

Frequently Asked Questions

Introduction

In its almost 20 years of operations, the Sahara Group has witnessed an unfolding expansion story that transcends global markets and borders. The Group continues to play a leading role in the midstream, downstream, upstream, infrastructure and power sectors, bringing energy to life in the process.

Sahara has a pedigree of providing platforms for economic growth in markets where it operates, always seeking to make a difference through its sustainable approach to corporate responsibility.

Over the last years, Sahara has been involved in initiatives, alliances and activities aimed at developing and strengthening its corporate governance and compliance systems. The thrust of this pursuit of best practice is to ensure Sahara operates a sustainable enterprise that conducts its businesses transparently and efficiently to the benefit of all stakeholders.

Sahara also believes that by applying itself to the highest standards of good governance, it will serve as a model for other businesses to enhance the quest for corporate responsibility and citizenship in Africa and the world. Sahara's membership of the World Economic Forum's Partnering Against Corruption Initiatives (PACI) signposts our firm resolve to this cause.

Pursuant to operating a transparent enterprise, we have provided answers to Frequently Asked Questions about Sahara below. Relevant documents have been attached to some answers where necessary. Sahara restates its commitment to upholding globally acclaimed best practice in all its operations, processes and activities.

Frequently Asked Questions

Some of the questions which Sahara Group has had to answer severally over the years and to which we have continually received the same set of request from business partners, potential business partners, independent analysts and researchers include but not limited to the following;

OPA Update and Unfolding Industry events

Question

This Day Newspaper publication of June 7, 2015 with the headline: – "Oil Traders, NNPC officials Interrogated, Watch Listed in Major Investigation."

Answer

Following the above publication in the This Day newspapers of June 7, 2015 and our earlier explanation of the OPA operations ([OPA link](#)) published on our website on May 14, 2015, we hereby provide an update on the OPA and other unfolding events in the oil and gas sector.

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For the records, we have provided additional clarification in our Press Statement published on page XI in the June 9, 2015 edition of This Day Newspaper in Nigeria

Please click on the [OPA Update](#) link to access the details.

Media Reports on perceived persecution of Oil & Gas Operators

Question

There have been media reports suggesting that some of the operators in the Oil & Gas sector are being investigated by State Security Services (SSS) in Nigeria

Answer

Recently there have been speculations in the media alleging travel watch listing and investigation of certain companies within the Oil and Gas sector in Nigeria.

These speculations have been brought to our attention.

Our review of one of the articles showed one of our Directors as being placed on a watch list by the Director of State Services (DSS).

For the record, we state that the mention of Sahara Energy and its Director in the article is not just an affront on our Director and the Sahara Group; it is at variance with our track record of best practice and professional excellence in the sector.

We hereby provide our comment on the issue.

Please click on the [Persecution of Oil & Gas Operators](#) link to access the details.

The Crude Oil Offshore Processing Agreement (OPA)

Question

The operations of the Crude Oil Offshore Processing Agreement (OPA)

Answer

We are aware that, over the past few months, there has been media interest in the crude oil offshore processing agreement (OPA) entered into by Society Ivoirienne de Raffinage, Abidjan (SIR) (for who we act as local agent) and Pipelines and Products Marketing Company (PPMC). It has become increasingly apparent to us, however, that much of this interest is driven by misconceptions circulating in the public domain about the OPA (and other contracts similar to the OPA), how the OPA is operated and its commercial rationale.

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We have through this document, elected to provide clarification on our involvement with OPA in keeping with our commitment to transparency and status as a member of the World Economic Forum's Partnering Against Corruption Initiative (PACI).

Please click on the [OPA link](#) to access the details.

The Sahara Story

Question

How did the owners of the Sahara Group come across the resources which they have used in building the business over the last twenty years?

Answer

The Sahara story provides detailed information about the history of Sahara Group's formative years and the growth process that transformed the organization from entrepreneurship powered by the dream of its three founders to the conglomerate the Sahara Group is today.

Please click on the [Sahara Story link](#) to access the details.

The Role of Sahara Group in the Nigerian Oil and Gas Industry Subsidy investigation

Question

What was the role of Sahara Group in the Oil and Gas Industry wide petroleum subsidy investigations in Nigeria?

Answer

This was an industry wide investigation by the Committee of the National Assembly and the Presidential Task Force Committee.

As part of the investigations, all the Petroleum marketers operating in the Petroleum downstream sector were invited to provide documents towards substantiating their subsidy claims over a period.

The House of Assembly committee and the Presidential Task Force committee verified that Sahara's transactions were legitimate.

Please click on the [Oil & Gas Subsidy Investigation link](#) to access the details of the report.



“Swiss traders’ opaque deals in Nigeria”, Berne Declaration, November 2013

Question

Please clarify the statements in the Berne Declaration report of November 2013 that Sahara Group reimbursed N6.034 Billion to the Nigerian Government that it had received in the form of subsidy payments, the inability to justify a bank statement showing \$33.7 million and being one of the companies that did not import the correct quantity of petroleum products.

Answer

These were part of the allegations that were investigated by the committees set up in Nigeria by the National Assembly and the Presidency.

Sahara Group submitted all its documents to substantiate their claims and was not listed as one of the companies to make refunds to the Federal Government and the reports are public knowledge.

Please click on the [Oil & Gas Subsidy Investigation link](#) to access the details of the report.

“Swiss traders’ opaque deals in Nigeria”, Berne Declaration, November 2013

Question

The report header states “**Sahara Energy, a documentary desert**” and alludes to Sahara Group being one of the beneficiaries of the export allocation system of Nigeria’s Crude Oil sales. The report further claims that Sahara Group is nothing but a letterbox company.

Answer

In its almost 20 years of operations, Sahara Group has grown to a company with staff strength of over 650 people.

Over this period, Sahara Group has established fully, officially registered and operational offices in Lagos, Abuja, Calabar, and Porthacourt in Nigeria, Accra and Tema in Ghana, Abidjan in Cote D’Ivoire, Dubai in the United Arab Emirates, Geneva in Switzerland, Isle of Man in the United Kingdom, and Singapore.

The Sahara Group’s operational office in Geneva Switzerland is located at 7, Quai du Mont-Blanc, 1201 Geneva and has total staff strength of 37 people. In line with Sahara Group’s corporate responsibility activities, the Geneva office has partnered with the following NGO’s towards providing Corporate Social Responsibilities activities – ESCA (English Speaking Cancer Association) and Le Care and also providing the avenue for the development of clowns on various diseases in the Hopiclowns project towards providing entertainment and relaxation for children and the elderly in hospitals.

The addresses of Sahara Group's registered and operational offices across its various locations can be found on the Sahara Group website – www.sahara-group.com

The Global News Magazine report – Tope Shonubi and Tonye Cole on the run

Question

There was a publication by a local news magazine – Global News which alleged that two of the Directors of Sahara Group Mr. Tope Shonubi and Mr. Tonye Cole had been fraudulent.

Answer

The story was published in the Global News Edition of February 6, 2012 and July 23, 2012 with the headlines; **“Corrupt Marketers Who Collected Money Without Supplying Fuel Exposed”**, **“Sahara Energy’s Tope Sonubi and Tonye Cole On The Run”** and **Aig-Imoukhuede’s Panel Fingers Self-acclaimed Pastor Tope Sonubi and Tonye Cole’s Sahara Energy in Fuel Subsidy Scam”**.

Sahara Group instituted a legal action against Global Style Multi-Media Services (the publisher of Global News) and the Editor in Chief for libel. The publisher of the magazine admitted that the publication was libelous and tendered an official letter of apology to Sahara Group and its Directors as part of its obligations in seeking the terms of settlement which were eventually filed as judgment of the court.

Please click on the [Global News allegations](#) to access the details.

Alleged complicity in the supply of Crude Oil to Tema Oil Refinery (TOR)

Question

Sahara Group's role in the Tema Oil Refinery (TOR) investigation in the allegations that the company was incorrectly paid for the Supply of crude

Answer

The allegations bordered on the fact that Sahara Group was incorrectly paid for the supply of Crude Oil to Tema Oil Refinery. This was thoroughly investigated by the Ghanaian authorities and upon completion of their investigations, it was confirmed that Sahara Group were the legitimate suppliers of the crude and had been correctly paid for the supply made, further Sahara employees were invited by the Ghanaian authorities to testify against the perpetrators in a criminal matter.

Please click on the [TOR Crude Supply](#) to access the details.

Allegation on the Sale of DPK as aviation Fuel

Question

Sahara Group's role concerning the newspaper publication that the company was involved in the sale of DPK as Aviation Fuel

Answer

There was a publication in the Nation Newspaper of December 20, 2011 relating to allegations that Sahara Group was involved in the sale of DPK as Aviation Fuel.

Sahara Group in a rejoinder through its lawyers sent to the President of the Federal Republic of Nigeria on December 22, 2011 provided clear explanations on these allegations and all the necessary documents relating to operations in the Aviation business were submitted to the NCAA, the SSS and the DPR who investigated these allegations and found that the allegations against Sahara Group were unfounded.

Please click on the link [DPK False Allegations](#) to access the details.

Sahara Director's service to the nation

Question

The role of one of Sahara Group's Director as a special assistance to the president in Nigeria's recent democratic process

Answer

In 1999, one of the Directors of Sahara Group Mr. Tope Shonubi was invited to serve his country under the government of President Olusegun Obasanjo.

Mr. Tope Shonubi served as a Special Adviser on Youths Affairs to President Olusegun Obasanjo between 1999 and 2003. During the period, he resigned his appointment as a director in Sahara Group. His role entailed the collaboration with the Youth's Ministry as well as the Presidency, in the development of national policy and strategy on job creation, economic empowerment for the development of and growth of entrepreneurship, SMEs and youth development nationwide.

Some his functions during the time include the following

- Liaised with the Youth Ministry and the Presidency, serving as a primary point of contact in the development of national policy and strategy on job creation, economic empowerment for the development and growth of entrepreneurship nationwide;
- Prepared briefing memos and background research to prepare the President for engagements on youth empowerment and entrepreneurship initiatives;

- Supported the President's media activity with respect to youth development and empowerment;
- Worked with the Ministries of Youths & Sports, and Labour & Productivity on strategy for growth of SMEs and youth development;
- Research, prioritize, and follow up on incoming issues and concerns addressed to the President on youths, including those of a sensitive or confidential nature and advise on appropriate course of action;
- Coordinated special projects on youth empowerment throughout the Federation, on behalf of the President;
- Worked closely with the Presidency to keep well informed of upcoming commitments and coordinate events;
- Liaison with Non-Governmental Organisations, student bodies and tertiary institutions;
- Worked with the Presidency on International investment initiatives with a focus on ensuring an enabling environment was created, bureaucratic red tape reduced and efficiency increased;
- Performed other duties as assigned by the President and Chief of Staff.

Ambassador Patrick Dele Cole's relationship with the Sahara Group

Question

There are allegations that Ambassador Dele Cole's meritorious service to his country has been beneficial to the growth and business relationships that were developed by Sahara Group because his son Tonye Cole is a Director of the company.

Answer

Over the years, there have been questions suggesting that Ambassador Dele Cole who served our country meritoriously as an Ambassador to Brazil from 1987 to 1990, and as a Senior Special Adviser on Internal Affairs under President Olusegun Obasanjo between 1999 and 2001 has influenced the growth of the Sahara Group.

It is important to state on behalf of Sahara Group and Mr. Tonye Cole as follows;

Mr. Tonye Cole has been independent of his parents since he graduated as an architect in 1990 and moved to Brazil. His father served for just shy of 2 years in President Olusegun Obasanjo's government from 1999 to 2001 as a Senior Special Adviser on Internal affairs. At no time before, during or after his father's service to Nigeria was he involved, being a part, remotely or otherwise, connected to the business of Sahara.

Mr. Tonye Cole has not in any way benefitted, been aided, abetted or influenced by his father's time in government neither have he or any of the partners of Sahara received any contracts as a result of his father's time in government.

Mr. Dele Cole's service to the government of Nigeria was meritorious. Tonye Cole is proud of his father's service to Nigeria and the fact that his father has maintained a good name before; during and

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after his involvement in the public sector. His father is now retired and is a well-respected senior statesman in Nigeria, spending his time writing books and articles, most of which can be found online.

While his father's time of service has placed on Mr. Tonye Cole the tag of a Politically Exposed Person (PEP), he remains proud of his father's untainted and meritorious service to Nigeria.

Conclusion

In line with Sahara Group's Corporate Governance and Compliance policy, we reaffirm our resolve to uphold accountability and transparency in all our operations and would periodically update our FAQ's to provide information on our operations. However, this would be without prejudice or compromise on contractual obligations with our business partners.

