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## **NEITI, NNPC, CBN to meet on oil losses**

**Obinna Ezeobi, Abuja**

The Nigeria Extractive Industry Transparency Initiative said on Wednesday that it would convene a roundtable with key government agencies that would focus on remediation efforts on the lapses identified in Nigeria's petroleum industry.

The lapses had been detected from the first comprehensive audit of Nigeria's petroleum industry.

Agencies expected at the meeting include the Nigerian National Petroleum Corporation, its marketing arm, Pipelines and Products Marketing Company Limited, Central Bank of Nigeria and Federal Inland Revenue Service.

NEITI initiated an international consortium led by the Hart Group of United Kingdom to conduct the audit, which covered between 1999 and 2004.

The report, which was presented in late 2006, had indicted these key government agencies of serious dereliction in their handling of accounts as regard the extractive industry.

The Hart Group found out that; "There was no defined process for determining who should lift government crude oil. Since 1999, the list had remained the same but with four names added to it.

"The Crude Oil Marketing Department did not even have a complete list of crude oil contract holders.

"The report averred that the Nigerian National Petroleum Corporation could not convincingly explain why the refineries in 1999 and 2000 received more crude oil than was sent from the oil terminals. Neither could it account for 22 million barrels of crude oil sent to

it, which did not get to the refineries during the years 2001, 2002, 2003, and 2004.”

The DPR was also found to have failed in keeping centralised computerised records of activities of the extractive industries to enable it get an overall picture of hydrocarbon flows, while the Pipelines and Products Marketing Company did not have a record of mass balances of refined petroleum products and had not prepared one before the auditors came calling.

NEITI is the Nigerian version of the Extractive Industries Transparency Initiative, which is a global initiative aimed at ensuring that resources from the extractive industries contribute to poverty reduction and sustainable development.

More than 20 resource-rich countries in Africa, Europe Asia and Latin America have signed on to EITI so far.

In a statement made available to our correspondent in Abuja, the Director of Communications, NEITI, Mr. Waziri Adio, explained that the National Stakeholders Working Group, the governing board of NEITI, came up with the decision after its meeting on Tuesday.

According to him, the meeting would ensure that the identified lapses were fixed.

Adio stressed that NEITI had set up a strategy committee to evolve modalities for bringing its operations in line with its enabling law and to devise strategies for increased transparency in the management of oil, gas and mining revenues in Nigeria.

The statement quoted the Chairman of NEITI, Dr. Siyan Malomo, as saying, “With the law in place, there is need to strategise on how to move forward while sustaining the momentum for extractive revenue transparency in Nigeria. It is important to keep Nigeria in the exalted leadership position in this vital area.”

Former President Olusegun Obasanjo had signed the NEITI Act on May 28, 2007 after the National Assembly passed it.

The NEITI Act, among other things, stipulates the objectives, functions, and workings of the agency, as well as the composition of its board, and sanctions for defaulting companies and agencies.

Similarly, the NEITI board also set aside August 22 and 23 2007 for the North East Road-show, which will be held in Bauchi, Bauchi State.

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