

THE LAGOS CHAMBER OF COMMERCE & INDUSTRY



Oil Producers Trade Section
OPTS

August 20, 2014

OPTS-FMITI-OPS-0111

The Honourable Minister of Industry, Trade & Investment
Federal Ministry of Industry, Trade and Investment
Old Federal Secretariat Complex
P.M.B 88, Garki
Abuja

Attention: Ambassador Abdulkabir A. Musa, mni

Dear Sir,

Re: Legal Metrology Implementation in the Oil and Gas Sector; Issuance and Utilisation of Export Permit Monitoring and Fees Payable by the Exporting Oil and Gas Companies

We refer to our meeting of 20th March 2014 and your subsequent letter of 26th March 2014, with reference no. PSITI/ADM/2014/357/Vol.1/6 and our letter of 14th May, 2014 on the above subject.

We wish to inform you that OPTS member companies are currently working to implement the resolutions agreed at the above referenced meeting. Please see below the summary of the actions taken so far by our members;

1. Export Permit applications have been completed online and the requisite export data returns are being submitted in line with the agreed procedure.
2. Officials of the Weights and Measures Department ("WMD") have been witnessing each cargo export at the terminals operated by our members since April 2014 to date.
3. OPTS has advised its members to approach the WMD to commence the registration of their measuring devices for the issuance of the certificate of accuracy and this process is ongoing. It should be noted that the relevant fees in the Fifth Schedule of the Weights and Measures Act CAP. W3 Laws of the Federation of Nigeria 2004, as amended, will become due and payable only after the registration and calibration of the measuring devices."
4. OPTS Members have been providing the lifting schedules to the WMD on a regular basis.
5. Logistic support and accommodation are being provided by our members to WMD officials.

We were therefore surprised by your letter dated 4th June 2014, introducing new requirements including obtaining certification from WMD relating to the last export activities as a pre-condition for granting export permits. It is our view that the current efforts by the WMD and OPTS should be completed before the introduction of new requirements that may frustrate the progress made to close out this matter.

We also wish to point out that the WMD and our members are unlikely to have completed the exercise described in item 3 above before Q4 Export Permits are due to be issued.

We wish to remind you that resolution 7 from the meeting of 20th March, 2014 was that *"efforts should be continued by the two parties to find workable and acceptable modalities for the payment of fees"*. To date this has not been concluded by the parties. OPTS had reiterated its position relating to monitoring fees in its letter dated 14th May, 2014 and agreed the need for further dialogue in respect of such fees.

OPTS remain committed to working collaboratively with the WMD and the Federal Ministry of Industry, Trade and Investment for the prompt resolution of the above issues and trusts that the fourth quarter export permits will be issued as usual.

Please should you require further clarification, kindly contact the Executive Director of the OPTS at Toba.Akinmoladun@opts-ng.com or on mobile no. 0807 032 2406.

Please accept assurances of our highest regards.

Truly Yours,

to.



Ciro Antonio Pagano
Chairman, OPTS