

ADVERTISEMENT

GRAVE DANGER LOOMS IN THE NIGERIA AVIATION INDUSTRY

OPEN LETTER TO MR PRESIDENT

Your Excellency and indeed the Nigerian public will recall the Honorable Minister of Petroleum Resources, Dr (Mrs) Dieziani Allison-Maduekwe, then a Minister designate, during her screening in the Senate, lamenting about how unscrupulous petroleum products marketers are selling subsidized Dual Purpose Kerosene (DPK) meant for the masses of Nigeria as Aviation fuel to airline operators in the country without any qualms about the dangers inherent in the sale of DPK as aviation fuel.

Due to the cost and subsidy implications, it is only the NNPC that have the capacity to import Kerosene (DPK) into the country. These Kerosene imports are done by the NNPC through third parties as they do with Petrol (PMS). For the NNPC Kerosene imports, SAHARA ENERGY LTD owned by the duo of **Topo Sonubi and Tonye Cole** is the sole importer on behalf of the NNPC for onward allocation to petroleum marketers.

We have discovered that underhand Kerosene (DPK) sales by this same SAHARA ENERGY through their **SO Aviation** subsidiary to airline companies like Arlk Air, Chachangi Airlines, Air Nigeria, DANA Air and Associated Airline is being perpetrated unabated. These Kerosene (DPK) sales are the Kerosene (DPK) allocation issued to SAHARA ENERGY from the imports by the NNPC which they pass on to the unsuspecting airlines as Aviation Fuel, also known as JET-A1 Fuel. While other companies sell the allotted Kerosene by the NNPC (DPK) to the masses, **SO Aviation** sells its own allocation to these airline operators in exorbitant price.

There is a clear and present danger in this corrupt and unscrupulous act.

Though the Aviation fuel and kerosene (DPK) are similar, they however have different specifications. Aviation fuel requires expertise in its handling and distribution because of safety concerns.

However, we have found out that International airlines like British Airways, Emirates, KLM and Lufthansa have however refused to purchase Aviation fuel from **SO Aviation** for safety and best practice reasons.

Investigations revealed that **SAHARA ENERGY** through its aviation fuel supply subsidiary is raking in a staggering sum of **USD43m in profit on a monthly basis from the sales of the Kerosene (DPK) allocation bought from the NNPC at N40.90k per litre which they sell to the airlines as imported Aviation fuel at N152 per litre.**

Your Excellency Sir, we now know why you want the subsidy on petroleum products removed and we now understand your position on the subsidy issue.

We have also checked in the international market particularly in the Loyds list and we have found out that **SAHARA ENERGY** has never imported Aviation fuel in recent time solely for sale to the airline operators in Nigeria.

We are calling on Mr-President to investigate this matter and give the relevant oversight Ministry and agencies the go ahead to put and end to this unpatriotic act by **SAHARA ENERGY** to avoid calamities and save the lives of innocent citizens as **Nigeria cannot afford to be inundated with air disasters.**

A stitch in time is commonly said to save nine.

Thank you Sir. Long Live the Federal Republic of Nigeria.

Cc: Minister of Finance & Coordinating Minister of the Economy.

Minister of Aviation

Minister of Petroleum Resources

DG NCA

NSA

DG NIA

GMD NNPC

DG SSS

Acting Chairman Economic and Financial Crimes Commission (EFCC)

Chairman Senate Committee on Petroleum on Downstream Sector

Chairman House Committee on Petroleum on Downstream Sector

Chairman Senate Committee on Aviation

Chairman House Committee on Aviation

Alhaji Muhammed Abubakar

Chairman, ASSOCIATION OF PETROLEUM PRODUCTS MARKETERS

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REJOINDER TO THE OPEN LETTER TO THE PRESIDENT

The management of the Sahara Group and SO Aviation Limited has read with dismay/alarm/interest the advertisement that appeared in The Nation Newspaper of Tuesday, December 20, 2011 and subsequently in other national newspapers on Wednesday, December 21. It is not Sahara's policy to exchange advertorials on the pages of national newspapers but the false, malicious and obviously sponsored allegations leveled against Sahara and its affiliate SO Aviation by a nonexistent association requires a measured, timely response.

We have retained the firm of Udo Udoma, Belo & Osagie to pursue legal redress against the newspapers that have published such libelous statements without verifying the facts first. If we find the so called chairman, Alhaji Muhammed Abubakar, of the nonexistent association, we will take similar action.

It is insulting to the office of The President that these faceless agents will try to manipulate Mr. President and all state agencies under his control using the advertorial mechanism in an attempt to frustrate competition especially from a company like SO Aviation that was the first independent company (non major marketer) to break into this hitherto very exclusive area of aviation marketing in the last 30 years.

It is uncanny that this publication was released shortly after SO Aviation won some major tenders in the aviation industry. We believe in the spirit of free competition that has made indigenous companies thrive against companies that wish to exhibit monopolistic tendencies whereby they are free to fleece the public at will. We will continue to resist every attempt to prevent competition in our business.

In response to some of the unfounded allegations,

1. SO Aviation is fully ISO 9001 2008 certified having been upgraded in 2011 from ISO 9001 2001 which was obtained in 2007.
2. Since 2009, International Air Transport Association (IATA) audits and certifications have been regularly conducted by major international airlines such as BA, Qatar, DHL, AIR FRANCE etc. All our IATA audits are verifiable and are freely available on request from IATA at www.iata.org
3. The international aviation quality inspectors, Joint Inspection Group (JIG) has audited and certified our facilities annually since 2009. SO Aviation is the only independent company in West Africa that is a

registered member of JIG and has to mandatorily comply with the international standards that JIG subscribes to.

4. All products supplied to airlines, international and indigenous, by SO Aviation, strictly complies with Jet A-1 specifications as determined by AFROJOS and DESTAN standards. We state categorically that NONE of our customers, national or international, have EVER (either this year or in the past) stopped using our services due to a concern about quality of our product, processes or facilities.
5. Sahara Energy is not the sole importer of DPK for NNPC. Other traders also import for them. SO Aviation is not in the business of diverting products of any kind in any form or manner.
6. Sahara has imported Jet A-1 for many years, including supplies to Major Oil Marketers Association of Nigeria (MOMAM) on behalf of their members. All major airlines we service, whether British Airways, Emirates, KLM, Lufthansa or others not listed remain our valued customers.
7. SO Aviation, MOMAN and the regulators of the aviation industry are fully aware of the inherent risk of supplying products that does not meet specification and as a result the sector is one of the most regulated and safety aware in the industry. We ALL take safety very seriously.
8. The purported investigation into staggering monthly profits is a figment of imagination and intends to elicit panic and anger in the minds of ordinary Nigerians who are already anxious over subsidies and deregulation.

We know the article is malicious and it is clear that the purpose of the advertisement is to impugn Sahara's reputation and damage its business. SO Aviation will, however, not be deterred in pursuing our policy of providing Jet A-1 in a safe, reliable and efficient and customer-centric manner to all our numerous customers.

Our commitment to Nigeria remains unwavering and we look forward to the day in the near future when people who make false and malicious petitions are made to face the consequence of wasting State resources and the public's time in pursuing personal agendas.

God bless Nigeria.