

IKE AMOS

Abuja -- The Nigerian National Petroleum Corporation, NNPC, has reported a 35.78 percent increase in its crude oil and gas export earnings, which reached \$416.07 million in the month of June 2018.

The NNPC, in a statement on its Monthly Financial and Operations Report for June 2018, added that crude oil

NNPC oil and gas export income rises to \$416 million

export sales contributed \$274.95 million, which translated to 66.08 percent of the dollar transactions compared with \$244.72 million contribution in the previous month, while gas export stood at \$141.12 million.

In all, the NNPC said a total of 744 million standard cubic feet of gas per day, mmscfd, was

delivered to the gas-fired power plants in country in the month of June 2018 to generate about 2,970 megawatts, MW, of power, compared with the figure for May, where an average of 742 mmscfd of gas was supplied to generate 2,940MW.

It stated that a total of 211.51 billion cubic feet, bcf, of natural

gas was produced in the month of June 2018, translating to an average daily production of 7.056 billion cubic feet per day, BCFD.

The NNPC said: "For the period between June 2017 and June 2018, a total of 3.080 trillion SCF (Standard Cubic Feet) of gas was produced, representing an average daily production of 7.826

billion SCFD.

"During the period under review, Production from Joint Ventures (JV), Production Sharing Contracts (PSC) and Nigerian Petroleum Development Company (NPDC) contributed about

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Sweet Crude REPORTS

A Review Of The Nigerian Energy Industry

WEEKLY



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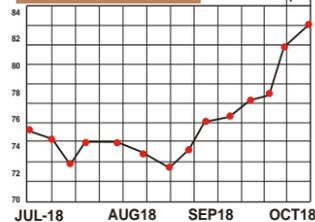
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UPDATES

WEEKLY BASKET PRICE

OCT-05	83.15
SEP-28	80.64
SEP-21	76.71
SEP-14	76.18
SEP-07	75.19
AUG-31	74.96
AUG-24	72.09
AUG-17	70.36
AUG-10	71.88
AUG-03	72.53
JUL-27	72.81
JUL-20	70.95
JUL-13	74.05

Daily | Weekly | Monthly | Yearly **84.09US\$**



NNPC delivers 744mmscf/d of gas to power stations in June - Report

OPEOLUWANI AKINTAYO

Lagos -- The Nigerian National Petroleum Corporation, NNPC, in its newly-released performance report for June 2018, said a total of 744 million standard cubic feet of gas per day, mmscf/d, was delivered to gas-fired power plants in the month.

The 744mmscf/d of gas was utilised in the generation of about 2,970MW of power compared with that of May 2018, when 742mmscf/d was supplied to generate 2,940MW.

A total of 211.51 billion cubic feet, bcf, of natural gas was produced in the month of June 2018, translating to an average daily production of 7.056mmscf/d.

During the period under review, production from joint ventures, production sharing contracts and the Nigerian Petroleum Development Company, NPDC, accounted for about 69.35 percent, 21.77 percent and 8.88 percent respectively, of the total national gas production.

The gas flare rate for the month under review was 10.33 percent - an average of about 721.83mmscf/d - while the average gas flare rate for the period, June 2017 to June 2018, was 10.4 percent - an average of 813.37mmscf/d, the report said.

Nigeria spends N427bn on fuel, lubricant import in 3 months



Fuel tanker

IKE AMOS

Abuja -- Nigeria's spending on fuel and lubricants import depreciated by 49.48 percent to N426.939 billion in the second quarter of 2018, according to data released by the National Bureau of Statistics, NBS.

The NBS, in its Foreign Trade Statistics for the Second Quarter of 2018, stated that this was compared to fuel import of N845.118 billion recorded in the first quarter of 2018.

The report noted that of the total amount, the importation of Premium Motor Spirit, PMS, also known as petrol, accounted for N277.71 billion, representing 65.05 percent of the total fuel import in the second quarter of 2018.

As a result, the report noted that petrol emerged the most imported commodity, followed by gas oil, with an import bill of N74.58 billion, while lubricating

oils came ninth on the import list, with N29.15 billion.

The report further stated that China emerged the top import destination for Nigeria, accounting for N531.55 billion,

representing 25.53 percent of total import into Nigeria, while The Netherlands, Belgium, India, and the United States exported goods valued at N181 billion,

N170.89 billion, N145.02 billion and 141.58 billion to Nigeria respectively.

In addition, Nigeria's total import from Germany, the

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Group drags HYPREP to court over Ogoni cleanup fund

MKPOIKANA UDOMA

Port Harcourt -- The Federal High Court in Port Harcourt has granted ex-parte motion to a group known as Ogoni Youth Federation, OYF, to summon the Coordinator of HYPREP, Dr. Marvin Dekil, to appear before it over the management and administration of the \$10 million initial grant released to the agency for Ogoni cleanup.

The OYF had gone to court to have the Hydrocarbon Pollution Remediation Project, and the Federal Ministry of Environment furnish it with details of expenditure on the \$10 million released to the body by the Nigerian National Petroleum Corporation Joint Venture, NNPC JV, for the implementation of the UNEP report on Ogoniland.

The presiding judge, Justice E. A. Obile, granted the ex-parte order to the group to file and serve writ

of summons for judicial review to the first, second and third defendants (HYPREP, Dr Marvin Dekil and the Federal Ministry of Environment).

Speaking to newsmen after the court session, Counsel for the group, Barr. Asuk Ikpoko, said the writ of notice will now enable HYPREP to appear in court over the matter.

According to him, "We made

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Rivers State University repairs, commissions mini-refinery equipment

Port Harcourt -- The Department of Chemical and Petrochemical Engineering in the Rivers State University has resuscitated and commissioned a mini-refinery equipment which has been obsolete for more than 30-years.

This follows the intervention of an alumnus of the department, who convinced his firm to carry out repairs of the equipment.

Commissioning the equipment, the Vice Chancellor of the university, Professor Blessing Didia, described the feat as divine, following several fruitless attempts by the university to fix the equipment.

Didia expressed happiness and gratitude that the company which successfully repaired the equipment, is manned by alumnus of the university.

According to him, "Something that was not working for over 30-years, just came back to life just like that. Since I came on board in 2015, we have been trying to buy AAS (Atomic Absorption Spectrophotometer), the price is over N40 million and we offered to pay by installments but they refused. We even went to the bank for a loan but the bank



● Rivers State University entrance

couldn't give us.

"So what you have repaired today and put in use is one of the greatest things that this university has been looking for. The AAS alone makes me very happy and of course, the mini-refinery. How I wish the mini-refinery will be used to produce our own petrol and diesel, so there will be no need for buying from outside anymore.

"It gladdens my heart that you all are alumni of this university,"

the Rivers University Vice-Chancellor said.

Also, the Head of Department, Chemical and Petrochemical Engineering, Dr. Chukwuemeka Ukpaka, said with the resuscitation of the mini-refinery equipment, the department will commence major practical classes on crude oil refining.



Gas

NNPC to conclude funding arrangements for Ajaokuta-Kaduna-Kano pipeline



● Gas pipeline

IKE AMOS

Abuja -- The Nigerian National Petroleum Corporation, NNPC, has said it is set to wrap up funding arrangement on the Ajaokuta-Kaduna-Kano, AKK, gas pipeline project.

According to a statement in Abuja, Group Managing Director of the NNPC, Dr. Maikanti Baru, disclosed this while speaking at the Nigerian Day at the 30th edition of Gas Technology Conference in Barcelona, Spain.

Baru, who was represented by NNPC Chief Operating Officer, Gas and Power, Dr. Saidu Mohammed, revealed that the corporation had gone far in negotiating the terms of funding as well as the best payback structure for the project, affirming that the

financial partners were willing to collaborate with the corporation on the matter.

He explained that tremendous progress was recorded towards securing funding for the project during the last visit of President Muhammadu Buhari to Beijing, China.

Baru added that the ground-breaking ceremony for the project was near, explaining that Nigeria was focused on expanding its critical gas infrastructure such as pipelines which would lead to a gas grid covering the entire country.

"Once you have the whole nation covered with a gas grid, industries will naturally spring up along the way and litter the entire country. That is our target in the long run," Baru noted.

meters for us. That would even save us from all these problems," he said.

He pleaded with PHED to restore power supply to the 19 communities as their businesses have suffered great loss while appealing to the Etche Council boss to ensure that power supply is restored to the area as a matter of urgency.

"I appeal to the Etche Local Government Chairman and other well-meaning individuals to do everything they can to ensure that power is restored to the area so that residents and business owners would enjoy constant power supply," Nwuche added.



● PHED facility

Nigeria spends N427bn on fuel, lubricant import in 3 months

CONTINUED FROM PAGE 01

United Kingdom, Russia, Italy, and France stood at N70.995 billion, N59.54 billion, N56.54 billion, N55.77 billion and N53.91 billion respectively.

The report noted that the total value of Nigeria's merchandise trade was N6.569 trillion in the second quarter of 2018, which was a -8.89 percent contraction from N7.211 trillion recorded in the first quarter of 2018 and a 14.56 percent growth from N5.73 trillion recorded in the second quarter of 2017.

According to the report, the contraction of total trade in the reviewing quarter was mainly driven by the decline in both imports and exports.

It also noted that the trade balance in second quarter 2018 was a surplus of N2.357 trillion, which represented an increase of 8.36 percent from N2.17 trillion recorded in the first quarter of 2018 and a 399.82

percent increase from N471.48 billion in first quarter 2017.

The NBS added that "Total value of imports into Nigeria in the second quarter stood at N2.106 trillion, of which N426.9 billion imports were mineral fuel, representing 20.26 percent of the total import".

"Machinery and transport equipment import stood at N600.6 billion, representing 28.5 percent of total import in the second quarter, while Chemical and Related Product imports accounted for 7.7 percent of total imports," the report said.

Again, the NBS report revealed that Nigeria spent N995.835 billion on the fuel import in the first six months of 2018, rising by 36.2 percent compared with N730.925 billion spent on the importation of the commodity in the second half of 2017, and a decline of 26.3 percent compared to N1.351 trillion recorded in the first half of 2017.

NNPC oil and gas export income rises to \$416 million

CONTINUED FROM PAGE 01

69.35 percent, 21.77 percent, and 8.88 percent respectively, to the total national gas production".

It added: "Out of the 209.55 bcf of gas supplied in June 2018, a total of 113.08 bcf was commercialised, comprising of 36.23 bcf and 76.85 bcf for the domestic and export market respectively.

"This translates to a total supply of 1.208 billion SCFD of gas to the domestic market and 2.561 billion SCFD of gas supplied to the export market for the month, implying that 53.96 percent of the average daily gas produced was commercialized while the balance of 46.04 percent was re-injected, used as upstream fuel gas or flared."

The NNPC noted that the gas flare rate was 10.33 percent for the month under review, that is, 721.83 mmscfd, compared with the average gas flare rate of 10.4 percent, that is, 813.37 mmscfd for June 2017 to June 2018.

In the downstream sub-sector, the NNPC said 1.195 billion litres of petrol were supplied into the country through the Direct-Sale-Direct-Purchase, DSDP, arrangements as against the 1.097 billion litres of petrol supplied in May 2018.

It further stated that the petroleum products - petrol, diesel, and kerosene - production by the domestic refineries in June 2018 amounted to 205.73 million litres compared to 161.91 million litres in May 2018.

Group drags HYPREP to court over Ogoni cleanup fund

CONTINUED FROM PAGE 01

a letter in accordance with the Freedom of Information Act, seeking HYPREP to give them (OYF) certain information in line with the FOI Act, but the body failed to give them the requisite information as provided by law.

"In pursuant to the relevant provisions of the FOI Act, they have come to court to file an originating summons asking the court to give an order

mandating them to perform their statutory duties.

"So based on the provisions of the law, we have file a motion ex parte asking the court to grant us writ to serve originating summons on the defendants and this morning, the honourable court in its wisdom has granted the application as raised.

"So what we are to do now is to serve them the originating summons so that they can come to court and give reason why they have not comply with the provisions of the FOIA."

Also speaking, the President General, Ogoni Youths Federation, Mr Legborsi Yamabana, alleged that the management, administration and disbursement of the \$10 million fund for the cleanup managed by the Federal Ministry of Environment and HYPREP, was shrouded in secrecy.

Yamabana, who gave justifications for the matter in court, said his group had earlier made several efforts towards inquiring the delay in the cleanup and clarifications on the initial fund set aside for the cleanup of Ogoni, but to no avail.

Power



PHED at odds with Rivers communities over persistent blackout

MKPOIKANA UDOMA

Port Harcourt -- The Port Harcourt Electricity Distribution Company, PHED, has disagreed with 19 communities in Etche Local Government Area of Rivers State over persistent power outage in the area in the last three months.

This is coming as the Chairman, Etche Electricity Committee, Mr. Nnamdi Nwuche, accused the power distribution company of perpetually throwing the 19 communities into darkness after they had expressed their readiness to pay for power

supplied.

Nwuche lamented that PHED, in spite of being aware that the 19 communities had been in darkness for three months, was still sending bills to them and demanded that they pay for the energy they did not consume.

"For the past three to four months now, there has been no light in Etche and PHED is still demanding us to pay bills when we did not even see light.

"We are saying, therefore, that if you charge us, we will pay for energy consumed. Besides, they should come and install prepaid



Remittance income will drive economic growth for Africa

Nairobi -- A report, commissioned by the Institute of Chartered Accountants in England and Wales, ICAEW, and produced by partner and forecaster, Oxford Economics, has revealed that remittance income will continue to drive economic growth for Africa.

Remittance income was emphasised in the report as a major economic factor for most African countries with Nigeria leading the pack as the biggest receiver of remittances on the continent. The West African economic powerhouse received 29% (\$22bn) of total remittances flowing to the continent in 2017, mostly from the Gulf, the US and United Kingdom.

Egypt was the second biggest receiver of remittances on the continent with \$20 billion of remittances. One of the countries

highlighted where remittance flows continues to play an important role in terms of external accounts is Ghana.

According to the World Bank also, remittance inflows amounted to \$2.5bn in 2014: equal to roughly 18.6% of total exports that year. However, in 2017 the remittance inflows subsequently declined to \$2.2bn equivalent to 15.8% of exports.

The report provides a snapshot of the region's economic

performance and the regions include; East Africa, West, and Central Africa, Franc Zone, Northern Africa, Southern Africa.

According to the report, East Africa continues to be the continent's best performing region with a GDP forecast of 6.3%. This positive outlook is due to the region's economic diversification and investment-driven growth. Ethiopia remains the region's powerhouse, with growth forecast at 8.1%, thanks to the recent reforms under new



● Akinwunmi Adesina, AfDB President

Solid Minerals



Zambia hikes mining taxes in 2019 budget to rein in debt

Lusaka -- Zambia will introduce new mining duties and increase royalties to help bring down mounting debt, the finance minister has revealed.

Delivering a 86.8 billion kwacha (\$7.1 billion) budget in parliament, Margaret Mwanakatwe pledged to bring debt down and to trim the fiscal deficit to 6.5 percent of gross domestic product, GDP, in 2019 from 7.4 percent this year.

The economy of Africa's No.2 copper producer was expected to grow by at least 4 percent in 2019, around the same as forecast for this year, she said.

Outside parliament, police flanked around 100 demonstrators wearing black t-shirts emblazoned with "Zambia Demands Accountability".

"We are tired of hearing about scandal after scandal concerning the misuse of our national resources," said Laura Miti, one of the protest organisers.

Concerns about Zambia's rising debt, accusations of additional hidden borrowing, and of government corruption, have spooked investors and Western donors in recent months.

Britain and Finland froze funding to Zambia this month on suspicion that \$4 million they channelled into a social welfare scheme may have



● Mining site

been misused.

The International Monetary Fund has put talk of an aid package with Zambia on hold due to the country's unsustainable debts.

China to impact crude steel production and iron ore imports to 2022

Lagos -- China's growing demand for higher grade iron ore in its bid to curb environmental damage is set to drive down the crude steel production and iron ore imports between 2018 and 2022, says leading data and analytics company GlobalData.

The company forecasts that

due to Chinese steel capacity eliminations and a new era of environmental restrictions, crude steel production and iron ore imports are expected to decline by a Compound Annual Growth Rate, CAGR, of 1.14% and 2.52%, respectively between 2018 and 2022.

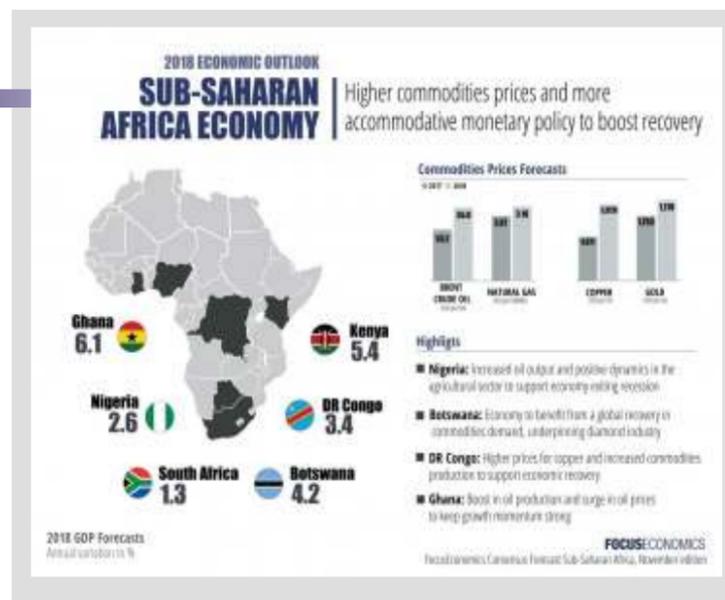
The Chinese steel boom, which started in the early 2000's, has

largely shaped the global iron ore market. With the vast majority of domestic mines producing low-grade iron ore with an average Fe grade of 30% and below, Chinese steelmakers have depended on imports of high-grade iron ore (Fe 58-62%) from Australia and Brazil.

However, the trouble for the iron ore import boom started brewing in 2016. Under the 13th five-year plan (2016-2021), the Chinese government set a target to

eliminate 150 million tons of low quality and heavy polluting steel capacities.

Sameer Chakravarthy, a Mining Analyst at GlobalData, said: "Government policy to eliminate the inefficient steel capacities and the shift in the steel makers focus towards high-grade iron ore is impacting the major low-grade iron ore exporters."



● Africa economic growth chart

prime minister Abiy Ahmed.

In Central and West Africa, growth is forecast at 2.9%. The constrained growth in the region is due to subdued non-oil economic

activity by Nigeria – the region's powerhouse. Ghana, by contrast, is the best-performing country in the region with a forecast growth of 6.5%.

AfDB, European Commission, others landmark \$1bn impact securitisation

Ottawa, Canada — The African Development Bank, AfDB, together with the European Commission, Mariner Investment Group LLC or Mariner, Africa50 and Mizuho International Plc, has announced the pricing of Room2Run, a US \$1 billion synthetic securitisation corresponding to a portfolio of seasoned pan-African credit risk.

Room2Run is the first-ever portfolio

synthetic securitisation between a multi-lateral development bank, MDB, and private sector investors, pioneering the use of securitisation and credit risk transfer technology to a new and previously unexplored segment of the financial markets.

Structured as a synthetic securitisation by Mizuho International, Room2Run transfers the mezzanine credit risk on a portfolio of approximately 50 loans from among the African Development Bank's non-sovereign lending book, including power, transportation, financial sector, and manufacturing assets.

The portfolio spans the African continent, with exposure to borrowers in North Africa, West Africa, Central Africa, East Africa, and Southern Africa. Mariner, the global alternative asset manager and a majority-owned subsidiary of ORIX USA, is the lead investor in the transaction through its International Infrastructure Finance Company II fund.

Africa50, the pan-African infrastructure investment platform, is investing alongside Mariner in the private sector tranche. Additional credit protection is being provided by the European Commission's European Fund for Sustainable Development in the form of a senior mezzanine guarantee.

Structured as an impact investment, Room2Run is designed to enable the African Development Bank to increase lending in support of its mission to spur sustainable economic development and social progress. In connection with Room2Run, AfDB has committed to redeploying the freed-up capital into renewable energy projects in Sub-Saharan Africa, including projects in low income and fragile countries.

Ibom Deep Seaport groundbreaking to hold in November —AKSG

MKPOIKANA UDOMA

Port Harcourt -- The Akwa Ibom State Government has hinted that the groundbreaking for the commencement of the construction of Ibom Deep Seaport will hold by the end of November this year.

Akwa Ibom State Commissioner for Housing

and Special Duties, Mr. Akan Okon, who gave the hint during a dinner with journalists, said the seaport would be viable and an alternative to Lagos port, and that its draft was two times the size of Lagos seaport.

Okon, who assured that the Ibom Deep Seaport project, was on course and would soon be a reality for the good of the state and the country at large, stated that it was being jointly financed and promoted by

Akwa Ibom State Government and the Federal Government through the Federal Ministry of Transportation.

He explained that the project was being engineered by the Ministerial Project Development Steering Committee, MPDSC, set up by the Federal Ministry of Transportation, and consists of the ministry representatives, Nigeria Port Authority, ICRC, the programme manager, ICPC and EFCC, members of the

technical committee and the state government.

According to him, "With the level that we have reached and the timetable that we have, by the end of November 2018, God willing, there should be a groundbreaking. So, Ibom Deep Seaport is a reality for the good of Akwa Ibom State and Nigeria.

"Let me also make this clear. Almost all the bidders that were shortlisted have visited the site of the project. They have done their studies and I

can tell you that from their designs, they have a minimum of 16.5 metres draft at the original location of the project, which is Ibaka.

"This is the best for modern vessels as against Lagos port that has 8 metres draft. So, our draft is an attraction for many shipping lines because modern vessels can come directly to the port and discharge. Our seaport is very viable and it is the best alternative for the Lagos port."



● Artistic impression of Ibom Deep Seaport



● Peterside

Africa marital sector is market yet to be unveiled —Dakuku Peterside

Lagos -- The Director General of the Nigerian Maritime Safety and Administrative Agency, NIMASA, has lauded the potentials of the African maritime sector, saying it is a market yet to be unveiled.

Peterside, who doubles as the chairman of the Association of African Maritime Administrations, AAMA, also noted the role of African maritime administration in building human and infrastructural capacities, combating piracy and other maritime crimes as well as promoting regional initiatives for sustainable exploitation of maritime resources.

"Africa is the market yet to be unveiled. The maritime sector of Africa deserves its rightful place because if you look at the cargo generated from the continent and the cargo that heads to Africa, you will know that the African maritime sector has come of age and there is the need for us to come as a block to negotiate issues of development of our sector when it comes to international maritime politics," he said.

Peterside was elected chairman of AAMA at a

conference of the association in Abuja in 2017. Also elected at the conference as part of the association's 11-member executive committee were representatives of Central Africa (Cameroon and Cape Verde), West Africa (Cote D'Ivoire and Ghana), East Africa (Tanzania and Comoros), Southern Africa (Mozambique and South Africa), North Africa (Egypt and Sudan) and Uganda, representing land-locked countries.

Nigeria's Oranto Petroleum launches schools construction in S/Sudan

**Project estimated at over \$800,000*

Juba, South Sudan -- Oranto Petroleum Ltd has completed the award of a contract for the construction of two primary schools in Yirol and Rumbek, two communities in central South Sudan and northwest of Juba, the country's capital.

Estimated at over US\$800,000, the project for the construction of the schools will be executed by local construction company, Dynamic Supplies and Construction Limited, in line with Oranto's policy to significantly engage local human and material resources in all its activities in the Republic of South Sudan.

"We are delighted to be working with such an investor as Oranto in the development of South Sudan's oil sector," said Petroleum Minister, Hon. Ezekiel Lol Gatkuoth. "Oranto has

proven to be a reliable partner, committed to supporting both the growth of South Sudan's local content and the socio-economic development of our communities."

The construction of the state-of-the-art schools signals a

further boost to value addition to the people of South Sudan from their oil and gas resources as championed by Oranto, against the backdrop of the various peace initiatives being embarked upon by the Government of South Sudan.

"The construction of these two

schools is a reflection of Oranto's engagement to invest in social infrastructure in all areas where we operate in Africa," declared Prince Arthur Eze, founder and Executive Chairman of Oranto Petroleum.

"Oil has to benefit all citizens



● School construction

and education is key to development. We are only going to see true peace and development in Africa when we leave no child behind and continue to invest in our human resources. I am thankful that I have been blessed and I have a chance to bless others."

Oranto signed its EPSA with the Ministry of Petroleum in March 2017, committing to the development of the 24,415-square kilometre acreage.

Air Force calls for sustained peace in Niger Delta

Warri, Delta State -- The Mobility Command of the Nigerian Air Force says it is always ready to effectively discharge its security duties in the Niger Delta, urging ex-militants to shun temptation to resume hostilities in the region.

Speaking in Warri, Delta State, shortly after a tour of facilities of the 371 NAF Detachment in Warri, Air Officer Commanding, Mobility Command of the Nigerian Air Force, Air Vice

Marshal Napoleon Bali, said the Air Force would always collaborate with sister security agencies in the country to sustain

the peace.

He enjoined elders in the Niger Delta region to also work to build peace in the region.

EDITOR
Chuks ISIWU

WEBSITE:
www.sweetcrudereports.com

ENQUIRIES: +234 8135057899, email: chuks@sweetcrudereports.com
Sweetcrude Limited, Plot 2191 Osiefa Crescent,
GRA, Amuwo Odofin, Lagos.

For details of all stories, contact the Editor or visit www.sweetcrudereports.com

For Advert booking and placement please contact: Nkem IGBIKIOWUBO +234 8060249746,
e-mail: tukur70@sweetcrudereports.com or Mr. Elijah AJAYI, +234 8033033055, e-mail: elijah.ajayi@yahoo.co.uk



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