

PRESS RELEASE

CISLAC welcomes the Dissolution of the NNPC Board: It's a Step in the Right Direction

The Civil Society Legislative Advocacy Centre, CISLAC whole-heartedly welcomes the Federal Government's Decision to dissolve the Board of the Nigeria National Petroleum Corporation, NNPC. We are convinced that this is not only long overdue and very timely; it is also a step in the right direction

We note that no meaningful reforms of the oil and gas sector can take place with the same Board under which most of the breaches occurred. A Board under which such monumental frauds in fuel subsidy management, non remittance of monies due to the federation account, controversial crude for oil swaps and collapse or sabotage of our refineries occurred definitely does not deserve to remain. Indeed, the scandal that trailed the notorious forensic Audit by PriceWatersHouseCoopers can largely be traced to having conducted that expensive audit with this Board in place.

CISLAC places on record that the NNPC and its subsidiary, DPR remain today major brick walls in the implementation of the NEITI process in Nigeria, especially on matters of remediation and implementation of recommendation of the independent auditors such that about 10 years after, we have recorded very limited progress

We call on the president not to stop at the dissolution of the Board but to make this the beginning of sweeping reforms to restructure and overhaul not just the NNPC but the entire extractive resources and revenue managing architecture of the nation.

CISLAC recalls that the President in his promises to Nigerians during the electioneering campaigns was to rid the nation of corruption and we daresay, there is no better sector to start than the one that generates over 85% of our revenues and 95% of our foreign exchange earnings.

We note with disappointment the failure of the past government to pass the PIB into law in spite of repeated promises and enjoin the new administration to work to expedite action on ensuring that we gave a robust legal framework to regulate the sector.

CISLAC however is convinced that there are successes that can be recorded and milestones that can be achieved in instilling sanity, transparency and substantial degrees of accountability can be entrenched in the extractive sector, if the government musters the political will with or without a PIB in place and the dissolution is one of such.

Just as appointing Minister of Petroleum Resources in accordance with relevant provisions of NNPC Act to Chair a new Board of NNPC has become imperative, we strongly recommend that having the National Council of Ministers constitute the Board, to a large extent will facilitate transparency and accountability in the oil and gas sector. We urge President Muhammadu Buhari to disregard all suggestions to serve as the Minister of Petroleum Resources as such would amount to the breach of Section 138 of Constitution of Federal Republic of Nigeria, which prohibits President from holding other Executive Office during his tenure.

We therefore urge the Government to identify others and implement them without fear or favour while we continue to push for the passage of an enabling legislation. CISLAC is presently preparing to recommend concrete policy options of such Extra-PIB policy approach to the Federal Government. We call on all stakeholders and well meaning Nigerians in the academia, civil society and the media to come up with constructive recommendations that can achieve this aim while we do not relent to work for the passage of a people oriented and development propelling PIB.

Signed:

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