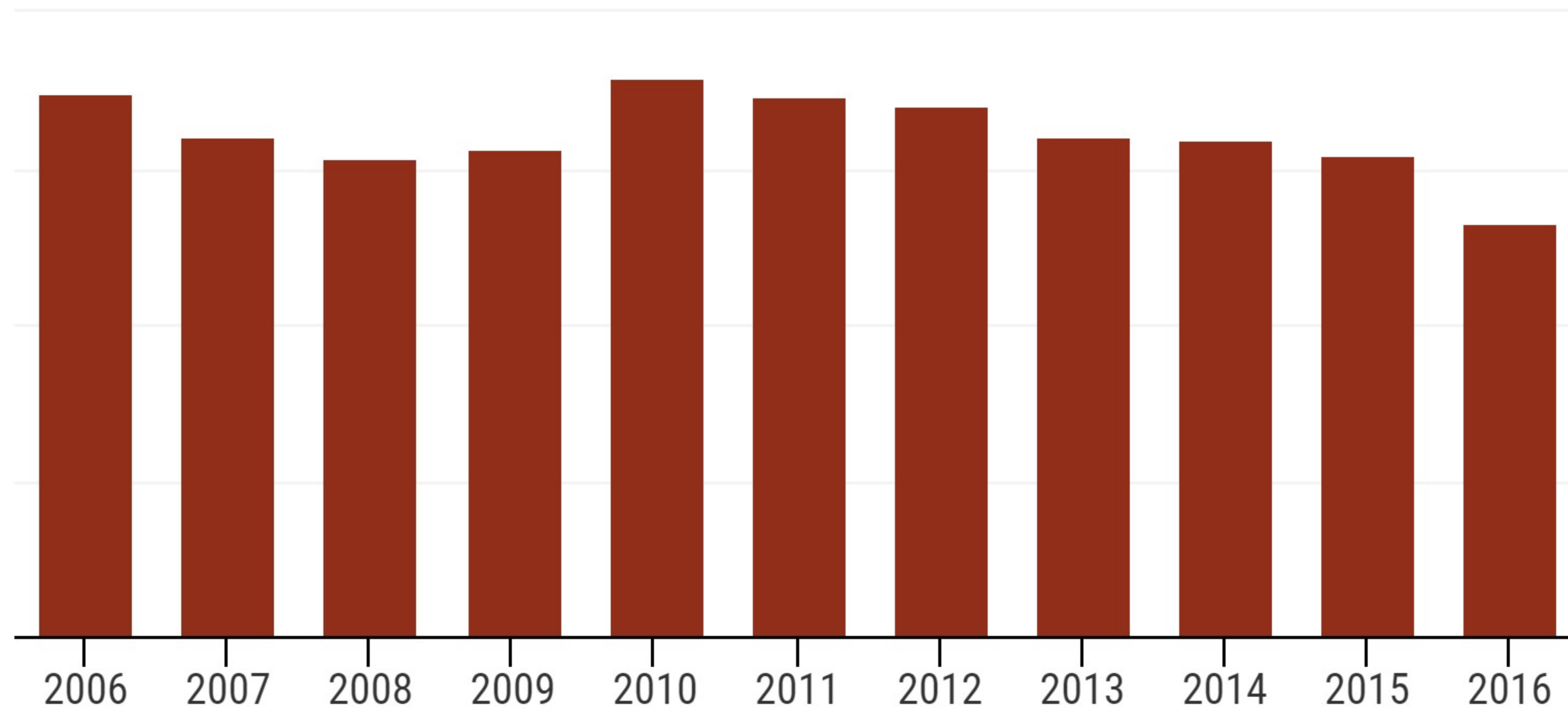


# Oil & Gas Sector

## Fact sheet

### Crude Oil Production Figures 2006 -2016



The above graph represents the total production of crude oil for the past 10 years, the highest production year being 2010 (890 million barrels) and the lowest production year, 2016 (660 million barrels).

This significant drop in annual production can be attributed to the increased militant activities in the Niger Delta.

Another reason - perhaps a more significant one - is the reduced demand from Nigeria's customers. This would in turn affect the investment into the oil industry for exploration and production.

Nigeria's oil market has weakened in the past couple of years due to the emergence of more oil producing countries. The increased supply over demand has drastically affected the price of oil world wide; considering Nigeria's oil market is Export-driven, the effects have been major.

The recorded drop in the value of oil since the highest fiscal year (2011) to the end of 2016 is 71% as represented in the graph below.

### 2010

Highest production year in the past decade:  
896,043,406 barrels reported.

### 23%

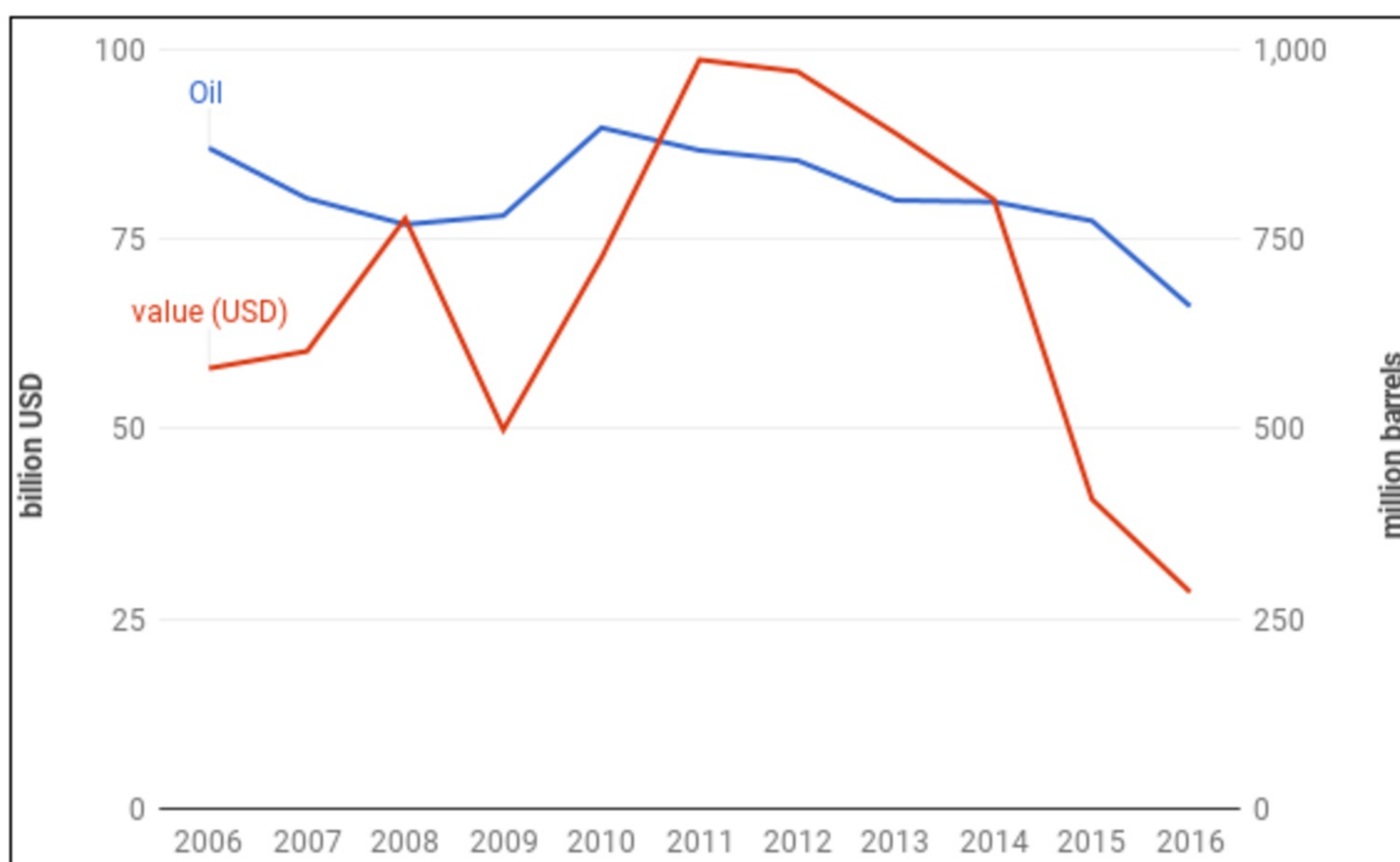
decrease in production between 2010 and 2016.

### Average Barrel per day:

2015  
2,124,757bpd

2016  
1,806,245bpd

### Oil Production and Value



### \$98 billion

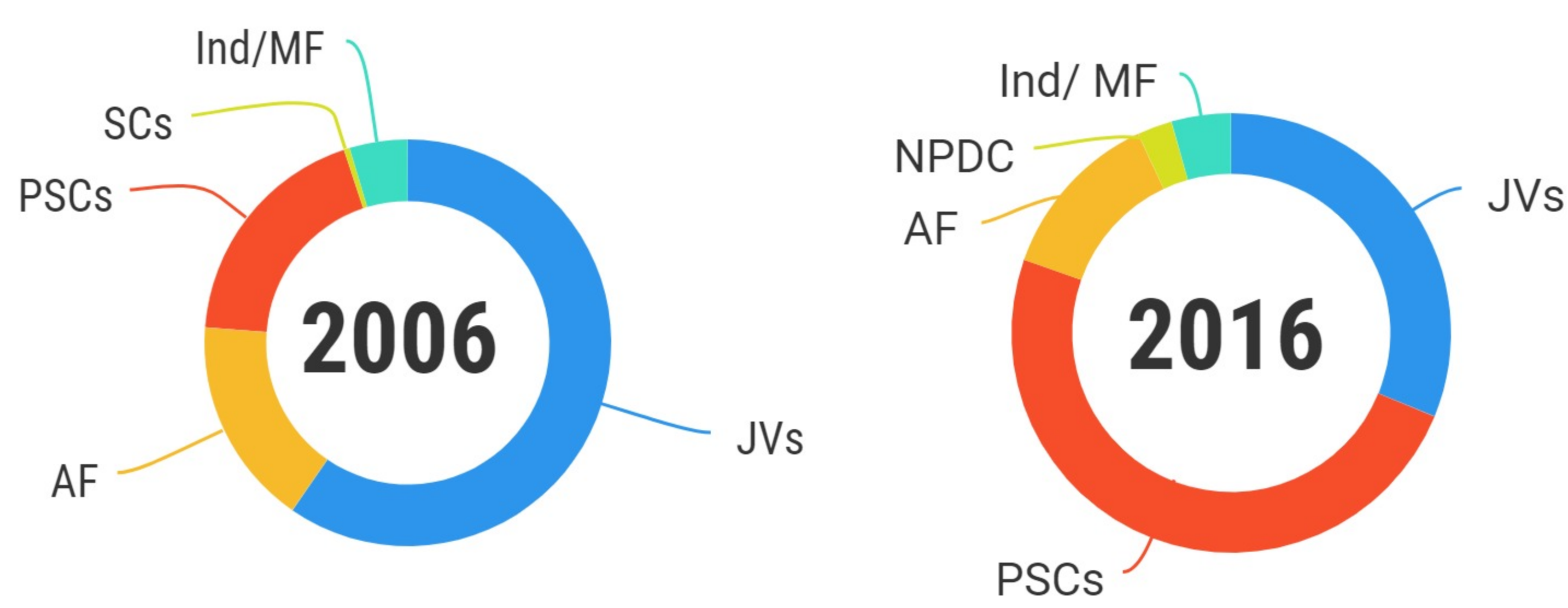
At a rate of \$113.76/bbl, 2011 shows the highest estimated returns for the crude oil produced in the past decade.

### 71%

drop in oil value in USD between 2011 and 2016 from \$98 billion to \$28 billion.



Production through Joint Venture companies has reduced recently partly due to Nigeria's inability to pay its part of the cash calls. On the other hand, Production sharing companies (PSCs) have increased production. Militancy in on-shore and shallow-waters oil has affected JVs as well. PSCs are mainly off-shore and deep-waters projects which are not affected by militant attacks. The charts below show the difference between the regimes in 2006 and 2016:



## JVs vs. PSCs

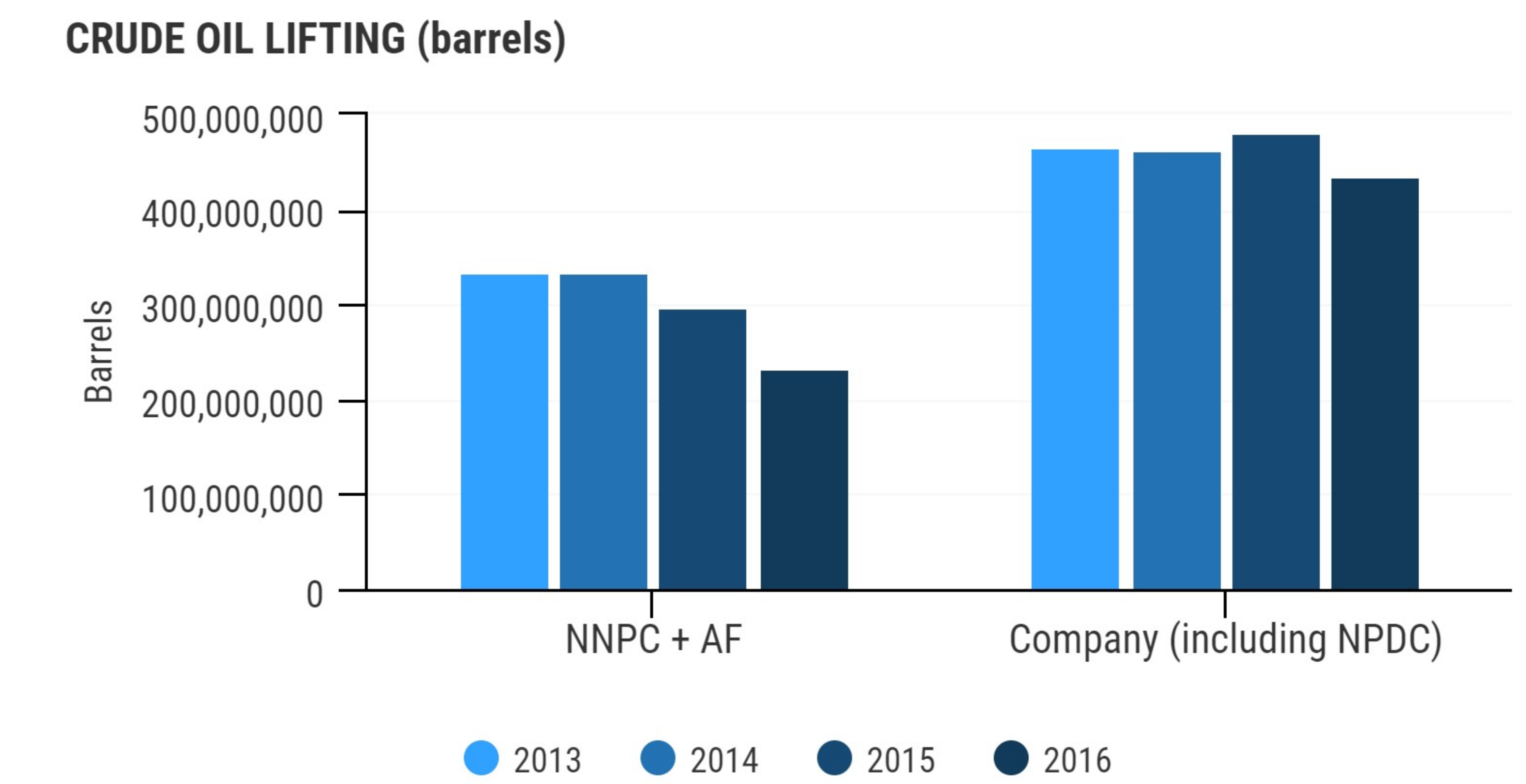
Percentage of total production attributed to JV companies has reduced from approximately **60%** in 2006 to **31%** in 2016. PSCs' has increased from **19%** in 2006 to **49%** in 2016.

## Crude Oil Lifting

	Domestic	Total NNPC + AF	Company (inc. NPDC)	Total	% NNPC
2013	158,813,830	333,165,119	467,172,087	800,337,206	41.6
2014	156,547,584	334,043,800	462,610,309	796,654,109	41.9
2015	153,917,949	298,018,124	482,411,528	780,429,652	38.2
2016	127,158,024	231,667,668	436,927,288	668,594,956	34.6

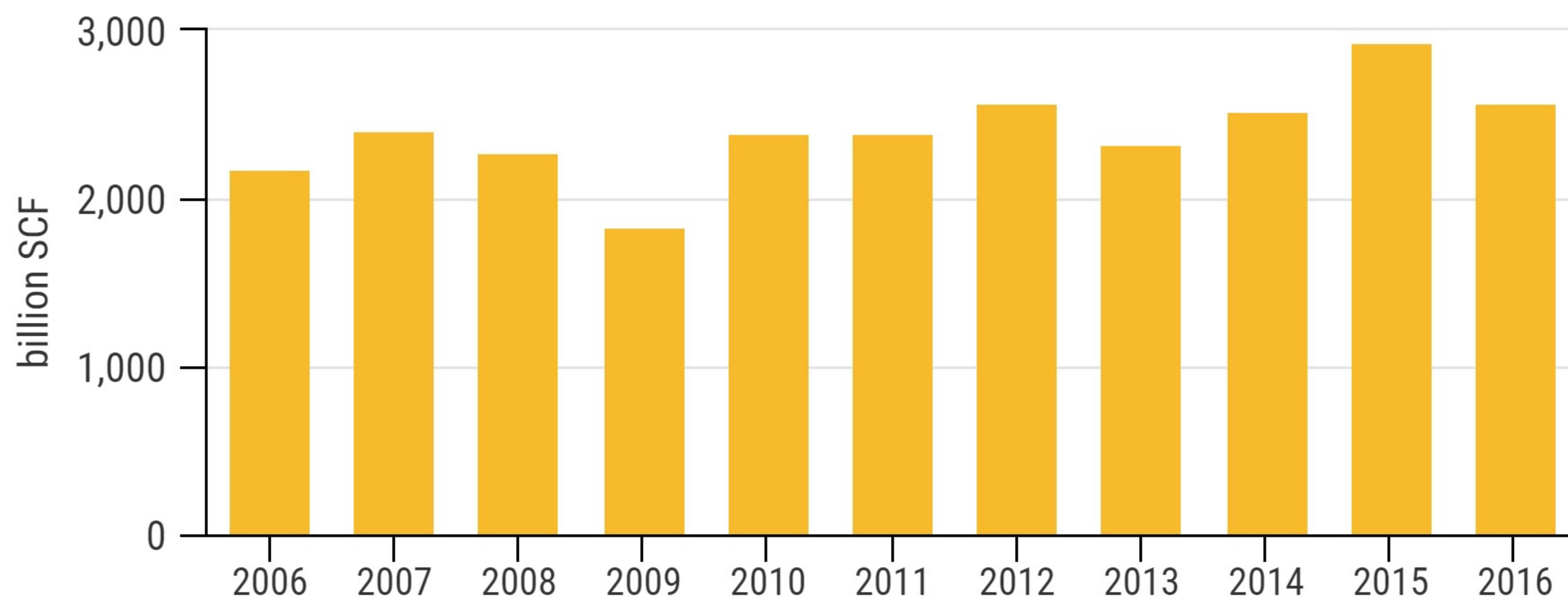
## NNPC Oil Lifting

In **2016** NNPC lifted **231,667,668 barrels** of crude oil on behalf of the Nigerian Government. That is approximately **35%** of the total lifting for that year.





## Gas Production



The Total Gas Produced decreased by **12%** in **2016** from 2015; **2015** is the year with the highest gas production recorded - a total of **2.9 trillion standard cubic feet (tscf)**.

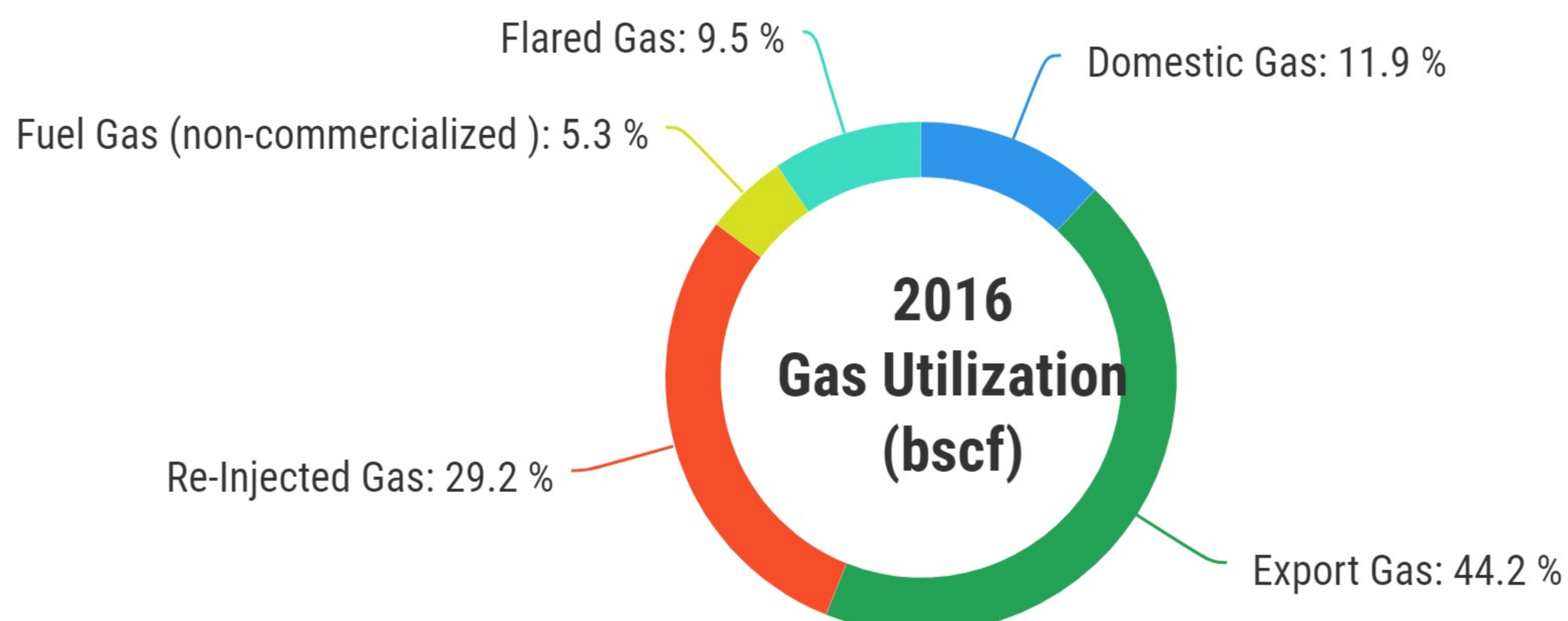
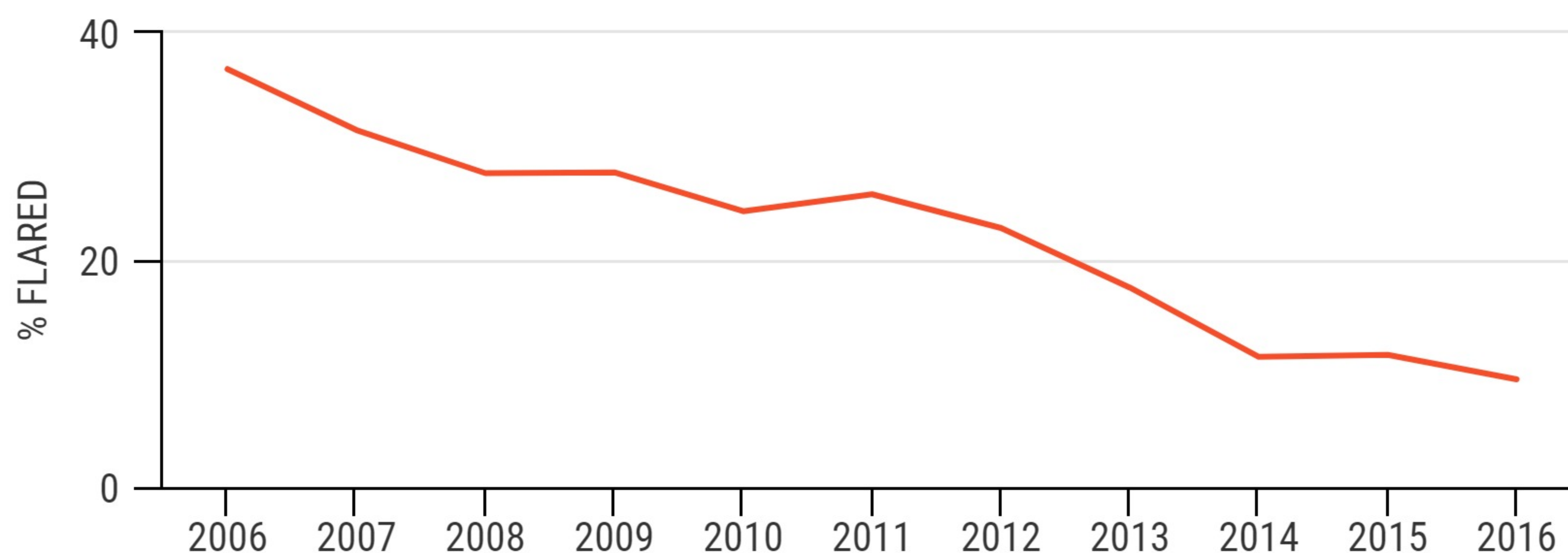
**JVs** are the largest producing companies of gas with a share of over **65%** in any given year so far.

**56%** of the total gas lifted in 2015 and 2016 was commercialized.

There has been a constant reduction in the amount of gas flared over the past decade from a high of **36%** in **2006** to **10%** in **2016**. The increase in gas flaring fine has discouraged companies from flaring.

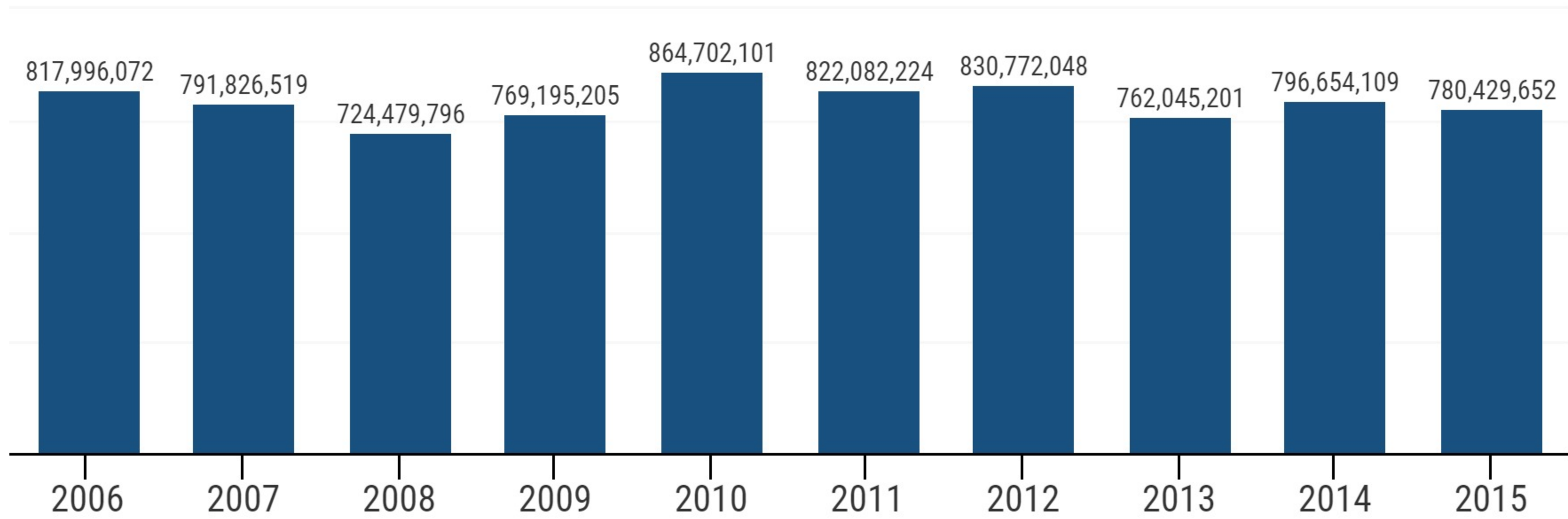
Because of the lack of infrastructure for the gas production and delivery for commercial purposes, and the lack of demand affects the use of gas in Nigeria.

## Gas Flared

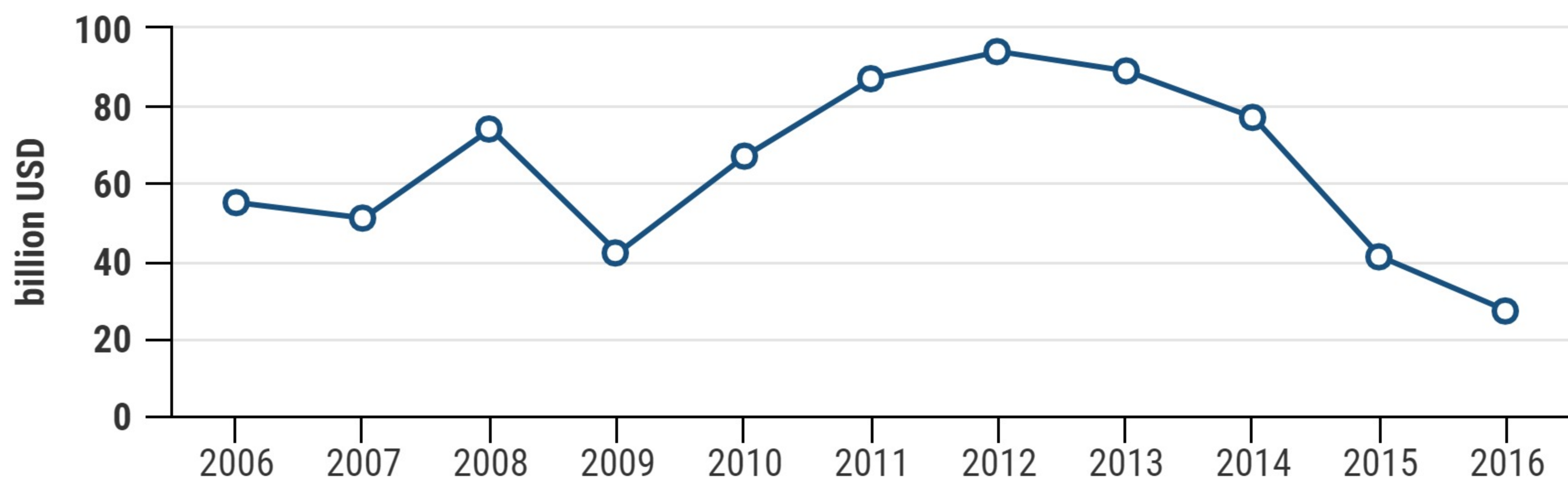




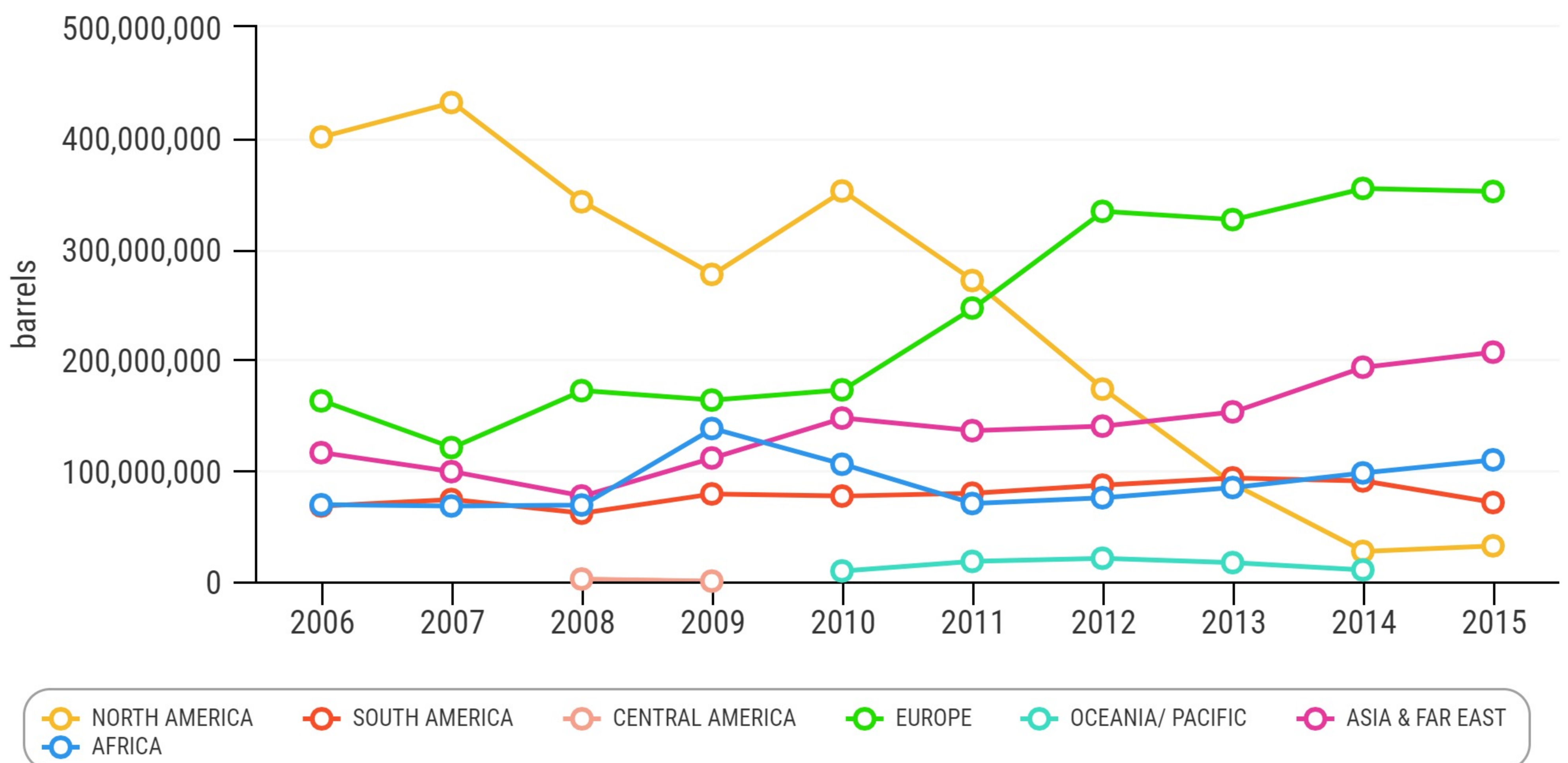
## NNPC Oil Export (barrels)



## Petroleum Export Value



## Export by Region



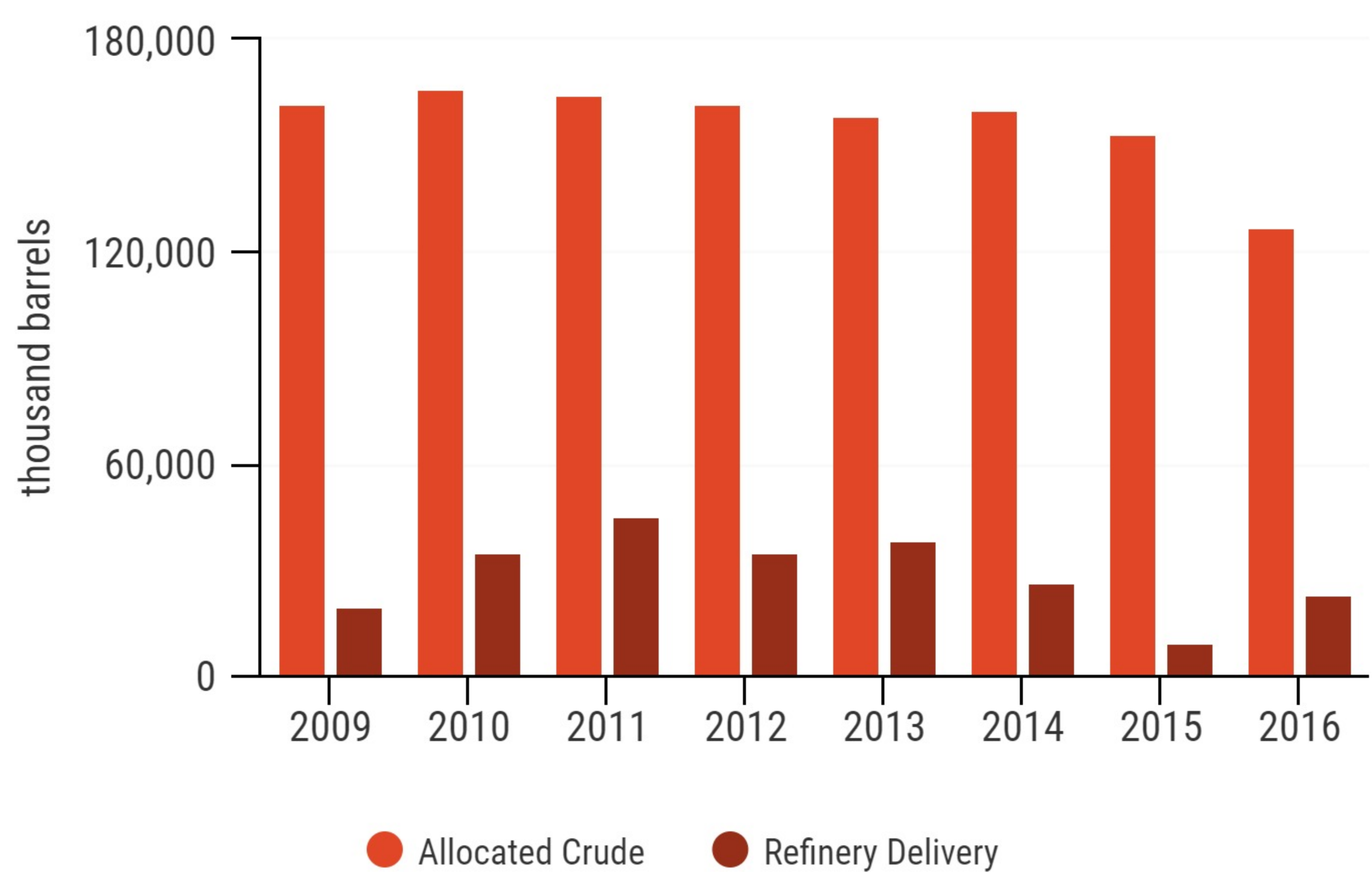
Nigeria's Export of Petroleum valued at **\$27 Billion**, about 33% less than 2015 and the lowest it has been in a decade. Fall in oil price is the probable cause.

The demand for Crude oil in North America drastically fell from **400 million** to **32 million barrels** at an average rate of **18%** between 2006 and 2015.

Europe has the highest total demand of crude oil (approx. **2.4 billion barrels**) between 2006 and 2015. North America is second with **2.3 billion barrels**.



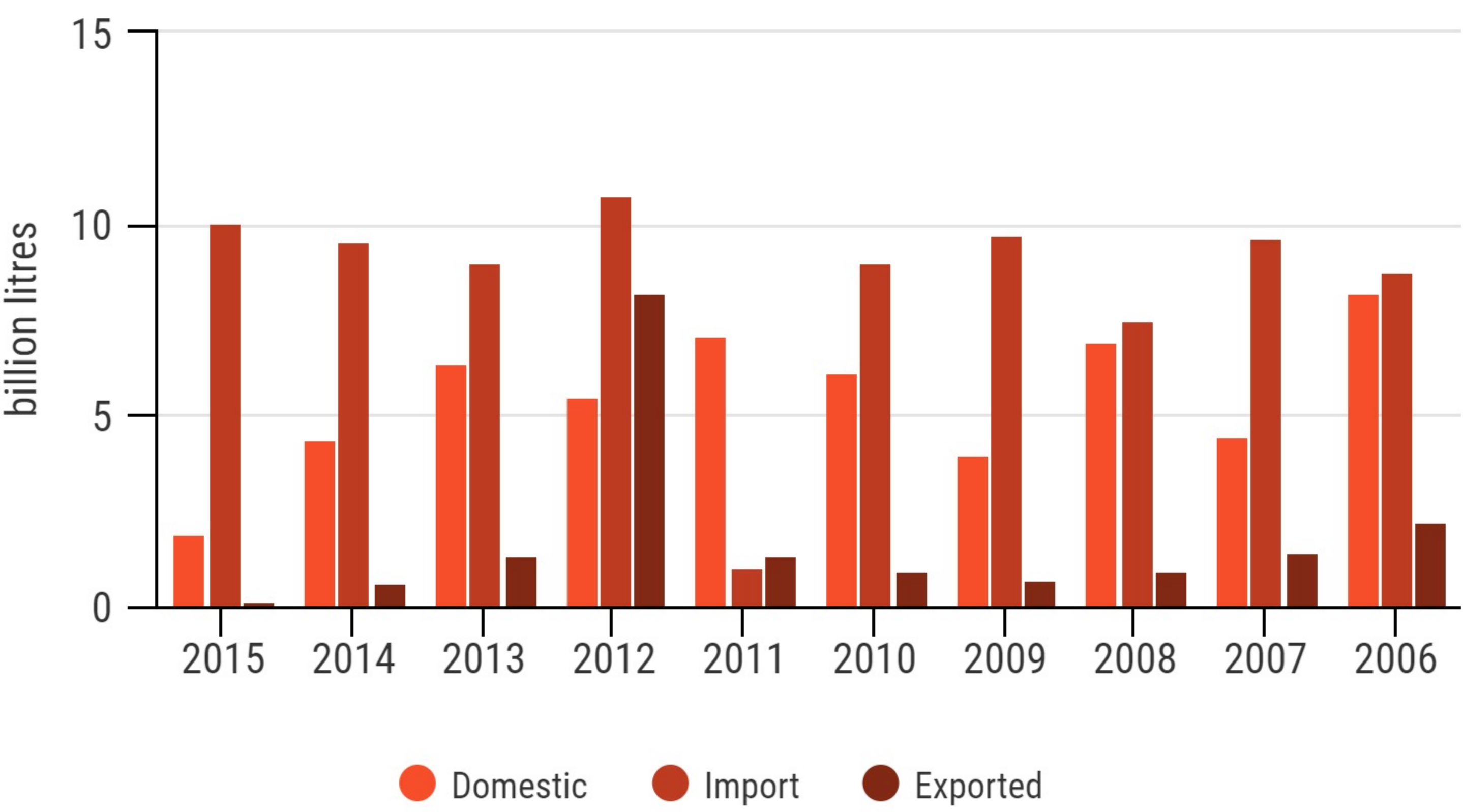
## Domestic Crude Oil Allocation



ONLY an average of **18%** of the crude purchased by NNPC for domestic use was sent to Local Refineries in 2016.

Of the **127 million barrels** lifted for domestic purposes by NNPC in 2016, only **23 million** was actually delivered to the refineries; that is an average of **63,000 bpd** although the total capacity for the refineries is **445,000 bpd**. **10.6 million** was exported **10.4 million** was sent for off-shore processing and **83 million** was swapped for other products.

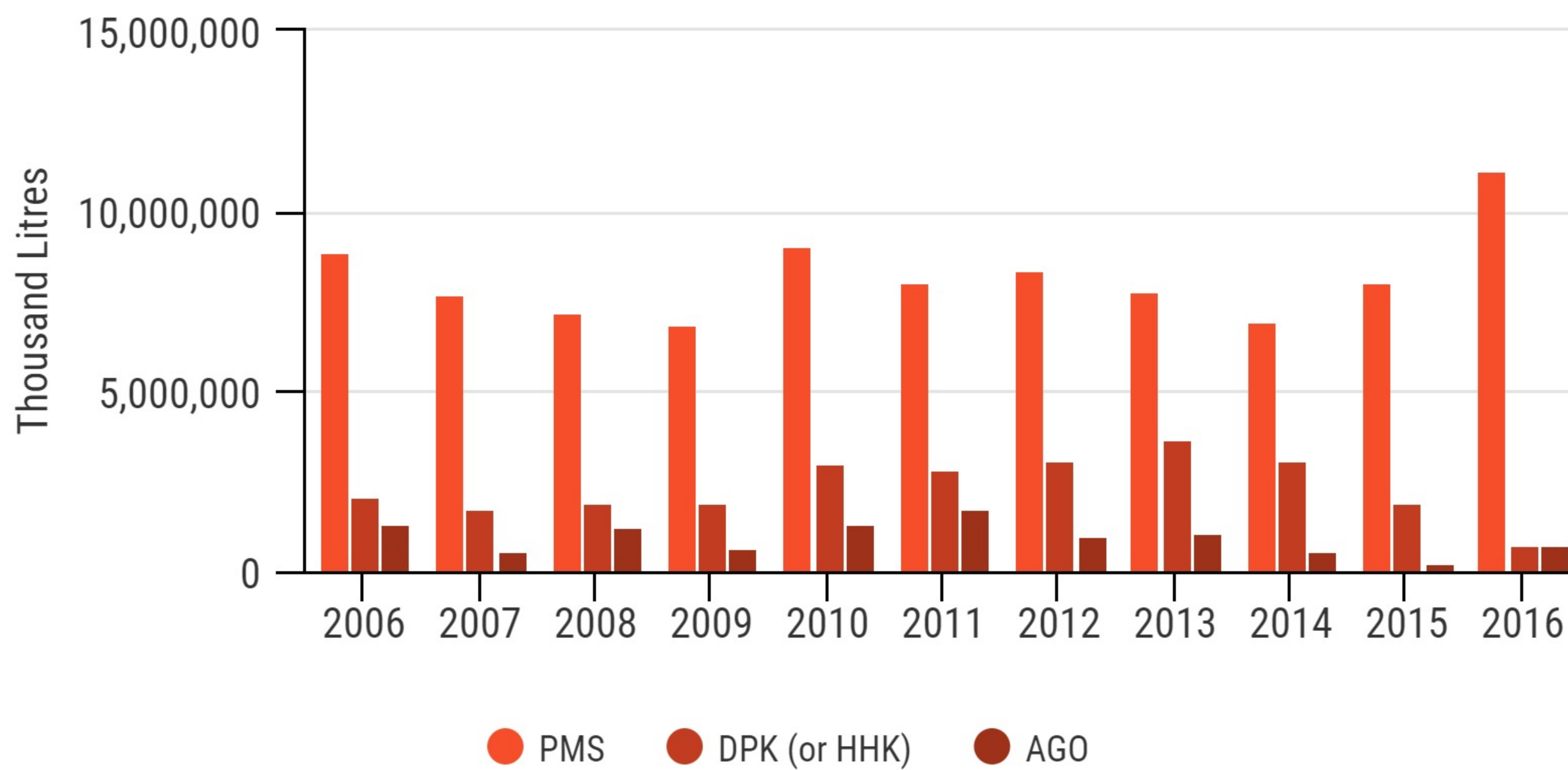
## PPMC Petroleum Products



Premium motor spirit (PMS) is the most used petroleum product accounting for averagely **65%** of products both produced and imported. The last recorded export of this product was in **2006** with as little as **5 million barrels** exported. **78%** of Premium Motor Spirit used in **2016** was imported. Domestic Petroleum products count for no more than **20%** of the total products sold by PPMC in **2016**. In **2011**, over **80%** of the total product used were domestic, the highest recorded. It also is the year with the lowest total products (domestic and imported) in the past decade.

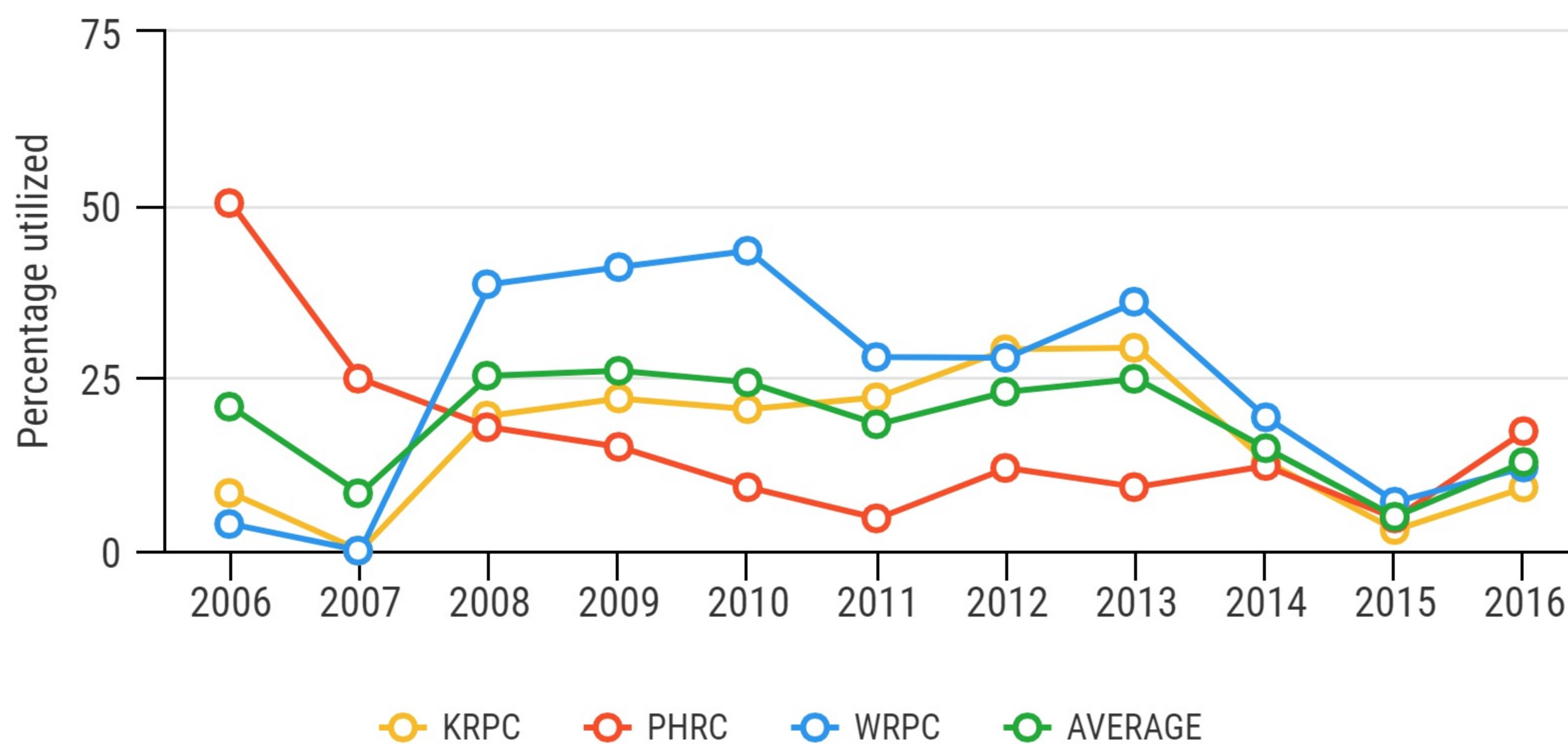


## PPMC Petroleum Product Sales



Over **85%** of the total sales of product in **2016** was **PMS**

## REFINERY CAPACITY UTILIZATION



**12.8%** of Refineries was used by the end of **2016**. **2015** is the year with the lowest recored refinery utilization (**5%**) in the past decade.

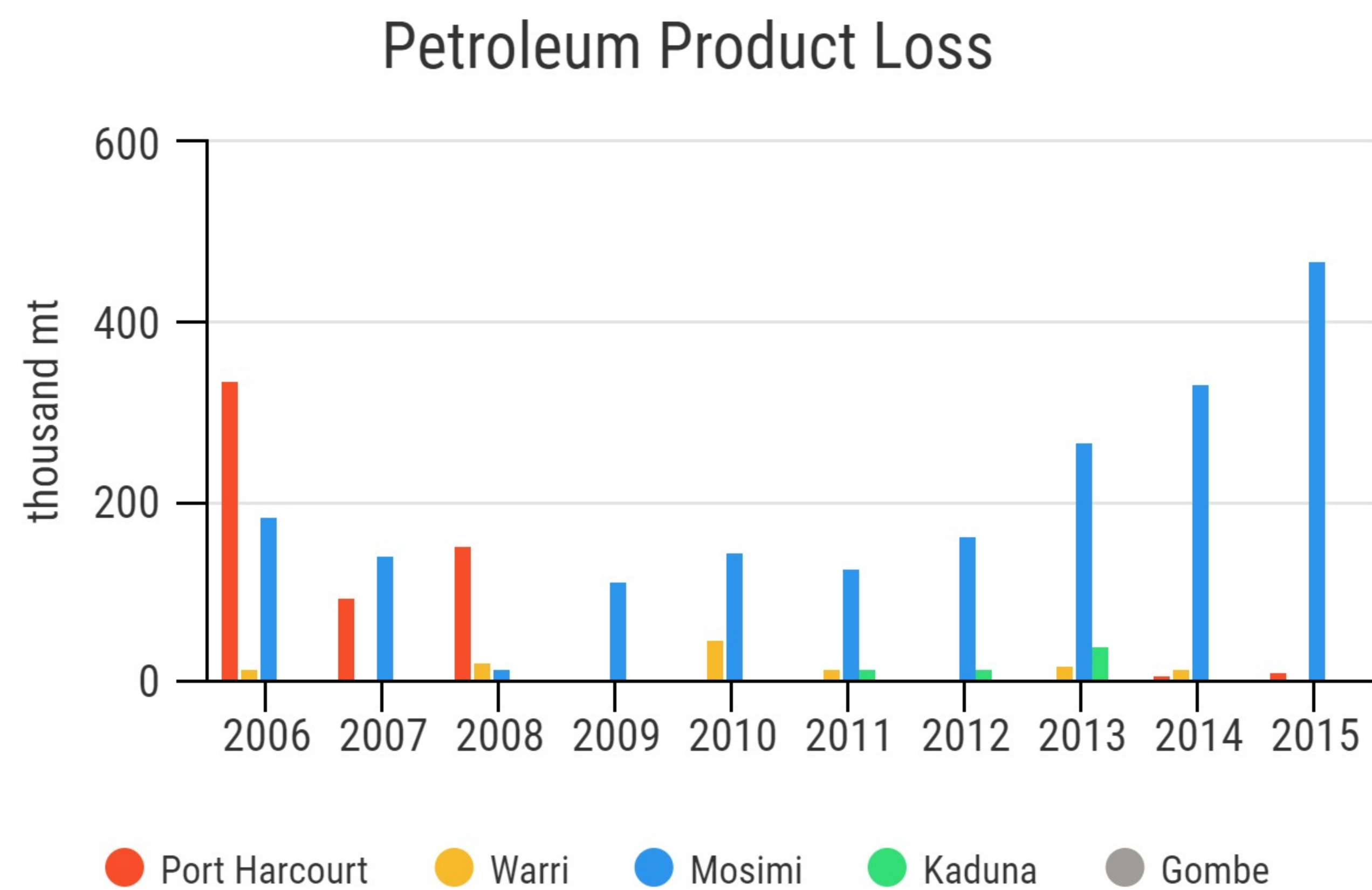
Over the years, Kaduna refinery has been the poorest producing refinery. Port Harcourt dropped considerably between 2008 and 2015 (most notably in 2011) due to high vandalism but picked a little by 2016.

On an average, 2008 and 2013 are the years with the highest capacity utilized while 2007 and 2015 are the years with the lowest capacity utilized.

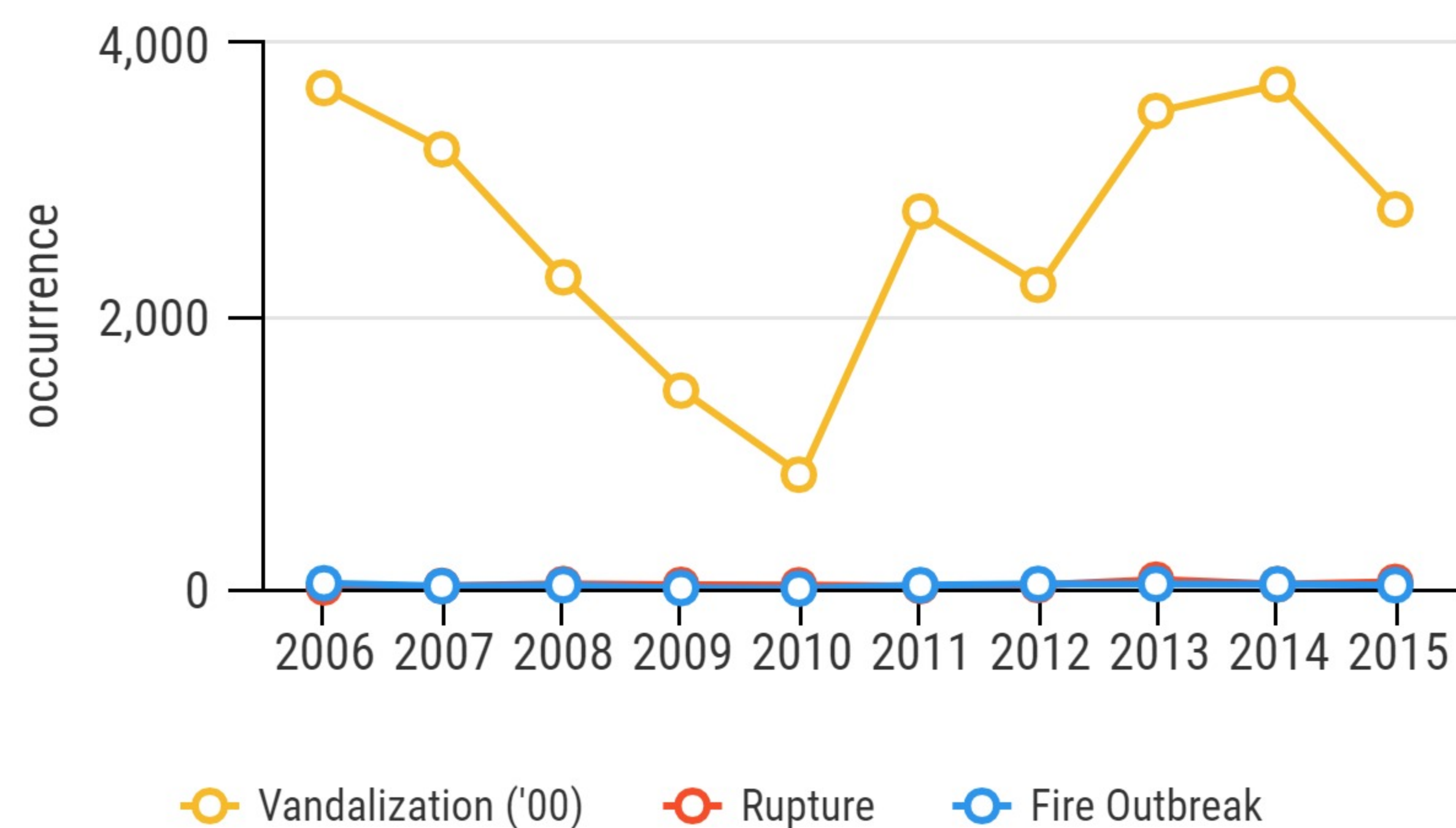


## INCIDENCES

At various stages of transaction - production, refining or sales - oil and gas is lost either deliberately as a result of vandalism and theft or as a result of rupture which could be due to lack of care for the facilities meant to house and transport said oil and gas.



The Pipeline in Mosimi, Ogun State suffered heavy loss amounting to **49 billion Naira**, over **97%** of the total loss for 2015. The loss in products are mostly a result of vandalism and theft than rupture. The graph below shows by how much:



2014 has the highest amount of recorded vandalization while 2013 has the highest ruptures and fire outbreaks. Port Harcourt has the highest recorded vandalization; Kaduna has the highest ruptures and fire outbreaks.

Area	Vandalization	Rupture	Fire Outbreak
PH	7,334	28	53
Warri	4,126	20	53
Mosimi	6,449	66	59
Kaduna	3681	181	62
Gombe	4868	9	9