

If This Doesn't Get You Angry, Nothing Will!

Findings from The Farouk Lawan Committee On Fuel Subsidy

How much Subsidy was Paid Out?

- Budgeted Amount -> N245.96 billion
- Initial official report -> N 1.3 trillion
- Accountant General -> N 1.6 trillion
- Central Bank of Nigeria -> N 1.7 trillion

Independent Investigations reveal payments of N2,587.087 trillion as at December 31, 2011. This amounts to over 10 times the budgeted figure!

Kerosene Subsidies

- 2009 - Presidential Directive removes kerosene subsidies
- 2011 - NNPC paid N310.4 billion in "arrears" on kerosene subsidy between 2009-2011

128 Payments in 24 hours

In 2009, Ibrahim Hassam Dankwambo, the Accountant-General authorised 128 payments of N999 million each in 24 hours (a stunning rate of over 5 payments per hour) between 12th & 13th January 2009, totalling N127.872 billion. During this period, there were only 36 marketers.

What were the payments for?

Why do we Have 3rd Party Marketers?

Nigerians consume about 31.5 million litres of PMS per day. With 445,000 barrels per day (bpd) of crude assigned to NNPC, local refining and offshore swaps (crude for PMS), IS SUFFICIENT for our local needs.

What Manner of Marketers?

- 45 of the marketers are tax defaulters including Acorn Plc, ASCON Plc, Capital Oil and Gas (under FIRS investigation), Eterna Oil and Honeywell Oil & Gas Ltd.

- 3 marketers got their 1st allocation without applying to PPPRA
- 4 marketers NEVER applied to PPPRA at all but were given allocation to supply products, including Conoil.

What is the Price of PMS?

If the 445,000 bpd allocated to NNPC is sufficient to meet our local needs, what exactly should the price of PMS per litre be? It is at this point that the 'subsidy' on PMS can be determined.

Dear Honourable Minister...

Of the 4 Committees and Taskforces set up, the Petroleum Industry Bill (PIB) Special Task Force and that on Governance and Controls in the NNPC and other Parastatals have missed their deadlines - February 29th and March 2nd respectively.

We had initially acknowledged that it would be difficult, if not impossible, to oversee/supervise the investigation of allegations in which the Ministry features prominently, and asked that the Minister step aside.

Given the depth of fraud uncovered by the Committee and for flouting a Presidential Directive, the "Honourable" Minister should be removed from office.

Time to Step Aside

All officers that have been implicated in the report, including Olusegun Aganga (then Minister of Finance) and Augustine Oniwon, GMD, NNPC should step aside until the criminal investigations are concluded.

The EFCC has to immediately follow up on the findings of the report and prosecute all those found guilty.

Let Government Play their Role

Before, during and after the protests in January, the Federal Government denied the facts that have now been documented by the Committee. It is imperative that all three arms of government – legislative, executive and judiciary – play their respective roles to ensure that the findings of the report are fully adopted and enforced.

It is imperative that a proper framework for deregulating the sector is provided by passing the PIB into law.

We remind all elected and appointed officials of the Federal Republic of Nigeria that they are employees of Nigerian citizens and we will continue to ask questions and hold them accountable for OUR common wealth

God Bless the Federal Republic of Nigeria