Opening Speech for the Inaugural Rembinar Dialogue Series Delivered by Dr. Orji Ogbonnaya Orji, Executive Secretary, NEITI. March 3, 2025

Protocols

- Distinguished guests,
- Our esteemed convener, Mr. Oke Epia, Founder/CEO of OrderPaper,
- Our distinguished panelist, Dr. Mike Uzoigwe,
- Our moderator, Ms. Obiageli Onuorah,
- Industry leaders, policymakers, civil society representatives, and all participants,

Good morning and welcome to the inaugural edition of the Rembinar Dialogue Series, a strategic collaboration between the Nigeria Extractive Industries Transparency Initiative (NEITI) and OrderPaper Nigeria.

This initiative is designed to serve as a platform for informed discourse on critical governance issues affecting Nigeria's extractive sector. Through these engagements, we aim to strengthen transparency, accountability, and resource management practices in ways that contribute meaningfully to economic development and national progress.

Today's discussion focuses on a theme of significant importance: "Tax Bills and the Implications for NEITI Audits." This topic comes at a crucial time as Nigeria undergoes major tax reforms aimed at optimizing revenue generation, ensuring fiscal sustainability, and enhancing compliance within the extractive sector.

Why This Discussion Matters

The extractive sector remains a critical pillar of Nigeria's economy, contributing significantly to government revenues, foreign exchange earnings, and national development. However, for too long, inefficiencies, opacity, and revenue leakages have undermined the full benefits that should accrue to citizens from these resources.

Taxation plays a vital role in addressing these concerns. Effective tax policies ensure that companies operating in the extractive industries contribute their fair share to national development. However, recent tax reforms introduce complexities that may have significant implications for NEITI's audits, corporate compliance, and government revenue projections.

Key Issues to Consider

As we engage in today's discussions, I encourage us to reflect on the following critical questions:

1. Alignment with Transparency and Accountability Goals:

• How do recent tax bills enhance or complicate the transparency framework that NEITI promotes in its audits?

• Are there gaps that require policy interventions to ensure extractive companies fulfill their tax obligations fairly?

2. Revenue Optimization vs. Investment Climate:

• While increasing government revenue is essential, how do we balance tax reforms with maintaining Nigeria's attractiveness as an investment destination?

• What incentives or policy adjustments can be considered to sustain business confidence in the sector?

3. Tax Compliance and Governance:

• Are extractive companies complying with new tax policies?

• How do we ensure stronger enforcement mechanisms to minimize tax evasion, profit shifting, and illicit financial flows?

4. Public Finance Transparency:

• How can the revenues generated from taxation be better managed to ensure they translate into visible development impacts for Nigerians?

• What role should civil society, the media, and oversight institutions play in strengthening accountability mechanisms?

Call to Action

As Nigeria continues its economic reforms, we must ensure that tax policies and NEITI's transparency initiatives complement each other in delivering sustainable economic benefits. This calls for a collaborative approach between government agencies, private sector actors, civil society organizations, and the media to drive effective policy implementation and public sector accountability.

I am confident that today's discussions will generate valuable insights that will shape the future of Nigeria's tax framework in the extractive sector. I urge all participants to engage actively, share their expertise, and contribute to solutions that will improve governance in this critical industry.

On this note, I declare the inaugural Rembinar Dialogue Series officially open and look forward to an enriching conversation.

Speech Notes for Panel Discussion

Key Points to Address in Responses:

1. Impact of Tax Reforms on NEITI Audits:

• Recent tax bills introduce new compliance obligations. NEITI must ensure that our audits adapt to these changes while maintaining transparency standards.

• The reforms could either simplify or complicate tax reporting for extractive companies—what mechanisms should be in place to align corporate reporting with NEITI's audit framework?

2. Revenue Mobilization vs. Investment Climate:

• Higher tax rates can boost government revenues but may also discourage investment in the extractive sector.

• It's crucial to design tax policies that are competitive within the global extractive industry landscape.

3. Tax Compliance and Enforcement:

• What measures exist to prevent tax avoidance, transfer mispricing, and other practices that lead to revenue losses?

• Strengthening inter-agency collaboration between NEITI, the Federal Inland Revenue Service (FIRS), and the Ministry of Finance is key.

4. Fiscal Transparency and Public Accountability:

• How are oil, gas, and mining tax revenues allocated and spent?

• Transparency should not end at revenue collection—citizens must see clear evidence of how extractive revenues improve their lives.

5. Role of Stakeholders in Strengthening Accountability:

- Civil society organizations, media, and policymakers must work together to ensure tax policies serve national interests.
- Strengthening legislative oversight is critical in ensuring government revenue projections match actual remittances.