

THE NIGERIAN PETROLEUM INDUSTRY BILL 2012: THE REAL DEAL OR AN ELDORADO?

14th August 2012

1. INTRODUCTION

The general submission on the non-passage of the Petroleum Industry Bill (PIB) is that the delay has affected the inflow of investments into the petroleum industry with the attendant consequences on the Nigerian economy.

Thus, Nigerians welcomed with much aplomb the news of the inauguration of an eight-man special Petroleum Industry Bill (PIB) task-force (“the Task-force”) in January, 2012 by the Minister of Petroleum Resources to harmonize previous drafts of the PIB and synchronize relevant provisions into a single Bill, for re-submission to the current 7th National Assembly. The Task-Force has completed its assignment and submitted its report to the Presidency. Upon the approval of the National Executive Council, the Petroleum Industry Bill 2012 (“PIB 2012”) has now been submitted to the 7th National Assembly, in order to commence the constitutional, legislative and enactment process.

2. THE PETROLEUM INDUSTRY BILL 2012

The PIB 2012 comprises of 363 Sections and five (5) Schedules. It provides for a legal, fiscal and regulatory framework for the Nigerian oil and gas industry and establishes regulatory institutions, funds and commercial/incorporated organizations for the upstream and

downstream sectors. It also provides for the imposition, assessment and collection of the Nigerian Hydrocarbon Tax (NHT) and the application of the Company Income Tax (CIT).¹ The established institutions and organizations are to abide by the provisions of the Nigerian Extractive Industries Transparency Initiative Act.²

3. RESTRUCTURING THE INSTITUTIONAL FRAMEWORK

The PIB 2012 proposes to establish (in certain cases, to re-establish) the following authorities, institutions, companies and funds, for the Nigerian petroleum industry:

3.1. Minister of Petroleum Resources³

The Minister of Petroleum Resources (the “Minister”) is retained under the PIB 2012 and will continue to be the general supervisor of the petroleum industry. The Minister will also have the responsibility of advising the Nigerian government on matters pertaining to the petroleum industry, negotiating international agreements on behalf of Nigeria and representing Nigeria at international forums.

¹ The CIT is prescribed in the Company Income Tax Act (CITA) CAP C21, Laws of the Federation of Nigeria 2004.

² See Sections 3 & 4 PIB 2012.

³ See Sections 5 – 8, PIB 2012.

3.2. Petroleum Technical Bureau⁴

The Bureau will be a new department under the Ministry of Petroleum Resources (the "Ministry"). It will have the responsibility of providing technical assistance to the Minister and to also explore the frontier basins of Nigeria for oil and gas deposits, with the aim to identify opportunities and increase information about the extent of petroleum resources available in those basins.

3.3. Industry Regulators

Two new regulatory authorities are proposed to be established. The Upstream Petroleum Inspectorate (the "UPI")⁵ is to be established to be the new regulator of the upstream petroleum sector while the Downstream Petroleum Regulatory Agency (the "DPRA")⁶ will be established to regulate the downstream petroleum sector. The UPI and its Special Investigation Unit is designated to take over the role and obligations of the Department of Petroleum Resources (DPR) with regards to upstream operations, while DPRA and its Special Investigation Unit is designated to take-up the role and obligations of DPR and the Petroleum Products Pricing Regulatory Agency (PPPRA) in the downstream sector of the industry.

3.4. Petroleum Training Institute⁷

The current Petroleum Training Institute (PTI) will be retained under the PIB, as a

parastatal under the supervision of the Minister. It will have the objective of providing quality education and technological manpower to the Nigerian petroleum industry and those of other African countries. Although not expressly stated in the Bill, it appears that the Ministry of Petroleum Resources will continue to exist, as it is referred to in various provisions of the Bill. In any case, the Minister will require a secretariat and the Ministry will continue to be that secretariat.

3.5. The Nigerian Content Development and Monitoring Board⁸

Similar to the re-establishment of PTI, the Nigerian Content Development and Monitoring Board is also to remain as created under the Nigerian Oil and Gas Industry Content Development Act, 2010. The Board will function as a parastatal under the Minister and shall have the objective of developing Nigerian content in the upstream petroleum sector.

3.6. Proposed Commercial & Incorporated Organisations

In a bid to apply the principles on commercialization and privatization into the framework and constitution of the Nigerian oil and gas industry, the following organizations are proposed by the Bill:

⁴ See Sections 9 – 12, PIB 2012.

⁵ See Sections 13 – 42, PIB

⁶ See Sections 43 – 72, PIB.

⁷ See Section 361, PIB.

⁸ See Section 361(2), PIB.

3.6.1. The National Petroleum Assets Management Corporation⁹

The National Petroleum Assets Management Corporation (the "Corporation") is created as a body corporate with perpetual succession and a common seal, essentially to acquire and manage investments of the government in the Nigerian upstream petroleum sub-sector. It is to operate as a holding company of the Management Company. The Corporation shall be responsible for the funding of the initial 2-year work obligations of the management company.

3.6.2. The Nigerian Petroleum Assets Management Company Limited¹⁰

The Nigerian Petroleum Assets Management Company Limited (the "Management Company") is proposed to be incorporated under Companies and Allied Matters Act (CAMA) 2004. It shall be vested exclusively with all of government's interests, assets and liabilities in existing Unincorporated Joint Ventures (UJVs) excluding those that will vest in the new National Oil Company (NOC). These interests are currently being held by the Nigerian National Petroleum Corporation (NNPC) on behalf of the Federal Government.

Thus, in case of a UJV such as the one operated by Shell Petroleum Development Company (SPDC) (in which NNPC holds 55% stake, SPDC holds 30%, Elf holds 10% and Agip holds 5%), all of NNPC's or

NPDC's¹¹ assets, liabilities and 55% participatory interest will be transferred to the Management Company.

Furthermore, upon transferring the assets and liabilities in the UJVs to the Management Company and certain NNPC assets to the newly incorporated NOC, the government may later on vest in the Management Company any upstream asset as it may from time to time deem fit.¹² The initial shares of the Management Company shall be as follows: the Corporation (99%) and the Permanent Secretary of the Ministry of Petroleum (1%).¹³

3.6.3. National Oil Company¹⁴

The PIB 2012 proposes that an NOC (which is yet to be specifically named), will be incorporated under CAMA and vested with assets and liabilities of NNPC excluding the UJVs (which the Management Company will hold) and the current assets of the Nigerian Gas Company Limited. The NOC shall be incorporated as a public company limited by shares and there shall be a divestment of 30% (maximum) of its authorized share capital to the Nigerian public, within six (6) years from the date of its incorporation. The initial shares shall be held by a nominee of the Ministry of Petroleum Resources and Ministry of

⁹ See Section 121 & 122, PIB.

¹⁰ See Section 123, PIB.

¹¹ The Nigerian Petroleum Development Company (NPDC).

¹² Section 125, PIB 2012.

¹³ Sections 120 & 123, PIB 2012. The 1% shareholding held by the permanent secretary is in trust for the Corporation.

¹⁴ See Sections 143 – 158, PIB.

Finance Incorporated on behalf of the Government.

3.6.4. National Gas Company (NGC) Plc.¹⁵

NGC Plc. shall be incorporated under CAMA as a public company limited by shares and vested with the assets and liabilities of NNPC's subsidiary- the Nigerian Gas Company Limited.¹⁶ The initial shareholders of NGC Plc shall be the nominee of the Ministry of Petroleum Resources and Ministry of Finance Incorporated on behalf of the Federal Government respectively. It is also stated that, 49% of its shares shall be divested and sold on the Nigerian Stock Exchange within six (6) years of its incorporation.

3.7. The Funds

The PIB 2012 makes provisions for the establishment of the following three funds:

3.7.1. Petroleum Technology Development Fund (PTDF)

The Bill repeals the Petroleum Technology Development Fund Act¹⁷ and re-establishes the PTDF as one of the funds for the petroleum industry. The PTDF will be used for the training of technical and management personnel for

¹⁵ See Sections 159 – 169, PIB.

¹⁶ Please note that Section 163(1) reads- "*Following incorporation of the National Gas Company Plc, the assets and liabilities held by NNPC on behalf of the Federal Government of Nigeria except Nigeria Gas Company Plc shall be vested in the National Gas Company Plc within twelve to twenty-four months from the Effective Date.*" Considering the National Oil and Gas Policy 2004 and the PIB 2008 provisions it seems the phrase in bold should or was intended to read- "*...in the Nigerian Gas Company Limited...*"

¹⁷ CAP P15 Laws of the Federation of Nigeria, 2004

the Nigerian oil and gas industry, especially through grants, scholarships and sponsoring research and developments.

3.7.2. Petroleum Equalization Fund (PEF)¹⁸

The PEF will also be re-established under the PIB regime and will be used to subsidize the prices of petroleum products (as may be required) through the reimbursement of petroleum products marketing companies for costs incurred to ensure that such products are sold at uniform prices throughout Nigeria.

3.7.3. Petroleum Host Communities Fund (PHC Fund)¹⁹

This is a new Fund that the PIB proposes to establish. Through the PHC Fund, ten percent (10%) of the net profits derivable from upstream petroleum operations by petroleum producing companies will be shared between petroleum host communities and littoral states of the federation for the development of economic and social infrastructure in those communities. In the proposal all monthly contributions in respect of upstream petroleum operations in onshore and shallow water areas goes directly to the PHC Fund. Contributions derived from operations in deepwater areas shall be remitted for the benefit of the producing littoral states. Each contribution will constitute an immediate

¹⁸ See Sections 100 – 115, PIB.

¹⁹ See. Sections 116 – 118, PIB

credit to the total fiscal rent obligations²⁰ of the contributing company. The Fund will, however, be administered under subsequent regulations that will be made by the Minister.

4. REORGANIZATION OF THE REGULATORY FRAMEWORK

As mentioned earlier, the PIB seeks to replace DPR and PPPRA (the current main regulators of the petroleum industry) with the UPI and the DPRA. The UPI will essentially regulate the upstream petroleum sector and its roles will include conducting bid rounds, issuing and administering licences and permits, and the day-to-day regulation of the upstream sector. The DPRA will have similar roles in relation to the downstream petroleum sector. It will be responsible for issuing and administering all licences and permits relating to downstream petroleum operations and will have the responsibility of monitoring and managing the new markets that will be established for the downstream sector. The UPI and the DPRA will, together, regulate the domestic gas market, in accordance with the National Gas Master Plan.

5. DEREGULATION OF THE DOWNSTREAM PETROLEUM SECTOR

One of the fundamental objectives of the Bill is to restructure the downstream petroleum sector, particularly, the

²⁰ In the Bill “fiscal rent” means the aggregation of royalty, Nigerian Hydrocarbon Tax and Companies Income Tax obligations arising from upstream petroleum operations.

downstream gas sub-sector. The deregulation of downstream gas market is even more critical under the PIB as a result of the fact that the National Assembly, to date, is yet to pass the 2005 Downstream Gas Bill into law. That bill had addressed issues relating to the deregulation of domestic gas market, which is now covered by the PIB.

The PIB 2012, as in earlier versions, proposes and contains robust provisions for the creation of deregulated and liberalized downstream petroleum market. Anti-competitive market practices are proscribed under the Bill, third party access to downstream facilities is provided for and energy security is sought to be ensured. The DPRA will have the responsibility of ensuring that a national strategic stock of petroleum products is maintained at all times and also that lessees of Petroleum Mining Leases, who produce gas, will reserve and supply to the domestic market, such quantities of the gas that they produce, as may be determined by the DPRA. These essentially constitute the Domestic Gas Supply Obligations (DGSOs) of lessees.

Entry into the sector will require licences for the construction, ownership and operation of process plants (including liquefaction plants), transportation pipelines, petroleum transportation and distribution networks, natural gas processing or retail facility; and the supply of downstream products or natural gas.

6. CHANGES TO THE FISCAL REGIME

Interestingly, the PIB 2012 does not specify new royalty rates but provides that royalties (and fees) will be as determined by regulations that will be made by the Minister post-enactment. Furthermore, in the savings provisions of the Bill, it is provided that subsidiary legislation made pursuant to the laws which the PIB will repeal when it becomes law (e.g. the Petroleum Act 1969 (as amended)), will continue to apply until they are subsequently repealed, replaced or modified by subsequent regulations that the Minister will make.

The Petroleum (Drilling and Production) Regulations²¹ which provides for royalty rates generally and the Marginal Fields Operation (Fiscal Regime) Regulations²¹ which provides applicable royalties for marginal fields, are two of such regulations that were made pursuant to the Petroleum Act. It is, therefore, likely that until the Minister makes regulations prescribing new royalty rates, the royalty rates provided in those two regulations, will continue to be applicable.

Specifically on taxes, the PIB proposes to replace the current single tier Petroleum Profits Tax (PPT) under the Petroleum Profits Tax Act²¹ with a two tier tax system comprising the Nigerian Hydrocarbon Tax (NHT) and the Companies Income Tax (CIT). The former is a resource tax, while the latter is a corporate income tax provided for under

the Companies Income Tax Act (CITA) 2007. The NHT is proposed to be-

- a. 50% in the case of petroleum operations from onshore or shallow water fields; or
- b. 25% in the case of petroleum operations from deepwater fields or frontier acreages, and the production of bitumen

of taxable profits; while the CIT will be as provided for under CITA as amended - i.e. 30% of a company's taxable profits deemed to accrue in, derived from, brought into or received in Nigeria.

By implication, crude oil producers who currently only pay a resource tax (i.e. the PPT) will be required to pay a new resource tax rate (i.e. the applicable NHT) and in addition, a corporate income tax (i.e. CIT). Similarly, gas producers who currently only pay a corporate income tax (i.e. CIT) will, in addition, be required to pay a resource tax on the gas that they produce (i.e. the NHT). On the proposed terms, therefore, crude oil producers and gas producers will be required to pay a resource tax as well as a corporate income tax. Companies operating in the downstream petroleum sector will continue to (only) pay corporate income tax (i.e. the CIT).

The proposed taxes may be of some benefit to investors in the sense that the effective tax rates payable may be reduced when the taxes are adjusted to reflect allowable deductions under the PIB and also when the newly proposed production

²¹ CAP P13 Laws of the Federation of Nigeria 2004

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allowances are applied as provided in the fifth Schedule to the Bill.

Production allowances are an innovation of the PIB and are simply that percentage of the company's taxable income from the sale of crude oil, gas, condensate or bitumen or that portion and/or volume of

such products produced, which will be exempt from taxation. The Bill specifies a scale of allowances for production from onshore, shallow water and deep offshore fields within the territory of Nigeria as shown in the table below:

Hydrocarbon	Onshore	Shallow Water Areas	Frontier Acreage And Deep Water Areas ²²
Crude Oil²³	<p>Lower of US\$30 per barrel or 30% of the official selling price, up to a cumulative maximum of 10 million barrels.</p> <p>The lower of US\$10 per barrel or 30% of the official selling price, for volumes exceeding 10 million barrels up to a cumulative maximum of 75 million barrels;</p>	<p>Lower of US\$30 per barrel or 30% of the official selling price, up to a cumulative maximum of 20 million barrels.</p> <p>The lower of US\$10 per barrel or 30% of the official selling price, for volumes exceeding 20 million barrels up to a cumulative maximum of 150 million barrels</p>	<p>The lower of US\$15 per barrel or 30% of the official selling price, up to a cumulative maximum volume of 250 million barrels per PML.</p> <p>The lower of US\$5 per barrel or 10% of the official selling price, for volumes exceeding 250 million barrels per PML.</p>
Natural gas (fields with liquid yield over 5 barrels of condensate per MMcf)	<p>The lower of US\$1.0 per MMBtu or 50% of the value of the natural gas, up to a cumulative maximum of 1,000 Bcf per PML.</p> <p>The lower of US\$0.50 per MMBtu or 30% of the official selling price, for volumes 1,000 Bcf PML.</p> <p>(only apply to gas</p>	<p>The lower of US\$1.0 per MMBtu or 50% of the value of the natural gas, up to a cumulative maximum of 2,000 Bcf per PML.</p> <p>The lower of US\$0.50 per MMBtu or 30% of the official selling price, for volumes 2,000 Bcf per PML</p> <p>(only apply to gas</p>	<p>The lower of US \$ 1.0 per MMBtu or 50% of the value of the natural gas, up to a cumulative maximum of 3,000 Bcf per PML.</p> <p>The lower of US\$0.50 per MMBtu or 30% of the official selling price, for volumes 3,000 Bcf per PML</p>

²² This also applies to exploration and production for Bitumen deposits.

²³ PSC Contractors not benefiting from Investment Tax Credits or Investment Tax Allowances on the effective date of the enacted PIB 2012 shall have a general production allowance of \$ 5 per barrel or 10% of the official selling price, for all production volumes, while production allowance shall not apply for companies in a Joint Venture Contract arrangement with the NNPC on the effective date of the enacted Bill.

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	production which is subject to royalties and where such gas is not utilized for the purposes of reinjection)	production which is subject to royalties and where such gas is not utilized for the purposes of reinjection)	
Natural Gas²⁴ (fields with liquid yield less than 5 barrels of condensate per MMcf of gas)	The lower of US\$1.0 per MMBtu or 100% of the value of the natural gas, up to a cumulative maximum of 1,000 Bcf per PML. The lower of US\$0.50 per MMBtu or 50% of the official selling price, for volumes 1,000 Bcf per PML.	The lower of US\$1.0 per MMBtu or 100% of the value of the natural gas, up to a cumulative maximum of 2,000 Bcf per PML. The lower of US\$0.50 per MMBtu or 50% of the official selling price, for volumes 2,000 Bcf per PML.	The lower of US \$ 1.0 per MMBtu or 100% of the value of the natural gas, up to a cumulative maximum of 3,000 Bcf per PML. The lower of US\$0.50 per MMBtu or 50% of the official selling price, for volumes 3,000 Bcf per PML.
Condensate Production²⁵ (from gas fields of US \$ 20 per barrel or 30% of the official selling price)	The lower of US\$10 per barrel or 20% of the official selling price, up to a cumulative maximum of 100 million barrels. The lower of US\$3 per barrel or 10% of the official selling price, for volumes exceeding 100 million barrels.	The lower of US \$ 10 per barrel or 20% of the official selling price, up to a cumulative maximum of 200 million barrels. The lower of US\$3 per barrel or 10% of the official selling price, for volumes exceeding 200 million barrels.	The lower of US \$ 10 per barrel or 20% of the official selling price, up to a cumulative maximum of 300 million barrels per PML. The lower of US \$ 5 per barrel or 10% of the official selling price, for volumes exceeding 300 million barrels per PML.

²⁴ PSC Contractors not benefiting from Investment Tax Credit or Investment Tax Allowance on the effective date of the enacted Bill shall have a general production allowance of US\$0.5 per MMBtu or 30% of the value of the natural gas per PML regardless of the liquid yield, for all production volumes, while companies in a Joint Venture Contract with the NNPC on the effective date of the Bill, shall have a general production allowance of US\$0.3 per MMBtu or 30% of the value of the natural gas per PML regardless of the liquid yield, for all production volumes.

²⁵ PSC Contractors not benefiting from Investment Tax Credit or Investment Tax Allowance on the effective date of the enacted Bill shall have a general production allowance of US\$5 per barrel or 10% of the official selling price, for all production volumes.

6.1. Other Fiscal/Taxation Issues

Unlike the previous drafts, the PIB 2012 does not distinguish between International Oil Companies (IOCs) and independents, on one hand, and indigenous companies, on the other, in terms of applicable tax rates. It does not also differentiate between large fields and marginal fields, for purposes of taxation. The Bill provides that the NHT applies to the profits of **"any company engaged in upstream petroleum operations."** of each accounting period. This should, ordinarily, mean that any company (IOC, independent or indigenous) engaged in any kind of upstream petroleum operations²⁶ (whether in respect of a large field or a marginal field) may be required to pay NHT.

In relation to CIT, the PIB 2012 proposes that-

"All companies, concessionaires, licensees, lessees, contractors and subcontractors..."

(Which includes indigenous companies) involved in upstream petroleum operations will be required to pay

²⁶ Upstream petroleum operations comprise of upstream gas operations and upstream crude oil operations. "upstream crude oil operations" means the winning or obtaining of crude oil in Nigeria by or on behalf of a company on its own account for commercial purposes and shall include any activity or operation related to crude oil that occurs up to fiscal sales point or transfer to the downstream sector, while "upstream gas operations" means the winning or obtaining of natural gas in Nigeria by or on behalf of a company on its own account for commercial purposes and shall include any activity or operation related to natural gas, including but not limited to the treatment of gas, that occurs up to the fiscal sales point or transfer to the downstream sector.

applicable CIT. All of these suggest that IOCs, independents and indigenous companies engaged in upstream petroleum operations, will pay both NHT and CIT. With respect to determining the CIT payable by any of these companies, it is useful to note that the PIB proposes that the NHT will not be deductible. The Federal Inland Revenue Service (FIRS), in conjunction with the UPI would administer these taxes.

Another critical issue about the proposed tax system is the requirement that profits from gas sales should also attract a resource-based NHT in addition to the CIT. This has the potential to be a disincentive to prospective investments in the upstream gas sector. Considering that the government aims to encourage increased investments in the sector and increased exploitation of the country's gas resources, perhaps in the early phase of this new gas development initiative, gas producers should not be required to pay a resource tax or even if they do, it should be a rate low enough to still encourage investments in the sector.

7. COMMENTARIES ON SPECIFIC PROVISIONS OF THE PIB

7.1. Funding of the Nigerian Petroleum Assets Management Company Limited

One concern that arises from the PIB's proposals for the Management Company is that it is not entirely clear how the Management Company's interests in the UJVs will be funded, after its first two years of operation. What the Bill appears to do is to provide that the Management Company's work commitments in the

UJVs for the first two years, will be funded by the Corporation (which will technically own all of the shares of the Management Company).

In other words, in those first two years, the government will still be funding UJVs, which is contrary to the National Oil and Gas Policy 2004's objective to avoid having to provide any funding and cash-call obligations to the UJVs, as it currently does. Secondly, if it is the case that after those two years, the Management Company will fund the UJVs, the question then arises as to which funds will be used. If the Management Company retains and uses the revenues it derives from the UJVs to fund its cash call obligations in such UJVs, without such revenues first being paid into the Federation Account established under the Nigerian 1999 Constitution (as is required) and then appropriated by the National Assembly for the funding of the UJVs, there will be issues regarding the constitutionality or otherwise of such funding. There is therefore a critical need to resolve such issues before the Bill is enacted.

7.2. Tariffs and Prices of Downstream Products and Services in a Deregulated Market

The proposed downstream petroleum sub-sector deregulation appears to be a good initiative, since it will bring benefits such as reduced government expenditure on subsidizing the prices of petroleum products, increased investment in the downstream infrastructure (particularly, gas), job creation and energy security. The

usual risks associated with deregulation cannot, however, be ignored. These include the risk of uncertainties in tariff rates and application for third parties or what the prices of downstream products will be. The PIB appears to have addressed these concerns by providing for tariffs methodology and the pricing of petroleum products and downstream gas.

In the case of tariffs, third party users of regulated downstream facilities such as jetties, pipelines and storage facilities will pay such tariffs as may be determined through tariff fixing methodologies that the DPRA will provide from time to time, or such tariffs proposed by licensees, as the DPRA may approve. With regards to pricing, the prices for downstream gas will be regulated by the DPRA, for the time being, while the prices of petroleum products will be deregulated. This also means that DPRA will take-over the role of the extant department of gas of the Ministry OF Petroleum.

7.3. Indigenous Status for Marginal Field Investments in Nigeria

The PIB 2012 defines an "indigenous petroleum company" to be a company engaged in the exploration for and production of petroleum, which has fifty-one percent (51%) or more of its shares beneficially owned, directly or indirectly, by Nigerian citizens or associations of Nigerian citizens; or a company which meets the requirements of any guidelines or regulations that may be issued by the UPI or the DPRA; or any company that is listed on any stock exchange in Nigeria

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with majority of its directors being Nigerians.²⁷

This definition appears to be in line with the current industry disposition on this subject as specified in the Nigerian Content Act (i.e. at least 51% Nigerian ownership). It therefore, addresses an important issue which is critical to prospective foreign investors looking to invest in marginal fields in Nigeria as well as Nigerian oil and gas companies looking to list on foreign stock markets. Furthermore, the Bill proposes some specific incentives for indigenous companies, which include non-participation by the Nigerian government in their petroleum operations. In this regard, indigenous companies with crude oil production of less than 25,000 barrels per day or its natural gas equivalent may also be allowed to produce crude oil or gas up to the technical allowable output set by the UPI, for the licence or lease that they hold.²⁸

7. CONCLUSION

The Nigerian petroleum industry stands to benefit if the objectives of the PIB, following its passage through the Nigerian legislature, can be effectively achieved without jeopardizing the interests of relevant stakeholders in the Nigerian petroleum industry. Any bid to increase government revenues and update the legislative framework to reflect current realities, needs to be balanced against what is arguably an equally

pressing need to ensure continued investment in the Nigerian petroleum sector, which continues to be key to its economy.

Will this effort on the new PIB be an Eldorado or the real deal? Only time will tell.

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²⁷ Section 362 PIB.

²⁸ See. Sections 285 & 286, PIB.