



Petroleum & Natural Gas Senior Staff Association of Nigeria (PENGASSAN)

...An affiliate of Trade Union Congress of Nigeria (TUC)

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COMMUNIQUE ISSUED AT THE END OF THE NATIONAL EXECUTIVE COUNCIL (NEC) MEETING OF PETROLEUM AND NATURAL GAS SENIOR STAFF ASSOCIATION OF NIGERIA (PENGASSAN) HELD AT MOM EVENTS CENTRE, WARRI, DELTA STATE ON THURSDAY, APRIL 4, 2013

The National Executive Council (NEC) meeting of PENGASSAN held in Warri, Delta State on Thursday, April 4, 2013, and deliberated on pertinent national and industry issues. At the end of the deliberations, the NEC-in-Session resolved as follows:

INSECURITY

NEC-in-Session expresses its absolute dismay over the spate of kidnapping, terrorism and general state of insecurity in the country and charged governments at all levels to come up with new ideas on tackling the general insecurity in the country including investing more in intelligence gathering and seeking help from foreign nations.

NEC-in-Session notes that while poverty is not an excuse for criminality, the alarmingly high rate of unemployment, poverty and underdevelopment feeds criminality and government must invest more in human and social development programmes to reduce poverty as well as create the necessary conducive environment for job creation.

PIPELINE VANDALIZATION AND CRUDE OIL / PRODUCT THEFT

NEC-in-Session condemns as completely unacceptable the increasing level of pipeline vandalization and the attendant crude oil and petroleum products theft and the apparent complicity of the security agencies in this heinous crime.

NEC-in-Session notes that pipeline vandalization and the attendant crude oil and petroleum products theft constitutes not just a drain on the nation's resources but also a major environmental hazard as well as threat to our democracy and national security

NEC-in-Session therefore calls on the federal government to muster the necessary will to tackle this menace and also advises the various oil companies and government to invest in the latest technology to reduce to the barest minimum if not eliminate the incidence of pipeline vandalization and crude oil and petroleum products theft

I. BABATUNDE O. OGUN (President), COM. ADAMU E. U. (Deputy President), COM. BAYO OLOWOSHILE (General Secretary), COM. HYGINUS C. ONUJEGBU (National IRO), I. MUSA ACHIMUGU (National Treasurer), COM. SUNDAY OGADI (National Financial Secretary), COM. ZAID KOLAWOLE (National Publicity Secretary), COM. REV. S. F. OGINNI (Chairman, Lagos Zone), I. FRIDAY OTONO (Chairman, PHarcourt Zone), COM. ELVIS IREFO (Chairman, Warri Zone), COM. M. B. SAIDU (Chairman, Kaduna Zone), COM. FIDELIS O. OSUAGWU (Secretary, Lagos Zone), I. MICHAEL C. AMADI (Secretary, PHarcourt Zone), COM. EMMANUEL OJUGBANA (Secretary, Warri Zone), COM. TEMITOPE A. OYEGBADE (Secretary, Kaduna Zone), I. LUMUMBA OKUGBAWA (Deputy General Secretary), COM. IJEOMA DOM-NWACHUKWU (Chairperson, Women-In-PENGASSAN).



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PETROLEUM INDUSTRY BILL (PIB)

NEC-in-Session commends and adopts the work of the joint NUPENG and PENGASSAN PIB Committee which produced the joint position of the two unions on the PIB and mandates the leadership of the Association to meet with the leadership of the National Assembly (NASS) and the NASS Ad-hoc committees on the PIB to present the joint NUPENG and PENGASSAN on the PIB.

NEC-in-Session calls on the National Assembly to expedite action on the passage of the PIB as the delay in passing the bill is a disincentive to investments in Nigeria's oil and gas industry.

NEC-in-Session reiterates that its position on PIB including but not limited to transparency and accountability; restructuring of the NNPC; the regulatory body and other industry institutions including PEF; powers of the Minister; the Petroleum Host Community Fund fundamentals; and balancing the fiscal terms be dispassionately considered and reflected in the bill when passed.

REFINERIES AND DEREGULATION OF THE DOWNSTREAM OIL SECTOR

NEC-in-Session condemns government's surreptitious moves to further increase the prices of petroleum products under the guise of deregulation. NEC-in-Session maintains its long standing position that deregulation cannot be import-driven and the legal foundation and appropriate environment must be in place before government engages all stakeholders on the issue of deregulation.

NEC-in-Session also calls on the government to restore crude oil supply to the Port-Harcourt Refinery and also resolve the haulage challenges being faced by the Warri Refinery in order to ensure that these refineries run optimally and reduce the nation's dependence on imported products.

UNDERFUNDING OF DPR, PTDF AND JV OBLIGATIONS

NEC-in-Session expresses its disquiet at the continuous underfunding of the Department of Petroleum Resources (DPR), Petroleum Technology Development Fund (PTDF) and government share of its Joint Venture Obligations.

NEC-in-Session notes that the underfunding of the DPR and PTDF impacts negatively on the operational efficiency of these agencies and therefore calls on the government to without delay address the underfunding of these agencies and also allow the DPR to retain a certain percentage of the funds it generates in order to enhance their efficiency and effectiveness.



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NEC-in-Session further calls on the government to adequately fund its share of the JV obligation in order to boost production and reserves addition as the JV produces about 60.5% of Nigeria's daily production and therefore the major revenue earner for the country.

UNPROCEDURAL TERMINATION IN TRANSOCEAN AND PETROBRAS

NEC-in-Session strongly condemns as unprocedural and an act of victimization, the purported termination of the employments of the Transocean Branch Chairman, Comrade Mike Oshiobugie and Chapter Chairman, Comrade Emmanuel Ufumaka by the Transocean Support Services Nigeria Limited management.

NEC-in-Session views the reasons given by the management for the purported termination of the two union officials as spurious, frivolous and an attempt to intimidate the union in Transocean and therefore **gives the management of Transocean a 21-day ultimatum to recall Comrades Oshiobugie and Ufumaka to their jobs failing which the Association will take all necessary steps including industrial action to ensure their recall.**

NEC-in-Session also expresses disquiet on the unprocedural attempt at divestment by Petrobras. NEC-in-Session notes that while companies are at liberty to invest and divest they must respect national laws and institutions.

NEC-in-Session condemns the lock-out of staff by Petrobras in furtherance of its divestment plans and calls on all relevant government agencies particularly the Department of Petroleum Resources (DPR) to immediately call the management of Petrobras to order and ensure staff issues are adequately addressed before the planned divestment is finalized.

HARMONISATION AND PROMOTION ISSUES IN PTDF AND PEF

NEC-in-Session expresses satisfaction at the resolution of the nomenclature issues in the Petroleum Technology Development Fund (PTDF) but frowns at the PTDF's management treatment of the 2011 promotion as nomenclature re-alignment.

NEC-in-Session also expresses concern on the pending harmonization issues in Petroleum Equalisation Fund (PEF).

NEC-in-Session therefore calls on the Ministry of Petroleum Resources to ensure that the outstanding issues in both PTDF and PEF with regards to harmonization with CPPG scale and promotion is resolved within the next three weeks



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ENCROACHMENT OF NNPC PENSION FUND LANDED PROPERTY ACROSS THE COUNTRY

NEC-in-Session frowns at the gradual encroachment of NNPC Pension Fund properties particularly in Abuja, Lagos and Warri, Delta State by the Federal Ministry of Land and Urban Development, other government agencies, some officials of the Delta State Government and a few private individuals.

NEC-in-Session therefore calls on the trespassers to cease in order not to precipitate an avoidable industrial crisis.

ENDORSEMENT OF COMRADE BABATUNDE OGUN FOR TUC PRESIDENT-GENERAL

NEC-in-Session endorsed the candidacy of the President, Comrade Babatunde Ogun for the post of President-General of the Trade Union Congress (TUC). NEC-in-Session lauded Comrade Babatunde Ogun's leadership qualities and noted that the TUC and the Nigerian labour movement in general would benefit immensely from his leadership of the TUC.

Signed:

Comrade Babatunde Ogun
President

Comrade Bayo Olowoshile
General Secretary