

**MINUTES OF THE MEETING OF THE NSWG HELD IN ABUJA ON  
THURSDAY, 23RD JUNE 2005.**

A meeting of the National Stakeholders Working Group (NSWG) of the Nigeria Extractive Industry Transparency Initiative (NEITI) was held at the NICON Hilton Hotel Abuja on the 23rd of June 2005.

In attendance were:

S/N	Name	Organisation
1	Oby Ezekwesili	SSA-P Coordinator NEITI
2	Bright Okogu	Ag. Executive Secretary NEITI
3	Hajia Lawan Ali	Department for Petroleum Resources (DPR)
4	Chris Haynes	Nigeria Liquefied Natural Gas
5	Jay R. Pryor	Chevron-Texaco
6	Rotimi Amaechi	Rivers State House of Assembly
7	Basil Omiyi	Shell
8	Stan Rerri	NEITI Secretariat
9	Phil Chukwu	NAPIMS/ NNPC
10	Imo I tsueli	Dubri Oil
11	U. M. Okoro	PENGASSAN
12	Clifford Moneke	NDDC
13	I fueko Omoigui	FIRS
14	Trevor Akindele	Sak Resources
15	Arhore G. O.	SA - Pet.Office
16	Chris Nurse	Hart Group
17	S.S.O. Afemikhe	Hart Group
18	Orji O. Orji	NEITI / BMPI U
19	Erika Kowalzyk	Goldwyn International Strategies

Apologies

1	Mal. M. Hayatudeen	NESG
2	Dr Edmund Daukoru	SA-P Petroleum
3	Senator Maeba Lee	Nat. Assembly
4	Gbite Adeniji	AELEX
5	Hon. Cairo Ojougboh	Nat. Assembly
6	Hon. Kawu Peto Dukku	States Legislature

7	Mrs J. Maduka	Leccom Associates
8	Mr Olusegun Adeniyi	ThisDay
9	Dr Assisi Asobie	TIN
10	B. O. N. Okafor	CBN
11	Mr Ajiboye	Auditor Gen. of Fed.
12	Amb Sam Edem	NDDC
13	Engr. Obiorah	Nig/Sao-Tome JDZ

1. The meeting was chaired by Obiageli Ezekwesili, Coordinator NEITI.

The Group reviewed the minutes of the last meeting and directed the following adjustments;

⇒ Pg 3 - 'Banks were holding on for PPT payments' rather than 'longer than they should'

⇒ Pg 4 - *move towards commitment...* Leave out 'legalese'

Jay Pryor of ChevronTexaco moved the motion to adopt the Minutes and was seconded by Mr Okoro of Pengassan.

2. David Goldwyn of Goldwyn International Strategies joined the meeting by telephone conference.

The Group went on to listen to a Presentation by NEITI Auditor Chris Nurse of the Hart Group on The NEITI Audit expectations.

Chris Nurse started by stating that there appeared to be a divergence of views on the Audit outcome and so there is an urgent need to have a common understanding of the Audit deliverables.

With a Power-Point Presentation, he gave a detailed overview of the Financial, Process and Physical Audits of the Nigerian Oil & Gas Industry.

On the contentious issue of disclosure, he stated that it would be:

⇒ Non aggregated

⇒ At Corporate level only

⇒ No disclosure of detailed figures as to the make up the corporate level data.

- 3 In response, the Group directed the Hart Group to ensure that they provided the NSWG with the detailed makeup that leads to the disaggregated Corporate level data.

The Group took cognisance of the fact that publication of wellhead-by-wellhead figures may confuse rather than inform but reiterated the importance of access to that information by NSWG and the Nigerian public.

On the issue of National Security and/ or National Competitive Data, the Group stated that it should be given all the information and data for its informed deliberation as to the best line of action. The need to open up and demystify the Oil & Gas Industry remains a paramount concern of the NSWG.

- 4 Chris Nurse went on to state that the Value For Money (VFM) Audit was mainly looking at how the systems work and that a full Cost Audit was not part of the Audit Contract.

In response, the Group stated that the VFM Audit needed to move far beyond just processes otherwise they would appear to have done nothing.

The Group directed the Auditors to use their Sampling Technique to get some capital expenditure items and run tests on cost. The Group asked the Hart Group to come up with a proposal for the additional works.

Also, the Group directed the Secretariat to request the following previous reports on the Oil & Gas Industry from the NNPC and Secretary to the Federal Government:

- ⇒ Abisoye Report on Upstream Activities
- ⇒ Buba Report on Product Imports
- ⇒ Menas Associates Report on Oil Theft and Bunkering
- ⇒ Crude Oil Monitor (Global Inspection Limited)
- ⇒ Afemikhe Value for Money Audit Report/ Chief Oke Report

5. On the issue of covered entities, the Group agreed that the Niger Delta Development Commission (NDDC) is not a Covered Entity but that Templates should be developed to capture revenue streams to them for public disclosure.
6. The Group agreed that on the issue of Confidentiality of Company Information, an agreement should be signed between the Auditors (Hart Group) and the Producing Companies, so that the Auditor may not release any information received except to the NSWG.

The NSWG directed the Hart Group to draft a basic Confidentiality Agreement that precludes them from using any information received by them.

7. The Group directed the Hart Group to send its Progress Reports to the NEITI Secretariat monthly to enable the Secretariat to forward it to Members in time for the NSWG meetings.

8. The Group was in agreement on the following:

- ⇒ Road Show: The Civil Society Steering Committee was asked to go ahead with the Road Show Implementation
- ⇒ NEITI Bill: The Group mandated the Coordinator to present the proposed amendments to the NEITI bill to the President for his comments.
- ⇒ NEITI Secretariat: The Group approved and accepted the World Bank's offer of accommodation for the NEITI Secretariat.
- ⇒ NEITI Website: The Group commended the Secretariat for a good Website and gave a go ahead for optimization.
- ⇒ Finance & Admin Team: The update from the Fin & Admin Team was postponed to the next meeting.
- ⇒ The Group directed the Secretariat to send reminder letters of the Presidents' Executive Order to the few small Producing Companies currently not complying with the Presidential Audit Directive

9. The Group congratulated Obiageli Ezekwesili, Coordinator, NSWG/ NEITI on her appointment as a Member of the International Advisory group (IAG) on the Global Extractive Industry Transparency Initiative (EITI). In reply, she commended the Group for their collective effort.

She went on to congratulate the Group for their joint effort that has led to the NEITI going global, starting with the NSWG/ NEITI's Technical Assistance to the Government and people of the Democratic Republic of Congo (DRC) in their launch of the EITI in Kinshasa, DRC.

10. In closing, the Chair encouraged Members to try their best to find the right approach for negotiation and persuasion.

The next meeting was scheduled for September 15<sup>th</sup> 2005.

The meeting ended with dosing prayers from Hajia. Ammuna Ali, Permanent Secretary, Ministry of Petroleum Resources (MPR).