

ATTACHMENT-1

THE MISSING \$20 BILLION

In late 2013, NNPC was accused by the then CBN governor, of misappropriating first \$49.8billion, then it changed to \$12billion and finally it was said to be \$20billion. And in the twinkling of an eye that accusation was turned around and directed at me, personally. I was accused of stealing/misappropriating the unfathomable amount of \$20 billion.

In a CNN TV Interview in March 2015,*<http://edition.cnn.com/videos/world/2015/03/18/intv-amanpour-nigeria-emir-kano-lamido-sanusi.cnn>* the former CBN Governor stated that *"there was this gap of \$20 billion after reconciliation between what NNPC exported and what it repatriated to the federation account and I raised a number of issues that I think have not yet been discussed and addressed sufficiently. One of them is billions of dollars being paid in kerosine subsidy without appropriation by the National Assembly and against a presidential order and we don't know who authorised these payments yet. Nobody has owned up to say I authorised these payments, I made a mistake, it will stop..."*. He, went on to say that.... *"...It could be \$20 billion at the end of the day, after reconciliation they could account for 10 or 12..."*. So, as he pointed out, there was indeed a reconciliation that at first stage had begun to close the purported gap.

He also referred to the non-appropriation of kerosine subsidy by the National Assembly. This was an issue for which I had tried to engender a resolution and for which I was still seeking a lasting solution to, at the time the CBN Governor raised these issues (Annex-2A).

He had stated severally that a large portion of the \$20billion was constituted of illegal approvals for Subsidy payments that I had given and that the late President Yar'adua had directed that the said subsidy payments should be stopped and that I did not comply with President Yar'adua's directive. I have said

it before but let me say it again. President Yar'adua's directives were made in a presidential memo dated June 10, 2009, to the late Petroleum Minister, Rilwanu Lukman, not to me. I was not the Minister of Petroleum Resources at that time. My tenure as Petroleum Minister began in April, 2010. Those directives were not complied with by Rilwanu Lukman, not Diezani Alison-Madueke.

I made several attempts when we came into office in April 2010, to get to the real truth of the matter. Even before we came in the GMD who served under Rilwanu Lukman, Alhaji Barkindo, who is today the Secretary General of OPEC, had written to the then Minister of Finance, Alhaji Muhktar, to enquire for clarity on the matter, to no avail(Annex-2B). Finally, I had to write to President Jonathan to get to the truth of the matter. President Jonathan pointed out that although he and President Yar'adua had wanted to cancel the entire issue of subsidies, the unions had objected and therefore the payment of subsidy had never been stopped. He directed that in the meantime we continue the payments but with the proviso that we prepare for complete deregulation as soon as possible(Annex-2C), which I of course moved to implement on Jan 1st, 2012.

Today, we all know that the PWC report that was published cleared me of any wrong doing and no one up till now has been able to controvert the PWC report, nor has anyone been able to show that the \$20 billion is actually, or was ever, missing. In addition, the Makarfi-led committee in the Senate of The Federal Republic of Nigeria, in a series of publicly-held hearings, also vindicated me on the matter of the purportedly missing funds.

In late 2011, due to the incessantly high subsidy figures which we knew were coming from unscrupulous marketers who were dealing in Round-tripping at the expense of the Nation, I removed all 92 PPPRA throughput marketers, amongst whom we believed were those undertaking round-tripping and substantially raising the cost of subsidizing petrol for the entire Nation.

In doing that, I cut the subsidy bill to the Nation by almost 50% and put my life under immediate threat. Yet, I was accused, in the now defunct NEXT magazine, of taking bribes from these same companies.

At end December 2011, I directed PPPRA to move for complete deregulation, to rid the Oil & Gas sector of the speculators, the bloated middlemen and the parasitic influence of Godfatherism. This was in an attempt to create a far less corruptible system as it was quite clear that the intended benefits of the Subsidy system were not reaching the masses but were being hijacked by unscrupulous middlemen cabals. And finally, to allow the true market factors of supply and demand to come into play..... And as you all know, the country pushed back against it. Even after that, in early January 2012, I sought the permission and received the approval, of President Jonathan to write to EFCC asking that they please come in and investigate the entire Subsidy program and the fraudulence embedded in it(Annex-2D). And yet, I was called the corrupt one.

It is pertinent to note here, that the incumbent government themselves maintained the full subsidy regime for over one year until they realised (as I had pointed out in 2011 and had championed continuously), that it was unsustainable.