

VISION OF THE NATIONAL OIL CORPORATION TO MAKE THE PRIVATE SECTOR SUPPORTIVE TO THE SPATIAL DEVELOPMENT TO COMMUNITIES NEARBY OIL FIELDS

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Abstract

Poverty fighting is reflected by the ability to provide employment opportunities, raise wages, and reduce inequality, making it one of the most significant priorities of sustainable development and one of the most important problems facing economic policymakers around the world. In this context, the private sector as the engine of growth plays a significant role through successful small and large businesses that lead to providing permanent job opportunities for the low incomes, which could raise their incomes and lead to the exit from the poverty cycle. In many countries, the private sector is the main provider of services and goods; in addition, the private sector generates about 80% of jobs and funds of all investments, which contributes to rapid economic growth in the long term. The social responsibility for the oil sector in Libya especially the National Oil Corporation is evident here in providing the needs of the local community to secure job opportunities to combat poverty. This study aims to determine the role of the National Oil Corporation in supporting the private sector in Libya through microenterprise programs. The National Oil Corporation targeted (210) job seekers in different engineering fields during the last 2020 to generate craft jobs in Ubari, Oasis and the Oil Crescent regions such as car failure detecting, mobile phone fixing (hardware and software) and water pump maintenance. As a result of that, the percentage of unemployment was reduced by 26%, 24% and 22% in the Oil Crescent, Ubari and Oases areas respectively.

Keywords: Poverty fighting, the National Oil Corporation, sustainable development goals, corporate social responsibility

1.0 INTRODUCTION

The United Nation adopted the Sustainable Development Goals (SDGs), also known as the Global Goals, in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The SDGs are designed to end poverty as one of the top priorities by providing job opportunities for two genders equally((UNDP), 2020). The National Oil Corporation (NOC) in Libya has adopted the seventeen SDGs and implemented many projects without neglecting the

balance between social, economic, and environmental sustainability. Reducing unemployment by microenterprise programs as antipoverty strategies have been widely used and generally accepted. Although based on few rigorous evaluation studies, it is generally believed that the expansion of these programs has significantly increased the incomes of poor people and poor communities(Midgley, 2008). Since the Libyan state's dependence on the only one source of income, which is oil as a public sector that is run by the NOC

(exploration, production, and exporting). Therefore, The NOC always supports the communities near the oil operations by development projects as a social and moral duty (I. B. Imneisi, I. S. Khalifa. b, & Jehani, 2021).

2.0 Problem Statement:

Increasing the number of job seekers who hold engineering specializations, which affected negatively and led to unemployment and increased poverty: What affect microenterprise and crafts on reducing poverty and create job opportunities

3.0 Study Hypotheses:

H1: Microenterprise is positively affecting job opportunities as one of the factors to reduce poverty
H2: Microenterprise will increase spatial development.
H3: microenterprise programs will decrease irresponsible closure.

4.0 Study Objectives:

The main objective of this study is recognizing the impact of microenterprise on reducing poverty and growing income.

5.0 Importance of Study:

Proving that microenterprise programs could reduce unemployment at different rates and fight poverty by vocational training. The National Oil Corporation (NOC), which is the responsible authority for extracting and selling oil and its derivatives in the Libyan state, therefore it must carry out many social responsibility programs within the framework of the SDGs as a matter of moral duty to the communities near the headquarters of its operations. These projects must be met top priorities for municipalities and SDGs as well. Because of that, the NOC has implemented a series of projects and programs in many areas such as health, electricity, and water, as well as a microenterprise.

6.0 Study Limits:

The microenterprise programs have not finished yet.
The budget was not enough.
Lack of security.
The project was implemented during the 2020 year.

7.0 Definition of Terms According to The Researcher:

Poverty is defined as the lack of income to purchase goods or services needed to sustain and support life (O'Boyle, 1999). One of the greatest challenges for achieving the seventeen goals of the 2030 Agenda is eradicating poverty in all its forms. This achieved by involving all women and men in the public and private sectors of the state. The private sector is the component of the economy that is run for profit by individuals and businesses rather than by the government. Jobs are available in two segments of the economy: the public and private sectors. The government sector provides goods and services to citizens, whereas the private sector is managed and operated by private individuals and organizations. The private sector in most developing countries, such as Libya, is dominated by small enterprises. In most cases, these enterprises fall into two main categories: informal or unregistered businesses.

8.0 Study area:

The NOC carried out three vocational training in three regions next to oil fields in the following areas:

I. Ubari region:

Ubari region is in southern Libya under the coordinates 12° 46 E and 35 N 26°, with a population of 35,000 people and it is surrounded by El Sharara oil field which is the biggest oil field, and it is believed to hold the largest proven oil reserves in Africa. Operated by the Akakus Oil Operations (formerly Repsol Oil Operations).

II. The Oil Crescent:

The oil crescent extends from the oil port of Zueitina to the seaport of Brega, Ras Lanuf and Sedra. There are many oil companies in it, such as Sirte Oil Company, Ras Lanuf Company, and the headquarters of many other companies (Zueitina Company, Harouge Company and Al-Serir Company). Oil production is at a rate of 80% and the volume of exports in ports is 60% of the total exports.

III. Oasis area:

It is in the southeast, it is about 400 meters away from Benghazi with coordinates 22°E 30'N. It is characterized by the predominantly desert nature of it, and it is considered one of the most important oil which surrounded by many operating oil companies such as Al-Waha Oil Company, the German Wintershall Company and Arabian Gulf Oil Company.

9.0 METHODOLOGY:

1. Research Methodology:

This study is depended on data related to numbers of job seekers and types of specializations.

I. Sources of Data:

Numbers of job seekers have been collected based on database that registered in each municipality according to separate specialization.

II. Sample:

The sample was collected from three regions, and it was (870) members.

III. Study Tool:

This study used percentage of participants to total of job seeker for each municipality.

10.0 RESULTS AND DISCUSSION

The table below illustrates the number of job seekers attending from different types of specializations from three regions next to oil fields in 2019. The highest participation in all Specializations could be seen in Ubari area that reaches 450 job seekers with three specializations Mechanical, Electrical and Electronic Engineering. In contrast, the lowest number is clearly seen in the Oil Crescent that reaches 195 job seekers with two specializations Electrical and Electronic Engineering.

Table (1). Shows the target area and the number of job seekers in the fields of Mechanical, Electronic and Electrical Engineering.

Area	Job seekers	Specialization
Ubari	450	Mechanical, Electrical and Electronic
Oil Crescent	195	Electrical and Electronic
Oases	225	Electrical and Electronic

The table below clarifies the proportion of job seekers who were selected from three reigns Ubari, the Oil Crescent and Oases in 2019. In terms of number, Ubari was the most it accounted 110 participants while the Oil Crescent and Oases were equal 50 participants for each other.

Overall, the percentage of participants who attended from different regions was very close 24%, 26%, and 22% in the Oil Crescent, Ubari and Oases areas respectively.

Table2. Illustrates the percentage of each area with comparison to its total number of job seekers.

Area	Job Seekers	participants	Percentage%
Ubari	450	110	24
Oil Crescent	195	50	26
Oases	225	50	22

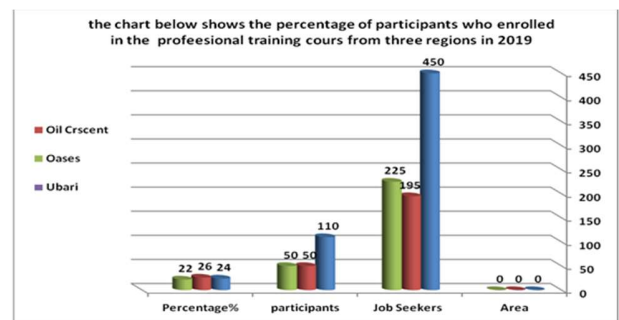


Figure 1. Shows the percentage of participants

The table below demonstrates the types of courses, which were conducted in 2019 by the NOC in three regions. Three types of courses were carried out in Ubari such as Water pump maintenance, Mobile phone fixing and Car failure detecting whereas just two courses were held in the other areas.

Table 3. Describes a type of course and region.

Area	Professional training course		
Ubari	Water pump maintenance	Mobile phone fixing	Car failure detecting
Oil Crescent	Mobile phone fixing	Car failure detecting	
Oases	Mobile phone fixing	Car failure detecting	

11. Conclusion

The NOC has contributed to reducing poverty and unemployment among its oil operation area through microenterprise for job seekers in Ubari, the Oil

Crescent and Oases regions by selecting a specific specialization such as Mechanical, electronic, and electrical engineering and qualifying them through vocational training courses. This paper is particularly focused on how the NOC is contributing to mandatory corporate social responsibility (CSR) projects and how these corporate engagements in CSR are aligned with SDGs. Anti-poverty and unemployment strategy adopted by the NOC has decreased unemployment by 26%, 24% and 22% in the Oil Crescent, Ubari and Oases areas respectively in some specializations that h mentioned above. Financing and supporting microenterprises are an essential role of the private sector in promoting growth and poverty reduction. Private enterprise drives economic growth and generates income by creating new jobs thus leading to sustained poverty reduction.

The other aim of this paper is to clarify the CSR practices of the NOC in achieving SDG No.1 "No poverty". The private sector is considered a major partner to achieve SDGs; therefore, the NOC seeks to support this sector by pushing towards craft projects according to the requirement of the labor market, which leads to poverty reduction.

11.0 Recommendations:

Based on the results reached, the microenterprise recommends that government should implement such programs to decrease the level of unemployment and enhance growth of economic by encouraging private sector and adopting small and microenterprise programs.

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