

**A MEMORANDUM SUBMITTED TO THE HOUSE  
COMMITTEE ON THE PETROLEUM INDUSTRY BILL (PIB)**



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## **A MEMORANDUM TO ALERT ON THE REAL LEADERSHIP CHALLENGES TO REALIZING THE OPTIMAL ULTIMATE OBJECTIVES OF THE PETROLEUM INDUSTRY BILL**

This is not a legal submission nor is it for legal adoption. I am not one of such stakeholders, for the making of the law. My stake holding is what connects every and all Nigerians to whatever eventually becomes the law. It will be most important because it is what will give life to all the present efforts in the course of making the law.

I am not proposing “to provide for Legal, Governance, Regulatory and Fiscal Framework for the Nigerian Petroleum Industry, the Development of Host Communities and for related matters”.

I am interested in alerting Honorable Members on the real leadership challenges to realizing the optimal ultimate objectives of the Petroleum Industry Bill. The Committee has already noted by acknowledgement that leadership failure has engulfed the timely realization of making the law - “It is expedient to note that the Bill has been in the making for about twenty (20) years and involved countless stakeholder consultations and engagements. It was first presented to the National Assembly in December 2008 during the 6th Assembly and subsequently in the 7th & 8th Assembly, aimed at increasing Nigeria’s share of oil revenue”.

The first sense of responsibility and honor is to therefore know and admit that the completion of the legislative process and getting it signed will remain distant from the optimal increase in Nigeria’s share of the oil revenue **FOR NIGERIANS, UNLESS AND UNTIL THE LEADERSHIP CHALLENGES ARE SUFFICIENTLY OVERCOME.**

## **FOR THE BENEFIT OF DOUBT**

The root justification for initiating the new law is the standard culture of the wanton abuse of double trust by the Nigeria National Petroleum Corporation (NNPC). The organization has been in production and regulation of the oil and gas business for revenue to be used for the governance of Nigeria. This is of critical importance because the Nigerian economy is highly dependent upon what it makes from this industry and arrangement.

And the most intelligent policy or drive for our collective safety and prosperity will be to diversify the economy to spread the cost of collapse in the Oil revenue. For Nigeria, Agriculture is the most inviting. This should have been, not long from the beginning of the oil boom years. The present government has submitted that this is an absolute truth for Nigeria and our nationhood.

The attempts of creating other structures like the Joint Ventures, the Oil Minerals Producing Areas Development Commission (OMPADEC), the Niger Delta Development Commission (NDDC) and the Ministry for Niger Delta are like concessional responses to indisputable harms done to Nigerians in the environment of this businesses. The question that arises is, **OF WHAT VALUE ARE THESE IF THE STANDARD CULTURE OF WANTON ABUSE OF TRUST IS NOT CHECKED?** Indeed, the history of the NDDC has not just been checkered by the same culture but **RULED** by it. And the Ministry has only been coordinating this. It is like more vicious products of the parent.

The International Oil Companies, the NNPC and the bye products are thus not different in the raping of our collective rights. None of NNPC and the related agencies has fair records of accountability. The international Oil Companies have not failed us without the NNPC and our tax arrangements. It is therefore more of our failure than that of the international Oil Companies. The limits of what will be acceptable for keeping them is a rational and sensible thing

agreeable on the continuum of what will be unacceptable to what they will not mind.

In summary, the Laws, the Structures, Institutions or Organizations and even the express or statutory processes are not the greatest INHERENT challenges. And the embarrassing records of achievements by these organizations are the proof. Taking the dark side of the ‘achievements’, is the amount of certified and paid subsidies not enough to build another federal capital for Nigeria? If not, add to it, the questionable amounts of commitments across the organizations. All of these are after the technical professional cover-ups in accounting for the operations, over the years.

The challenge across all of these is in the final or management leadership phases. In other words, with a different leadership settings, the losses or wastes or diversions or abuses would have been seventy percent less. The present efforts of recasting the law would have been less strenuous, more assuring and definitely faster.

## **THE LEADERSHIP PHASES**

Honorable Members have already acknowledged and recorded that the beginning or source of the relevance of leadership is its connection to historical realities. If there is no problem, no need, no challenge, leadership will be unnecessary, not required. Leadership is consequently the embodiment of solutions alive or in action. If the leader is not impactful on the problems he is unsatisfactory or unfit.

The first phase of leadership involves the definition of the problem, needs or challenges and the objective solutions. For example, the restive records of the Niger Deltans in response to negative impacts of the oil businesses is one. The required adjustments for a more rational, sensible and rewarding business

informed the specific recognitions by the Committee - “However, the Bill became contentious due to objections from International Oil Companies (IOCs), the Nigeria National Petroleum Corporation (NNPC) and Host Communities. Leaders of Host Communities also raised concerns about the non-inclusion of requests from their communities and pointed out that pre-existent tensions present in the Niger Delta could potentially get worse if the Bill does not provide specific measures to address local issues. Consequently, the passage of the Bill was truncated”.

BUT, why has it taken two decades to be defining the real challenges on the ground? What logic and sense will be admissible to explain or justify twenty years of failure in defining these and a new ability to do this? Is it the lie of the real challenges that require to be concocted? Are the submissions in Hebrew, Latin or Arabic? Have the parties to enable this been in comma or epileptic? What number of times, quality of attention and responsible justifications for adjournments can qualify the failure for responsive and responsible processing of the definitions, during the twenty years?

BOTH the Executive and Legislative trustees are culpable in these. And the ladders of the leaders that have so failed critically include the President, the Ministers that have responsibility for connective inputs, the Chairmen of the Committees, the Speaker and Senate President from 2008 to date. The set of 2015 to date is not any better because it was on the table of specific promises for the mandate, and it is halfway through the second term.

The manipulators of the ground complainants with the effect or consequences of delaying the process are inconsequential because they couldn't have stopped the process, if these ladders of those statutorily responsible for making the law acted.

It will appear not to be IGNORANCE as the key factor responsible for this generation and leadership failure. The same ladders are aware of the productive status and our dependence on the revenue from the oil sector. This is because the benchmark for the price of crude oil per barrel is always the superior consistent basis for appropriation, across all of these years. It will then be a slight and insulting to the intelligence of these leaders to be associated with managing our poultry by using the eggs without knowing that caring for the birds is fundamental to the health of the farm.

It is undoubtedly Confusion driven by hypocrisy. Every set of entrants into the Executive and Legislative seats is faced with the optional challenges of attending to self, immediate and future poverty or the risk of wretchedness, misery or even death. The real discovery that stares the bodies and souls of the leaders is the comfort of the statutory provisions of welfare against the certainty of the direct opposite after the tenure of office. This generates the ‘understanding’ for the real and greatest challenge of the STANDARD CULTURE OF WANTON ABUSE OF TRUST with which the oil industry is led and operated. The side indicators of this include the padding of the budget that was screamed by the present government as if sanctions are the most intelligent way of dealing with it; there is constituencies projects provisions that is a ‘legal’ opportunity for the legislature; the so called jumbo total package legislators are ridiculed for against the procurement largess commitments by the executive. It will amount to audacity of any comfortable members in this resistance to poverty to instruct all others to turn away. Indeed it is confusing and laughable when those involved know of the ‘efforts’ by those not evidently involved, to cater for themselves.

The oil industry therefore serves as the master OPPORTUNITY for attending to this challenge of poverty. The sucking cots bred or planted by the military regimes always make irresistible offers to cushion or even guarantee security or

insurance against this poverty. This is the root of the competitive culture of ‘droppings’ allegations to key players in the legislature. But the beneficiaries know fully well that the executive are not orphans in this.

This really explains the orientation of the oil and gas unions that are very uncompromising in most outings when it connects to the welfare of the members. Because they know of the real ‘on goings’ they cannot watch the plundering and not get their cut, in the name of sacrifice or patriotism. It will be double foolish. Unfortunately this has been growing with the bias of being less restive with one from a relative background. In history, either good or evil can grow and develop if given life.

This explains why and how the definition has taken so long and with no certainty of when it will really end. The intricate inevitable factors that will actually drive the possibility include the safety of those who have been possessing fruits of the rape (by continuing to pay for foot dragging, threaten those to do it or risk future exposure), those who have been instrumental to enabling the benefits (by buying time to cover up the pits of abuse), the sacrifice to put a stop to what is serving (by direct welfare beneficiaries that are faced with arranging against future poverty) and the certainty that the new arrangement will **AT LEAST BE PROTECTIVE OR COVERING, AGAINST FULL LIABILITY** of all of those who have raped the resources.

Honorable Members are reasonably and sensibly aware that no party is a Saint in this Great Sin. The inclination may therefore not eventually differ from the example of the Peoples Democratic Party achievement. To take as much advantage as possible to the **END** and then pass it. Indeed the Peoples Democratic Party Leadership had the conscientious intelligence to **FINALLY** regret ‘inability’ to pass it in the Senate after the House made the show of pulling a wool over the eyes of fools, by passing it.

This Committee should for that reason know that this wrack of leadership crisis and corruption is really only a fertile portion of the greater consistent and increasing failure of the executive arm across the government machineries in the country. Patriotism is not a suitable flag or banner for anyone to fly because everyone is really in it or every key member.

The very same challenge is what characterizes our security challenges with the apparatus. Which Commander in Chief or Chief of Army Staff has been held accountable in the history of our leadership? This is the weak point Buhari aimed at bursting (mistakenly) with Jonathan. But he was taught and learned that he cannot bear it. An Inspector General, Air Vice Marshal, Vice Admiral or Comptroller of Customs cannot rub shoulders in this.

Indeed, the ‘comforters or sustainers’ who care for those who come in are AHEAD in the ‘struggles’ for the survival and retention of the STANDARD CULTURE OF WANTON ABUSE OF TRUST. One indicator is the packaging of the Governance provisions. They have ‘legally’ provided for THOSE of their own to be the suitable candidates. But from the history of the leadership of the industry, have they all been from that group? Have those of them from that group performed better than those from outside? Is this not an indication that even non-members, non-agents or non-stooges of the present culture can subtly be engaged without the consciousness of the limits of what appears reasonable?

The second indicator is that the same NNPC that laid off hundreds of staff in preparation for a new beginning and had to be defended at the screening of the previous Minister of State has freshly engaged other hundreds for the new beginning. Over and above this ‘their’ lawyers have made an outing to make a point. The ‘new’ recruits have been trained and must not be wasted. They must be provided for in the new beginning.

This is the failure trap for the first phase of leadership in the responsibility of the Committee.

The additions or minuses the draft may go through, actively enabled by greater naivety than contributing to the solutions, will be INSUFFICIENT if the second phase of leadership that has already been overtaken further fails to observe any minimum checks.

This second phase is the role of the executive and in a few cases along with the approval of the legislature, to provide the specific leaderships for the new structures. The challenge here is between ascertaining the real or fair safety of GOING ALONG with the present provisions that may be risky or adjusting it with an admixture of what is comfortable and what has been made inevitable. And this will cover across the ad hoc and regular appointees or the Boards and Administrative compositions.

The critical relevance of doing this right rests on the fact that the requirements for this operational ladder of leadership is management competence driven by impeccable integrity. The attributes of honesty and sincerity will be a fair contribution. The greatest RISK of such leadership to the present will be a MODERATION of the strong culture in the supportive environment of corruptive executive and legislative injections or interference. And the worst risk will be a gradual consumption of the leadership by the ruling culture. Either of this will be superior to getting a straight and clear agent or stooges.

This phase of leadership is consequently a remnant opportunity or window for NOT applying MY OWN or OUR OWN. Such selfishness will not be inconsistent with the rot we are helplessly swimming in. It will be BETTER as courageous as Olusegun Obasanjo admitting a wrong benefit and returning it even after he had been called names. It will be as sterling as late Umaru

Yar'adua admitting electoral irregularities and making a commitment to correct them. His will be in spite of the obvious power of resistance.

It will be a more tolerable transition step compared to a foolish ambition of overthrowing what is not even understood. The example of the fate of an open letter and hurried coalition by Obasanjo should serve as a lesson.

## **TO BE SURE**

The present government like the governments since 1999 have NOT yet faced the greatest pervasive challenge to nationalism for our nationhood. It has either never understood the challenge in order to make the lasting difference required or it has equally gotten consumed, on confrontation with the reality of poverty. But this opportunism will only worsen the capacity of leadership in Nigeria for the prosperity of all.

The arrest of the corrupt, jailing them is not impressive because WHY people are or become corrupt is the greater challenge for attention, to transform or CHANGE Nigeria. Is it not evident that with dedicated funds, the legacy projects of Niger Bridge, Lagos-Ibadan express way and Abuja to Kano Road are still in slumber? What is the prospect of not leaving office with worse liabilities and dried purse inherited from the preceding government? Is the 'crime' of Bukola in insisting on the removal of Magu different from the hounding and failure to convict him later? Is the drop in oil price and the pandemic sufficient excuses GIVEN THE RESOURCES THAT BECAME AVAILABLE?

Nigerians and especially leaders require to embrace the overhauling of the machineries of governance MORE THAN what is often called institutions building. And we need a rigorous reorientation by education to ignite the spirit and commitment to nationhood above inferior forms like returning to one's

mother's womb, the tribal, regional or religious group. We are in a secular arrangement for optimal religious freedom. I have attempted providing some food for thought on [www.nigerians.sadtayyfoundation.org](http://www.nigerians.sadtayyfoundation.org)

Please accept my personal best regards.

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