

Keynote Speech by the Executive Secretary of the Nigeria Extractive Industries Transparency Initiative (NEITI), Dr Orji Ogbonnaya Orji, at the 12th Sustainability in the Extractive Industry (SITEI) Conference organized by CSR in Action on 31st October 2023 at Four Points Hotel, Victoria Island, Lagos.

Protocols!

1. I feel honoured and privileged to be present at the 12th Sustainability in the Extractive Industry Conference to deliver the Keynote speech.
2. The Conference with the theme “The SDGs and the Extractive Sector: Aligning Governance, Policies and Practices” is apt and cannot come at a better time than now, when our government's attention is focus on reforming the sector and ensuring that the sector works for its citizens.
3. The theme for this year’s Conference seeks to explore the possible harmonization of governance framework, policies and practice within the extractive sector, to create a sustainable pathway that maximizes social, economic and environmental benefits.
4. The Conference also advocates for greater relationship between extractive companies and communities driven by government transparency and showcase the relevance of the Community Engagement Standards in implementing governance frameworks like the PIA, CDA SDGs and ESG.
5. It is imperative to note that all the 17 Sustainable Development Goals as championed by the United Nations are interconnected and designed to address major development challenges faced by Nigerians. Since the adoption of the sustainable Development goals in September 2015 Nigeria has continued to demonstrate its commitment to achieving its

objective through leadership and ownership of the implementation process. This is commendable.

6. We all agree that we must as a matter of urgency identify and align these policies and governance frameworks to give voice to the issues in the areas of natural resource governance if we have to make the right impact.
7. Thus, the alignment of policies and frameworks can provide the support the government needs to establish itself, it can also help to harness and guide conversations that will lead to delivery of service for the benefits of the citizens. Policies and frameworks do better when properly aligned.
8. At NEITI we are a key player in the governance and policy space especially when it relates to the extractive sector. It is our goal to provide information and data that will aid and enhance stakeholders' engagement in the extractive space.
9. Our goal remains to collaborate, partner and work with stakeholders to enhance their understanding and capabilities in appreciating various governance and fiscal policies as they participate or engage in sustainable natural resource management and other extractive activities. On this note, may I use this opportunity to commend CSR-in-Action, the organisers of SITEI Conference for sustaining the SITEI Conference because that is what NEITI have been doing for the past years with this Conference as a Member of the Steering Committee.
10. NEITI has been a steadfast partner of SITEI over the years, and we continue to be committed to this vital cause. Our great nation, Nigeria, finds itself on the angle of an extraordinary opportunity, one that could redefine our destiny. With the African continent's abundant gas reserves and standing as the ninth-largest globally, we possess a resource capable of propelling economic growth, providing energy accessibility, and contributing to the

global battle against climate change. But with great potential comes even greater responsibility to manage it wisely and transparently.

11. Our mission at NEITI is to promote transparency and accountability in the management of revenues from the extractive industries in Nigeria. We see CSR in Action as a partner, a strong ally among the leading Civil Society Organisations. Our partnership and cooperation with CSR in Action is built around the common goal of pushing the boundaries of transparency and accountability in governance. We have common interests in the areas of information disclosure and dissemination, data and knowledge sharing, public education and enlightenment, citizens' engagement and advocacy.
12. As you are aware, the global Extractive Industries Transparency Initiative (EITI), which NEITI implements, is founded on the philosophy that regular disclosures of information and data in the extractive sector will promote public debate, foster civic actions and accountability in the sector. The goal is to ensure that revenues from the sectors are optimally mobilised and prudently utilized for the benefit of our citizens and create opportunities for entrepreneurs to thrive.
13. More importantly, EITI/NEITI sets out to ensure that the citizens have a say in the way and manner their commonwealth is being managed looking at equitable distribution of resources. The EITI is, therefore, interested in ensuring transparency and accountability in the amounts paid and received by extractive industries to the government.
14. So far, NEITI has conducted and published 14 and 12 cycles of reports in the oil and gas and solid minerals sectors respectively. Three (3) cycles of the Fiscal Allocations and Statutory Disbursement reports have also been conducted. The fourth FASD report is set to be released on the 9th of

November, 2023. We want to use this opportunity to graciously request that you participate in the unveiling of this report.

15. Insights from the 2021 oil and gas report released recently showed that Nigeria earned a total revenue of \$23.046bn from the sector in 2021. The sum is about 13 percent higher than the corresponding total of \$20.43bn realized in 2020 and a ten - year trend analysis of financial flows from the oil and gas sector from 2012 to 2021 showed the country earned \$348.63Billion.
16. However, the total unremitted revenues to the Federation by some relevant government agencies and companies in the oil and gas sector in the year 2021 rose to over \$8.261bn.
17. The oil and gas report also pointed out that a total 29 companies suffered crude losses from theft and sabotage amounting to 37.57 million barrels. The decline in crude oil losses due to theft and sabotage from 39.08million barrels in 2020 to 37.57million barrels in 2021 was generally due to the decline in crude oil production during this period.
18. Similarly, the solid minerals report revealed that the country earned N193.59Billion from the solid minerals sector in 2021 and the total revenue generated from the sector from 2007 to 2021 which is a fifteen-year period was N814.59billion. Its contribution to the GDP was N1.10trillion which is about 0.63%.
19. Ladies and gentlemen, let me use this medium to urge every participant in this Conference to take serious interest in the NEITI reports and use the contents of the reports for deeper interrogation of the transactions, systems and processes going on in the sector. This is the only way that we can make the right policies that will transform the sector and make the desired impacts.

20. At NEITI we are trying to build a solid structure on governance which we hope can only get better as just last week precisely on the 25th October 2023 the NEITI Report was discussed at the plenary of the House of Representative, for the National Assembly to recognize these efforts is something to cheer about. We want to use this opportunity to commend the Honourable Members and to call on the Senate so that both chambers would deliberate on the NEITI reports at plenary and address the issues highlighted in the report.
21. The enactment of the Petroleum Industry Act (PIA) in August 2021, brought new rules for the extractive sector's management, administration, and governance, as well as better control over host communities. It is no doubt that this was expected to bring better management of the Nigeria's extractive industry. The question is how well have we thrived as a country after two years of implementation.
22. The Petroleum Industry Act of 2021 marked a significant leap forward for our oil and gas sector. It laid the groundwork for governance enhancements and fiscal structures, paving the way for a thriving oil and gas industry. Yet, to fully seize this potential, we must act decisively.
23. In our recent policy Advisory to the President Bola Ahmed Tinubu titled "The Way Forward in the Reform of Nigerian Oil, Gas & Mining Sector" we called for the prioritization of the implementation of the Petroleum Industry Act as it sets out to sanitise the industry and institute a regime of transparency, accountability, efficiency and productivity in the sector aligning the industry with global best practices.
24. The Policy Advisory amongst other recommendations made also called for the swift implementation of a national gas utilization policy, one that clearly delineates the roles of industry, government, and investors. This

policy should be rooted in achievable goals and market-driven opportunities, ensuring that our gas plans translate into sustainable economic development.

25. Another paramount priority is the review of Nigeria's energy transition plan. This transition ripples across our economy, influencing revenue, jobs, the environment, and climate change. Hence, it is imperative that we align our energy transition plan with the policy goals of our current administration and engage a broader spectrum of stakeholders.
26. The world is witnessing a shift from fossil fuels to renewable energy. To adapt and thrive, we must invest in our strategic solid minerals, vital for constructing renewable energy applications. Transparency in who benefits from these resources is not just important; it's crucial for good governance, citizen engagement, and investor trust.
27. Ladies and gentlemen, the NEITI 2021 Solid Minerals Industry report released recently made some significant recommendation and among its key recommendations is the collaboration of the federal government with relevant stakeholders to ensure the conscious implementation of the Energy Transition Plan (ETP). This involves beneficiating minerals like Cobalt, Lithium, Nickel, Copper, Graphite, and Titanium to boost government revenue and generate employment opportunities for our youth.
28. The 2023 EITI Standard which NEITI is implementing currently advocates for gender inclusivity. Thus, NEITI in keeping with the EITI's mandate on gender reporting conducted a study on the impact of extractive activities on gender. The report focuses on the impact of mining in our communities through the prism of gender inclusivity and impact. This study looked at the employment, ownership, decision making and benefit sharing for

women in the mining industry. The study also threw up a number of issues that should be of interest to stakeholders interested in promotion of gender inclusivity and diversity in our extractive industry.

29. NEITI has initiated aggressive programs to pay special attention to generating reliable data and subsequent engagement to improve women's participation in the extractive sector. Our goal is to address the huge gap in gender imbalance in employment, investments, and decision-making in organizations in the extractive sector through empirical evidence based on data and constructive engagements.

30. Thus, the CSR-in-Action report titled “Practices in the Implementation of the Petroleum Industry Act (PIA) in Nigeria’s Host Communities: A look at Women’s Inclusion” authored by Mrs. Bekeme Olowola, Prof. Remi Aiyede and Dr Omosole Oyekanmi which we are here to witness its presentation, will be of interest to NEITI and the entire citizenry. This is not only because of its value addition but also its capacity to serve as tool to advance public debate on transparency and accountability in the management of public funds.

31. The Report is a study on the progress of the implementation of the Petroleum Industry Act (PIA), as well as its impact on women's inclusion, in Nigeria's host extractive communities. It specifically analyses the implementation of the PIA by oil companies in the Niger Delta region, the gender equity component of the PIA implementation by oil companies, the effect of the PIA implementation activities on women in oil producing communities, the level of women inclusion in decision-making within the oil companies themselves, oil-producing community organisations, and the consequences of women's inclusion, or lack of, in decision-making, in the proposed transformation of the Nigerian oil and gas industries.

32.The study also speaks to the subject of inclusion which is part of the “Renewed Hope” and “Eight Point” Agenda of the government of President Bola Ahmed Tinubu’s administration.

33.I therefore urge all of you to study the report, use the information and data it provides as major tools for advocacy and to address the endemic poverty and environmental challenges prevailing in the region.

34.I have every confidence that the valuable contributions made by all participants here today will greatly enrich the process, give voice to sustainable development issues leading to effective validation and, ultimately, the transformation of Nigeria's extractive sector.

35.Welcome, once again, and I eagerly anticipate the active engagement of each one of you. Together, we can steer our nation towards a brighter and more sustainable future.

36.Thank you.