

Lagos -- Oil industry experts expect a rebound in crude oil prices this year, citing misplaced fears of a recession.

The Brent benchmark will average \$70 a barrel in 2019, almost a third higher than its price last week, according to a Bloomberg survey of oil analysts.

Futures in London and New

Industry experts see \$70/barrel oil price in 2019

York plunged this quarter, with volatility soaring in its final week as crude tracked gyrations in equity markets.

Despite plans by the Organization of the Petroleum Exporting Countries, OPEC, and its allies to limit production in the new year to prevent a glut

from forming, oil's fortunes have increasingly been driven by moves in financial assets and concerns about the global economy. However, analysts expect markets are about to tighten as growth stays strong, OPEC's supply cuts kick in, and unintended losses in Venezuela

and Iran escalate.

"We could even see something similar to a V-shaped recovery next year, on two very important conditions," said Michael Cohen, head of energy and commodities research at Barclays Plc in New York. "One, that the reduction in OPEC

exports leads to a reduction in inventories. And two, that we don't see a further deterioration in macroeconomic conditions."

The recent weakness in financial assets has been led

CONTINUES ON PAGE 02

Sweet REPORTS Crude

A Review Of The Nigerian Energy Industry

WEEKLY



facebook.com/sweetcrudereports

January 2, 2019

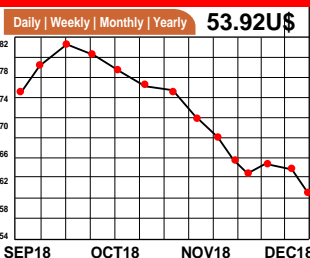


twitter.com/sweetcrudeRep

www.sweetcrudereports.com

UPDATES WEEKLY BASKET PRICE

DEC-21	55.84
DEC-14	59.05
DEC-07	59.95
NOV-30	58.80
NOV-23	62.83
NOV-16	66.52
NOV-09	70.51
NOV-02	74.16
OCT-26	76.37
OCT-19	78.85
OCT-12	81.43
OCT-05	83.17
SEP-28	80.64



● Oil drilling activity; Crude oil barrels

Nigeria exports N4.7tr crude oil, gas in three months

IKE AMOS

Abuja -- Nigeria's crude oil and gas export appreciated by 9.56 percent to N4.69 trillion in the third quarter of 2018, from N4.285 trillion recorded in the second quarter of the year.

The National Bureau of Statistics, NBS, in its Third Quarter 2018 Foreign Trade Statistics, stated that the third quarter crude oil and gas export represented an appreciation of 34.3 percent from N3.48 trillion recorded in the third quarter of 2017.

Giving a breakdown of oil exports in the third quarter of 2018, the NBS report stated that the country's crude oil export stood at N4.147 trillion, while Liquefied Natural Gas, LNG, export stood at N469.87 billion.

Other petroleum gases export stood at N27.85 billion; liquefied butane and liquefied propane export stood at N17.66 billion and N13.73 billion respectively; kerosene-type jet fuel export fetched N7.4 billion, while the country's lubricating oil export brought in N6.84 billion for the country.

In the month-on-month analysis of oil exports, the report stated that in July 2018, N1.299 trillion and N159.025 billion was recorded as export for crude oil and other petroleum oil products respectively; for August, N1.35 trillion and N184.56 billion was recorded as export for crude oil and other petroleum oil products; while N1.5 trillion worth of crude oil and N200.07 billion worth of other petroleum oil products were exported in September.

"Export in the third quarter was still oil-dependent. Crude oil exports recorded N4.15 trillion in the third quarter and it remained the majority of total exports (85.4 percent). The non-oil products accounted for 3.4

percent while other oil products accounted for 11.20 percent of total exports in the quarter under review," the report noted.

It also noted that India was the highest importer of Nigeria's crude oil, purchasing N764.88 billion worth of the commodity; followed by Spain and France, which bought N522.12 billion and N500.31 billion worth of Nigeria's crude oil, respectively.

Furthermore, the NBS disclosed that crude oil from Nigeria was exported to South Africa, Netherlands, Indonesia, Brazil and the United Kingdom, valued at N335.28 billion, N276.37 billion, N256.3 billion, N226.2 billion and N206.3 billion, respectively.

Nigeria's crude oil valued at

N201.65 billion and N199.01 billion was also exported to the United States and Canada respectively, in the third quarter of 2018.

In general, the report noted that "Nigeria's external trade totaled N9.026 trillion during the third quarter of 2018. Compared to the value of N6.903 trillion recorded against the second quarter, a rise of N2.122 trillion or 30.7 percent was indicated".

"The total export component of this trade was N4.854 trillion, representing an increase of 7.8 percent over the second quarter of 2018 and 35.7 percent over the third quarter of 2017," the report further stated.

NPA assures stakeholders of improved service delivery in 2019

VINCENT TORITSEJU

Lagos -- The Managing Director of the Nigerian Ports Authority, NPA, Hadiza Bala Usman, has assured stakeholders in the maritime sector of renewed vigour and determination by the company at improving on its operational efficiency and accomplishments in the New Year.

Usman, in a statement signed by Mr. Adams Jatto, General Manager, Corporate and Strategic Communications, promised terminal operators and port users that it would further open its doors for all players to join hand in surmounting various bottlenecks in the industry, with a view to providing a healthy and smooth environment at the ports.

She also assured port users

CONTINUES ON PAGE 03

Tension in Ogoni as youths declare HYPREP 'persona-non-grata' over clean-up

MKPOIKANA UDOMA

Port Harcourt -- Plans by the Hydrocarbon Pollution Remediation Project, HYPREP, to commence the remediation of oil-impacted sites in Ogoniland may not be achieved soon following the

declaration of the agency a 'persona non-grata' by Ogoni youths over issues bothering on the clean-up contracts.

Recall that HYPREP had recently awarded the contracts for soil remediation of Ogoniland to 21 firms, which it claimed, had the

technical and financial capability for the clean-up exercise.

However, only one of the contractors is Ogoni.

Youths of Ogoni are alleging that the process leading to the award of the contracts was skewed to favour the cronies and

CONTINUES ON PAGE 02



NSCDC convicts 65 for oil theft, others in 2018

MKPOIKANA UDOMA

Port Harcourt -- In its determination to protect oil and gas assets, the Nigeria Security and Civil Defence Corps, NSCDC, arrested 132 suspected oil thieves, impounded 36 trucks and secured 65 convictions in the year 2018.

Rivers State Commandant of NSCDC, Mohammed Haruna, disclosed this to newsmen in Port Harcourt, the Rivers State capital, saying the corps also impounded 15 vehicles, six vessels, 170 drums all conveying adulterated petroleum products within the year under review.

Haruna stated that the command has remained focused on the mandate of the corps despite strong challenges posed by militants, vandals, miscreants and oil thieves in the state.

"I make bold to say that NSCDC has lived up to expectation through checkmating vandals of the



● Stolen crude oil

nation's critical assets, enlightening, encouraging and updating the general public on the role of the corps in relation to private guards companies operators and our role in disaster management in the state.

"The corps' readiness to protect our national critical assets and infrastructure is non-negotiable. This has yielded positive results as cases of vandalism of the nation's critical assets are drastically reduced in the state.

"In the bid to checkmate the excesses of oil thieves in the

state, the corps has arrested no fewer than 132 suspects, impounded 15 vehicles, 36 trucks all loaded with stolen petroleum products.

"The corps also impounded 20 boats, six vessels and 170 drums all conveying adulterated products within the year 2018," he said..

The state NSCDC boss said inadequate equipment and limited manpower were the biggest challenges facing the corps, not just in the state but nationwide.



Gas

BP green-lights Africa's deepest offshore LNG project



● LNG tanker

News Wires — BP and its partners have given the green light for the development of a large gas project off the coast of Mauritania and Senegal, a first for the two West African nations.

The Greater Tortue Ahmeyim development, Africa's deepest at 2 kilometres below the sea's surface, will consist of a complex floating vessel with a plant to super-chill natural gas into liquid, BP said in a statement.

This is the second major LNG project to get the go-ahead this year as energy companies bet on a sharp

rise in gas demand, with rival Shell also deciding to press on with the development of a plant in western Canada.

The Tortue floating liquefied natural gas, FLNG, facility will produce 2.5 million tonnes of LNG per year. The field holds total gas resources estimated at around 15 trillion cubic feet.

Work on the project will begin in the first quarter of 2019, and first gas is expected to be produced in 2022.

The Tortue go-ahead was given after the governments of Mauritania and Senegal reached an agreement over the sharing of production from the development.

BP is the project's operator, with a 60 percent stake in the development in Senegal and 62 percent in Mauritania. Other partners include Kosmos Energy, with a 30 percent stake in Senegal and 28 percent in Mauritania. Societe des Petroles du Senegal and Societe Mauritanienne Des Hydrocarbures et de Patrimoine Minier each hold a 10 percent stake on their side.

Industry experts see \$70/barrel oil price in 2019

CONTINUED FROM PAGE 01

by a darkening outlook for the global economy amid prolonged trade dispute between the U.S. and China, and as the U.S. Federal Reserve embarks on tightening monetary policy.

While the ensuing retreat in oil prices has brought relief to consumers, it's battered the shares of companies like Exxon Mobil Corp. and BP Plc, as well as the economies of producers like Saudi Arabia.

So far, though, most

commentators aren't seeing an actual recession biting the oil market next year. The median forecast of 24 oil analysts in a Bloomberg survey projects that London-traded Brent will average \$70 a barrel in 2019. The price last week was about \$53.50 while the average so far in 2018 has been about \$72.

The median forecast for West Texas Intermediate, WTI, is \$61.13. The grade traded at about \$45.50 last week.

Tension in Ogoni as youths declare HYPREP 'persona-non-grata' over clean-up

CONTINUED FROM PAGE 01

fronts of government officials in Abuja, while deliberately denying the participation of indigenous contractors from Ogoniland.

To this end, the youths have passed a vote of no confidence on HYPREP and the Federal Ministry of Environment on the project, demanding that 50 percent of all contracts to be awarded in the implementation of the clean-up exercise should be given to contractors from Ogoni.

The Ogoni youths made this known in a communique jointly signed by 22 groups, including, the president general of Ogoni Youths Coalition Movement, Mr. Sunny Bikanwah; president of Eleme Youth Association, Mr. Brian Gokpa; and Dr. Young Nkpah, president general, National Youth Council of Ogoni People - the youth wing of the Movement for the Survival of Ogoni People, MOSOP.

The youths in the communique, titled "Withdrawal of social licence and suspension of Freedom to Operate enjoyed by HYPREP in Ogoni", said the neglect of Ogoni contractors was a calculated attempt by the Federal Government to provoke the people to violence so as to justify a military occupation of the area.

The communique read in parts: "We hereby pass a vote

of no confidence on the Ministry of Environment, HYPREP and its coordinating organs.

"Our patience is tried and exhausted following the issuance of award letters to companies of Abuja cabal, to commence clean up in Ogoniland without Ogoni participation despite our warnings, protests and engagements with HYPREP, asking that no execution, excluding Ogonis, will see the light of the day.

"We demand fairness, justice, equity, accountability, transparency, integrity, sincerity, inclusiveness, participation and unbiased disposition from HYPREP and its awarding agencies in the dealings with Ogoni and presentations to the public/international community.

"We will put a stop to the impunity perpetually perpetrated by HYPREP and office of the Minister of Environment with the intent to provoke Ogonis to violent and militant agitation, being the language the Government seems to understand as against our tested nonviolent legacy, so as to justify military occupation of Ogoni.

"Otherwise, how will you explain the ratio of 20:1 non-Ogoni to Ogoni companies participation where we have mostly Ogonis doing certified clean up jobs for IOCs. No one can sweep our house better than we the occupants."

Power



PHED urges customers to report faults to 'nearest office'

Port Harcourt -- The Port Harcourt Electricity Distribution Company, PHED, has urged electricity consumers in its area of coverage to report all electricity

faults to the nearest office of the company for prompt resolution.

It also said customers could call its 24-hour centre to report such faults.

The company made the call as it

assured customers of steady power supply during the Christmas and New Year celebrations. PHED CEO, Naveen Kapoor said: "Customers are urged to report any fault that would impede them from not getting supply to the nearest PHED office or call the 24/7 centre

0700CALLPHED (070022557433) for immediate resolution that would subsequently lead to restoration of powersupply.

"We are not leaving any stone unturned during this yuletide season. We want to ensure that our customers celebrate it with supply and that's why we strategically dedicated the technical team for prompt fault resolution."



● Workers tackle fault on a power line



Termination of Sahara Energy's acquisition followed due process - Gov. Wike

MKPOIKANA UDOMA

Port Harcourt -- Rivers State governor, Nyesom Wike, says the termination of the sale of the Omoku gas power plant and other state government-owned assets to Sahara Energy Limited followed due process.

The Rivers State government recently announced the revocation of the sale of the power plant, among other assets, to Sahara Energy, saying the assets were illegally acquired.

Governor Wike, who asserted that no amount of blackmail and propaganda would alter the termination of the sale of the assets, stated that in revoking the sales, the state government only implemented the white paper on the recommendations of the Justice Omereji Judicial

Commission of Inquiry, which investigated the sale of the assets.

Maintaining that there was no stay of execution stopping the administration from

implementing the recommendations of the commission, the governor said: "The Rivers State Government was not vindictive in terminating the sale of valued state assets to Sahara Energy Limited. One company used three subsidiaries to illegally acquire state assets.

"If there was any vindictiveness, it was on the



● Gov. Wike

part of those who used the State Government to deny Rivers people their valued state assets".

Wike said the Minister of Transportation, Mr. Rotimi Amaechi, who executed the sales as the then governor of the state, lost at the High Court and Court of Appeal when he tried to stop the implementation of the

CONTINUED FROM PAGE 01

of the company's determination to maintain swift evacuation of cargoes from the Nigerian ports to the hinterlands and other landlocked neighbours.

She recalled that with the introduction by the Federal Government of the 'Ease Of Doing Business' policy, NPA "has partnered with notable organisations and the Federal Ministry of Power, Works and Housing at the reconstruction of dilapidated roads within the ports axis for efficient services across the board."

"Management has also assured all that it would sustain and step up in the culture of efficiency and transparency," she said in the statement.

The agency reiterated that it has put in place structures

to drive this dream through the launch of the Revenue Income Management System, RIMS, which is a web-based billing and revenue collection application fully automated for the entire billing circle of the NPA, amongst others.

"The authority wishes to inform all, of its desire at improved collaboration with sister agencies towards a more seamless operation in the ports environment with intent to reduce human contact.

"In this regard, it is partnering with the Nigerian Customs Service for the quick facilitation of the Single Window platform aimed at simplifying and harmonising formalities, procedures and the related exchange of information which will be a major priority in the coming year," the statement read.

recommendations of the Judicial Commission of Inquiry.

He said the minister of transportation and his business partner illegally bought over the state assets with a plot to install Tonye Cole, a co-founder of

Sahara Energy, as governor of the state for the purchase of more state assets.

"Rivers people have come to know that only one person bought all their assets. He came and took what belongs to the entire state. Now, they want to acquire more", he said.



● NNPC Towers, Abuja

Finance

Nigeria's gas export in September valued at \$118.08m - NNPC

Lagos -- Nigeria exported \$118.08 million worth of gas in September this year, the Nigerian National Petroleum Corporation, NNPC, has said.

The corporation stated this in its recently-released Monthly Financial and Operations Report for September, noting that export gas sales amounted to \$118.08 million in the month while the September 2017 to

September 2018 crude oil and gas transactions indicated that crude oil and gas worth \$5.45 billion was exported.

In the downstream sector, the report indicated that during the month under review, NNPC continued to ensure increased petrol supply and effective distribution across the country. It said 1.66 billion litres of petrol, translating to 55.50 million litres per day, were supplied by the corporation.

The report also stated that during the month of September, a total of 125 pipeline points were vandalised, out of which eight pipeline points failed to be welded and only one pipeline point was ruptured.

The figure translates to a significant increase from the 86 vandalised points recorded in the previous month.

A further breakdown of the September, 2018 records indicated that Aba-Enugu and Mosimi-Ibadan pipelines accounted for 36 points and 33 points respectively or approximately 29 percent or 26 percent, respectively.



● Scrap steel

Solid Minerals

China to restrict imports of scrap steel, aluminium from July

News Wires -- China will restrict imports of scrap steel and aluminium from July 1, the environment ministry has said.

Scrap steel and aluminium would be moved from an unrestricted import list of solid waste products usable as raw materials to a restricted import list, the

Ministry of Ecology and Environment said in a statement.

Relevant departments were researching the formulation of standards for recycled copper and aluminium, it said.

Copper and aluminium raw materials meeting relevant national standards would not be considered solid waste,

and can be imported as regular goods, it said.

China's imports of solid waste fell more than half between January and mid-November compared with the same period a year earlier, as the country tightened a ban on solid waste imports.

The restrictions on waste imports are part of a "war on pollution" begun in 2017 that aims to clean up the economy and encourage domestic firms to recycle.



Photo: Aerial view of the Egina FPSO moored on site offshore Port Harcourt, Rivers State, Nigeria



TOTAL
COMMITTED TO BETTER ENERGY



Project Partners



PETROBRAS



An aerial photograph showing a large industrial facility, the SHI-MCI Yard, located on a sandy beach next to a body of water. The facility includes various structures, cranes, and equipment. A large red banner is overlaid on the image, containing the main title. Below the banner, there is a dark grey box containing a list of achievements and a concluding statement.

Egina First Oil: Taking Nigerian Content to Unprecedented Heights

A First on Many Fronts ...

- Over 46 million man-hours achieved in-country (77% of total project workload), the equivalent of a 5,750-man workforce over a 5-year period and more than 560,000 man-hours of Human Capacity Development.
- Construction of several large-scale new fabrication facilities in Nigeria, including Africa's first Floating, Production, Storage and Offloading (FPSO) integration quay (500-meters long), and upgrade of several existing fabrication yards.
- Fabrication and integration of six topside modules onto the 330-meter long Egina FPSO unit, which berthed at the newly built 500-meter FPSO integration quay-side at the SHI-MCI Yard, LADOL Island, Lagos – a first for Nigeria, and in fact Africa.
- Assembly of the Integrated Control and Safety System (ICSS) of the FPSO unit fully performed in Nigeria.
- More than 60,000 tons of equipment fabricated in Nigeria including the fabrication of the largest subsea equipment (manifolds, risers) ever completed in Nigeria.

Egina ... Technological Expertise, Local Commitment

Shipowners call for disbursement of \$2bn vessel acquisition fund

VINCENT TORITSEJU

Lagos —With up to \$2 billion accumulated in the Cabotage Vessel Finance Fund, CVFF, since 2004, shipowners have advocated the immediate initiation of the process of disbursing the fund to tap into the capacity of shipping to grow Nigeria's Gross Domestic Product, GDP.

The president of the Ship Owners Association of Nigeria, SOAN, Mr. Greg Ogbeifun, said proper management of the maritime industry would assist the Federal Government to encourage diversification from oil to non-oil revenue.

He said the essence of the CVFF, which was introduced in 2004 based on two percent

freight earnings of shipping operators engaged in coastal shipping services, is to enable ship owners to have access to the fund at a single digit interest rate.

Stressing the need to disburse the CVFF at a single digit interest rate to make provisions for purchase of more vessels, Ogbeifun said the acquisition of more tankers and dry cargo vessels through the CVFF would create jobs for youths.

The SOAN boss also said if all critical stakeholders as well as government agencies collaborate, the maritime industry would grow faster.

"The political will from the Nigerian Maritime Administration and Safety Agency (NIMASA) had, however, been challenging.

"We shipowners must ensure that we are eligible to access the fund. We need to look at our processes and system to ensure they meet the requirements.

"We are making progress but we need the media to continue with the news that will enable every player in the shipping industry to do the right thing," Ogbeifun said.

He said Nigerian ship owners must focus on owning ships now.



● Cargo vessel at seaport

Baro Port to commence operation, cargo equipment installed – NIWA

Lagos — The Baro River Port Cargo handling equipment installation has been completed, Managing Director of the National Inland Waterways Authority, NIWA, Sen. Olorunnimbe Mamora, has said.

He told newsmen that the port cargo handling equipment would soon start operation.

Mamora, who said he was impressed by what he saw while the contractors were fixing the last equipment, was given assurance by the contractors that the project will be ready in the next one week or two.

Mamora also commended the contractors for a job well done and the community for being a good host and encouraged them to ensure the safety and

security of the River Port.

He said Baro River Port, in Niger State, which is the flagship port in the northern part of the country, will be commissioned very soon by President Muhammadu Buhari.

The Baro River port contract was awarded in 2011 at a cost of N2.563 billion to Messrs CGGC Global Projects Limited.



● Baro port

Wike tasks IOCs to relocate headquarters to N'Delta

MKPOIKANA UDOMA

Port Harcourt — Rivers State governor, Nyesom Wike, has called on international oil companies, IOCs, operating in the country to relocate their headquarters to the Niger Delta region, where they explore for and produce oil and gas.

Speaking during the end-of-year party and 60th anniversary

of Shell Petroleum Development Company, SPDC, in Port Harcourt, Governor Wike said it was unfair that oil multinationals drill for and produce oil and gas in the Niger Delta region, only to pay taxes in other states outside the region.

Wike said: "You find this region comfortable to drill oil and generate revenue which sustains the entire country. But when it comes to the location

of your headquarters, very many excuses emerge".

He continued: "Those who talk about insecurity in the Niger Delta forget that they are secure enough to work on oil fields in different communities.

"This level of injustice is not good for any country. I hear that majority of your workers receive their salaries in Lagos and Abuja, with their taxes deducted at those locations. We want you to return to our states and energise our communities with your presence.



● Port Harcourt city

"I am interested in the revenue that will accrue to this state and other Niger Delta States by the

presence of your headquarters. I am an unrepentant Niger Delta man. Therefore, I will continue to advocate for our progress".

The governor said despite the negative politics against the region, the headquarters of the oil majors will eventually come to the Niger Delta.

"If this oil was in the north or in the west, would the headquarters of the oil majors be located in the Niger Delta? Certainly no," he added.

Oil theft: New gunboat, accommodation will enhance capacity of soldiers - JTF

Port Harcourt -- Sector 3 Commander of the Joint Task Force, Operation Delta Safe, Colonel Ismail Oloyede, has said the newly-commissioned 200-horse power gunboat and transit accommodation for troops in Ogoloma, Okrika Local Government Area of Rivers State, will enhance the capacity of the sector and OPDS as a whole.

The mandate of OPDS is to protect oil and gas infrastructure and deter

militancy, sea robbery, crude oil theft and other forms of criminality within the Joint Operation Area that could impact negatively on economic activities in the Niger Delta.

Colonel Oloyede said at the commissioning of the facilities that he was resolved to add value and improve extant structures handed over to him with the intent of boosting the morale of soldiers and leaving an enduring legacy that could inspire his successors.

He commended the General Officer Commanding, Six Division, Port Harcourt, Major-General Jamil Sarham, for his leadership, which, he said, had been a motivation, providing focused direction towards the completion of the project.



● JTF operatives on a gunboat

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