

OPEC bulletin

6-7/21



**Nigeria
and
OPEC:
50 years of
partnership**



Special Edition



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Nigeria and OPEC: 50 years together

Commentary

The histories of OPEC and Nigeria have been entwined for the past 50 years. It was on July 12, 1971, that Nigeria became the 11th Member of OPEC, with the OPEC Conference unanimously agreeing to accept the country's application for Membership.

Looking back on that historic day in Vienna, it was a seminal moment for the country and for OPEC, the first sub-Saharan African nation to join the Organization. The 'Giant of Africa' and a country at the heart of the continent joined OPEC Member Countries as they embarked on ensuring their sovereign rights over their natural resources, through various negotiations and landmark agreements.

For Nigeria and OPEC, it has at times been a rollercoaster journey, with various market cycles being negotiated, and unexpected events, such as macroeconomic uncertainty, natural catastrophes, geopolitics, technological innovations and especially in 2020/21, global health pandemics, threatening to throw OPEC off course.

The links and symbiosis between Nigeria and OPEC are too numerous to mention in their entirety now, but I often think part of the explanation of the successful partnership goes back to the creation of OPEC. The Organization was born on September 14, 1960, in the Al-Shaab Hall in Bab Al-Muaadham in Baghdad. A mere 17 days later, on October 1, 1960, Nigeria proclaimed its independence and a new era was entered into. The destiny of the two were inter-linked from this point in time.

Since joining OPEC just over a decade later, Nigeria has played a major role in driving the Organization's focus on cooperation, goodwill, a sense of belonging and unity, and in working towards achieving oil market stability, conscious of the benefits this brings to both producers and consumers.

A leader in this regard, is Nigeria's President, Muhammadu Buhari. At OPEC, we very much consider President Buhari as 'one of our own.' An OPEC veteran, he has been heavily involved in the Organization's affairs for decades and is currently the only serving Head of State in the world who made his career by being intensely involved in the OPEC family.

President Buhari has maintained his avid interest in our Organization and we all draw inspiration from his commitment. This has been evident through his invaluable contributions to the ongoing successful implementation of the 'Declaration of Cooperation' (DoC), and his continued support over the past year or so as participants in the DoC have navigated the stormy waters swirling the oil market as a result of the COVID-19 pandemic. He is a tremendous credit to Nigeria as a voice of reason, and through his integrity and patriotic dedication.

The *OPEC Bulletin* talks to President Buhari (see page 4) about Nigeria, OPEC and the 50-year anniversary. His comments underscore the importance of OPEC to the development of Nigeria's oil industry, and the value created from fostering closer relationships.

Nigeria enjoys world renown as a consensus builder and deal maker, and this has been clearly on display throughout its five decades in OPEC. One other person unmistakably stands

out from this perspective: the late, great Dr Rilwanu Lukman. For many decades, Dr Lukman was integral to OPEC: they went hand-in-hand. He served as President of the OPEC Conference between 1986 and 1989, and then again in 2002, and was Secretary General from 1986–88 and between 1995 and 2000.

He was a true visionary. He was central to the evolution of OPEC and non-OPEC relations; helped develop the producer-consumer dialogue; and managed OPEC's participation with Member Countries in the very early United Nations COP meetings on the environment, to name just a few of his achievements. Dr Lukman of blessed memory was easily the most decent soul I ever met. He was the embodiment of integrity and humility, yet the most successful oil technocrat of his generation. He is a Nigerian and an OPEC legend; a leader, but at the same time a great listener who was humble, kind and fair. The *OPEC Bulletin* looks back at Dr Lukman's history (see page 52).

Other key stakeholders also offer their thoughts in interviews with the *OPEC Bulletin*, including Timipre Sylva, Nigeria's Minister of State for Petroleum Resources (see page 18), whose tireless work with the industry, and his active engagement with fellow ministers and other stakeholders, have seen him become a voice for consensual solutions in helping the Organization and the DoC reach key decisions.

Looking back at the story of Nigeria's 50-year association with OPEC makes me feel both proud and humble. I am tremendously proud of how far the relationship has come, and how important the two have been to each other. I have Nigeria in my heart, it is where I am from, but OPEC has also become part of my DNA. And I am extremely humbled to follow in the footsteps of the giants of the Nigerian oil industry and OPEC.

There are two Nigerian proverbs that seem apt at this 50-year juncture:

"A single man cannot build a house," and
"A single tree cannot make a forest."

It is the people that have served Nigeria and OPEC that have been vital to the relationship that has been forged, and the strength and solidarity of its Members make the whole greater than the sum of its parts.

Inclusiveness and working together has wrought great mutual respect among OPEC Member Countries, and now through the DoC. Nigeria has been an integral bridge builder over its first 50 years of Membership; here is to 50 more years to come!

Mohammad Sanusi Barkindo
OPEC Secretary General



Mohammad Sanusi Barkindo.



4



10



52

Nigeria Special 4 Muhammadu Buhari, GCFR, President of the Federal Republic of Nigeria

Conference Notes 10 Short, but significant

Nigeria Special 18 Timipre Sylva, Minister of State for Petroleum Resources

22 Dr Edmund Daukoru, former Nigerian Minister of State for Energy and OPEC Secretary General in 2006

24 Dr Emmanuel Ibe Kachikwu, former Nigerian Minister of State for Petroleum Resources

26 Dr Omar Farouk Ibrahim, Secretary General of the African Petroleum Producers Association (APPO)

30 Dr Adedapo Odulaja, Nigeria's Governor for OPEC

32 Amal I Pepple, CFR, former Nigerian Governor for OPEC

34 Danladi Irmiya Kifasi, former Nigerian Governor for OPEC

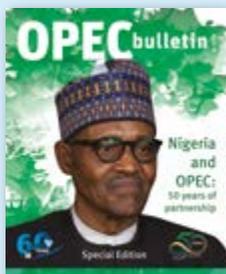
36 Goni Musa Sheikh, former Nigerian Governor for OPEC

38 Mele Kyari, Nigerian National Representative to OPEC

39 Mike Olorunfemi, former Nigerian National Representative to OPEC

40 Ndu Ughamadu

42 Nigerian OPEC Conference Presidents



Cover

This month's cover reflects 50 years of partnership between OPEC and Nigeria (see Nigeria Special starting on page 4). Cover image courtesy Reuters.

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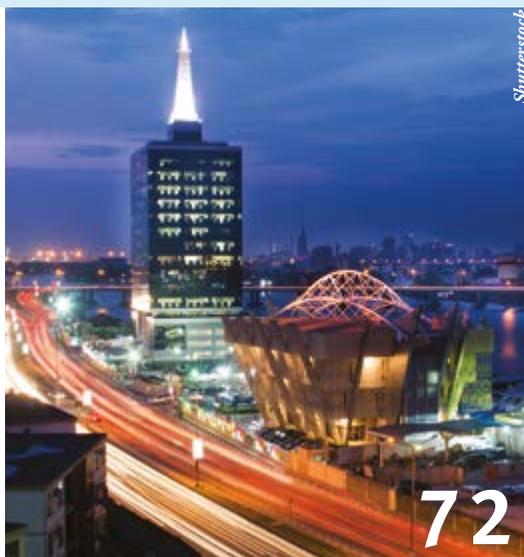
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OPEC Membership and aims

OPEC is a permanent, intergovernmental Organization, established in Baghdad, on September 10–14, 1960, by IR Iran, Iraq, Kuwait, Saudi Arabia and Venezuela. Its objective – to coordinate and unify petroleum policies among its Member Countries, in order to secure a steady income to the producing countries; an efficient, economic and regular supply of petroleum to consuming nations; and a fair return on capital to those investing in the petroleum industry. Today, the Organization comprises 13 Members: Libya joined in 1962; United Arab Emirates (Abu Dhabi, 1967); Algeria (1969); Nigeria (1971); Angola (2007); Equatorial Guinea (2017). Ecuador joined OPEC in 1973, suspended its Membership in 1992, rejoined in 2007, and suspended its Membership again on December 31, 2019. Qatar joined in 1961 and left on December 31, 2018. Indonesia joined in 1962, suspended its Membership on December 31, 2008, reactivated it on January 1, 2016, but suspended its Membership again on December 31, 2016. Gabon joined in 1975 and left in 1995; it reactivated its Membership on July 1, 2016. The Republic of the Congo joined the Organization on June 22, 2018.



Nigeria Special



- 46 Nigerian OPEC Secretaries General
- 48 Nigerian Governors for OPEC
- 50 Nigerian OPEC Secretariat Staff
- 52 Dr Rilwanu Lukman: A true Nigerian and OPEC legend
- 56 Shared values: OPEC and Nigeria's successful partnership
- 64 Opportunities and new approaches
- 72 Nigeria: an overview
- 74 Abuja: the rise and rise of a modern city
- 82 Nigeria: Unique diversity and thrilling culture
- 88 Nigerian initiatives to reduce energy poverty

- Spotlight** 94 OPEC expands dialogue series to Africa

- Forum** 98 OPEC holds third Energy and Information Technology workshop

- OPEC Fund News** 102 Food security boosted in Burundi
More power for Madagascar

- Market Review** 107 World oil market prospects for 2H2021

- OPEC Publications** 113 Reading material about OPEC



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The *OPEC Bulletin* welcomes original contributions on the technical, financial and environmental aspects of all stages of the energy industry, as well as research reports and project descriptions with supporting illustrations and photographs.

Editorial policy

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*The OPEC Bulletin is extremely grateful to Nigerian President, **Muhammadu Buhari**, for agreeing to an interview to support the celebration of Nigeria's 50-year anniversary of OPEC Membership. President Buhari, as noted by OPEC Secretary General, **Mohammad Sanusi Barkindo**, is considered 'one of our own' having being closely involved, or having followed, OPEC affairs for over 45 years.*

Muhammadu Buhari, GCFR, President of the Federal Republic of Nigeria



The 48th Meeting of the OPEC Conference, Doha, Qatar, December 15–17, 1976. Colonel Muhammadu Buhari (c), Commissioner for Petroleum, NNPC, and Head of the Nigerian Delegation from 1976–78, at present the Head of the State of Nigeria.

Buhari was Nigeria's Commissioner for Petroleum, NNPC, and its Head of Delegation to OPEC from May 1976 to September 1978, and the country's Head of State from 1983 to 1985 and from 2015 to the present day. He is also currently the Federal Minister of Petroleum Resources. Steeped in the history of OPEC, its workings, its objectives and its consensus building, Buhari has been a key supporter and contributor to the 'Declaration of Cooperation' (DoC) that has been a major factor in aiding market rebalancing and helping return sustainable stability, desired by both producers and consumers.



Nigerian President
Muhammadu Buhari.

Question: *How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?*

Answer: It is important because without OPEC the oil industry would have been in a chaotic situation where the winner takes all. Many countries, like Nigeria, would not have been able to develop their oil industry due to stiff competition. However, the good collaboration between OPEC Member Countries has made it possible to accommodate both the weak and strong players in the oil production industry. This has been very important, and a catalyst, to the development of Nigeria's oil industry.



*President Buhari (r),
with Mohammad
Sanusi Barkindo, OPEC
Secretary General.*



*President Buhari (r),
with Vice President Yemi
Osinbajo.*



Mr President, you have been witness to many great moments in OPEC's history, and Nigeria's role in these, as a leader and bridge builder over the past five decades. Are there any specific key moments you would like to share?

Whatever I have been able to contribute is through the help of Allah. Yes, I was the Minister of Petroleum Resources from 1976 to 1978. I was also the Head of State between 1983 and 1985, as well as the current President of the Federal Republic of Nigeria. All these positions have put me in the direct path of influencing oil developments in Nigeria, as well as contributing to the history of OPEC. It is suffice to just say Alhamdulillah.



President Buhari (l), with Russia's President, Vladimir Putin.

Reuters



President Buhari (r), with Germany's Chancellor, Angela Merkel.

Reuters

Under your leadership, the 'Petroleum Industry Bill' (PIB) is currently moving through the National Assembly. How important is this to Nigeria's oil and gas sector?

The Nigerian oil and gas industry needs reinvigoration in the presence of the global uncertainty and the threats surrounding the industry. This is the purpose of the PIB. We need more investment to be able to derive optimal benefits from these natural resources. We need a better enabling environment for growth in the industry. We need to take better care of the host community. We need to be more environmentally conscious. And so

on. The PIB is focused on all these, and more. We are making every effort to ensure that it is passed very soon by the National Assembly.

As President, you have kept faith with the need for continued investments in both oil and gas during the COVID-19 pandemic, and with the need to develop

"... it must be acknowledged that being a Member of OPEC has facilitated closer relationships and fostered bilateral cooperation in other fields and industries."



President Buhari (r), with French President, Emmanuel Macron.

human capacity, local content and technology development. How vital will this be in a post-COVID world?

The pandemic has come, and it will go, just like any other similar incident, but life will continue. We must constantly look ahead and plan for the future to ensure that we do not get caught off guard. This is why we have to keep investing and strengthening our local capability, both in technology and human resources.

What have been the wider consequences of Nigeria's OPEC Membership for its bilateral relations with other OPEC Member Countries?

Bilateral relations with individual OPEC Member Countries remain bilateral, distinct from our collective role as OPEC Members. However, it must be acknowledged that being a Member of OPEC has facilitated closer relationships and fostered bilateral cooperation in other fields and industries. This is not unexpected, as we all seek the good of ourselves by identifying areas where we can be of help to one another.



President Buhari (l), with former IMF Managing Director, Christine Lagarde.

Short, but significant



HRH Prince Abdul Aziz Bin Salman Al Saud, Saudi Arabia's Minister of Energy and Chairman of the 17th OPEC and non-OPEC Ministerial Meeting (ONOMM).

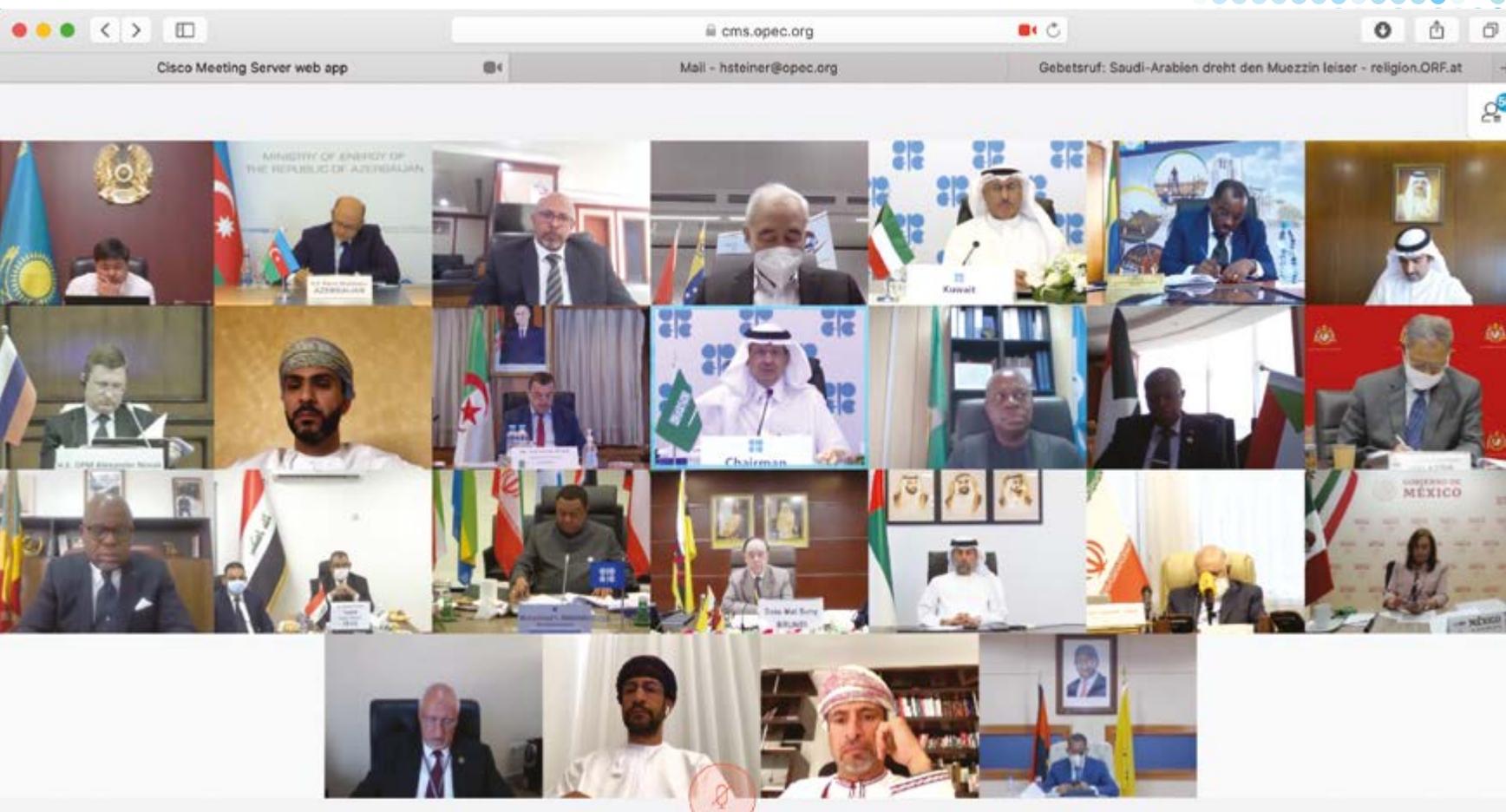
The 17th OPEC and non-OPEC Ministerial Meeting acknowledged the improvement in market fundamentals and the outlook for the rest of 2021, while affirming the importance of regular monitoring. The OPEC Bulletin reports.

It may have been brief, but the 17th OPEC and non-OPEC Ministerial Meeting (ONOMM) on June 1, 2021, was not short on substance.

Ministers of the 'Declaration of Cooperation' (DoC) participating countries met for the fifth time in 2021 amid signs of steadily improving market fundamentals aided

by the accelerating pace of the global economic recovery and COVID-19 vaccinations.

HRH Prince Abdul Aziz Bin Salman Al Saud, Saudi Arabia's Minister of Energy and Chairman of the ONOMM, opened the meeting by referring to the decision taken by the participating countries two months earlier — at the

Delegates to the 17th ONOMM.

15th ONOMM — to adjust upward the production levels for May, June and July.

Since then, Prince Abdul Aziz said: “The demand picture has shown clear signs of improvement. The oil market has welcomed the additional supplies, a clear indication that the direction we took was the correct one.” He added that the encouraging economic data from China, the US and Europe and the vaccine rollouts have contributed to the brighter outlook.

“However, there are still clouds on the horizon and, therefore, we should continue to consult and closely monitor the market fundamentals and be proactive to ensure market stability,” Prince Abdul Aziz noted.

Stepped-up monitoring to continue

During the meeting, the Ministers agreed to maintain the earlier plan for the upward output adjustment levels for July. They also emphasized the need to continue to closely monitor the market and to maintain their monthly meetings, which have become a fixture of the DoC’s massive stabilization efforts throughout the pandemic.

Dr Diamantino Pedro Azevedo, Angola’s Minister of Mineral Resources and Petroleum and President of the OPEC Conference, also referred to the key outcomes of the 15th ONOMM on April 1, noting that they have “proven both reasonable, and judicious.”



Dr Diamantino Pedro Azevedo, Angola's Minister of Mineral Resources and Petroleum and President of the OPEC Conference.



Alexander Novak, Co-Chair of the meeting and Deputy Prime Minister of the Russian Federation.



Mohammad Sanusi Barkindo, OPEC Secretary General.

Azevedo also pointed to the potential risks related to the pandemic as evidenced by the surge in reported COVID-19 cases in some regions and despite the relaxation of containment measures in the US and Europe.

“Uncertainties remain,” he said. “We still have clouds on the horizon. Over the past month we have seen a rise in COVID-19 cases in a number of countries, such as India, Japan and Brazil. This is evidently having an impact on oil demand, particularly in the Asian region, which needs to be monitored carefully.

“There has also been much talk of the spread of new COVID-19 variants and the potential impact on the recovery process, and we also need to be watchful of such issues as sovereign debt levels in some regions, inflation, central bank responses, and the return of oil supplies to the market,” Azevedo said.

‘We have never stood back’

Speaking to the 30th Joint Ministerial Monitoring Committee (JMMC) meeting that preceded the ONOMM, OPEC Secretary General, Mohammad Sanusi Barkindo, highlighted the efforts of the DoC and the unprecedented

market stabilization efforts undertaken by the 23 participating countries.

“Month-on-month, the actions of the Declaration of Cooperation continue to support the rebalancing process,” he said, referring to its role during the pandemic and since the framework’s inception in December 2016.

“From the very beginning of the Declaration of Cooperation, we have never stood back and waited to act. Rather, we have worked proactively and with determination, and our efforts to restore oil market balance and stability continue to bear fruit. I look forward to the work before us today, and to our continued and valued cooperation going forward.”

Barkindo also said he was encouraged by the multilateral commitments to help developing countries acquire sufficient vaccines, thus improving the chances of “a durable and inclusive recovery.” On the day of the DoC meetings, the total number of vaccines administered globally reached 1.9 billion, though wide gaps remained between rates in developed and many developing countries.

Alexander Novak, Deputy Prime Minister of the Russian Federation and Co-Chair of the ONOMM and



Delegates to the 17th ONOMM.

JMMC, also referred to the DoC's efforts to support the crude oil market during the pandemic.

"Last year was indeed very special," Novak said at the opening of the ONOMM, "and we have all managed to go through this difficult period and managed the challenges that the market have thrown at us. Moreover, we have managed not just to pass through this period, but we have managed to preserve the key resources we have: trust, confidence and cooperation."

The power of brevity

The brevity of the 17th ONOMM deliberations — less than half an hour, according to Prince Abdul Aziz — was very much a topic of conversation during a news conference following the meeting.

The ONOMM was a sharp contrast to previous DoC gatherings since the beginning of the pandemic, with discussions stretching over hours and on occasion, spilling into a second day. The June 1 meeting symbolized the progress since the 10th (Extraordinary) ONOMM on April

12, 2020, which led to unparalleled production adjustments in the response to a freefall in global oil demand that occurred as the COVID-19 crisis unfolded.

Prince Abdul Aziz, speaking at the news conference, alluded to the day's swift decision-making and the earlier meetings of the JMMC and Joint Technical Committee (JTC), which held its 52nd session on May 31.

"I have to start by congratulating both the JTC and JMMC," Prince Abdul Aziz told journalists. "They have done incredible work both in terms of efficiency and in terms of being decisive." He added: "I do not recall an OPEC-plus meeting that went on for less than half an hour."

The wide-ranging news conference was equally brief compared with recent exchanges, lasting 31 minutes. Some 60 journalists participated, with questions focused on investment, climate policy, pipeline security and the prospects for rising inflation as the world rebounds from the pandemic-induced recession. Around 900 viewers watched the ONOMM opening session on OPEC's broadcast channels.

Speaking: CHAIRMAN



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Participants

Chat

Press conference following the 17th ONOMM.

Hasan Hafidh, Head, PR and Information Department, attending to the press.

Comforting the market

Prince Abdul Aziz stressed during the news conference the importance of the continued monitoring efforts to help support sustainable market stability.

“To the comfort of the market, we have re-installed monthly meetings with the view that we want to give the market assurance and the comfort that we will continue to be attentive and continuously monitoring the situation,” he said, adding, “We will not leave this market exposed to lack of attention.”

Also during the 17th ONOMM, the ministers welcomed the positive performance of the DoC participating countries, noting that conformity to the production adjustments was 114 per cent in April. They also reiterated the importance of adhering to full conformity, and taking advantage of the extension of the compensation period until the end of September 2021, as requested by some countries.





The OPEC Secretariat team at the 17th ONOMM.



17th ONOMM: Fifth meeting of 2021

The 17th ONOMM on June 1 marked the fifth such meeting within the DoC framework in 2021, and the sixth each for the JMMC and JTC.

In 2020, there were seven JMMC meetings and ten JTC meetings. Moreover, a total of nine OPEC and non-OPEC Ministerial Meetings and two OPEC and non-OPEC technical meetings were held in 2020 under the umbrella of the DoC.

All of the meetings since April 2020 have taken place remotely because of the COVID-19 pandemic.



Timipre Sylva,

Minister of State for Petroleum Resources



Nigeria is consistently regarded as one of the most admired and respected Members of the OPEC family, particularly in the realm of consensus-building. Timipre Sylva, Minister of State for Petroleum Resources, fits this description aptly. Most recently on his mission as Special Envoy of the Joint Ministerial Monitoring Committee (JMMC) to Congo, Equatorial Guinea, Gabon and South Sudan, he has helped work towards ensuring transparency and full conformity to production adjustments.

Sylva has worked tirelessly for his country, has become an influential voice for consensual solutions and helped the Organization and the 'Declaration of Cooperation' (DoC) participants reach key decisions. The OPEC Bulletin talks to him about Nigeria's history in OPEC, his role as Minister and Head of Delegation to OPEC, and the possibilities for the Nigerian petroleum industry in the coming years.

Question: What impact has Nigeria's Membership of OPEC had on the country's oil development over the past 50 years?

Answer: The decision taken by Nigeria in 1971 to become a Member of OPEC was a thoughtful one that has greatly enhanced the development of the oil industry in Nigeria, enabled the country to contribute to the survival of the industry globally, and placed the country among the comity of nations engaged in the noble duty of stabilizing the oil market for the benefit of all — producers, consumers and investors alike.

In essence, Nigeria has also benefited greatly taking into consideration that the economy of the country highly depends on revenue from oil. The growth of the industry in Nigeria has also been greatly supported through the adoption and appropriate coordination of relevant policies among OPEC Member Countries, sharing of knowledge through bilateral and multilateral fora, as well as technical meetings and workshops.

To expatiate further on this, the oil industry has gone through a number of turbulent cycles that have caused price collapses and instability. The grave effects of this instability on the economy of the country and investment in the oil industry are unforetold, and would have been unbearable, but for the timely and decisive interventions by OPEC.

You have been Nigeria's Minister of State for Petroleum Resources since August 2019. In this period how significant has OPEC, and the broader DoC, been to oil market stability and the rebalancing process, particularly on the back of the COVID-19 pandemic?

Yes, I took office just a few months before the devastating COVID-19 was declared a pandemic. I believe the oil industry is lucky that the DoC was already in place before the pandemic. Otherwise, it would have taken some time for a coordinated approach to be put in place to tackle the devastating effect of the pandemic on the oil industry. More grave damage would have been done to the industry, which would have seriously affected the economy of producing countries, in particular.

There is no denying the fact that COVID-19 has had a negative impact on the global economy. The oil industry has experienced hard times in the past and has learned to adapt, to survive, and to thrive under extreme conditions. The COVID-19 period is no exception — thanks to the prompt, bold and decisive actions taken by OPEC+,

which were widely supported, embraced and appreciated by all stakeholders in the industry.

Nigeria has really stepped up on delivering its production adjustments over the past year or so. How important has this been?

Nigeria was one of the exempted participating countries when the production adjustments were agreed upon under the DoC in late 2016. This exemption, which lasted the years 2017 and 2018, was in recognition of the chronic unrest in the country's oil producing region that saw Nigeria's crude oil production plunge from over 2.4 million barrels a day (m b/d) in 2005 to less than 1.2m b/d in 2016.

Efforts were still ongoing to restore and stabilize Nigeria's crude oil production to its potential when Nigeria joined the production adjustments in 2019, with a reference level of just 1.829m b/d, from which downward adjustments were to be made. This explains why it took some time and concerted effort for Nigeria to deliver the required production adjustments.

I am however pleased that, with the full backing of President Muhammadu Buhari, as well as cooperation between all stakeholders, Nigeria, as you rightly noted, has been able to fully conform to the required production adjustment and also compensate for past overproduction. This achievement is important to Nigeria, not only as the highest oil producing African Member of OPEC, but also as the most populous member of the Organization.

In March, you took the role of Special Envoy of the JMMC in shuttle diplomacy to Congo, Equatorial Guinea, Gabon and South Sudan to discuss matters pertaining to conformity levels with the voluntary DoC production adjustments and compensation of over-produced volumes. How vital is the unity and commitment of each and every participant in the DoC?

This was really due to Nigeria's stellar performance in conforming to the agreed production adjustment, as well as compensating for past overproduction.

As I reiterated in my messages during the shuttle diplomacy, my mission was a moral one, in line with the principles of fairness that underline the DoC decisions. The timely, bold and decisive actions by the DoC nations saved the oil industry from total collapse due to the COVID-19 pandemic, resulting in higher revenues for producing countries, despite the production adjustments.

It is therefore only morally fair for all participating countries to conform to the required production adjustments and compensate for any over-production as agreed. This is vital to maintain the unity and spur the commitment of each country participating in the DoC, which will send a strong message to the market about our determination to stabilize the oil market for the benefit of all.

The 'Petroleum Industry Bill' (PIB) that seeks to comprehensively reform Nigeria's oil and gas industry is currently moving through the National Assembly. What role will this play in the future development of the country's oil and gas sector?

The objectives of the PIB are to improve the fiscal, operational, environmental and regulatory efficiency in the operations of the Nigerian petroleum industry. The aim is to enhance effectiveness and transparency.

It is important to note that the capital-intensive oil and gas industry has been struggling to attract adequate investment in recent years. The enactment of this Bill will definitely play a major role in the future development and survival of the industry in Nigeria, through generating increased foreign interest and much needed investment, for the economic benefits of the country. This is very critical in view of the much touted energy transition that could strand some fossil energy reserves worldwide in the not too distant future. The new law will also refocus the industry in Nigeria from a predominantly oil based industry to gas.

How do you see Nigeria's oil production developing in the coming years and decades?

When talking of the energy transition, it is vital to appreciate that oil and gas will continue to be needed and remain important components of the energy mix in the decades to come. Gas will be our new focus especially considering our gas endowments (between 203 trillion

cubic feet (tcf) and 600 tcf of potential reserves). This, of course, is for a developing country in Africa, and where energy poverty is still prevalent.

Nigeria therefore does not intend to relent on rigorously pursuing the development of its oil and gas

industry and increasing production to meet our increasing need in order to improve access to regular energy for our economic advancement. This actually informs our renewed efforts to ensure the passage of the PIB to improve investment and increase production.

Under the leadership of President Muhammadu Buhari, Nigeria has underscored that 2021-to-2030 will be the 'Decade of Gas'. Could you provide more details on how this is expected to unfold?

The goal of Nigeria's gas policy is to ensure that gas development is undertaken in accordance with Nigeria's socio-economic development priorities. The aim is to position Nigeria competitively in high value export markets, guarantee long-term energy security in the country, and boost the domestic gas market in order to obtain maximum revenue from this resource across the value chain. Hence the declaration of 2021-to-2030 as the 'Decade of Gas' by Mr President.

The actualization of this declaration will be vigorously pursued on many fronts. These include:

- Converting the massive amount of gas being flared now to energy for Nigerians at affordable rates with the commencement of the Nigeria Gas Flare Commercialization Program (NGFCP). The NGEP is designed to reinforce and expand domestic gas supply and stimulate demand in the country through the effective and efficient mobilization and utilization of all available assets, resources, and infrastructure;
- Stimulating the multiplier effect of gas in the domestic economy through the National Gas Transportation Code by building a significant network of additional gas pipelines;
- Implementing strategies geared towards harnessing Nigeria's vast gas resources by removing barriers to investment and development in the gas sector;
- Driving the institutional reforms and regulatory changes necessary to evolve into a gas-based industrialized nation;
- Developing industrial and transport gas markets, in juxtaposition with gas-to-power initiatives;
- Implementing carefully conceived initiatives to foster productivity and attract investments along the gas value chain; and
- Promoting natural gas usage in Nigeria, thereby creating alternative fuel choices for Nigerians.

“Oil will continue to be an important component of the energy mix for the foreseeable future. It will continue to be needed to power the global economic growth, and to help eradicate poverty which is still prevalent worldwide.”



We believe gas will become the dominant fuel for generating power, and this is not only in Nigeria, but in the whole of Africa too. Our proven gas reserves, the largest in sub-Saharan Africa, fits well with our push for industrial growth and the need for reliable electricity.

Human capacity and local content will be vital for Nigeria going forward, how do you see the proposed Local Content Development and Enforcement Bill supporting this?

Nigeria realized a long time ago that the sustainability of growth in its oil and gas industry largely depends on the development of local capacity. The Nigerian Content Development & Monitoring Board (NCDMB) was established to ensure the adequate participation of local players across the oil and gas value chain, as well as to deepen indigenous capabilities through targeted human capital development.

The high level of local participation at all levels in the oil and gas industry in Nigeria is testimony to the success of the NCDMB.

With all the talk of the energy transition and the need to reduce emissions, what strategies are in place to strengthen Nigeria's position as a global energy player in a low carbon world?

Nigeria is aligned with the global effort to reduce carbon emissions, while also pursuing the United Nations (UN) sustainable development goal that seeks to achieve access to affordable, reliable, sustainable and modern energy for all.

Transitioning to a low-carbon energy future in order to manage the risks of climate change, and broadening

the socio-economic advantages of energy especially to energy poor countries, is a double-edged challenge. Nigeria, notwithstanding its enormous energy deficit, is revolutionizing its energy system to tackle both these challenges head-on. The usage of solar energy is being vigorously promoted across the country, and as noted we are expanding the use of natural gas — a lower carbon emission source — to replace coal or diesel, in order to reduce carbon emissions and improve air quality.

It should, however, be emphasized that oil also has a place in the energy transition in the sense that oil can be made cleaner through the development and use of appropriate technologies. The carbon capture and storage (CCS) technology readily comes to mind here. Strong political will across all countries is required to further develop and deploy this technology, in order to ensure continuous supplies and help eradicate energy poverty worldwide.

How do you see Nigeria's role in OPEC evolving in the coming years and decades?

Oil will continue to be an important component of the energy mix for the foreseeable future. It will continue to be needed to power the global economic growth, and to help eradicate poverty which is still prevalent worldwide.

OPEC's role of stabilizing the oil market for the benefit of all stakeholders fits squarely into this premise, and will continue to be important in the years ahead. Nigeria, as a key player in the industry will continue to lend its full support to the efforts of the Organization to balance the oil market. Nigeria is also fully committed to the objectives of the DoC between OPEC and participating non-OPEC oil producing countries.

Timipre Sylva (c), Minister of State for Petroleum Resources, Nigeria, at the 16th JMMC in 2019, with (l-r): Suhail Bin Mohamed Al Mazrouei, Minister of Energy and Industry, United Arab Emirates; HRH Prince Abdulaziz Bin Salman Bin Abdulaziz Al-Saud, Minister of Energy, Saudi Arabia; Manuel Salvador Quevedo Fernandez, People's Minister of Petroleum, Venezuela; and Mohammad Sanusi Barkindo, OPEC Secretary General.

Dr Edmund Daukoru, former Nigerian Minister of State for Energy and OPEC Secretary General in 2006



Dr Edmund Daukoru was Nigeria's Minister of State for Energy from 2005 to 2007, as well as President of the OPEC Conference and Secretary General in 2006. This included presiding over the 143rd (Extraordinary) Meeting of the OPEC Conference in Abuja in 2006, and the nomination of now OPEC Secretary General, Muhammad Sanusi Barkindo, to undertake the position of Acting for the Secretary General at the OPEC Secretariat in Vienna in 2006.

In this interview with the OPEC Bulletin, Dr Daukoru recalls some of his memories from his year as Conference President, and underscores the importance of the Nigeria and OPEC relationship, from an historical perspective and when looking to the future.

Question: How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?

Answer: There is no doubt that Nigeria has benefited from its Membership of OPEC in many ways. These include through sharing technical know-how with other Members, exchanging views on policies, as well as evolving a better understanding of the global oil market. Most importantly, Nigeria's Membership of OPEC has given the country the opportunity to participate in the important goal of the Organization to stabilize the global oil market, which is a requisite for the survival of the industry, and by proxy, the survival of a country like Nigeria that heavily depends on revenue from oil production.

All these underline the importance of Nigeria's OPEC Membership to the country's oil development over the past 50 years.

You served as both OPEC Secretary General and Conference President in 2006, which included an OPEC Ministerial meeting in Abuja. What were the highlights of your year in office?

It was a great honour to have served in these positions. Despite the enormous challenges during that time, I am glad that we were able to withstand the storm and contribute our little part to the survival of the global oil industry. I must at this point give credit to my staff at both the Ministry of Petroleum Resources and the OPEC Secretariat for their hard work and support, without which the success would have been impossible.

There were many important highlights worthy of mentioning, but I will just mention two for now. The hosting of the 143th (Extraordinary) Conference in Abuja in 2006 was one of them. Despite the challenges, we were able to pull through this remarkable event



Dr Edmund Daukoru (c), Minister of State for Petroleum Resources, Nigeria, at the 132nd Meeting of the OPEC Conference in 2004; with Mohammad Sanusi Barkindo (l), then Nigeria's National Representative on OPEC's Economic Commission Board (ECB); and Ms Amuna Lawan Ali, Nigerian Governor for OPEC.

with great success and simultaneously commemorate Nigeria's 35th year of OPEC Membership.

Another important highlight is that the oil industry was facing many challenges when I assumed the Presidency of the OPEC Conference on January 1, 2006. The challenges actually began around April 2004. This had to do with rising oil prices due to a combination of factors, contrary to what the industry usually faces. Prices rose from below \$30/b to over \$70/b by the second half of 2006. Member Countries had to make huge investments to raise production in order to cool the market. This was a true demonstration of OPEC's exceptional role that considers not only the interests of producers, but also the interests of consumers.

How do you see OPEC, and Nigeria's role in it, evolving in the coming years and decades?

OPEC's position in the oil production business is gradually slipping with countries like the US becoming major oil producers. However, the role of OPEC in helping to stabilize the oil market remains important and necessary. The implication is that OPEC will need the collaboration of non-OPEC producers to enable it to continue playing that role. Hence, the recent 'Declaration of Cooperation' will need to be strengthened and widened for the survival of the oil industry. This evolution

will have to become a permanent feature. In that sense, Nigeria's role will continue to be important as the largest oil producer in Africa, and to serve as a rallying point for other African producers. ■■

"There is no doubt that Nigeria has benefited from its Membership of OPEC in many ways. These include through sharing technical know-how with other Members, exchanging views on policies, as well as evolving a better understanding of the global oil market."

Dr Emmanuel Ibe Kachikwu, former Nigerian Minister of State for Petroleum Resources

Dr Emmanuel Ibe Kachikwu is Nigeria's former Minister of State for Petroleum Resources. He was in the position from November 2015 to May 2019, which included a period as OPEC Conference President at the end of 2015. Dr Kachikwu was involved in the bringing together of participating countries to the 'Declaration of Cooperation' (DoC) in 2016, and in its implementation from the start of 2017 onwards.

The OPEC Bulletin talks to Kachikwu about Nigeria and OPEC over the decades, his time as Minister, as well as his views on OPEC, and Nigeria's role in it, in the years ahead.

Question: *How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?*

Answer: OPEC as an Organization has added unquantifiable benefits to Nigeria's oil policy and income harnessing stability. It has, of course, also helped ensure global energy stability over the last 60 years. Nothing epitomized OPEC's contributions more than its roles during the three cyclical price periods that occurred in the 1970s and in 2015 and 2020. The unity of purpose amongst Members allowed OPEC to resuscitate world petroleum product and market stability, and enabled the sector and various Member Nations' economies survive. The truth is that for countries like Nigeria that depend on crude oil and has over 70 per cent of its foreign exchange income, the absence or failure of OPEC would have been brutal to the local economy and the development of the local oil industry. The oil sector, managed collaboratively within the objectives set by Member Countries of OPEC, has allowed for consistent and premium returns for this commodity

to Nigeria and catapulted our national growth and development over the last 50 years.

As Minister, you were involved in bringing together the DoC back in 2016? How important was the formation of the DoC, and could anyone then have foreseen the success it has had in the years since?

I cannot even fathom what the world of energy producers and their various economies would have been like but for the DoC. Today, I give kudos to all the Member Country Ministers and officials of OPEC who worked with all of us to push forward the embedded decision.

Clearly, before that impetus OPEC was struggling, prices were tumbling down and the US was bringing a lot of pressure to bear on Member Countries singularly and collectively. Antitrust actions against OPEC were being filed in the US and internal Member Country challenges were surfacing. On top of all that, the US, a major market, was achieving not just self-sufficiency on its own internal production, but moving forward

"The DoC could not have come at a better time. We must thank OPEC Member Countries and Russia, as well as other non-OPEC producers, for remaining steadfast to the principles of the DoC."



becoming a net exporter. The shale producers were upending on an already volatile market.

The DoC could not have come at a better time. We must thank OPEC Member Countries and Russia, as well as other non-OPEC producers, for remaining steadfast to the principles of the DoC. In the post-pandemic environment that is emerging, market and price stability have returned. But we must be careful not to create consumer animosity that may follow if prices rise unreasonably high and faster than the global economic recovery. ‘BALANCING’ is the watch word.

How do you see OPEC, and Nigeria’s role in it, evolving in the coming years and decades?

I expect OPEC to remain relevant into the next decade and Nigeria to continue to play a bullish and relevant role in the Organization. Having been given the honour of producing an extremely capable Secretary General to administer the Organization, Nigeria is in a unique position to help navigate and shape the direction of the Organization for the near future.

There are of course many tail winds heading in our direction that will challenge both the relevance and effectiveness of the Organization in the future. These will include the rapid move to cleaner energy options, which should assume momentum by the end of this decade reducing the role of oil as a prime energy source. There

will be increasing non-OPEC based production buoyed by new and cheaper extraction technology and new funds of oil and gas deposits in non-OPEC nations. There will be increasing protectionist policies in consumer countries to limit reliance on OPEC and to boost their energy self-sufficiency. There will be complexities in navigating Member Country disputes and the challenge of not allowing such disputes to hinder OPEC. There will be the challenge of expanding the DoC so that it brings into the cooperation circle more non-OPEC countries to strengthen policies and market direction for mutual interests.

So a lot is coming in our direction as OPEC Members struggle with maintaining relevance in this sector for as long as commercial realities allow. It is time now to begin reassessing the future direction of the Organization. This will allow OPEC to gradually convert into a multi-function institution with a focus on not just policy and market stability, but also a large scale funding, consulting and research Organization able to help Members and new national entrants into the oil sector to grow their production. Whatever may be the direction, I believe that Nigeria will be involved in all of OPEC’s facets of growth and repositioning. 

L–r: Seen at the 7th OPEC Seminar in Vienna, Austria, are Suhail Bin Mohamed Al Mazrouei, UAE; Eng Khalid A Al-Falih, Saudi Arabia; Dr Emmanuel Ibe Kachikwu, Nigeria; HRH Prince Abdulaziz Bin Salman Bin Abdulaziz Al-Saud, Saudi Arabia.

Dr Omar Farouk Ibrahim, Secretary General of the African Petroleum Producers Association (APPO)



Dr Omar Farouk Ibrahim, Secretary General of the African Petroleum Producers Association (APPO), was also the Head of OPEC's Public Relations and Information Department from 2003 to 2009 and Nigeria's Governor to OPEC from November 2015 to the start of 2020.

Well-known in OPEC circles, Dr Ibrahim talks to the OPEC Bulletin about the history of Nigeria's OPEC Membership, his time working at, and with the Organization, and the evolving cooperation between APPO and the Organization.

Question: How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?

Answer: Nigeria had been producing and exporting oil for 15 years before joining OPEC. In those 15 years, the government played a very limited role in the industry, essentially relying on what the key players, the International Oil Companies (IOCs), gave to the government as royalties and taxes. The IOCs fully controlled the industry.

However, with Nigeria's Membership of OPEC in 1971, things began to change. In the first place, as a Member of OPEC, Nigeria felt obliged to domesticate the 1968 OPEC Declaratory Statement of Petroleum Policy in its Member Countries. That Declaratory Statement was essentially an adaptation of the 1962 United Nations Declaration on the Rights of Nations to Permanent Sovereignty over their Natural Resources. The domestication of that policy, coupled with some developments within the country saw successive changes being introduced into the Nigerian oil industry.

Thus, between 1971 and 1979 reforms were introduced in the oil industry on an almost annual basis, 1971, 1973, 1974, 1975, 1977 and 1979. Within eight years, the government came to control 60 per cent of the industry compared to 33 per cent before joining OPEC in 1971.

Furthermore, participating in various OPEC technical, Board and Ministerial meetings has been a form of capacity building for Nigeria's energy policy makers.

You spent seven years as Head of the Public Relations & Information Department at the OPEC Secretariat. What were the highlights of your time there?

I recall my first week in OPEC. The then Secretary General, Dr Álvaro José Silva Calderón, took me to his house to give me a welcome lunch and to discuss my work, as I was to report directly to him. Calderón told me that the Ministerial Conference has been very worried about the negative public perception surrounding the Organization across the world, especially among oil consuming countries. As a result, a team had been constituted to develop a major PR campaign strategy, and that team had worked for over one year and had only recently submitted its report. The report was waiting for me to implement, and there was great expectation on me from the Conference, the Board and the Secretariat. We agreed that I would study the report and submit a memo on

what I would need to implement from the report. I was given two weeks.

But less than one week after the meeting, I went to the Secretary General, and told him I had read the whole report and the appendices. He then asked if I had listed what I needed to assist me to implement the recommendations of the report. I looked at the Secretary General and said, I hope I am not going to disappoint you, giving all the hopes you have on the quick execution of the campaign. He put his pen down and looked me straight in the face, and asked, are you telling me that you cannot execute the campaign?

I said yes, but not because I did not have the capacity to, but because the premise of the study was faulty in the first place. I said it was assumed that OPEC is negatively perceived across the world, but no survey had been conducted to establish public perception among the various publics — Europe, US, Asia, etc. We do not know the level of intensity of negative or positive perception in these countries today, I added. I asked the question: so how do you tell if the campaign has made any difference after two or more years of execution? I said that I believed that the first thing to do is to conduct a perception survey about OPEC in the countries we want to target for the campaign.

Calderón was quiet for some time and he raised his head and said Dr Ibrahim, I understand what you are saying, but I cannot present this to the Board of Governors. They want results. I said, Excellency, I appreciate the urgency required for this project and the great expectations of our governing bodies, but it is not in the interests of the Secretariat to embark on a project whose success cannot be objectively evaluated. We need to know where we stand, I said, before the campaign, when we have executed the campaign for two years or so, and then conduct another survey to see if we are making progress or not.

Calderón was a complete gentleman. He did not insist that I implement the programme. But he had made it clear to me that he could not go back to the Board with any excuse for not implementing its directive. I left his office, went down to my office and held my first departmental meeting. My staff

“APPO sees OPEC as a role model. With over 60 years of continuous service to the oil industry, OPEC has expertise that few can lay claim to. APPO, whose membership constitutes over 50 per cent of OPEC's Members has sought close cooperation and collaboration with OPEC.”

were equally disappointed, but they understood where I was coming from. One of the senior colleagues advised that since I was on probation, I should not take a stand that would alienate me from the Secretary General and the Board.

Not long after that, a member of the Board of Governors came to Vienna and decided to visit the Secretariat. The Secretary General took the opportunity to tell him about what I said about the PR campaign document. The Governor, an academic, understood my position and told the Secretary General so. It was the Governor who took the trouble to talk to his colleagues, and eventually, they agreed that a perception survey be conducted in the countries of interest to OPEC.

That very first difficult decision has remained indelible printed on my mind.

Another highlight was the 143rd OPEC Ministerial Conference that took place in Abuja in December 2006. It was significant in the history of OPEC for three reasons. Although Nigeria had played conciliatory roles in OPEC since it joined the Organization, working hard to ensure harmony at conferences and meetings, nowhere was this diplomatic role displayed as much as at the Abuja Conference.

For many years, the OPEC Conference could not reach a consensus on the right candidate for the position of Secretary General since Calderón finished the first term of Alí Rodríguez Araque on December 31, 2003. That resulted in OPEC not having substantive Secretaries General for three years, from 2004–06.

Another area where consensus could not be reached was the venue of the 3rd OPEC Summit of Heads of State and Government. During the 2nd Summit in Caracas, it was agreed that the Summit should be held every five years in different capitals of the Member States. As 2005 approached, no consensus could be reached. As a result, the year of the 3rd Summit passed without a Summit, and then another year was almost at an end. And finally, for many years, OPEC had wanted large oil producers from developing countries to join the Organization, but not much progress had been made.

All these difficult issues were resolved in the one day meeting in Abuja. A consensus was reached on a new Secretary General, Libya's Abdalla Salem El-Badri, a consensus was reached on the year and venue of the 3rd Summit of OPEC, 2007, Riyadh, and Angola was admitted as a full OPEC Member with effect from January 1, 2007.

That feat was achieved when Dr Edmund Maduebebe Daukoru (His Royal Majesty, King Edmund Daukoru, Amayanabo of Nembe Kingdom since 2008) was Nigeria's Petroleum Minister and Head of Delegation to the OPEC Conference. But the diplomat that made all the shuttling between delegations to bring consensus and move OPEC forward was the same diplomat that worked tirelessly with the support and guidance of the OPEC Conference and other non-OPEC ministers to birth the greatest success in global energy diplomacy, the Declaration of Cooperation, the current Secretary General, Mohammad Sanusi Barkindo. Due to the stalemate on the appointment of a substantive Secretary General, Dr Daukoru, as President and Secretary General of OPEC, had appointed Barkindo as Acting for the Secretary General, to run the affairs of the Secretariat on Daukoru's behalf in 2006.

As the Secretary General of APPO, one of your key focuses is on expanding bilateral and multilateral relations. How important is APPO's relationship with OPEC?

APPO sees OPEC as a role model. With over 60 years of continuous service to the oil industry, OPEC has expertise that few can lay claim to. APPO, whose membership constitutes over 50 per cent of OPEC's Members has sought close cooperation and collaboration with OPEC. We have gone far in establishing a formal structure for this cooperation and collaboration. Other energy organizations from Africa also appreciate the expertise of OPEC.

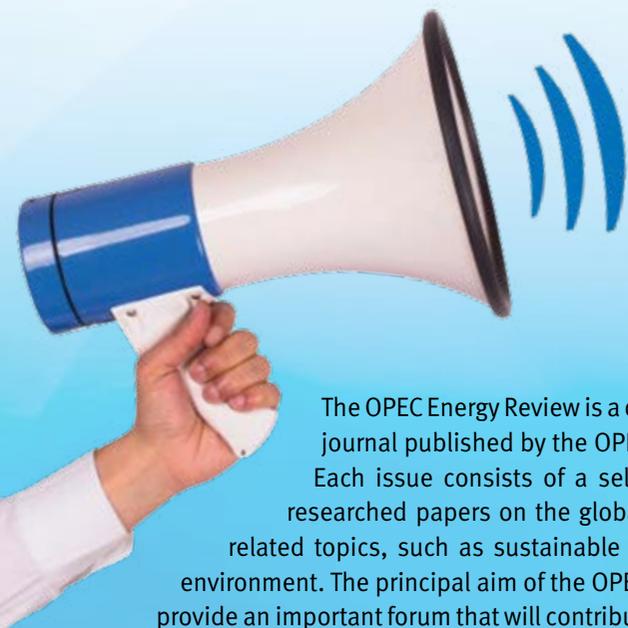
Recognizing the resource constraints of OPEC, and the commonalities of interests of the various energy organizations in Africa, the Africa Energy Commission, a Unit of the African Union, APPO and the African Refiners and Distributors Association, came together to constitute the Africa group to engage with OPEC in what we call the OPEC-Africa Energy Dialogue.

OPEC has established a series of dialogues with key players in the petroleum market, such as the European Union India, China, Russia etc. While most of the dialogues I have mentioned focus on oil market stability, the focus of OPEC-Africa Energy Dialogue is not only on market stability, but some of the distinctive challenges facing the African oil and gas industry.

We are grateful for the support APPO has been receiving from OPEC.



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The OPEC Energy Review is a quarterly energy research journal published by the OPEC Secretariat in Vienna. Each issue consists of a selection of original well-researched papers on the global energy industry and related topics, such as sustainable development and the environment. The principal aim of the OPEC Energy Review is to provide an important forum that will contribute to the broadening of awareness of these issues through an exchange of ideas. Its scope is international.

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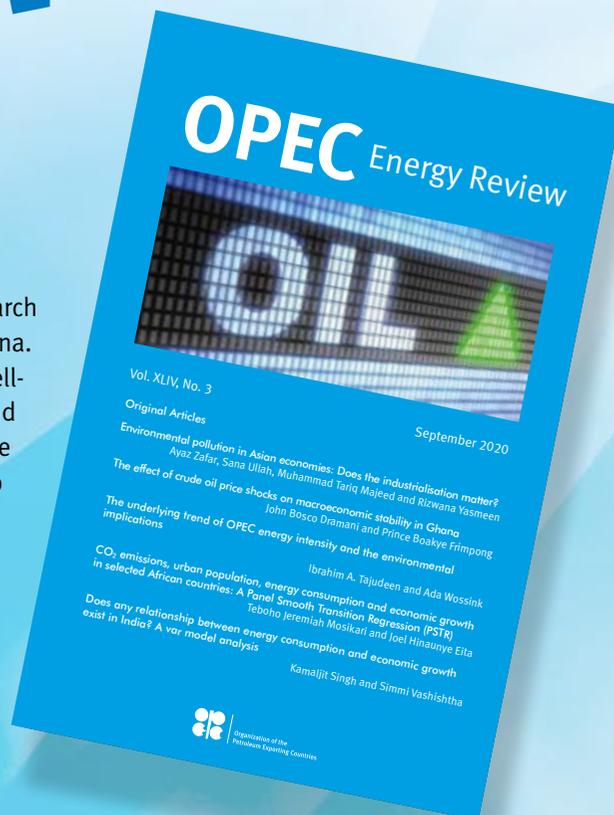
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Dr Adedapo Odulaja, Nigeria's Governor for OPEC



Dr Adedapo Odulaja has been Nigeria's Governor to OPEC since 2020, and previously spent seven years as head of the Data Services Department at the OPEC Secretariat. The OPEC Bulletin asks Dr Odulaja to reflect on the 50-year anniversary of Nigeria's OPEC Membership, his time at the Secretariat, and his views on the value of transparent, reliable and timely data for industry stakeholders.

"OPEC, without doubt, has been the backbone to the survival of the oil industry through vigorously working towards ensuring stability in the oil market."

Question: How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?

Answer: This actually boils down to the importance of OPEC's role to the global oil industry, from which all producers, and consumers and investors have greatly benefited.

OPEC, without doubt, has been the backbone to the survival of the oil industry through vigorously working towards ensuring stability in the oil market. Without such stability, there would have been no sustainable development in the oil industry, globally. Nigeria has also been a beneficiary of this. Membership of the Organization has enabled Nigeria to contribute to this achievement and it has played its rightful leading role, especially as the largest oil producing country in Africa.

You spent seven years as Head of the Data Services Department at the OPEC Secretariat. What were the highlights of your time there?

It is difficult to single out one. The whole seven years were highlights. But allow me to mention two.

As an experienced data and information manager, I place emphasis on the importance of both technical and user manuals/documentations to ensure continuity and consistency. During my first week of taking over the leadership of the department, I realized that such manuals and documentations were not available for all the department's activities. Although we were already in the month of March, we had to modify the work plan for the year and make the production of manuals and documentations our top priority.

I am happy that this paid off because, not long after this, we lost an essential staff member, and the only saving grace was the manual and documentation he produced before sadly passing away. This made it possible and easier for another staff member to take over his essential duties.

Another important highlight was my involvement in the 'Declaration of Cooperation' (DoC) from its inception. I had the unique privilege to play a forefront role in the development of the mechanism for monitoring this unprecedented and historical event. It gives me great joy to see the success of the DoC, and I am happy that I continue to be involved in this important endeavour even after leaving the OPEC Secretariat.

As a data advocate, how important is transparent and reliable data to organizations like OPEC, and major oil and gas producers, like Nigeria?

It is generally acknowledged that data form the backbone of any information system that is required for decision making. Data is indispensable for proper planning in every aspect of life, including policy formulations in the oil and gas industry. Moreover, the continuous reassessment of energy policies has become more cogent under the current critical global situation, and this further underscores the importance of reliable data.

Data transparency, can generally be defined as the timely availability of, and accessibility to, complete and accurate data on essential market fundamentals, to all industry players. The accessibility requirement should be well noted, because availability without unfettered accessibility amounts to non-transparency. Data also provides the basis for dialogue and cooperation.

Data transparency is indispensable for market transparency. Transparent data promotes market stability by reducing uncertainties, and enhances industry growth through better project planning and targeted investments.

Achieving data transparency requires strong, high-level support and commitment, as well as cooperation and collaboration among all industry stakeholders. It is also important to advance awareness about the accrued collective gains and the value of data transparency to all.

The Joint Organizations Data Initiative (JODI) stands out as a platform for oil and gas data transparency. It is an essential platform for improving energy market stability through energy data transparency. The highlights of the initiative so far have been the official release of the JODI World Oil and Gas Databases to the public in 2005 and 2014, respectively. The platform has become a useful and reliable data source to many industry players.

However, more commitment is needed to further expand and improve this essential data source for oil and gas, especially the completeness and timeliness of the data. In addition, the strong interaction between different energy commodities makes it essential to expand the initiative to cover other energy forms, such as coal, in order to achieve a comprehensive energy data transparency.

I am pleased that I was the official representative of OPEC in this initiative during my tenure at the Organization. It is equally satisfying that OPEC Member Countries strengthened their commitment to the success of JODI and contributed immensely to the milestones achieved by the initiative.



Amal I Pepple, CFR, former Nigerian Governor for OPEC

Amal I Pepple was Nigeria's OPEC for Governor from January 2002 to February 2004. The OPEC Bulletin talks to her on the occasion of Nigeria's 50-year anniversary of its OPEC Membership.



Question: How important has Nigeria's Membership of OPEC been to the Country's oil development over the past 50 years?

Answer: Nigeria has benefitted significantly over her 50-year Membership of OPEC. First, the collective strength of the Organization in the energy world was far more than a single Member Country could muster against the developed countries who were the major consumers of petroleum. In that context, OPEC through its various mechanisms, also engendered discipline in the consumption of petroleum, mindful that it was a diminishing asset. Member Countries, including, Nigeria also enjoyed relative economic stability and prosperity over the years.

Second, OPEC was a major stabilizing force in the global economy since petroleum was a major driver in diverse sectors and industries such as transportation, power/energy, petrochemicals, agriculture, defence, etc. I believe that the aim of the Organization, at all times, was long-term optimization, rather than promotion of a boom and bust cycle for parochial gains. Undoubtedly, being part of the journey has been of tremendous benefit to Nigeria.

Having produced two Secretary-Generals that were based in Vienna, as well as other senior officials of the Organization, Nigeria, has, through the period, been privy to the inner workings of OPEC, and has, therefore, harnessed profitable lessons from her experience and Membership of this vital organization.

You have previously served as Nigerian Governor for OPEC. What were the highlights of your experience during this important assignment?

Let me start by expressing my profound appreciation to the Federal Government of Nigeria for availing me the wonderful opportunity I was given to serve as Governor for OPEC. I was lucky to have served under the late Dr Rilwanu Lukman, who was at one time, OPEC's Secretary General, Conference President and Adviser on Petroleum for Nigeria. He was highly respected in the international oil industry. He put me through the rudiments of international oil politics. We often discussed our agenda for Board Meetings prior to my attending the meetings.

Three Nigerians were appointed as staff of the OPEC Secretariat within my first two years as Governor, two back-to-back, into the Public Relations and Information Department. Thrilled by this unusual development, Dr

Lukman said it was unprecedented. We adopted a system that enabled us to select the best Nigerians as candidates when job vacancies were announced by OPEC. I learnt that one had to negotiate with one's colleagues on the Board to support one's candidates. Today, Nigeria continues to be employed into important positions in OPEC. This is very refreshing.

Moreover, I got immense pleasure and pride from knowing that there was nothing the Board recommended to the Conference — at any time — that was turned down. I, always, proudly sat behind Dr Lukman at Conferences, as he interacted with key players in the global oil environment. When, as Permanent Secretary in the Ministry of Finance, I represented Nigeria on the Board of the OPEC Fund for International Development, I was on familiar ground.

Finally, I learnt the importance of OPEC in the international energy market as a prime driver of the global economy for sustaining livelihoods across the world.

How do you see OPEC, and Nigeria's role in it, evolving in the coming years and decades?

The energy world has been transforming for years, driven by environmental concerns. The concern has been further accentuated with the outbreak of the COVID-19 pandemic. Consequently, the move from fossil fuels to cleaner energy has accelerated.

OPEC Members, including Nigeria, will have to re-strategize to maintain their positions in the new global energy mix through investing part of their current earnings to develop alternative energies for sale to consuming countries. They will also need to diversify their economies to reduce their dependence on petroleum revenue. There are different opportunities in this direction, especially in information technology, the setting up of clean manufacturing industries, etc. Hopefully, Nigeria can deepen and expand her development of the gas sector given that it is still expected to play a significant role in the energy mix in the foreseeable future.

I wish Nigeria and OPEC a happy celebration! 🎉

“OPEC Members, including Nigeria, will have to re-strategize to maintain their positions in the new global energy mix through investing part of their current earnings to develop alternative energies for sale to consuming countries.”

Danladi Irmiya Kifasi, former Nigerian Governor for OPEC



Danladi Irmiya Kifasi was Nigerian Governor for OPEC from September 2013 to October 2014. The OPEC Bulletin talks to him on the occasion of Nigeria's 50-year anniversary of its OPEC Membership.

Question: How important has Nigeria's membership of OPEC been to the country's oil development over the past 50 years?

Answer: In so many ways Nigeria's Membership of OPEC has been of tremendous importance to the country's oil development over the past 50 years.

This, OPEC helped achieve by maintaining and sustaining market stability. OPEC has through shrewd management of production adjustments for Member Countries, been able to reduce volatility and its negative impact on revenues for countries. For a country like Nigeria that basically relies on oil revenue for its developmental strides, it is not an understatement to say that OPEC Membership has been consequential to the country's economic growth and development in the last 50 years.

You once served as Nigeria's Governor for OPEC. What were highlights of your experiences during this important assignment?

As OPEC Governor, I worked together with other Governors to advise the Conference, and I also worked with the Executive Secretary to prepare and get the annual budgets approved in good time. Requests from the Executive Secretary were given prompt consideration and approval.

All these were made possible because Members expressed concerns freely and also kept at the back of their minds the objectives of OPEC. Good communication,

good cooperation, and good collaboration among Members gave our team successes, as no rancour was ever witnessed whenever production adjustments had to be reviewed or appointments had to be made. On the whole, my time as OPEC Governor was very rewarding and fulfilling, both for the country and myself.

How do you see OPEC, and Nigeria's role in it, evolving in the coming years and decades?

The future roles of both OPEC and Nigeria in the coming years and decades will largely depend on two pillars.

The first is the quantum of oil's contribution to global energy needs, and the second is the quantum of oil from OPEC and non-OPEC to global oil demand. The dynamics of new energy sources that will be discovered, and new oil deposits/reserves that will be found by both OPEC and non-OPEC will significantly determine the role of both OPEC and Nigeria in the future global energy market.

In the case of Nigeria, our role will depend on the reserves we command *vis-à-vis* the reserves other African countries will bring to the table. 

"In so many ways Nigeria's Membership of OPEC has been of tremendous importance to the country's oil development over the past 50 years."

Goni Musa Sheikh, former Nigerian Governor for OPEC

Goni Musa Sheikh was Nigeria's Governor for OPEC from September 2010–November 2012. The OPEC Bulletin talks to him on the occasion of Nigeria's 50-year anniversary of its OPEC Membership.



Goni Musa Sheikh at the 137th Meeting of the OPEC Board of Governors, 2011.

Question: *How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?*

Answer: Nigeria's membership of OPEC is very important, as it helps in strengthening shared values and protecting the group interest.

"In my view OPEC is a major force in the global energy industry despite the global shift into cleaner and renewable energy sources."

Nigeria is highly respected by OPEC Members and in times of disagreements, Nigeria has been relied upon to facilitate consensus amongst Members. OPEC continues to support Nigeria especially in its time of need by being accommodating and flexible on our production adjustment requests and occasional non-conformity challenges.

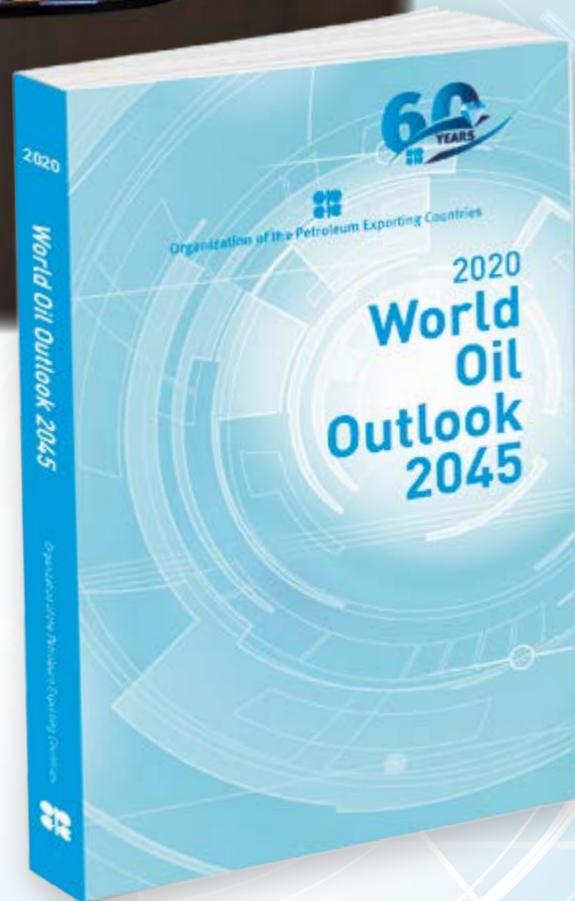
Looking at OPEC and the petroleum industry more broadly, what do you see as the biggest challenge in the years and decades ahead?

In my view OPEC is a major force in the global energy industry despite the global shift into cleaner and renewable energy sources. The role of OPEC Member Countries in shaping the world economy and maintaining a balance between oil producers and consumers needs will be more significant especially during and after the COVID-19 pandemic. The recent market market stabilization efforts by OPEC and the DoC partners have furthered the positive role that OPEC plays in stabilizing the market.

The Member Countries role in driving R&D in renewable energy and contributing to reducing emissions is crucial.

Nigeria shall continue to play an ever more positive role in making the Organisation achieve its short- and long-term objectives. Many analysts are of the view that

the role of fossil fuels in most of the world's energy mix is still substantial and that the supply of crude for both producers and consumers will be a significant driver in wealth creation. ■■



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Mele Kyari, Nigerian National Representative to OPEC

Mele Kyari is Nigeria's National Representative to OPEC and since July 2019 he has been Group Managing Director at the Nigerian National Petroleum Corporation.



Reuters

Mike Olorunfemi,

former Nigerian National Representative to OPEC

Mike Olorunfemi, over many years, played an important role at OPEC, including as Nigeria's National Representative to OPEC from 1977 to 1988 and Director, Research Division at the OPEC Secretariat from 1989 to 1993.



Mike Olorunfemi (c) at the 84th Meeting of the OPEC Conference in 1988.

Ndu Ughamadu

Ndu Ughamadu, economist, lawyer, journalist and PR expert, worked in the state-owned Nigerian National Petroleum Corporation (NNPC), following many years as a journalist and Chief Editor of two widely circulating newspapers: The Daily Times and Business Times of Nigeria.



Question: How important has Nigeria's Membership of OPEC been to the country's oil development over the past 50 years?

Answer: Arguably, this question should be attempted starting with a brief historical perspective of Nigeria, Africa's dominant crude oil producer, endowed with the largest proven oil reserves and largest producer on the continent. It gained political independence from Britain in 1960, interestingly, this was the same year that OPEC was founded on the shores of the River Tigris, Baghdad, Iraq. About 11 years after political independence, precisely in July 1971, Nigeria joined OPEC. Happily, Nigeria is 50 in OPEC. Its Membership has been of tremendous importance to the country, its people, the economy and operations of the various sectoral firms.

Today, oil is the mainstay of the country contributing robustly to Nigeria's total revenue and foreign exchange earnings. In essence, any shocks to this all-important commodity affects the entire economy of the country. OPEC, therefore, is a buffer that absorbs these shocks.

Before Nigeria joined OPEC, oil finds were made in the 1950's by oil exploration majors. Many of these had ties with countries that colonized Nigeria and many other nations in Africa. It was the era of the oil majors and resource concessions in Nigeria and most oil producing developing countries who received insignificant returns on the resources and capital. Some of these concessions were acquired under ridiculous terms and vexatious circumstances. The majors were the determinants of what was accrued to Nigeria from its oil resources.

Nigeria's entry into OPEC, interestingly, largely reversed this concession phenomenon and catapulted the country from concession syndrome to active participation in the management of its oil resources.

OPEC gave Nigeria the much needed impetus for change in the oil industry. This inspiring change gingered it to restructure its relations with foreign countries and firms operating in the oil sector propelling it to acquire more control over its resources. This, in turn, encouraged the country to establish and own an indigenous national oil company — the NNPC. The NNPC was also saddled with monitoring and supervising the international oil companies (IOCs). NNPC and the Ministry of Petroleum Resources churned out relevant protective policies and guidelines on the operations of the oil industry. These petroleum policies are coordinated by OPEC to ensure fair and stable returns for Member Countries' resources.

In addition, Nigeria has benefited preponderantly from OPEC'S objective and role of stabilizing the international oil market. Nigeria has gained through OPEC's production adjustments and of the recent partnership with ten non-OPEC nations under the 'Declaration of Cooperation' (DoC).

With stability, the country can plan its economy with certainty and clarity in resource flows necessary for its yearly budget that is premised largely on oil price per barrel.

Nigeria has also gained from OPEC in the area of manpower development. Many nationals of the country have worked at the OPEC Secretariat. On completion of their tenure, they come back to the country to impact from the knowledge, exposure and experience garnered in OPEC. The country's international relations and contacts, especially with regard to the economic and petroleum spectrum, are enriched with Nigeria's participation at various OPEC meetings.

What were the highlights of your time working with OPEC? Is there any moment that stands out?

During my times with OPEC, particularly in the 1980s and 90s, I was both a consultant to the OPEC News Agency (OPECNA) and energy analyst that covered events at OPEC conferences for the newspapers I worked for.

Coverage of ministerial conferences was hectic, but had glamour. The 80s were the high point of OPEC's production adjustments. Then, OPEC had a substantial share of the global crude oil market.

In the 80s, reporters were always anxious at OPEC conferences to get an interview with the then charismatic Saudi Arabian oil minister, Sheikh Ahmed Zaki Yamani. In that period, OPEC was moving its ministerial meetings from country to country. Many of the ministerial meetings took place in Geneva, Switzerland, but elsewhere too. In 1986, for example, it had its ministerial meeting on the Island of Brioni (then in Yugoslavia, but presently Croatia). Brioni was an Adriatic wonderland island, a mythos of Marshall Tito, former communist leader of Yugoslavia. Coverage of that meeting was a high point because the conference took far reaching decisions including the election of Nigeria's oil minister, Dr Rilwanu Lukman, as the Conference President — one of the longest serving presidents — who helped stabilize the market and brought cohesion among Member Countries.

Some of the highlights in the coverage of OPEC were in the mid-80s to late 90s, particularly in Geneva. Again, it was the heyday of production adjustments. Any time that OPEC Member Countries were meeting the only item certain on the agenda of the ministerial meetings was the date. The duration was uncertain. There was a ministerial

meeting that lasted about 14 days because Members could not agree on production adjustments allotted to them. Dr Lukman was the Conference President then, while the current OPEC Secretary General, Mohammad Sanusi Barkindo, was his Special Adviser.

My work with the OPECNA was special and fulfilling with lots of job satisfaction. Stories on Nigeria were filed and OPECNA news was widely used by media houses worldwide.

Looking at OPEC and the petroleum industry more broadly, what do you see as the biggest challenges in the years and decades ahead?

Of course, there are many of these challenges. For a start, OPEC's share of the international crude oil market (compared to the 1970s) has dropped and there are some concerns that the trend might continue. Second, market volatility could continue in the years ahead. Third, there are fears that the raging and ravaging COVID-19 pandemic could continue, with new variants unfolding and the resurgence of the pandemic in many countries. The pandemic restricts travel, and transportation accounts for a high proportion of demand for products, derivatives of crude oil.

Another major challenge is the production of shale, which competes aggressively with crude oil. The trend could dwindle demand for crude oil.

Worrisome, also, is that the share of fossil fuels in the energy mix may dwindle significantly. The global shifts to cleaner energy sources, particularly renewables from solar and wind, are rising, posing challenges to countries that derive a bulk of their revenues from fossil fuels.

That said, the future of OPEC and, indeed, fossil fuels are very bright as they will continue to be very relevant in the global oil market.

With the vision of current OPEC Secretary General, Mohammad Sanusi Barkindo, and his various acts of shuttle diplomacy to DoC countries, OPEC can surmount challenges and create bright opportunities for the future. 

“With the vision of current OPEC Secretary General, Mohammad Sanusi Barkindo, and his various acts of shuttle diplomacy to DoC countries, OPEC can surmount challenges and create bright opportunities for the future.”

Nigerian OPEC Conference Presidents



Shettima Ali Monguno
President of the OPEC Conference at
the 31st, 32nd and 33rd Conferences



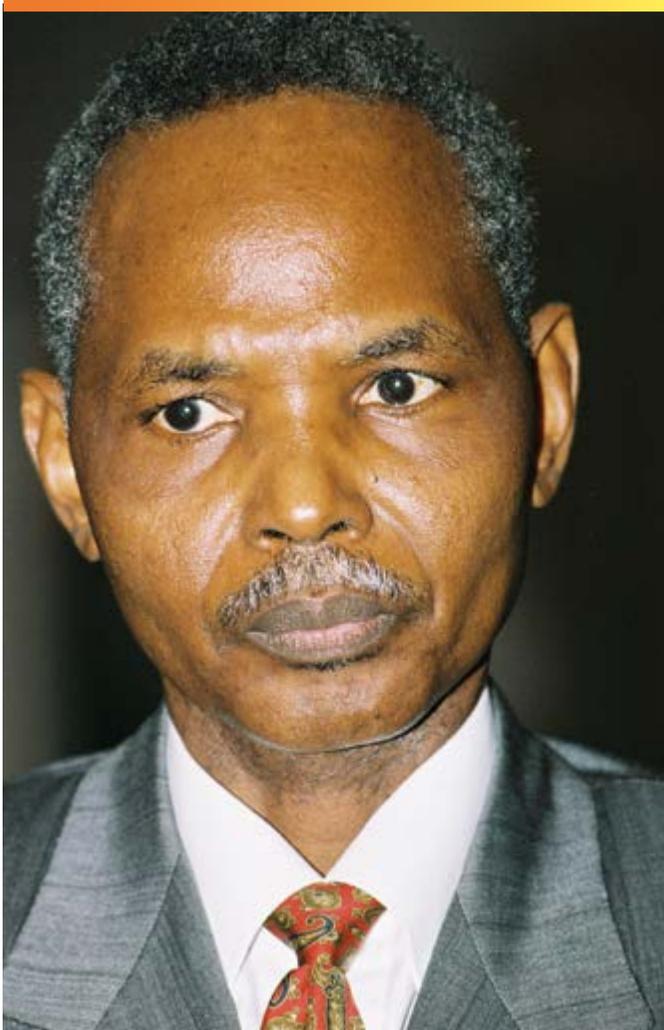
Mallam Yahaya Dikko
President of the OPEC Conference at
the 66th and 67th Conferences

Nigeria has had six OPEC Conference Presidents over the past 50 years, and they have presided over 26 OPEC Ministerial Conferences in places such as Lagos, Abuja, Vienna, Geneva, Brioni, London, Osaka and Caracas. This includes a record 14 Ministerial Conferences for Dr Rilwanu Lukman.

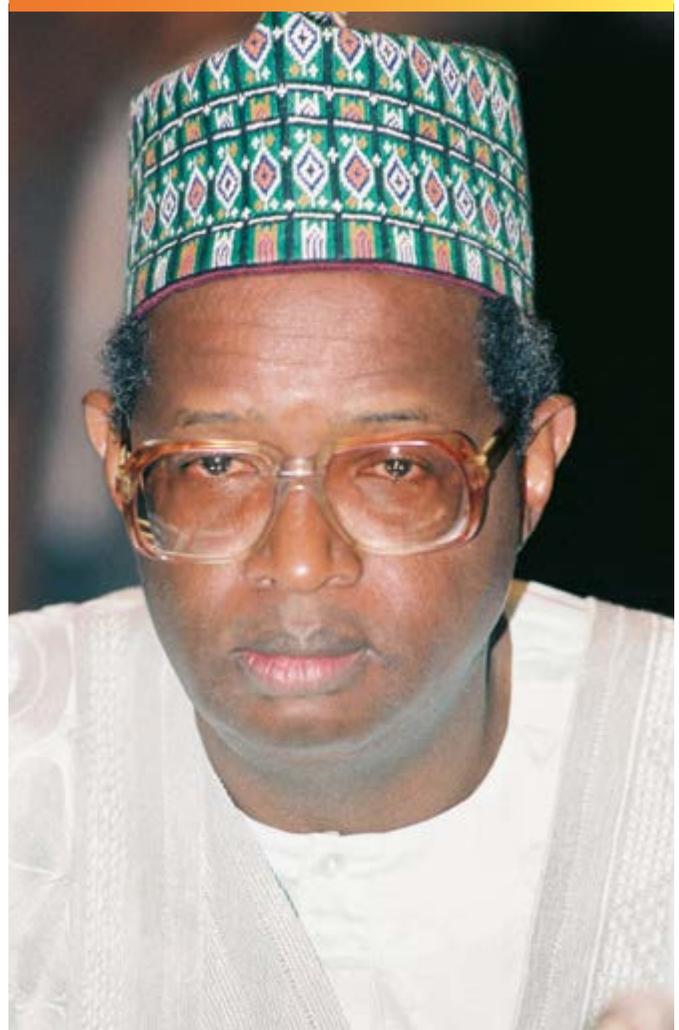
| Year | No | Venue | Name |
|------|-----------------------|---------|-----------------------|
| 1972 | 31 st | Lagos | Shettima Ali Monguno |
| 1973 | 32 nd (E) | Vienna | Shettima Ali Monguno |
| 1973 | 33 rd (E) | Vienna | Shettima Ali Monguno |
| 1982 | 66 th | Vienna | Mallam Yahaya Dikko |
| 1983 | 67 th (E) | London | Mallam Yahaya Dikko |
| 1986 | 78 th (1) | Brioni | Dr Rilwanu Lukman |
| 1986 | 78 th (2) | Geneva | Dr Rilwanu Lukman |
| 1986 | 79 th (E) | Geneva | Dr Rilwanu Lukman |
| 1986 | 80 th | Geneva | Dr Rilwanu Lukman |
| 1987 | 81 st | Vienna | Dr Rilwanu Lukman |
| 1987 | 82 nd | Vienna | Dr Rilwanu Lukman |
| 1988 | 83 rd | Vienna | Dr Rilwanu Lukman |
| 1988 | 84 th | Vienna | Dr Rilwanu Lukman |
| 1989 | 85 th | Vienna | Dr Rilwanu Lukman |
| 1989 | 86 th | Vienna | Dr Rilwanu Lukman |
| 1991 | 90 th | Vienna | Prof Jibril Aminu |
| 2002 | 119 th | Vienna | Dr Rilwanu Lukman |
| 2002 | 120 th (E) | Vienna | Dr Rilwanu Lukman |
| 2002 | 121 st | Osaka | Dr Rilwanu Lukman |
| 2002 | 122 nd (E) | Vienna | Dr Rilwanu Lukman |
| 2006 | 139 th (E) | Vienna | Dr Edmund M Daukoru |
| 2006 | 140 th | Vienna | Dr Edmund M Daukoru |
| 2006 | 141 st (E) | Caracas | Dr Edmund M Daukoru |
| 2006 | 142 nd | Vienna | Dr Edmund M Daukoru |
| 2006 | 143 rd (E) | Abuja | Dr Edmund M Daukoru |
| 2015 | 168 th | Vienna | Emmanuel Ibe Kachikwu |

(E) Extraordinary Meeting of the OPEC Conference.
 Note: The 78th Meetings of the Conference (1986) was held in two parts.

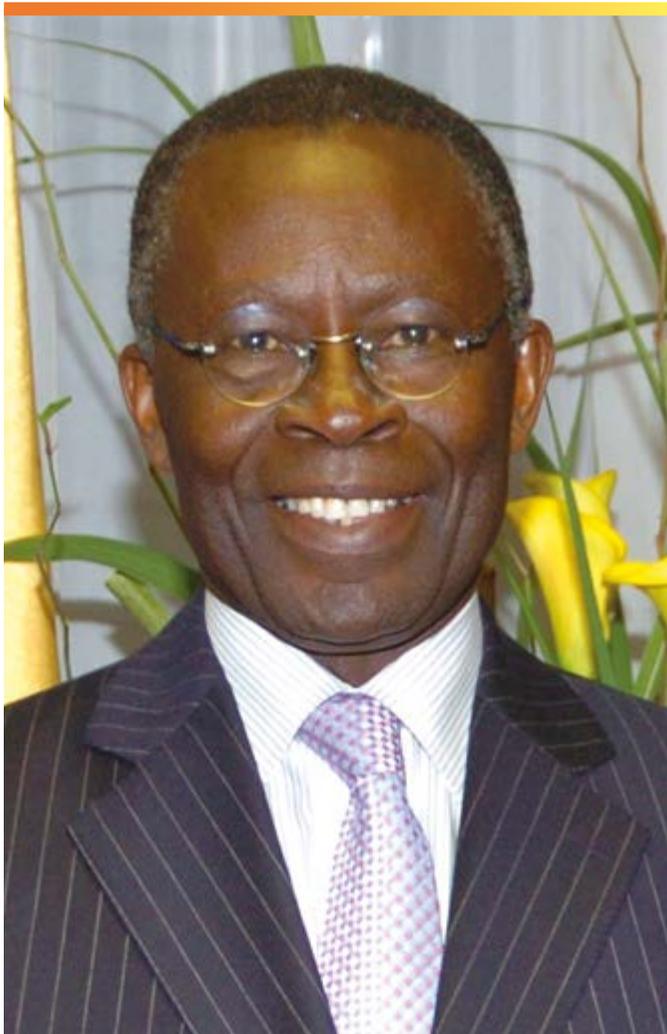
Nigerian OPEC Conference Presidents



Dr Rilwanu Lukman
President of the OPEC Conference at
the 78th (1), 78th (2), 79th, 80th
81st, 82nd, 83rd, 84th, 85th, 86th, 119th,
120th, 121st and 122nd Conferences



Prof Jibril Aminu
President of the OPEC Conference at
the 90th Conference



***Dr Edmund M Daukoru
President of the OPEC Conference at
the 139th, 140th, 141st, 142nd and 143rd
Conferences***

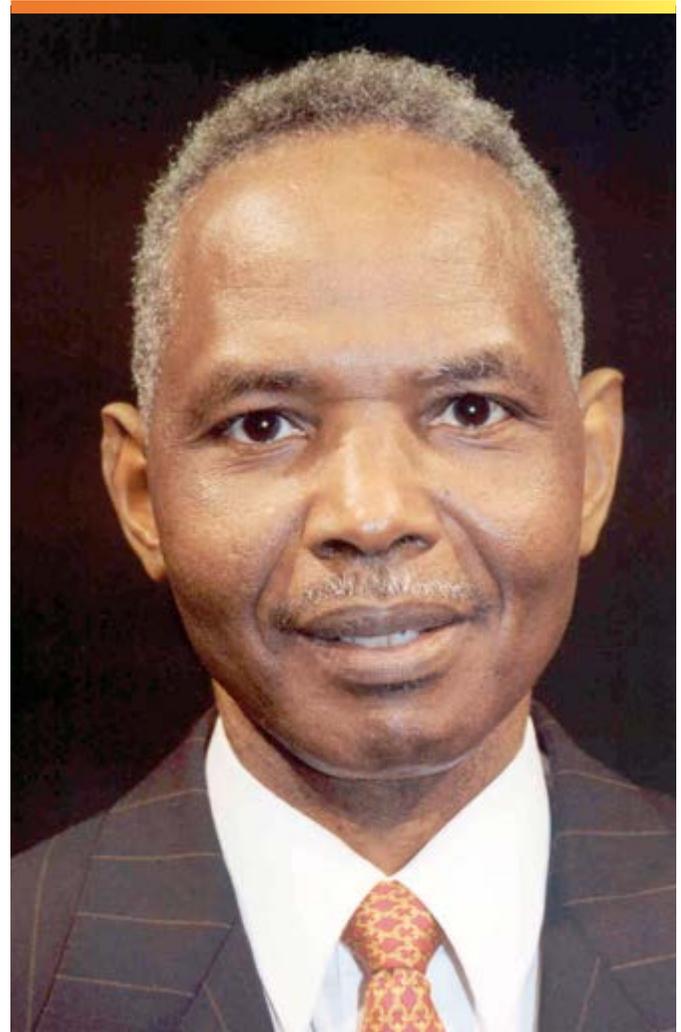


***Emmanuel Ibe Kachikwu
President of the OPEC Conference at
the 168th Conference***

Nigerian OPEC Secretaries General



Chief M O Feyide
January 1, 1975–
December 31, 1976



Dr Rilwanu Lukman
July 1, 1986–June 30, 1988
and
January 1, 1995–December 31, 2000

Nigeria has held the position of OPEC Secretary General on five occasions (Dr Rilwanu Lukman help the position twice) since it joined the Organization in 1971. Its role as a diplomatic beacon and consensus builder is highlighted in the fact that a Nigerian has been Secretary General for a total of 15 years, meaning that it is has headed the Secretariat for 30 per cent of the time it has been an OPEC Member.



Dr Edmund Maduabebe Daukoru
January 1, 2006–
December 31, 2006



Mohammad Sanusi Barkindo
August 1, 2016–
present

Nigerian Governors for OPEC



*Dr Adedapo Odulaja
March 2020–present*



*Dr Omar Farouk Ibrahim
November 2015–
March 2020*



*Dr Jamila Shu'ara
October 2014–May 2015*



*Danladi Irimiya Kifasi
August 2013–October 14*



*Amb Abdulkadir A Musa, mni
November 2012–June 2013*



*Goni Musa Sheikh
September 2010–
November 2012*



*Mohammad Sanusi Barkindo
January 2009–
September 2010*



*Eng Sadiq M Mahmood
February 2007–
November 2008*



Amuna Lawan Ali
*February 2004–
February 2007*



Amal I Pepple
*January 2001–
February 2004*



Dr Aboki Zhawa
March 1998–January 2001



**Alhaji Salihu Mohammed
Jega**
May 1996–February 1998



Abdullah Hashim
May 1994–May 1996



Samu'ila Danko Makama
April 1992–May 1994



Ben A Osuno
May 1980–April 1992



Chief M O Feyide
November 1971–April 1975

Not pictured:

Taiye Hassan Haruna, May 2015–November 2015

Engr Mohammed K Amate, Ad Hoc, November 2008–January 2009

O A Okanla, February 1979–April 1980

S M Akpe, August 1977–February 1979

F R A Marinho, May 1976–August 1977

F A Ogboru, December 1975–April 1976

O Lolomari, May 1975–November 1975

Nigerian OPEC Secretariat Staff



Mohammad Sanusi Barkindo, OPEC Secretary General.



Dr Taiwo Adebola Ogunleye, Legal Advisor, International Matters.



Irene Nkem Etiobhio, Senior Petroleum Industry Analyst.



Dr Mustapha Sugungun, Senior Energy Demand Analyst.



Khadija Umar, Temporary Assistant Legal Counsel.



Suraj Matori, Social Media Assistant.



Olajumoke Aregbor, Secretary.



Mayowa Taiwo, Temporary Accounts Clerk.

Dr Rilwanu Lukman: A true Nigerian and OPEC legend

*Throughout the 50 year history of Nigeria's OPEC Membership, there are many respected and influential personalities that stand out, but perhaps the one that stands head and shoulders above others is **Dr Rilwanu Lukman**. A man who served his country in various ministerial capacities, as Special Adviser to Presidents, as Chairman of the Nigerian National Petroleum Corporation (NNPC), and OPEC, as both Conference President and Secretary General. He was a consensus builder, an astute diplomat, the epitome of humility and integrity, and as Mohammad Sanusi Barkindo, OPEC Secretary General, has said on many occasions, he was what Nigerians call 'something else'! The OPEC Bulletin looks back at the man, and his distinguished career.*

It was almost seven years ago, on July 21, 2014, that Nigeria and OPEC received the sad news that Dr Lukman had passed away at the age of 75 at his residence in Vienna, Austria, where he had lived for some years. His distinguished and illustrious career as one of the longest-serving heads of both the Nigerian oil industry and OPEC spanned across five decades.

At the time, the OPEC Secretariat stated in a release: "Lukman was a servant to the Nigerian government and its petroleum industry and played a major role in the history of OPEC. He was widely recognized and highly regarded in the global petroleum industry; a loyal and dedicated man, who had the best interests of Nigeria and OPEC at heart. He garnered great respect among other Ministers and the staff at the OPEC Secretariat that worked with him over the years. His commitment and service to OPEC is something to be praised and admired."

His career bestrode the Nigerian oil industry and the corridors of OPEC during the 1980s, 1990s and 2000s, but the positions and success he achieved, the recognition he acquired and the awards he received, including

being made a Knight of the British Empire in 1989, Officer of the Legion d'Honneur of France in 1990 and the First Class rank of the Order of the Liberator from the Republic of Venezuela, were all earned through determination and hard work.

Early beginnings

Lukman was born on August 26, 1938, in the northern Nigerian City of Zaria, Kaduna State. His academic pursuit started at Tudun Wada in 1944 and, in 1948, he entered the Middle School, Zaria. From these early beginnings, his education took him to different colleges and universities across the globe, including the Royal School of Mines of the Imperial College, London; the University of Mining and Metallurgy in Leoben, Austria; and, McGill University, Montreal.

The list of honorary doctorates he collected over the years is also long, including from the University of Bologna, Italy, the Universities of Maiduguri and Ahmadu Bello Zaria, both in Nigeria, and Moore House College,



Dr Rilwanu Lukman (l) with Mohammad Sanusi Barkindo.

Atlanta, the US, underscoring the great respect he had from academia and his peers the world over.

From his mid-20s, Lukman served his country in various capacities, such as Inspector of Mines and later Senior Inspector, Mines Division in the Federal Ministry of Mines and Power from 1964 to 1967, Acting Assistant Chief Inspector, Mines Division, Federal Ministry of Mines and Power from 1967 to 1970, General Manager, Cement Company of Northern Nigeria from 1970 to 1974 and as General Manager and Chief Executive of the Nigerian Mining Corporation from 1974 to 1984.

By his mid-40s, Lukman’s skills were being noticed at higher levels and he was ushered into service at the executive level. Firstly, as Minister of Mines, Power and Steel from 1984 to 1985, and then as Federal Minister of Petroleum Resources and Chairman of the Board of the Nigerian National Petroleum Corporation (NNPC) from 1986–89. It was during this period that he made his first significant impact on OPEC.

OPEC Conference President

Lukman served as President of the OPEC Conference

between 1986 and 1989, a period that covered 10 OPEC Ministerial Conferences, and then again in 2002, with a further four more. The total of 14 is a record number of OPEC Ministerial Conferences for one person to have presided over.

It was during his first tenure that Lukman’s diplomatic, technocratic and consensus building skills quickly came to the fore. The mid-1980s was a challenging time for OPEC, with major instability and market volatility causing significant challenges for the Organization and its Members, as well as the broader oil industry.

By 1986, it was clear there was a need to advance relations with non-OPEC producers, in the interests of market stability, and this came about through the OPEC initiative that has since be labelled ‘The Three Wise Men’.

The three men were Lukman, Dr Subroto from Indonesia, and Arturo Hernandez Grisanti from Venezuela, who embarked on a tour of other producers, including Russia, Mexico, Norway, the

“Dr Lukman of blessed memory was easily the most decent soul I ever met. He was the embodiment of integrity and humility, yet the most successful oil technocrat of his generation.”

Dr Benita Ferrero-Waldner, (then) Austrian Minister of Foreign Affairs, in January 2001, presented Lukman, the (then) outgoing OPEC Secretary General, with the silver medal of honour from the late Austrian President, Thomas Klestil.



Abdalla Salem El-Badri (r), (then) OPEC Secretary General, presenting Lukman with the Lifetime Achievement Award by the Foreign Investment Network (FIN), a UK-based investment consulting and publishing company.



Sultanate of Oman and Angola, to nurture the relationship between non-OPEC and OPEC producers.

The talks would continue, on and off, for the remainder of the 1980s, with OPEC, Lukman as Conference President, and the oil industry, also having to navigate the ‘Black Monday’ global stock market crash of 1987.

It was the early beginnings of a type of global producer dialogue, and would lay the platform for further cooperation among producers, as well as consumers, on various issues in the 1990s, with Lukman again paying a vital role. In fact, Lukman was prescient on one particular issue with comments as Conference President to the 86th Meeting of the Conference in November 1989. He said: “I believe it is imperative that that environmental considerations play a key role in energy planning throughout the 1990s and on into the next century.”

Secretary General

Lukman was briefly Nigeria’s Minister of Foreign Affairs from 1989 to 1990, and Chairman of the Board of Directors of the National Electric Power Authority (NEPA) from 1993 to 1994, before returning to OPEC circles as Secretary General on January 1, 1995, and remaining in that position till the end of 2000.

“Lukman was a servant to the Nigerian government ... a loyal and dedicated man, who had the best interests of Nigeria and OPEC at heart.”

As OPEC Secretary General, there are many achievements that could be recognized. This includes helping guide the Organization through the Asian financial crisis in 1997 and 1998; managing OPEC's participation with Member Countries in the very early United Nations COP meetings on the environment; overseeing the Second OPEC Summit of Head of State and Government in Venezuela in 2000; and, as already mentioned, helping further evolve the producer-consumer dialogue.

He also proved far-sighted in his views on globalization and the information revolution, highlighting in a speech in 2000 that internet access and electronic trading were already having an impact on the structure and the operations of the industry, as well as on the relationships and balance of power within it. Twenty years on, and the industry has been profoundly transformed by these developments.

To the staff at the OPEC Secretariat, Lukman was the perfect gentleman — quiet, humble, kind and fair in his dealings with them. He was committed to his staff, the Organization and his country, and those that worked with him had the greatest respect for him. This was also evident anytime Lukman returned to the OPEC Secretariat. From the front office staff to the Secretary General's Office, the high esteem in which he was held was obvious and he always responded in kind.

Lukman returned as Minister of Petroleum and Nigeria's head of delegation to OPEC from 2008 to 2010.

Remembering Lukman

Following his passing in 2014, the OPEC Bulletin spoke to Barkindo about what kind of man Lukman was. He said: "It is very difficult to describe him in a few words. He was what Nigerians call 'something else'. Each time you thought you knew him, you discovered something else. He was committed and he was gentle. He was a good listener too. He could have had everything materially, but he chose a Spartan life. The same size of suit that

he wore at Imperial College, he never changed. At any point in time, he had one suitcase. He never believed in having more than was necessary. At the most, he thought one should not have more than seven articles of clothing, one for each day of the week, for the sake of hygiene. He preferred to share knowledge instead of discussing how much one had."

Barkindo added, on a very personal note: "Dr Lukman of blessed memory was easily the most decent soul I ever met. He was the embodiment of integrity and humility, yet the most successful oil technocrat of his generation. Whatever I am today, I owe everything to him. He adopted me, mentored and helped me reach the pinnacle of my career. Even on his sick bed, there was no day that passed that he did not call me to discuss various matters."

From looking back at all the respects paid to Lukman, it is clear he was a man who saw the best in people, who was a passionate believer in the Nigerian project and the greatness of the country, and who firmly believed in the value and importance of OPEC.



Lukman being interviewed during the 153rd Meeting of the OPEC Conference in Vienna, Austria, May 2009.



Angela Merkel (l), (then) Member of the German Parliament, and now German Chancellor, visited Lukman, (then) OPEC Secretary General, in November 2000.



Shared values: OPEC and Nigeria's successful partnership

On September 14, 2020, OPEC marked 60 years since its founding in Baghdad, Iraq. On October 1, 2020, Nigeria commemorated the 60th Anniversary of its independence. Then, only nine months later on July 12, 2021, OPEC and Nigeria will mark the 50th Anniversary of Nigeria's Membership of OPEC. The OPEC Bulletin looks at the shared values that underpin these three historic dates.



Successful past, sustainable future

It was five decades ago in 1971, the year the micro-processor was invented and the first year North Sea oil production began in Norway, that Nigeria joined OPEC. It was a vital period in the history of the Organization, with the Tehran and Tripoli Agreements of 1971 laying a platform for OPEC Member Countries to regain control over their sovereign national interests.

Nigeria's joining of OPEC, and its deep involvement ever since, underscores the value it attaches to cooperation, alongside the fact that after almost 11 years of independence back in 1971, the country was ready to further build the fledging nation.

These values were underscored during President Muhammadu Buhari's address to the nation on Independence Day in 2020.

Independence Day address

Celebrations marking Nigeria's 60 years of independence were held under the theme 'together'. This served as a recurring leitmotif in President Muhammadu Buhari's speech to mark the occasion. The President stated: "On October 1, 1960, when Prime Minister Alhaji Abubakar Tafawa Balewa received the constitutional instruments symbolizing Nigeria's independence, he expressed his wish that having acquired our rightful status as an independent sovereign nation, history would record that the building of our nation proceeded at the wisest pace.



Nigeria Independence Day

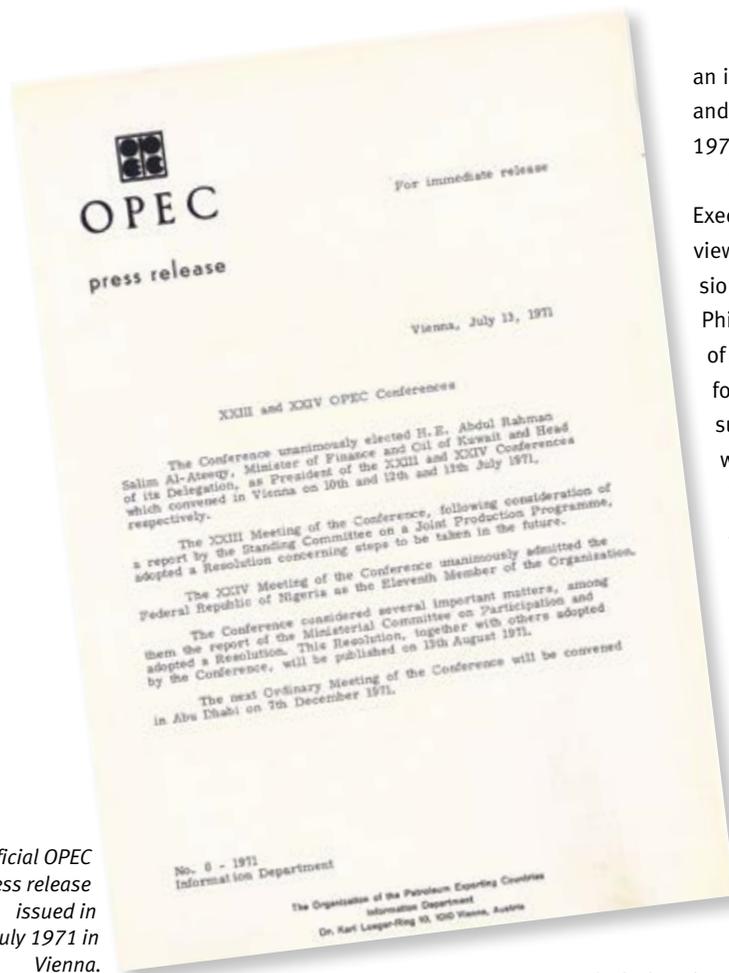
"This optimism was anchored on the peaceful planning, full and open consultation and harmonious cooperation with the different groups which culminated in Nigeria emerging as a country without bitterness and bloodshed."

He noted the ways in which Nigeria has changed since its foundation: "Our founding fathers understood the imperative of structuring a national identity using the power of the state and worked towards unification of Nigerians in a politically stable and viable entity. That philosophy guided the foundation that was laid for our young nation of 45 million people with an urban population of approximately seven million.

"These demographics led to development challenges for which major efforts were made to overcome. Today, we grapple with multiple challenges with a population exceeding 200 million occupying the same land mass, but 52 per cent residing in urban areas."

He paid tribute to the many accomplishments of Nigerian citizens throughout the country's history: "The creativity, ingenuity and resourcefulness of the Nigerian at home have resulted in globally recognized endeavours. I am convinced that if we pursue our aspirations together we would be able to achieve whatever we desire. That informed our adopting the theme together to mark this epochal event. Together we can change our condition for the better and more importantly, together we can do much more for ourselves and for our country."

Official OPEC
press release
issued in
July 1971 in
Vienna.



He concluded his remarks by saying: “Fellow Nigerians, let us collectively resolve to continue our journey beyond the 60 years on the clear understanding that as a nation we are greater together than being smaller units of nationalities. By the special grace of God we shall come through any transient challenges.”

The early years

The themes behind President Buhari’s address resonate when looking back at its history with OPEC.

When OPEC was founded in Baghdad in September 1960, Nigeria was still under British colonial rule. Although it possessed internal self-government, the administration did not have power over defense, foreign policy and other sovereign matters. Additionally, Nigeria’s crude oil production at the time was relatively low at 10,000 barrels/day (b/d).

However, following independence, many policymakers took an active interest in OPEC affairs. Some proponents of Membership argued that Nigeria needed to contribute to ensuring oil market stability as it was becoming

an increasingly important factor in the nation’s economy and was necessary for the country’s reconstruction — the 1970–74 plan.

The matter was tabled before the Nigerian Federal Executive Council in May 1971. There was a consensus view that Nigeria should join OPEC. Following this decision at the governmental level, a delegation headed by Phillip Asiodu, the Permanent Secretary in the Ministry of Mines and Power, and one of the strongest advocates for OPEC Membership, travelled to Vienna, to formally submit Nigeria’s application. Nigeria’s Membership was very much welcomed by Member Countries.

The accession of Nigeria certainly broadened the geographical spread of OPEC, making it more international and lending it additional credibility.

It was at the OPEC Conference on July 12, 1971, that Nigeria became the 11th Member of the Organization. Barely 48 hours after becoming a Member, the first Nigerian delegation participated in an OPEC Conference as a full Member, namely, the 24th Conference. Fifteen months after Nigeria had become a full Member, its Head of Delegation, Shettima Ali Monguno, was elected as Conference President at the 30th Meeting of the Conference in Riyadh, Saudi Arabia, in October 1972. A month thereafter, Nigeria hosted the 31st Conference in Lagos on November 29–30, 1972.

The next opportunity for Nigeria to hold the OPEC Conference Presidency came in 1982, when Yahaya Dikko, Minister of Petroleum and Energy, was elected at the 66th Meeting of the Conference and then reelected for the 67th Meeting.

The next Nigerian President of the Conference was Dr Rilwanu Lukman, who was elected OPEC Conference President ten times and Alternate President seven times between 1986 and 1989. Dr Lukman was a driving force behind the Organization’s focus on expanding cooperation during the period, and played an important role in further evolving the Organization during his tenure in Vienna as OPEC Secretary General from 1995–2000. *For more details on Dr Lukman’s legacy, please see p52.*

Conference President at other critical times

Over the decades, Nigeria has presided over many important meetings of the OPEC Conference. An illustrating example was the 143rd (Extraordinary) Meeting of the

Conference, which convened in Abuja, on December 14, 2006, under the Chairmanship of its President, Dr Edmund Maduabebe Daukoru, Minister of State for Petroleum Resources of Nigeria and Head of its Delegation. Of the many significant outcomes from this meeting, very notable was that Angola joined the Organization as the 12th Member Country.

One of the most significant years for the Presidency of the OPEC Conference was in 2015. Nigeria held the Presidency at this time and this involved extensive outreach to non-OPEC producing countries to explore avenues for collective action to revive the fortunes of the oil industry, celebrations to mark the Secretariat's 50th anniversary of being located in Vienna

and progress made on the OPEC International Energy Dialogues with China, the European Union, Russia and India. Member Countries also actively participated in the COP-21/CMP-11 United Nations Climate Change Conference in Paris, which led to the Paris Agreement. The President of the 168th Conference in December 2015 was Dr Emmanuel Ibe Kachikwu, then Minister of State for Petroleum Resources of Nigeria.

The groundwork laid during this critical year also helped paved the way for the adoption of the 'Declaration of Cooperation' (DoC) on December 10, 2016.

Over the course of the Organization's history, four Secretaries General have hailed from Nigeria: Chief M O Feyide from January 1, 1975 to December 31, 1976; Dr Rilwanu Lukman from July 1, 1986 to June 30, 1988, and from January 1, 1995 to December 31, 2000; Dr Edmund Maduabebe Daukoru from January 1, 2006 to December 31, 2006; and Mohammad Sanusi Barkindo, Acting Secretary General from January 1, 2006 to December 31, 2006, and from August 1, 2016 to the present day, as Secretary General.

Barkindo's tenure as Secretary General has been notable for several landmark decisions for the Organization, including the adoption of the DoC on December 10, 2016, and the 'Charter of Cooperation'



Nigeria's President Muhammadu Buhari's (c); with Dr Emmanuel Ibe Kachikwu, then Minister of State for Petroleum Resources of Nigeria; and Mohammad Sanusi Barkindo, OPEC Secretary General.

signed on July 2, 2019. The esteemed historian of the oil industry, Dan Yergin, described Barkindo's contribution in his book, 'The New Map':

"Another factor facilitating a deal was that OPEC finally had a permanent secretary-general The new Secretary General was Mohammad Sanusi Barkindo, a Nigerian and former head of the Nigerian state oil company. He was a consensus-builder, barnstorming from one OPEC capital to another, understated, listening carefully, sorting, trying to bridge gaps."

Resounding success

The relationship between OPEC and Nigeria has been mutually advantageous. Nigeria has earned its reputation as a deal maker and consensus builder.

The nation has taken up the Presidency of the OPEC Conference, as well as the role of OPEC Secretary General, at very challenging times and responded by seizing opportunities when they have arisen. As a result, OPEC has become a stronger Organization as a result of Nigeria's presence.



Impressions of the 143rd (Extraordinary) Conference ... Abuja, Nigeria



Accepting Angola's application for Membership is the then OPEC Conference President, Dr Edmund Maduabebe Daukoru (l), from Eng Desiderio da Graça Verissimo e Costa (r) Angolan Minister of Petroleum. Mohammad Barkindo (c), (then) Acting for the OPEC Secretary General, applauds the move.

143rd
EXTRA
ORDINARY
CONFERENCE



14 December 2006
Abuja-Nigeria



Nigerian delegates (l-r): Ammuna Lawan Ali; Governor for OPEC; Eng Mustapha Bakar, Director of Planning, Research and Statistics, at the Ministry of Petroleum Resources; M A Musawa, from the Nigerian Embassy, Vienna.



The Angolan delegation.



... the OPEC Secretariat delegation.



... the delegation of the IR Iran.



... the Saudi Arabian delegation.



From Qatar, Abdullah bin Hamad Al Attiyah (c), Second Deputy Prime Minister, Minister of Energy and Industry, with Kuwait's Sheikh Al-Sabah (r); and Dr Mohammed bin Hamad Al-Rumhy (l), Oman's Minister of Oil and Gas.

Impressions of the 143rd (Extraordinary) Conference ...

... the press conference



... the gala dinner



OPEC bulletin 6-7/21

Opportunities and new approaches



Mohammad Sanusi Barkindo (second left), OPEC Secretary General; with Irene Nkem Etiobhio (l), Senior Petroleum Industry Analyst; Dr Taiwo Adebola Ogunleye (second r), Legal Advisor, International Matters; and Dr Mustapha Sugungun (r), Senior Energy Demand Analyst.

*Between June 6 and 10, 2021, the fourth iteration of the Nigerian International Petroleum Summit took place in Abuja, Nigeria, under the theme ‘From crisis to opportunities: new approaches to the future of hydrocarbons’. Due to travel restrictions, OPEC Secretary General, **Mohammad Sanusi Barkindo**, participated by videoconference, including delivering keynote remarks, contributing to a panel discussion and receiving the International Petroleum Diplomacy Person of the Year 2020 Award. The OPEC Bulletin reports.*

Nigeria is the largest petroleum producer in Africa. Through ongoing reforms and engagement with host communities, Nigeria seeks to further consolidate its standing as an oil and gas investment destination. The Summit fits into these goals, as it serves as a meeting point between key Nigerian political decision makers, government officials, captains of industry, specialists from relevant Ministries, multinational and multilateral institutions, academia and other relevant stakeholders.

The theme of the Summit also perfectly resonated with current events, particularly given the COVID-19 pandemic. It has been a crisis like no other, but there is now some light at the end of the tunnel and with that comes opportunities and the potential for new approaches.

Nigeria: 50 years in OPEC

In his keynote address, the Secretary General stated: “It is an absolute privilege for me to address the Nigeria International Petroleum Summit (NIPS). OPEC has been extremely proud to support this Summit since its first iteration in 2018.”

The Secretary General noted the significance of the



Timipre Sylva, Minister of State for Petroleum Resources of Nigeria.

year 2021. “In just over a month’s time, we will commemorate a transformative date for OPEC and Nigeria: the 50th Anniversary of Nigeria’s Membership of our Organization. Over the last five decades, the unique relationship between OPEC and Nigeria has had a multitude of positive consequences for both parties. The intertwining destinies of OPEC and Nigeria predates membership. On September 14, 1960, OPEC was founded on the shores of the River Tigris in Baghdad. Two weeks later, on October 1, 1960, Nigeria joined the fraternity of independent nations,” he said.

Barkindo paid tribute to Nigerian President Muhammadu Buhari. “Mr President, the OPEC family knows the debt of gratitude we owe you for the pivotal role you played in the ‘Declaration of Cooperation’ (DoC) process. The DoC constitutes an unprecedented

milestone in the history of OPEC. For the first time ever, OPEC coordinated with ten non-OPEC oil producing countries, led by the Russian Federation, in a concerted effort to accelerate the stabilization of the global oil market,” he said.

The COVID-19 Pandemic

The Secretary General also outlined the huge impact the COVID-19 pandemic has had on the oil industry. “There simply has never been anything like the COVID-19 pandemic in modern memory. Daily life has been transformed by the necessary lockdowns initiated by governments across the world, as well as the widespread travel restrictions and the business and industry shutdowns. No nation or sector of the global economy has been



Timipre Sylva, Minister of State for Petroleum Resources of Nigeria.

spared. By the end of March 2020, the world seemed a different planet to what it had been at the beginning of that month,” he said.

Barkindo spoke of the nadir of the crisis in April 2020. “The most challenging period in this most challenging of years was April 2020. Industry veterans saw things happen that they never imagined possible. On April 20, 2020, WTI went negative for the first time in history, with prices plummeting to $-\$37$,” he said.

The historic response by the DoC participating countries was crucial in alleviating this crisis. “In response to this unprecedented situation, OPEC knew it had to act. Thankfully, we did not need to reinvent the wheel. We turned to the mechanism that had helped us emerge out of the 2015–16 oil market downturn: the ‘DoC.’

“It was an effort to move from crisis to opportunity.

Participating countries have taken proactive and preemptive action to help reduce volatility, stabilize the oil market, and provide a flexible platform for recovery with potentially broader participation in the coming years. This was evidently on display at the 9th and 10th (Extraordinary) Meetings of the OPEC and non-OPEC Ministerial Meetings on April 9 and 12, 2020, respectively,” he said.

The Secretary General then described the positive impact that these decisions have had on the market. “After the unprecedented turmoil of last year, in recent months we have seen relative stability in the oil market. The market has continued to react positively to the decision taken at the 15th OPEC and non-OPEC Ministerial Meeting on April 1, 2021, and reinforced at the 16th Meeting, to adjust upward the

“Over the last five decades, the unique relationship between OPEC and Nigeria has had a multitude of positive consequences for both parties.”

*— Mohammad Sanusi Barkindo,
OPEC Secretary General*



OPEC Secretary General, Mohammad Sanusi Barkindo.



Timipre Sylva (c), Minister of State for Petroleum Resources of Nigeria.

production levels in the DoC for May, June and July 2021,” he said.

International panel

Following his keynote address, Barkindo participated on an international panel that looked at the oil outlook over the next 20 years, specifically from a Sub-Saharan perspective, the Nigerian National Petroleum Corporation (NNPC) and other national oil companies.

Mele Kolo Kyari, Group Managing Director from the NNPC kicked off the discussion by presenting on the NNPC’s plans to transition to an international energy company, increase the revenue base from oil and gas to grow the company’s non-oil and gas portfolio and enhance operational transparency and data driven process optimization.

In addition to the OPEC Secretary General,

the participants on the panel were Gabriel Mbagi Obiang Lima, Minister of Industry, Mines and Energy of Equatorial Guinea; Vincent De Paul Massassa, Minister of Petroleum, Gas, Hydrocarbons and Mines of Gabon; Timipre Sylva, Minister of State for Petroleum Resources of Nigeria; Tiemoko Sangare, Minister of Mines and Petroleum, Mali; Benjamin Kwame Asante, Director of Petroleum, Ministry of Energy, Ghana; Dr Omar Farouk Ibrahim, Secretary General, African Petroleum Producers Organization; Auwalu Sarki, Director/CEO, Department of Petroleum Resources; and Hoda Galal Yassa, President of the Arab Women Investors Union.

Barkindo noted in his intervention that there are two sides to the energy transition coin: climate change and energy poverty. He stressed that energy poverty continues to be a scourge, particularly in sub-Saharan Africa. In the energy transition, nobody should be left behind, he said.





Mohammad Sanusi Barkindo International Petroleum Diplomacy Person of the Year 2020

At an awards dinner, the OPEC Secretary General, **Mohammad Sanusi Barkindo**, was granted the prestigious International Petroleum Diplomacy Person of the Year 2020 Award. The award was accepted on his behalf by Dr Adedapo Odulaja, Governor of Nigeria for OPEC. In the acceptance remarks, Barkindo explained: “I interpret this award as a recognition of the teamwork, dedication and selflessness of a remarkable group of countries: namely, the ‘Declaration of Cooperation’ strategic partners. Working with the statesmen, leaders and representatives of the OPEC Member Countries and the non-OPEC producing countries has been the honour of a lifetime.”

The Secretary General dedicated his award to all those who make OPEC and the DoC possible. “Simply put, OPEC is a team. We are the sum of our parts and we are truly fortunate that our Member Countries recognize the importance of unity and group cohesion. It is ingrained in our DNA to take actions towards a collective good, in the interests of producers, consumers and the global economy.

“And of course, we cannot speak of an OPEC team without honouring the hardworking women and men at the OPEC Secretariat in Vienna. I dedicate this award to them. The team at the Secretariat never cease in their relentless dedication, commitment to duty and achieving the highest standards in service excellence,” he said.



Timipre Sylva (l), Minister of State for Petroleum Resources of Nigeria; with Dr Adedapo Odulaja, Nigerian Governor for OPEC, who accepted the award on behalf of Mohammad Sanusi Barkindo, OPEC Secretary General.



Muhammadu Buhari GCFR, President and Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria

*President Buhari (pictured) was represented at the Nigeria International Petroleum Summit by the Minister of State for Petroleum Resources, **Timipre Sylva**.*

The following is an extract from President Buhari's speech:

“About three months ago, we came together for the ‘Decade of Gas’ conference which served as a prelude to the present event. The highly successful pre-summit event created the momentum for what we are going to witness over the next four days. It is therefore with great pleasure and honour that I welcome you all to the main summit-the fourth edition of the ‘Nigeria International Petroleum Summit’.

Over the past three editions, the summit has grown both in stature and relevance that it has become a veritable platform for Nigeria and Africa to engage the local investment communities as well as directly marketing

our oil and gas sector as a credible business investment destination to a global audience.

This administration has demonstrated an unparalleled commitment to the overhauling of the oil and gas industry in Nigeria. The ambitious goal of ramping up crude oil production to at least 4 million barrels per day and building the reserve of 40 billion barrels remains sacrosanct and a guiding principle to our overall outlook for the industry.

Creating a conducive business environment for our hydrocarbon industry to thrive is no longer a choice, it is a necessity.

The Senate President and the Rt Hon Speaker of the House of Representatives has given us updates on

the Petroleum Industry Bill (PIB) and when the National Assembly will pass this all important oil industry bill.

I want to briefly give my own perspective on the theme of this year's summit, 'From crisis to opportunities: new approaches to the future of hydrocarbons.'

Crisis is often an opportunity to redefine objectives and provide the pathway for rediscovery. The crisis the oil and gas industry is facing today was necessitated by COVID-19. It accelerated an unprecedented demand disruption and a supply glut that generated the crisis for the global economy in general and the oil industry in particular.

Addressing this crisis has presented both challenges and opportunities. The immediate challenge is that the global agenda for the energy transition has slightly taken the back seat. Governments across the world are now more focused on managing the COVID-19 pandemic and its impact on economies than the quest for an energy transition. However, the energy transition is real, renewable technologies are getting cheaper and investors are increasingly conscious of environmental issues and are beginning to turn their back on hydrocarbon investments.

But history has shown that human beings have an insatiable appetite for energy which renewables alone do not have the capacity to cope with in the foreseeable future.

Experts project that about 80 per cent of the world's energy mix in 2040 will still come from hydrocarbons. Fossil fuels will continue to be the source of dozens of petrochemicals feedstock that companies transform into versatile and valued materials for modern life. Thus, the hydrocarbon industry will still remain a multi-trillion industry in the coming decades.

For us as a country with a vast hydrocarbon potential, that is an opportunity. How we exploit that opportunity is a matter of strategy, developing that strategy is at the heart and the core objective of why, in 2016 the Federal Executive Council of this administration, approved the establishment of the Nigerian International Petroleum Summit.

The fundamental outcome expected from this summit should therefore be the strategies and new approaches to the future of our hydrocarbon industries and how to return to the attractive industry performance of the pre-pandemic era.

In this regard, lower cost is critical. Cost is the energy of the future. The industry needs to drive down the cost per barrel before it is exterminated by prices falling below production cost. The phenomenon experienced at the outset of the pandemic and given that about 80 per cent



Timipre Sylva, Nigeria's Minister of State for Petroleum Resources, represented President Buhari at the Nigeria International Petroleum Summit.

of global energy mix by 2040 will still be hydrocarbon, we cannot turn our back yet on more exploration. Discovery of new fields is crucial and we also need to address short-term opportunities using the existing technology that can extend the life of mature fields.

Nobody is in doubt about our commitment in this regard given our bold move to issue new marginal field licenses recently.

I wish to commend the Ministry of Petroleum Resources, the NNPC, the DPR and other relevant MDs for their steadfastness and helping this administration build a robust hydrocarbon industry. I also wish to commend international oil companies and financial institutions for their role in keeping the industry alive despite the challenges.

It is, therefore, my privilege and honour to declare this Summit open.”





NIGERIA

A view of the Lagos Lagoon, Victoria Island, Lagos.

Located in the west of Africa, Nigeria has a population of around 208 million people, the largest on the continent. It covers a land area of around 924,000 square kilometres.

Nigeria is bordered by Niger in the north, Benin in the west, Cameroon in the east and Chad in the north-east. It also overlooks the Gulf of Guinea in the Atlantic Ocean in the south.

Abuja, Nigeria's capital city since 1991, serves as the seat of the national government and accommodates the presidential palace and house. The former capital is Lagos — another key economic centre in the nation.

The country's official language is English, although many other local languages are spoken, such as Hausa, Yoruba, Igbo and Ijaw.

Nigeria is a federal republic.

Its Head of State is President Muhammadu Buhari.

He is also the nation's Commander-in-Chief of the Armed Forces.

Robust economy

Nigeria's national economy is dynamic and continues to experience notable growth across various sectors. The country has a great wealth of natural resources, such as petroleum, natural gas, tin, iron ore, coal, limestone, niobium, lead and zinc, as well as arable land.

Oil and gas accounts for about ten per cent of gross domestic product (GDP) and petroleum export revenue represents around 86 per cent of the total exports revenue.

Oil was first discovered in 1956 in Oloibiri, Bayelsa State. Nigeria became an OPEC Member Country at the 24th Meeting of the OPEC Conference held in July 1971.

Nigeria's national currency is the naira.





Drummers with their Sekere, a beaded guard, perform during the Ojude Oba festival in Ijebu Ode, Ogun State, Nigeria.

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| | |
|--|-----------------------------|
| Country name | Federal Republic of Nigeria |
| Nigeria's Independence Day | October 1 |
| Population (million inhabitants) | 208.28 |
| Land area (1,000 sq km) | 924 |
| GDP per capita (\$) | 2,284 |
| GDP at market prices (million \$) | 475,820 |
| Value of exports (million \$) | 64,787 |
| Value of petroleum exports (million \$) | 45,106 |
| Current account balance (million \$) | -17,016 |
| Proven crude oil reserves (million barrels) | 36,890 |
| Proven natural gas reserves (billion cu m) | 5,761 |
| Crude oil production (1,000 b/d) | 1,737.4 |
| Marketed production of natural gas (million cu m) | 47,827.9 |
| Refinery capacity (1,000 b/cd) | 446.0 |
| Output of petroleum products (1,000 b/d) | 8.2 |
| Oil demand (1,000 b/d) | 469.8 |
| Crude oil exports (1,000 b/d) | 2,008.2 |
| Exports of petroleum products (1,000 b/d) | 20.1 |
| Natural gas exports (million cu m) | 35,953.1 |

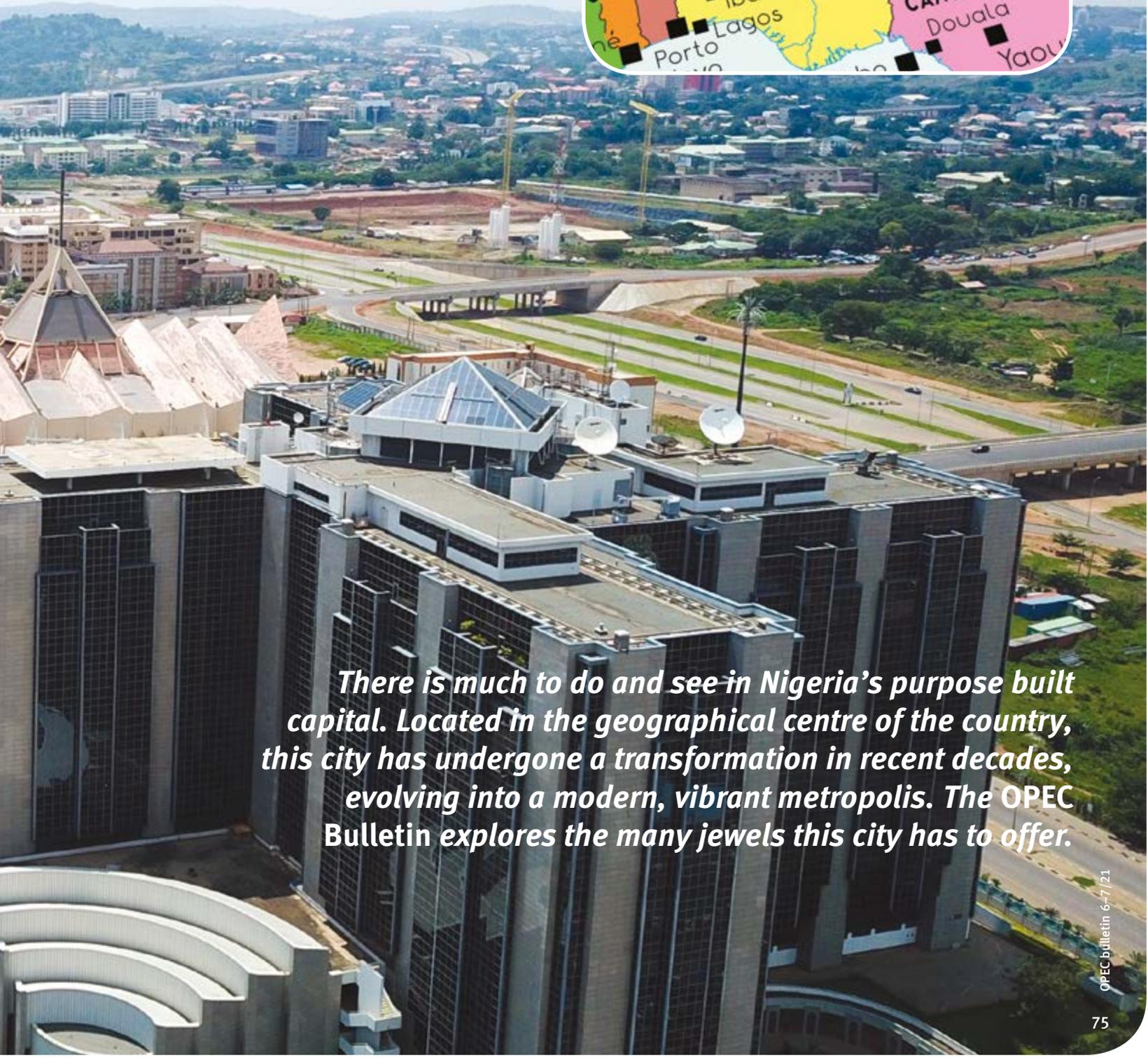
Source: OPEC Annual Statistical Bulletin.

Did you know?

- Conservationists say that Nigeria's unique rainforest region is amongst the richest in Africa. The country is also home to numerous important game reserves, such as the Yankari and Kainji national parks.
- Oil was first discovered in Oloibiri, in Nigeria's Bayelsa State, in 1956.

Abuja:

the rise and rise
of a modern city



There is much to do and see in Nigeria's purpose built capital. Located in the geographical centre of the country, this city has undergone a transformation in recent decades, evolving into a modern, vibrant metropolis. The OPEC Bulletin explores the many jewels this city has to offer.



The Abuja City Gate monument is the entry point into the city centre of Abuja.

Recent Capital City

In many ways, Abuja shares several characteristics with Astana in Kazakhstan or Brasilia in Brazil. Centrally located in their countries' respective geographical centres and recently designated their nations' capital cities, all three are planned cities which have successfully developed their own souls and identities. Abuja's geographical centrality serves as a symbol for national unity. The International Planning Associates (IPA), a consortium of three American firms, namely, the Planning Research Corporation; Wallace, McHarg and Todd; and Archisystems, a division of the Hughes organization were responsible for developing the master plan for Abuja and the Federal Capital Territory. Construction began in the 1970s. Abuja's current major design elements and general structure stem from this master plan. Kenzo Tange, a world-famous Japanese architect, along with his team of city planners at Kenzo Tange and the Urtec company, were responsible for a more detailed design of the central areas of the capital, especially its monumental core. On December 12, 1991, Abuja became Nigeria's capital

city, prompting much celebration across the country. Former President Ibrahim Babangida took a special flight from Lagos (the previous capital) to Abuja. Most countries moved their embassies to Abuja and the Economic Community of West African States (ECOWAS) has its headquarters in the city. The Presidential Complex, National Assembly and Supreme Court are all located here. In the centre of the city is the Nigerian National Mosque which has a distinctive golden dome. Very close to the Mosque is the National Church of Nigeria, the primary place of Christian worship in the country. This interdenominational church building is designed in a postmodern version of the neo-gothic style.

Warm welcome for visitors

Two very distinctive landmarks are notable on the journey from the Nnamdi Azikiwe International Airport to the city centre. One of the first sights for visitors is the Abuja city gate. This wonderful structure was built to commemorate the movement of the seat of Federal Government from Lagos to Abuja and was also intended to be a ceremonial



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pavilion. With the words ‘YOU ARE WELCOME’ emblazoned across the structure, this monument has come to be a moving manifestation of the depth of the warm hospitality of the Nigerian people.

Not far from the gate is the National Stadium, a 60,000 multi-purpose arena which will be familiar to sports fans. It hosted many of the 8th African Games in 2000 and is the official home stadium for the Nigerian National Football Team.

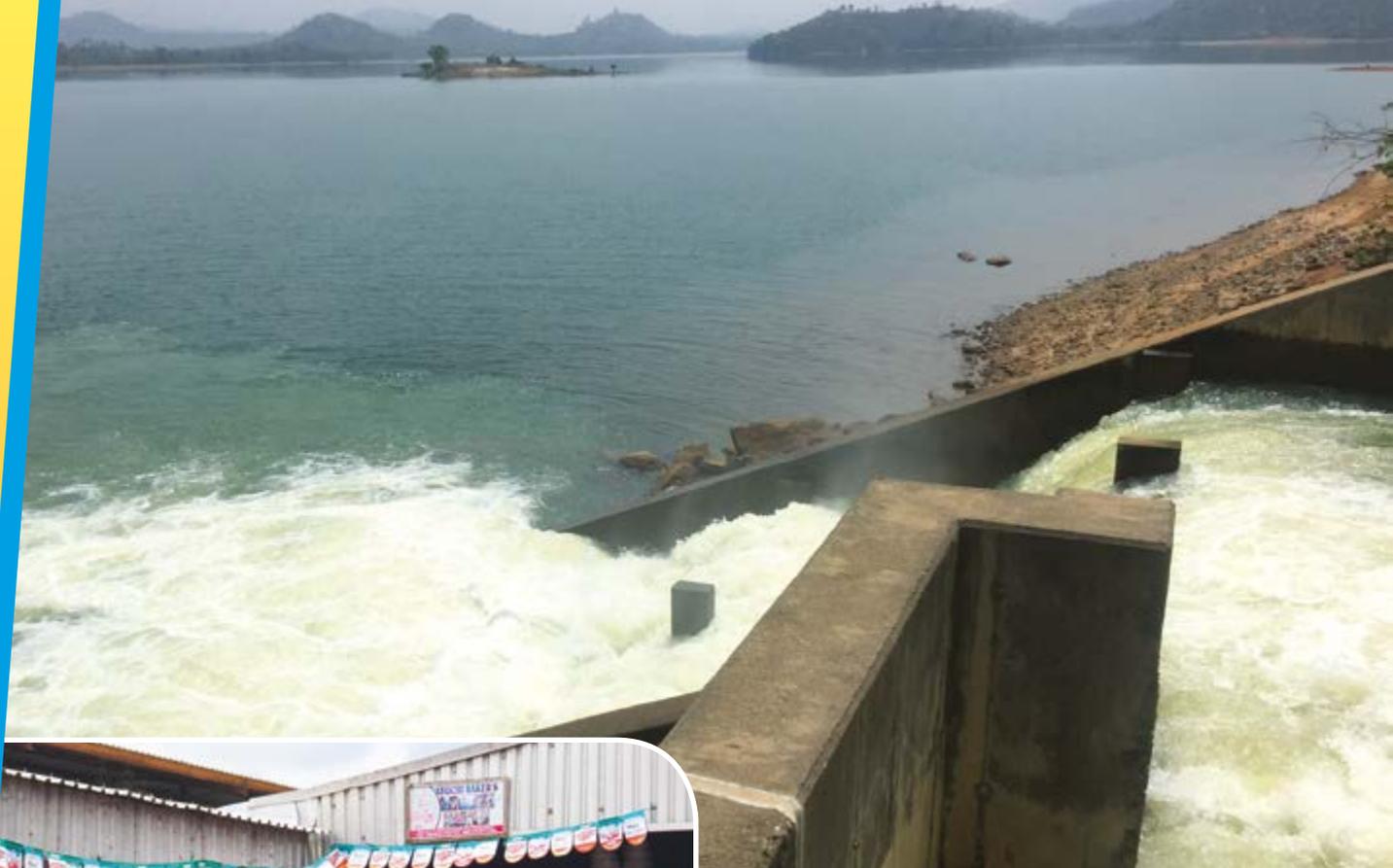
Zuma Rock

One of the most distinctive features of the immediate terrain surrounding Abuja is Zuma Rock. This monolith is evocative of similarly world famous monoliths like

Uluru in Australia or Gavea Rock in Rio de Janeiro, Brazil. Zuma Rock is an igneous intrusion consisting of gabbro and granodiorite. Perhaps it is most famous as being the ‘monolith with a human face’ as it does appear to be somewhat anthropomorphic.

In the 15th century, the Zuba and the Koro people settled in the immediate vicinity of the rock. The Zuba people named the rock, ‘Zumwa’, which means ‘the place of catching Guinea-Fowls’. This eventually evolved into the word Zuma. With a circumference of about 3.1 kilometres, it rises about 725 metres (2,379 ft) above its surroundings. Located along the main road from Abuja to Kaduna off Madala, it is sometimes referred to as the ‘Gateway to Abuja from Suleja.’ The rock is also iconic because it is depicted on the 100 Naira note.

Zuma Rock is one of the most distinctive features of the immediate terrain surrounding Abuja. It is an igneous intrusion consisting of gabbro and granodiorite.



A busy market in Abuja.

Usuma Dam

Another wonderful natural geographic feature of the area around Abuja is the scenic lake of Usuma. It is also home to the magnificently picturesque Usuma dam. The Federal Capital Territory Water Board (FCTWB) operates the Lower Usuma Dam Water Treatment Plant (LUDWTP). The continuously expanding treatment facilities were constructed as part of an initiative to improve water infrastructure and the necessary potable water needs of the territory. This is important as population growth is extremely fast

Above: Another wonderful natural geographic feature of the area around Abuja is the scenic lake of Usuma. It is also home to the magnificently picturesque Usuma dam.

in this area, as demonstrated by the fact that according to the United Nations, Abuja grew by 139.7 per cent between 2000 and 2010, making it the fastest growing city in the world.

According the website of the expansion project for the dam, watertechnology-net, “the water treatment technology involves aeration followed by removal of large solids implementing drum screens. The water then passes through the lamella sludge blanket clarifier/inclined-plate clarifier in place of conventional settling tanks for clarification. The technology makes use of highly compact settlers, reducing the space requirements compared with the latter by up to 90 per cent. This clarified water is put to rapid gravity filtration by passing it through a filter medium consisting of sand filters, by gravity or under pumped pressure. The filter removes flocculated materials trapped in the sand.”

Beyond the technological innovation which the project incorporates, the placid lake provides remarkably peaceful and scenic surroundings. It is no wonder that this location is extremely popular for weekend excursions out of the city, family picnics and a place of relaxation. Usuma lake is a wonderful destination for quiet contemplation and reflection.



Above: National Stadium, a 60,000 multi-purpose arena which hosted many of the 8th African Games in 2000. It is the official home stadium for the Nigerian National Football Team.

Folk dance show with Nigerian traditional costumes on display.

Shutterstock



Wares from the Abuja Arts and Crafts Village on display.

Abuja Arts and Crafts village

Perhaps one of Nigeria's most famous exports is its outstanding and unique heritage of traditional art. Encompassing sculpture, masks, pottery, textiles, embroidery, weaving and much, much more, Abuja, like the rest of Nigeria, offers so much to whet the appetite of the art connoisseur. Just outside the city lies the Abuja Arts and Crafts village which is a 'must' for all visitors. Picturesque thatched huts with round red-brick walls entice visitors with an appealing range of handicrafts such as wooden animal statues and other baubles. Jewelry, necklaces and other trinkets are all on sale here.

Perhaps one of the most influential components of Nigerian, and indeed African, art are the world famous traditional African masks. Masks often have a ritual or spiritual significance, used in dance and social ceremonies. Each mask can have a very specific symbolic and ceremonial meaning, particular to an area, province or tribe. Yet there remains something enduringly universal in appeal about this great art form.

This familiarity may stem from the influence African masks had on twentieth century artistic movements such as cubism, fauvism and expressionism. Or perhaps it is related to the thesis of one of Nigeria's noble prize winning writers, Wole Soyinka, who wrote extensively on the analogies between the use of the traditional mask in the ceremonies of the Yoruba and Edo peoples of Nigeria and the theatre of ancient Greece, and the theatre of the West in general.



One of the added bonuses of the Abuja Arts and Crafts Village is that the artists and craftspeople operating their businesses there are also experts on the history of their art. This leads to fascinating discussions as they explain the connection between many of the masks and particular regions of Nigeria.

Ife Head

For regular visitors to the British Museum in London, when one is surrounded by this array of masks one cannot help but be reminded of the Ife Head, famously used by Neil MacGregor, former Director of the British Museum, in his seminal work, 'A History of the World in 100 Objects'. The Ife Head probably depicts an Ooni, a ruler of the West African kingdom of Ife that flourished between AD 1100 and 1500. The Ife head differs somewhat from traditional masks given its outstanding realism. Indeed, when the Ife heads were first brought to Europe in the early 20th century, some European explorers, reflecting the prejudices of the time, were convinced it could not have been originally produced by Africans but rather settlers from Ancient Greece, possibly the basis for the Atlantis myth. According to MacGregor, Ife is regarded as the spiritual heartland of Yoruba people in southwest Nigeria.

Sculpture from the Ife state using a lost-wax casting technique, Nigeria, late 11th–14th century; British Museum.



Wikimedia Commons



What links the Ife Head with the traditional African masks is of course the fact that they depict the head, in the case of the masks either human or animal. Regarding Ife, this was important as artists believed the ‘Ase’ was contained in the head, the ‘Ase’ being the inner power and energy of a person. We could conjecture that comparable beliefs about the importance of the head may be behind the traditional masks. This may offer an explanation of why such art is somehow both exotic yet familiar at the same time.

Delightful City

Abuja is a fascinating, dynamic city which can cater to all tastes. Between its majestic landscapes, joyous culture and unique heritage, future attendees of the Nigeria International Petroleum Summit or the Nigeria Oil and Gas Conference and Exhibition will be sure to take the time to enjoy some of the city’s local sights and sounds. This is true of the rest of Nigeria; a country which is truly a privilege to visit. ❖❖

NIGERIA:

Unique diversity and thrilling culture

In addition to being a key oil producer with large proven crude reserves, as well as large amounts of gas, OPEC Member Country Nigeria is rich in art, diversity and heritage. In this article, the OPEC Bulletin's Ayman Almusallam investigates some of the pillars of Nigeria's cultural wealth.

The first civilization believed to have inhabited the area now known as Nigeria was the Nok civilization, which flourished between 1,500 BCE and 200 CE. Since then, Nigeria has been a warm home for many different civilizations, tribes and ethnic groups, which has enabled its heritage to broaden and evolve.

Nigeria is widely admired for its exceptional diversity, including multiple ethnicities, which has helped shape its culture and history. According to Nigeria's Federal Ministry of Information and Culture, 50 languages and over 250 dialects are spoken in the African nation. The largest ethnicities are Hausa-Fulani in the north, the Igbo in the southeast and the Yoruba in the south-west.

The existence of numerous ethnic groups, multiple languages and dialects, and various religions and creeds is a source of cultural richness. In fact, this unique diversity when embraced in harmony and in tandem, can function as a vehicle that drives social development to become a strong pillar for economic growth and the nation's prosperity.

It is this invaluable cultural wealth that has steered the efforts of the Nigerian Government to undertake the necessary measures to preserve it, protect it and promote it, including the launch of the 'National Cultural Policy' in September 1988.

The policy stipulates that culture is "the totality of the way of life evolved by a people in their attempt to meet the challenges in their environment which gives order and meaning to their social, political, economic,

aesthetic and religious norms and modes of organization, thus distinguishing a people from their neighbour."

The government's efforts have continued in the years since. In June 1999, the Federal Ministry of Culture and Tourism was created. The Ministry was renamed the Federal Ministry of Tourism, Culture and National Orientation in 2006, which was tasked with promoting the country's heritage through defining, developing and publicizing various cultural issues and potentials.

In November 2015, it became the Ministry of Information, Culture and Tourism, after it was merged with the Ministry of Information. The Ministry is now known as the Ministry of Information and Culture, and is headed by Alhaji Lai Mohammed, the Minister of Information and Culture.

Landscapes and attractions

Nigeria contains many topographies and attractions that draw in both local visitors and international tourists. Some of these attractions are testament to the country's long and rich history, and the *OPEC Bulletin* outlines a few below.

The Sukur cultural landscape is found on the border between Nigeria and Cameroon, centred on a plateau in the Mandara Mountains. The landscape is a UNESCO World Heritage site. It blends history, nature and culture, and according to UNESCO it "is a remarkably intact physical expression of a society and its spiritual and material culture."



Wikimedia Commons/Dipo Teyo



Wikimedia Commons

The Sukur cultural landscape is found on the border between Nigeria and Cameroon, centred on a plateau in the Mandara Mountains. The landscape is a UNESCO World Heritage site.

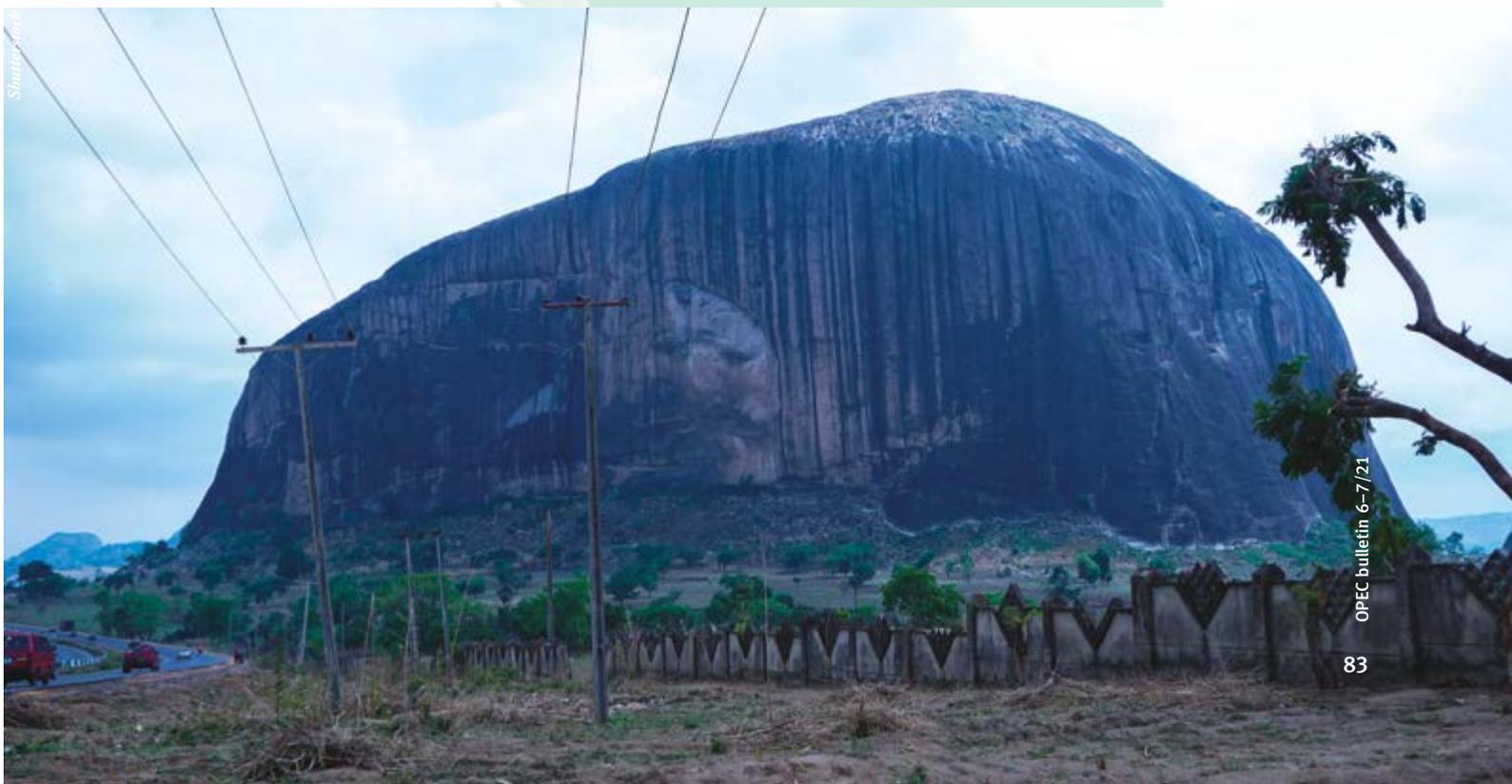
The massive rocks of Olumo and Zuma are among the country's iconic natural wonders and historically served as a defence line for local inhabitants. The Zuma Rock, a large natural monolith, is located along the Abuja-Kaduna Highway in Niger State, and to put its sheer size in perspective, it is twice as high as the world famous Uluru in Australia (*for further information on the Zuma Rock, see page 77*). The Olumo Rock is situated in Abeokuta, Ogun State, and features several tourist facilities, such as food outlets and a museum. The Olumo Rock is 137 metres high.

Peaking at 1,928 metres above sea level, the Shere Hill is another captivating landmark in Nigeria. The landscape serves as another area for leisure, relaxation and sightseeing.

Nigeria is also home to many waterfalls, such as Kura, Agbokim and Gurara. The captivating Kura Falls is located 77 km from Jos in Plateau State, surrounded by a breathtaking landscape and is suitable for hiking and picnicking. The Gurara Waterfalls is located in Niger State and considered a popular holiday destination.

The country also has many wonderful beaches,

The Zuma Rock, a large natural monolith, is located along the Abuja-Kaduna Highway in Niger State.



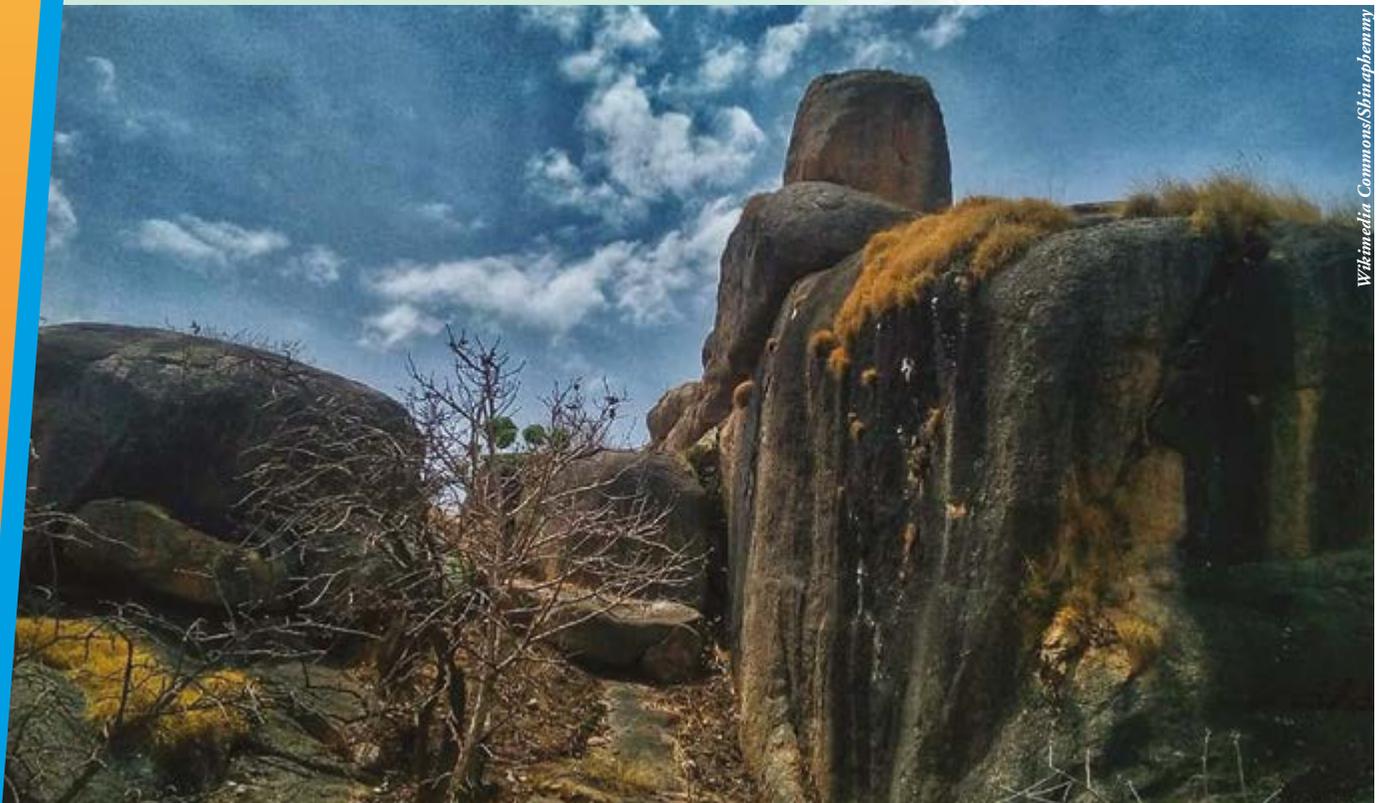
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The Olumo Rock is situated in Abeokuta, Ogun State, and features several touristic facilities, such as food outlets and a museum. The Olumo Rock is 137 metres high.



Wikimedia Commons/Shinuphenmy

Peaking at 1,928 metres above sea level, the Shere Hill is another captivating landmark in Nigeria.



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The Gurara Waterfalls is located in Niger State and considered a popular holiday destination.

including Oso Lekki beach that is situated on the Lekki Peninsula in Lagos State. The beach is a known fishing site and hosts a cultural festival.

Nigeria also has a number of national parks. With a land area of more than 2,000 square kilometres, the Yankari National Park is one of Nigeria's impressive wildlife sanctuaries. The park is located around the Gaji River and accommodates herons, eagles, baboons, elephants, buffaloes, hippopotami and monkeys, among other animals and birds. Other parks include the Gashaka-Gumti National Park, the Cross River National Park and the Okomu National Park.

Cultural events

Festivals, particularly those of a cultural nature, form an important part of Nigerian heritage and identity.

The Durbar Festival is an annual religious and equestrian celebration that takes place in multiple states in Nigeria, including Kano and Kastina. The festival is well-known for its cavaliers, who dress in colourful clothing and ride horses to pay respect and homage to the Emir.

Another yearly event is the Olojo Festival, which is typically held in October in the ancient city of Ile Ife in south-western Nigeria. The four-day celebration includes performing, worshipping and offering.

Lagos, Nigeria's former capital city, hosts the Eyo

Festival. It is an indigenous event held to celebrate the transition of peoples to the afterlife.

Osogbo in Osun State, hosts the annual Osun Festival to celebrate the Osun Goddess of Fertility. The event takes place in August.

In Argungu, Kebbi State, there is the Argungu Fishing Festival, which features a bare-handed fishing competition, as well as water sport and wrestling contests.

Nigeria also hosts many other festivals, such as the New Yam Festival, the Mamanwu Festival and the Igbogo Festival. Some of these festivals have over time attracted many international and local tourists.

Entertainment

Similar to other cultural aspects, Nigeria's film and music industries are well-established in the country.

The African nation has a wide-ranging music scene, with many different styles and beats, including both traditional and modern. Additionally, some artists also blend traditional instruments and percussions into contemporary music genres, such as rhythm and blues, reggae and hip-hop.

The remarkable creativity and innovation from Nigeria's music scene has led some musicians to be acclaimed on the global stage. Frank Edward, Panam Percy Paul, Yinka Ayefefe, the award-winning 2-Face Idibia,



A beautifully decorated horse with its rider wearing the agbada attire during the Argungu fishing festival Durbar event.

the duo P-Square, Davido and Yemi Alade are some examples of successful Nigerian artists.

Nigeria's film industry, often now known as Nollywood, has grown hugely since the early 1990s. The industry contributes significantly to Nigeria's GDP.

In terms of output, it is reportedly the second largest movie industry globally — producing about 2,500 films in a year — surpassed only by India's Bollywood. The industry currently features an impressive number of well-known actors and actresses, as well as producers and directors, such as Pete Edochie, Patience Uzokwor, Olu Jacobs, Rita Domini, Nkem Owoh, Genevieve Nnaji, Segun Arinze, Omotala Ekeinde and Francis Duru.

Nigeria's entertainment sector continues to witness remarkable success and growth. Moreover, its local music and film industry help enrich the country's national identity, as well as propel its economic growth and advancement.

Sport

Nigerians have a strong passion for sport, including for football, basketball, boxing and athletics. The appetite for sport has also yielded significant success in regional and international competitions.

For many years, the Nigerian national football team has dazzled fans both inside and outside the country. The success of the national team included qualifying for the World Cup, the leading global competition for men's national teams, on many occasions, including in 1994, 1998, 2002, 2010, 2014 and 2018.

Additionally, Nigeria won the gold medal in men's football at the 1996 Olympic Games and the country is the most successful nation in the FIFA Under 17 World Cup competition, having won on five occasions. At the continental level, the national team have also captured many trophies, including the Africa Cup of Nations three times.

Nigeria has produced a plethora talented and skilled footballers that have enjoyed outstanding careers, many as professionals in the major European leagues. Among these are Celestine Babayaro; Taye Taiwo; Nwankwo Kanu; John Obi Mikel; Obafemi Martins; Taribo West and Jay-Jay Okocha.

Alongside Olympic medals in football, Nigeria has seen success in other sports too. In 1964, Nojim Maiyegun won Nigeria's first Olympic medal in light-middle weight boxing in Tokyo. This historic achievement was followed by others, including in boxing at the Munich Olympics in 1972; as well as various medals in athletics over the past 40 years or so, including gold in



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Nigeria's soccer team posing for a photo during the FIFA 2014 World Cup in Brazil.



the women's long jump in 1996 for Chioma Ajunwa in Atlanta, US, and gold in 2002 for the men's 4x400 metres relay in Sydney, Australia.

The sports sector is overseen by the Federal Ministry of Youth and Sports Development, which was a result of the merging of the Federal Ministry of Youth Development with the National Sports Commission in November 2016.

The Ministry is mandated to draw, apply, review and assess policies and programmes developed for the advancement of youth and sport to realize wealth creation, the empowerment of youth, well-being improvement and the achievement of sport excellence in a sustainable fashion.

Prosperity through diversity

Nigeria's rich past, its remarkable landscapes and cultural heritage continue to shape the country's progress. It is a country both distinguished and united by differences and similarities. Its diversity is a strength that has enabled it to elevate itself, through innovation and creativity, to become a driving force for social development and economic progress. Alongside astute leadership, the country will continue to prosper from the uniqueness of its history, its culture and its people. ■■





Nigerian initiatives to reduce energy poverty



Throughout the years, Nigeria has implemented a number of energy projects using a variety of energy sources to bridge the gaps in energy poverty, improve energy access and meet demand for domestic and industrial consumption. The OPEC Bulletin's Suraj S Matori highlights some of the recently implemented energy poverty alleviating initiatives.

According to the United Nations (UN) Sustainable Energy for All (SEforALL) programme, 789 million people around the world — or 1 in 10 people — lack access to electricity to light their homes, refrigerate their food, or stay cool or warm throughout the year. Moreover, currently approximately 2.8 billion people worldwide rely on unrefined fuels to heat their homes, such as charcoal, coal, and animal waste.

Lack of access to modern energy hampers the development of today's society in numerous ways, including reduced industrial productivity, reduced access to health care, lower quality of education, and diminished quality of life. The UN has declared eradicating energy poverty one of its most important sustainable development goals (#SDG7), in recognition of the vital nature of the challenge.

Access to modern forms of energy has become integral to the everyday lives of people, and is a catalyst for economic growth, wealth creation and a better quality of life.

In Nigeria, the government is focused on affordable, clean, and sustainable energy for all. It is a priority. It is a huge challenge to provide energy to all citizens in Nigeria, however, with

large swathes of urban and rural areas lacking adequate or reliable sources of energy to meet their daily needs.

The Nigerian government has launched a number of energy generation initiatives and projects in recent years. This has also been supported by the private sector to help ensure adequate energy supply for the growing populace.

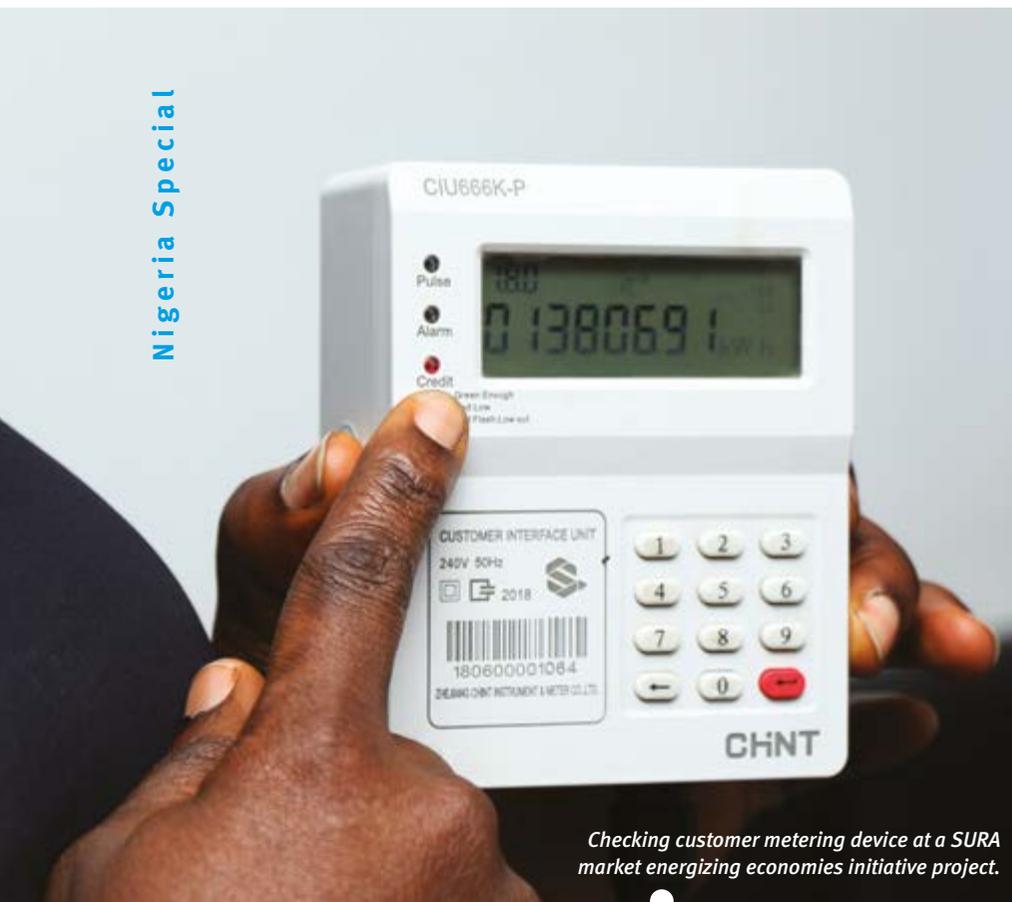
Utilizing gas and renewable energies

Nigeria has adopted a variety of energy resources in an effort to alleviate acute energy poverty — including hydrocarbons and renewable sources. In recent years, Nigeria has implemented a number of programmes and initiatives including gas-to-power and renewables-to-power across different geopolitical regions to address the rising demand for energy, both in rural and urban areas.

The SURA market energizing economies initiative project.



OPEC bulletin 6-7/21



Checking customer metering device at a SURA market energizing economies initiative project.



As part of an initiative to ensure that Africa's largest oil producer can make full use of its gas resources in energy generation and distribution, President Muhammadu Buhari recently launched the 'Decade of Gas' in Nigeria (see *OPEC Bulletin*, April/May 2020, p18).

In the pursuit of utilizing hydrocarbon and renewable sources for clean and affordable energy, Nigeria's Ministry of Power, the agency building the country's power sector, has partnered with key institutions such as the Nigerian National Petroleum Corporation (NNPC) and the Rural Electrification Agency (REA) to enhance energy access and distribution to the populace. In addition, some private sector energy companies, such as Sahara Energy, Oando and Eterna have also made great strides in the field of utilizing natural gas as a fuel source for cooking, transportation, fertilizers and power generation.

With its large natural gas reserves and ample renewable energy, the Nigerian government is working hard to optimize all its resources, and bring heat, light and power to all. Some selected programmes and initiatives are highlighted below.

The Ajaokuta–Kaduna–Kano (AKK) Gas Pipeline project

The (AKK) pipeline is a 614 km-long pipeline being developed by NNPC for the transportation of natural gas from the southern region of Nigeria to the rest of the country. The pipeline forms part of the Trans-Nigeria Gas Pipeline development, which is included in the gas infrastructure blueprint of Nigeria. This project represents phase one of the 1,300 km long Trans-Nigerian Gas Pipeline, which is expected to cost \$2.8 billion.

It is estimated that upon completion of the project, it will unlock 2.2 billion cubic feet of gas for Nigeria's domestic market and add 3,600 megawatts (MW) to the grid, thus, increasing the country's natural gas utilization for its economic development. Furthermore, the project will contribute to reducing gas flaring in Nigeria and further encourage the diversification of the country's energy sources.

With the AKK Pipeline, Nigeria's domestic economy is expected to grow substantially by increasing its electricity generation capacity, revenues, and employment opportunities through the use of its intrinsic gas potential. Additionally, the project is expected to help the development of petrochemicals, fertilizers, methanol and other gas-based industries within Nigeria. Construction

Installed equipment at Abubakar Tafawa Balewa University within the framework of the 'Energizing education initiative project'.

of the project commenced in 2020, and it is expected to be completed in 2023.

National Gas Expansion Programme (NGEP)

The Nigerian government rolled out the NGEP in December 2020 to deepen the use of natural gas at home and to make it a preferred form of cleaner, cheaper energy for both personal and industrial use. In the past, low levels of investment in the gas industry have resulted in minimal production and utilization of compressed natural gas (CNG) and liquefied petroleum gas (LPG) as clean alternative sources of domestic consumption.

The NGEP is a joint initiative of the Nigerian Ministry of Petroleum Resources and NNPC. On launching the initiative, President Buhari encouraged Nigerians to use (LPG) or natural gas as an alternative to conventional fuels, and stated that one million cars are expected to be converted by 2021.

The NGEP was launched to help spur rapid growth through gas utilization, making CNG the preferred fuel for transportation and LPG favoured for domestic cooking and small industrial complexes. In addition, gas-based industries, most especially the petrochemical industry (fertilizer, methanol, etc) will be able to support large industries including agriculture, industrial applications and textiles.

In efforts to encourage investment in the Nigerian gas value chain, the Central Bank of Nigeria has established a 250bn naira intervention facility for interested and qualified participants in order to provide leverage for additional private sector investments in the domestic market.

The programme has seen some private companies manufacturing vehicles in Nigeria, some partnering with the petroleum industry to develop gas-powered vehicles for domestic usage, while some are introducing CNG and LPG refill stations with customized selling points.

The NGEP has the potential to

create job opportunities, thus reducing unemployment and broadening access to energy.

Energizing Economies Initiative (EEI)

In September 2017, the Nigerian government launched EEI in order to assist micro, small and medium enterprises in economic clusters (such as market complexes, shopping centres, and agricultural/industrial clusters) with off-grid electricity technologies. The implementation of the EEI is handled by the REA, which is charged with electrifying rural and unserved communities.

Several intervention programmes, under the EEI, have

Weather station at Abubakar Tafawa Balewa University, part of the 'Energizing education initiative project'.





The newly constructed resource centre, part of the Abubakar Tafawa Balewa University's 'Energizing education initiative project'.



A fully equipped resource centre at the Abubakar Tafawa Balewa University launched within the 'Energizing education initiative project'.

been launched with a view to addressing energy access issues for rural communities and industries in Nigeria. Despite the challenges, rural communities are benefiting from such projects through better healthcare, more high-quality education, and the expansion of local business and industry.

As part of the EEI's scope, over 100,000 establishments across the country will be connected at a relatively rapid pace, 70 per cent of which will be connected with renewable energy.

Among the projects under the EEI to date is the

Ariaria Market independent power plant in Abia State and the Sura shopping complex electrification in Lagos State, which have been commissioned by the Nigerian government.

Like other government-initiated programmes, EEI's goal is to eradicate energy poverty by engaging the private sector and the public sector in a collaborative effort. It is envisaged that about 18 million people in Nigeria will be served through these types of projects, businesses will be provided with clean power, and a large number of jobs will be created.

Energizing Education Programme (EEP)

The insufficient supply of electricity in federal universities is seen as one of the main challenges and barriers to effective learning. It can mean that students do not have access to high-powered technical labs, internet connections/online resources, and high-powered equipment required to ensure quality learning. The Nigerian government created the EEP as a way to address these and many other challenges.

The EEP is focused on providing clean, sustainable electricity to 37 federal universities and seven university teaching hospitals across the country. Several aspects of the project are planned, including an independent power plant, a modernized distribution infrastructure, street lighting to improve security on university campuses, and the development of world-class training facilities with renewable energy.

The REA is implementing the project and it is being developed in phases. The first phase will incorporate hybrid solar-electric power plants and gas-fired captive power plants to power nine federal universities, decommission hundreds of generators, and provide power for teaching hospital staff (including doctors) and thousands of students.

Within the first phase of the Nigeria's government solar hybrid programme, seven projects are receiving funding through the government's Green Bond programme. Later phases of the project will be funded by the Nigeria Electrification Project, which is a government-led initiative that will be funded with assistance from the World Bank and the African Development Bank. A few examples of projects are listed below:

- A 1.35 MW solar hybrid power project at the Federal University of Petroleum Resources (FUPRE), Effurun in the Uvwie Local Government Area of Delta State. It has been inaugurated and is operational.

- A 1.12 MW solar hybrid mini-grid project at Abubakar Tafawa Balewa University (ATBU), Bauchi state. It has been inaugurated and is now operational.
- A gas-fired power plant at Obafemi Awolowo University and Teaching Hospital, Ile-Ife, Osun state. It has been launched, and additional work is ongoing.

Solar Power Naija

In response to the COVID-19 pandemic, the Nigerian government launched an initiative in December 2020 to install five million solar-based connections in communities that are currently not grid-connected, with the goal of supporting the economic recovery and expanding access to clean, sustainable energy.

For many communities in Nigeria, candles, kerosene lamps, and firewood are still the most important sources of energy. Continuing to rely on unrefined energy sources releases CO₂ into the atmosphere, thereby, presenting a challenge to Nigeria's goals in the Paris climate agreement to reduce emissions by 20 per cent by 2030, and also ameliorate widespread energy poverty.

With Solar Power Naija, the government expects to generate 7bn naira more in taxes annually and open up energy access to 25m additional people. A greater percentage of the off-grid value chain will also be sourced locally, enabling the local fabrication and assembly industry to expand. Additionally, this initiative is expected to create many new energy sector jobs, contributing to the reduction of unemployment across the nation.

The Central Bank of Nigeria, in its support of the government's effort to provide affordable electricity to rural communities, offers long-term low interest credit lines to qualified solar home systems distributors and mini-grid developers. This includes qualified players in the home solar value chain, such as solar component manufacturers and solar panel assemblers.

An OPEC perspective

According to OPEC's *World Oil Outlook (WOO)*, all forms of energy will be required in the future. It is not about choosing one form of energy over another.

Providing everyone with access to clean, sustainable energy is an important aspect of achieving #SDG7, and requires the commitment of all respective governments and the private sector alike. Energy is paramount to human development and is a cross-cutting issue in socio-economic prosperity and environmental sustainability, and thus OPEC continues to encourage stakeholders to combat energy poverty.

Through its various workshops, OPEC has demonstrated its support for efforts aimed at combatting energy poverty and its support for new technologies, such as Carbon Capture Utilization and Storage and hydrogen, which can help do so.

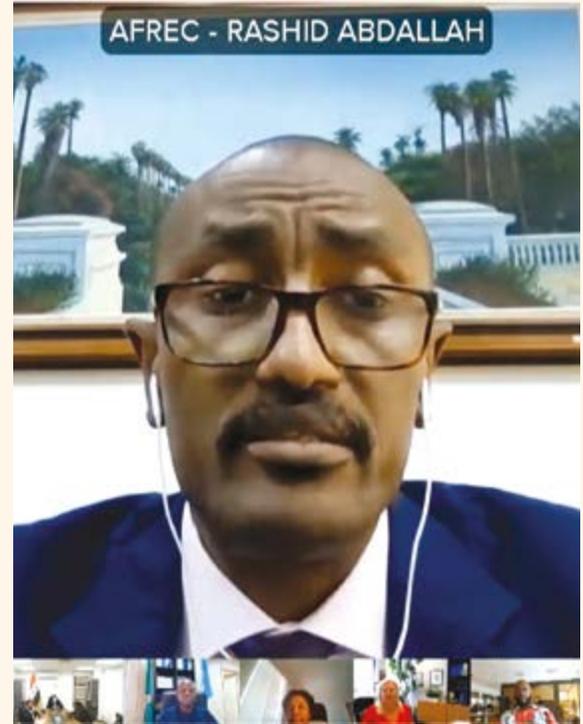
In his remarks at the UN Climate Change Conference (COP24/CMP14/CMA1.3), on December 12, 2018, in Katowice, Poland, OPEC Secretary General, Mohammad Sanusi Barkindo, said: "Energy poverty remains a scourge of our time: today one billion people lack access to electricity and three billion lack clean fuels for cooking. An ever cleaner oil industry, driven by technological innovation, can improve the livelihoods of billions of people in a sustainable way. We urge Parties (governments) to promote all-inclusive policies that are not discriminatory in content and implementation." 



A solar farm at the Abubakar Tafawa Balewa University installed by the 'Energizing education initiative project'.



Mohammad Sanusi Barkindo, OPEC Secretary General.



Rashid Ali Abdallah, Executive Director of AFREC.

OPEC expands dialogue series to Africa

The first-ever High-Level OPEC-Africa Energy Dialogue focused on expanding cooperation to address the continent's concerns about global climate policies, investment challenges and energy poverty. The OPEC Bulletin reports on the discussions.

OPEC and high-level representatives of the African Energy Commission (AFREC), the African Petroleum Producers' Organization (APPO) and the African Refiners and Distributors Association (ARDA) took part in the inaugural OPEC-Africa Energy Dialogue to promote continent-wide energy cooperation efforts.

The dialogue, which took place via videoconference on June 2, 2021, capped more than two years of efforts to expand dialogue, technical cooperation and research

capacity. The High-Level meeting was followed on the same day by the 1st Technical Meeting of the OPEC-Africa Energy Dialogue.

In his opening remarks at the ground-breaking event, OPEC Secretary General, Mohammad Sanusi Barkindo, noted that OPEC has a long history of prioritizing cooperation through dialogues with oil-producing and consuming countries, as well as with international organizations and global corporations.



Dr Omar Farouk Ibrahim, Secretary General of APPO.



Anibor Kragha, Executive Secretary of ARDA.

“These events have proven to be highly effective in promoting mutual understanding on key energy issues, while also enhancing our common efforts as energy stakeholders to tackle industry challenges, such as the current COVID-19 pandemic,” the Secretary General said.

“Today’s event is of special interest to me as we turn our focus to my native home of Africa and its dynamic and growing energy industry,” he said, noting that other high-level dialogue partners include the European Union (EU), China, India and the Russian Federation.

Efforts began in 2019

The OPEC-Africa Energy Dialogue stems from efforts dating back to February 2019, when a recommendation was made to organize a technical partnership between OPEC and AFREC, a specialized agency of the African Union (AU) whose tasks include coordinating and integrating energy resources on the continent. As a result, the 1st OPEC-AFREC Technical Meeting was held in October 2020. This was followed late last year by the 1st Technical Meeting between OPEC and APPO.

“These fruitful discussions were thus a key turning point in the creation of this High-Level Meeting,” Barkindo said. “We are also very pleased that today’s

1st Technical Meeting of the OPEC-Africa Energy Dialogue sets a new milestone for technical cooperation.”

Since OPEC was founded in 1960, the Organization’s bonds with Africa have grown stronger and more important. Today, the African continent is home to seven of the Organization’s 13 Member Countries — Algeria, Angola, the Republic of the Congo, Equatorial Guinea, Gabon, Libya and Nigeria. Nigeria marks the 50th Anniversary of its Membership of OPEC in July 2021.

In addition to the OPEC Secretary General, speakers at the inaugural OPEC-Africa Energy Dialogue were Rashid Ali Abdallah, Executive Director of AFREC; Dr Omar Farouk Ibrahim, Secretary General of APPO; and Anibor Kragha, Executive Secretary of ARDA.

‘Daunting challenges’ facing Africa

In his opening remarks, Abdallah said: “We should explore the relevance of investment in refining facilities and increase cross-boarder trading, especially through the African Continental Free Trade Area (AfCFTA). These dialogues are therefore key to strengthening our relations, help facilitate the mobilization of Africa’s own energy resources and potentials, continue to bring energy to the top of national and regional agendas, whilst taking approaches that put Africa



directly on to innovative and low carbon energy development pathways.”

Ibrahim, who was Nigeria’s Governor for OPEC before taking over as Secretary General of APPO in January 2020, spoke of the need “to join efforts to tackle the daunting challenges facing the global energy sector, and particularly Africa.” The APPO Executive Director also stressed the need to undertake cross-border and regional energy projects in the context of the energy transition.

ARDA’s Kragha praised the timeliness of the inaugural dialogue, noting in his remarks that it takes place a few months before the COP26 United Nations (UN) climate meeting in Glasgow, Scotland, scheduled for November 1–12, 2021.

“Our positive deliberations on promoting sustainable investments across Africa’s oil and gas industry, developing a robust energy transition roadmap and securing the required funding to execute crucial regional



Top: The OPEC Secretariat team and above some of the participants to the dialogue.

projects will usher in a new era of prosperity for the continent,” he added.

Key points

Additional points discussed during the High-Level meeting included:

- Energy poverty remains a major challenge that requires expanded cooperation to achieve solutions;
- All sources of energy are needed to meet anticipated energy demand as well as expand energy access;
- Expanded cross-border energy trade and connections could strengthen energy access and reliability;
- A sustainable finance plan for the African energy sector is very important;
- Enhanced continent-wide cooperation on data collection and sharing is needed to support energy planning and stability; and
- There is a need for additional dialogue and stronger advocacy to support the strategic energy interests of Africa.

Enhanced cooperation

Going forward, the dialogue aims to bring together top energy policy-makers from various energy institutions to provide support and policy guidance to the technical meetings of the energy dialogue. The mutual goals of the organizations are based extensively on energy access and energy poverty alleviation in Africa.

The African continent is set to become increasingly important in terms of global energy demand and supply. African countries are projected to provide the largest share of world population growth in the long term and the continent will experience a significant expansion in urbanization levels. These underlying demographics, coupled with growing economies and rising income levels, will drive an increase in energy demand.

“Africa will continue to be an integral and essential player in the oil and gas industry’s long-term efforts to meet the rising energy needs of the world’s rapidly growing population,” Barkindo said during the event.

“As energy stakeholders,” he added, “we must continue to dialogue and collaborate at all levels to achieve our common goals. In this regard, I invite all of our fellow African energy producers to join with us as we will only get stronger with the enhanced support and cooperation of our continental partners.”

The meeting was also attended by delegates from several OPEC Member Countries and non-OPEC oil-producing countries participating in the ‘Declaration of Cooperation’ (DoC). 

Africa and the energy poverty challenge

Continent-wide cooperation to expand energy access was one of the main issues discussed during the first High-Level OPEC-Africa Energy Dialogue. Despite its vast natural resources, the continent, and in particular sub-Saharan Africa, leads the world in energy poverty.

According to the 2020 edition of the OPEC World Oil Outlook, 789 million people worldwide do not have access to electricity, and an estimated 2.8 billion people globally have no access to modern cooking systems. In Sub-Saharan Africa, an estimated 47 per cent of the population has no electricity and approximately 85 per cent of people lack access to clean fuels and technologies for cooking.

In his remarks to the dialogue, OPEC Secretary General, Mohammad Sanusi Barkindo, referred to the urgency of the energy access challenge.

“Considering the richness of the continent’s resources, both conventional and renewable, this is simply hard to accept,” he said. “Energy stakeholders must unite on this issue to ensure an equitable distribution of energy that leaves no one behind. OPEC supports the first-ever universal goal related to energy, Sustainable Development Goal (SDG) 7, which seeks to ensure access to affordable, reliable, sustainable and modern energy for all.

“When all is said and done, access to energy, like education and health care, should not be considered a luxury but a human right. OPEC will continue to work closely with our Member Countries to advocate for real and lasting change on this issue.”

OPEC holds third Energy and Information Technology workshop



The opening remarks were delivered on behalf of OPEC Secretary General, Mohammad Sanusi Barkindo, by the Director, Research Division of the OPEC Secretariat, Dr Ayed S Al-Qahtani (pictured above).

The OPEC Secretariat held a virtual workshop on ‘Energy and Information Technology’ on May 26, 2021, the third iteration in a series dating back to 2019. Discussions focused on recent developments in the technological sphere which are profoundly altering the energy industry. The workshop was attended by a diverse range of thought-leaders, practitioners and experts, captains of industry and influential stakeholders from across the energy and IT sectors.



Participants of the 3rd workshop on 'Energy and Information Technology'.

Fascinating topics

The more than 200 attendees included representatives from OPEC Member Countries, non-OPEC countries participating in the 'Declaration of Cooperation' (DoC), government agencies, leaders from the private sector and research institutions. The workshop was divided around two core themes, potential demand and emerging technologies related to the petrochemical sector, and digitalization in the technology sector.

The first session explored the role of advanced technology in shaping petrochemical operations to meet the projected rise in demand in petrochemicals over the coming decades. The implementation of emerging crude-to-chemical technology, as well as the growth surrounding plastic recycling were analyzed in detail. The second session examined trends in digitalization, blockchain and communication technologies. Key constraints, such as cost and deployment challenges on digitalization in the energy sector were discussed.

Opening remarks were delivered on behalf of OPEC Secretary General, Mohammad Sanusi Barkindo, by the Director, Research Division of the OPEC Secretariat, Dr Ayed S Al-Qahtani. He stated, "We have in attendance

today the crème de la crème of practitioners, thought leaders, captains of industry and pioneers, who in their workday, seek to improve, optimize and, often, revolutionize the mutually dependent relationship between the energy industry and technological innovation."

Dr Al-Qahtani also emphasized how topical the workshop was in the context of the COVID-19 pandemic. "The pandemic has also underscored how essential the two main topics of our agenda today are, namely, the petrochemical sector and digitalization," he said.

Session I: Petrochemicals: potential demand and emerging technologies

Dr Al-Qahtani outlined the ways in which the COVID-19 pandemic affected the petrochemical sector. "The impact of the pandemic on the petrochemical sector is undoubtedly complex and multifaceted. Anecdotally, we have all probably become a bit more conscious of its impact on our lives, primarily through syringes, PPE equipment, polypropylene, masks and other specialised equipment," he said.

The overall impact of the coronavirus on petrochemical demand has been described by McKinsey as,



The OPEC Secretariat team at the workshop.

“irregular across value chains, with automotive and construction applications seeing particularly steep declines, and packaging demand (especially in food, sanitary products, and medical applications) remaining robust.”

The COVID-19 crisis has highlighted the need for supply diversification in the petrochemical sector and capacity relocation to be closer to consuming regions, rather than depending on global trade. OPEC’s flagship publication, the 2020 edition of the *World Oil Outlook* (WOO) examined this in great detail. The WOO also noted that projected growth rates in the sector may not be as healthy as the industry requires to attract the necessary level of investments. Additionally, environmental policy and public opinion, particularly on issues such as single use plastics, will be significant in determining long term prospects. The WOO also noted that projected growth rates in the sector may not be as healthy as the industry requires to attract the necessary level of investments. Additionally, environmental policy and public opinion, particularly on issues such as single use plastics, will be significant in determining long term prospects.

In the WOO, the OPEC Secretariat revised downward expectations for demand growth in the petrochemical

sector in both the medium and longer term. Over the forecast period (2019–45), OPEC foresees demand growth of 0.9 per cent per annum. This represented an increase of 3.7 million barrels/day at the global level, from 13.7m b/d in 2019 to a forecasted level of 17.3m b/d in 2045. In volume terms, this sector is experiencing the largest incremental demand increase among all sectors and the second fastest growth rate at the sectoral level. The majority of the incremental demand growth is forecast to come from Asia, OPEC and OECD Americas.

The deployment of technology to recycle plastic more efficiently was also discussed. On an annual basis, more than 8 million tonnes of plastic ends up in the world’s oceans. World production of plastics materials in 2016 was 280 million tonnes, one third of which was single-use.

Session II: Digitalization in the energy sector: trends and breakthrough

Dr Al-Qahtani also noted the critical role that digitalization and improved data transparency had played in OPEC’s own work and accomplishments in recent years. “Allow me to take this opportunity to reaffirm OPEC’s



strong support for improvements in digitization and technological innovation that enhances data transparency. Throughout the DoC process, we have seen time and time again how essential reliable, timely and accurate data is for informed policy making. At almost every forum our Organization is involved in, we have supported all efforts and initiatives to improve data transparency,” he said.

Sensing technologies have been applied widely throughout the oil industry, deployed to monitor various processes in petroleum production, including Enhanced Oil Recovery, drilling, fracking and refining, as well as decommissioning. The entire process of oil and gas production benefits from technological advances which improve the sensing and monitoring of modalities such as temperature, pressure, vibration, stress and strain. The workshop discussed these aspects of the ‘Internet of Things’ (IoT) and Machine to Machine (M2M) technologies, as well as the fifth generation technology standard of broadband cellular networks (5G).

Discussions also explored how Big Data when managed properly, offers immense value and opportunity through improved knowledge and enhanced decision

making. Predictive analytics has exemplified this potential of digitization to reshape the energy sector, through its help optimizing processes by assessing the size of spare part inventories and planned periods of equipment forced outages. Again, these are issues explored by the WOO.

Blockchain and cryptosolutions are other additional important segments of data processing. These concepts have inherently forward-orientated structures wherein concepts cannot be reverted at a later stage but only compensated by a future action. Therefore this can expedite international trade.

Contribution to OPEC’s core work

The workshop is a manifestation of OPEC’s longstanding commitment to engage with all stakeholders in the energy industry to meet common challenges and seize opportunities in the interests of producers, consumers and the global economy alike. The Organization will continue to promote and facilitate such dialogue and attaches tremendous importance to cooperation in supporting the post-pandemic recovery in the oil industry and global economy. 

FOOD SECURITY BOOSTED IN BURUNDI

A new project will strengthen the resilience of agricultural production systems

More than 700,000 people in the central plateau region of Burundi are expected to benefit from a project co-financed by the OPEC Fund. The organization signed a \$20 million public sector loan agreement with the African nation to co-finance a project that will improve food security, expand access to marketplaces and social services, and strengthen the resilience of agricultural production systems.

Burundi is ranked

185th

out of 189 countries on the 2020 United Nations Development Programme's human development index



Burundi is ranked 185th out of 189 countries on the 2020 United Nations Development Programme's (UNDP) human development index, and eight out of ten people in the country live below the poverty line. The OPEC Fund loan will strengthen agricultural infrastructure and support the development of new marshlands and watersheds. Work will include rehabilitating 150 kilometres of rural access roads and building storage facilities, as well as establishing irrigation perimeters.

The project, 'Agricultural Production Intensification and Vulnerability Reduction Project in Burundi', is co-financed by the government of Burundi, the International Fund for Agricultural Development, and the World Food Programme. It supports Sustainable Development Goal (SDG) 1, which aims to end poverty in all its forms; and SDG 2, which focuses on ending hunger and improving food security and nutrition, as well as promoting sustainable agriculture.

OPEC Fund Director-General, Dr Abdulhamid Alkhalifa, said: "Improving food and income security are critical development priorities in Burundi, where 90 per cent of the population derive their livelihoods from agriculture. This loan will help to create economic opportunities for small farmers and communities, and improve food and income security for rural households. We are pleased to continue to support Burundi's development priorities and continue our long partnership."

The OPEC Fund has worked with Burundi since its inception 45 years ago and committed close to \$232m in public sector financing, including the present loan. The majority of the financing supports the agriculture and transportation sectors. 

Public sector loan agreement value:

\$20m

The OPEC Fund's total public sector finance commitments over 45 years:

\$232m





OPEC FUND
for International Development



The OPEC Fund
has committed
\$247m
to Madagascar for
32 public sector
operations

The OPEC Fund
provided a
\$30m
private sector loan
to expand airport
infrastructure

MORE POWER FOR MADAGASCAR

Shutterstock

**Project will install solar nano-networks, power lines
and street lighting in isolated communities.**

The OPEC Fund has signed a \$15 million public sector loan agreement with Madagascar to co-finance the second phase of a project that will improve energy access in rural areas.

The finance will be used for Madagascar’s ‘Integrated Growth Poles Energy Access Enhancement Project’, which will install solar nano-networks, power lines and street lighting in isolated communities in the Diana and Atsimo-Andrefana regions. In addition, the project will improve 43 kilometres of roads and tourist sites on the small island of Sainte-Marie.

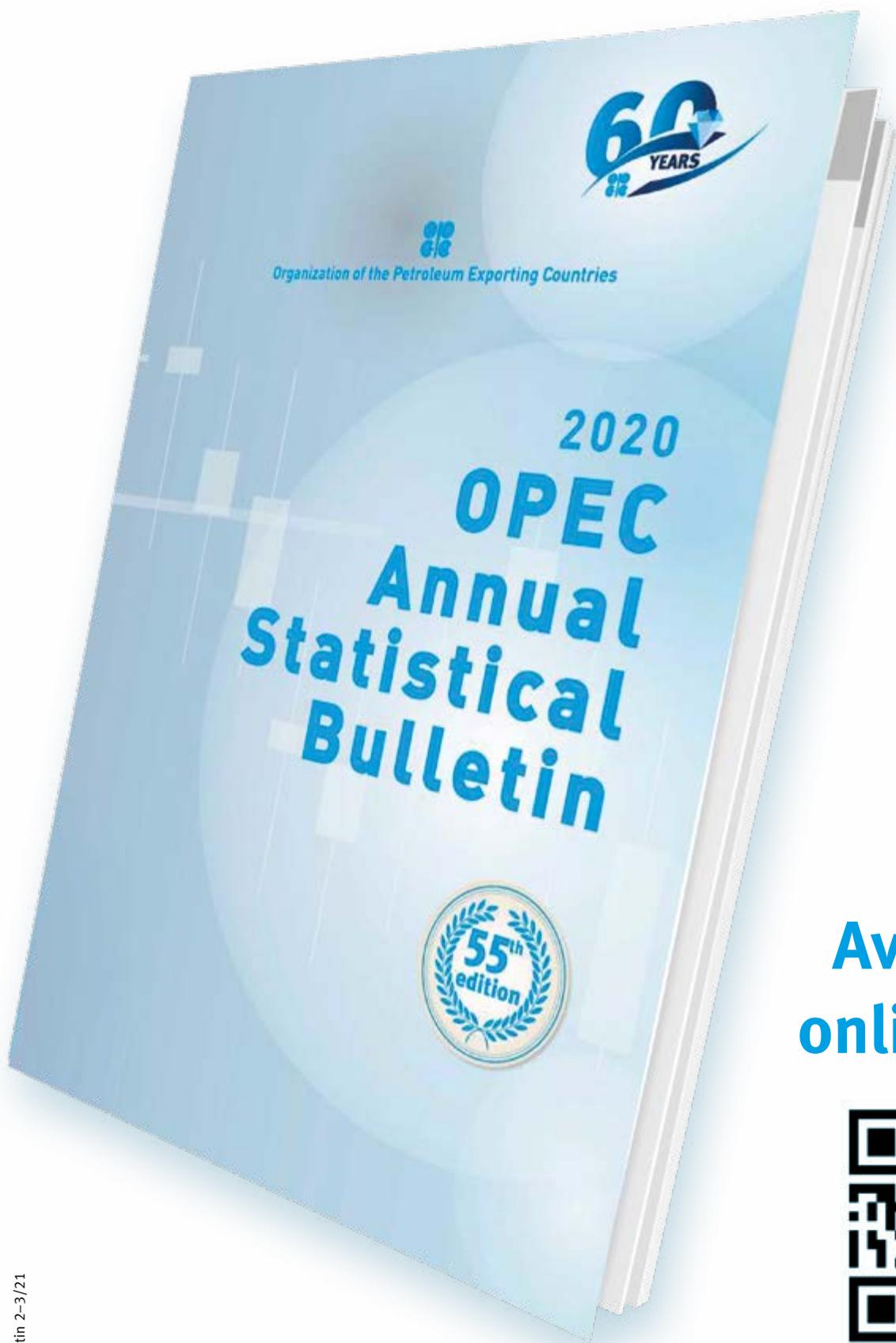
Rural electrification reduces reliance on biomass and helps to prevent deforestation and pollution. This, in turn, contributes to the improved health and wellbeing of millions of people in developing countries (particularly women and children). The project will also enhance opportunities for agribusinesses and enable communities to realize their strong potential for tourism-related industry — a sector particularly hard hit by COVID-19. More generally, drought conditions, a poor harvest and the global health pandemic mean that many commu-

nities in Madagascar are becoming increasingly vulnerable.

OPEC Fund Director-General, Dr Abdulhamid Alkhalifa, said: “Key sectors such as agriculture, tourism and manufacturing are under increasing pressure in Madagascar, and extreme poverty levels are being driven upward. To help reverse this trend, the OPEC Fund is supporting a project that is critical for the livelihood of local economies and employment in the most vulnerable communities.”

The project is co-financed with the government of Madagascar, the World Bank and the private sector. The first phase, for which the OPEC Fund also provided a \$15m loan, was completed in 2020. It provided over 3,000 rural households with electricity connections and contributed to an increased electrification rate of 67 per cent in urban areas.

Including the present loan, the OPEC Fund has committed \$247 million to Madagascar for 32 public sector operations, mainly in the transportation, agriculture and energy sectors. Under its private sector operations, the OPEC Fund provided a \$30m loan that helped expand airport infrastructure. 



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World oil market prospects for 2H2021

June 2021

Global economic recovery has been delayed due to the resurgence of COVID-19 infections and renewed lockdowns in key economies, including the Euro-zone, Japan and India, which kept growth rates low in 1H21. However, the ongoing vaccination efforts, growing share of recovered cases leading to increasing herd immunity, and the easing of lockdown restrictions lend optimism that the pandemic could be contained in the few months to come.

These developments, combined with broad-based stimulus measures, high savings rates in advanced economies, and pent-up demand following the lockdowns, are expected to add momentum to the economic rebound towards the end of 2Q21. Consumption is forecast to improve, particularly in the contact-intensive sectors, and investment is anticipated to rise, with the stabilization of crude oil markets expected to add further upside in some producer countries, including the US. Consequently, GDP growth rates in 2H21 are forecast to significantly exceed that of 1H21. The ongoing fiscal stimulus in the US, amounting to almost \$3 trillion, or more than three per cent of global GDP, is one very important supporting factor, as is China's successful containment of COVID-19 and the country's consequent swift economic recovery. However, numerous challenges remain. New virus variants and/or mutations could diminish, or even neutralize, ongoing containment strategies. Moreover, a strong recovery could lead to rising inflation and a necessary reduction of monetary stimulus, resulting in higher interest rates. Moreover, very high sovereign debt levels amid rising interest rates could pose a burden on the fiscal health of many economies.

Turning to the oil market, global oil demand is also anticipated to pick up pace in 2H21, reaching 99.0m b/d, compared to 94.1m b/d in 1H21, with improving mobility in major economies supporting gasoline and on-road diesel demand. Improvements in pandemic containment efforts and seasonal summer demand will allow for positive expectations for 2H21. On a regional basis, OECD oil demand is anticipated to grow by 3.1m b/d in 2H21 y-o-y, as oil demand

gains traction, especially in OECD Americas, the largest contributor to oil demand growth in 2021. However, oil demand in the region is not expected to fully recover from the 2020 contraction. Transportation fuels, mainly gasoline, as well as light and middle distillates are assumed to support the oil demand recovery going forward. In the non-OECD, oil demand is estimated to grow by 3.0m b/d in 2H21 y-o-y, driven by China, India and Other Asia. A healthy rebound in economic momentum is anticipated to stimulate industrial fuel demand, while demand for petrochemical feedstock is also projected to support demand growth in 2021.

Following an estimated growth of 1.1m b/d in 1H21 compared with 2H20, non-OPEC oil supply, including OPEC NGLs, is forecast to grow by 2.1m b/d in 2H21 compared with 1H21, which is up by 3.2m b/d y-o-y. For the entire year, non-OPEC liquids supply is forecast to grow by 840,000 b/d y-o-y. On a regional basis, some 1.6m b/d out of total incremental production of 2.1m b/d in 2H21 is expected to come from the OECD region, mainly from the US with 1.1m b/d and the rest from Canada and Norway. At the same time, liquids supply growth from the non-OECD regions is forecast at only 400,000 b/d in 2H21.

Overall, the recovery in global economic growth, and hence oil demand, are expected to gain momentum in 2H21. At the same time, the successful efforts of the DoC have substantially led the way towards a market re-balance. This foresight, along with an ongoing joint vigilant monitoring of developments, continues to support the oil market, in tandem with the expected recovery in the various economic sectors.



MOMR ... oil market highlights

June 2021

Crude oil price movements — Spot crude prices experienced firm gains in the month of May, rising on average about six per cent month-on-month (m-o-m), settling at multi-month highs, amid stronger physical oil market fundamentals. Refiners in most regions showed increases in buying interest on the expectation of a further oil demand recovery with the approach of the summer driving season. The OPEC Reference Basket (ORB) increased by \$3.67, or 5.8 per cent, m-o-m in May to average \$66.61/b, the highest since May 2019. Year-to-date, the ORB was up 56.8 per cent, averaging \$62.16/b, compared to \$39.65/b on average over the first five months of 2020. Crude oil futures prices rose in May, with ICE Brent increasing \$2.98, or 4.6 per cent, to average \$68.31/b, and NYMEX WTI gaining \$3.45, or 5.6 per cent, to an average of \$65.16/b. Consequently, the Brent-WTI spread narrowed 47¢ to average \$3.15/b in May. The market structure of all three major oil benchmarks remained in sustained backwardation. Hedge funds and other money managers reduced their net long positions for crude futures and options in May, mainly for Brent.

World economy — The global economic growth forecast for 2021 remains unchanged at 5.5 per cent, although the forecast continues to be impacted by uncertainties including the spread of COVID-19 variants and the speed of the global vaccine rollouts. In addition, sovereign debt levels in many regions, inflationary pressures and central bank responses remain key factors to monitor. US economic growth in 2021 is revised up slightly to stand at 6.4 per cent, following a contraction of 3.5 per cent in 2020. The economic growth forecast for the Euro-zone in 2021 is lowered slightly to stand at 4.1 per cent, following a contraction of 6.7 per cent last year. Similarly, Japan's economic growth forecast is lowered to 2.8 per cent for 2021, following a contraction of 4.7 per cent in 2020. After growth of 2.3 per cent in 2020, China's economic growth forecast in 2021 remains at 8.5 per cent. Given the ongoing COVID-19 related challenges, India's 2021 economic growth forecast is revised down slightly to 9.5 per cent, following the contraction of 7.0 per cent in 2020. Brazil's growth forecast for 2021 remains unchanged at 3.0 per cent, following a contraction of 4.1 per cent in 2020. Russia's forecast for 2021 remains at 3.0 per cent, following a contraction of 3.1 per cent in 2020.

World oil demand — World oil demand is now estimated to have declined by 9.3m b/d in 2020, a slight improvement of 100,000 b/d on last month's estimate, mainly reflecting the most up-to-date data for both the OECD and non-OECD regions. Total global oil demand is expected to average 90.6m b/d. For 2021, world oil demand growth is kept unchanged at 6.0m b/d, with total oil demand standing at 96.58m b/d. OECD demand is revised

slightly lower on an annualized basis, mainly reflecting lower-than-expected data from OECD Americas and Europe in 1Q21. However, initial data for April in both regions, as well as positive mobility developments given easing restriction measures and border openings, encouraged an upward revision to 2Q21 data. This offset most of the 1Q21 downward revision. In the non-OECD, oil demand was revised slightly higher, mainly due to positive 2Q21 data from the Middle East.

World oil supply — Non-OPEC liquids supply in 2020 is estimated to average 62.9m b/d, representing a y-o-y contraction of 2.5m b/d. For 2021, non-OPEC liquids supply is revised up by 100,000 b/d from last month's assessment, and is now forecast to grow by 800,000 b/d to average 63.7m b/d. This is mainly due to a faster-than-expected recovery in US liquids production of 2.5m b/d in March. Additionally, the supply forecast for Norway, China, and Indonesia is also revised up, while the supply forecast in the UK, Brazil and Colombia is revised down. The main drivers for 2021 supply growth are anticipated to be Canada, Brazil, China and Norway, while US liquids supply is now expected to only grow by a marginal 30,000 b/d y-o-y. US crude oil is actually forecast to decline y-o-y by 100,000 b/d to 11.2m b/d. OPEC NGLs are forecast to grow by 100,000 b/d y-o-y in 2021 to average 5.2m b/d, following an estimated contraction of 200,000 b/d in 2020. OPEC crude oil production in May increased m-o-m by 390,000 b/d, to average 25.46m b/d, according to available secondary sources to date.

Product markets and refining operations — Refinery margins showed diverging trends in May. Margins increased in the US Gulf Coast (USGC) were supported by unplanned refinery outages which limited the stronger recovery in run rates and kept product output relatively suppressed. In contrast, Europe and Asia margins performed negatively as refining economics showed losses. Pressure came mainly from the top and bottom-sections of the barrel, reflecting rising product output rates. Global capacity offline fell considerably in May, with trends indicating the end of peak refinery turnaround season, and hence run rates are expected to be strong over the coming months.

Tanker market — Dirty tanker rates saw mixed movement in May, although they remain at low levels. Improving US market supported rates on the UK-US route, while very low rates on the Mideast-Asia Pacific route edged-up amid anticipation of the end of seasonal maintenance. Meanwhile, clean rates were largely steady. There has been a slight improvement in sentiment for the outlook for dirty tanker rates in 2H21, although scrapping will still need to pickup to better balance tonnage supply with demand for cargoes.

Crude and refined products trade — Preliminary data shows US crude imports rose 200,000 b/d in May to average 6.0m b/d, the highest in 11 months. US crude exports dipped again, averaging 2.8m b/d in May, amid lower buying from the Asian region. With the start of the driving season and a pick-up in economic activity, US crude and product trade flows will provide a key support for the market in the coming months, together with OECD Europe. Tracking data shows a steady increase in OECD Europe crude imports since February and crude exports declined, amid lower production and improving demand in 2Q21 given the easing of lockdown measures. China's crude imports dropped to just below 10m b/d in April, amid planned refinery maintenance, with a further decline in May to a five-month low of 9.65m b/d seen in preliminary data. China's crude imports are expected to remain low in 2Q21, before picking up again in 3Q21. Stricter oversight of refinery activities and the end of a tax loophole is likely to weigh on both product imports and exports in the coming few months. Meanwhile, India's crude imports recovered from a five-month low in April to average 4.5m b/d. The vicious surge in COVID-19 cases which reached record levels in May will likely weigh on demand for crude imports for May and June, with local refiners expecting the situation to improve in July. Constrained domestic consumption could free up product for exports over the period.

Commercial stock movements — Preliminary data shows that total OECD commercial oil stocks fell m-o-m by 6.4m b in April. At 2,962m b, inventories were 160m b lower than the same month a year ago, 25m b below the latest five-year average, and around 34m b higher than the 2015–2019 average. Within the components, crude stocks fell m-o-m by 13.6m b, while product stocks rose 7.2m b. OECD crude stocks stood at 1,475m b in April, which is 36m b less than the latest five-year average and 8m b lower than the 2015–2019 average. Product stocks stood at 1,487m b, which represents a surplus of 11m b compared to the latest five-year average and 43m b higher than the 2015–2019 average. In terms of days of forward cover, OECD commercial inventories declined m-o-m by 0.9 days in April to stand at 66.0 days. This is 12.3 days lower than the year-ago level, some 0.5 days above the latest five-year average, and 3.9 days above the 2015–2019 average.

Balance of supply and demand — Demand for OPEC crude in 2020 is revised up by 200,000 b/d from last month's assessment to stand at 22.7m b/d, which is 6.6m b/d lower than in 2019. For 2021, demand for OPEC crude is forecast to stand at 27.7m b/d, unchanged from last month's assessment and around 5.0m b/d higher than in 2020.

The feature article and oil market highlights are taken from OPEC's Monthly Oil Market Report (MOMR) for June 2021. Published by the Secretariat's Petroleum Studies Department, the publication may be downloaded in PDF format from our Website (www.opec.org), provided OPEC is credited as the source for any usage. The additional graphs and tables on the following pages reflect the latest data on OPEC Reference Basket and crude and oil product prices in general.

Table 1: OPEC Reference Basket spot crude prices
\$/b

| Crude/Member Country | 2020 | | | | | 2021 | | | | | | | Weeks 18–22/2021 (week ending) | | | | | |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Apr 30 | May 7 | May 14 | May 21 | May 28 |
| Arab Light – Saudi Arabia | 24.99 | 36.12 | 43.52 | 45.33 | 42.09 | 40.32 | 42.98 | 49.24 | 54.78 | 61.49 | 65.20 | 64.09 | 67.72 | 65.20 | 67.54 | 67.51 | 67.16 | 68.30 |
| Basrah Light – Iraq | 24.73 | 37.23 | 44.63 | 46.10 | 42.09 | 40.60 | 43.12 | 49.95 | 54.73 | 61.40 | 65.17 | 63.48 | 66.96 | 64.84 | 66.88 | 66.87 | 66.31 | 67.47 |
| Bonny Light – Nigeria | 24.86 | 39.03 | 43.46 | 45.40 | 40.78 | 39.64 | 41.91 | 49.59 | 55.01 | 62.24 | 65.57 | 64.17 | 67.61 | 66.38 | 67.90 | 67.89 | 66.60 | 67.88 |
| Djeno – Congo* | 21.36 | 32.63 | 35.82 | 37.34 | 33.13 | 32.56 | 35.09 | 42.29 | 47.28 | 54.78 | 58.11 | 57.01 | 61.04 | 59.22 | 61.35 | 61.25 | 60.05 | 61.33 |
| Es Sider – Libya | 24.56 | 38.68 | 42.17 | 43.69 | 39.18 | 37.71 | 40.24 | 48.09 | 53.08 | 60.83 | 63.56 | 62.11 | 66.16 | 64.32 | 66.45 | 66.44 | 65.15 | 66.43 |
| Girassol – Angola | 28.62 | 43.10 | 45.78 | 45.83 | 41.10 | 40.72 | 44.11 | 51.50 | 55.84 | 62.99 | 66.04 | 64.00 | 68.39 | 66.17 | 68.30 | 68.49 | 67.20 | 69.28 |
| Iran Heavy – IR Iran | 23.55 | 36.26 | 43.30 | 45.07 | 41.93 | 40.24 | 42.88 | 49.20 | 54.38 | 60.66 | 64.30 | 63.00 | 66.72 | 64.02 | 66.53 | 66.50 | 66.22 | 67.27 |
| Kuwait Export – Kuwait | 24.54 | 35.58 | 43.31 | 45.08 | 42.12 | 40.38 | 42.99 | 49.36 | 54.83 | 61.31 | 64.86 | 63.75 | 67.54 | 64.77 | 67.32 | 67.30 | 67.03 | 68.13 |
| Merey – Venezuela | 16.33 | 24.73 | 28.32 | 35.21 | 28.22 | 26.23 | 27.07 | 32.70 | 37.40 | 42.87 | 46.47 | 46.16 | 49.13 | 47.10 | 48.94 | 48.92 | 48.68 | 49.65 |
| Murban – UAE | 28.23 | 39.33 | 43.73 | 45.49 | 41.88 | 41.06 | 43.09 | 49.48 | 54.93 | 60.99 | 64.33 | 63.35 | 66.82 | 64.15 | 66.62 | 66.48 | 66.34 | 67.47 |
| Rabi Light – Gabon | 26.08 | 40.70 | 43.56 | 43.75 | 39.38 | 39.01 | 42.12 | 49.28 | 54.27 | 61.77 | 65.10 | 64.00 | 68.03 | 66.21 | 68.34 | 68.24 | 67.04 | 68.32 |
| Saharan Blend – Algeria | 26.31 | 40.48 | 44.12 | 45.64 | 40.98 | 39.76 | 42.59 | 49.99 | 55.08 | 62.38 | 65.76 | 64.01 | 67.81 | 66.22 | 68.10 | 68.09 | 66.80 | 68.08 |
| Zafiro – Equatorial Guinea | 26.76 | 40.79 | 43.82 | 45.19 | 40.62 | 39.99 | 43.41 | 50.43 | 55.07 | 62.46 | 65.99 | 64.75 | 68.49 | 66.57 | 68.68 | 68.59 | 67.50 | 68.98 |
| OPEC Reference Basket | 25.17 | 37.05 | 43.42 | 45.19 | 41.54 | 40.08 | 42.61 | 49.17 | 54.38 | 61.05 | 64.56 | 63.24 | 66.91 | 64.56 | 66.80 | 66.78 | 66.27 | 67.47 |

Table 2: Selected spot crude prices
\$/b

| Crude/country | 2020 | | | | | 2021 | | | | | | | Weeks 18–22/2021 (week ending) | | | | | |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------------------------------|--------|-------|--------|--------|--------|
| | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Apr 30 | May 7 | May 14 | May 21 | May 28 |
| Arab Heavy – Saudi Arabia | 24.51 | 35.45 | 43.33 | 45.01 | 42.13 | 40.61 | 43.28 | 49.59 | 54.88 | 61.16 | 64.72 | 63.31 | 67.22 | 64.26 | 66.99 | 66.97 | 66.75 | 67.77 |
| Brega – Libya | 24.46 | 38.73 | 42.27 | 43.85 | 39.28 | 37.81 | 40.69 | 48.69 | 53.78 | 61.28 | 64.11 | 62.66 | 66.51 | 64.87 | 66.80 | 66.79 | 65.50 | 66.78 |
| Brent Dtd – North Sea | 28.81 | 40.08 | 43.27 | 44.79 | 40.58 | 40.01 | 42.54 | 49.74 | 54.73 | 62.23 | 65.56 | 64.46 | 68.51 | 66.67 | 68.80 | 68.79 | 67.50 | 68.78 |
| Dubai – UAE | 30.35 | 40.71 | 43.19 | 43.89 | 41.45 | 40.70 | 43.33 | 49.78 | 54.76 | 60.83 | 64.40 | 62.92 | 66.41 | 63.94 | 66.08 | 66.08 | 65.85 | 67.20 |
| Ekofisk – North Sea | 28.54 | 41.18 | 44.27 | 45.66 | 40.94 | 40.14 | 42.64 | 50.29 | 55.17 | 63.01 | 66.30 | 65.00 | 69.44 | 67.49 | 70.19 | 69.81 | 68.18 | 69.74 |
| Iran Light – IR Iran | 29.27 | 40.79 | 42.71 | 43.44 | 39.41 | 38.69 | 41.78 | 48.50 | 53.32 | 59.90 | 62.72 | 61.58 | 65.73 | 63.55 | 66.14 | 66.30 | 64.79 | 65.79 |
| Isthmus – Mexico | 25.17 | 35.07 | 38.45 | 41.24 | 38.06 | 38.15 | 40.26 | 46.60 | 52.06 | 58.90 | 61.88 | 60.94 | 64.47 | 62.75 | 64.48 | 64.43 | 63.43 | 65.32 |
| Oman – Oman | 33.48 | 41.58 | 43.68 | 44.32 | 41.60 | 41.11 | 43.83 | 50.00 | 54.79 | 60.88 | 64.43 | 63.10 | 66.42 | 63.98 | 66.30 | 66.27 | 66.05 | 66.74 |
| Suez Mix – Egypt | 29.14 | 40.66 | 42.58 | 43.31 | 39.28 | 38.56 | 41.65 | 48.37 | 53.19 | 59.77 | 62.59 | 61.45 | 65.60 | 63.42 | 66.01 | 66.17 | 64.66 | 65.66 |
| Minas – Indonesia* | 29.66 | 38.42 | 41.01 | 42.78 | 39.81 | 39.30 | 41.42 | 47.91 | 53.00 | 59.84 | 63.63 | 62.86 | 66.06 | 64.54 | 66.15 | 65.95 | 65.36 | 66.46 |
| Urals – Russia | 30.65 | 42.36 | 44.28 | 45.03 | 40.98 | 40.26 | 43.35 | 50.07 | 54.89 | 61.47 | 64.29 | 63.02 | 67.26 | 65.12 | 67.25 | 67.87 | 66.36 | 67.36 |
| WTI – North America | 28.57 | 38.30 | 40.75 | 42.36 | 39.61 | 39.53 | 41.52 | 47.05 | 52.11 | 59.08 | 62.35 | 61.71 | 65.23 | 63.46 | 65.08 | 65.09 | 64.17 | 66.37 |

Notes:

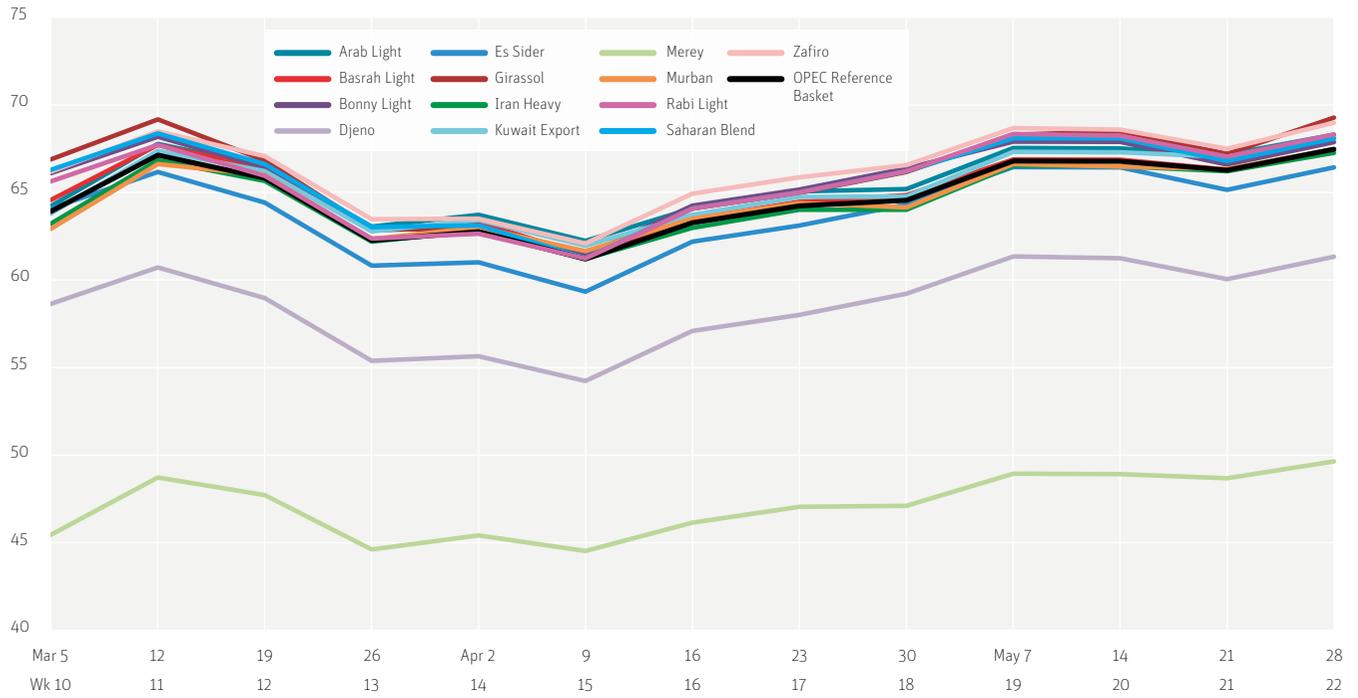
Brent for dated cargoes; Urals cif Mediterranean. All others fob loading port.

* The Republic of the Congo joined on June 22, 2018.

Sources: Argus; Secretariat's assessments.

Graph 1: Evolution of the OPEC Reference Basket spot crude prices, 2021

\$/b



Graph 2: Evolution of selected spot crude prices, 2021

\$/b

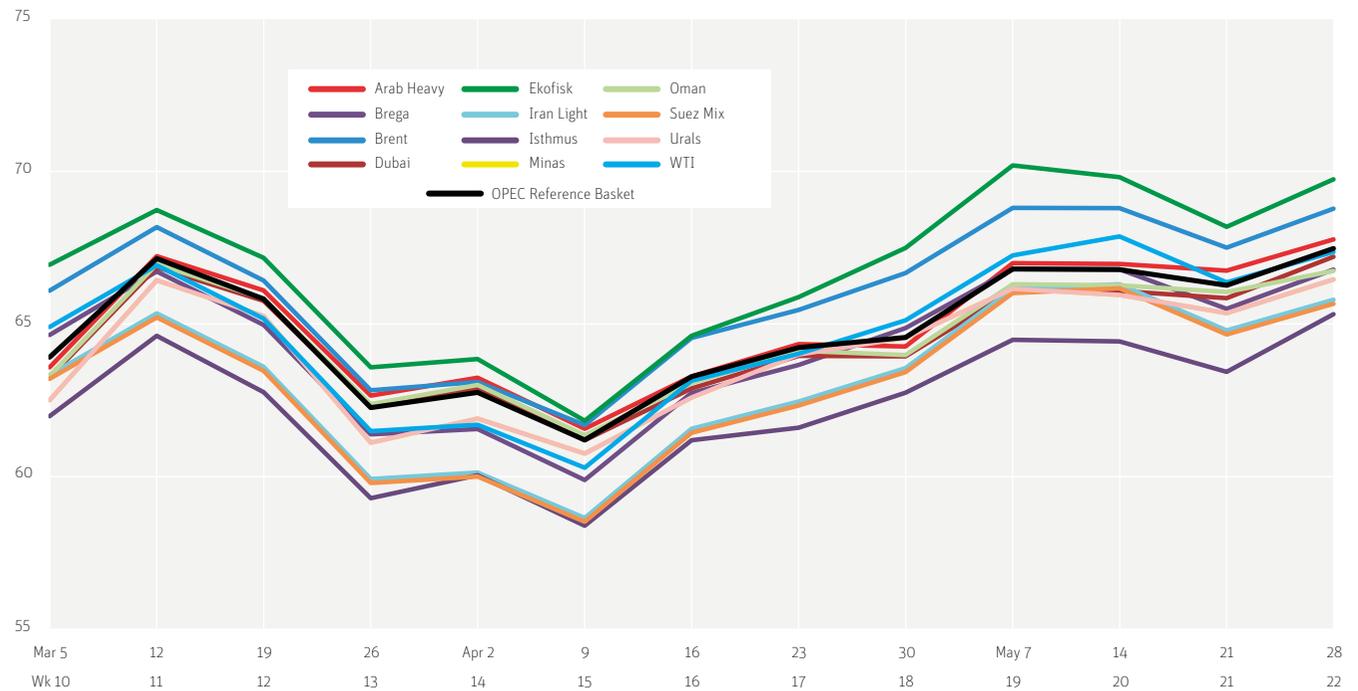


Table and Graph 3: North European market – spot barges, fob Rotterdam

\$/b

| | naphtha | regular gasoline unleaded | diesel ultra light | jet kero | fuel oil 1 per cent S | fuel oil 3.5 per cent S |
|--------------|---------|---------------------------|--------------------|----------|-----------------------|-------------------------|
| 2020 May | 24.74 | 37.80 | 28.25 | 34.10 | 25.95 | 20.92 |
| June | 37.59 | 49.75 | 41.26 | 44.56 | 35.88 | 32.56 |
| July | 42.04 | 54.10 | 44.92 | 49.53 | 39.08 | 35.96 |
| August | 41.95 | 53.41 | 44.60 | 49.70 | 41.17 | 39.65 |
| September | 40.42 | 50.45 | 39.93 | 41.92 | 37.71 | 33.88 |
| October | 41.26 | 50.19 | 42.55 | 44.17 | 40.57 | 37.12 |
| November | 40.67 | 49.86 | 46.07 | 47.45 | 44.46 | 39.90 |
| December | 47.63 | 55.64 | 54.25 | 55.20 | 50.02 | 43.65 |
| 2021 January | 55.22 | 63.06 | 59.40 | 60.06 | 55.52 | 48.85 |
| February | 61.37 | 70.71 | 66.45 | 67.89 | 63.42 | 54.38 |
| March | 63.36 | 76.83 | 68.66 | 69.93 | 66.22 | 57.31 |
| April | 61.70 | 79.81 | 68.65 | 69.58 | 63.84 | 55.90 |
| May | 65.58 | 83.11 | 73.18 | 74.53 | 65.03 | 57.19 |

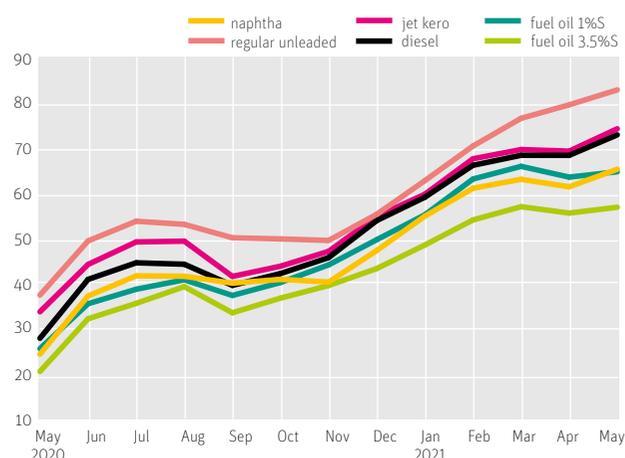


Table and Graph 4: South European market – spot cargoes, fob Italy

\$/b

| | naphtha | premium gasoline 50ppm | diesel ultra light | fuel oil 1 per cent S | fuel oil 3.5 per cent S |
|--------------|---------|------------------------|--------------------|-----------------------|-------------------------|
| 2020 May | 22.71 | 32.59 | 35.23 | 28.78 | 21.71 |
| June | 36.60 | 43.96 | 45.89 | 38.36 | 32.68 |
| July | 41.56 | 47.45 | 50.49 | 41.68 | 36.18 |
| August | 41.49 | 49.00 | 50.33 | 43.66 | 38.20 |
| September | 39.21 | 48.52 | 44.31 | 40.56 | 34.92 |
| October | 41.07 | 46.18 | 45.12 | 43.27 | 36.10 |
| November | 40.34 | 46.11 | 48.17 | 46.17 | 38.25 |
| December | 47.08 | 52.12 | 56.16 | 50.76 | 42.21 |
| 2021 January | 54.51 | 59.87 | 60.93 | 56.45 | 47.80 |
| February | 60.28 | 68.13 | 68.54 | 64.62 | 53.13 |
| March | 62.59 | 74.73 | 70.63 | 67.48 | 55.71 |
| April | 60.82 | 75.80 | 70.21 | 65.31 | 54.41 |
| May | 64.72 | 78.60 | 75.11 | 66.22 | 56.01 |

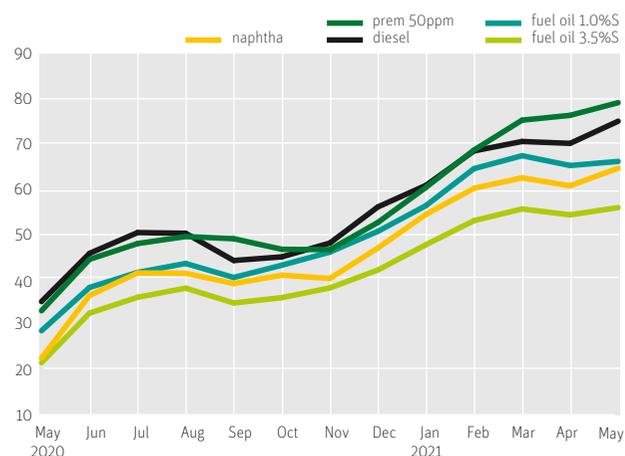
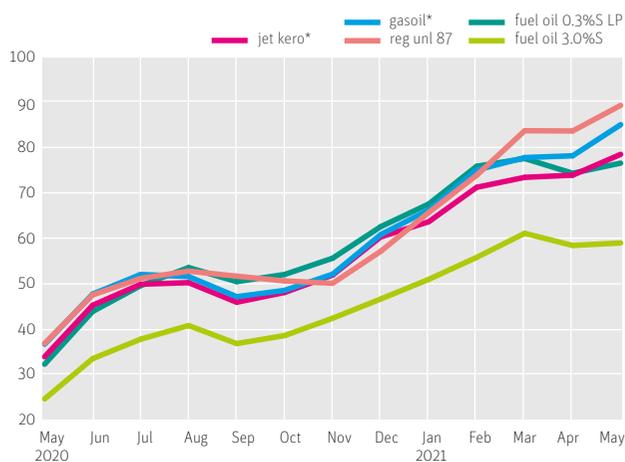


Table and Graph 5: US East Coast market – spot cargoes, New York

\$/b, duties and fees included

| | regular gasoline unleaded 87 | gasoil* | jet kero* | fuel oil 0.3 per cent S | fuel oil 3.0 per cent S |
|--------------|------------------------------|---------|-----------|-------------------------|-------------------------|
| 2020 May | 36.74 | 36.56 | 33.80 | 32.15 | 24.48 |
| June | 47.44 | 47.62 | 45.16 | 43.79 | 33.37 |
| July | 51.09 | 51.96 | 49.80 | 49.49 | 37.67 |
| August | 52.70 | 51.50 | 50.15 | 53.48 | 40.68 |
| September | 51.58 | 47.05 | 45.83 | 50.37 | 36.70 |
| October | 50.53 | 48.45 | 47.99 | 51.96 | 38.47 |
| November | 50.01 | 52.02 | 51.83 | 55.55 | 42.30 |
| December | 57.06 | 60.75 | 60.24 | 62.50 | 46.54 |
| 2021 January | 65.63 | 66.20 | 63.58 | 67.50 | 50.87 |
| February | 73.85 | 75.00 | 71.19 | 75.84 | 55.73 |
| March | 83.68 | 77.76 | 73.39 | 77.55 | 61.04 |
| April | 83.63 | 78.15 | 73.87 | 74.30 | 58.36 |
| May | 89.28 | 85.02 | 78.47 | 76.53 | 58.91 |



* FOB barge spot prices.

Source: Argus. Prices are average of available days.

Table and Graph 6: Singapore market – spot cargoes, fob

\$/b

| | naphtha | premium gasoline unl 95 | premium gasoline unl 92 | gasoil | jet kero | fuel oil 180 Cst | fuel oil 380 Cst |
|-------------|---------|-------------------------|-------------------------|--------|----------|------------------|------------------|
| 2020 | | | | | | | |
| May | 26.49 | 33.44 | 30.81 | 34.04 | 33.74 | 28.94 | 24.92 |
| June | 39.06 | 45.21 | 42.75 | 46.05 | 45.32 | 41.16 | 34.66 |
| July | 43.60 | 46.56 | 44.74 | 49.82 | 49.02 | 43.92 | 38.43 |
| August | 43.08 | 48.18 | 46.96 | 48.10 | 47.61 | 43.28 | 40.60 |
| September | 43.19 | 47.27 | 45.66 | 43.30 | 43.07 | 39.37 | 37.98 |
| October | 41.88 | 45.96 | 44.79 | 43.43 | 43.28 | 41.65 | 38.90 |
| November | 40.71 | 46.67 | 45.51 | 47.15 | 47.01 | 45.64 | 42.72 |
| December | 47.80 | 53.43 | 52.40 | 54.50 | 54.40 | 53.87 | 46.08 |
| 2021 | | | | | | | |
| January | 55.83 | 60.03 | 58.92 | 58.87 | 58.77 | 58.02 | 50.35 |
| February | 61.85 | 67.83 | 66.36 | 66.70 | 66.45 | 65.15 | 55.74 |
| March | 65.03 | 73.43 | 71.47 | 68.75 | 68.39 | 66.82 | 58.97 |
| April | 62.40 | 73.94 | 71.69 | 67.73 | 67.40 | 66.74 | 57.08 |
| May | 65.94 | 76.11 | 74.38 | 72.11 | 71.90 | 71.71 | 57.70 |

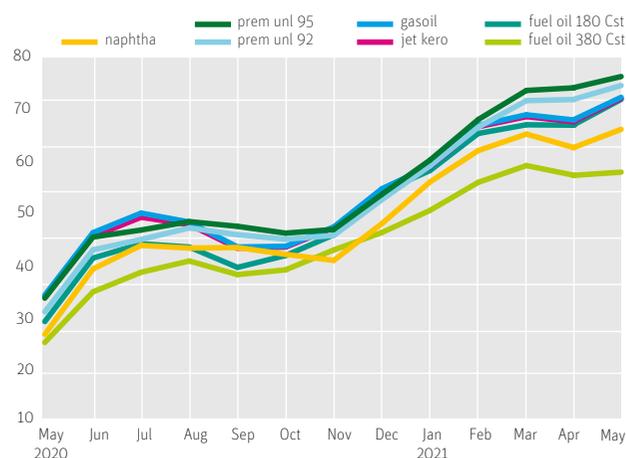
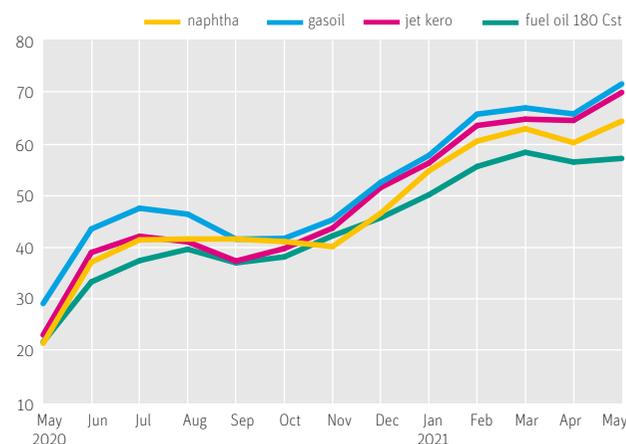


Table and Graph 7: Middle East Gulf market – spot cargoes, fob

\$/b

| | naphtha | gasoil | jet kero | fuel oil 180 Cst |
|-------------|---------|--------|----------|------------------|
| 2020 | | | | |
| May | 21.91 | 29.52 | 23.50 | 22.15 |
| June | 37.45 | 43.80 | 39.30 | 33.67 |
| July | 41.71 | 47.77 | 42.40 | 37.74 |
| August | 41.88 | 46.63 | 41.33 | 39.92 |
| September | 41.88 | 41.85 | 37.66 | 37.32 |
| October | 41.39 | 41.99 | 40.06 | 38.45 |
| November | 40.43 | 45.55 | 43.95 | 42.48 |
| December | 46.80 | 52.72 | 51.72 | 45.94 |
| 2021 | | | | |
| January | 54.92 | 57.87 | 56.43 | 50.34 |
| February | 60.62 | 65.78 | 63.61 | 55.76 |
| March | 62.99 | 66.98 | 64.82 | 58.47 |
| April | 60.32 | 65.82 | 64.58 | 56.61 |
| May | 64.44 | 71.57 | 69.94 | 57.31 |

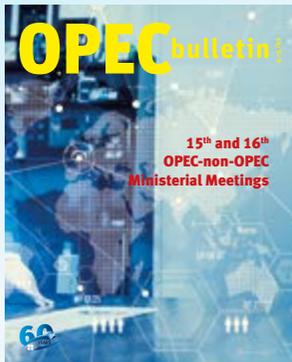


Source: Argus. Prices are average of available days.

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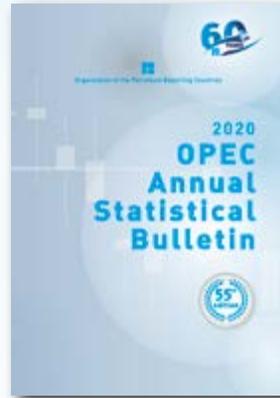
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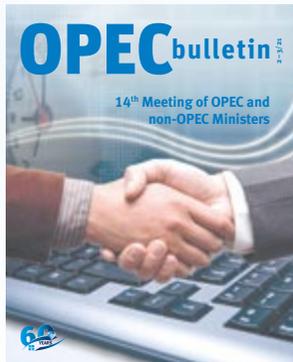
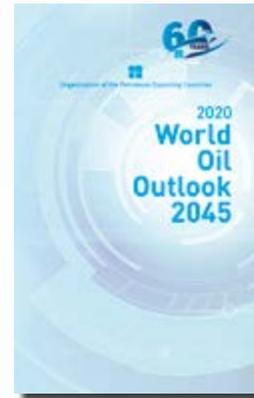
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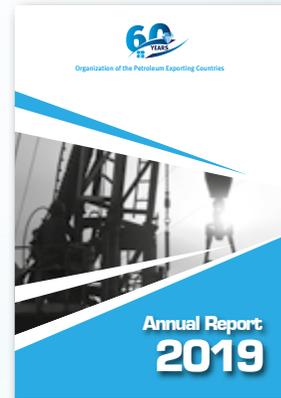
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