

The Presidential  
Committee on Verification  
and Reconciliation of Fuel  
Subsidy Payments:

Report on PMS Shore Tank  
Discharges and Sales Proceeds for  
2011

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NOVEMBER 2012

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## Signatures

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# 1. Executive Summary

The Presidential Committee on Verification and Reconciliation of Fuel subsidy Payments made several recommendations in its report of July 24, 2012 aimed at addressing concerns about the operations of the Petroleum Import Subsidy Scheme. Two key recommendations are the need for a 100% verification of shore tank certificates as well as a forensic examination of Oil Marketing and Trading Companies (OM&T) PMS sales proceeds..

On August 27, 2012 H.E. Dr. Goodluck Ebele Jonathan, GCFR approved that the Presidential Committee commence the verification of the shore tank and sales proceeds records of 114 OM&Ts. The Committee was also empowered to engage the services of professional auditors to assist in field examinations of OM&T records and operations.

The assignment covered the period August 24<sup>th</sup> 2012 up to November 14, 2012.

The Committee applied its knowledge and expertise in legal, finance, banking, oil & gas and accounting to categorise transactions into those it viewed as legitimate and those which require investigation, and recovery by law enforcement agencies. The summary of the findings is shown below.

SUMMARY OF CATEGORIES OF TRANSACTIONS		
Status	Transactions	AMOUNT
Not Verified as Legitimate	196	232,192,575,214.20
Verified as Legitimate	661	880,644,248,166.23
	857	1,112,836,823,380.43

The 2 categories of findings by the Committee are listed below:

TRANSACTIONS NOT VERIFIED AS LEGITIMATE			
S/n	NAME OF OM&T	Transactions	AMOUNT (N)
1	CAPITAL OIL & GAS INDUSTRIES LTD	26	43,291,043,936.54
2	MATRIX ENERGY	20	23,074,416,154.95
3	MASTER ENERGY OIL GAS LTD	2	2,908,996,291.29
4	ETERNA PLC	9	9,260,029,689.91
5	NASAMAN OIL SERVICES	5	5,320,342,111.28
6	PINNACLE OIL AND GAS LTD	6	8,697,762,027.67

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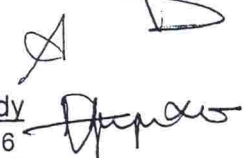
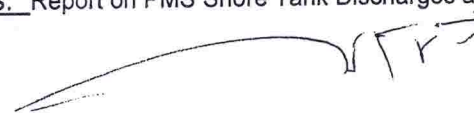

7	ONTARIO OIL & GAS LTD	4	4,585,421,262.30
8	HONEYWELL OIL & GAS	9	8,604,912,618.40
9	ACORN PLC	5	6,551,718,868.12
10	SPOG PETROLEUM LTD	11	12,157,563,405.86
11	MAJOPE INVESTMENT LTD	1	1,110,049,444.35
12	MOB INTEGRATED SERVICES	2	2,137,328,914.10
13	TOP OIL & GAS DEVELOPMENT CO. LTD	7	8,784,159,205.96
14	MENOL OIL & GAS LTD	9	7,141,605,716.79
15	PINNACLE CONTRACTORS LTD	2	2,755,646,744.04
16	CAPITAL OIL PLC	2	1,216,298,517.20
17	CEOTI LTD	3	4,085,691,466.33
18	CAADES OIL & GAS LTD	2	993,558,199.59
19	SIFAX OIL & GAS COMPANY LTD	1	1,033,119,489.60
20	VIVENDI ENERGY NIGERIA LTD	3	1,643,727,955.33
21	VENRO ENERGY LTD	5	5,634,001,891.53
22	YANATY PETROCHEMICALS NIG LTD	5	6,962,191,091.04
23	EURAFRIC OIL & COASTAL SERVICES LTD	6	6,130,006,149.03
24	ALMINNUR RESOURCES LTD	3	2,274,395,443.51
25	NATICEL PETROLEUM LTD	3	2,851,470,938.97
26	BRILA ENERGY LTD	1	963,796,199.85
27	A.S.B INVESTMENT COMPANY	3	3,016,551,783.83
28	LINGO OIL & GAS COMPANY LTD	2	3,143,671,202.84
29	DOWNSTREAM ENERGY RESOURCES LTD	3	3,737,448,590.58
30	ANOSYKE GROUP OF COMPANY LTD	4	3,130,728,338.17

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31	AVANT GARDE ENERGY LTD	1	1,166,701,600.96
32	AX ENERGY LTD	1	1,471,969,643.31
33	ECO-REGEN LTD	2	3,348,101,218.60
34	FARGO PETROLEUM & GAS LTD	1	976,653,110.28
35	GEACAN ENERGY LTD	2	2,990,419,650.76
36	IMAD OIL & GAS LTD	3	3,675,744,234.65
37	INTEGRATED RESOURCES LTD	2	1,166,486,996.04
38	NADABO ENERGY LTD	3	2,419,627,297.78
39	NEPAL OIL AND GAS SERV. LTD	2	2,353,911,979.10
40	OCEAN ENERGY TRADING & SERVICES LTD	1	1,778,180,051.20
41	OWA OIL AND GAS LTD	2	1,354,333,793.94
42	P.O.N SPECIALIZED SERVICES LTD	1	1,413,507,951.50
43	PRUDENT ENERGY & SERVICES LTD	1	1,360,898,638.10
44	ROCKY ENERGY LTD	1	1,620,110,167.58
45	SOMERSET ENERGY SERVICES LTD	2	2,690,777,275.83
46	STONEBRIDGE OIL LTD	1	1,784,158,258.14
47	SULPHUR STREAMS LTD	3	4,758,693,052.00
48	VALVIZA PETROLEUM LTD	1	1,528,916,453.16
49	XALON PETROLEUM LTD	1	432,534,404.15
50	ZALEX ENERGY RESOURCES LTD	1	703,195,788.16
	<b>TOTAL</b>	<b>196</b>	<b>232,192,575,214.20</b>

### TRANSACTIONS VERIFIED AS LEGITIMATE

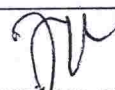
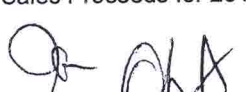


S/n	NAMA OF OM&T	Transactions	AMOUNT(N)
1	OANDO PLC	86	127,544,106,949.68
2	INTEGRATED OIL & GAS LTD	33	31,019,372,485.65
3	CONOIL PLC	20	31,309,013,802.09
4	MRS OIL & GAS LTD	59	84,058,979,279.72
5	MRS OIL NIGERIA PLC	34	36,509,847,395.76
6	FORTE OIL PLC	17	26,736,486,771.62
7	TOTAL NIGERIA PLC	11	18,800,046,993.25
8	NIPCO PLC	21	29,723,158,144.05
9	MASTER ENERGY OIL GAS LTD	32	41,225,714,357.07
10	HEYDEN PETROLEUM LTD	7	4,865,264,498.54
11	SAHARA ENERGY RESOURCES LTD	16	27,950,488,118.13
12	FOLAWIYO ENERGY LTD	21	69,522,134,938.63
13	AITEO ENERGY RESOURCE LTD	13	30,315,270,918.14
14	AVIDOR OIL & GAS COMPANY	1	3,644,741,628.75
15	LUBCON LTD	1	1,756,278,425.88
16	FRESH SYNERGY LTD	1	1,417,029,059.70
17	TECHNO OIL LTD	2	1,036,514,387.08
18	IPMAN INVESTMENT LTD	6	9,535,399,977.35
19	HONEYWELL OIL & GAS	12	11,367,343,569.29
20	SWIFT OIL LTD	4	5,062,403,548.18
21	ASCON OIL COMPANY	6	8,710,240,511.71

22	DEE JONES PETROLEUM & GAS LTD	9	10,678,390,671.63
23	ACORN PLC	6	7,126,705,707.33
24	NORTHWEST PETROLEUM GAS LTD	15	22,346,942,537.43
25	SHORELINK OIL & GAS SERVICES LTD	4	5,056,009,003.66
26	BOVAS & COMPANY LTD	17	10,992,583,784.50
27	RAINOIL LTD	3	3,270,222,523.38
28	A-Z PETROLEUM	16	19,345,183,381.31
29	IBAFON OIL LTD	3	4,687,730,540.46
30	DOZZY OIL & GAS LTD	3	4,962,537,546.40
31	RAHAMNNIYA OIL & GAS LTD	31	26,238,106,259.11
32	KNIGHTSBRIDGE LTD	3	4,227,472,522.74
33	AMG PETRO ENERGY LTD	5	6,826,807,709.82
34	SHIELD PETROLEUM COMPANY NIG LTD	3	2,654,949,005.56
35	MOB INTEGRATED SERVICES	1	3,261,263,992.52
36	TONIQUE OIL SERVICES LTD	7	8,060,363,281.34
37	VALCORE ENERGY LTD	9	12,113,997,917.94
38	SETANA ENERGY LTD	4	6,673,383,394.20
39	OBAT OIL & PETROLEUM LTD	11	6,396,107,405.07
40	TAURUS OIL & GAS LTD	7	7,280,245,653.28
41	PINNACLE CONTRACTORS LTD	2	2,552,168,549.52
42	PHOENIX OIL COMPANY LTD	4	2,454,021,481.29
43	SIRIUS ENERGY RESOURCES LTD	8	9,329,245,610.75
44	SIFAX OIL & GAS COMPANY LTD	3	5,044,897,813.97
45	FIRST DEEP WATER DISCOVERY LTD	15	7,202,851,490.03

*[Handwritten signatures and initials are present below the footer text, including names like 'Aure', 'OKA', 'In', and 'RCD'.]*

46	FRADRO INTERNATIONAL LTD	3	3,661,643,268.15
47	AFRICAN PETROLEUM PLC	10	10,499,527,437.40
48	MOBIL OIL NIGERIA PLC	5	7,586,170,051.16
49	NATICEL PETROLEUM LTD	2	3,111,508,616.13
50	LUMEN SKIES LTD	3	1,736,122,104.06
51	RYDEN OIL LTD	4	2,747,848,184.86
52	OAKFIELD SYNERGY NETWORK LTD	1	988,920,219.15
53	PETRO TRADE ENERGY LTD	3	1,471,027,874.73
54	LLOYDS ENERGY LTD	5	6,342,880,065.28
55	DUPORT MARINE LTD	4	5,331,203,761.83
56	SEA PETROLEUM & GAS CO LTD	5	4,947,994,847.33
57	A.A RANO NIG. LTD	1	1,140,119,664.40
58	BAYWOOD CONTINENTAL LTD	2	1,608,146,871.93
59	BRITTANIA – U NIGERIA LTD	2	2,774,684,930.28
60	CAH RESOURCES ASSOCIATION LTD	1	1,052,466,415.28
61	CARNIVAL ENERGY OIL & GAS LTD	1	1,228,505,189.42
62	CHANNEL OIL AND PETROLEUM LTD	3	2,841,378,975.57
63	CRUST ENERGY LTD	1	1,192,651,581.76
64	LINETRALE OIL SUPPLY AND TRADING CO. LTD	1	1,213,903,930.20
65	LOTTOJ OIL & GAS LTD	1	1,427,429,910.95
66	MAIZUBE PETROLEUM LTD	3	5,509,407,903.36
67	MUT-HASS PETROLEUM LTD	1	1,102,084,041.30
68	OILBATH NIGERIA LTD	1	1,019,644,138.97
69	ORIGIN OIL AND GAS LTD	3	4,141,367,100.37



70	TRIQUEST ENERGY LTD	2	4,266,633,680.73
71	ZAMSON GLOBAL RESOURCES LTD	1	808,953,858.12
	<b>TOTAL</b>	<b>661</b>	<b>880,644,248,166.23</b>

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## 2. Background

His Excellency, Dr. Goodluck Ebele Jonathan, GCFR, President and Commander - in-Chief of the Armed Forces, Federal Republic of Nigeria, constituted the Presidential Committee on Verification and Reconciliation of Fuel Subsidy Payments on July 5, 2012 comprising of the following members:

1. Mr. Aigboje Aig-Imoukhuede – GMD/CEO, Access Bank Plc - Chairman
2. Dr. Abraham Nwankwo – DG, Debt Management Office - Member
3. Mr. Benard. O.N Otti – GED, Finance & Accounts, NNPC - Member
4. Mrs. Onyinye Ahuchogu – Deputy Director, TED, CBN - Member
5. Mrs. Sola David-Borha – CEO, Stanbic IBTC Bank Plc (Representing Bankers) - Member
6. Mr. Mike Osatuyi – National Secretary, IPMAN - Member
7. Mr. Obafemi Olawore – Executive Secretary, MOMAN - Member
8. Mr. Jonah O. Otunla – Accountant General of the Federation - Member
9. Dr. Bright Okogu – DG, Budget Office of the Federation - Member
10. Mr. Reginald Stanley – Executive Secretary, PPPRA - Member
11. Mrs. Aisha Waziri-Umar – State House - Member
12. Mr. Jalal Arabi – State House - Member
13. Mrs. Fatunde Olufemi.O  
Representative of Attorney General of the Federation - Member
14. Mr. Tunde Ogunsakin(CP)  
Representative of Inspector General of Police - Member
15. Mr. Mohammed Alabi Jimba  
Representative of DG, State Security Service - Member

The Presidential Committee submitted its report to Mr. President on July 24, 2012. In its report, the Committee identified various infractions committed by OM&Ts relating to Premium Motor Spirit (PMS) import subsidy claims in 2011 and recommended various actions against those involved. The Federal Government has given priority to infractions of a criminal nature, and is determined to prosecute those involved and recover subsidy payments that were fraudulently obtained.

To achieve this, on August 27, 2012 H.E. Dr. Goodluck Ebele Jonathan, GCFR approved that the Presidential Committee commence the verification of the shore tanks and sales proceeds records of 114 OM&Ts. The Committee was also empowered to engage the services of professional auditors to assist in field examinations of OM&Ts records and operations.

The Committee established a methodology to enable it identify whether PMS was actually imported and discharged into on-shore tanks in Nigeria and whether funds lodged in bank accounts represented PMS sales proceeds (as opposed to lodgments from other sources). The Committee was mindful of the fact that its report had revealed a number of transactions where documents and records were falsified to obscure the fact that PMS was neither discharged into on-shore tanks nor sold in Nigeria.

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