

Oil Theft in Nigeria



***Who are the thieves Bleeding Nigeria Dry?
Can Tompolo Match their Operations?***

For the first time since 2015, the world is in the midst of a sustained oil boom, yet Africa's leading producer is not tapping from the proceeds. The escalating geopolitical tensions in Eastern Europe have seen crude oil prices rise to an average of \$112 per barrel in the first half of 2022. The Nigerian treasury, which should be raking in high revenues, has been squeezed at both ends of the oil trade – upstream, by one of the biggest frauds in Nigerian history related to a fuel subsidy bill worth upwards of \$9 billion in 2022, and downstream, by the theft of oil on an industrial scale at the source. At the start of the year, Nigeria produced 1.41 million barrels per day compared to the average OPEC quota of 1.68 million

barrels per day for January. This amounts to a shortfall of about 270,000 barrels per day. With the price of crude at \$85.24 in January, this shortfall translates to Nigeria losing a staggering \$23 million daily. Total production in February stood at 1.37 million barrels per day against the OPEC quota of 1.7 million barrels per day. The shortfall for that period was 328,000 barrels per day, which resulted in a loss of \$30.81 million daily (at \$93.95 OPEC basket price). By March, the price of crude had jumped to \$113 per barrel and OPEC had increased Nigeria's quota to 1.71 million barrels per day. However, Nigeria's production dropped to 1.34 million barrels, a daily shortfall of 378,000. This means the country was also losing \$42.8 million worth of

revenue daily.

Although oil prices dropped to \$105 in April, OPEC still increased Nigeria's required production to 1.73 million barrels per day. But Africa's largest producer was only able to turn a daily output of 1.32 million barrels. With some companies shutting production in May, Nigeria's output further dropped to 1.23 million barrels per day compared to the average OPEC quota of 1.75 million. This amounts to a shortfall of 520,000 barrels per day. It also translates to a loss of \$59 million in daily revenue since the oil price increased to \$113 per barrel in May. By June, OPEC basket price had climbed again to \$118 per barrel. Still, Nigeria's woes continued with total production dropping to 1.23 million barrels per day compared to OPEC's required production of 1.77 million. This shortfall amounted to 534,000 barrels per day, resulting in a loss of \$62.86 million daily. For the seventh consecutive month, Nigeria's output witnessed a sharp drop in July. Total production was 1.18 million barrels per day against OPEC 1.79 million barrels quota. The OPEC Reference Basket also fell \$9.17 or 7.8 per cent month-on-month in July, from \$117.72 to an average of \$108.55 per barrel. Nigeria's production shortfall in July thus amounted to 616,000 barrels per day, resulting in a \$66.86 million daily loss.

In the absence of effective action, the criminal business of oil theft has been growing steadily in Nigeria. To access the oil, criminal syndicates tap pipelines and other infrastructure in the Nigeria Delta. The pipeline taps are so sophisticated that they ran for 3-4 kilometers and would have involved cranes, industrial equipment and at least 40 workers," Mr Kyari, the NNPC chief said. "I can tell you that in one line just less than 200 kilometers we had 295 illegal connections." As it stands Nigeria is losing 95 percent of oil output to criminals at oil hub Bonny, the town after which its premium oil grade Bonny Light is named and a key export point for the country. The country can only secure 3,000 barrels out of 239,000 barrels injected into the pipeline from Bonny Terminal, the NNPC Boss said. This rate of theft has forced the NNPC and their Joint Venture (JV) partners to shut down two production fields. "No one produces oil so that the next person can take it," Mr Kyari added. "The wise thing to do is to stop production." Usually, crude losses are suffered by companies who transport their products through pipelines with vulnerability to sabotage, but not all companies suffer crude losses. Last year, Nigeria lost \$4billion to theft at the rate of 200,000 barrels per day. In 2020, crude losses from theft and sabotage amounted to \$1.63 billion at the average price of crude \$41.65 per barrel. This was 6.10 per cent of total focalized production for the year. Nigeria's oil auditing agency, NEITI, indicated that in 2019, the West African country lost 42.25 million barrels of crude oil to oil theft, valued at \$2.77 billion. A year earlier, in 2018, about 53.28 million barrels of crude vanished from Nigeria's resources. According to the federal government, the economic sabotage is pushing Nigeria to the financial brink. It is also the reason for NNPC's inability to remit oil sales receipts to the central bank in the last six months. The NNPC's transformation into a public limited liability

"They should seriously investigate all the military personnel in the Niger Delta. There should be proper prosecution. How did they come about the properties they acquire every day? How can a junior officer be sharing money with his commander, is it not because there is no discipline and everybody is sharing the booty? "From the sea to the Defense Headquarters, monies are shared. They are living above their means. They should monitor these military personnel, something like policing the security personnel, and you will see properties they will recover. All these military invading and raiding communities in the Niger Delta are just to blackmail the communities and cover up their criminal activities to show Mr. President that they are working. The military people are the economic saboteurs".

company further compounds the problem. President Muhammadu Buhari said he is "worried" about how the large-scale crude oil theft is affecting the country's revenue "enormously." The gross oil and gas federation revenue for the full year of 2022 was projected at N9.37 trillion. Still, as of 30th April 2022, only N1.23 trillion was realized out of the projection of N3.12 trillion, representing a mere 39 per cent performance.

Nigeria's fiscal performance report for January to April noted that this underperformance of oil revenue was due to significant oil production shortfalls such as shut-ins resulting from pipeline vandalism and crude oil theft as well as high petrol subsidy cost due to higher landing costs of imported products. Financial analysts said \$10 billion in revenue would have saved the country, especially in recent times when the economy faces a double whammy: an empty treasury and rapid decline. Less than 10 per cent of that money would have been able to address the demands of university lecturers who have been on strike since February. As the oil theft menace reached an all-time high, President Buhari ordered the Chief of Defence Staff (CDS), Lucky Irabor, to coordinate a process that will ensure both kinetic and non-kinetic interventions including engagements of communities, private contractors, and technology. Through this effort, security officials have destroyed 959 metal tanks for storage purposes, 737 ovens, 452 dug-out pits, 355 cooking pots, and 179 wooden boats between April and August, this year. They also recovered 35.8 million litres of crude, 22 million litres of diesel, 0.15 million litres of premium motor spirit, 0.76 million litres of



kerosene, 207 pumping machines, 12 welding machines, two power generators, and two filling machines. Also, 11 vessels, 30-speed boats, 37 trucks and cars were impounded, while 122 suspects were arrested in connection with various cases of theft of petroleum products. Last month, the government launched 'Crude Theft Monitoring Applications,' a platform created for members of host communities and other Nigerians to report incidents of oil theft. Similarly, NNPC awarded a multi-billion-naira pipeline surveillance procurement to a former leader of the Movement for the Emancipation of Niger Delta, Tompolo. Mr Kyari said the government's security agencies are doing an excellent job of containing this, but as you do this, "sustenance is everything and therefore we decided that we need private contractors to man the right of way and also operate outside the right of way so that they can also join us to manage members of the community." "It is difficult to manage the issue of crude oil theft but we are not helpless and our efforts are paying off," he said.

It is on record and an open secret that for many years, security personnel deployed in the Niger Delta to guard oil installations and stop crude oil bunkering had turned themselves into oil bandits in collusion with some International Oil Companies, IOCs, government officials and oil bunkers. They all blamed community folks and minor bunkers for illegally refining crude with amateur technology in the creeks. There was nobody to speak out for the endangered communities until the Minister of State for Resources, Chief Timipre Sylva, and Group Managing Director of NNPC, Dr. Mele Kyari, under immense pressure from President Muhammadu Buhari, to stop the increasing oil theft, thought out of the box. Sylva and Kyari had been in contact separately and mutually with the former leader of the Movement for the Emancipation of the Niger Delta, Government Ekpemupolo, alias Tompolo, for more than a year over the worsening theft. Their discussions convinced the duo that he could be a magic

wand, but each time Tompolo's name came up in Aso Villa, and private meetings, some top security officials pooh-poohed the idea.

It was easy for Buhari, who, in 2016, canceled a "no cure no pay" contract that Global West, a company in which Tompolo served, as a technical partner, without a lucid understanding of the surrounding intrigues, to agree with the naysayers. However, with each passing day in their discussions and intelligence from Tompolo on the connivance of security and industry officials without which the massive thieving would not be possible, Sylva and Kyari approached Buhari with accessible facts. They did not find it difficult getting the

buy-in of the Chief of the Defense Staff, General Lucky Irabor, who already had the instructions of the Commander-in-Chief to confront the situation head-on and bring the perpetrators to book. Finally, a converted President approved the hiring of Tompolo, especially as the private surveillance contractors, who had been on the job, in the last few years, had done little. The trio of Irabor, Sylva, and Kyari are together, ever since, in the battle. Tompolo's engagement by Nigerian National Petroleum Corporation Limited (NNPC) triggered quite some controversy, but Sylva and Kyari were unmoved by the many distractions. What was clear to them was that the illegal bunkering points had to be discovered and clamped; conspiring security and industry officials also had to be identified and disciplined, and the entire surveillance system overhauled for oil production to pick up once again. Sunday Vanguard reported that some top security officials serving in Lagos and Abuja were part of the oil-bunkering consortium with their foot soldiers in the oil-rich region. The oil cabal allegedly sponsored a campaign of calumny against Tompolo, recruiting some youths to protest against the ex-militant leader handling pipeline surveillance contracts in their areas. It was not surprising when the former militant leader, who boasted that he knows the in-and-out of all the creeks in the Niger Delta, started making startling discoveries, less than a month, after his company, Tantita Security Services Nigeria Limited, TSSNL, was engaged.

Working with selected security officials, Tompolo's men uncovered large-scale and sophisticated oil theft machinery going on in the deep swamps at Yokri, close to the Forcados Terminal. According to reports, experts use high-powered technology to steal crude oil from the trans-Forcados pipeline, which belongs to the NNPC and its partners, and convey it through a four-kilometer underwater pipeline to a platform in the sea, where they loaded into vessels and sell overseas. So far, Tantita has

discovered at least 58 illegal connections to the trans-Escravos, trans-Forcados, and other major trunk lines by oil bunkers in Delta and Bayelsa states.

On October 6, operatives of the ex-militant leader laid ambush for a suspected oil syndicate, and apprehended the captain and seven other crew members, while they were pumping crude oil from an illegal connection, they affixed to a Chevron pipeline in the Warri River. Why the authorities permitted the burning of the 87-meter-long ocean-going vessel, MT Deino, and over 650 cubic meters of crude oil recovered from the crew, which ought to be

“They are using local refineries to cover up. We cannot compare the volume of crude oil stolen by local refineries to the ones loaded in vessels and siphoned. Community people are not involved in this organized crime; they are only involved in the surveillance job. The major players in this crime are those who own the vessels and military chiefs in the Ministry of Defense, Navy and Army. All these coded operations, Pulo Shield, Operation Delta Safe, Joint Task Force, JTF, are just to deceive the people that they are working. Why have they not left the Niger Delta, it is an occupational crime?”

evidence for the prosecution of the suspects, remains a puzzle. Suspected members of the oil syndicate, who are already feeling the heat of Tompolo's involvement in pipeline surveillance, have reached out to him through decoys to simmer down while more desperate ones sent threatening messages to him and some of his boys to back off.

Besides security officials, IOCs and major bunkers, ex-militant leaders and locals are part of the thieving racket. Tantita officials confided in the Media, last week, that more

revelations were coming as the company would dig out more obscured undertakings.

The involvement of military personnel in oil bunkering in the region is an open secret; the only difficulty, all these years, is who will be bold enough to say it. By his moral fiber and training, Tompolo is not afraid of the military, which was why Sylva and Kyari reportedly chose him for the delicate assignment. Interestingly, Shell Petroleum Development Company of Nigeria Limited, SPDC, has showed willingness to resume crude oil export at the 48-inch Forcados Export Terminal in Delta State after Tompolo discovered the illegal connections. SPDC's Media Relations Manager, Abimbola Essien-Nelson, in a statement said the company would resume after completion of ongoing essential repairs by the end of this month (October), adding: “We are working to remove and clamp theft points on the onshore pipelines to ensure full crude oil receipt at the terminal. “The active illegal connections to SPDC joint venture's production lines and facilities in western Niger Delta and the inactive illegal connection to the onshore section of the 48-inch Forcados Export Line are in the company's ongoing programme to remove illegal connections on the pipelines that feed the terminal”.

National Coordinator, Association of Rural Chiefs for Peace and Development and National Vice President (II), Ijaw National Congress, INC, Chief James Nengi, who spoke to Sunday Vanguard, weeks before Tompolo discoveries, said he and his team had arrested some military men involved in bunkering and called their superiors to identify them. In his words: “The security personnel are complicit; it is not hearsay. I served as Chairman of the Oil and Gas Committee in the oil-rich Nembe Kingdom. As Chairman, I and my team had apprehended severally military personnel and invited their superior officers to come and identify them.” The former Chairman of Nembe Kingdom Oil and Gas Committee went on, “I will continue to mention it; this crude oil theft is an organized crime by the military and some political bigwigs. “In fact, this crime is even more dangerous than the petroleum subsidy. Ships and vessels loaded with crude oil are freely going out of the nation's territory to neighboring countries where they refine and bring it back to us.

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“The information they give that they have destroyed several bunkering camps, let me tell you, they are not destroying any camp; any time there are issues, they will come up with such a story to deceive the public that they are working. “If they really want to change the situation, it is

not even the surveillance that they are talking about. Let us not deceive ourselves in this matter, the criminality is top to bottom, and they should stop pointing fingers at the community.

“Why are military officers in the creeks and Niger Delta richer than their own formations? Some have estates and properties. Ask yourself, why does the military have much interest in the Niger Delta instead of fighting terrorists? Anywhere bunkering activity is going on; you will see several patrol vehicles and checkpoints where they are collecting bribes. They are even those on illegal patrol; they charter taxis and chase those carrying bunkering products upland, these are the local ones. “The greatest theft and criminality take place in the high seas. That is why oil companies are divesting and going offshore where they can load freely without monitoring. The security people there are only sharing money; they are not monitoring or securing anything.

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Meanwhile the Socio-Economic Rights and Accountability Project (SERAP) has urged President Muhammadu Buhari to “promptly set up a presidential panel of enquiry to thoroughly, impartially, and transparently investigate the operations of illegal oil pipelines from 2001 to date, and to widely publish the names of anyone suspected to be involved.” SERAP urged him to “ensure the prosecution by appropriate anti-corruption agencies of anyone suspected to be responsible for the plundering of the country's oil wealth and the full recovery of any proceeds of crime.” SERAP also urged him to “promptly authorise the investigation of reports of the destruction of an oil bunkering vessel by security agencies and to ensure that suspected owners of the vessel are identified, named and brought to justice.” SERAP's letter followed the recent reports that two illegal pipelines

used to steal the country's oil wealth from Forcados Terminal, and connected to the 48-inch Trans Forcados Export Trunk line, have been uncovered. In the open letter dated 15 October 2022 and signed by SERAP deputy director Kolawole Oluwadare, the organisation said: “Poor and socio-economically vulnerable Nigerians have continued to pay the price for the stealing of the country's oil wealth apparently by both state and non-state actors.” SERAP said, “Your government has a legal obligation to ensure that the country's oil wealth is used solely for the benefit of the Nigerian people, and that the wealth does not end up in private pockets, for the sake of the present and future generations.

The letter, read in part: “Despite the country's substantial oil wealth, successive governments have largely squandered the opportunity to use the wealth to improve the lives and well-being of ordinary Nigerians. This is a clear violation of the government's anti-corruption and



human rights obligations.” We would be grateful if the recommended measures are taken within 14 days of the receipt and/or publication of this letter. If we have not heard from you by then, SERAP shall take all appropriate legal actions to compel your government to comply with our request in the public interest. “SERAP urges you to consider referring the reports to the prosecutor of the International Criminal Court [ICC] to investigate whether the allegations of oil theft in the country amount to crimes against humanity within the jurisdiction of the ICC, and to surrender all suspected perpetrators for trial by the ICC. SERAP is concerned that the illegal pipelines have been operated for many years without notice, implying a flagrant violation of constitutional and international obligations to ensure the proper, effective and efficient management of the country's wealth and natural resources. “It is in the public interest to promptly investigate the discovery of the illegal pipelines, publish the names of

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those suspected to be involved, and ensure that they are brought to justice, and that any proceeds of crime are fully recovered. “Taking these steps would advance the right of Nigerians to restitution, compensation and guarantee of non-repetition and improve public confidence in the fight against corruption and related crimes, especially in the oil sector. “As the President and Minister of Petroleum Resources, you and your government have a legal responsibility to ensure accountability for these human rights crimes, and end the culture of impunity, which is fueling the stealing of the country's oil wealth”. “The proposed presidential panel of enquiry should be headed by a retired justice of the Supreme Court or Court of Appeal, and its members should include people with proven professional record and of the highest integrity that can act impartially, independently, and transparently. The plundering of the country's oil wealth has resulted in the downward trend in revenue and increasing level of borrowing, with reports of a projected N11.30 trillion deficit budget for 2023. “SERAP is concerned that the unaddressed plundering of the country's oil wealth has for many years contributed to shrinking revenue, chronic underfunding of public goods and services such as education, health, and access to safe drinking water, recurring budget deficits, growing level of borrowing, and unsustainable debt profile.” According to our information, security agencies recently reportedly uncovered an illegal pipeline used to steal the country's oil wealth for nine years from Forcados Terminal. “Another illegal pipeline connected to the 48-inch Trans Forcados Export Trunk line, at the rear of a military security post in Burutu Local Government Area, Delta State has reportedly been discovered. The discovery of the second illegal pipeline followed the recent destruction by security agents of a vessel allegedly used for crude oil theft off the Niger Delta creeks. About 58 illegal oil points have reportedly so far been discovered.”

“Section 15 subsection (5) of the Constitution requires your government to abolish all corrupt practices and abuse of power. The UN Convention against Corruption and the African Union Convention on Preventing and Combating Corruption to which Nigeria is a state party obligate your government to effectively prevent and investigate acts of corruption and hold public officials and non-state actors to account for any violations. “Specifically, article 26 of the UN convention requires your government to ensure “effective, proportionate and dissuasive sanctions”

including criminal and non-criminal sanctions, in cases of grand corruption. Article 26 complements the more general requirement of article 30, paragraph 1, that sanctions must take into account the gravity of the corruption allegations. “According to a Nigeria Extractive Industries Transparency Initiative (NEITI) audit report, 160 million barrels of crude oil valued at \$13.7 billion, was stolen in four years (2009-2012). There is also report of \$17 billion debt of under-declared crude oil lifted by some international oil companies (IOCs) between 2011 and 2014.” “According to reports, Nigeria has seen increased oil theft in recent years. The country loses 470,000 barrels of crude oil monthly amounting to \$700 million to oil theft. The country has reportedly lost \$10 billion to crude oil theft in seven months, which is stated to be more than 50 per cent of Nigeria's external reserves. The Chatham House, a think-tank based in the United Kingdom has noted that oil theft in Nigeria is 'on an industrial scale.'

Not quite long the Group Managing Director of NNPC, Mele Kyari, while briefing State House correspondent, expressed concern about the menace of oil theft undermining Nigeria's production and consequently fiscal capacity. Mr Kyari blamed various sections of the Nigerian society for being complicit in the theft of millions of barrels of crude oil, mentioning even that make-shift pipelines and stolen fuel have been found in churches and mosques. Between January and July, Africa's biggest oil producer lost an average of 437,000 barrels of oil a day to criminal entities and individuals who illicitly tap pipelines onshore and offshore in the Niger Delta region, a PREMIUM TIMES data analysis has shown. At current prices, the stolen oil is worth more than \$10 billion, which is equivalent to N4.3 trillion (at N430 to a dollar). This financial loss is more than 50 per cent of Nigeria's external reserves. It is also more than double Nigeria's total revenue between January and April, a period when Nigeria's total income was unable to service its debt and the country had to borrow for everything else including payment of workers.

Nigerian production fell in the first seven months of the year to about 1.1 million barrels a day of crude equivalent in July from over 1.4 million barrels in January, according to data obtained from the Organisation of the Petroleum Exporting Countries (OPEC). The average quota set by OPEC for Nigeria is 1.73 million barrels per day during the period. The Nigerian government has attributed its low output to large scale theft of crude and related pipeline



sabotage. This damage has reduced exports, forced some companies to shut down production and crippled the country's fiscal stability.

region, and its negative impact on the country's economy have been a source of concern to the Nigerian government. Barely two months after he was awarded the multi-billion-naira oil security contract in the Niger Delta region, Government Ekpemupolo has discovered at least 58 illegal points in Delta and Bayelsa States where crude oil is being stolen. Mr Ekpemupolo who is popularly known as Tompolo, disclosed this recently at Oporoza, Delta State while briefing reporters on the discovery of a 4km illegal oil pipeline in the Forcados area of the state according to a report by Channels Television. He said "I think we have found over 58 points that have been tapped in both Delta and Bayelsa states," the former leader of militant group, Movement for the Emancipation of Niger Delta, said. "You know, we are doing this work together with the security agencies. We are only providing intelligence for the security people to assist to do the work. So, everybody – both the NNPC and others, we are working together in good spirit." Mr Ekpemupolo told reporters that the aquatic life of the area is gone and added that he was doing everything possible in collaboration with authorities to reduce the menace to a bare minimum.

The Federal Government in August awarded a pipeline surveillance contract reportedly worth N48 billion per year (N4 billion per month) to Mr Ekpemupolo to check massive oil theft in the region. Mele Kyari, the chief executive officer of Nigerian National Petroleum Company Limited, while explaining why the contract was awarded to the ex-militant leader, had argued that it was not the first time such a contract was awarded to individuals in the region. The contract has angered some groups in the region who threatened to sabotage the deal. But Mr Kyari in justifying its decision said the federal government was not dealing directly with Mr Ekpemupolo but a private contractor's company which he has interest in. Oil theft, illegal refineries in the region, and its negative impact on

the country's economy have been a source of concern to the Nigerian government over the years. PREMIUM TIMES in January reported how the Rivers State Governor, Nyesom Wike, accused a police chief in the state of operating an illegal refinery and demanded his redeployment from the state. "He must leave this state. I can't be governor here and the security man owns an illegal refinery. No, it is not possible. Take him to wherever they allow bunkering," Mr Wike had said.

Similarly, Tompolo said about 58 illegal oil points have been discovered so far since the operation to end oil theft on the waterways of Delta and Bayelsa states began. The Tantita Security Services Nigeria Limited, TSSNL, a surveillance company operated by ex-militant leader, Government Ekpemupolo, alias Tompolo, has discovered another huge illegal pipeline connected to the 48-inch Trans Forcados Export Trunk line, at the rear of a military security post in Burutu Local Government Area, Delta State. Sources said that oil companies, oil bunkers, Nigerian National Petroleum Corporation, NNPC, and security officials jointly steal crude oil through the illicit pipeline connected to the trunk line through an abandoned pipeline by the Nigerians Agip Oil Company Limited, NAOCL, and linked to a location in the high sea, where they load crude oil into vessels and sell overseas. Meanwhile, the Oil Spill Victims Initiative, OSPIVV, has threatened to sue NNPC and Shell Petroleum Development Company, SPDC, over the illegal pipeline connections used to siphon the country's crude oil. The Shell Petroleum Development Company, SPDC, operates the Forcados Terminal in Ogulagha, which has a nameplate capacity to export 400,000 barrels per day. It takes delivery of crude from the Forcados Oil Pipeline System and is the second largest pipeline network in the oil-producing region, after the Bonny Pipeline System in the eastern Niger Delta.

Some IOCs and Nigerian independents operating in the western Niger Delta pump oil to the Forcados Oil Terminal for exports. The newest discovery is like the earlier illegal 4-km pipeline also attached to the same Trans-Forcados export trunk line, earlier discovered by Tantita operatives. An executive director of OSPIVV, Prince Harrison Jalla, told reporters in Warri, "There are many reports of crude oil theft in the Niger Delta, but we are particularly interested in the theft of crude oil from the Forcados Terminal." "They have been stealing our national heritage for the past nine years and no one can say for sure where it began or where it ended. We want to start by holding the NNPC and SPDC accountable for the oil theft and the atrocities committed against the Niger Delta people. "We will take on the NNPC and SPDC. We have already briefed our solicitors

to sue. So many International Oil Companies have to account for this heist, but we want to start with the Shell Group because there is no way they could pipe crude oil from those terminals without the involvement of those running the terminal. “We do not know if other areas where pipelines traverse the region are involved. We can now see there is a massive approach to stealing crude oil in the Niger Delta region. Therefore, we are going to court. The two organizations should let the court know what they know about the massive oil heists since 2003. “If we have a court where everyone will recount what they know, it is fair and good for us. We want to take them to a proper court of competent jurisdiction to unravel what is happening in the trunk lines. “Our interest is to unravel what has been happening in the oil sector, so whether they claim it at Forcados Terminal is not our business. Our concern is that some people have perpetrated the crime of massive oil theft and the resources pocketed by those we do not know. The international community and IOCs are involved,” he said. On the newly uncovered criminal pipeline, sources informed Sunday Vanguard that the bunkers actually ferry the crude to the sea for loading and onward movement abroad through the abandoned NAOC pipeline.

In a renewed offensive against Oil theft, OPERATIVES of Tantita Security Services Nigeria Limited, TSSNL, and security officials have uncovered a key illegal underwater pipeline and platform connected to the 48 –inch Trans-Forcados Export Trunk Line in Delta State from which bunkers, together with government and security accomplices, directly siphon cleaned crude oil into ships and export overseas. The unearthing of the criminal pipeline and platform attached to the trunk line, operated by the Shell Petroleum Development Company, SPDC, is a major breakthrough in the renewed bid by the Federal Government, Nigerian National Petroleum Corporation Limited, NNPC, Ministry of Defense and other stakeholders to stop oil theft in the country. Sources said professionals fabricated the illegal pipeline attached to a crude oil pipeline abandoned by the Nigerian Agip Oil Company Limited, NAOC, and bunkers generously pump cleaned crude oil into their own vessels from the nation's trans-Forcados pipeline at the rear of a military post in Ogulaha, Burutu local government area of Delta State. SPDC operates the Forcados Terminal in Ogulaha which has a nameplate capacity to export 400,000 barrels per day. It takes delivery of crude from the Forcados Oil Pipeline System and is the second largest pipeline network in the

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Also in a recent development, Governor Nasir El-Rufai of Kaduna State said the Federal Government has failed in the oil and gas business and should get out of the sector. El-Rufai, who called for the privatisation of the NNPC said the company has been declaring profit without dividends. The governor said that whatever the government manages turns out bad and noted that the sectors doing well in the country like entertainment, telecoms, fintech and others have no government involvement. Indeed, blocking revenue leakages will go a long way in shoring up our revenue and reducing our appetite for borrowing. At the end of the day, Nigeria will be the winner. He also lamented the current hardship Nigerians are facing and said until the government is transparent and credible towards the citizens, it has no right to impose such hardship on the citizenry. He said, “Until we bring credibility and transparency to the management of public finance, no government has the moral right to impose hardship on Nigerians. They have suffered enough. “Anybody who tells you that it is going to be easy, please do not vote for him, because it is either he is lying to you or he does not know what job he is going to get. “You cannot with this level of debt service, collapse in revenue and poverty overturn things just like that. We have to take corrective decisions and first close out inflated and false numbers.”

oil-producing region after the Bonny Pipeline System in the eastern Niger Delta. Some IOCs and Nigerian independents operating in the Western Niger Delta pump oil to the Forcados Oil Terminal for export. The newest discovery is like the earlier illegal 4-km pipeline also attached to the same Trans-Forcados Export Trunk Line, earlier discovered by Tantita operatives. Meanwhile, the Oil Spill Victims Initiative, OSPVI, has threatened to sue NNPC and SPDC over the illegal pipeline connections used to siphon the country's crude oil. Marine Intelligence Consultant to TSSNL, Captain Warren Enisuoh, who briefed journalists in Ogulaha on the discovery, said: “What has happened was that the perpetrators of this organized crime attached pipeline into a Shell Petroleum Development Company 48-inch export line.

The crude in this line has been cleaned up and is ready to go. “So, they tapped into it, the place was initially filled with water, but, technologically, there were able to connect their own pipe underwater. “We trotted the line on foot to the point it was tapped, we had to create something on either side of the pipeline so that the water could be pumped out. “For days, we pumped the water out before the illegality was exposed. You see that riser behind me is operated by another joint venture company called AGIP, so these fellows piped the crude through the abandoned oil

field that belongs to AGIP, which they used to pipe crude oil to the Beniboye Flow Station. "What happened is that instead of piping crude to Beniboye Flow Station, the oil bunkers export crude. That particular jacket you see outside there is a very old one, they cut the Agip line, connected their own through the extreme riser out to that other jacket. "Then at night, the usual thing happens, which is that they bring ships to that particular platform, connect their modernized lines to the ships, which they bring in, and off they go from there. "Well, they are not smarter than Nigeria, NNPC, Tantita. We discovered this about a week ago, and we had to employ a whole lot of machinery to be able to bring you (reporters) in to see it. It is not a yesterday thing. "We knew about the platform and started working on it when we had the support of NNPC and the government. Nigeria has suffered enough; we have to stop these illegalities. "The distance from the illegality to the point we are standing is about one kilometre and from here to the jacket is approximately four kilometres. "Therefore, what they do ...

because the whole line is a six-inch pipe, each time they pump, they open their own valve and the crude stored on this line; then, they close it off so that when their ships are sucking, you would not feel the effect from the pressure on the other side. "Therefore, it is a smart design, I do not know how long. With the intelligence we have been

getting about ships coming to that particular area, which led to this find, it has been going on for a while, more a year perhaps. "We share our intelligence with the Joint Task Force, JTF, in the Niger Delta and Operation Delta Safe."

The General Manager of Joint Venture Operations, National Petroleum Investment Management Services, NAPIMS, Zakariya Budawara, also briefed reporters: His words: "NNPC has been on its toes in trying to bring stability to the host community. And the host community has been helpful in trying to see that we secure all oil and gas facilities, especially the one we saw, which has to do with the crude evacuation line. "Today, for me, is just any other day, but we feel that the media should come and see the efforts of the NNPC, stakeholders, including the community, government security agencies, private and community contractors, especially the one in the Western corridor, Tantita, are making. Tantita has been doing a great

job, all these we are doing to assure Nigerians that we are working to curb crude oil theft. "We know the direct impact on the revenue and on the people of the host communities and the environment. "All you have seen is in demonstration of the collaborative efforts of everybody. Nobody can do it alone; it is the efforts of all the stakeholders. I am here on behalf of the Group Managing Director, NNPC, Mele Kyari, and his lieutenants." Sources informed Sunday Vanguard that some International Oil Companies, IOCs, oil bunkers, and security officials jointly steal crude oil through the major pipeline connected to the 48-inch Export Trunk Line through an abandoned.

In a recent development Tompolo's men ambushed and arrested eight members of a suspected crude oil syndicate while they were pumping crude oil from a Chevron Nigeria Limited, CNL, pipeline in Delta State, into an improvised 87-meter-long ocean-going vessel, MT Deino. They were



arrested along with the ship and were handed over to the Military authorities who in less than forty eight hours after taking over the ship set it on fire. In a swift reaction the Federal Government says the swift destruction of an oil bunkering vessel by security operatives is in line with the rules of engagement.

The Chief of Defence Staff, General Lucky Irabor, stated this after a National Security Council meeting with President Muhammadu Buhari at Aso Villa in Abuja. Irabor said the vessel was caught in the act and security agents subsequently set the "instrument of operation" ablaze, noting that no investigation is needed to carry out the action. He said, "There are various approaches, various solutions to a problem and at any time based on certain factors, certain considerations, available to those that are at the frontline, actions are taken based on the directive which are contained in the rules of engagement. "So, the burning of the vessel, it is because the thief was caught in the act and the procedure, if you are caught in the act, is that everything you are using to undertake that criminal activity should be destroyed and that was done. "What investigation do you need that you find somebody who decided to deplore several pumping machines and has several hoses that are deployed to a dugout pit where crude oil is stored over a

period? “It was caught in the act. So, the instrument of operation was what was destroyed. I think it is straightforward. Whether that is the best is a different matter entirely but did they act in line with the rules of engagement? Yes, they did.” However, the destruction of the vessel by the Security Agencies generated a controversy as some Nigerians fumed at the action of security agents, saying the vessel should have been preserved as exhibit to prosecute the owners of the vessel. The House of Representatives subsequently said it would investigate the circumstances surrounding the destruction of the oil bunkering vessel by security agents. Oil theft has become a malignant cancer in Nigeria for years with unimaginable volumes of oil being lifted by some cabals in the oil sector. Recently, the Nigerian National Petroleum Company (NNPC) Limited said it uncovered an illegal oil connection from Forcados Terminal that operated for nine years with about 600,000 barrels per day of oil lost in the same period.

Human rights activist and foremost Senior Advocate of Nigeria, Femi Falana kicked over the destruction of vessels loaded with stolen crude oil by the Nigerian Navy. Falana, in a statement made available to newsmen, reacted to a statement credited to the chief of Defence staff, Lucky Irabor. His words, “Apart from the sabotage of the national economy the crime of oil theft has portrayed Nigeria as a nation where official impunity has been institutionalised by the government. “In an embarrassing justification of the criminal conduct, the Chief of Defence Staff, General Lucky Irabor said that the swift destruction of the oil bunkering vessel by the criminal suspects is in line with “the rules of engagement.” “As if self-help has become part of the rules of engagement the General said the vessel was caught in the act and security agents subsequently set the “instrument of operation” ablaze, noting that no investigation is needed to carry out the action. “It is trite law that only the Federal High Court court is empowered to order the interim or final forfeiture of any vessel that was used for conveying stolen crude oil. “Therefore, the statement credited to General Irabor is a deliberate attempt to cover up the involvement of military personnel in the serious crime of oil theft as there is no provision of the rules of

engagement that authorizes military personnel or security operatives to set fire or destroy vessels loaded with stolen crude.”

***“Why are military officers in the creeks and Niger Delta richer than their own formations? Some have estates and properties. Ask yourself, why does the military have much interest in the Niger Delta instead of fighting terrorists? Anywhere bunkering activity is going on; you will see several patrol vehicles and checkpoints where they are collecting bribes. They are even those on illegal patrol; they charter taxis and chase those carrying bunkering products upland, these are the local ones. “The greatest theft and criminality take place in the high seas. That is why oil companies are divesting and going offshore where they can load freely without monitoring. The security people there are only sharing money; they are not monitoring or securing anything.*”**

Falana noted that, “the Chief of Defence Staff is not unaware that under the service law the burning of a ship or vessel by military personnel is a serious offence which attracts life imprisonment without an option of fine. For the avoidance of doubt, section 111 of the Armed Forces Act provides as follows: “Arson -A person subject to service law under this Act who willfully or maliciously sets fire to a public building, dwelling house, an office or any structure whatsoever, movable or immovable, whether completed or not, occupied or not; or to any vessel, ship, aircraft, railway track or wagon, or vehicle or thing; or to a mine or working, fitting or an appliance of a mine is guilty of arson and liable, on conviction by a court-martial, to imprisonment for life.” “In view of the gravity of the offence that is being covered up by the military oligarchy, General Irabor ought to resign his appointment to prevent the sabotage of the ongoing operations designed to expose the perpetrators of oil theft in the Niger Delta region. “If the General decides not to call it quits, the Commander-in-Chief of the Armed Forces, President Muhammadu Buhari should not hesitate to fire him. After all, by authorising the engagement of no-state actors to carry out the constitutional duties of the armed forces, the President has lost confidence in the leadership of the armed forces. “Furthermore, the President should order the Chief of Army Staff to ensure the immediate arrest of the military personnel who set the vessel on fire to charge them with arson and allied offences before a court martial.”

In a recent development the Nigerian navy has again reiterated its stand that international oil corporations, not petty thieves are responsible for the oil theft. Shell is among those named by the navy as participants in the oil theft ring in the Niger Delta. The navy said the “oil heads” were left open on purpose so that criminals could take oil. The navy also asserted that older oil heads were removed under the pretext that they were unprofitable. In particular the aforementioned oil company's response was

oddly strange. When they were informed of oil head spills. The Commander NNS Soroh reported seeing limitless streams of crude oil coming from Shell owned oil well. According to him, seven months ago we saw that crude oil was running out from a Shell owned oil well. When we informed Shell oil company of this leakage their answer was startling. They claimed not to have observed it. It wasn't top priority. What kind of priority is that supposed to be? Crude oil is still gushing from the oil well as we speak and nothing appears to have been done about it.

Now, it will naive to think foreign oil companies are solely responsible for the nation's oil theft. We all know about the illegal pipeline from the FORCADOS export terminal that has been functioning discreetly for 9 years.

Abuja is going hard on oil theft in the creeks of the Niger Delta as it did with piracy in the Gulf of Guinea, with 24 hours monitoring system soon to be installed. With a C4i command centre connected to both manned and unmanned aircrafts and ships and armoured vehicles. Imagine an entire pipeline 4.5km long siphoning thousands of barrels daily. It takes an elite level crime syndicate to pull this off. The navy only showed interest in these oil companies because of their response when they were told of the theft. Their response raised questions about whether they were directly participating in the heist or rather were in charge of the entire smuggling network for the profit of their western employers.

Following a public outcry for the release of the names of the cabal behind the oil theft and the identity of those who have been arrested so far, the Nigerian Defence Headquarters has explained why names of the Cabals associated with the massive oil theft in the N/Delta cannot be mentioned. Explaining this during the bi-weekly military press briefing held at the Defence Headquarters in Abuja, former Director, Defence Media Operation, Major General Bernard Onyeuko noted that the military is still carrying out investigations and until that is concluded no name can be given out to the public. He however asks Nigerians to be patient with them while they try to put an end to the oil theft in the region. Delivering the main speech of the day, current Director, Defence Media Operations, Maj.-Gen. Musa Danmadamin outlined the progress recorded by the Nigerian troops in the N/Delta noting that Troops of "Operation Delta Safe" discovered and destroyed 23 illegal refining sites and apprehended 42 suspected oil thieves in the Niger Delta in the last fortnight. "Troops also conducted patrols and buggy operations in the zone during which several illegal refineries, storage tanks, wooden boats, coking ovens, dug out pits were destroyed. "Cumulatively, within the two weeks in review, troops discovered and destroyed 23 illegal refining sites, 87 wooden boats, seven speed boats, 284 storage tanks, 160 coking ovens, three fibre boats and 18 dugout pits. "Troops also recovered 2.5 litres of crude oil, 133,824 litres of diesel and 7,000 litres of kerosene. "Also recovered were 16 tankers, one vessel, eight pumping machines, and two motorcycles. "Forty-two criminals were arrested during the operations. "All recovered items and apprehended

criminals were handed over to the appropriate authorities for further action," Danmadami said. He said that troops continued to sustain aggressive patrols to curb crude oil theft and illegal bunkering within the Nigeria maritime environment to ensure the economic prosperity of the country. He said troops also nabbed three suspected oil thieves who were tracked and monitored to Adige, Urhiakpa and Mission Road in Sapele Local Government Area of Delta on Oct. 6. It was during the execution of "Operation Octopus Grip", he said. He added that troops also impounded a vessel, MT DEIMA, with capacity to hold 1500 tonnes of crude oil for illegal bunkering at Sara area of Escravos Channel on Oct. 7. The troops arrested the vessel's eight crew members. Danmadami said the vessel had six tank compartments loaded with unspecified quantity of crude oil. He said also that troops and other security agencies had not relented in efforts in the fight against criminal elements in the Southeast zone. He added that troops of Operation AWATSE and operatives of the NDLEA and the Nigeria Security and Civil Defence Corps destroyed 15 hectares of Indian hemp at Mabu village in Ogun on Oct. 7. He added that troops also recovered 258 bags of 50kg smuggled rice, 220 jerry cans of 30 litres petrol and four vehicles, just as they arrested two criminals and rescued two civilians, also in the Southwest. "All recovered items, apprehended criminals and rescued civilians were handed over to the appropriate authorities for further action," Danmadami said.

The question on the lips of every Nigerian is whether Tompolo and his company Tantita will be able to contain the onslaught and pressure from the big oil thieves and cabals made up of the Security agents, operators and the Multinational Oil Corporations who are also deeply involved in the oil theft. Only time will tell. Nigerians and indeed the world is watching.



'Some Government officials, security personnel and oil companies are stealing Nigeria's Crude'

...Dr. Benjamin Style *HOSTCOM* Chairman

Following Ekpemupolo led-onslaught against oil theft in the Niger Delta, National Chairman of Host Communities of Nigeria Producing Oil and Gas, *HOSTCOM*, Dr. Benjamin Style, in this interview, says the identities of those behind the crime aren't hidden to them. He says the findings have vindicated host communities, who he said had long been accused of perpetrating the act. Style says more eye-opening detections would be made in Ondo, Akwa Ibom, Delta, Rivers, Bayelsa and other oil-producing states Within a short time, the Tompolo-led team has made startling findings about crude oil theft in the Niger Delta region. And these pipelines are domiciled in host communities where the natives live.

As National Chairman of *HOSTCOM*, what do you make of the findings in your communities?

What Tompolo and his team have done so far is commendable. We didn't see their findings as a new thing or breaking news. As members of host communities, we have been talking about oil theft for many years. We know and understand our terrain better than any person coming from outside. All that is happening is happening in our vicinity. And we have been saying that the humongous oil theft killing the Nigerian economy is not being perpetrated by host communities. We have been saying that it is wrong to say that we are the ones committing the crime. Before now, we have said that those in government, security agencies in place to secure the facilities, and the operators are the three actors that are sabotaging the economy of our nation, but they put the blame on host communities. That was not good enough. They even came up with a law that seeks to victimise the host communities.

Are you talking about the section of the Petroleum Industry Act, PIA, that talks about host communities?

In Section 257 Sub Section 2, they came up with a law that if any act of sabotage occurs in our communities, the affected communities would forfeit the actual payment accruable to them in the PIA. Imagine how derogatory that word is. They inserted that section for our communities not to benefit from the PIA. And this is a



crime we know nothing about and a crime they are committing. They are the players but turned around to insert that derogatory clause in the Act. We will continue to call for the expunging of that clause because we are not responsible for oil theft in the Niger Delta. Today, we have been vindicated. I am waiting to see if they will retain the clause now that they have seen the magnitude of oil theft in the region. Look at what is playing out today. How can a local community that doesn't have a welding machine be able to do that technical job, siphoning crude oil? That is an expert's job. Maybe an expatriate may have made that connection. Community dwellers that haven't been able to build a block house for themselves, living in thatch houses along the coastline, how can they be able to bring in vessels and

connect a pipe that is four kilometres long to the sea? How much is the cost of doing that? How can such communities have the capacity to link the pipe to the sea? The latest findings have shown that we know nothing about oil theft. Government just decided to insert those inimical portions of the PIA to punish us. We keep saying that it is an organised crime done by people in high places. In July 2020, the current executive of *HOSTCOM* raised the alarm about oil theft in the creeks and a former Minister of Petroleum, King Edmond Dakoru, said host communities knew nothing about oil theft. He is a board member of *HOSTCOM*. He said clearly that it is an organised crime because he is an authority in the oil and gas sector. He authoritatively said no community has the

capacity to fund the kind of oil theft going on in the Niger Delta. He said moneybags are behind the crime. He also called on government to allow host communities to handle the surveillance jobs. Yes, we as host communities can't fight those perpetrating the crime, but we can provide valuable information to government. But government didn't take our words seriously. As host communities, we have been saying that we have information to give to the authorities on the oil theft, but they don't listen because they are involved in the crime. Sometimes we try to mention the names of those we know are doing these in our communities, but government dismisses our information. What do we do in such a situation? Government never called us to discuss the information we provided before now on oil theft.

The speed with which the discoveries were being made left people surprised, especially given the fact that security agencies have significant presence in the creeks. Why do you think it is so?

I just named the key actors in the oil theft business. They include the authority, security agents and operators. Those in government, the security personnel and operators of those facilities are the ones that commit this crime jointly, but they accuse the host communities. They claim that host communities commit the crime because the pipelines are in their place. This is not a crime that is being committed by the locals. We knew all these for a very long time and we have been informing them. Since they are the actors, they sat on the information we provided. Now that the contract has been given to Tompolo, he is delivering because if he doesn't perform, they won't pay him. But these are the places the security agencies were guarding before now. It is happening in their presence and they give permission. Those involved often inform the security agencies about their operations. They turn a blind eye to the stealing going on in the creeks. They are the ones that secure the vessels. That tells you how bad security agencies in Nigeria have become. We are not surprised at the findings because we knew before now. And we know all the spots where all these things are going on in the Niger Delta. We have been telling them to give us the mandate and see if we won't expose all those involved in oil theft. We can name those involved from top to bottom. We will name from the top to the least person including those that are retired and the ones in service. All we are asking for is the mandate. If you do not have the mandate, the information you give to people in government means nothing. But if the person who gives you the job doesn't come with clean hands, can you work effectively?

Having fingered government as being among those perpetrating oil theft, do you think ongoing efforts at curbing the menace would be fruitful?

What Tompolo and his team have done is just the tip of the iceberg. They are just starting. More discoveries would still be made. From Ondo, to Delta, Bayelsa, and Rivers more discoveries would be made. If an honest operation is allowed to take place, we are going to see shocking discoveries in the riverine areas. The oil theft being done by those in the high places would drastically reduce if the operation goes on uninterrupted. It may not be curbed totally because oil theft is embedded in the system. It is an organised crime, so eradicating it may not be possible. Government has been spending large sums of money on pipelines, but a small group of people benefits from the continuous repairs. Curbing oil theft is a collective job. The host communities have a 10-man executive in each of the communities across all oil-producing states. And we have the database. We can give you better information on oil theft than any other person. We have presented this to the authorities in the oil sector. We told them that we don't have the capacity to fight these people, but we can provide useful information about them. Whoever is going in and

Whoever is going in and out of our creeks, we know the person and whatever he is doing. Whether what they are doing is legal or illegal, we know. But the information we may give about them is not taken seriously by government. That was the reason we asked to be given the job of providing intelligence on what goes on in our communities.

out of our creeks, we know the person and whatever he is doing. Whether what they are doing is legal or illegal, we know. But the information we may give about them is not taken seriously by government. That was the reason we asked to be given the job of providing intelligence on what goes on in our communities. From Ondo to Cross River State, we have information about what is going on in the creeks. You have expressed the readiness of host communities to name those involved if given the mandate, do you think government has the will to identify and prosecute culprits? A lot of probes have been done in the past and nobody has been identified and prosecuted. With such a history of not prosecuting those found wanting, why would I name those that won't be prosecuted? We just feel that some people are bigger than the law in Nigeria. If a certain group of persons is bigger than the law, then our country doesn't belong to all. It also means everybody isn't equal before the law. Until we make everyone equal before the law, the kind of operation being done by Tompolo won't have a lasting effect. Therefore, naming someone who won't be tried leaves those who may not want to talk silent. In such a situation, no one would like to talk. "The oil theft in the Niger Delta is an embarrassing situation for us as host communities. And we want to be involved in efforts at curbing oil theft. We have told the Upstream Regulatory Commission. And I need to commend Ggbenga Komolafe for working with the host communities. We would like the mainstream and downstream to work with the host communities. I have said that we have vital information to give them to ensure stability in the oil sector.

Thank you for talking to us
You are really welcomed.

CRUDE OIL: How Military, NNPC Officials Steal Nigeria's Wealth by Edwin Clark

By Adamu Abuh, Abuja

Elder statesman, Chief Edwin Clark, has alleged that a syndicate of military officers, working in cahoots with disgruntled officials of the Nigeria National Petroleum Company (NNPC) Limited, is behind the theft of crude oil running into trillions of naira over the years. Speaking to reporters in Abuja, he enjoined the Federal Government to institute a judicial inquiry to probe those behind oil theft and sabotage of the nation's economy. He also applauded the decision to engage Tantita Security Services Limited, owned by Government Ekpempupolo (alias Tompolo) to arrest the ugly trend, even as he called for the creation of jobs for unemployed youths in the Niger Delta.

Expressing support for establishment of modular refineries to replace illegal refineries in the Niger Delta, he called on authorities to prevail on international oil companies (IOCs) to relocate their operational headquarters to the region.

Stressing the need to revisit the report of Gen. Theophilus Yakubu Danjuma, which probed the issue when former President Olusegun Obasanjo was in office, he maintained that Niger Delta youths remain blameless for indulging in what he called "bucket bunkering," since they have always been at the receiving end of oil firms that deny them jobs opportunities. Clark said it was unfortunate that those who reap from the theft of crude oil live far above their means in Abuja and other major cities of the world without any fear of scrutiny by anti-graft and law enforcement agencies.

He said: "Today, people now build houses in Abuja, ride big cars, fly private jets, and you ask, what is the occupation of these people? Nobody knows. And nobody would ask. Some of these people, in the morning, go to church for blessing, and they are seated in the front seats of the church. What type of country is this?"

He said: "It is dangerously incredible that crude oil theft, despite all the security around, has assumed wider dimension, to the extent that the quantity of crude oil we export today is less than the quantity being stolen by a gang of thieves of various designations. "The stealing of crude oil is a well-managed cartel of government officials, the oil companies and the security agents. Therefore, it is unfair and unjust to accuse the inhabitants of the oil-producing areas or host communities of being responsible for stealing crude oil.

"While not defending these host communities, the stealing of crude oil being carried out by these group of individuals is very minimal or negligible, compared with the industrial stealing by some international organizations', in collaboration with some members of security forces.

"The host communities of the Niger Delta people are not involved in the marketing and lifting of oil of this magnitude. Today, the people of the Niger Delta are among the poorest people in the country. This cannot continue forever.

"Due to my constant criticism against the Federal Government and NNPC on the operation of the oil industry in the Niger Delta and consistent drawing of the attention of the Federal Government and NNPC about employment policy in the oil industry, where majority of the workers, particularly at the managerial cadres, are northerners, I have been singled out and branded an enemy of the Federal Government and anti-north."



Clark, who was reacting to the recent discovery of large-scale oil theft at Yokri, close to Forcados terminal, said it was now clear that the impression of massive oil theft by Niger Delta youths was deliberately created by oil industry officials to cover their criminal acts. He contended that none of the youths in the Niger Delta could hire a boat, like the MT African Pride, from abroad, for the purpose of stealing crude oil.

Justifying why he pointed accusing fingers at soldiers, he said: "The news that there is an illicit four-kilometer pipeline, through which crude oil is being siphoned, goes to confirm what I have always said over the years, and what the leaders of the Niger Delta have been shouting about, that the issue of oil theft is being perpetrated by some mafia-like groups, with the connivance of some people in the oil industry, using sophisticated engineering methods to carry out their nefarious act.

"Even, more disturbing is that these activities have been going on over the years under the watchful eyes of the military and security personnel; security personnel who are supposed to be protecting these oil pipelines with the large numbers of gun boats to patrol the area, are unfortunately alleged to be involved in these criminal acts. "The investigation into this matter must be full, open and comprehensive, if there is sincerity to unravel what is going on."

Crude Oil Theft and Nigeria's Economy

Kazeem Akintunde

Nigeria is a funny country. Ours is perhaps the only country in the world where we make use of ex-militants to protect our crude oil pipelines. The Police, Army, Navy, NSCDC, and other security agencies can't do the job. Ex-militants, who were once in the trenches, fighting the federal government, are now in charge of protecting those facilities they once targeted for destruction for not being allowed to benefit from crude oil that was in the bowel of 'their' land. Is it not an irony that we now pay N4 billion monthly to non-state actors to protect our crude oil pipelines? Illegal oil tapping that Nigeria's security agencies could not detect and put a stop to for years, took Government Epkemupolo, better known as Tompolo, less than a month to



detect. All those in charge of our security should actually bury their heads in shame. Nigeria has become a laughing stock in the world. Those who are being paid to protect us and our national assets are complicit in the stealing and ruination of the country. Nigeria is an oil-producing nation but the discovery of crude oil has become a curse for Nigeria. In spite of the rise in the price of crude oil in the international market, with most oil-producing countries smiling to the banks, Nigeria is losing money on all fronts. We have been consistently losing money from crude oil sales as we could not meet up with our crude oil production quota allocated to us by OPEC, which we could have sold in the international market due to large-scale stealing. Worse, the citizens are being made to pay more due to the fact that we lack the capacity to refine a fraction of what we produce for domestic consumption due to comatose refineries. We have been told again that we should expect more than a 100 per cent increase in the prices of refined petroleum products when the subsidy on petrol is completely removed next year.

The Organisation of Petroleum Exporting Countries, OPEC, increased Nigeria's crude oil output quota to 1.830 million barrels per day, mb/d, from 1.826 mb/d in September. It is doubtful if we would be able to meet our crude oil output as the federal government, through the Nigeria National Petroleum Corporation Limited, NNPC, has come out to tell us that over 600,000 barrel of crude oil is stolen in Nigeria daily. While a fraction of the crude finds its way to the international market, some are left in the country to be refined by 'big boys', who operate illegal refineries in the creeks of the Niger Delta. Nigeria recorded lower

production in the first seven months of the year. In January, our crude oil output stood at 1.4 million barrels per day, but as of July, the production went lower to 1.1 million barrels per day. By August, it fell below 1 million barrels per day (bpd), Nigeria's lowest daily average output since 1997. Even amid what were considered at the time to be "crippling militant attacks" in the Niger Delta during 2009-10 and again in 2016, production has never fallen below 1.4 million barrels per day. Now, nobody is fighting any war or preventing the oil companies from doing their jobs. The boys are simply stealing crude oil on an industrial scale. They settle everybody that could pose a threat to their illegal activities and

everybody smiles to the banks. It is the federal and state governments that supposedly lose, but indirectly, we are all the losers.

This is a country that has the capability to export close to 2 million bpd. If we export more crude, the nation earns more dollars to finance its budget and meet up with its obligations to Nigerians. In monetary terms, we are losing \$700 million daily to the so-called big boys in Nigeria. The impact on the country's economy is scary. The 2018 NNPC oil and gas audit report revealed that 1,894 breaks were recorded on pipelines that year, resulting in a revenue loss of N27.551 billion. The loss increased to N851.84 billion in 2019 and reduced slightly to N159 billion in 2020. Between 2021 and June 2022, the Nigeria Upstream Petroleum Regulatory Commission NUPRC, reported that the nation's oil output dropped by 12.5 per cent to 1.4 million barrels per day, including condensate, in the first half (January–June) of 2022, from 1.6 mb/d in the corresponding period of 2021. Regrettably, those we elected to protect us, rather than carrying out their mandates, deem it better to pay N48 billion a year to another big boy to do their job for them.

We have now become a joke in the comity of Nations. Nigeria as a country can no longer meet her financial obligations. Yet, we produce more millionaires daily from outright stealing of crude oil. More than half of next year's budget projection will be coming from loans. There is no money coming into the economy and so, it can no longer sustain itself. Crude oil, which used to fetch us over 60 per cent of our foreign exchange, has become a tool in the hands of corrupt government and private officials for self-enrichment. The three tiers of government no longer have

enough revenue to share. Many state governments are owing workers' salaries while payment of pensions to retirees have become a ding-dong affair. Yet, many Nigerians are not seeing the bigger picture. It will soon get to a stage where individuals will be loaning Nigeria money to pay the salaries of her workers.

There is no longer accountability in the country. Those entrusted with the leadership of Nigeria have failed woefully. Many now get away with 'blue murder' because they know that nothing will happen to them. It's like Nigeria is now on auto-pilot. A ship was arrested recently in the creeks of the Niger Delta with illegally obtained crude oil. The arrest was again carried out by Tompolo and his boys. They were offered N25 million in cash to look the other way but they rejected the money. The arrested ship was handed over to the Navy and less than 24 hours later, it was set ablaze with its cargo. Who gave the order for the ship to be destroyed? Was it done to conceal facts and give a soft landing to those behind the seized ship and cargo? Also recently, a 3-million capacity supertanker, MV Heroic Idun, illegally loaded with crude oil in the Niger Delta, sneaked into the nation's territorial waters, curiously escaping the efforts of the Nigerian Navy to stop it. It was the Navy of Equatorial Guinea that later arrested the ship.

The perpetrators of the horrendous oil theft in the region are varied and contentious. They allegedly include unscrupulous elements from local gangs, communities, and even religious groups. However, the bigger thieves are the political and economic elites who use superior technology and experts to drain off about 40 per cent of our crude oil production output. The alleged involvement of security operatives in criminal sabotage and illegal bunkering is also no longer surprising. Remember that in 2019, Governor Nyesom Wike of Rivers State fingered even a commanding General Officer in the scandalous theft of crude oil in Rivers State. What came out of his revelation? Nothing. Aside the GOC mentioned by Wike, it is a known fact that many of our security agents posted to the region, rather than do the job they were posted to do, collude with oil bunkers to carry out several atrocities against the Nigerian state. It is so bad that security personnel now lobby to be posted to the region as it is certain for them to become millionaires within a few months and they are not bothered if they are caught and dismissed from service. They would have already been made for life.

Why is it difficult to track our oil? Is it rocket science to detect when anybody tampers with our crude oil pipelines? Bashir Jamoh, Director General of the Nigerian Maritime Administration and Safety Agency, NIMASA, after a weekly ministerial meeting in Abuja recently, said that plans are now underway to deploy round-the-clock surveillance to watch for oil theft. He said that the operation would include manned and unmanned aircraft, helicopters, ships, and armored vehicles, all connected to a headquarters known as the C4i Centre. Jamoh said selected officers from the agency were undergoing three weeks of training in Italy to enable them to operate the aircrafts for the monitoring, adding that

the drones "can move up to 100 kilometers and can stay in a place for 10 hours, taking data and sending it to our own operations centres for possible intervention." This, coming from Jamoh, tells a tale of a nation that is not serious about solving the theft in the oil industry. There is nowhere in the world where oil-producing nations do not know how much crude they produce, with proper monitoring systems put in place from day one. The technology that Jamoh is just planning to install, Femi Falana, SAN, alleges, had been bought several years ago for close to N50 billion but was either not installed or the system was compromised.

Saudi Arabia, an oil-producing country like Nigeria, has a Command Center where every single litre of crude produced in the Kingdom at any given time is known and the movement of products is monitored. In Nigeria, we are not bothered with accountability and transparency. It is better to produce strong individuals than strong systems. State governors are now complaining that the NNPC Limited is not remitting enough revenue to the federation account. Money that should be shared by the three tiers of government in the country is now being used to fund subsidy payments for refined petroleum products imported into the country. In essence, what the NNPC Limited does now is to sell the little crude oil left to it by the big boys to fund the importation of refined products into Nigeria. I weep for this country. Nasir El-Rufai, Governor of Kaduna State, has joined me in weeping for a nation that has been messed up by greedy elites who are all after enriching their pockets in a chop-I-chop style. Having been the main source of revenue in Nigeria, the sale of crude oil, which is now drying up, and has been misappropriated over the years, is now beginning to tell on our national life in monumental proportions. For El-Rufai to be complaining because money going to his state account from the federation account is dwindling is stating the obvious to the common man – that we have been robbed blind of our 'national cake', but I wonder for how long we will be lamenting and doing nothing?

First, the Nigerian state should stop abdicating its responsibility. The incessant award of pipeline protection contracts to non-state actors is a clear case of abdication of state responsibility. Agreed that Tompolo and his boys are doing a good job in the creeks but why do we have the Navy? The Air force, the Army? Are they not supposed to protect our national assets? The protection of Nigeria's territorial waters and surveillance of pipelines are vested in the Navy and the Nigeria Security and Civil Defence Corps, respectively. It is high time they woke up to their responsibilities. These security organisations need be better trained, equipped, and held accountable to ensure that they live up to their mandates, including abhorrence of corruption and collusion with criminals such as oil thieves and pipeline vandals. With oil theft crippling the Nation's economy, President Buhari has now directed the National Security Adviser and other security agencies to investigate and bring to justice, those behind oil theft in the country. Let us hope that the committee constituted to do this will do a thorough job and present workable solutions that will speedily arrest the ugly situation.

Nigeria's stolen oil, the military and a man named Government

By Nduka Orjinmo

A network of illegal oil pipelines being unearthed in Nigeria's Niger Delta region has revealed the extent of oil theft in the country, astounding even the most cynical about Nigeria's obscure but hugely lucrative oil industry. In Delta state, thieves built their own 4km- (2.5 mile) long pipeline through the heavily guarded creeks to the Atlantic Ocean. There, barges and vessels blatantly loaded the stolen oil from a 24-foot rig visible from miles on the open waters. "It was a professional job," said the head of the Nigerian National Petroleum Company Limited (NNPC), Mele Kyari, wading through the swamps as he retraced the slick path during a televised visit to the scene.

Crude oil is Nigeria's main export but production, and revenue, has been dwindling for years because of thieves, authorities say. Oil production fell from 2.5 million barrels per day in 2011 to just over a million in July 2022, according to the regulator. Authorities say more than \$3.3bn (£2.9bn) has been lost to crude oil theft since last year and at a time when other oil producers are having a petrodollars splurge, Nigeria can't even meet its production quota. And it is not that the country can afford to lose money to thieves, it is gripped by widespread poverty and heavily indebted.

Many are saying that the recent discovery of the illegal pipelines confirms long-held suspicions of massive corruption in the sector where there is little transparency.

Nigeria's oil industry has a documented history of corruption, from an unending fuel subsidy scheme where no-one actually knows how much is imported, to the shadowy allotment of oil exploration blocks. That

the heist was discovered by a private security firm and not the authorities has also added to the anger.

But Government Ekpemupolo, known as Tompolo, is no ordinary private security contractor. Tompolo wields enormous influence in the Niger Delta region line. The 51-year-old chief from Gbaramatu kingdom in oil-rich Delta state was in the past involved in



blowing up the very oil pipelines he is now guarding after a controversial 48bn naira (\$110m; £98m) contract from the government at the end of August. He is arguably Nigeria's richest ex oil-militant, was once the country's most wanted man, and at one point even sold the country a fleet of warships. He also knows the geography of the Niger Delta, the oil wells and official pipelines, so many believe his comments about the identity of the thieves. "Many of the security people are involved because there is no way you can load a vessel without settling [bribing] the security people in that region," he told Channels

TV. He also suggested that much of the oil was stolen from precisely those areas where there were army and navy checkpoints. The military has not responded to these allegations, but it is unlikely they will openly contradict a man they have gone into partnership with to crack down on oil theft.

Lucky Irabor, Nigeria's defence chief, who was part of the retinue that toured the oily trail of the thieves, escorted by Tompolo's men, said it was an "eye-opener" and promised an investigation. But it is not the first time Nigeria's security agencies, especially the top brass of the army and navy, are being fingered over oil theft. In January, Nyesom Wike, the governor of neighbouring Rivers state, said a police superintendent



was involved in oil theft in the Emuoha area of the state and wanted him kicked out. In 2019, Mr Wike also accused a high-ranking army commander of engaging in massive oil theft in the state, which was denied. Private security contractors led Nigeria's security personnel to the scene of the huge oil theft

That corruption on this scale happened directly under President Muhammadu Buhari, who also doubles as Nigeria's Petroleum Minister, has undermined his stance on fighting corruption, said Salaudeen Hashim of CLEEN Foundation, an anti-corruption NGO. Mr Buhari was elected on a promise of fighting corruption in 2015, but many question how effective his administration has been. "The extent of the ongoing oil theft might not even be fully known until this administration leaves office in May," one analyst told the BBC.

Since independence in 1960, Nigeria has been ruled intermittently by military officers who seize power through coups, leaving behind a rot of corruption financed through the vast oil and gas industry in the Niger Delta. Postings to the region, to protect oil installations, are considered lucrative by both senior security figures and the rank and file, who lobby and pay bribes to get them, said Mr Hashim.

"Once there, it is a race to the bottom to accumulate illegal wealth," he added. The recent burning of a vessel seized on allegations of carrying 650,000 litres of stolen crude oil in Delta state has also raised eyebrows. Many questioned why security operatives were so swift to destroy the evidence – part of Tompolo's recent success – but Nigeria's defence chief said as the seized ship was smuggling stolen oil, no investigation was needed. Tompolo's motivation for the crackdown on crude-oil theft has left many bewildered. He is getting paid for it, and has spoken glowingly of his love for Nigeria and the Niger Delta environment, but this is the same Tompolo, many say, who blew up oil pipelines in the past. As one expert pointed out, the illegal oil pipelines being unearthed by Mr Tompolo have so far been in Delta state, where he wields enormous power. It is unlikely that anyone would have peacefully operated such facilities in his territory for years without his knowledge, they said. In the past there have been deadly clashes between security forces and armed militants operating in the region but things have been relatively calm for years, and many say underneath that is an agreement by both sides not to interfere with the other's "business". The only losers, it would seem, are law-abiding Nigerians, and perhaps, the oil firms. Not that they will get much sympathy in the country