SPEECH BY THE EXECUTIVE SECRETARY OF NEITI, DR ORJI OGBONNAYA ORJI AT THE NEITI-COMPANIES FORUM HELD AT FOUR POINTS BY SHERATON, VICTORIA ISLAND, LAGOS- 22ND AUGUST 2024.

Protocols!

1. It is a great pleasure to welcome you to NEITI-Companies Forum. This is an important platform for fostering collaboration and partnership between NEITI and the companies operating in Nigeria's oil, gas, and mining sectors to enhance transparency, accountability, and good governance within the industry.

2. At NEITI, our mission is to provide a robust mechanism that ensures all stakeholders adhere to the highest standards of transparency and accountability in the extractive sector.

3. This forum exemplifies the NSWG's commitment to create opportunities for companies to understand and engage the intricate workings of NEITI, and more importantly, to see how these efforts benefit their operations and reputation globally.

4. The Extractive Industries Transparency Initiative (EITI) is a global standard for the good governance of the oil, gas, and mining resources. Participation in the EITI process in Nigeria is mandatory for all companies operating in the extractives.

5. NEITI is therefore proud to work closely with the Oil Producers Trade Section (OPTS), the Miners' Association and other extractive companies not captured under the two bodies above to deepen and strengthen the Companies Forum, ensuring that we maintain the highest levels of compliance and transparency.

6. We extend our heartfelt thanks to the 207 oil, gas and mining companies that are covered in the ongoing 2022-2023 industry reports (70 oil & gas and 137 solid minerals companies).

7. These companies, both large and small, have shown remarkable cooperation and commitment to ensuring that the EITI Standard and the corresponding Requirements is upheld in Nigeria.

8. While commending you for your partnership in our engagements, let me emphasise the importance of Your cooperation and support to NEITI in its conduct of the 2022-2023 industry report which is very vital to making the September 2024 set date for the release of the reports realiseable.

9. In 2021, the oil and gas sector contributed $23.0456 billion to the Nigerian economy, representing a significant portion of the national revenue.

10. On the other hand, the solid minerals sector generated N193 billion in 2021, marking a 30% increase from the previous year's N143 billion, while the number of companies operating in the sector grew from 1,200 in 2020 to 1,214 in 2021, reflecting a positive trend in industry participation and compliance. However, this

is still a far cry from the potentials of the sector’s contribution to the Nigerian economy.

11. The NEITI 2021 reports also highlighted increased disclosures across both sectors, with 94% of oil and gas companies and 87% of solid minerals companies fully compliant with NEITI's reporting standards. There was a significant improvement in the reconciliation of financial discrepancies, with unresolved differences reduced to less than 1% of total revenues reported an indicator of improved reconciliation of data and information that was disclosed in the reports

12. NEITI seeks your continuous support at every stage of the conduct of its industry reports. The 2022-2023 industry reports is presently at an advanced stage. We are working assiduously towards meeting the target date of September 2024. I urge you to provide data and information needed within the scope of our reports in record time to enable us reconcile and complete the report cycle at the stipulated time.

13. In addition, the last Validation exercise scored companies 60 points out of 100 on the stakeholders’ engagement component. This score is ranked Mostly Met which indicates a backsliding from the previous validation ranking of Satisfactory Progress.

14. The Meeting we are holding today themed “Beyond Validation: Strengthening NEITI Companies Engagement for the Sustainability of the EITI process” is to refocus our attention to the task of sustaining Nigeria’s membership of the global EITI. This requires that companies operating in the EITI process not only disclose information and data about their operations, but work with other stakeholders to sensitise their host communities on the benefits of the EITI.

15. Furthermore, companies are to participate actively in all NEITI activities and engagements and provide all necessary support particularly at the sub-national levels where your operations are domiciled.

16. Let me seize this opportunity to bring you up to date on our operations after our last engagement.

17. As you may be aware the NEITI Board has been reconstituted and inaugurated by the Secretary to the Government of the Federation who is also the Chairman of the NEITI Board. This demonstrates the Federal Government’s commitment to the EITI at the highest level. While oil and gas companies are represented by the Executive Director of the OPTS, Mr. Gwueke Ajaifia, Mining companies are represented by the President of the Miners Association, Engr. Dele Ayanleke

18. We are excited to announce the near completion of the NEITI Data Center. The Data Centre project was conceived to serve as a one-stop shop for information and data reservoir on the extractive sector. Upon its deployment, the Center will warehouse all NEITI Industry Reports from the first report that covered 1999-2004 till date and going forward. The center will also provide unfettered access to industry data and analysis to support decision-making and facilitate NEITI’s compliance with the EITI

Open Data protocol mandated by Requirement 7 in the EITI 2023 Standard. The NEITI Data Center will be launched and fully operational in September though uploads will continue afterwards.

19. We have also concluded, launched and disseminated the three NEITI industry reports for the oil, gas and solid minerals sector. We are currently following up with the remedial issues contained in the reports. A remedial action plan is being developed with timelines and the respective roles of the various constituent groups in the EITI/NEITI process identified and inputted.

20. One area in which we recorded outstanding progress is the strengthened relations with our stakeholders especially the you-companies and the civil society. The bitterness and rancor among the CSOs have all been resolved with the constituency electing their own representative to the NEITI Board, just like the companies did. Two days ago, a focus group discussion was held for select leaders of the civil society coordinated by the Rep. Dr Erisa Danladi to galvanise support and seek policy direction for the engagement of that constituency on the NEITI Board. I was impressed by the quality of attendance.

21. We also launched the NEITI House Dialogue. This is a platform that brings policy makers, CEOs in the extractives from Companies' Agencies' and civil society heads. We provide them with the opportunity to tell Nigerians their policy direction and any significant milestones that they have covered and want celebrated. We will be consulting you on how your chief executives can feature in that programme by drawing up a timetable for appearance.

22. As part of this meeting, resource persons on EITI matters will make presentations on the NEITI process, the 2023 EITI Standard and the validation corrective actions for companies, dwelling on what is required from Companies and we will also use this platform to review the draft EITI Validation corrective actions.

23. Permit me to state that NEITI's role in Nigeria's extractive industries goes beyond merely enforcing compliance. We understand the implications of companies' participation in EITI activities on their global corporate reputation. NEITI is therefore, dedicated to encouraging and creating an enabling environment for businesses to thrive. Our goal is to be a supportive partner, guiding companies towards best practices in transparency and accountability.

24. Let me reassure you of NEITI's commitment to consolidate on these modest achievements.

25. We will continue to engage with all stakeholders, providing the necessary support and guidance to ensure that our extractive sector remains a model of good governance. Together, we can achieve a transparent, accountable, and prosperous industry that benefits all Nigerians.

26. Thank you for your continued support and collaboration.