

**PUBLIC PRESENTATION OF
PETROLEUM TECHNOLOGY DEVELOPMENT JOURNAL**



**ADDRESS BY
DR. MOMODU KASSIM-MOMODU
EDITOR, PETROLEUM TECHNOLOGY DEVELOPMENT JOURNAL ON THE OCCASSION OF THE
PUBLIC PRESENTATION OF PETROLEUM TECHNOLOGY DEVELOPMENT JOURNAL
(PUBLISHHED BY PETROLEUM TECHNOLOGY DEVELOPMENT FUND)
AT THE INTERNATIONAL CONFERENCE CENTRE, ABUJA, NIGERIA
ON TUESDAY THE 19TH DAY OF JULY 2011**

Chairman, Professor Babatunde Alabi

The Honourable Minister of Petroleum Resources, Mrs. Diezani Allison-Madueke

His Royal Majesty Dr. Edmund Daukoru, FIC, CON

The Chief Host and Permanent Secretary, Ministry of Petroleum Resources, Engr. Goni M. Sheikh

The Host and Executive Secretary of PTDF, Publisher of PTDJ, Engr. Muttaqha Rabe Darma,

Members of Editorial Board of PTDJ

Ladies and Gentlemen.

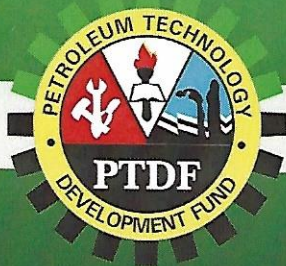
This public presentation of Petroleum Technology Development Journal (PTDJ) is indeed a celebration of the acceleration of our cruising speed, on a journey towards excellence in the advancement and management of competency in petroleum technology development. The journey started in 1999 when we¹ decided it was time the Nigerian petroleum industry had a journal that will serve both the professional and academic research needs of the industry.²

We started as Petroleum Training Journal (PTJ). The first issue was published in June 2001. However we could not hold a public presentation event like the one we are holding today till the 26th day of September 2002 because the Editorial Board decided to wait till when Dr. Rilwanu Lukman, Presidential Adviser on Petroleum and Energy Matters as he then was, and Miss Amal Pepple, Permanent Secretary Ministry of Petroleum Resources as she then was, could both attend. Both of them played indispensable roles that ensured the success of our efforts to engage key industry stakeholders in the discussions and actions that finally resulted in the establishment of the Petroleum Training Journal. On the 26th day of September 2002, Dr. Rilwanu Lukman appealed to us "...to ensure that this effort does not become 'a flash in the oil pan' as has been the fate of several journals". He further said "It is my earnest desire that the Petroleum Training Journal should be sustained, I am therefore using this medium to solicit the continued support of the Nigerian National Petroleum Corporation (NNPC) group, the Oil and Gas companies, the service companies as well as the Petroleum Technology Development Fund in order to ensure sustenance of PTJ..." You will all agree with me that what we are doing today is a clear demonstration of PTDF management's total commitment to the sustenance of the journal, and the provision of an international avenue for writers and researchers to publish and make materials available for both the university community and industry professionals.

¹Forum of Training Managers in Nigerian Petroleum Industry and the Management of Petroleum Training Institute, Effurun

²See the Journal's website www.petroleumtrainingjournal.com or for more information on the journal. See also Momodu Kassim-Momodu "The Journey of Petroleum Technology Development Journal" (2011) Vol. 1 PTDJ 129





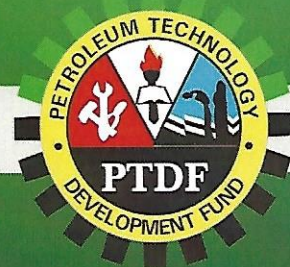
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Though we were able to publish twelve issues of the PTJ between June 2001 and December 2009 with the assistance of PTDF that funded the printing of each issue of the Journal, and Chevron Nigeria Limited that hosted the secretariat of the journal and bore the administrative expenses and salaries of the Journal's two full-time staff, managing and ensuring the timely publishing of each due issue was becoming increasingly challenging. Furthermore, the title of the Journal (Petroleum Training Journal) gave the impression that it was a petroleum industry human resources training and development journal, rather than a serious petroleum industry technology development and capacity building publication. That perception had some adverse effect on our efforts to attract papers from writers and researchers in the area of the core technology and project management competencies needed for the development and effective management of the industry.

The Editorial Board appealed to PTDF to take over the PTJ in 2005 when the journey became bumpy. Discussions on the issue continued with each successive Executive Secretary until the 12th day of October 2010 when we finally executed a Memorandum of Understanding for the transfer of the PTJ to PTDF. Soon thereafter, the name was changed from Petroleum Training Journal to Petroleum Technology Development Journal. Indeed the last issue of the PTJ which was a special issue on Nigerian Content Development was published in July 2009. We could not publish in 2010. The journey would probably have terminated abruptly mid-air with the July 2009 issue, but for the intervention of Engr. Muttaqha Rabe Darma who listened to us and decided not only to board the plane but to stay in the cockpit as the co-pilot. Three successive Executive Secretaries before him were not bold enough to take the 'risk'. Our persistent and repeated appeal to each Executive Secretary of PTDF since 2005 paid off with him. His first reaction when I first met him and discussed the journal was very positive. His view was that PTDF is the proper home for a publication like this. Without hesitation he promised to intervene to sustain the publication of the Journal. However he pleaded with us to give him time to raise the issue with his management team. As you can see, the take-over intervention of PTDF and the birth of PTDJ have saved the situation and have thus guaranteed that our dream, the petroleum industry's human capacity development need, and Dr. Rilwanu Lukman's appeal and wish, shall be fulfilled and sustained.

When we started this journey about twelve years ago production of oil in Nigeria had risen steadily from 5000 barrels in 1958 to about 2.3 million barrels per day, making Nigeria Africa's leading producer and in the top ten of oil producers in the world. By 2001 when the first issue of PTJ was published, Nigeria's oil reserves stood at 22.5 billion barrels. The projection then was that by 2010 it would be 40 billion barrels, with hopes to increase oil production capacity to 4 Mbbl/d ($640 \times 10^3 \text{ m}^3/\text{d}$) by then. The figures were hinged on anticipated new and sizeable discoveries in our deepwater blocks. Several new discoveries in offshore Nigeria made in the previous seven years gave credence to this projection. By 2007 Nigeria had 36.2 billion barrels ($5.76 \times 10^9 \text{ m}^3$) of proven oil reserves, maintaining its ranking as the largest oil producer in Africa and the 11th largest in the world, averaging 2.28 million barrels per day ($362 \times 10^3 \text{ m}^3/\text{d}$). Figures published in The World Fact Book shows that as of January 2010, Nigeria had 37,500,000,000 barrels of proven reserves. That is 2.69% of world proven reserves as at that date.





With continued efforts to increase oil reserves and the strategic need for Nigeria to take full control of the exploration and production of this depleting resource, the increasing need for well trained personnel and a conducive environment, in not only sustaining our production levels but also in propelling the petroleum sector to meet set national targets, cannot be over emphasized. That is to say that, well trained personnel will remain a 'sine qua non' if the lofty dreams are to be realized. Petroleum Technology Development Journal is one of the tools that can be effectively used for the development of personnel needed to ensure that national targets are met and robustly sustained.

Some Contemporary Petroleum Industry Issues

PTDJ Editorial Board will from time to time, as the need arises, discuss and analyse contemporary petroleum industry issues, both local and world-wide. From time to time our opinion and advice will be published and where necessary and appropriate, private advisory notes will be furnished the appropriate functionaries of governments or organizations. Three issues that I want to touch today are:

1. Petroleum Industry Bill
2. Retraining of graduates by the international oil companies (IOCs) in Nigeria
3. Industry Technical Data

Petroleum Industry Bill

It has been argued that the Petroleum Act 1969³ which came into force on 27 November 1969 and the associated Petroleum Regulations are now outdated and obsolete. It has also been observed that present Licensing regime, tax regime, permit to flare associated gas, use and grant of tax incentives to IOCs, operational and organizational structure of Nigerian National Petroleum Corporation and the Department of Petroleum Resources, need to be reviewed and necessary changes effected, in the overall strategic interest of the nation. We need to redouble efforts to develop our national petroleum industry institutions to effectively compete and function in this globalised industry and age of very advanced and ever changing technology. A Legal and regulatory framework that meets the demands and challenges of today, with the flexibility to adjust to needs that may arise tomorrow is a necessity.

The introduction of the Petroleum Industry Bill is therefore a step in the right direction. No one expected that the Bill will come out of the National Assembly legislative process the way it was sent in by the Executive. Stakeholder input and world-wide best practices were and are expected to guide the National Assembly in passing a petroleum industry legislation that meets the demands of this century and also satisfies the strategic interest of the nation. If the National Assembly can amend the Nigerian Constitution three times in one legislative year, it is expected that the same National Assembly can pass a Bill that will define a global vision and patriotic strategy for an industry that accounts for 95% of the nation's export revenues.

³Chapter 350 Laws of the Federation of Nigeria 1990 and Chapter P10, Laws of the Federation of Nigeria 2004





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We therefore call on the National Assembly to please ensure that a Petroleum Industry legislation that meets the interests and aspiration of Nigerians is passed within the next six months. They can do it if they want to. We have no reason to believe that the present National Assembly is not willing to do it.

Retraining of graduates by the International Oil Companies (IOCs) in Nigeria

In the drive to nurture local content in the Nigerian petroleum industry, training of indigenous manpower is paramount. A typical university or polytechnic graduate takes years to learn the skills and become productive, especially in the technical and professional areas of the petroleum industry. With the diminishing degree of academic exposure in our tertiary institutions, such graduates now require even longer time to properly fit in, and perform effectively. This is why several IOCs established training facilities not only to redress the academic shortcomings but also to steepen the learning curve of new graduate employees prior to deployment. It is therefore sad to see some of the IOCs replacing such very effective training and development schemes for local capacity building with direct deployment of raw neophyte graduates, with no provision to address the palpable academic and skills shortcomings. There appears to be intent to stultify the efforts of government to bolster local content.

We appeal to the IOCs to continue the retraining and skills acquisition programmes for our greenhorn graduates to prepare them for effective performance in the petroleum industry.

Industry Technical Data for Academic and Professional Benefit

The Petroleum Technology Development Journal has a particularly large catchment area from which to harvest technical information for dispersal to its audience. The mention of a journal easily invokes academics. But we are dealing with a field so wide as, not only to include but transcend routine academics and dig into the depths of the science and technology involved in finding, appraising, developing, producing, processing, transporting, refining and disposing of oil and gas. Moreover, there are several ancillary issues – such as petroleum economics, environmental conservation, community development, legal trappings, etc – where there is so much to research into, learn and disseminate. The IOCs have in their classified vaults, large volumes of information waiting to be declassified and aired. These organisations all profess to be good corporate citizens of their host nations. Indeed some of them have published materials in the PTJ to demonstrate their good corporate citizenship. Our new journal, the PTDJ, is available. We appeal to all the IOCs to use the journal to publish materials from their projects, and also demonstrate best practices in project management and environmental conservation.

Finally, we assure the Honourable Minister and all stakeholders in the petroleum industry and business, that Petroleum Technology Development Journal Editorial Board, with the support and commitment of Petroleum Technology Development Fund will continue to make all efforts not only to meet, but to exceed the needs of the petroleum industry professional community and the academia in crafting and living our mission, our vision and our publication policy.

Thank you for your kind listening attention.

