North Carolina is projected to see the highest levels of spending, employment and contributions to its economy if Atlantic OCS oil and natural gas resources are developed. Annual spending on Atlantic OCS oil and gas exploration and development activity in North Carolina could reach nearly $3.5 billion within 20 years. North Carolina could benefit from the large amount of project activity that could occur off the state due to the large potential reserves in nearby waters and a relatively long coastline. North Carolina’s extensive port infrastructure at Morehead City and Wilmington could be heavily involved in offshore oil and natural gas activities.

**Employment Opportunity**

Employment due to offshore oil and gas development in North Carolina could reach over **56,000 jobs within 20 years**, with direct employment of over 23,000 jobs and indirect and induced employment of over 33,000 jobs.

Employment gains are not expected to be limited to those industries directly tied to oil and natural gas production, with a broad spectrum of businesses projected to benefit. Some of the industries that could benefit most include:

- Retail with over **3,750 jobs**
- Administrative and waste management services with around **3,300 jobs**
- Healthcare and social assistance with nearly **3,400 jobs**
- Food services with **2,600 jobs**

**Benefits for North Carolina’s Economy**

Atlantic OCS oil and natural gas exploration and production could cause a significant increase in North Carolina’s gross state product with contributions to the state economy projected to reach **over $4 billion within 20 years**.

Additionally, if the Gulf of Mexico state/federal revenue sharing arrangement is enacted for Atlantic coastal states, North Carolina could see significant incremental government revenues. Under a 37.5% revenue sharing structure, North Carolina state government revenues from bonuses, rents and royalties are projected to reach **$500 million per year** and the cumulative effects on the state budget are projected to be **nearly $2.8 billion**.

**NC’s Manufacturing Sector Attracts Spending**

North Carolina’s strong economy coupled with the addition of offshore energy development could attract manufacturing of oilfield equipment, potentially **rising to nearly $3.5 billion of spending within 20 years**. North Carolina is already home to many high tech manufacturing suppliers to the oil and gas industry such as General Electric and ABB power systems as well as companies like DSM Dyneema, which provides mooring and lifting ropes to the offshore industry. North Carolina’s workforce is well placed to take advantage of the high tech nature of oil and gas manufacturing and other activities, drawing on the same workforce that has led companies such as Caterpillar, John Deere and Volvo to place significant manufacturing operations in the state, especially in and around the Raleigh, Durham, and Chapel Hill triangle.

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