

# **ADVANCING EXTRACTIVE SECTOR REFORM THROUGH OGP**

**Dauda Garuba**

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# Reality of Nigeria's Extractive Sector

*Every institution along the extractive industries value chain that potentially could prevent fraud is weak.*

- Gboyega, Søreide, Le & Shukla, ***The Political Economy of the Petroleum Sector in Nigeria***, Policy Research Working Paper 5779, Washington DC: The World Bank, August 2011:15

# Images of a Working Extractive Sector

- Policy
- Law/legislation
- Enforcement/implementation
- Sanctions & rewards

# Trends...?

- Elite capture & massive looting
- Election rigging (Elections as battlefields, without rules & referees)
- Poor governance regime
- Low rent flow
- Politics of exclusion
- Resource wars & conflict entrepreneurs

# Realities of Oil, Gas and Mining Governance

- About the most investigated sector in contemporary Nigeria
  - Problems are well-known
  - Solutions are well-articulated
  - Political will to resolve problems are weak, but at best self-limiting

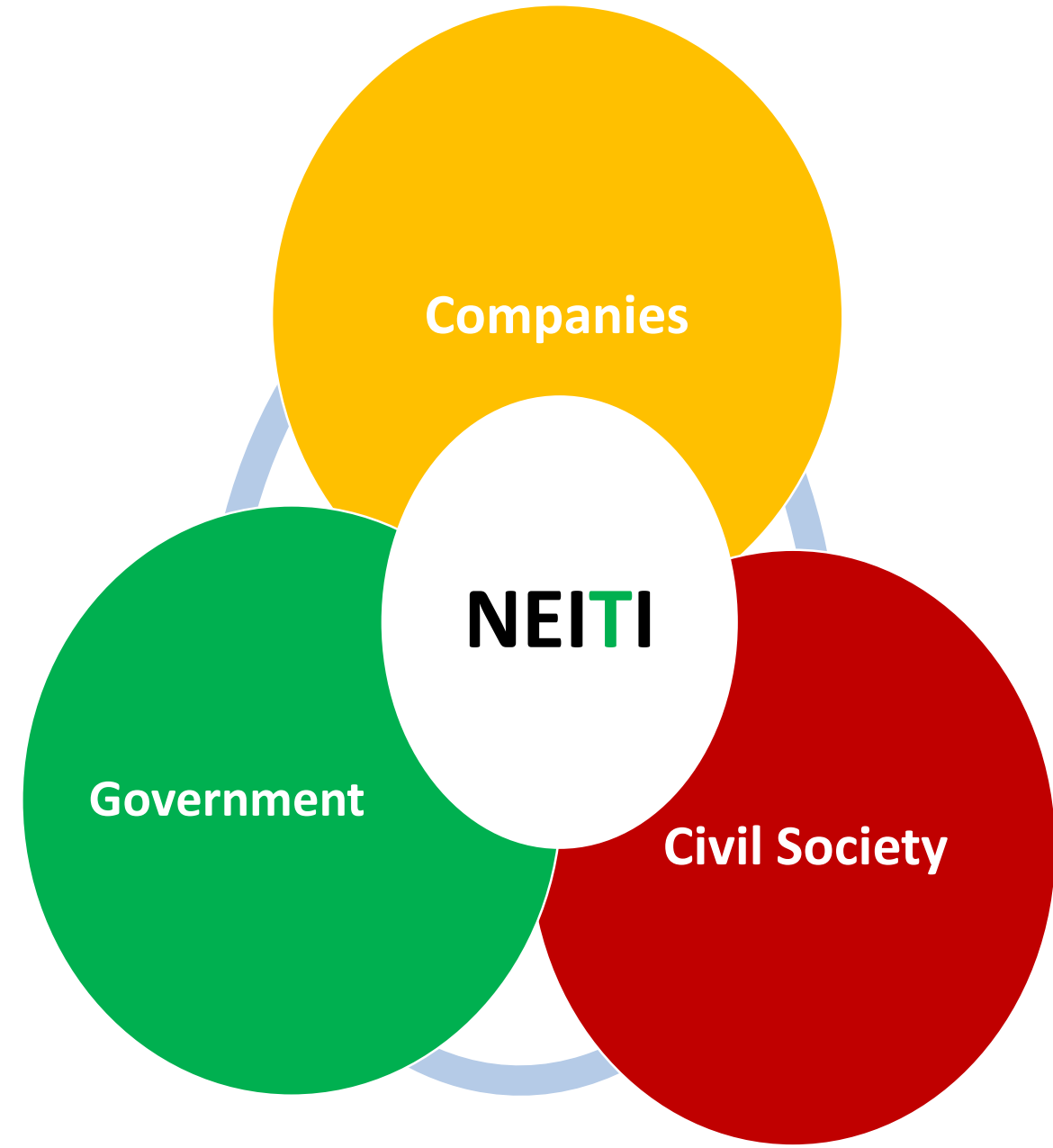
.... probably with the least reform efforts

...and regrettably the least responsive to even the minimal reform efforts ever made

*'Nigeria: We are suffering because we are rich'*

*Dr. Ogboghodo (1995)*

# NEITI-OGP Structural Intermix for Solution



# Extractive Sector Reforms

## Oil & Gas

### 7 Big Wins (Policy Roadmap)



- Policy & Regulation: PIRB & PFRB
- Business Environment & Investment Drive
- Gas Revolution
- Refineries & Local Production Capacity
- Niger Delta & Security
- Transparency & Efficiency
- Stakeholder Management & International Coordination

## Mining

### ROADMAP FOR THE GROWTH AND DEVELOPMENT OF THE NIGERIAN MINING INDUSTRY

On the Road to Shared Mining Prosperity



Vision:

- A globally competitive sector that would lead to wealth creation
- Drive for domestic industrialization & winning space in global market
- Realisation of a value chain-based growth

Projected outcomes:

- ❖ Jobs creation
- ❖ Revenue generation
- ❖ Industrialization
- ❖ Sustainability
- ❖ Transparency
- ❖ Environmental justice
- ❖ Cooperation

# How OGP can Help

- OGP key thematic areas:
- ***Fiscal transparency: Concrete set of disclosures related to payments by companies and receipts by governments on all transactions across the sector's value chain.***
- ***Anti-corruption: Beneficial Ownership implementation***
- ***Access to information: FOI and open data format***
- ***Citizen engagement: Using NEITI reports to hold government to account***



- Thank you for your attention