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

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

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COMMUNIQUÉ ISSUED AT THE END OF THE NATIONAL EXECUTIVE COUNCIL (NEC) MEETING OF THE PETROLEUM AND NATURAL GAS SENIOR STAFF ASSOCIATION OF NIGERIA (PENGASSAN) HELD AT TRANSCORP HOTELS, CALABAR, CROSS RIVER STATE ON MAY 12, 2016.

At the end of the National Executive Council (NEC) meeting of PENGASSAN at Transcorp Hotels, Calabar, Cross River State, the following issues of urgent concerns impacting on the Oil and Gas Industry and the country as a whole were exhaustively deliberated upon and the NEC-in-session resolved as follows:

STATE OF THE NATION

a) NATIONAL SECURITY

- NEC-in-session acknowledged the efforts of President Muhammadu Buhari's administration to improve security in the Country, especially combating insurgency in the country. We condemn in strong term the recent attacks that led to the death of many innocent Nigerians by terrorists parading themselves as herdsmen in various parts of the country, and we are calling on the Federal Government to put an end to this criminal act.
- We also demand that the Government and the security Agencies tackle the recurrences of kidnapping, hostage taking and ritual killings, which have spread to all parts of the country. We also call on the Government to evolve ways of resolving various agitations in different parts of the country so as to keep Nigeria as one indivisible and cohesive nation.

COM. FRANCIS O. JOHNSON (President), COM. JUDE C. NWAOGU (Deputy President), COM. BAYO M. OLOWOSHILE (General Secretary), COM. NDUKA OHAERI (National IRO),
COM. MUSA ACHIMUGU (National Treasurer), COM. ELEAS EDUGA (National Financial Secretary), COM. EMMANUEL OJUGBANA (Publicity Secretary), COM. ABEL AGARIN (Chairman, Lagos Zone),
COM. M. A. AZUBUIKE (Chairman , P/Harcourt Zone), COM. STEPHEN O. EKAKITIE (Chairman, Warri Zone), COM. Y. M. ABUBAKAR (Chairman, Kaduna Zone), COM. M. S. WADA (Secretary, Lagos Zone),
COM. ELO VICTOR OGBONDA (Secretary, P/Harcourt Zone), COM. EBEWELE PETERS (Secretary, Warri Zone), COM. TEMITOPE A. OYEGBADE (Secretary, Kaduna Zone),
COM. LUMUMBA OKUGBAWA (Deputy General Secretary, Industrial Relations), Com. Joseph Oshiokpekhai (Deputy General Secretary, Finance & Admin.),
COM. EVELYN AMAKA IJEOMA (Chairperson, Women-In-PENGASSAN)

b) **POWER**:

- NEC-in-session bemoans the epileptic state of electricity supply in the country as the situation has further worsened the energy crisis and call on the Federal Government to find a lasting solution to the problem so that we can jumpstart the nation's economy.
- NEC-in-Session therefore call on Mr. President to reverse the recent increment in tariff as well as revisit the privatisation of the power sector to ensure effective and efficient power supply.

c) **BAD ROADS**:

- NEC-in-session condemns the high level of decay in infrastructural facilities, particularly the poor state of roads in the country.
- With the recent signing of the 2016 Budget, NEC-in-session calls on governments at all levels, especially the Federal Government to urgently embark on repair of roads in their domain to stop the carnage and loss of lives and properties on our roads.

d) **UNEMPLOYMENT/REDUNDANCY**:

- NEC-in-Session calls on the Federal Government to put in place sustainable plans to create wealth and jobs that will align with the International Labour Organisation (ILO's) agenda of using employment to create wealth, eradicate poverty and reduce crimes.

- The NEC-Session urges the Federal Government to create enabling environment, especially in the Oil and Gas and the manufacturing sectors that can lead to establishment of ancillary companies that produce raw materials as a way to create more jobs.
- The wave of redundancy in the industry especially in the International Oil Companies (IOCs) and the service sector is worrisome and should be treated as a matter of urgent national priority. The NEC-in-Session therefore demands in strong terms that the Committee set up under the leadership of the Late Barrister James Ocholi be revived to address all the issues it was set up for. As a major stakeholder in the oil and gas industry, we are calling on NAPIMS to put in place a clear policy statement against frequent redundancy plans by operators under the guise of fluctuating crude oil prices.

JOINT VENTURE FUNDING:

The NEC-in-Session reviewed the lingering irregular Joint Venture funding and Cash Call payments which has been a source of concern. We observed that accumulation of cash call arrears from 2012 till date has risen to over five (5) billion US dollars. Apart from the arrears, current cash call are delayed and even when paid, its much below cash call approved without consideration of JV commitment including staff salaries. The effect of non-payment has led to thousands of job losses across the sectors and non-creation of new jobs against the backdrop of the electoral promises of the current Government.

It was therefore resolved by the NEC-in-session that if measures to resolving JVs funding and arrears owed are not urgently addressed within seven (7) days, effective Monday, 16th of May, 2016, the Union will embark on an indefinite strike.

ANTI-CORRUPTION WAR:

The NEC-in-Session commends the Federal Government war against corruption and calls for the cooperation of all other arms of Government for the success of the anti-corruption war. We also canvass that corruption cases be carefully scrutinised and treated with dispatch by the law courts. In the alternative, we suggest that specialised court be established for the expeditious handling of all corruption cases.

STATE OF NATION'S REFINERIES:

The NEC-in-Session reviewed the state of the nation's refineries and condemned the calls in some quarters to sell these strategic national assets as scrap. We strongly reiterate our support for the retention of the State-owned refineries in the best interest of the Nigerian nation and for economic security as well as to keep faith with OPEC's principle that member countries should have good grip of the commanding height of their economy.

The NEC-in-Session is convinced that it is only an efficient and effective local refinery that can end the unnecessary importation of petroleum products into the country, deal with issues of perennial fuel permanently and conserve the much needed foreign exchange.

The NEC-in-Session calls on the Government to intensify efforts to deal decisively with the issue of crude oil theft and pipeline vandalism to ensure steady and regular supply of crude oil to the state owned refineries. The NEC demands that Government should without further delays embark on the statutory periodic Turn-Around Maintenance (TAM) of the Refineries.

We also demand the resuscitation of the Polypropylene and Carbon Black Plants in WRPC as well as the Tin, Drum, Lube and Asphalt plants in KRPC, among others, to create jobs for the teeming unemployed youths and inflate the economy.

THE PETROLEUM INDUSTRY BILL (PIB):

The NEC-in-Session takes cognisance of the new efforts by the National Assembly to initiate the process of speedy passage of the Petroleum Industry Bill (PIB), which delay in its passage has been a disincentive to investments in Nigeria oil and gas industry.

The NEC-in-Session demands an all-inclusive industry Stakeholders' Summit be convened to ensure that various stakeholders' inputs, especially NUPENG and PENGASSAN positions are represented in the Bill.

IMPLEMENTATION OF THE INTEGRATED PERSONNEL PAYROLL INFORMATION SYSTEM (IPPIS)

The NEC-in-Session demands a waiver from the policy which is not supported by the peculiar salary structure in the oil and gas industry. The NEC-In-Session further cautioned the Ministry of Finance and office of Accountant-General of the Federation from the threat to enrol staff of PPPRA, DPR, NNRA, PTI and NCDMB on the IPPIS platform pending the final outcome of the technical committee jointly agreed upon by PENGASSAN and Ministry of Finance.

NON-IMPLEMENTATION OF COLLECTIVE AGREEMENT FOR NNRA, PTI, PPPRA, DPR AND NCDMB 2015 COLLECTIVE BARGAINING AGREEMENT (CBA)

The NEC-in-Session calls on the National Salaries, Income and Wages Commission to honour the directive of the Secretary to the Government of the Federation (SGF) by implementing the 2015 Collective Bargain Agreement (CBA) as approved by Mr President for PENGASSAN members in NNRA, PTI, DPR and NCDMB without further delay.

NEC-in-Session calls on the Salaries and Wages Commission to take cognizance of 2015 as the agreed tenure of the agreement in advising the budget office.

INDEFINITE SUSPENSION OF ERRING MEMBERS

NEC-In-Session deliberated on the breach of code of conduct, insubordination and acts of indiscipline committed by some members in PEF Branch who instituted legal action against the Association without recourse to available internal resolution mechanisms as stipulated in the constitution.

Consequently, NEC-In-Session suspends Messrs Seyi Mohammed Gambo, Bilyaminu Sabo, Femi Adekunle, Luicy Elofusim, Nanfe Selzing, Declan Agrinya, Olujimi Ilori, Babagbemi Adejola, Tony Iziogba Chinedu Ezeala and Oluwole Johnson from all PENGASSAN activities. Management of PEF is hereby put on notice to stop further deductions of check-off dues and any other obligation from the suspended persons. Their suspension is indefinite and takes immediate effect.

PETROLEUM PRICE MODULATION

The NEC-in-session had an extensive discussion on the recent price modulation. The NEC-in-session is of the view that price deregulation has its benefits in the immediate and near future. However, the NEC-in-session strongly demands the Federal Government's engagement with the stakeholders to work out a clear direction on how to reinvest the gains into the economy to cushion the effect of the prices.

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PENDING INDUSTRIAL RELATIONS ISSUES

The NEC-in-Session unequivocally demands that the Federal Government and the concern organisations commence the process in resolving the critical industrial relation issues, particularly in H15, IEME CHEVRON, FUGRO, UNIVERSAL ENERGY, CHEVRON CONTRACTS TECON and AVION OIL. Also, the NEC-in-session demands the implementation of the Collective Bargain Agreement (CBA) 2015 of NNRA, PTI, PPPRA, DPR and NCDMB.

NEC-in-session resolved therefore that industrial peace will not be guaranteed if these issues are not resolved within seven (7) working days effective Monday, May 16, 2016.

Signed:

13/05/16

Comrade Francis O. Johnson
President

Comrade Lumumba I. Okugbawa
Acting General Secretary