

Abuja -- Nigeria exported Liquefied Natural Gas, LNG, valued at N482.54 billion in the first quarter of 2018, according to latest data from the National Bureau of Statistics, NBS.

The NBS, in its first quarter 2018 Foreign Trade Statistics, stated that LNG export in the quarter under review appreciated by 15.83 per cent from N416.588

Nigeria exports N483bn LNG in first quarter

IKE AMOS

billion recorded in the fourth quarter of 2017.

In addition, the report stated that the country exported other petroleum gases valued at N30.754 billion, rising by 8.21 per cent from N28.42 billion recorded in the fourth quarter of 2017; while other medium petroleum oil

export slumped by 53.5 per cent to N5.73 billion from N12.32 billion in the fourth quarter of 2017.

Also, Nigeria earned N3.58 trillion from the export of crude oil in the quarter under review, rising by 9.98 per cent from N3.255

trillion recorded in the fourth quarter of 2017.

In general, the report noted that Nigeria's total export stood at N4.7 trillion, rising by 20.02 per cent and 56.01 per cent over fourth quarter 2017 and first quarter 2017 crude oil export respectively.

The report added that Nigeria's

export in the first quarter of 2017 was dominated by crude oil, noting however, that the proportion of non-crude oil export increased from 17 per cent in the last quarter to approximately 24 per cent in the review quarter.

The report said: "The value of crude oil export at N3.58 trillion in the first quarter of

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Sweet Crude

In collaboration with

The Guardian
Conscience, Nurtured by Truth

A Review Of The Nigerian Energy Industry

WEEKLY

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UPDATES

WEEKLY BASKET PRICE

JUN -22	75.28
JUN -29	73.94
JUN -22	71.60
JUN -15	73.60
JUN -08	73.45
JUN -01	73.88
MAY-25	76.26
MAY-18	75.40
MAY-11	73.46
MAY-04	70.74
APR-27	70.92
APR-20	69.50
APR-13	67.67

Daily | Weekly | Monthly | Yearly **75.21 US\$**



● Shell operated Bonny oil terminal

Maritime silk road will boost Africa -China economic partnership

VINCENT TORITSEJU

Lagos -- The Director General of the Nigerian Maritime Administration and Safety Agency, NIMASA, Dr. Dakuku Peterside, has assured that the new Maritime Silk Road initiative will boost China-Africa economic partnership.

The Maritime Silk Road initiative is being promoted by the Chinese shipping sub-sector to develop international shipping connectivity across South East Asia, Africa, Oceania and the Indian Ocean. It is expected to create a new opening for Africa to advance its economic partnership for the benefit of the continent.

Speaking at the 29th annual session of the club of ports of the Crans Montana in Brussels, Belgium, Peterside said the maritime silk roads come with a lot of benefits for Africa.

He, however, charged African

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Nigeria: Govt targets \$15/b oil production cost

OPEOLUWANI AKINTAYO

Lagos -- The Federal Government is working to reduce the cost of crude oil production to \$15 per barrel, Minister of State for Petroleum Resources, Dr. Ibe Kachikwu, has announced.

The minister revealed this at the 2018 Nigerian Oil and Gas, NOG, conference in Abuja, explaining that the government wants to encourage producers by cutting production cost from the current \$28 to \$15 per barrel.

The cost of crude oil production in Nigeria was initially \$32 per

barrel, a price producers had complained was too high when compared to other countries of the world.

"The Federal Government is planning to cut the cost of production to \$15 per barrel from \$28 per barrel, if Nigeria will be able to compete with other

countries of the world and attract investment," the minister said.

He called on private oil companies to partner with the state-owned Nigerian National Petroleum Corporation, NNPC, on the plan.

Kachikwu used the opportunity of the conference to allay fears that the country would soon run out of oil, saying crude oil will not go into extinction as is widely believed.

He maintained that even as demand for crude oil is steadily growing, fresh oil discoveries were being made to replace usage.

"Oil will not go out of stock. So, don't believe the reports (in the media) because it (oil) is still in demand globally and its demand is increasing daily. The

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NNPC to review business model, transit into energy company

Lagos -- The Nigerian National Petroleum Corporation, NNPC, has said it will review its business models to reflect current operational reality with improved profitability, transparency and accountability as the cornerstone.

NNPC Group Managing Director, Dr. Maikanti Baru, disclosed this in Abuja in an email message to employees of the company to commemorate

his two-year anniversary at the helm of affairs of the NNPC.

In the nine-page address, Dr. Baru said going forward, the corporation would overhaul its operational strategies to remain globally competitive while transiting gradually from an integrated oil and gas company to an energy company.

The group managing director, who described his two years at the head of NNPC as "exciting", said

ever since he was appointed to the position, he had enjoyed support from all workers in moving the corporation forward.

"Going forward, our priority will be to remain globally competitive. In pursuing this, we will ensure the gradual transition of NNPC from an integrated oil and gas company to an energy company. We will also review our business models to reflect

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Low oil prices injurious to consumers, producers - Bakindo

Abuja -- Low oil prices are injurious to the global economy, Secretary-General of the Organisation of the Petroleum Exporting Countries, OPEC, Dr. Mohammadu Barkindo, has said.

Barkindo, in his keynote address at the recent 2018 Nigerian Oil and Gas conference in Abuja, said downturn in prices of crude oil negatively affects both consumers and producers alike.

Nigeria's economy fell to an all-time low following the crash in prices of crude oil at the global market in late 2014.

Prices fell from around \$100 per barrel to below \$30 per barrel, dragging down investments in

the sector, causing job losses and leading many oil firms to file for bankruptcy.

"Low oil prices are injurious to us today. High oil prices are likewise not good for consumers today which will also affect producers in the future," Barkindo said.

"Just look at the crash in oil prices of 2014 where most economies of OPEC's members were affected.

"That was why we came up with the DoC (Declaration of Cooperation) to cut output so that our economies could survive. That effort today is yielding results and we can see that in increasing incomes and returning of investments," he added.



● Barkindo

Nigeria: Govt targets \$15/b oil production cost

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electric car is just coming up and the demand is still around 2 percent globally. Oil will be around even more than 50 years from now," Kachikwu said.

But, he warned that although oil was still in high demand, Nigeria needed to look for how to sustain and firm up regional demand of the commodity, else "we may not be able to sell our oil".

He revealed that two modular refineries would begin production in the country in the first quarter of next year, adding that the Nigerian National Petroleum Corporation, NNPC, was working with the Ministry of Petroleum Resources to sign off more modular refinery deals.

Kachikwu called on private oil companies to partner with government in the area of signing Memorandum of Understanding, MoU, for the provision of better living condition in oil producing communities.

He reiterated his ministry's plan to launch the Project 100 in August this year. The minister had last year hinted about the Project 100, which he explained, was geared towards promoting and helping Nigerian oil companies to grow and be able to compete with the international oil companies operating in the country



1mscf of gas can provide Nigeria three noodles firms - Shell

OPEOLUWANI AKINTAYO

Abuja -- One million standard cubic feet, Mscf, of gas could provide Nigeria with three noodles producing companies, Managing Director, Shell Nigeria Gas, SNG, Ed Ubong, has said.

Mr. Ubong revealed this while speaking on the topic "Maximising Nigeria's Gas Potentials" at the 2018 Nigerian Oil and Gas conference in Abuja.

According to him, if Nigeria could maximise its current vast natural gas resources, just one million standard cubic feet of gas

production could increase the country's noodles industry by three, providing 1,500 jobs in each of the firms.

However, he said, despite the huge opportunities the country has in gas, challenges such as "where and how to get gas" still loom in the minds of investors.

"Nigeria does not have enough gas industries that can take gas and turn it into power and be able to create jobs," he said.

"If Nigeria can achieve so much with just one million standard cubic feet of gas, now imagine

what the country can achieve by producing more and more gas.

"But Shell has been at the forefront of not only providing gas for exports but also for local use, for cooking, manufacturing/production companies and for power generation," he added.

Nigeria is endowed with about 192 Trillion Cubic Feet, TCF, of gas and currently ranks ninth in the world in terms of reserves.

Despite the huge reserve base, gas utilisation in the domestic sector is abysmally low.



● Ed Ubong, Managing Director, Shell Nigeria Gas, SNG



GE, NDPHC collaboration to focus on infrastructure expansion, repairs

Lagos -- GE, the world's premier digital industrial company, is collaborating with the Niger Delta Power Holding Company, NDPHC, on the development of end-to-end power intervention, EEIP, in the country.

The collaboration will see NDPHC partner with GE to work with power distribution companies or Discos, Transmission Company of Nigeria, TCN, and other relevant stakeholders, to identify and prioritise critical projects to reduce technical and commercial losses.

The focus will be on the expansion, repair and upgrade of all critical transmission and distribution infrastructure.

The multinational company

announced the collaboration with NDPHC recently, saying it followed the signing of a letter of intention by both parties during

the France-Nigeria Business Forum in Lagos, one of several events hosted during the visit of President of France, Emmanuel

Macron, to Nigeria.

The signing of the letter of intention for the collaboration was witnessed by the French

Secretary of State to the Minister of Economy and Finance, Delphine Geny-Stephann.

GE's EEIP is aimed at delivering incremental power from the NIPP's underutilised or stranded capacity to several industrial and commercial hubs through multiple solutions across the entire electricity value chain.

Under the agreement, GE will provide end-to-end power solutions across the value chain to deliver 2.5GW of power. The company will also provide financing support for the power projects, including funding for the refurbishment of distribution and transmission infrastructure amongst other critical support services to analyse and improve the power value chain.



● General Electric technical shop

Nigeria exports N483bn LNG in first quarter

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2018, which accounted for 76.3 per cent of the total exports from Nigeria.

"In the review quarter, mineral products accounted for N4.14 trillion or 88.28 per cent of the total export from Nigeria. This category of export saw a 10.05 per cent growth from the previous quarter, and as in previous quarters, it was dominated by crude oil exports.

"The second largest component of export was machinery and transport equipment, which recorded N389.74 billion or 8.30 per cent of the

total export in the review quarter. This was a sharp increase from N12.47 billion as recorded in the last quarter of 2017."

Continuing, the NBS report noted that in the first quarter of 2018, Europe and Asia remained the top two export destination continents, recording N2.284 trillion and N1.311 trillion respectively, adding that value of exports to these two continents showed a steady growth of 48.47 per cent and 26.81 per cent respectively compared to the previous quarter.



AfDB makes \$12bn commitment to Energy for Africa programme



● Energy sector

Abidjan -- The African Development Bank, AfDB, has made a \$12 billion investment commitment to its New Deal on Energy for Africa programme.

This came as public, private and civil society stakeholders in the energy sector converged recently on Abidjan, the capital of Côte d'Ivoire, to discuss the technical, commercial, regulatory and financial issues

in Africa's fast-growing energy market.

The two-day gathering in Abidjan was the inaugural edition of the Africa Energy Market Place, AEMP.

It brought together more than 300 participants and featured case studies from five countries - Côte d'Ivoire, Egypt, Ethiopia, Nigeria and Zambia.

Representatives from each country delivered presentations

on the accomplishments, investment opportunities, challenges, and the long-term outlook for their respective energy industries.

Sub-Saharan Africa currently has 14% of the world's population and accounts for 4% of global energy investment.

Analysts at the Bank note that several countries, including Ethiopia, Gabon, Ghana and Kenya, are on track to reaching universal electricity access by

2030.

In his welcome address, AfDB President, Dr. Akinwumi Adesina, underscored the dire situation of Africa's energy environment. "Africa has a lot of energy potential but potential doesn't create anything ... We cannot continue to accept Africa being referred to as the 'dark continent'. We need to act speedily to accelerate our plans to light up and power Africa," Adesina said.

NNPC to review business model, transit into energy company

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current operations reality with improved profitability, transparency and accountability as the cornerstone," Baru told the NNPC workers.

He stated that his administration would ensure improved collaboration with local communities, local governments, states and relevant agencies. He also pledged improved security and safety of personnel and infrastructure as well as improved human capital development and the optimisation of NNPC's non-core oil businesses.

Baru maintained that the NNPC, under his watch, had initiated and successfully completed milestone deliverables in the upstream and midstream sub-sectors, especially with the refineries and in the downstream, where, according to him, there has been improved performance and business stability across the corporation's major operations and entire value chain activities.

In the upstream sub-sector, Baru said the corporation had worked hard to sustain production level from the nation's assets to above two million barrels per day in 2018.

He stated that aside securing approval and signing off the novel financing structure with Schlumberger for the NNPC/First E&P JV which is expected to deliver a peak production of 50,000 barrels of oil per day and 120 million standard cubic feet of gas per day by 2019, the

corporation had maintained a commitment to repayment of cashcall arrears where about \$1 billion of \$5 billion indebtedness had been settled.

In the midstream sub-sector, Baru observed that NNPC had remained a critical gas supplier to the domestic market with a dominant market share and supporting government's gas-to-power initiative, currently supplying an average of 720 million standard cubic feet of gas per day, which represented about 47% of total gas supply to the domestic gas market.

IPMAN to help flush out oil thieves in Delta

LUCKY OMAS

Warri -- The newly-elected chairman of the Independent Petroleum Marketers Association of Nigeria, IPMAN, Warri Zone, Mr. Zino Onaemoro, has pledged to work with security agencies to flush out oil thieves in Delta State.

He has also ruled out the creation of artificial scarcity of petroleum products by IPMAN members.

Onaemoro, who gave the assurance in Warri, after the inauguration of the newly-

elected executive council members, said: "We will support security agencies to win the war against oil theft.

"We all know the damage oil theft is causing to our economy as a country. Like every other responsible Nigerian we will support every move to win the war.

"The new IPMAN will also make sure that we get our due from PPMC. It will no longer be business as usual", he said.

He also said he would set up a task force to guard against the sale of adulterated petroleum



● Illegal oil refining activity

products in the state. Speaking earlier on the day of

his election, Onaemoro, in his acceptance speech, promised



Labour

to tackle challenges facing IPMAN members in the state and called on the Pipelines and Product Marketing Company, PPMC, to stop sidetracking IPMAN members in the allocation of petroleum products.

He said he would resist any move by the PPMC to shortchange IPMAN members in Delta State.

"We will not tolerate any situation where PPMC will shortchange our members in the allocation of products, where they allocate the products to themselves," he said.

Freight



Clearing agents, govt officials trade blame over delays at ports

VINCENT TORITSEJU

Lagos -- Licensed customs agents and government agencies operating at the Lagos ports are trading blames over delays in cargo clearance and frustration of the government's 'ease of doing business' initiative.

During an unscheduled visit to the Port Terminal Multi-purpose Limited, PMTL, in Apapa Lagos, by officials of the Customs headquarters Public Relations Unit, it was discovered that some government agencies, besides Customs, scheduled to carry out

examination of containers and other cargoes were not at their duty posts as at 11am.

The appraisal visit followed media reports blaming examination delays on Customs.

Speaking on the development, Owolabi Abiodun and Adekunle



● APM Terminals, Apapa port

Oladejo, both clearing agents, exonerated Customs from blame, stating that as was visibly

seen during the unscheduled visit, Customs officers were on hand at the examination area ahead of time.



Shipowners protest 15 percent Customs duty rate on vessel import

Lagos -- The Shipowners Association of Nigerian, SOAN, has protested the high rate of 15 percent Customs duty on the importation of vessels on Nigerian flagged vessels.

Speaking at a stakeholders meeting organised by the Alumni of Maritime Academy of Nigeria, Oron, SOAN's President, Mr. Greg Ogbeifun, said it was a shame that Nigerian flagged vessels pay much more Customs duty than vessels flying foreign flags that pay as little as one percent.

Ogbeifun stated that the group went to the Presidential Villa recently to registered their protest on the issue.

Ogbeifun, who described the

development as unfortunate, said that payment of higher import duty on vessels has put Nigerian ship-owners at a very disadvantaged position and given the foreigner an edge.

He explained that besides the payment of high import duty, the local ship owners are inundated with unfavourably taxes.

He said: "There is a contention between the Ministry of Transport and that of Finance. While the Transport Ministry is working towards reducing the payment of such high duty on vessels, the Finance Ministry through the Nigeria Customs Service, want to maintain the duty in a bid to meet or surpass targeted revenue

● Ship berthed at Tin Can



collection.

"There is a fundamental problem with the industry and we must put our fingers on the issues affecting the industry.

"Already, being a Nigerian flagged vessel, you are at a disadvantage and this is not good for the industry. We must look into the law with regards to this issue"



● Main entrance to Maritime University Okerenkoko, Delta State

MKPOIKANA UDOMA

Port Harcourt -- The Ijaw Youth Council, IYC, worldwide has explained why it is against the National Assembly's cut of the budget for the Nigerian Maritime University, Okerenkoko, Delta State; the East West Road and other key developmental projects in the Niger Delta in the recently signed 2018 budget.

The Federal Government had voted N5 billion for the take-off of the Maritime University, but, this

was reduced to N3.4 billion by the National Assembly in the budget that was passed last month. But, the National Assembly increased its own budget by billions of naira.

President of the IYC, Mr. Eric O mare, described as unacceptable the fact that the National Assembly will reduce the budget proposal for key developmental initiatives and increase its budget for personal costs when they are supposed to reduce their recurrent expenses.

Why we are against budget cut for Maritime University, others - IYC

Omare explained that the immediate take-off of the Maritime University was one of the key agreements reached between the leaders of the Niger Delta region and the Federal Government towards a return of peace to the region.

Said he: "It was in furtherance of this agreement that the N5 billion was budgeted for the take-off of the university, which we, the stakeholders in the Niger Delta region, consider grossly

inadequate because of the difficult terrain where the university is sited.

"The Nigeria Maritime University, Delta State, needs a lot of money for it to find its footing, especially at this initial stage of its existence, in developing key physical infrastructure and engagement of qualified personnel to run the university.

"In the same vein, the East West Road project is a key project for the Niger Delta region in that it

runs through all the six states of the South South region. Therefore, it is the height of insensitivity for the National Assembly to reduce the budget for the East West Road."

Omare, however, urged President Muhammadu Buhari to send a supplementary budget to the National Assembly which should make adequate financial provision for the Maritime University, the East West Road and other projects in the region.



Community

Use \$350m Abacha loot for modular refineries, stakeholder urges Buhari

Port Harcourt -- President Muhammadu Buhari has been advised to use the \$350 million Sani Abacha loot recovered from Switzerland for the setting up of modular refineries across the Niger Delta region.

Recall that the Federal Government had announced that the \$350 million would be shared N5,000 each to poor Nigerians in 300,000 households in 19 states across the country.

But the Director, Directorate of Modular Refineries-Institute of the Environment, Mr. Pat Obiene, said it was insensitivity

on the part of the Federal Government to plan on sharing the money, when availability of refined petroleum products was still an issue in the country.

Obiene said since the money is proceeds from crude oil sourced from the Niger Delta, it should be used for tangible projects that will be of benefit to the people of the region and the country in general.

According to him, "This so-called Abacha loot came from oil proceeds and we understand that among the 19 states that the Federal Government plans to share

this money, it is just one state in the Niger Delta that would benefit and it is even a non-oil producing state.

"In view of the federal government continuous cries that there is no money to set up modular refineries in the region - as little as five to nine million dollars to set up a refinery with the capacity of refining 2,000bpd - we suggest that this money if invested in the region would go a long way in creating recurrent capital for the region and the country at large, because currently Nigeria is importing fuel with subsidy of over N1.4 trillion".

Maritime silk road will boost Africa-China economic partnership

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countries to be strategic in decision making in order to reap the rewards and avert some perceived risks inherent in the initiative.

"Whereas China is pursuing new transportation linkages throughout the Eurasia region and Africa to boost trade and enhance her economic status, Africa must key in to develop her port infrastructure, maritime assets financing and create jobs for her people," he said.

The agency boss, who was also Chairman of the Conference, listed potential threats such as the likelihood of ports being taken over by the Chinese to the detriment of Africans, also noted that the initiative will create an opening for African markets to be flooded with Chinese goods.

Dr. Peterside also said that as a result of the China-driven initiative, Chinese policy might also affect port calls and hub decisions.

He warned that the oil tanker and gas markets would be affected by the construction of new pipelines that will connect Africa to China which will engender Chinese political dominance in Africa, if not carefully managed.

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