

Press release

Ministry setting robust boundaries for national acreage management.

Energy professionals and consultants pulled together by the Ministry of Petroleum Resources have agreed that to achieve the new targets set by President Muhammadu Buhari's Administration for the Oil and Gas Sector, there is need for urgent and conscious efforts to put a sound and stress-free acreage management policy in place. National Acreage Management Policy seeks to make efficient gains and returns to national coffers from the oil mineral leases.

The contention of the participants and experts at the recently ended 3-Day Executive Workshop on National Acreage Management Policy (held 5th to 7th December, 2019) is that a sound acreage management policy which was hitherto not in place, will necessitate a new bid rounds for Oil (Blocks) Minerals Licensing (OML) and by extension, increased productivity from the nation's Oil and Gas sector.

President Muhammadu Buhari through the Honourable Minister of State for Petroleum Resources, Chief Timipre Sylva has earlier in August, set a target of 3 Million Barrels per day crude production with 5 per cent cost reduction; curbing of petroleum products cross border leakages and completion of the Nigerian Gas Flare Commercialization Programme for the Ministry of Petroleum Resources and its agencies, such as Nigeria National Petroleum Corporation (NNPC) and Department of Petroleum Resources (DPR). Before the new target, Nigeria's daily crude production hovers around 2 Million barrels and 2.2 Million per day with more than 5% loss due to inefficient method of measuring the crude oil that is mined.

The Energy professionals which participated in the National Acreage Management Policy Workshop numbering 32 were drawn from the Ministry of Petroleum Resources, Nigeria National Petroleum Corporation (NNPC) and the Department of Petroleum Resources (DPR). They are Petroleum Engineers, Geologists, Economists, Administrators and Lawyers. They were guided in the brainstorming and deliberation sessions by Consultants from T.L. First Group which are engaged in transformational leadership, productivity improvement and economic development. The 3 Day Workshop to put in place a National Acreage Management Policy was held at the Petroleum Trust Development Fund (PTDF) Headquarter, Opposite Shehu Musa Yar'Adua Centre, Abuja from Thursday 5th to Saturday, 7th December, 2019.

Earlier, while delivering the opening remarks at the workshop, the Acting Head of Service of the Federation/Permanent Secretary of Ministry of Petroleum Resources, Dr. Folasade Yemi-Esan who was ably represented by Alhaji Sa'eed Musa Talle, the Ministry's Director of Planning, Research and Statistics gave the expected deliverables of the workshop on the National Acreage management Policy to include:

- I. Establishment of parameters for the issuance of guidelines on acreage allocation;
- II. Predetermination of license allocation of acreage;

- III. Administrative procedure acreage allocation;
- IV. Alignment of acreage management to national aspirations;
- V. Establishment of acreage management plan;
- VI. Establishment of production contract administration; and
- VII. Acreage cost management/benchmarking.

The Senior Technical Assistant/Chief of Staff to the Honourable Minister of State, Engineer James Dayo Olamide and the Director overseeing the Office of the Permanent Secretary of the Ministry, Engineer Kamoru Busari were on hand at the workshop to ensure that the Workshop delivers on the terms of reference given to it.

While Engineer Olamide contended that the development of gas has to be vigorously pursued because the present production already has off takers and that gas infrastructure which is lacking, must be put in place to develop more gas production, Engineer Busari on his own gave the assurance to the Consultants and Workshop participants that the Honourable Minister of State, Petroleum Resources, Chief Timipre Sylva and the Acting Head of Service/Permanent Secretary of the Ministry, Dr. Folasade Yemi-Esan have the political will to adopt and recommend the National Acreage Management Policy to the President and the National Assembly for further action.

Engineer Busari urged the consultants and workshop participants to concentrate on bringing up a sound policy with a sense of urgency because “that is what comes before a new bid round which is around the corner and will ensure increased productivity that the President and the Honourable Minister of State are talking about.”

While looking through the works ahead of evolving a National Acreage Management Policy, which hitherto was not in place, the Consultants guided the workshop participants to ensure that for the proposed policy to serve the nation, it must be stress-tested, that is, Will it be achievable?; Will the outcome serve the nation?; It should be flexible enough to meet changing conditions; It should be inspiring; It should be simple and clear; and It must align with national economic aspirations/objectives.

The Consultants and workshop participants also agreed to secure the buy-in of National Leadership, the National Assembly and other stakeholders such as the Judiciary for the success of the proposed policy. The Executive Workshop on National Acreage Management Policy was surmised by Engineer Busari, the Director overseeing the Office of the Permanent Secretary of the Ministry of Petroleum Resources as “defining boundaries for a robust acreage management for Nigeria.”

- **Olujimi Oyetomi, Deputy-Director, Press, ministry of Petroleum Resources, 7th December, 2019.**