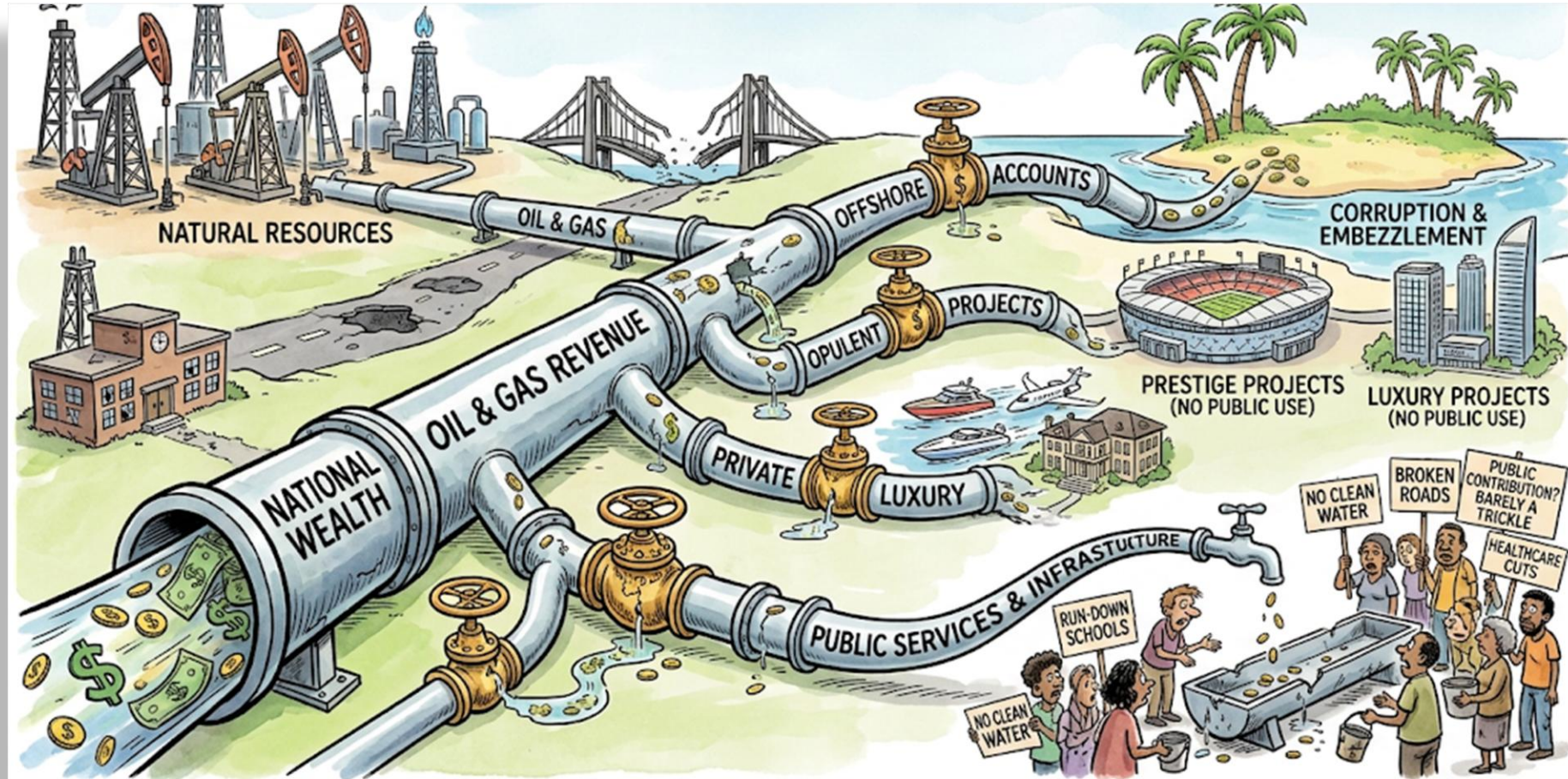
**needed to negotiate and manage**

on equal footing with well funded companies.

But it takes time as oil and gas is a new area for  
emerging countries, outside experts can support.

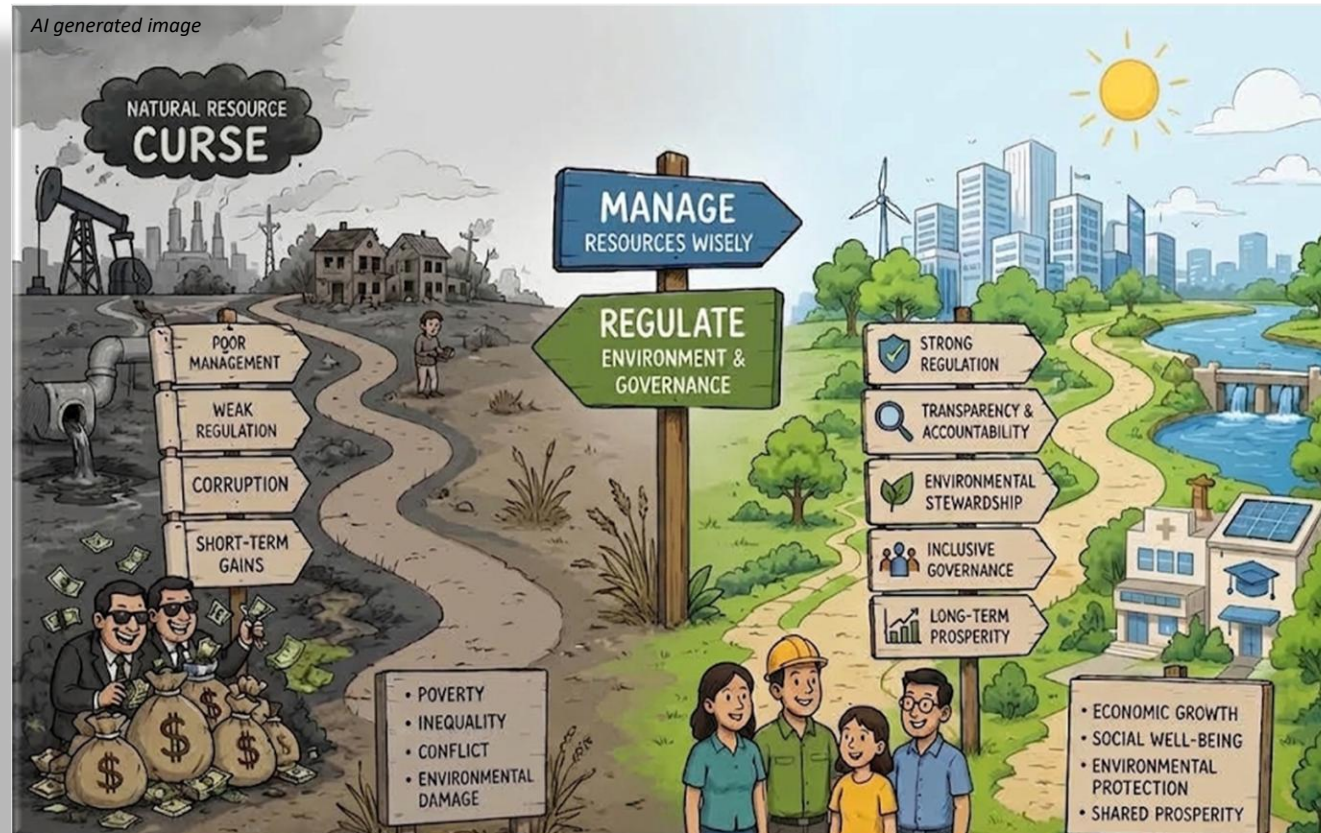


# Management is THE challenge



***So many questions, so many things to manage***

# Resources can be a blessing and should be



**Proper management and strong regulation can  
make it last.**

# Law and Regulation

govern the broader public consequences.

**Life changes : Environment, health, safety**

**Exploration (license)**

**Exploitation/Development  
(license/agreement)**

**Abandonment**

**40-50**

**Invest**

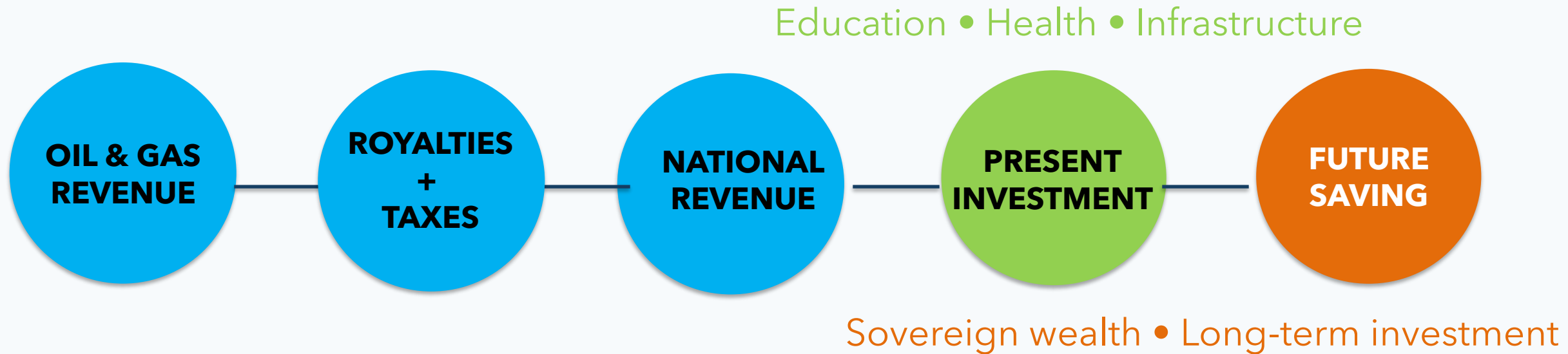
**Health**

**Education**

**Infrastructure**

# A Fiscal Pipeline

Resource revenues must be captured, governed, invested and preserved.



# Role Model: Norway



# The 10 Oil Commandments

**Storting White Paper 28** (2010 – 2011) – Unofficial translation of Chapter 1

An industry for the future – Norway’s petroleum activities

1 Objective and summary

1.1 Objective : **Norway’s petroleum resources belong to the Norwegian people, and they must be managed in a way that benefits the entire Norwegian society.**

Box 1.1 The 10 Oil Commandments

The 10 Oil Commandments are items in a declaration of principles underpinning Norwegian oil policy, submitted by the Standing Committee on Industry in a Storting White Paper dated 14 June 1971. These principles have subsequently been dubbed the 10 Oil Commandments, and represented a clarification of what was needed to make sure that the oil activities would “benefit the entire nation”:

1. **That national supervision and control of all activity on the Norwegian continental shelf must be ensured.**

2. That the petroleum discoveries must be exploited in a manner designed to ensure maximum independence for Norway in terms of reliance on others for supply of crude oil.

3. That new business activity must be developed, based on petroleum.

4. **That the development of an oil industry must take place with necessary consideration for existing commercial activity, as well as protection of nature and the environment.**

5. That flaring of exploitable gas on the Norwegian continental shelf must only be allowed in limited test periods.

6. That petroleum from the Norwegian continental shelf must, as a main rule, be landed in Norway, with the exception of special cases in which socio-political considerations warrant a different solution.

7. **That the State involves itself at all reasonable levels, contributes to coordinating Norwegian interests within the Norwegian petroleum industry, and to developing an integrated Norwegian oil community with both national and international objectives.**

8. That a state-owned oil company be established to safeguard the State’s commercial interests, and to pursue expedient cooperation with domestic and foreign oil stakeholders.

9. That an activity plan must be adopted for the area north of the 62nd parallel which satisfies the unique socio-political factors associated with that part of the country.

10. That Norwegian petroleum discoveries could present new tasks to Norway’s foreign policy

**Even Norway had to start with support of independent/international experts.**

**Why?**

Norway was new to the game, so to speak.

# What is necessary to make it work

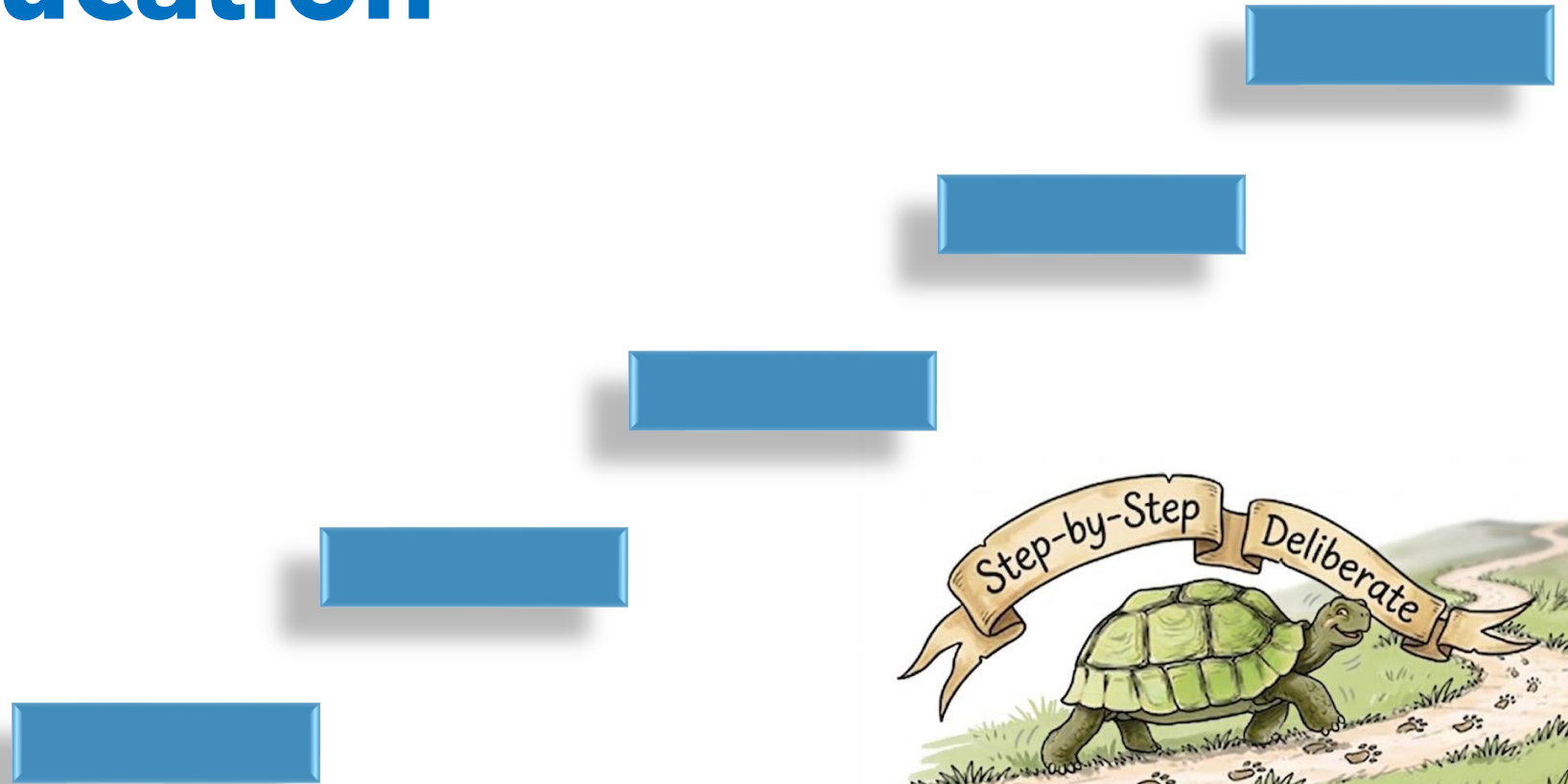
- ✓ Strong governance and Transparency
- ✓ Environmental Regulations
- ✓ Strictly regulated Sovereign Wealth Fund with financial caps – fiscal rules that govern the limits of funds that can be deposited into, withdrawn from, or accumulated by the fund.
- ✓ Clear legal framework

# **Success Without Resources**

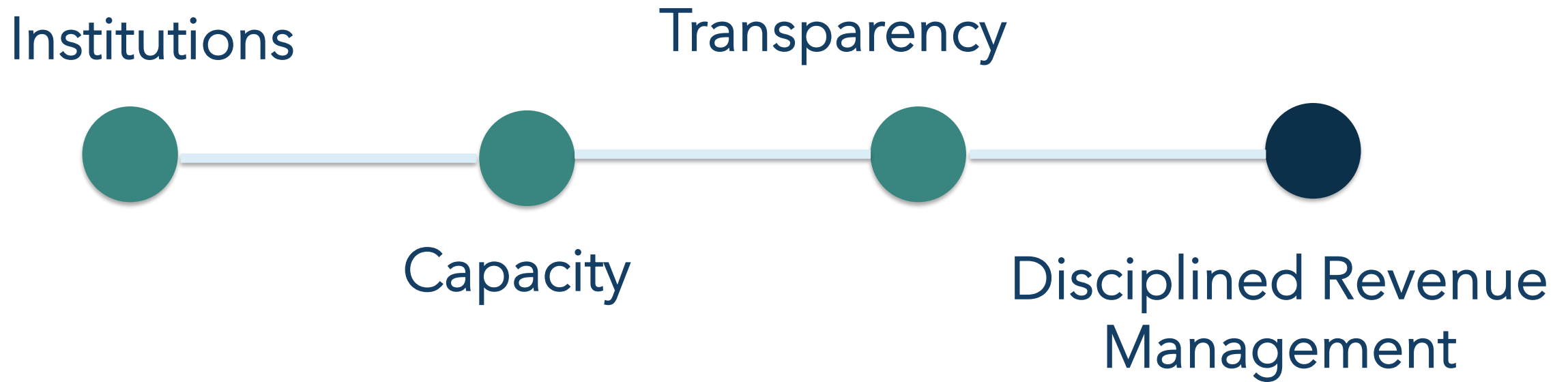
# Estonia - A digital Powerhouse Today

**How: step-by-step**

**It took education**



# Break the resource-curse cycle



**Is it worth  
paying for?**



Expertise



Technical knowledge



Distribution



Management



Financial

Yes, the companies have some of these skills, eg technical .

Question:

How much does and should it cost?

Can AI help?  
Hmmm!  
AI gave a laundry  
list. It lacks empathy  
and awareness  
&  
brings complexity over  
clarity/ advice

“To develop oil and gas sustainably, a government must balance economic growth with environmental protection, social equity, and long-term energy transition goals.

**Key Advice Issues**

- **Regulatory framework:** Strong environmental laws prevent pollution.
- **Carbon management:** Mandating carbon capture reduces net emissions.
- **Methane reduction:** Ban routine flaring and repair leaks|
- **Economic diversification:** Reinvest oil revenues into green tech.
- **Social equity:** Protect and compensate local communities fairly.
- **Decommissioning funds:** Require upfront bonds for site cleanup.

**Comprehensive Sustainable Development Framework**

**1. Environmental Stewardship and Emission Control**

- **Enforce Zero Routine Flaring:** Direct operators to capture and commercialize associated gas instead of burning it.
- **Implement Strict Methane Detection:** Mandate regular Leak Detection and Repair (LDAR) programs using satellites and drones.
- **Require Carbon Capture:** Tie new production licenses to the deployment of Carbon Capture, Utilization, and Storage (CCUS) technologies.
- **Protect Biodiversity:** Restrict drilling in ecologically sensitive areas and enforce strict marine and terrestrial habitat restoration.

**2. Fiscal Discipline and Economic Diversification**

- **Establish a Sovereign Wealth Fund:** Save a significant portion of resource revenues for future generations to avoid "Dutch Disease" (currency overvaluation that hurts other sectors).
- **Fund the Energy Transition:** Direct oil and gas taxes specifically into renewable energy infrastructure, grid modernization, and clean-tech research.
- **Eliminate Fossil Fuel Subsidies:** Phase out domestic consumption subsidies to encourage energy efficiency, while using targeted cash transfers to protect vulnerable citizens.

**3. Governance, Transparency, and Accountability**

- **Join International Standards:** Adhere to frameworks like the Extractive Industries Transparency Initiative (EITI) to publicly disclose contracts, licenses, and revenues.
- **Independent Regulation:** Separate the government body that manages commercial oil operations (the national oil company) from the body that enforces environmental and safety laws.
- **Combat Corruption:** Implement open, competitive bidding processes for blocks rather than closed-door negotiations.

**4. Social Responsibility and Local Content**

- **Free, Prior, and Informed Consent:** Engage local and indigenous communities before exploration begins to protect their rights and lands.
- **Promote High-Value Local Content:** Focus local laws on building engineering, tech, and management skills within the domestic workforce, rather than just low-skilled labor.
- **Invest in Local Infrastructure:** Ensure extraction regions receive direct benefits, including clean water, healthcare, and schools funded by project revenues.

**5. Future-Proofing and Asset Management**

- **Secure Decommissioning Bonds:** Obligate companies to place funds in a secure escrow account during production so that well plugging and environmental cleanup are fully funded before abandonment.

**Assess Stranded Asset Risks:** Factor global declining oil demand into long-term economic planning to avoid over-investing in infrastructure that may become economically unviable.”

# Way Forward: The Turtle Theory of Development



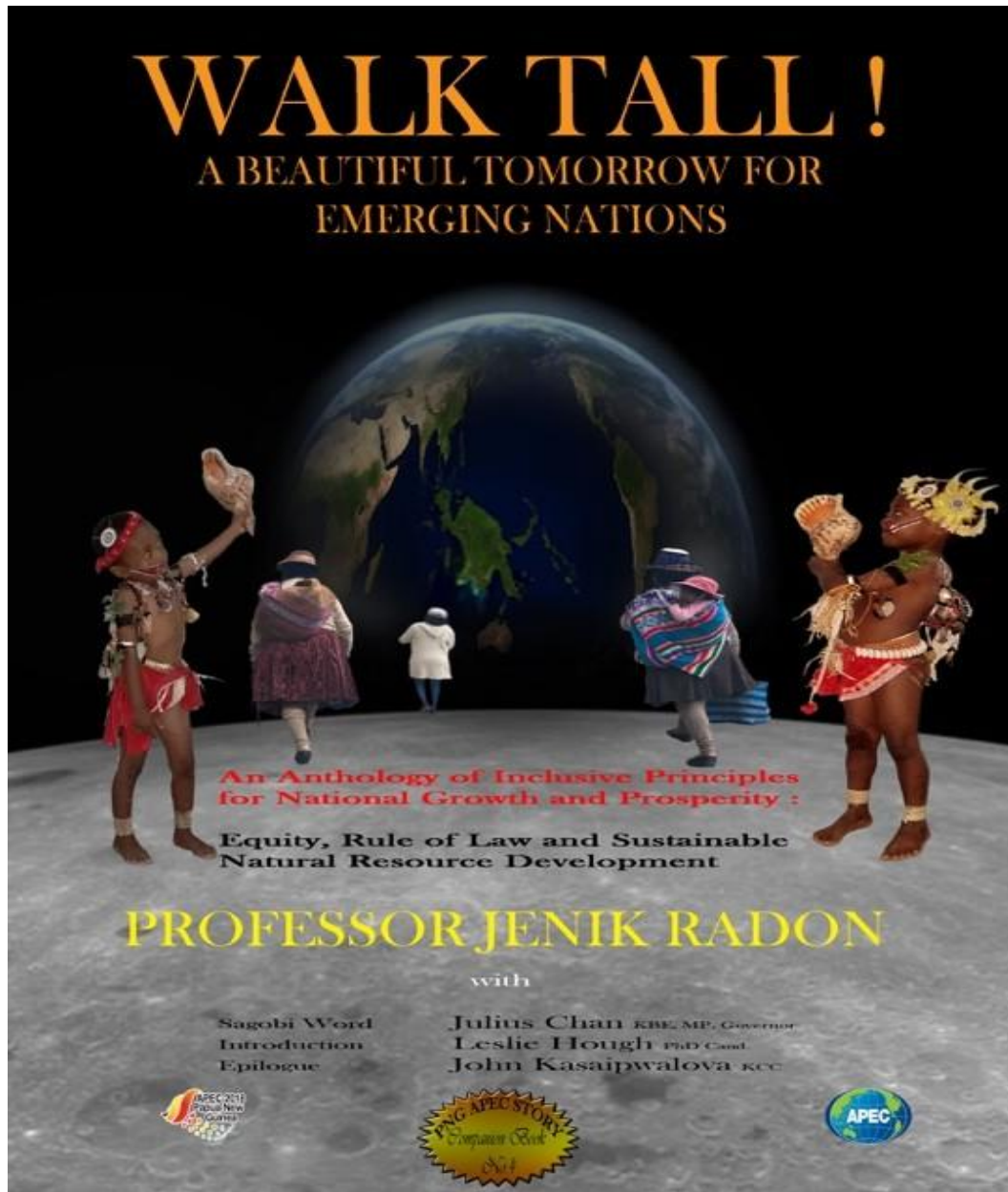
*Jonathan is still  
kicking at the age  
of 194*





**Estonian  
mindset is the  
ultimate human  
turtle: already  
looking 500  
years ahead**

**Looking forward is a  
mindset**



# Looking Ahead: Walk Tall! In Negotiation

# Thank you

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