



KEY NOTE ADDRESS

BY

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TO THE UNITED KINGDOM**

**AT THE NIGERIA – UK OIL AND GAS
SUPPLY CHAIN ENGAGEMENT WORKSHOP**

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PROTOCOL

I am delighted to address this distinguished gathering of experts and in UK supply chain engagement and company representatives in the oil and gas sector focusing in the Nigerian economy.

I recall having the honour to deliver a similar address to your workshop on the same theme in April last year. I am pleased to note that the formation of several new business partnerships and the array of participants at today's event are great testimony to the success of the previous occasions.

Today's event could not have come at a more auspicious time. In April this year, His Excellency, President Goodluck Ebele Jonathan, GCFR, signed into law, the Nigerian Oil and Gas Industry Content Development (NOGICD) Act. Only a few weeks ago, the President proceeded to inaugurate the Governing Council of the Nigerian Content Development and Monitoring Board for the implementation of the Act.

These two steps are practical demonstrations of the resolve of the Federal Government to ensure that Nigeria and Nigerians reap greater benefits from the natural endowments of oil and gas by ensuring that Nigerian content is adequately fed into all aspects of the oil and gas industry in the country.

In implementing the Act, the primary objective of the Federal Government is to ensure that within the next four years, the Nigerian economy retains over \$10 billion out of an average annual oil and gas industry expenditure of \$20 billion, as against the current figure of less than \$4 billion. Once this objective is achieved, the oil and gas industry would have succeeded in forging the necessary linkages with the rest of the economy and serving as a major driver for the growth and development of the Nigerian economy by creating jobs and wealth for the people across the country.

My job as Nigerian High Commissioner on this occasion has been well cut out for me. It is simply to restate the position of the Federal Government of Nigeria as regards on-going reforms in the oil and gas sectors, which is hinged on the Nigerian Oil and Gas Industry Content Development Act (NOGICD) and the draft Petroleum Industry Bill (PIB) currently before the National Assembly. It is also to restate the strong commitment of the Federal Government to the transformation of the Nigerian National Petroleum Corporation, (NNPC), with a view to making it an independent, global commercial entity that focuses more on the core areas of exploration, production, refining and marketing.

For the avoidance of doubt, the Petroleum Industry Bill is not intended to serve as a disincentive to foreign investors in the oil and gas sector. Rather, it is designed, in line with global best practices, to promote the objectives of exercising meaningful

sovereignty over the country's territorial space, especially in the off-shore, deep water exploration and exploitation of oil and gas resources, for the greater benefit of the Nigerian people. In this regard, the Federal Government is very much aware of the specific concerns that have been raised by the operators in this field. As it seeks to promote the national interest, the Federal Government will endeavour to take those concerns into account in the final consideration of the Bill.

In the meantime however, I will like to seize this opportunity to urge all stakeholders to show greater understanding and appreciation of Government's interest and objectives in this matter. What is required is enhanced strategic partnership between the Federal Government and the oil majors so that the partnership can be properly managed to the mutual advantage of all parties.

**Distinguished Ladies
and Gentlemen,**

At this juncture, let me express my profound appreciation to the UK Trade and Investment (UKTI), Shell Nigeria and all those who have contributed in putting together these series of capacity building workshops in the UK and Nigeria. The workshops have no doubt contributed to the capacity building drive of the Federal Government, while also energising and sustaining the interest of UK major stake holders in the oil and gas sectors of the Nigerian economy.

Elevating UK-Nigeria's economic and commercial relations has been a major preoccupation of the Nigeria High Commission under my watch. I note, with great satisfaction, that this is also an objective that is strongly shared by the new coalition government of the UK. I therefore welcome today's event as a major boost to our bilateral efforts in this regard.

May I call on UK companies in the oil and gas supply chain to take full advantage of the immense opportunities offered by ongoing reforms in these sectors to forge strong partnerships with their Nigerian counterparts to give effect not just to our local content objectives but the power sector reform, which relies on adequate gas supply for its success.

Just like the PIB, I will like to assure this audience that the Federal Government is determined to ensure that the implementation of the local content bill does not serve as a disincentive to foreign investors and experts in this highly competitive and capital intensive industry.

Before I end this address, let me also comment on the situation in the Niger Delta. The post-amnesty programmes are fully on course as peace and security have been restored to the region. This is evidenced by the record increase in production levels of crude oil to 2.7 million barrels per day from an all-time low of 700,000 barrels per day two years ago. This offers immense

opportunities for the transformation of the economy as government pursues its development programmes and investment in infrastructure.

In the same context, I will like to assure this audience of the strong commitment of the Federal Government to the conduct of free and fair elections in 2011. President Goodluck Jonathan has taken practical steps to rejuvenate the INEC and given firm assurances that all votes would count in those elections.

Notwithstanding these efforts, some challenges remain, and Government has never been in denial about them. What is important is the efficacy of the steps being taken and the singularity of purpose with which the challenges are being addressed by the Government. With your support, I believe Nigeria will attain the objectives of becoming one of the top twenty economies in year 2020.

Let me end this brief address by wishing participants at today's workshop and the subsequent one in Aberdeen, Scotland, fruitful deliberations.

I thank you for your kind attention.