



THE SENATE
FEDERAL REPUBLIC OF NIGERIA
COMMITTEES ON PETROLEUM RESOURCES (UPSTREAM), DOWNSTREAM
PETROLEUM SECTOR, AND GAS RESOURCES

REPORT ON THE PETROLEUM INDUSTRY GOVERNANCE BILL (PIGB), 2017
(SB.237)

1.0 PREAMBLE

The Senate at its sitting on Wednesday, 2nd November, 2016 debated on the general principles of the Petroleum Industry Governance Bill (PIGB), 2017 (SB.237) and the Bill was read the second time and referred to the Committees on Petroleum Resources (Upstream), Downstream Petroleum Sector, and Gas vide letter of referral dated 3rd November 2016 with reference No. NASS/8S/R/03/VOL.1/373 for further legislative action. The Report of the Joint Committee on the Petroleum Industry Governance Bill (PIGB) was laid on Thursday, 6 April, 2017.

2.0 Membership of the Joint Committee

S/No	NAME	DESIGNATION
1	Senator Omotayo D. Alasoadura	Chairman
2	Senator Kabir G. Marafa	Co-Chairman
3	Senator Bassey Albert Akpan	Co-Chairman
4	Senator Gershom H. Bassey	Vice-Chairman (Upstream)
5	Senator Philip Aduda Tanimu	Vice-Chairman (Downstream)
6	Senator Abubakar A Moallahyidi	Vice-Chairman (Gas)
7	Senator Abdullahi A. Gumel	Member
8	Senator Francis Alimikhena	Member
9	Senator Stella A. Oduah	Member
10	Senator Samuel O. Egwu	Member
11	Senator Mohammed Hassan	Member
12	Senator Olusola Adeyeye	Member
13	Senator Baba Kaka Garbai	Member
14	Senator David Umaru	Member
15	Senator Philip A. Gyunka	Member
16	Senator Peter Nwaoboshi	Member
17	Senator Fatimat Raji Rasaki	Member
18	Senator Benjamin Uwajumogu	Member
19	Senator Clifford Ordia	Member
20	Senator Osinakachukwu T. Ideozu	Member

22	Senator Magnus Abe	Member
23	Senator Obinna Ogba	Member
24	Senator Biodun C. Olujimi	Member
25	Senator Ahmed I. Lawan	Member
26	Senator Barau I. Jibrin	Member
27	Senator Ibrahim Danbaba Abdullahi	Member
28	Senator Ogola Foster	Member
29	Senator Godfrey C. Utazi	Member
30	Senator Buhari Abdulfatai	Member
31	Senator Abdullahi Adamu	Member
32	Senator Danladi Sani Abubakar	Member
33	Senator Isah Hamma Misau	Member
34	Senator Binta Masi Garba	Member
35	Senator Mao Oluabunwa	Member
36	Senator Sulaiman A. Adokwe	Member
37	Senator Ovie Omo Agege	Member
38	Senator (Dr) Abdullahi Yahaya	Member
39	Senator Suleiman Hunkuyi	Member
40	Senator Sabo Nakudu	Member
41	Senator Hope O. Uzodinma	Member
42	Senator Foster Ogola	Member
43	Senator Rilwan Adesoji Akanbi	Member
44	Senator Samuel Anyanwu	Member
45	Senator Joshua C Dariye	Member
46	Senator Barnabas Gemade	Member
47	Senator Rose Okoji Oko	Member
48	Senator Danjuma La'ah	Member
49	Senator Francis Alimikhena	Member
50	Senator Matthew Urhoghide	Member
51	Senator Emmanuel I. Paulker	Member
52	Senator Ibrahim Umar Kurfi	Member

1.4 SECRETARIAT

1. Mr. Anthony C.Ikem - Lead Clerk (Upstream Petroleum)
2. Mr. Friday O. Alike - Clerk (Downstream)
3. Utienyin J. Umealor(Mrs) - Clerk (Gas)

3.0 OBJECTIVES OF THE BILL

The bill which seek for a total reformation of the Oil and Gas Sector was formulated based on the following objectives amongst others:

1. To create efficient and effective governing institutions with clear and separate roles for the Petroleum Industry.
2. To establish a framework for the creation of commercially oriented and profit driven petroleum entities that ensures value addition and internationalization of the Petroleum Industry.
3. Promote transparency and accountability in the administration of the Petroleum resources of Nigeria and
4. Foster a conducive business environment for Petroleum Industry operations.

4.0 METHODOLOGY

The Committee had several meetings and adopted a plan of action as a guide to achieve its mandate as follows:-

1. Request for submission of memoranda by stakeholders and the general public.
2. Hiring of consultancy services with series of briefing by the consultants
3. Conduct a 3-day public hearing
4. Study visit to other oil and gas producing countries
5. Collation of report from the outcome of the public hearing and submissions made.
6. Retreats for clause by clause consideration of the bill by the Joint Committee
7. Consideration of the report by the Joint Committee
8. Production and adoption of the final report
9. Laying of the Joint Committee report on the bill.

5.0 PUBLIC HEARING

The Committee held a well attended 3-day Public hearing from Wednesday, 11th to Friday, 13th January, 2017. Major stakeholders and the general public made presentations. Critical stakeholders at the public hearing included:-

- (i) Honourable Minister of State, Ministry of Petroleum Resources
- (ii) Group Managing Director, NNPC
- (iii) Director, DPR
- (iv) Group General Manager (GGM), NAPIMS
- (v) Chairman NUPENG/PENGASSAN
- (vi) Director General (DG), BPE
- (vii) Executive Director, Space for Change
- (viii) Chairman, Oil Producers Trade Section (OPTS)
- (ix) Major Oil Marketers Association of Nigeria
- (x) Independent Petroleum Marketers Association of Nigeria
- (xi) OANDO
- (xii) Association for good Corporate Governance in Nigeria
- (xiii) Director, African Centre for Leadership
- (xiv) Alex Legal Practitioners & Arbitrators
- (xv) Petroleum Products Pricing Regulatory Agency (PPPRA)
- (xvi) Social Development Integrated Centre
- (xvii) Host Communities of Nigeria producing Oil and gas
- (xviii) Perchstone & Graeys, Nigeria
- (xix) Chairman PAN Africa Niger Delta

In summary, the Committee received twenty (20) oral presentations and 25 written memoranda. The Committee collated and considered all presentations. All the submissions received were in support of the bill though with varying areas of particular interest in the content of the bill.

6.0 RETREAT

The Joint Committee held a retreat at Uyo, Akwa Ibom State from Thursday, 23rd to Sunday, 26th February, 2017 and another on 4th April 2017 in Abuja to further consider the Bill.

7.0 OBSERVATIONS/FINDINGS

The Committee observed from submissions made to it that:

1. The laws governing the Petroleum Industry in the country has become so obsolete and as such, a disincentive to investment in the Oil and Gas industry and needed a drastic overhauling, transformation and reformation.
2. This situation has brought about a lack of investments in this industry and consequently the reserves in the industry are not being grown.
3. The Mexican experience has shown that a well reasoned and crafted Oil and Gas reform Law could attract as much as \$60 billion additional investment in the industry in 3 years.

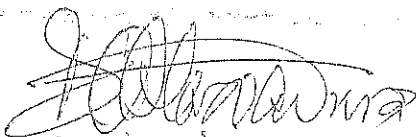
8.0 RECOMMENDATION

The Joint Committee after exhaustive deliberation recommends as follows:

1. That there is need for accelerated consideration and passage of the bill into law and its immediate implementation in the sector for maximal utilization of the Nation's natural resources.
2. The Joint Committee made amendments and deletions to relevant sections of the Bill and also made new provisions to some parts of the Bill. These amendments, deletions and insertions are contained in the attached Bill template.

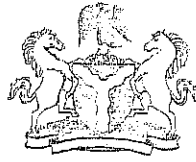
10.0 CONCLUSION

The Joint Committee wishes to express its appreciation to the Senate Leadership and the entire Senate for finding us worthy to serve in the making of this all important Law. It is our hope that the Bill when passed into Law will bring the desired result and good intent of the Senate to quickly address the present recession facing our dear nation.



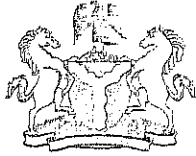
Senator Omotayo D. Alasoadura

Chairman



PETROLEUM INDUSTRY GOVERNANCE BILL 2017
ENDORSEMENT PAGE

S/No	NAME	Signature
1	Senator Omotayo D. Alasoadura	
2	Senator Marafa Kabir Garba	
3	Senator Bassey Albert Akpan	
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20	Senator Tijjani Y. Kaura	
21	Senator Magnus Abe	
22	Senator Obinna Ogba	



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51	Senator Ibrahim Umar Kurfi	

JOINT COMMITTEE CLERKS

S/N	NAME	SIGNATURE
1	Mr. Anthony Chukwuma Ikem	
2	Mr. Friday Okechukwu Alika	
3	Utienyin Juliet Umealor (Mrs)	