

Essence of oil tweets – Legal institutional Framework

1. Nigeria is the 3rd largest exporter of crude oil & the 9th largest natural gas producer #EssenceOfOil
2. In the 1960s Government interest in #EssenceOfOil was limited to collection of taxes, royalties and lease rentals
3. In 1969, the Petroleum Act vested ownership & control of oil in Nigerian land or waters in the Fed Govt #EssenceOfOil
4. The Land Use Act (LUA) 1978 also enables transfer, ownership & control over land to the Fed Govt #EssenceOfOil
5. So, LUA & Petroleum Decree divested the control and management of oil bearing lands from the NigerDelta People #EssenceOfOil
6. The Petroleum Act covers oil exploration, prospecting & production rights #EssenceOfOil
7. The Land Use Act (LUA) 1978 sought to manage the uniformity of laws governing land-use and ownership #EssenceOfOil
8. In 1977 NNPC was established to regulate and participate in the Oil Industry #EssenceOfOil
9. In 1984 the NNPC was unbundled & commercial activities remained with it while DPR handled the regulatory aspects #EssenceOfOil
10. The FGN and Oil Companies enter into JointVentureAgreements with govt as majority partner #EssenceOfOil
11. Subsequently there were Production Sharing Contracts as a result of FGNs inability to meet its JV cash calls #EssenceOfOil
12. Legislation on oil matters handled by NASS but hold Fed Govt responsible for Policy issues around the #EssenceOfOil
13. DPR, Department of Petroleum Resources is meant to be the watchdog for the nation's oil & gas resources #EssenceOfOil
14. Ministry of Environment & its Agencies were established to protect & preserve the Nigerian environment #EssenceOfOil
15. Oil Spill Response Agency, NOSDRA est in 2006 to check oil spills across the oil exploration belt #EssenceOfOil
16. Nigeria is signatory to Intl Conventions which demand for prompt & effective action on oil pollution incidents #EssenceOfOil
17. Niger Delta Communities have not felt the impact of the NOSDRA as the environment is consistently degraded #EssenceOfOil
18. Incessant Env pollution has led to tension between communities & the oil companies on the whole #EssenceOfOil

19. In spite of some effort to mitigate the impacts it is still not clear that Govt is pulling its weight #EssenceOfOil
20. For instance only recently FGN asked Shell to pay \$5Billion for the Bonga Oil spill of Dec. 2011 #EssenceOfOil
21. Shell refuses to pay compensation as spill didn't reach the shoreline before it was contained #EssenceOfOil
22. Communities complain that no cleanup of the spillage had been carried out by Shell since Dec 2011 #EssenceOfOil
23. NOSDRA DG says Shell was sanctioned as administrative penalty not a compensation to the community #EssenceOfOil
24. Shamefully, NOSDRA DG says Post Impact Assessment (PIA) will happen only after funding is secured for it #EssenceOfOil
25. Meanwhile, Shell spilled 40,000 barrels which impacted about 950sq kms of ocean & waterways #EssenceOfOil
26. Shell MD ~ status of spill could not be known till about the end of 2012 #EssenceOfOil
27. Did Mobil have the audacity to tell Obama to wait 6 months before they will pay their fines? #EssenceOfOil
28. Would Americans have tolerated such rubbish from an oil company? Egunje don spoil countri! #EssenceOfOil
29. More degradation of the Niger Delta without compensation for communities dependent on that ecosystem #EssenceOfOil
30. Sustainable business requires profits to be made without hurting people, their livelihoods or the planet #EssenceOfOil
31. Shell's expenditure on CSR is insignificant when compared to the huge damage it has caused the Niger Deltans #EssenceOfOil
32. Shell is responsible for more than 60% of the gas flared in Nigeria #EssenceOfOil
33. Federal Govt fails to adequately enforce & control regulations and standards within the industry #EssenceOfOil
34. Nigeria must separate money making inst from policymaking or regulatory inst in the oil & gas sector #EssenceOfOil
35. Handling of management & protection of land by fed Govt reveals absence of the will to protect the people of Nigeria #EssenceOfOil
36. Activities of oil companies in the NigerDelta: gas flaring,oil spills affect the wellbeing of the indigenes #EssenceOfOil
37. Constitution demands that Govt. protects the environment & safeguards the water,air,land,forest&wildlife #EssenceOfOil
38. Nigeria is a signatory to the International Oil Pollution Response & Co-operation Convention #EssenceOfOil

39. Did you know that the Convention provides for prompt response to effects of oil spill?
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40. If it is laws, we have more than enough of them but our govt lacks the will to be sincere, fair or accountable #EssenceOfOil
41. And now? The fed Government is in the process of passing the Petroleum Industry Bill (PIB) #EssenceOfOil
42. The PIB is a product of over 78 oil and gas laws & regulations brought together into one document #EssenceOfOil
43. The PIB attempts to revise the legal, fiscal and regulatory framework of the #EssenceOfOil
44. The PIB is supposed to revolutionize and transform the #EssenceOfOil Sector
45. PIB has been accused of being watered down&designed to favour the Oil&Gas majors at the expense of Nigerians #EssenceOfOil
46. PIB is termed weak in regard to taxes as its written by operators for operators, thus increasing corruption #EssenceOfOil
47. PIB has no improvement on gas flaring. For that to happen, Nigeria would have to pay its own JV debts #EssenceOfOil
48. FGNs multiple roles as investor, regulator and enforcer has increased inefficiencies and mismanagement of #EssenceOfOil
49. It is this complicity that oil companies neglect oil spills management & compensation for communities #EssenceOfOil
50. Are the Oil companies required by law to pay compensation or penalties only in the event of a spillage? #EssenceOfOil
51. When the compensation/penalties are paid, does anything return to the Community since land is vested in Govt? #EssenceOfOil
52. PIB says if oil infrastructure is damaged, community will lose benefits accruing to it. So oil majors can sabotage? #EssenceOfOil
53. When land & its resources are vested in the Govt is it meant to deprive the Community of benefits from use? #EssenceOfOil
54. Are Oil Companies negligent because FGN inspite of the laws,regulations&agencies chose to be ignorant? #EssenceOfOil
55. Watch out for the launch of the Web portal on the #EssenceOfOil where you can research more details and insights