SPEECH BY THE EXECUTIVE SECRETARY OF NEITI AT THE RELEASE OF THE NEITI 2021 OIL AND GAS INDUSTRY REPORT HELD ON MONDAY 18TH SEPTEMBER 2023, AT FRASER SUITES, ABUJA.

PROTOCOL

1. It is my pleasure to welcome you all to the unveiling and release of the 2021 Oil and Gas Industry report.

2. **This report provides information and data on Nigeria's oil and gas sector with special attention on helping the government to recover resources that it needs to address the numerous national development issues especially poverty reduction through resource mobilisation and deployment**.

3. The Oil and Gas Report about to be unveiled comprehensively reviewed, ascertained, reconciled and identified all revenues and investments flows in the oil and gas sector during the year 2021.

4. **The Report covered a total of sixty-nine (69) companies and the Nigeria Liquefied Natural Gas (NLNG). Thirteen (13) Government Entities and One (1) State Owned Enterprise which is the NNPC Ltd.**

5. **The report reviewed processes that characterized all transactions within the sector. it looked at independent assessment of financial transactions in the areas of revenue receipts and payments and how the processes weighed on the scale of transparency and accountability in the oil and gas sector during the period under review. Other areas that NEITI focused in this report were on investments made by the Federation or the Federal Government in the oil and gas industries, subsidy payments, company remittances and liabilities in terms of unremitted funds due to the Federal Government or the Federation.**

6. NEITI also examined the basis for computation and remittances of all revenues payable to government including taxes, royalties and rents.

7**. I therefore express my sincere appreciation to the indigenous firm, Messrs TGS Taju Audu & Co, the Independent Administrator that**

diligently and painstakingly conducted this project for a job well done. I urge other Nigerian companies saddled with such rare national sensitive assignment to demonstrate similar competence and integrity shown by TGS Taju Audu & Co. And to our own team of NEITI professionals -the Energy & Mining Department who supervised closely these assignments both for the Solid Minerals launched few weeks ago and the Oil and gas being presented today and the Communications and Stakeholders' Management Department which put together this event, I convey to you our appreciation for a job very well done.

8. This report was prepared in line with the Extractive Industries Transparency Initiative (EITI) Standard 2019 and the Nigeria Extractive Industries Transparency Initiative (NEITI) Act, 2007.

9. The release of this report is a mandatory requirement in compliance with Nigeria's national and global obligations of the EITI/NEITI process. The event today is also consistent with our implementation of NEITI's 5 year (2022-2026) Strategic plan.

10. Under the EITI principle, the release of a report is important, but far more important is getting the stakeholders- citizens, civil society groups and the media to use the information and data which has been publicly made available and accessible to ask informed questions, engage in constructive debates, dialogue and multi-stakeholders discussions on the management of our natural resources. This is with a view to use the resources to address the country's socio-economic problems especially poverty reduction.

11. I am also grateful to the immediate past NEITI NSWG led by a renowned public servant Barr. Olusegun Adekunle, our staff across all departments and our management team. We equally thank the World Bank, our international partners the global Extractive Industries Transparency Initiative (EITI). We also thank the key stakeholders, Civil Society, the Companies, the Government Agencies, Ministries and Departments, Development Partners and the Media for what we have been able to achieve so far. Of particular note is the outstanding support,

NEITI has received from the Rule of Law and Anti-Corruption Project of the British Council and the European Union which made the public presentation of this report possible.

12. We also wish to express our profound gratitude to Members of the 10th National Assembly for their interest, contribution and support for the work we do at NEITI since their inauguration. During the presentation of the Solid Minerals report the Honourable Members and Distinguished Senators were here and today they have come in their numbers to support us again. We at NEITI are grateful and humbled by this act of commitment and determination to ensure that things work in the extractive sector.

13. And most profoundly we commend the President Bola Ahmed Tinubu's administration for reaffirming Nigerian Government's commitment to its membership of the global extractive industries transparency initiative (EITI), sustaining and supporting NEITI's independence. For avoidance of doubts, I wish to reassure our

stakeholders, our development partners and the global EITI, that NEITI's Core values of partnership, accountability, professionalism, integrity, openness and teamwork will continue to guide our rules of engagements and our operations.

14. **The Oil and Gas Report before you provides revelations and findings in the areas of what was produced, what was reserved for domestic use, what was exported, revenue earnings to the federation, beneficial ownership, production volumes, quasi fiscal expenditure or expenditure made outside budgetary provisions, outstanding liabilities, liabilities against oil/gas companies and State Owned Company, collectible revenues due to FIRS and NUPRC, NDDC levies, transportation revenue and other miscellaneous revenues.**

15. **The Report also provided insights into deductions from the Federation crude sales proceeds and conversion of FIRS tax oil and NUPRC royalty to DSDP.**

16. Other interesting disclosures made by the report were in the areas of crude loss, non-cash call payments, NNPC records vs NAPIMS Annual Financial Statements (AFS), 13% derivation, issues relating to the implementation of the Petroleum Industry Act (PIA), award of marginal fields and discrepancies in PMS importation between NNPC and NMDPRA and the update from the refineries during the period being reported.

17. This is just the snippets of the report. The highlights of the report which will be presented in a short while, will provide details to the issues raised.

18. I therefore urge the civil society, the media in particular and the citizens to avail themselves of the contents of this report as an important document and tool for civic engagement on the ongoing reforms in the sector.

19. **We in NEITI are encouraged by the assurances we have received from the National Assembly that NEITI Reports will henceforth be**

tabled at the plenary sessions of both the Senate and the House of Representatives for debate. This is a major development that will ensure full implementation of NEITI's comprehensive remediation plan.

20. Finally, let me state that one major challenge we have at the moment is the absence of the NEITI National Stakeholders Working Group affected by the dissolution of all federal boards.

21. The National Stakeholders Working Group commonly referred to in Nigeria as the (Board) is actually a multi-stakeholder' coalition of extractive companies, civil society and government and a mandatory requirement for any country's membership of the 57-member international organisation.

22. We have presented the case and appealed for urgent decision to put the NSWG in place and provided the justifications on the need to address our peculiar case. We have received assurances that a decision will be made quite soon. I therefore use this medium to convey our appreciation

to the global EITI for their continuing understanding while hoping that this gap in our operations will be fixed.

23. On this note, I wish to welcome you all to the event. Thank you again for honoring our invitation.