

Twenty five years after oil exploration activities was stopped in Ogoniland following environmental issues that led to intense crisis by the locals against the Shell Petroleum Development Company, SPDC, and the federal military government of that time, a fresh crisis is looming in Ogoni over planned resumption of oil

## Tension in Ogoni as communities, monarchs, groups disagree on oil exploration

activities in the area.

This time, the tension is coming following the bid of two indigenous oil companies - RoboMicheal Limited and Belemaoil Producing Nigeria Limited - for the operating license of Oil Mining Lease,

MKPOIKANA UDOMA, Port Harcourt

OML, 11, Ogoni oil fields.

Stoking the tension, the Supreme Council of Ogoni Tradition Rulers, the Oil-bearing Communities' Traditional Rulers in Ogoniland, the Movement for the Survival of the Ogoni People,

MOSOP, and the Ken Saro-Wiwa Associates are all in disagreement over the planned resumption of oil exploration and the endorsement of the two indigenous oil companies for operatorship of the Ogoni oil fields.

Recently, the Supreme Council of

Ogoni Tradition Rulers endorsed RoboMicheal Limited to commence operation in the Ogoni oilfield while the Oil-bearing Communities' Traditional Rulers in Ogoniland, on their part, endorsed Belemaoil Producing Nigeria Limited for operatorship of the oil mining lease, which originally belonged to SPDC.

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# Sweet Crude

In collaboration with



A Review Of The Nigerian Energy Industry

WEEKLY



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### UPDATES

#### WEEKLY BASKET PRICE

FEB-23	64.09
FEB-23	63.09
FEB-16	61.34
FEB-09	63.86
FEB-02	66.89
JAN-26	67.64
JAN-19	67.21
JAN-12	66.81
JAN-05	65.49
DEC-29	63.99
DEC-22	62.17
DEC-15	61.71
DEC-08	60.84

Daily | Weekly | Monthly | Yearly **62.23US\$**



● Oil platform

● Section of CBN headoffice in Abuja

### Judge's death stalls Baker Hughes ex-workers' N12bn suit

The National Industrial Court of Nigeria, NICN, sitting in Port Harcourt could not rule on the N12 billion case involving over 200 ex-employees of Baker Hughes Nigeria Limited, following the death of the presiding judge, Justice Ibrahim Awal.

Justice Awal, according to the ex-workers, died on Monday February 27, 2018, three days to the date he was to rule on the suit between the ex-oil workers and the

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## Nigeria earns N1.8tr from petroleum taxes, royalties

IKE AMOS, Abuja

Nigeria earned N1.801 trillion from Petroleum Profit Tax, PPT, and royalties in 2017, latest data obtained from the Central Bank of Nigeria, CBN, has revealed.

According to the CBN's Economic Report for the Fourth Quarter of 2017, the amount

earned from PPT and royalties appreciated by 51.09 per cent or N609 billion in 2017, compared to N1.192 trillion in 2016.

Earnings from PPT/royalties accounted for 43.82 per cent of the country's gross oil earnings of N4.11 trillion in 2017.

On a quarter by quarter analysis, the report stated that in the first and second quarters of 2017,

PPT/royalties stood at N325.38 billion and N320.49 billion respectively; while it rose to N489.41 billion and N666.1 billion in the third and fourth quarters respectively.

This, according to the report, was in comparison to PPT/royalties of N314.04 billion, N212.78 billion, N392.38 billion and N273.13 billion recorded in the first, second, third

and fourth quarter of 2016 respectively.

At N4.11 trillion, the report noted that Nigeria's gross oil revenue appreciated by 52.5 per cent or N1.42 trillion, from N2.7 trillion recorded in 2016.

In particular, the report stated that in the first and second quarters of 2017, gross oil revenue stood at N817.48 billion and N795.55 billion respectively, compared to N666.13 billion and N537.19 billion recorded in the same periods in 2016.

Again, in the third and fourth quarters of 2017, the country recorded gross oil revenue of N1.271 trillion and N1.226 trillion

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2018  
NCIF DINNER  
& AWARDS

HOUSTON, TEXAS, MAY 2, 2018

*A Celebration of excellence*

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# Expert faults Nigeria's consumption of 55m litres of petrol daily

OPEOLUWANI AKINTAYO

The Premium Motor Spirit, PMS, more popularly known as petrol, accounts for about 70 percent of petroleum products consumed in Nigeria, according to a past president of the African Refiners Association and Managing Consultant, PEJAD Nigeria Limited, Engr. Anthony Ogbuigwe.

Ogbuigwe disclosed this to SweetcrudeReports in an interview in Lagos, saying the huge volume of PMS consumed in the country was inappropriate and does not promote development when compared to other African countries that consume diesel.

"Nigeria's consumption of almost 70 percent of PMS is not good for development. Other African countries consume more of diesel and that is what is largely in demand. So, if the country would start refining, it will focus



● Fuel tank farm

on petrol, instead of diesel that is more demanded in other countries", he said.

Ogbuigwe faulted recent report that Nigeria's current PMS consumption had hit 55 million litres per day.

In a statement released in January this year, Group General Manager, Public Affairs at the Nigerian National Petroleum Corporation, NNPC, Mr. Ndu

Ughamadu, reported that Nigeria's daily petrol consumption had gone up to 55 million litres from the 35 million litres it used to be. He blamed this on the activities of cross-border smugglers.

Ogbuigwe, however, said the quantity has been inflated, insisting that the actual daily consumption is between 35 and 40 million litres.

## Nigeria earns N1.8tr from petroleum taxes, royalties

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respectively, as against N817.48 billion and N673.10 billion in the third and fourth quarters of 2016 respectively.

The report added that "Gross oil receipt at N1.226 trillion or 60.1 per cent of the total revenue, was lower than both the proportionate quarterly budget estimate and the receipts in the preceding quarter by 9.1 per cent and 3.5 per cent, respectively".

"The decline in oil revenue relative to the proportionate quarterly budget estimate was attributed to the fall in receipts from crude oil/gas exports. This was due to the drop in crude oil production, arising from leakages and shut-ins/shut-downs," the report explained.

The CBN put Nigeria's crude oil production, including condensates and natural gas liquids in the fourth quarter of 2017, at an average of 1.80 million barrels per day, mbd, or 165.60 million barrels in the three-month period, representing a decline of 0.03 mbd or 1.8 per cent, compared with 1.83 mbd or 168.36 million barrels recorded in the third quarter.

The CBN blamed the decline in Nigeria's crude oil output on shut-ins/shut-down in some of the production facilities across the oil-producing areas of the country.

The report also added that Nigeria's crude oil export for the fourth quarter of 2017 dipped by 2.4 per cent, from 126.96 million barrels or an average of 1.38 million barrels per day in the third quarter of 2017 to 124.20 million barrels or 1.35 million barrels per day.

It said: "The development was due, mainly, to continued commitment by OPEC and Non-OPEC countries to avoid flooding the global market, despite the exemption of Nigeria from the production cap agreement."

The report also noted that allocation of crude oil for domestic consumption was maintained at 0.45 million barrels per day or 41.40 million barrels in the entire fourth quarter.

The CBN also noted that, "The average spot price of Nigeria's reference crude oil, the Bonny Light (37° API) rose from \$52.92 per barrel in the third quarter of 2017 to \$62.48 per barrel in the review quarter. This represented an increase of 18.1 per cent.

"The increase was attributed to the production-cut agreement, demand growth from China and increased refining activity in the United States. The UK Brent, at \$61.69 per barrel, the WTI at \$55.47, and the Forcados at \$62.60 per barrel exhibited similar trends as the Bonny Light."

## Judge's death stalls Baker Hughes ex-workers' N12bn suit

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company.

At the last sitting of the court on the matter on January 31, the judge had adjourned ruling on the case March 2.

The ex-oil workers had dragged Baker Hughes Incorporated, its Chief Executive Officer, Mr. Martin Craighead and Baker Hughes Company Nigeria Limited to court over what they described as unlawful disengagement by the company without commensurate severance package.

Counsel to the ex-workers, Barr. George Ogara, had filed an injunction asking the court to prevail on the American oil servicing firm to pay a total sum of N12 billion as redundancy benefits and compensation to the disengaged workers, and that the money should be paid into the court's bank account.



● Gas flaring at an oil-producing facility

## Nigeria: Gas flaring drops to 700mmcf/d - NNPC

The Group Managing Director, Nigerian National Petroleum Corporation, NNPC, Dr. Maikanti Baru, has disclosed that the level of gas flaring in the country has dropped from a peak of 2.5 million cubic feet per day, mmcf/d, to 700mmcf/d.

Baru disclosed this while speaking at the 2018 Oloibiri

Lecture Series and Energy Forum, OLEF, organised by the Society of Petroleum Engineers in Abuja.

He said: "With the growth in infrastructure, gas which was hitherto inaccessible and flared is now being utilized.

"Nigeria has seen the most aggressive drop in gas flaring from a peak of 2,500mmcf/d few

years ago to about 700mmcf/d currently and reducing, and in the next few years we would have stopped routine flaring. That is, zero flares from all the gas producers".

He lamented that oil and gas firms operating in the country were currently flaring 700 million standard cubic feet of gas daily,



capable of generating an equivalent of 5,000 megawatts of electricity per day.

He added that as at today, all the thermal power plants in the country were connected to permanent gas supply pipelines.

Baru noted that the country was blessed with abundance of renewables which were yet to be fully harnessed into the country's energy mix, listing the renewables as wind, solar, hydropower and geothermal as well as biomass and waste energy.

To this end, Baru said the NNPC had adopted a strategy that is focused on diversification from oil using its enormous gas resources for in-country industrialisation, such as gas to power, gas to urea, methanol, and fertilisers among others.

The conveners of the Nigeria Content Investment Forum, NCIF, have announced the launch of a dinner and awards ceremony as part of activities aimed at recognizing excellence in the Nigeria oil and gas industry.

A statement released by management of the NCIF disclosed that there are twelve broad categories where winners shall be determined based on their performance in 2017. These categories include:

- Company that supplied the most number of working rigs in

## 2018 NCIF Awards to celebrate excellence

2017

- Company that constructed/laid the most length of oil and gas pipeline.
- Company with the most number of working vessels.
- Company with the longest work time without LTI.
- Company with the most outstanding CSR impacting the most number of people.
- State government with the most

peaceful host community.

- Individual/agency whose action has positively impacted Nigeria's oil & gas industry
- Financial institution with the most robust/impactful facility for the oil & gas industry
- Oil & gas E&P Coy which accounts for the most volume of reserve addition; increased output, new discoveries, new projects, etc.

- Organisation which accounts for the most outstanding gas utilization project.

- Company with the most outstanding Nigerian Content initiative.

- Outstanding legislative contribution to the growth of the oil & gas industry.

Management disclosed that it is liaising with the Department of Petroleum Resources, DPR, and

the Nigerian Content development and Monitoring Board, NCDMB, to determine which of the nominees would emerge as the award recipient in each category.

A list of winners shall be announced on Monday 26th March 2018 and award recipients shall be honoured at the 2018 Nigeria Content Investment Forum, NCIF, Dinner & Awards ... A Celebration of Excellence.

The ceremony shall take place at the Houstonian Hotel & Spa in Houston, Texas on Wednesday 27 March 2018 at 19:00 hours



**BANK OF INDUSTRY**  
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## The Nigerian Content Intervention Fund (NCI Fund)

**Building local supply chain efficiency and competitiveness in the oil and gas sector...**

The Nigerian Content Development and Monitoring Board (NCDMB) in conjunction with the Bank of Industry (BOI) have launched the US \$200 million Nigerian Content Intervention Fund (NCI Fund). The financing scheme will solve the funding challenges of the local supply chain in the oil and gas industry.

To benefit, applicants must be contributors to the Nigerian Content Development Fund (NCDF).

### Highlights:

- ☑ **Term Loans**
- ☑ **Working capital**
- ☑ **Leasing**
- ☑ **Interest rate for credit facilities:**
  - Manufacturing - **8%**
  - Asset Acquisition - **8%**
  - Contract finance - **8%**
  - Community Contractors - **5%**
  - Loan Refinancing - **8%**

☑ **Loan Tenor: maximum of 5 years**

### Available Facilities:

**Loans for Manufacturing:**  
maximum of US\$10M @ 8% p.a;  
tenor up to 5 years.

**Loans for Asset Acquisition:**  
maximum of US\$10M @ 8% p.a;  
tenor up to 5 years.

**Loans for Contract Financing:**  
maximum of US\$5M @ 8% p.a;  
tenor up to 5 years.

**Loans for Community Contract financing:** maximum of N20M @ 5% p.a; tenor up to 5 years.

**Loans Refinancing:** maximum of US\$2M loans @ 8% p.a;  
tenor up to 5 years.



Applications can be submitted online at- [www.boi.ng/ncifund](http://www.boi.ng/ncifund)  
Terms and conditions apply

For more information please log into:  
[www.ncdmb.gov.ng](http://www.ncdmb.gov.ng) | [www.boi.ng/ncifund](http://www.boi.ng/ncifund)



## 150 persons to benefit from NDE/CBN loan scheme

MKPOIKANA UDOMA, Port Harcourt

The National Directorate of Employment, NDE, says about 150 persons are to benefit from NDE and Central Bank of Nigeria, CBN, loan scheme tagged "Start Your Own Business, SYOB."

Spokesperson of NDE in Rivers State, Mr. Dumka Legenne, who disclosed this, stated that only those who have participated in previous NDE training and have registered business names will benefit from the scheme.

"The programme is to provide a

loan in diverse business areas with an emphasis on agriculture," he said.

Legenne also disclosed that the agency's Special Public Works Department has floated an empowerment scheme on solar power repairs and management.

According to him, "These days, there is a shift to alternative power and energy and NDE wants to tap into that area to provide skills.

"We have attended up to 95 percent of beneficiaries stipends, except those who abscond from training or gave variance account numbers.

"After the training, the beneficiaries are to get a loan worth about N5million, which they are expected to pay back within a specified period.

"We are using this medium to urge Rivers youths to acquire skills to become less dependent and shun social vices."



● NPA's Apapa Port complex

## Tension in Ogoni as communities, monarchs, groups disagree on oil exploration

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While MOSOP says the endorsement of any oil firm to come into Ogoniland does not in any way represent the wishes of the people, Ken Saro-Wiwa Associates, which allegedly is pushing the agenda of Belemaoil, has accused the leadership of MOSOP of failing the people of Ogoni.

Spokesperson of the Supreme Council of Ogoni Traditional Rulers and Paramount Ruler of Kpitem Community, HRH King Samuel Nnee, said the decision to endorse RoboMicheal was sequel to the issuance of licence to the company by the Federal Government through the Nigerian National Petroleum Corporation, NNPC.

Nnee explained that the resumption of oil exploration activities in Ogoniland by RoboMicheal will generate wealth, provide employment for Ogoni indigenes, and also open up the area, which has been impoverished by endless years of environmental degradation, to further investment opportunities.

But in a swift reaction, the Oil-bearing Communities' Traditional Rulers in Ogoniland, which said it was acting on behalf of all the oil-bearing communities in Ogoni, have disagreed with the Supreme Council of Ogoni Traditional Rulers, over the endorsement of RoboMicheal Limited.

A resolution reached by the group said that the Supreme Council of Ogoni Traditional Rulers cannot impose RoboMicheal on them, since the issuance of an all-embracing license for oil exploration and exploitation was totally out of their reach.

The oil-bearing communities, which affirmed their support for Belemaoil Producing Limited, noted that the unanimous acceptance of Belemaoil in Ogoniland in 2014 was the reason for the issuance of various recommendation letters of the company to various authorities concerned with oil business.

## Freight

## NPA hails PMAWCA on regional integration

The Managing Director of the Nigerian Ports Authority, NPA, Hadiza Bala Usman, has commended the Port Management Association of West and Central Africa, PMWCA, for serving as a multilateral organ for regional cooperation amongst ports in West and Central Africa and also, as a vehicle for the actualisation of the dreams of the African Union, AU, as well as the objectives of New Partnership for African's Development, NEPAD.

Usman gave the commendation while welcoming the delegates to the PMWCA Technical Committee meeting which held in Lagos.

She also identified PMWCA as a channel for the attainment of regional integration through consensus building on issues of maritime development and a platform for the exchange of information and expertise for synergy in port operations, administration, legal framework,

security and safety of navigation within the Gulf of Guinea.

The managing director assured PMWCA of the authority's support in its programmes aimed at actualising its mandate in the sub-region.

She stated further: "Given the enormous potentials of the maritime sector on the continent and the significant role that Nigeria plays in the actualisation of these potentials, the current management of the Nigerian Ports

Authority is committed to supporting PMWCA as well as in the introduction of innovations that would redirect the maritime industry in the continent to attain international best practices"

She disclosed further that the authority would continue to pursue excellence through the automation of operational processes, partnering with the private sector for channel maintenance and infrastructural development and collaborating with sister agencies.

## Moni Pulo records 4 million man hours with no LTI

Moni Pulo Limited, a foremost indigenous Oil Exploration and Production company, has recorded 4 million man hours with no lost time injury, NLTI, aboard the Agbami Floating Production Facility. Reaffirming its commitment to maintaining its Health, Safety and Environment standards even as the company's NLTI continue to improve.

Speaking during the celebration to mark the landmark achievement aboard the Agbami FPF facility, Head HSE Daere Inengi of the organisation, said that as at November 2017, Moni Pulo had achieved 4 Million Man-hours, NLTI, up from one million in January 2003.

He further explained that Moni Pulo's membership of the British Safety Council (BSC) testifies to its total commitment to health, safety, security and environment issues and also the reason the company submits itself to audits from the regulatory agencies in the country and international organizations such as Lloyds that certifies the company's Agbami FPF barge.

## Community



## Rivers to partner with UNICEF on sustainable development

MKPOIKANA UDOMA, Port Harcourt

Rivers State Governor Nyesom Wike has disclosed that the state government will partner with the United Nations Children Fund, UNICEF, to ensure the attainment of Sustainable Development Goals in the state.

Speaking during a visit by the UNICEF Country representative, Mr. Mohammed Fall, to the Government House, Port Harcourt, Governor Wike directed relevant state government agencies to step up their performance for the expected improvement in key areas.

He said the government has

established structures to ensure improvements in immunisation, children and maternal healthcare as well as sanitation.

The governor decried the fact that the state government was yet to attain 100 percent immunisation coverage, pointing out that the Ministry of Health and relevant agencies have been directed to work round the clock to record improvement.

He added that the state government will engage in advocacy in the areas of breast feeding and immunisation.

Earlier, Mr. Fall commended Governor Wike for the regular payment of counterpart funds for critical United Nations

programmes as he solicited partnership with the Rivers State Government to deepen areas of cooperation for the attainment of greater results for the population.

He sought the leadership of the governor for consistent growth in the reduction of child and maternal mortality, improved immunisation and breastfeeding, so that Rivers State will be a reference point in Nigeria and the sub-region.



● Governor Wike

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