

UPSTREAM GAZE

THE OFFICIAL MAGAZINE OF NIGERIAN UPSTREAM
PETROLEUM REGULATORY COMMISSION



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VOL. 4



**TINUBU PLEDGES
INVESTOR-FRIENDLY
GOVERNMENT,
SET TO ADDRESS
CONCERNS ON EASE
OF DOING BUSINESS**

PIA, REGULATION AND
RETURN OF INVESTMENTS
IN OIL AND GAS

NUPRC CHIEF EXCITES
GLOBAL OIL PLAYERS
AT OTC 2023



OUR VALUED STATEMENTS

VISION

Be Africa's Leading
Regulator



MISSION

Promoting Sustainable
Value Creation From
Nigeria's Petroleum
Resources For Shared
Prosperity

VALUES

- Professionalism
- Responsiveness
- Ownership
- Integrity



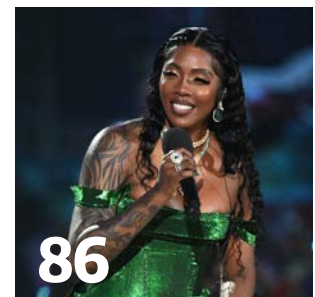
NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION

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UPSTREAM GAZE

PUBLISHER'S NOTE

On the 29th of May 2023, we witnessed a new dawn in our great nation, Nigeria, as President Bola Ahmed Tinubu took the reins of affairs of the country. For keen observers of development in Nigeria's oil and gas sector, it marked the beginning of a journey towards the implementation of a critical aspect of the Petroleum Industry Act—fuel subsidy removal.

We recall that the PIA as approved by the Buhari-led administration in 2021 is the brainchild of several industry initiatives and stakeholder engagements designed to map out a transformative path towards economic growth, collaborative building and healthy competition in the sector.

With the May 29 fuel subsidy removal declaration made by President Bola Ahmed Tinubu, we are confident of the new administration's efforts to inspire hope in the business environment by driving policies that are investor-friendly, aid ease of doing business, and further decentralize the sector for new and existing industry players.

This edition takes a look at the prospects and opportunities thrown-up by the deregulation of the oil and gas sector, government's efforts towards energy transition and the new administration's resolve to embark on investor friendly engagements and agreements.

It is noteworthy that as a Commission fully committed to the mandate of its establishment, the Nigerian Upstream Petroleum Regulatory Commission continually upholds its role in building a resilient and sustainable sector that serves the people and the economy.

Happy reading!
Engr. Gbenga Komolafe, OFR, FNSE



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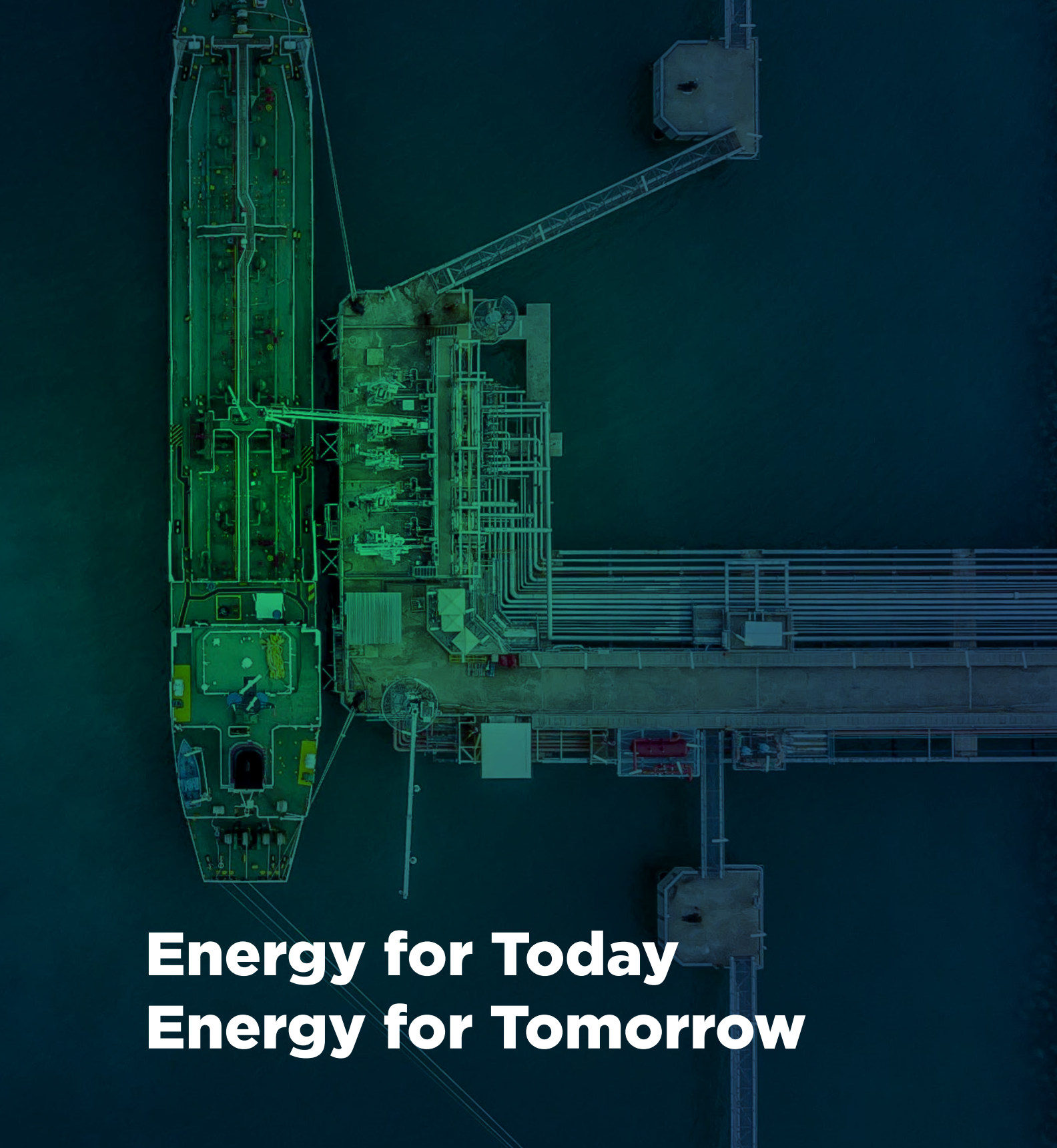
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PIA, REGULATION AND RETURN OF INVESTMENTS IN OIL AND GAS

- Akpandem James -

There is absolutely no doubt that Africa is a very rich continent, both in terms of human and natural resources. It is this massive wealth, particularly of natural resources, that has continued to attract both the developed and developing world to its embrace. Developed countries often come with rapist tendencies, but pose as developers and partners. They see Africa as a raw material enclave. They explore and exploit to their own advantage and leave the continent either threadbare or desolate at the hint of more convenient alternatives.

Among other resources, the continent is endowed with massive energy potentials; and it has a huge



AMONG OTHER RESOURCES, THE CONTINENT IS ENDOWED WITH MASSIVE ENERGY POTENTIALS; AND IT HAS A HUGE HYDROCARBON BELT WHICH SUSTAINS THE ECONOMY OF SOME OF THE RICHEST COUNTRIES



hydrocarbon belt which sustains the economy of some of the richest countries. Crude oil and gas have come to define the economic status of some of the biggest economies in the continent. Both also attract some of the biggest investors who see the two energy resources as the lifeline for industrial and social sustenance of their own economies. Now with cleaner and cheaper alternatives, they see fossil fuel as a threat to the environment. Crude oil is associated with carbon

emission and gas has become the transition fuel on the route to a carbon-free energy regime.

Although Africa looks like the target of the zero-emission campaign; some major petroleum producing countries in the Asian and Gulf regions are also apprehensive of the energy transition timetable, given their huge belts of undeveloped hydrocarbon reserves. The zero-emission campaign and the accompanying defunding of hydrocarbon development projects have

a sustainable energy future." It is indicative of the divergent perceptions about the sustainability of certain aspects of energy sources and resources.

Particularly so, some countries are deeply worried about the conversations going on and being escalated on global theatres as regards the issue of climate change, a phenomenon that has come to link its nemesis to high carbon emissions. Although Africa has about the lowest carbon emission levels in the world, in spite of the advancement made by developed countries in green and renewable energy sources, the continent is more worried than others because the developed world continues to point accusing fingers at fossil fuels as a major threat to the Ozone layer rescue mission, and the march towards a carbon-free world.

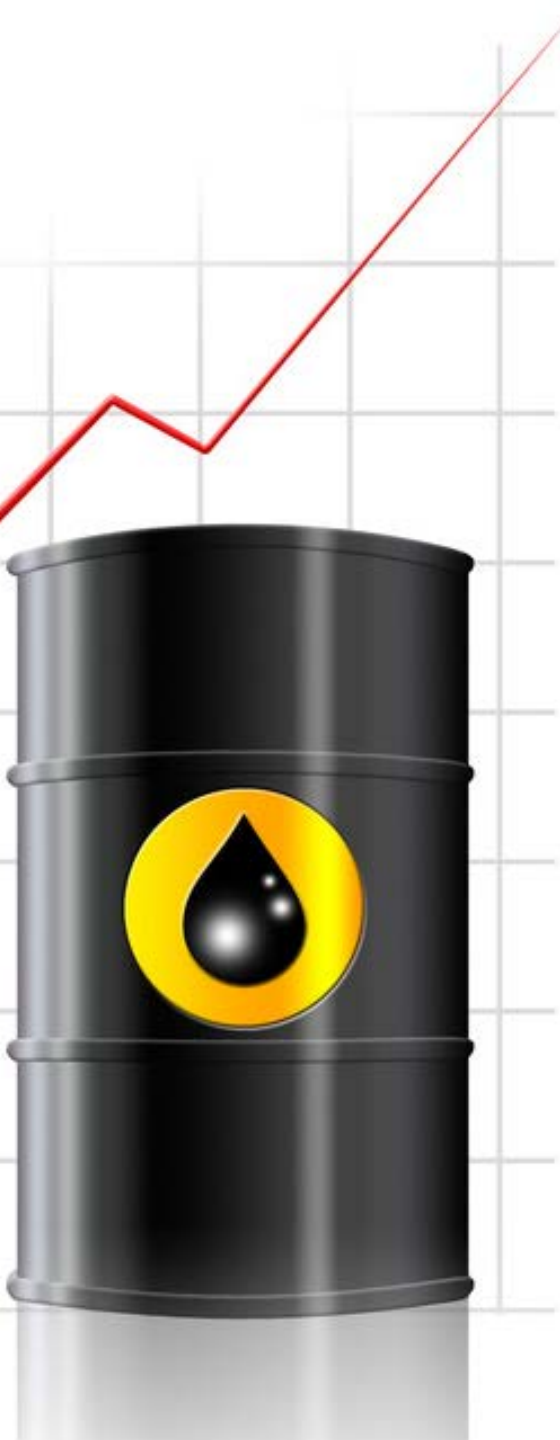
The thinking has refocused investment attention from the development of the vast fossil fuel reserves, which are largely untapped and underdeveloped in Africa, to renewable energy which is seen as cleaner and probably cheaper in some aspects. Government and Industry players in Nigeria are particularly worried because the petroleum industry is the country's biggest foreign income earner. The national budget is largely based on resources from this revenue stream.

Nigeria has about 37.064 billion barrels of oil with a daily production of over 1.5 million barrels currently. It ranks 2nd in Africa, 8th among Organization of the Petroleum Exporting Countries (OPEC) and 11th in the World in terms of reserves. In terms of actual crude production, Nigeria occupies the first position in Africa, 6th in OPEC and 15th in the world. Even though crude oil contributes over 85% to Nigeria's foreign exchange earnings, its contribution to GDP is about 6.33%, while Algeria's is 10.2%. Angola's is 30% and Libya's is over 50%. Nigeria's GDP per capita stands at \$1,998 which places it at the 12th position among OPEC



THE ENACTMENT OF THE PETROLEUM INDUSTRY ACT (PIA) 2021 AND EFFORTS MADE BY THE NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION (NUPRC) TO BREATHE LIFE INTO ITS PROVISIONS HAS BROUGHT SOME RELIEF TO BOTH THE SECTOR AND OPERATORS

pushed producers to adopt new perspectives. They are now thinking out ways of not just navigating the transition period, but flowing with the inevitable renewable energy tide. Once in a year, industry players within the African continent in particular and others around the world gather at the Nigeria International Energy Summit (NIES) to take a more strategic look at the energy industry and chart new pathways for growth and sustainable development, especially in the face of threatening global energy transition proposals. The theme of the sixth edition of the Summit which held in Abuja between April 16 and 20, was "Global Perspectives for





NIGERIA IS ALREADY CHARTING A NEW COURSE IN THE UPSTREAM PETROLEUM SECTOR AND IS POISED TO SECURE A BLOSSOMING ENERGY FUTURE THROUGH EFFECTIVE IMPLEMENTATION OF THE PIA

member states and 22nd in Africa. Nigeria therefore has real cause to fret whenever the phrase “Energy Transition” is mentioned, because it has implications on the investment budget; and consequently production levels and returns.

The enactment of the Petroleum Industry Act (PIA) 2021 and efforts made by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) to breathe life into its provisions have brought some relief to both the sector and operators. Before then, investments in the country's oil and gas had taken a southward trajectory due to three major factors: regulatory uncertainty; de-funding of fossil fuel development occasioned by energy transition; and the scourge of COVID-19 which shut down the world between 2019 and 2021.

Between 2014 and 2022 there was a consistent decrease in capital expenditure (CAPEX) by international oil companies (IOCs), most of which deprioritized Nigeria in their portfolios and redirected funding of capital projects in the upstream sector to other countries. That resulted in the decline in upstream operations and output. It was a double *wahala* for Nigeria: the country's total annual upstream capital expenditure went down by 74%, from \$27 billion in the year 2014 to less than \$6 billion in 2022; and the stiff competition from regional peers which adversely affected the proportion of the overall upstream investment attracted by Nigeria.

The under-investment expectedly affected a number of

operational facilities and activities, including the country's rig count. On the average, Nigeria in 2019 had 17 rigs, one of the highest in Africa; but it went down to 7 in 2021. It started climbing again in 2022 to 10 and by April 2023 when new investments had started trickling back, it had gone up to 24. The new development in the industry is attributable to the return of confidence in the sector and a reflection of investors' acceptance of the effective implementation of the PIA by the regulator, NUPRC.

Fortune continued to smile on the industry with the high energy prices in the last two years. The oil and gas industry globally is experiencing positive inflows which could be directed to capital investment in upstream operations. Projections by industry experts for the next few years look good. Industry players therefore have a chance to leverage this opportunity by up-scaling every effort to attract more investments to revive the Nigerian upstream sector. NUPRC Chief Executive, Engr Gbenga Komolafe is optimistic. During the NIES 2023 in Abuja, he stated that Nigeria is a nation where needs meet opportunity. He was not just referring to crude oil and gas, he mentioned vast potentials in blue energy, solar, wind, biomass, as well as other sources of renewable energy which he noted could be leveraged for the right energy mix in the energy transition regime.

While Komolafe, like every other major industry player in Africa, worries about the not-so-encouraging foreign investment in fossil

fuel development, especially in Africa, he has always been alive to the reality of the green transition. At the just concluded energy summit he reiterated the need for oil and gas producers in Africa to face the reality and take strategic positions to leverage opportunities presented by the unfolding era, as pressure from the clean energy promoters mounts.

He used that opportunity to also state that even as moves are already afoot to flow along the renewable energy corridor, Nigeria is already charting a new course in the upstream petroleum sector and is poised to secure a blossoming energy future through effective implementation of the PIA. The Act has relevant legal, governance, fiscal and regulatory frameworks for guiding industry operations. “In line with its mandate, NUPRC is developing forward-thinking technical and commercially viable regulations as instruments to



promote transparency, efficiency, and innovation for sustainable development of Nigeria's hydrocarbon resources," Komolafe indicated.

Walking the path of international benchmarks in implementing the PIA provisions, the Commission's focus apparently has been targeted at achieving reduced unit cost per barrel, transparency in hydrocarbon accounting, operational efficiency, conducive operating environment, increase in oil and gas reserves and production, and reduction in carbon footprint. Within the 20 months of its existence, the Commission has already successfully gazetted five (5) Regulations, developed thirteen (13) fresh ones currently under review and another six (6) at consultative stages with industry stakeholders.

On May 12, 2023 the Commission signed seven new regulations aimed at providing a regulatory environment that assures efficiency, predictability, clarity and

effectiveness to the Nigerian oil and gas industry. It brought to 12 the number of regulations so far concluded and issued by the Commission in line with his mandate as prescribed. The new regulations are;

- The Nigeria Upstream Petroleum Measurement Regulations (2023)
- Production Curtailment and Domestic Crude oil Supply Obligation Regulations (2023)
- Frontier Basins Exploration Fund Administration Regulations (2023)
- Nigeria Upstream De-commissioning and Abandonment Regulations (2023)
- Significant Crude and Gas Discovery Regulation (2023)
- Gas Flaring, Venting and Methane Emission (Prevention of Waste and Pollution) Regulation (2023)
- Nigeria Upstream Unitization

Regulations (2023)

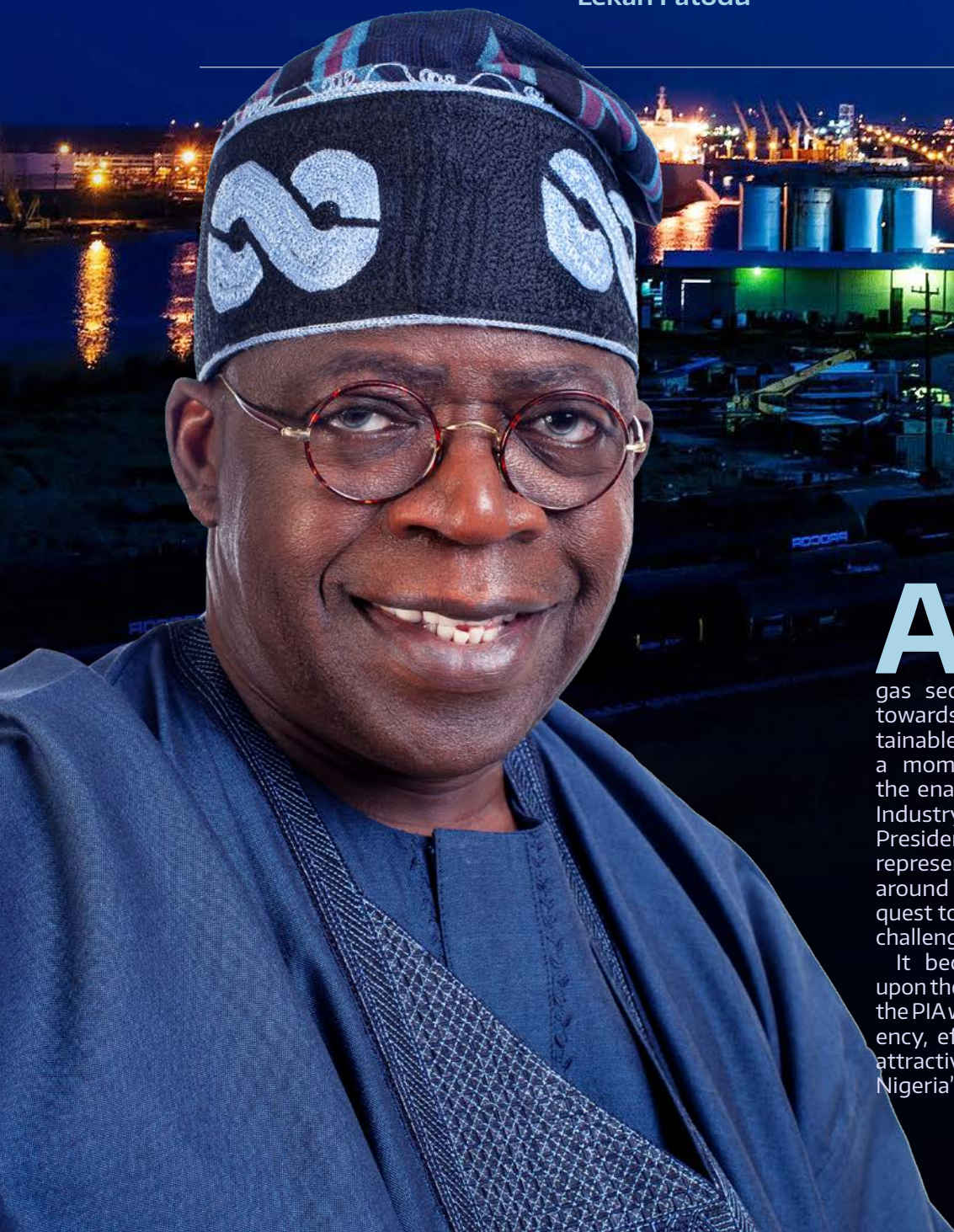
The target is to grow reserves through deliberate oil and gas exploration, deep drilling, prospects maturation appraisal, field studies and improved oil recovery. Results are already showing. The national hydrocarbon reserves went up to 31.060 billion barrels for Crude oil and 5.906 billion barrels for Condensate at the beginning of the year. Associated Gas reserves stood at 102.32 trillion cubic feet; while Non-Associated Gas reserve was 106.51 trillion cubic feet.

The NUPRC chief executive believes that with a population of over 200 million people and abundant energy sources to achieve the right energy mix for sustainability of energy supply, Nigeria as a nation state is suitably positioned to become a super-power in the unfolding energy transition regime ■



TINUBU PLEDGES INVESTOR-FRIENDLY GOVERNMENT, SET ADDRESS CONCERNS ON EASE OF DOING BUSINESS

- Lekan Fatodu -



After inspiring widespread confidence in its resurgence over the past two years, Nigeria's oil and gas sector's promising journey towards revitalisation and sustainable growth is set to enter a momentous phase. In 2021, the enactment of the Petroleum Industry Act (PIA) by former President Muhammadu Buhari represented a landmark turnaround for the oil sector in its quest to surmount long-standing challenges.

It became immediately clear, upon the landmark legislation, that the PIA was necessary for transparency, efficiency, and investment attractiveness severely lacking in Nigeria's petroleum sector. The

“

PERHAPS THE PIA'S MOST PIVOTAL ACTION IS OVERHAULING THE REGULATION AND GOVERNANCE OF THE OIL AND GAS INDUSTRY

Act addresses persistent drawbacks in the sector, including regulatory inconsistencies and fiscal uncertainties that have previously deterred potential investors, while providing critical solutions to achieve a stable, predictable, and accommodating business environment. Its most notable proposed fixes: the improvement of licensing and approval processes; the creation of a robust framework for environmental protection and; the establishment of clear fiscal terms, have excited stakeholders and investors alike.

Perhaps the PIA's most pivotal action is overhauling the regulation and governance of the oil and gas industry. Its establishment of two regulatory agencies – the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) – to assume total control over the technical and commercial regulation of petroleum operations in their respective sectors has proved to be a masterstroke. Although a few challenges persist in oil-producing regions, the regulatory bodies in Nigeria's oil sector have within a short period inspired significant transformations both domestically and globally; and growth is promising.

It is, however, logical that a change in government will elicit caution among stakeholders, operators, and potential investors in their optimism for sustainable growth in the sector.

Stakeholders, operators, and investors in the oil and gas industry can particularly have reservations about the impact a change in administration

can have on future energy policies and regulations. Different administrations may have varying priorities, approaches, and attitudes towards the oil industry, which can create instability and disrupt long-term planning for stakeholders who have invested significant resources and made strategic decisions based on the existing policies. Moreover, changes in presidential administration can lead to shifts in geopolitical dynamics, international relationships, and trade agreements. These factors can impact global oil markets, trade policies, and investment opportunities, creating further concerns for stakeholders who rely on stability and predictability in their operations.

But if newly sworn-in President Bola Ahmed Tinubu's perspective on the future of Nigeria's oil sector and the economy is any indication of his desire to sustain and improve on existing policies, any pre-existing reservations among stakeholders, operators, or investors would be unnecessary.

Shortly before his election, the President had emphatically declared his primary economic objective to ensure that Nigeria's oil and gas sector achieves a 10% growth rate and assured of his commitment to forge early agreements with oil companies, reverse ongoing extensive divestments by international oil companies (IOCs), and negotiate enhanced fiscal regimes.

President Tinubu has now reiterated his government's ambitious targets for sustainable economic growth in his address during his inauguration ceremony.

"On the economy, we target a higher GDP growth and to significantly reduce unemployment," he said, promising to achieve the targets by effectuating an industrial policy that will "utilise the full range of fiscal measures to promote domestic manufacturing and lessen import dependency."

Even more importantly, as if to erase any doubts that might exist among potential oil industry investors, the President has indicated he is fully aligned with the PIA as he promises to create an enabling environment to attract local and foreign investments across all sectors.

In a direct message to local and foreign investors, he promised to "review all their complaints about multiple taxations and various anti-investment inhibitions" while ensuring that investors and foreign businesses repatriate their hard-earned dividends and profits home.

This assertion of the President's devotion to a country that is welcoming to all is no more than the motivation investors in the oil sector require to remain confident

in the NUPRC's ongoing regulatory framework and guidelines.

Remarkably, the NUPRC's regulatory engagements and the ensuing activities in the upstream sector have positioned it as a beacon of hope in making meaningful contributions to economic growth. Recently, in May 2023, the commission revealed it has received

approval to gazette seven more cutting-edge regulations to drive and guide responsible operations in the sector. This will bring the total number of gazetted regulations after the first rounds of consultations with stakeholders to 12 in less than two years.

The initial five guidelines—Nigeria Upstream Petroleum Host Community Development Trust Regulations; Royalty Regulations; Domestic Gas Delivery Obligation Regulations; Nigeria Conversion and Renewal (Licence and Lease) Regulations and; Petroleum Licensing Round Regulations—have already become the NUPRC's soft hammer in shaping the oil sector outlook. And the immediate impact is evidenced in recent growth statistics indicating the country's oil production volume is on a rebound

over the past year.

In 2020, the year preceding the PIA, for instance, the average rig count in Nigeria's oil industry dwindled to 11, followed by a further decline to seven in 2021. Since the bill, however, a positive indication of fresh investments beginning to flow into the country meant the active rig count experienced a modest recovery to 10 in 2022 and a notable surge in April 2023 when it reached 24.

Also significantly, in the first quarter of 2023, Nigeria achieved a production level of approximately 70% of its assigned OPEC quota of 1.8 million barrels per day (mbpd). Although there was a decline in March, the overall performance during Q1 represents a noteworthy enhancement in crude oil production compared to the previous year when production had reached an unprecedented nadir.

The National Bureau of Statistics' recent economic growth report indicates a similar trajectory in oil contribution to the economy. As the report indicates, despite that the oil sector's contribution to the total real GDP in the first quarter of 2023 decreased to 6.21% compared to 6.63% in the corresponding period of 2022, it exhibited a notable improvement from the preceding quarter when it stood at only 4.34%. Moreover, the year-on-year growth rate shows an even more promising trend. In Q1 2023, the sector experienced a -4.21% growth compared to the corresponding



PRESIDENT TINUBU HAS NOW REITERATED HIS GOVERNMENT'S AMBITIOUS TARGETS FOR SUSTAINABLE ECONOMIC GROWTH IN HIS ADDRESS DURING HIS INAUGURATION CEREMONY



quarter of 2022 with a -26% growth rate, indicating an increase of 21.83% points. Additionally, when compared to Q4 2022, which recorded a -13.38% rate, the sector demonstrated a significant growth increase of 9.18% points.

Despite these growth indicators understandably contributing to renewed optimism within the sector, the NUPRC astutely led by Engr. Gbenga Komolafe is unrelenting in its commitment to ensuring a thriving upstream sector that encourages a competitive but transparent investment environment—especially foreign investments which represent Nigeria's major source of FX and investors in Deepwater.

For instance, the regulations governing Licensing Rounds notably enable the NUPRC to authorise exploration and production rights for specific areas to oil companies via a meticulously structured competitive bidding process. The transparency of this regulatory framework has been remarkable in the commission's attempt to incentivise heightened investment interests. The Nigerian Gas Flare Commercialisation Programme (NGFCP) does particularly well in this regard, facilitating the allocation of gas flares to proficient third-party investors who employ internationally recognised technologies for commercial applications while adhering to distinct and transparent criteria.

Much like the NGFCP, other NUPRC regulatory policies possess concrete potential to instil investor confidence and invigorate local and foreign investments in the oil sector through their clarity and equity of treatment.

Interestingly, in the Commission's valiant efforts to improve on its targeted investment roadshows necessary to attract global investments in the upstream petroleum sector, Engr Komolafe has started to embark on various investor-friendly assignments globally. The NUPRC boss was recently in Abu Dhabi on one such mission to position Nigeria's oil and gas sector as an attractive investment landscape. He has, in a similar capacity, visited Norway and the United Kingdom and was also recently at the Offshore Technology Conference (OTC), in Houston, Texas, seeking foreign investment partnerships that can ultimately increase Nigeria's oil revenue base.

Engr. Komolafe has reiterated the commission's position in extending an invitation to prospective investors to forge partnerships that can unlock the boundless potential of Nigeria's upstream petroleum sector. At the recent Nigerian Oil and Gas Opportunity Fair (NOGOF 2023), he assured that the commission's priority regulations will continue to "create a predictable regulatory environment for would-be investors."

Certainly, with President Tinubu's pledge to align with the NUPRC's agenda of attracting local and foreign investments in the upstream sector, a transformative shift in investor interests is on the horizon for the resurging oil and gas industry. The Commission, with a host of ongoing regulatory reforms, is undoubtedly steering the sector towards reclaiming its position as a dependable source of revenue generation for Nigeria. ■

SUCCESSFUL TRANSPARENCY AND ACCOUNTABILITY AUDIT OF THE NUPRC BY NEITI AS PART OF THE PIA (2021) IMPLEMENTATION DRIVE

- Briggs T.D., Animashaun M.A., Bangbala T.T., Nwaha T.Q., Bali M.J.,
Ahmed M.G., Balarabe H.S., Yusuf I.M., Adoga M.O. -



One of the key factors that fosters growth and attracts Foreign Direct Investment (FDI) is transparency and accountability in business processes, in government's policy strategy and government's drive towards economic growth and development. Understandably, a key benchmark for appraising effective leadership is also the commitment of the leadership to laudable initiatives that foster transparency and accountability concerning revenue management and optimization, and investor confidence and attractiveness. The immediate past

administration of President Mohammadu Buhari had demonstrated this commitment to improve business and investment in the Petroleum Industry through the much-needed enactment of the Petroleum Industry Act (PIA), 2021. The Act as a regulatory tool contains critical actions and requirements to foster transparency and accountability in the management of the country's petroleum resources. The PIA (2021) also saddles the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) with the responsibility of driving transparency and accountability while meeting its objectives



THE LEVEL OF COMMITMENT BY THE COMMISSION TO THE SUCCESS OF THE AUDIT HAS BEEN EXEMPLARY AND HIGHLY WORTHY OF COMMENDATION

and discharging its technical and commercial regulatory functions and duties. In meeting these objectives and mandates on transparency and accountability, the Commission has successfully participated in the first transparency and accountability audit since the passage of the PIA in August 2021. This article presents key information of the audit, its benefits, NUPRC strategy for successful participation and the learning outcomes.

NEITI (Nigeria Extractive Industries Transparency Initiative) and EITI (Extractive Industries Transparency Initiative) are both initiatives aimed at promoting transparency and accountability in the extractive industries, particularly in the oil, gas and mining sectors. NEITI is Nigeria's national chapter of EITI, implementing the global principles and standards of the EITI framework at the national (Nigerian) level. In ensuring that its objectives are met, NEITI conducts a rigorous annual audit of relevant information and data covering a myriad of operational activities. This annual audit and "Transparency and Accountability Rating" is a critical component of NEITI's mandate and the EITI process which involves the independent assessment of the extractive industries' operations; revenue flows; health, safety, environment, community affairs and sustainability; transparency; and governance processes to ensure accountability. The NEITI annual audit is of great importance as it showcases and promotes transparency, accountability, good governance, revenue optimization, investor confidence, citizen empowerment, and policy reform in the extractive industries. It serves as a powerful tool to ensure the responsible management of natural resources for the benefit of society.

It is noteworthy that the sixth (6th) Strategic Objective of the Commission's Strategic Plan for 2023 to 2033 hinges on making the Commission's activities both predictable and trustworthy through the assurance of transparency and accountability in its internal and external dealings while encouraging same within the upstream petroleum sector in Nigeria. Additionally, the Commission plans to achieve an increase in its transparency index rating from satisfactory to high, ensuring the consistent publication of regulatory annual reports, a per centage (%) year-on-year improvement

in stakeholder perception by 10%, and the participation in the NIETI Audits and Reviews programmes and activities. The current leadership of the Commission has been able to successfully promote transparency at the national stage (and by extension the global stage) through its successful participation and conclusion of the latest NEITI transparency and accountability audit as a demonstration of its spirit of collaboration, openness and willingness to take on recommendations and constructive criticism to improve the performance of the upstream petroleum sector in Nigeria.

This unwavering commitment to the laudable transparency drive of the Federal Government of Nigeria was demonstrated through the Commission Chief Executive's (CCE's) prioritization and the express approval of the Commission's full and unwavering participation in the NEITI Transparency and Accountability Audit for the 2021 Audit period. The NEITI Audit is usually retrospective in nature, involving the review and reconciliation of information and data post factum*.

When the Commission receives favorable ratings, performs well in transparency and accountability audits, and is recognized for transparency and accountability, the following benefits are derived among many others:

1. Improvement of the Commission's reputation and building of trust with stakeholders including investors, governments, local communities, and civil society organizations.
2. With higher NEITI ratings and successful audits, the Commission will find it easier to attract investment into the country's upstream oil and gas sector as stakeholders (including the investors and the government) gain better visibility into the Commission's operations, financial flows, and other potential areas of concern.
3. The Commission will also find it easier to receive budgetary/fiscal allocations from the Federal Government of Nigeria which are necessary to run its nationally critical and vital operations, due to the demonstrated commitment to transparency and accountability.
4. The enablement and promotion of proactive risk mitigation through the necessary audits and reporting requirements which reflect risks and uncertainties, creating and opportunity for proactive risk identification, analysis, evaluation, and mitigation.
5. With the recent emphasis on Host Community and Stakeholder engagement, the Commission's participation in the NEITI and other transparency and accountability initiatives promotes multi-stakeholder dialogue and engagement where such engagement will lead to improved social license to operate for Licensees and minimize conflicts.

The recent Audit (2021) is the first following the passage of the PIA, 2021 and pioneers the inclusion of

transparency and accountability parameters derived from the powers and functions of the Commission as enshrined in the PIA, 2021. This latest NEITI Audit, which followed a structured process (Fig. 1), also served as an opportunity for the evaluation of the level of implementation of the PIA (2021) while noting the wins/gains and areas of improvement. The Audit process commenced with the pre-audit activities which involved a kick-off meeting on the 20th of September 2022. Based on the aim and objectives of the Audit the CCE appointed the Executive Commissioner, Economic Regulation and Strategic Planning (EC, ER&SP) Dr. Kelechi O. Ofoegbu, and his team as coordinating SBU/Department. Advanced Audit Questionnaires were then received

from NEITI, while adequate support was also received from the Executive Commissioners (ECs) of the relevant Departments/SBUs including Exploration and Acreage Management (E&AM); Development and Production; Health, Safety, Environment and Community; Economic Regulation and Strategic Planning; Finance and Accounts; and the Commission's legal administration secretariat headed by the Commission's Legal Secretary (Bar. Olayemi Anyanechi). They collaboratively ensured effective and efficient collation, cleaning/vetting, approval, and general guidance to ensure that the data and information provided met with the audit requirements and were within legal provisions and rules of the Commission.



Plate 1: The Commission's Transparency and Accountability Drivers

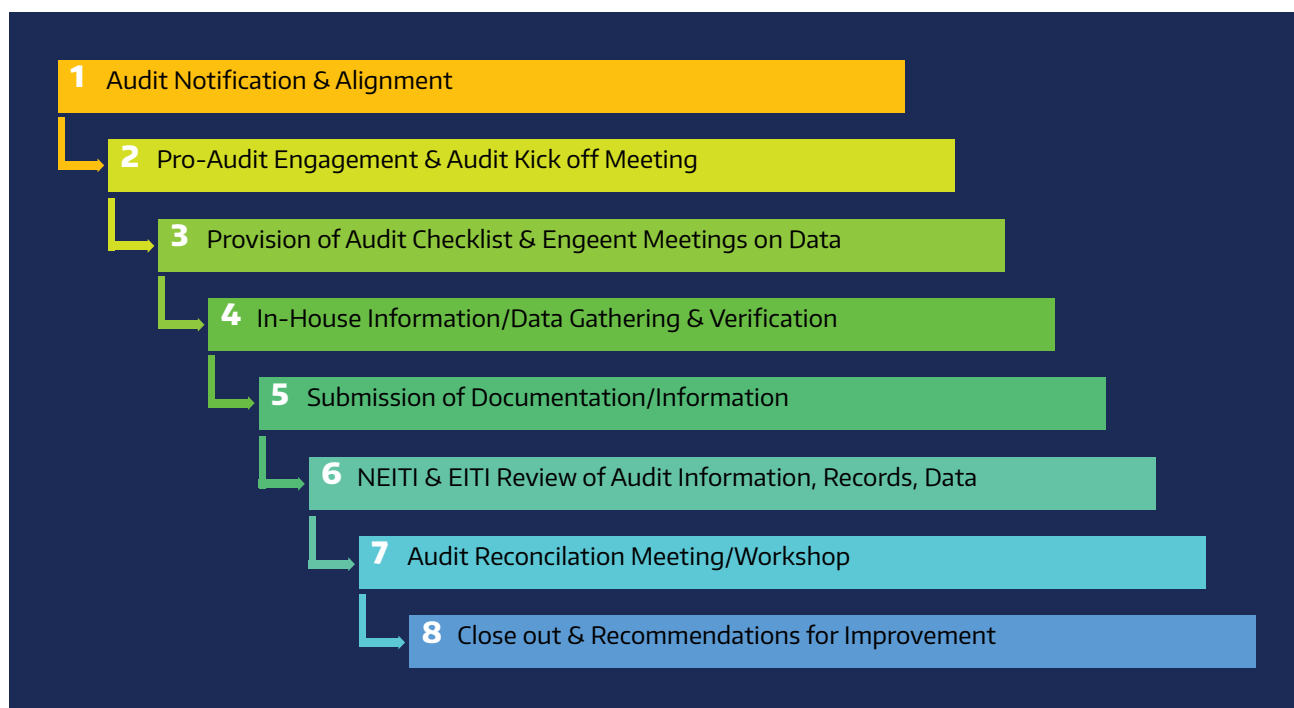


Fig 1: Summary of NEITI/EITI's Audit Process for NUPRC

The following information formed critical parts of the objective documented evidence and information to reach appropriate conclusions on transparency and accountability performance indicators and benchmarks in the following areas of the Commission's operations:

Table 1: Some Requested and Provided Critical Audit Information

SN	DEPARTMENT/DIRECTORATE	PROVIDED AUDIT INFORMATION
1.	Exploration and Acreage Management (E&AM) Department	In line with Section 7 of the PIA, 2021: • Proof of public registers of licenses, leases and permits and other authorizations issued by the Commission. • Availability of public registers of beneficial ownerships; awards; renewals; assignments; amendments; suspensions and revocations.
2.	Development and Production (D&P) Department	1. Data and figures • Crude oil production. • Gas production. • Gas flaring. 2. A status report and data on all non-producing assets (licenses/leases). 3. A description of the production data reconciliation procedures. 4. Set out methods to ensure accurate calibration and certification of equipment used for metering upstream petroleum operations in line with Section 7 (I) of the PIA, 2021.
3.	Health, Safety, Environment & Community (HSE&C) Department	1. HSE&C Audit Parameters include: • List and records of companies that have complied with the implementation of Host Communities Development Fund in line with Section 235 (4) of the PIA, 2021. • Environmental Impact of industry activities. • Specific description of NUPRC's role in environment monitoring. • Information and supporting evidence of NUPRC's monitoring activities for 2021. • Data and information on all Remedial actions relating to the environment. • Status of Environmental Remediation Funding in line with Section 103 of the PIA, 2021. • NUPRC's implementation machinery for non-compliance. • Description of the planned reforms on the environment impact of extractive activities. • Accident and Incident Statistics. • Oil Spill Data.

SN	DEPARTMENT/DIRECTORATE	PROVIDED AUDIT INFORMATION
4.	Economic Regulation and Strategic Planning (ER&SP) Department	1. Details of Revenue by Streams for 2021: • Royalty on Oil. • Royalty on Gas. • PSC Royalty. • Signature Bonus. • Concession Rentals. • Gas Flare Payments. • License Renewal Fees. • Miscellaneous Oil Revenue. 2. Pricing computation: • Royalty oil computation. • Fiscal Price for royalty computation.
5	Finance and Accounts Department (F&AD)	1. Details and information on • Published audited financial statements and annual reports for 2021 in accordance with Section 24 of the PIA, 2021. • The availability of a link to online publication or evidence of print publication. • Systems and procedures on revenue collection, reconciliation, and remittances.

The NEITI Audit was rounded off after several rigorous reviews of submitted information, with a Reconciliation Engagement Workshop which took place from 15th to 19th of May 2023 in Lagos with the Commission represented by staff members nominated by the relevant Executive Commissioners (ECs) and approved by the CCE. The NUPRC's NEITI Audit reconciliation team was led by Mr. Animashaun M.A. (A.D ER&SP); Mr. Bangbala Taiwo (Snr. Mgr. F&AD). Other team members include Mr. Briggs T.D. (Mgr. HSE&C), Mrs. Tokwasi Nwaha (Mgr. Legal); Messrs. Bali M.J. (for MGR D&P); Ahmed M.G. (for DM D&P); Balarabe Haruna S. (PRO ER&SP); Yusuf Ibrahim (SRO ER&SP) and; Adoga Mark (RO1 ER&SP). The Audit reconciliation exercise

was critical for the NUPRC and necessary to achieve the following:

1. Provide additional information and explanations to NEITI where necessary, on the data provided.
2. Verify the accuracy of data provided by other upstream oil companies and reconcile same where there are disparities.
3. Receive initial debriefing and feedback on recommendations for improvement in the areas of accountability and transparency in the Commission's activities and records.
4. Discuss the initial modalities for the next Audit for 2022.



Plate 1: NEITI Team, Consultant Auditors and the Commission's Representatives During the NEITI Audit Reconciliation Exercise



Plate 2: Collage showing the Commission's Representatives During the NEITI Audit Reconciliation Workshop

Towards this drive to promote and foster transparency in the upstream petroleum industry operations in Nigeria, the NUPRC has been able to successfully achieve the most seamless and successful audit recorded yet as acknowledged by the NEITI Team and her Audit Consultants (Taju Audu and Co). The Commission achieved this feat amid other International and Indigenous oil and gas companies who also participated in the audit including Shell Companies in Nigeria (SNEPCO, SPDC, etc.), Eni Companies (NAE, NAOC), Esso Exploration, MPNU, among other indigenous players.

The level of commitment by the Commission to the success of the Audit has been exemplary and highly worthy of commendation. It is hoped that these efforts shall pioneer the journey and objective of higher

transparency rating of the Commission. Inarguably, this level of continuous and guaranteed transparency will help to combat corruption, illicit financial flows, and other forms of malpractice in the sector. The NUPRC should be proud of this achievement and its ongoing drive for business enablement and growth of the petroleum industry through transparency and accountability to attract economically beneficial FDI. The success of the audit exercise has also highlighted the openness and willingness of the current Leadership of the Commission towards a transparent and accountable development of the upstream petroleum industry in Nigeria in particular, and Nigeria's national development in general. ■

NUPRC SET TO UNLOCK NIGERIA'S POTENTIAL IN UPSTREAM PETROLEUM SECTOR

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has thrown its doors open to potential investors who wish to collaborate in building partnerships and unlocking the full potential of Nigeria's upstream petroleum sector. The Commission is leveraging the Petroleum Industry Act (PIA), 2021 which has enhanced the business landscape in Nigeria's petroleum industry, providing a more transparent, efficient and investment-friendly regulatory framework.

Engr. Gbenga Komolafe, the Commission Chief Executive who gave the indication at the Nigerian Oil and Gas Opportunity Fair (NOGOF 2023), which ended in Yenagoa, Bayelsa State on Friday May 19, said the renewed disposition reflects the nation's readiness to attract local and international investors in the oil and gas space.

In line with the provisions of the PIA, the Commission has developed priority regulations to reinforce meaning to the intent of the Act, hence creating a predictable regulatory environment for would-be investors. So far five (5) priority regulations have been gazetted, while thirteen (13) others have been submitted to the Ministry of Justice for review. Eight (8) are at various stages of development."

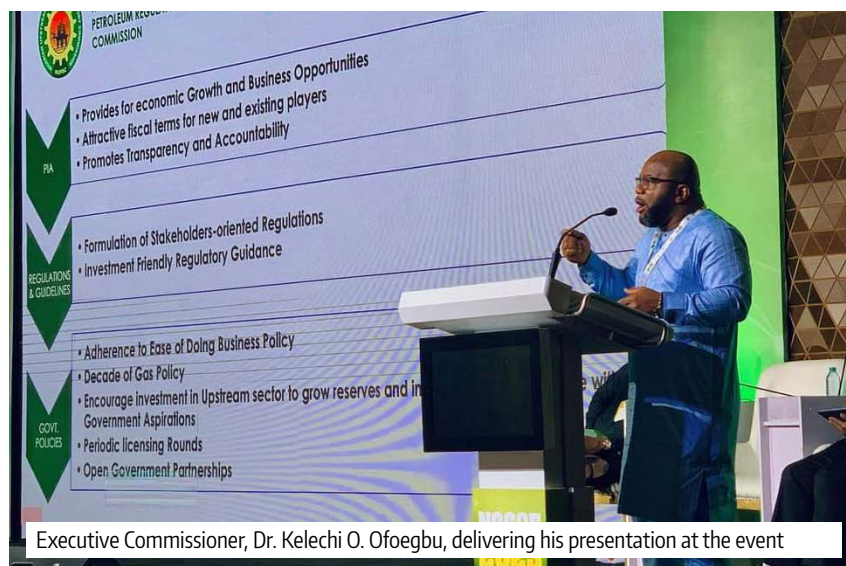
The theme of the conference (fourth edition) organized annually by the Nigerian Content Development Management Board (NCDMB) is "The Oil and Gas Industry-Catalyst and Fuel for the Industrialization of Nigeria". The conference which began on Wednesday attracted professionals and stakeholders in the Nigerian oil and gas industry, as well as their international counterparts. It has over time created a platform to showcase investment opportunities

in the Nigerian petroleum sector.

Engr Komolafe stated that "Nigeria's role as a major player in the global oil and gas industry is certainly not in doubt, as we are currently the highest oil producer in Africa and the second highest in terms of proven oil reserves, with a huge potential for growth. As of January 1, 2023, Nigeria boasts of 36.966 billion barrels of oil and Condensate reserves and 208.83 trillion cubic feet of natural gas reserves, opening a large opportunity for investments in the upstream oil and gas sector.

"Despite the global clamour for decarbonization and energy transition, oil and gas remain relevant in the global energy mix, to guarantee energy security for our teeming population.

"In order to deliver on her commitments towards reduction of carbon footprints, Nigeria has adopted gas as a transition fuel and expects to significantly increase gas consumption during "the Decade of Gas" declared by the President, His Excellency Muhammadu Buhari GCFR. This



Executive Commissioner, Dr. Kelechi O. Ofoegbu, delivering his presentation at the event

adoption of natural gas as a transition fuel is a boost for Nigeria which has over 208 trillion cubic feet (TCF) of gas reserves that can be harnessed to help the country's transition to Net Zero by 2060 while driving economic growth and development, thereby simultaneously tackling energy poverty and meeting the climate ambition.

"Accordingly, the Commission has intensified efforts to grow gas reserves, boost production and eliminate routine gas flares in all upstream operations across the value-chain, while also dealing with methane capture and other fugitive gas emissions. The significance of this is that more gas would be available for domestic utilization as Liquefied Petroleum Gas (LPG), feedstock for power generation plants, fertilizer plants and petrochemicals to mention but a few. Each of these areas shows that gas would truly be the catalyst and fuel for industrialization as well as provide unique entry points for willing investors and opportunities to build capacity locally.

"The Commission as the upstream petroleum industry regulator, has embarked on the development of a regulatory framework for carbon-pricing system, to make businesses pay for their emissions and incentivize emission reductions through carbon credits. Accordingly, a new Department called "Energy Transition and Carbon Monetisation" has been created in the Commission to coordinate the drive towards energy transition in the Nigeria oil and gas sector.

"The new department will drive the focussed implementation of robust

regulatory framework for decarbonisation of upstream operations, introduce clean mechanisms in field development, mitigate impact of energy transition and ensure sustained investments in Upstream operations whilst improving the environment credentials of oil and gas. It is our hope that in months to come, we should be able to share the vital lessons from the Nigerian transition success story to the global community.

"The Commission since inception has concluded and commenced various initiatives and programmes to create investment opportunities and enhance the development of the upstream oil and gas Industry in Nigeria, notable among which are:

- Completion of the 2020 Marginal Field Bid Round and award of Petroleum Prospecting licences (PPL).
- Initiation of the ongoing 2022/2023 mini bid round for deep offshore assets
- Re-commenced the Nigerian Gas Flare Commercialization Program, which is also ongoing.

"Though these programs have been initiated and are ongoing, opportunities still exist for investors as NUPRC continues to implement strategic actions and initiatives aimed at increasing national crude oil and gas reserves and production. In this regard, the Commission will in the weeks ahead organise its Maiden Nigerian Upstream International Investment and Financial Roadshow (NUIIFR) for Petroleum Prospecting Licence (PPL) Awardees, NGFCP Bidders, and potential investors in the upcoming Mini Bid for Deep Water Assets.

"The move is to explore funding opportunities and leverage capabilities of industry players, prospective Investors (local and offshore) to de-risk the assets and awards. The event will provide opportunity for participants to network, exchange ideas and chart strategic pathways to enhance investment opportunities. ■

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**NIGERIA'S ROLE AS A MAJOR
PLAYER IN THE GLOBAL
OIL AND GAS INDUSTRY IS
CERTAINLY NOT IN DOUBT,
AS WE ARE CURRENTLY THE
HIGHEST OIL PRODUCER IN
AFRICA AND THE SECOND
HIGHEST IN TERMS OF
PROVEN OIL RESERVES,
WITH A HUGE POTENTIAL
FOR GROWTH**



Cross section of NUPRC staff present at the event

An aerial photograph of a large offshore oil platform in the ocean. The platform features a prominent red and white lattice tower, several yellow cranes, and a green helipad with a white 'H' in the center. The platform is connected to other structures by long walkways. The sky is clear and blue.

NUPRC CHIEF EXCITES GLOBAL OIL PLAYERS AT OTC 2023

- Lekan Fatodu -

The Chief Executive, Nigerian Upstream Petroleum Regulatory Commission, Engr. Gbenga Komolafe excited hosts of global oil and gas players on the opportunities in the Nigeria's oil and gas industry at the Offshore Technology Conference (OTC), which held Houston, Texas, USA.

Speaking at the formal opening of the Nigerian Pavilion at the OTC, Komolafe, accompanied by some senior officials of the Commission and personnel of different cadres, revealed that the realization of the Petroleum Industry Act (PIA) in Nigeria has substantially opened the oil market for more investment.

According to him, amongst other transformative elements, the petroleum industry act provides a more viable regulatory environment and a friendlier business climate for businesses and investors in the country, ensuring that local and foreign investors alike enjoy seamless operations that will significantly enable ease of doing business and enhance expected returns on their investments.

While pointing out that Nigeria's Upstream petroleum sector is completely backed by sufficient and formidable



Head National Oil and Gas Excellence Centre (NOGEC) Mr Abel Nsa, addressing the CCE, NUPRC and other government functionaries at the NUPRC exhibition booth during the Conference



AMONGST OTHER TRANSFORMATIVE ELEMENTS, THE PETROLEUM INDUSTRY ACT PROVIDES A MORE VIABLE REGULATORY ENVIRONMENT AND A FRIENDLIER BUSINESS CLIMATE FOR BUSINESSES AND INVESTORS IN THE COUNTRY, ENSURING THAT LOCAL AND FOREIGN INVESTORS ALIKE ENJOY SEAMLESS OPERATIONS



Commission Chief Executive NUPRC, Engr. Gbenga Komolafe, (3rd from right) in a group photograph with participants

legal frameworks that are protecting investor's investment, he described the sector as an entity that is committed to support the growth of oil industry by creating an enabling environment for both local and international players.

"It is worth emphasizing that the new regulatory environment and business operation climate in the Nigerian upstream petroleum sector is impacting positively on return on investment and ensuring that government,

investors and all stakeholders have tremendous satisfaction from their contributions across the value chain of the sector", he affirmed.

The Commission's Head also used the opportunity of his presence at the leading global energy conference to engage in friendly but profound interactions with participants from across the globe visiting the NUPRC stand and equally informed the foreign guests of the numerous investment opportunities in the Nigeria's upstream sector.



Engr. Gbenga Komolafe giving his remarks at the conference



The gathering which showcased Nigeria's potential as a significant player in the global oil market equally allowed the Nigerian delegate led by the CCE to visit other exhibition stands where they gathered insights into the latest technologies, products and services offered by different companies in the industry.

Also as part of the programmes of the OTC 2023 were several strategic interactive sessions and sideline events organized by critical stakeholders and business players in the global energy sector and this equally accorded Engr. Komolafe more latitude to share the mandate of his office, showcase some of the achievements of the commission so far and present detailed opportunities for existing and new investors in the sector.

Remarks that trailed the presentations and speeches of the CCE at most of the sideline outings, which were usually well attended by top dignitaries and participants



Engr. Gbenga Komolafe (middle) receives an award at the OTC gala night event



Executive Vice President Upstream (NNPCL), Mr. Adokiye Tombornieye, also presented an award to Engr. Gbenga Komolafe





The CCE, Engr. Gbenga Komolafe in a group photograph with management and staff members of the NUPRC at the Offshore Technology Conference (OTC), in Houston, USA



Engr. Gbenga Komolafe (6th from right), Senior Govt. officials, NUPRC Management Staff and Checkout Communications members displaying the Commission's Official Publication, The Upstream Gaze Magazine at the conference



Ambassador Tanimu Aduda, cutting the tape to formally declare the Nigerian pavilion open at the conference



from different countries were vivid pointers to the fact that investors have been adequately stimulated to explore the Nigeria's upstream market with potential for new entrants and investments in the days ahead.

Reactions from delegates and other participants towards the presence of Engr. Komolafe along with his able team at various interactive sessions is an indication of the Commission commitment and a positive step expected of a pragmatic government entity towards catalysing Nigeria's economy.

The Offshore Technology Conference (OTC) is an annual event that has been taking place since 1969. It serves as a high-level gathering for industry professionals in the offshore energy sector to get together and exchange ideas, innovations and knowledge. ■

FUEL SUBSIDY CAN NO LONGER JUSTIFY ITS EVER-INCREASING COSTS - TINUBU

REMOVAL IN LINE WITH PIA, 2021

- Akpandem James -

One of the major highlights of President Bola Ahmed Tinubu's inaugural speech on May 29, 2023, is the signal that the reign of the fuel subsidy regime was over and a new dispensation where resources hitherto spent on the subsidy would henceforth be channelled into more generally beneficial investment in public infrastructure, education, healthcare and jobs that will materially improve the lives of the people. He indicated that national networks of roads, rail and ports shall get priority attention.

President Tinubu who commended the Muhammadu Buhari administration for the decision to phase out the petrol subsidy regime noted that subsidy on petroleum products can no longer justify its ever-increasing costs in the wake of drying resources.

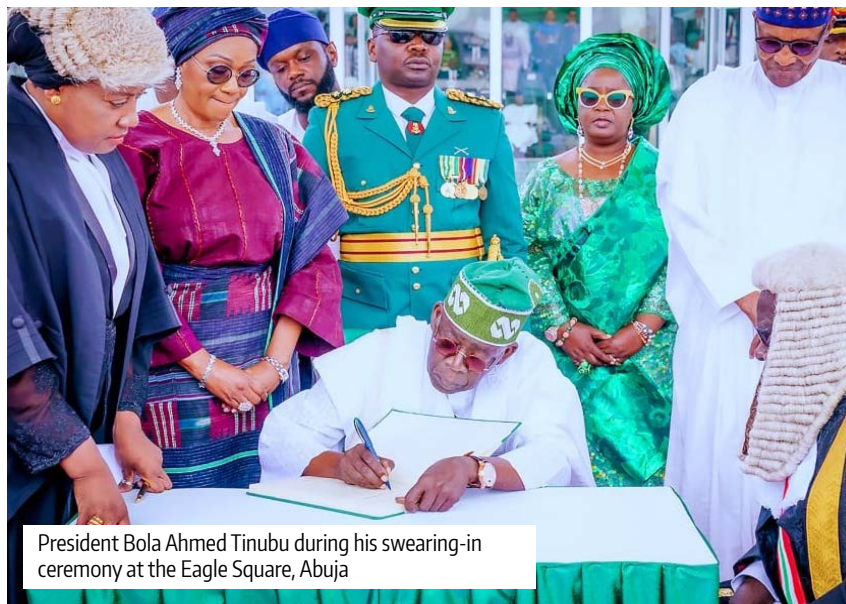
The pronouncement regarding the removal of fuel subsidy was not made in isolation; it was in line with the prescriptions of the Petroleum Industry Act (PIA) 2021, which provides for total deregulation of the petroleum downstream sector to drive investment and growth. The PIA defines the legal, governance, regulatory and fiscal framework for the Nigerian Petroleum Industry and also the development of host communities. It is a tool that has come to revolutionise the oil and gas industry in Nigeria.





Since the Act had made the major official actors in the oil and gas industry independent and accountable, it presupposes that those aspects of their operation that would create unbearable burden of selling petroleum products below cost-recovery rates would be done away with. Such indulgences would be seen as unsustainable; and the Group Managing Director of the Nigerian National Petroleum Company Limited (NNPCL), Mele Kyari, had last year given indication that subsidy for petrol would likely end early this year.

It is instructive to note that President Buhari's assent to the PIA, on August 16, 2021, broke a



President Bola Ahmed Tinubu during his swearing-in ceremony at the Eagle Square, Abuja



THE PIA DEFINES THE LEGAL, GOVERNANCE, REGULATORY AND FISCAL FRAMEWORK FOR THE NIGERIAN PETROLEUM INDUSTRY AND ALSO THE DEVELOPMENT OF HOST COMMUNITIES. IT IS A TOOL THAT HAS COME TO REVOLUTIONISE THE OIL AND GAS INDUSTRY IN NIGERIA

two-decades-old jinx and set the stage for the transformation of Nigeria's oil and gas sector. Under the PIA, the NNPC transformed into a limited liability company and was subsequently unveiled by the former President in July 2022. The regulatory framework for the oil and gas sector also changed, with the establishment of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA).

The two establishments now combine the responsibilities of the former Petroleum Products Pricing Regulatory Agency (PPPRA), Petroleum Equalization Fund (Management) Board (PEFMB), and the Midstream and Downstream Divisions of the Department of Petroleum Resources (DPR). While NUPRC covers all upstream petroleum industry operations, NMDPRA covers all midstream and downstream petroleum activities.

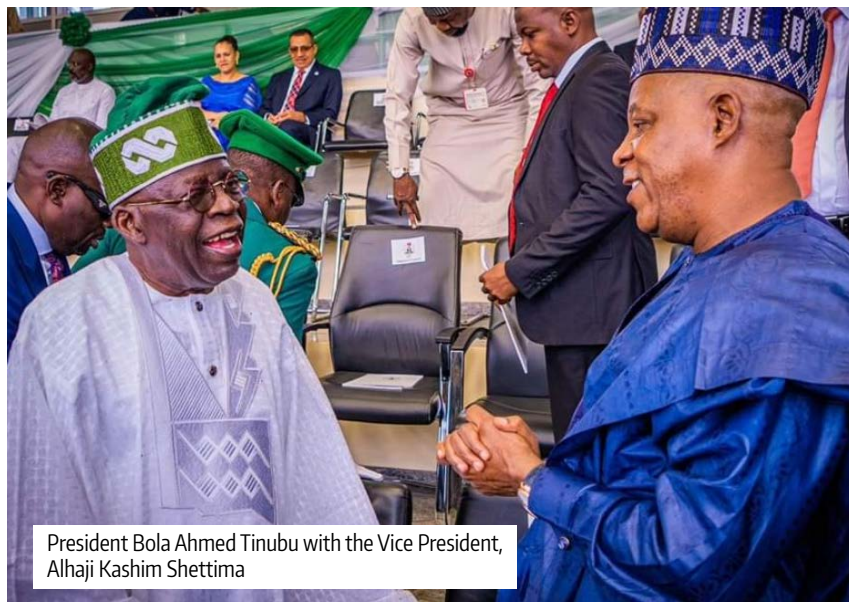
Among several strategic accomplishments in the upstream sector, the Muhammadu Buhari



administration would be credited with the historic execution of Oil Mining Lease (OML) 118 Agreements between NNPC Limited and its contractor partners: Shell, Exxon Mobil, TOTAL and Nigeria Agip Oil Company (NAOC), in May 2021. These agreements settled long-standing disputes that stalled development, and have the potential of unlocking more than \$10 billion of new deepwater investment in Nigeria.

Other milestones recorded under the administration include the successful completion of Nigeria's first Marginal Field Bid Round in almost 20 years, which is expected to raise in excess of half a billion dollars while opening up a new vista of investment in the oil and gas sector; and the launching of the 2022/2023 Deep Offshore Oil Block Mini-Bid Round to ginger new exploration and drilling activities in Nigeria's deep offshore waters.

Already, seven Offshore blocks covering an area of approximately 6,700 km², in water depths of 1,150m to 3,100m, are on offer, in what is the first Bid Round



President Bola Ahmed Tinubu with the Vice President, Alhaji Kashim Shettima

“

THE BROAD INITIATIVES OUTLINED IN HIS SPEECH, WAS LIKE A SHOPPING LIST THAT WOULD DEFINE HIS CONCEPT OF PROGRESSIVE GOOD GOVERNANCE, IN FURTHERANCE OF WHAT HE TERMS THE NIGERIAN IDEA

under the PIA (2021), and also the first Bid Round (not involving Marginal Fields) since 2007. The administration declared this period the “Decade of Gas”; and construction is ongoing on the 614km Ajaokuta-Kaduna-Kano Gas Project, the largest domestic gas project in the country.

NUPRC’s Chief Executive, Engr. Gbenga Komolafe has severally noted that the PIA was enacted to enhance the business landscape and to provide a more transparent, efficient and investment-friendly regulatory framework for Nigeria’s petroleum industry. It was meant to place Nigeria’s oil and gas sector in line with global best practice and position the industry to fundamentally improve the economic fortunes of the country.

The country needs more money to drive its investment portfolio. A large chunk of the country revenue had been lost to operational leakages and theft low production and lack of refining capacity pushed the country into importation of refined products resulting in subsidy payments, an indulgence the PIA is meant to cure. In 2022 alone subsidy was reported to have gulped about \$10 billion. Subsidy provision in the 2023 budget was only made up till May. Therefore no provision was made in this year’s Appropriation Act, beginning June. That was clearly indicative that from June, the subsidy regime will be a thing for the history books, as enhancement of the economy was one of the areas President Tinubu listed in his broad concentration outline.

The broad initiatives outlined in his speech was like a shopping list that would define his concept of progressive good governance, in furtherance of what he terms the Nigerian ideal. He listed five of the principles that would guide his administration to include: impartial governance according to the Constitution and the rule of law; defending the nation from terror and all forms of criminality that threaten the peace and stability of the country and the West Africa sub-region; featuring women and youth prominently in the government;

taking proactive steps such as championing a credit culture to discourage corruption while strengthening the effectiveness and efficiency of the various anti-corruption agencies; and remodelling the economy to bring about growth and development through job creation, food security and seeing an end to extreme poverty.

On the economy, the President explained that his administration will target a higher GDP growth level and significantly reduce unemployment. This will be accomplished through budgetary reforms that would stimulate the economy without engendering inflation. He spoke about an industrial policy that will utilize the full range of fiscal measures to promote domestic manufacturing and lessen import dependency. He talked about targeting electricity which will become more accessible and affordable to businesses and homes. He hinted that states would be encouraged to develop local power sources, a move he believes should push transmission capacity to near double, while distribution network is bound to improve in the process.

To investors, local and foreign, President Tinubu said his government would review all complaints about multiple taxation and various anti-investment inhibitions and would ensure that both local and foreign investors repatriate their earned dividends and profits.

An area he particularly believes needs thorough housecleaning is monetary policy. The Central Bank of Nigeria has been put on its toes to work towards a unified exchange rate. This, he said, will direct funds away from arbitrage into meaningful investment in plant, equipment and jobs that power the real economy. “Interest rates need to be reduced to increase investment and consumer purchasing in ways that sustain the economy at a higher level”, he added. The government also intends to review the currency swap policy which he said was too harshly applied by the CBN, given the number of unbanked Nigerians. ■

NUPRC 10 -YEAR STRATEGIC PLAN: A FOUNDATION FOR SUCCESS ANCHORED ON PROFESSIONALISM, RESPONSIVENESS, OWNERSHIP AND INTEGRITY

- Tony A. Ukpo -
ukpo.a.a@nuprc.gov.ng



NUPRC Chief Executive, Engr. Gbenga Komolafe (middle), in a group photograph with the Commission's Change Champions at the NUPRC Headquarters, Abuja

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has unveiled its 10-year strategic plan, setting the stage for a transformative era in the country's oil and gas industry. This comprehensive roadmap, underpinned by the core values of professionalism, responsiveness, ownership, and integrity, presents a significant opportunity to enhance the sector's efficiency, transparency, and sustainable growth. As Nigeria strives to maximize its petroleum resources, the successful implementation of this strategic plan will be crucial for achieving long-term success.

Professionalism is The Key to Excellence

At the heart of NUPRC's strategic plan is professionalism. By fostering a culture of excellence, expertise

and continuous learning, the commission aims to strengthen the competence and capabilities of its workforce. This commitment to professionalism ensures that regulatory decisions are based on sound technical knowledge and industry best practice. By prioritizing on-going training and development initiatives, NUPRC will empower staff to adapt to evolving market dynamics, emerging technologies and international standards. The professionalism of the commission will inspire confidence among stakeholders and attract investments, further bolstering Nigeria's position as a key player in the global oil and gas arena.

Responsiveness: Adapting to a Changing Landscape

The oil and gas industry is constantly evolving, and the NUPRC recognizes the need to remain responsive to



changing circumstances. The strategic plan emphasizes the commission's commitment to promptly address emerging challenges and opportunities by fostering open lines of communication and engaging with industry stakeholders. NUPRC will create an environment conducive for dialogue, collaboration and knowledge-sharing. Through effective regulation and efficient processes, the commission aims to minimize bureaucratic bottlenecks, streamline operations, and facilitate timely decision-making. Responsiveness contributes to an enabling business environment, attracting domestic and foreign investors, thereby driving sustainable growth.

Ownership as a Shared Responsibility for National Progress

NUPRC's strategic plan recognizes that achieving success in the upstream petroleum sector requires collective ownership and shared responsibility among all stakeholders. By actively engaging with government agencies, industry operators, communities, and civil society, the commission aims to foster a sense of ownership and shared goals. Collaboration and partnerships will be key in developing and implementing policies that strike a balance between industry growth, environmental sustainability and social

responsibility. NUPRC's commitment to ownership ensures that all parties involved have a stake in the sustainable development of Nigeria's petroleum resources, contributing to national progress and inclusive growth.

Integrity is The Cornerstone of Trust

The NUPRC places utmost importance on integrity as a cornerstone of its operations. By promoting transparency, accountability and ethical conduct, the commission aims to build trust and confidence within the industry and the wider society. Through robust regulatory

frameworks, effective monitoring and stringent enforcement, NUPRC will ensure that all industry players operate in accordance with established guidelines and regulations. Upholding the highest standards of integrity will help mitigate corruption risks, entrench fair competition and attract reputable investors who value ethical business practices. The commission's commitment to integrity will contribute to a sustainable and resilient oil and gas sector in Nigeria.

Consequently, the Nigerian Upstream Petroleum Regulatory Commission's 10-year strategic plan represents a pivotal milestone in the country's journey towards a more efficient, responsible and sustainable oil and gas industry. By embracing the core values of professionalism, responsiveness, ownership and integrity, the NUPRC is poised to create an enabling environment that attracts investments, drives growth and safeguards the nation's petroleum resources for the benefit of present and future generations. As stakeholders rally behind the implementation of this strategic plan, Nigeria stands to realize its full potential as a leading player in the global upstream petroleum sector. ■

NUPRC DEPLOYS DIGITAL PLATFORM FOR REPORTING AND MONITORING HOST COMMUNITY DEVELOPMENT TRUST

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has developed an industry intelligent digital automated platform for reporting and monitoring the Host Community Development Trust (HCDT), for transparent administration of the Host Communities' provisions of the Petroleum Industry Act (PIA) 2021. The Commission developed the platform in partnership with an Original Equipment Manufacturer (OEM).

The portal has been designed to meet specific requirements of HCDT as enshrined in the PIA and will aid all

stakeholders (including the Settlers, Board of Trustees, Management Committees, Advisory Committees, Fund Managers etc) to fulfil their obligations to host communities and promote accountability and transparency in the management of the HCDT programme. It is also to enable quick feedbacks from the stakeholders and the public for the Commission to carry out its regulatory oversight effectively.

The Commission Chief Executive (CCE), Engr. Gbenga Komolafe, who made the disclosures on Wednesday, May 10, 2023 in Abuja at the Host Community



Representatives of various Host Communities at the Sensitization Workshop on Implementation of the Host Communities Development Trust (HCDT) organized by the NUPRC in Abuja

sensitization workshop on implementation of the Host Communities Development Trust, stated that so far, the Commission has successfully approved seventy-five (75) Host Community Development Trusts out of which forty-one (41) have been fully incorporated by the CAC. It has also pre-qualified nineteen (19) Fund Managers and commenced the process of establishing a baseline of ongoing community development projects, in preparation for their migration into the HCDTs.

The workshop was therefore to deliberate on the operation and funding of the platform to be hosted by the Commission.

Engr. Komolafe reiterated that the PIA represents a significant shift in the way the oil and gas industry in Nigeria operates. "It recognizes the critical role of host communities and provides a framework for their participation in the sector's development. The establishment of the HCDT will create a more equitable distribution of the industry's benefits and reduce the social and economic disparities in the country.

"The Commission shall continue to provide requisite support and guidance for the full implementation of the Law. Therefore, we urge all stakeholders to continue to work together to ensure the successful implementation of the PIA. We must all play our part in creating a sustainable and equitable oil and gas industry that benefits all Nigerians, particularly those in the host communities."

In his address titled "Implementation of the Host Communities Development Trust, a critical statutory prescription under the PIA, 2021", the CCE said with the unveiling of the Host Communities Development Regulations as well as the template, the Commission has now defined clear navigational path regarding the administration, management, and allocation of funds for development of host communities as well as clear grievance resolution mechanism for settlement of disputes.

"Our objective in this workshop is to create further awareness on this very important piece of legislation and provide updates on the Commission's activities geared towards the implementation of the regulations for Nigeria's oil and gas industry, provide a clear roadmap for the implementation of the Host Communities Development Trust to enhance peaceful and harmonious co-existence between oil and gas industry operators and host communities, and ultimately support the development of host communities.

"While the Commission is prioritizing efforts towards increasing oil and gas production and ensuring maximum Federation revenue through the optimization of oil and gas value chain, the efforts have been constrained by myriad of challenges ranging from insecurity, low investment, de-prioritization of funding of hydrocarbon development arising from energy transition. Currently, Nigeria has the technical allowable capacity to produce about 2.5 million barrels of oil per day. However, arising from the highlighted challenges, our current production hovers around 1.5 million barrels of oil and condensate per day.

"To further stem the tide of sabotage and third-party interferences on oil and gas critical infrastructure, the PIA has in



THE ESTABLISHMENT OF THE HCDT WILL CREATE A MORE EQUITABLE DISTRIBUTION OF THE INDUSTRY'S BENEFITS AND REDUCE THE SOCIAL AND ECONOMIC DISPARITIES IN THE COUNTRY



Dr. Kelechi O. Ofoegbu, Executive Commissioner, Economic Regulation & Strategic Planning, NUPRC



Capt. John Roland Tonlagha, Executive Commissioner, Health, Safety, Environment & Community, NUPRC



Barrister Olayemi Anyanechi, Commission Secretary & Legal Adviser, NUPRC



THE ACT UNDER SECTION 235(6) EMPOWERS THE COMMISSION TO “MAKE REGULATIONS ON THE ADMINISTRATION, GUIDE AND SAFEGUARD THE UTILIZATION OF THE TRUST FUND AND HAVE THE OVERSIGHT RESPONSIBILITY FOR ENSURING THAT THE PROJECTS PROPOSED BY THE BOARD OF TRUSTEES ARE IMPLEMENTED

effect domesticated the protection of our oil and gas infrastructure to the Host Communities. One critical milestone under the PIA is the incorporation of Host Communities Development Trust (HCDT) by the settlor provided for in Section 235 as well as appointment of Board of Trustees (BOT) by the settlor in consultation with the host communities.

“Settlers are the Oil and Gas companies operating within host communities. Section 240 (2) of the PIA stipulates that each settlor, where applicable through the operator, shall make an annual contribution to the applicable host communities development trust fund of an amount equal to 3% of its actual annual operating expenditure of the preceding financial year in the upstream petroleum operations affecting the host communities for which the applicable host community's development trust fund was established.

“In addition, Section 247 of the Act requires the Board of Trustees (BoT) to set up a Management Committee which shall be responsible for the general administration of the HCDT Fund. The Management Committee in turn is required to set up an Advisory Committee, which advises on activities as well as monitors and reports progress of projects being executed in the community to the Management Committee. The Act requires that the host communities should be represented in the BoT, Management Committee and Advisory Committee.

“Section 244 of the Act also provides an allocation formula upon which the BoT shall, on annual basis, allocate sums of money from the HCDT fund, as follows: 75% to the capital fund to be disbursed for projects in each of the host communities; 20% to the reserve fund to be invested for the utilization of the host communities development trust whenever there is a cessation in the contribution payable by the settlor; and an amount not exceeding 5% to be utilised solely for the administrative cost of running the trust and special projects. In Section 245, the Act bestows the responsibility on the settlor to



Cross Section of Participants at the HCDT Workshop

provide to the BoT a matrix for distribution of the trust fund to the host communities.

“On the other hand, the Act under Section 235(6) empowers the Commission to “make regulations on the administration, guide and safeguard the utilization of the trust fund and have the oversight responsibility for ensuring that the projects proposed by the Board of Trustees are implemented”.

“In exercising these powers, the Commission had consulted widely with industry stakeholders in line with Section 216 of the PIA, 2021 and on 28th of June 2022 made a tremendous stride by unveiling the Nigeria Upstream Petroleum Host Communities Development Regulations, 2022 as well as the Host Communities' Development Trust Implementation Template to give meaning and intent to the spirit of the Act.”

The workshop featured presentations on: Introduction to Industry Digital Automated Portal (IDAP) for Host Community Development; Incorporation of Host Communities' Development Trust Fund: The Commission's expectations and way forward; Host Community Development Trust Incorporation and CAC processes; HCDT Incorporation; Challenges and Success Stories by SPDC; and Effective project implementation tools for timely and quality project delivery; while deliberations were on Funding approach of the Industry Digital Automated Portal (IDAP) for HCDT/the administration of 3% OPEX; Remittance of Outstanding HCDT Fund; and Relationship and handling of traditional institutions by HCDT. ■



2023 OTC: FIRM SPONSORS GOLF TOURNAMENT

- Paul Agada -

The 2023 Offshore Technology Conference (OTC) has ended with a golf tournament session sponsored by Dorman Long Engineering Limited, West Africa.

The event which was recently concluded, brought together 31,000 energy professionals and over 1,300 exhibiting companies from around the world.

Participants who were hosted in Houston, Texas from 1-4 May 2023, had the opportunity to connect with top industry leaders, to learn about as well as showcase the latest innovations and technological advancements for the future of offshore energy.

The OTC offered a collective platform for stakeholders to discuss global energy demands, the offshore sector's role in meeting critical energy requirements, and its importance in the energy transition.

Dorman Long Engineering Limited, a leading oilfield equipment, structural steel, marine structures engineering, and fabrication company, was one of the distinguished participants at the 2023 edition.

Also doubling as a leading member of the Petroleum Technology Association of Nigeria (PETAN), Dorman Long supported the national association by sponsoring PETAN's programme for the Nigerian Pavilion which was newly opened at this year's event.

The company, chaired by Dr. Timi Austen-Peters, was the proud sponsor of a networking golf session held on the final day to conclude the conference.

After a fulfilling week at the conference, golf enthusiasts took the opportunity to relax. The event was held at Quail Valley Golf Course and was open to all players.

OTC is an important platform for the energy industry as the foremost event for the development of offshore resources by stimulating the exchange of ideas and opinions to advance scientific and technical knowledge.

With its focus on innovation and sustainability, the conference serves as a platform for companies like Dorman Long Engineering to showcase their customer-driven solutions and engage with other stakeholders on emerging trends. ■

NUPRC PHOTO STORIES AT THE NIES 2023 EDITION IN ABUJA, NIGERIA

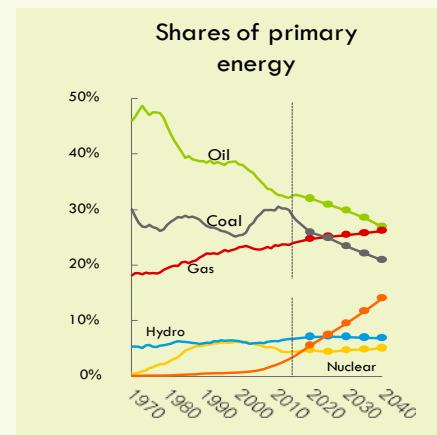
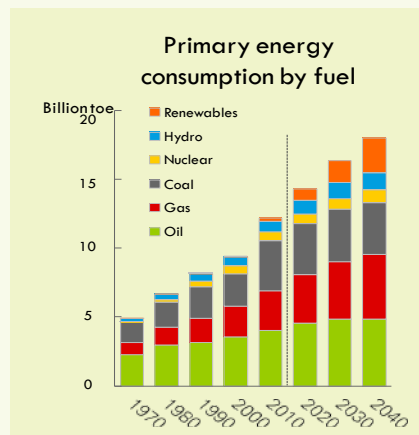
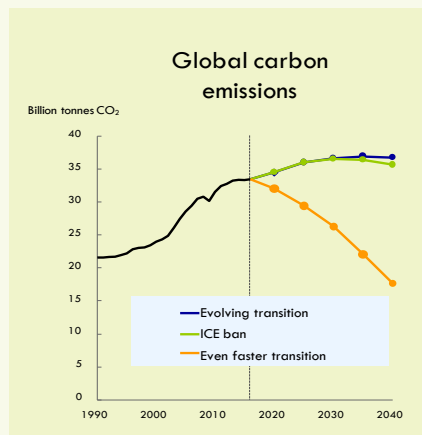




INVESTMENT OPPORTUNITIES IN THE NIGERIAN OIL AND GAS UPSTREAM SECTOR

- Kelechi Ofoegbu -

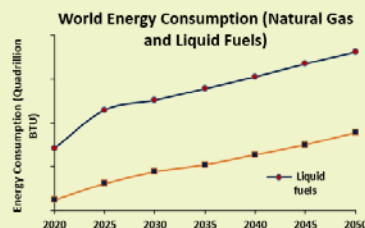
Energy Transition & Mix Projection



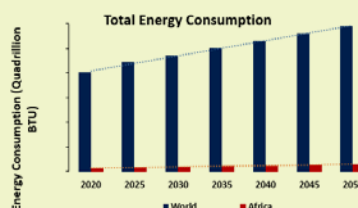
Fossil fuels are expected to dominate for much longer

Positive Energy Outlook: An Opportunity for Industry Players

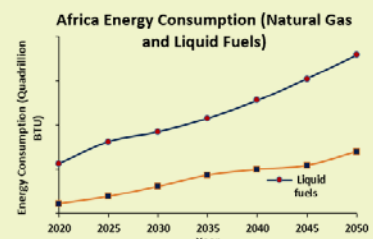
Energy Demand continues to increase Despite the current drive for decarbonization and the challenges of Transition



The demand for hydrocarbon liquid fuels and natural gases also continues to increase globally and in Africa



Total Energy demand in the world and Africa are respectively estimated to increase by 32% and 50% by 2050 from the 2020 values



Nigerian Oil & Gas Resources

~36.966 Billion
Barrels of Crude Oil &
Condensate Reserves

One of the largest and
oldest hydrocarbon
producers in Africa

Sweet Crude Oil and
Premium Gas – Rich in
Liquids



~208.83 TCF (Trillion
Cubic Feet) of Natural
Gas Reserves



Contribute approx.
6.33% of GDP, ~85% of
Government revenues

Investment Enablers

Petroleum Industry Act (PIA)

- Provides for economic Growth and Business Opportunities
- Attractive fiscal terms for new and existing players
- Promotes Transparency and Accountability

Regulations & Guidelines

- Formulation of Stakeholders-oriented Regulations
- Investment Friendly Regulatory Guidance

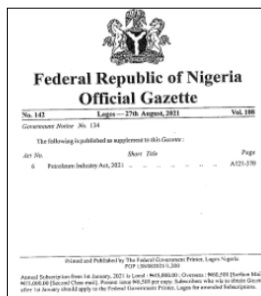
Government Policies

- Adherence to Ease of Doing Business Policy
- Decade of Gas Policy
- Encourage investment in Upstream sector to grow reserves and increase production in line with Government Aspirations
- Periodic licensing Rounds
- Open Government Partnerships

A New Era of Certainty

Petroleum Industry Act (PIA) – New Era

- PIA Incentives & Features
- Peaceful and harmonious co-existence between operators and host communities
- Environmental Sustainability



Institutional Governance



Administration



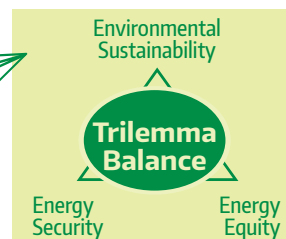
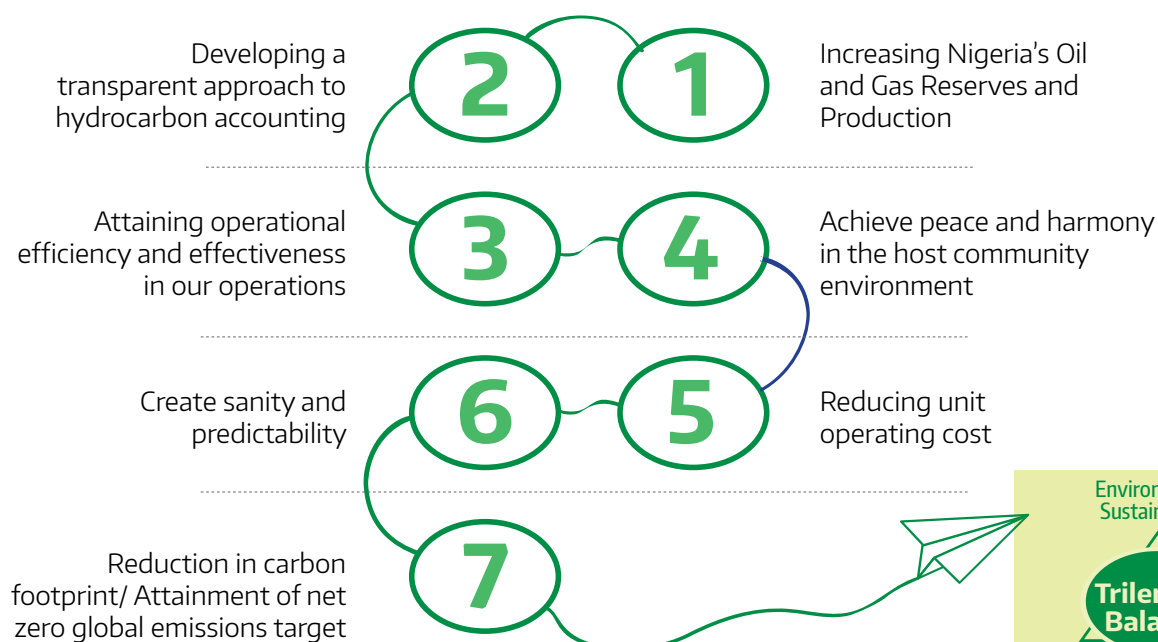
Attractive Fiscal Regimes



Host Communities



Key Regulatory Focus Areas



Development of Regulations

6

Stakeholder Engagement

- Assignment Regulations
- Nigeria Upstream Petroleum Development Contracts Administration Regulation
- Export Terminal Operations Regulations
- Commercial Operations Regulations
- Upstream Petroleum Compliance & Enforcement Regime Administration Regulations
- Gas production and utilization regulations

13

Gazetting in Process

- Upstream Petroleum Fees & Rent
- Upstream Decommissioning & Abandonment
- Unitization Regulations
- Acreage Management
- Drilling and Production
- Frontier Exploration Fund Administration Regulations
- Upstream Environmental Remediation Fund
- Upstream Petroleum Safety Regulations
- Upstream Petroleum Environmental Regulations
- Upstream Petroleum Measurement Regulations
- Advance Cargo Declaration Regulations
- Significant Discovery Regulations
- Domestic Crude Oil Supply Obligation Regulations
- Gas Flaring, Venting & Methane Emission (Prevention of Waste and Pollution)

12

Gazetted

- Host Communities Development Regulations
- Domestic Gas Delivery Obligation Regulations
- Petroleum Licensing Round Regulations
- Petroleum Royalty Regulations
- Conversion and Renewal (License & Leases) Regulation

Investment Opportunities in the Nigerian Upstream Sector

Licensing round

- Multi-Client & Speculative Surveys
- Project finance
- Consultancy
- Deep water technology
- NGFCP
- Deep Offshore Blocks Offer & Bid Rounds

Services

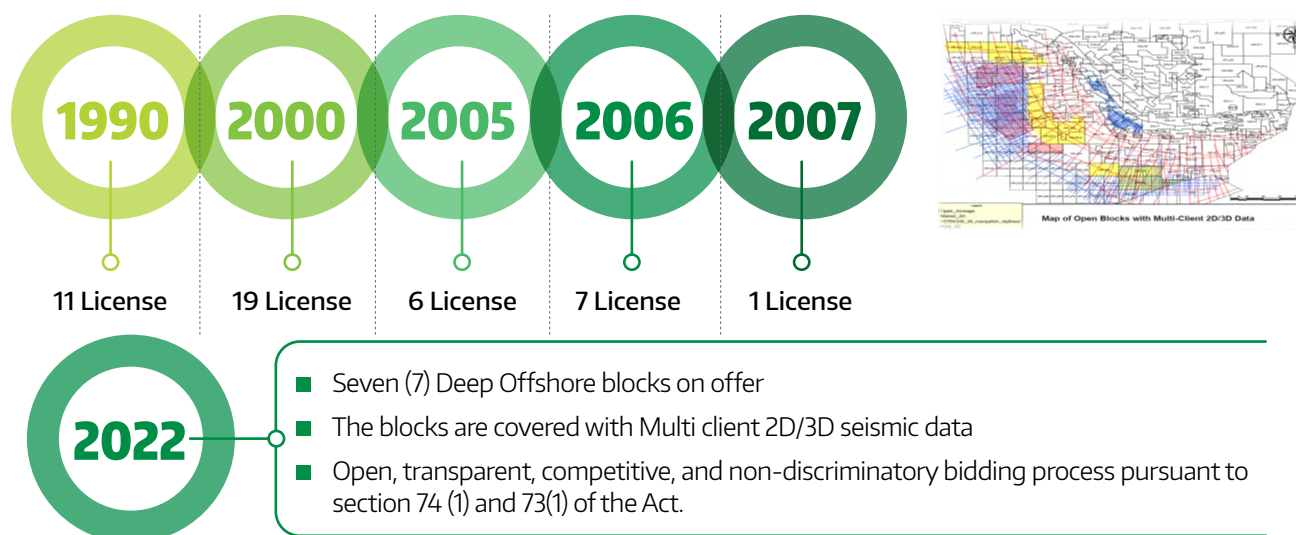
- Financial Advisory services
- Drilling Services & Equipment Supplies
- Seismic acquisition, processing & Interpretation
- Training Services

Divestments & Acquisitions

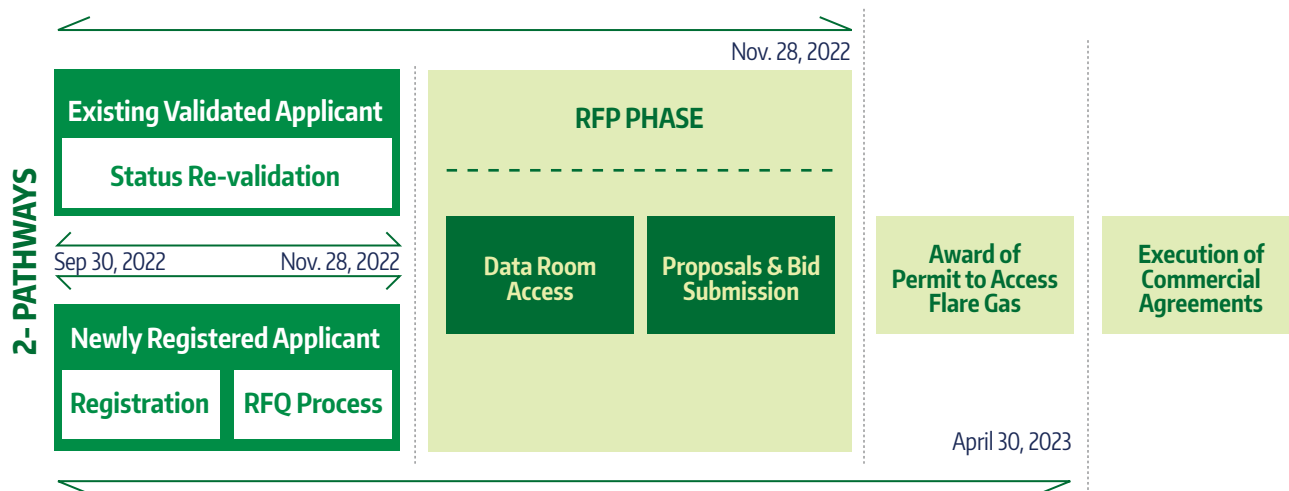
- Acquisition of upstream assets
- Emergence of Independents
- Capital to investors
- Opportunity for shared risk; share returns
- Opportunity for third party involvement in Exploration, Prospecting and Development
- Technical & Financial Partnerships in existing fields
- Facility Development

2022 Mini Bid Round

A total of 42 Oil Prospecting Licenses (OPLs) in deep offshore Nigeria was awarded between 1990 – 2007. Bid round for acreage allocation was last held in 2007.



The NGFCP 2022 Bid Qualification & Award Process



NGFCP URL: <https://ngfcp.nuprc.gov.ng>

Nigerian Gas Flare Commercialisation Programme (NGFCP)

NGFCP OBJECTIVES

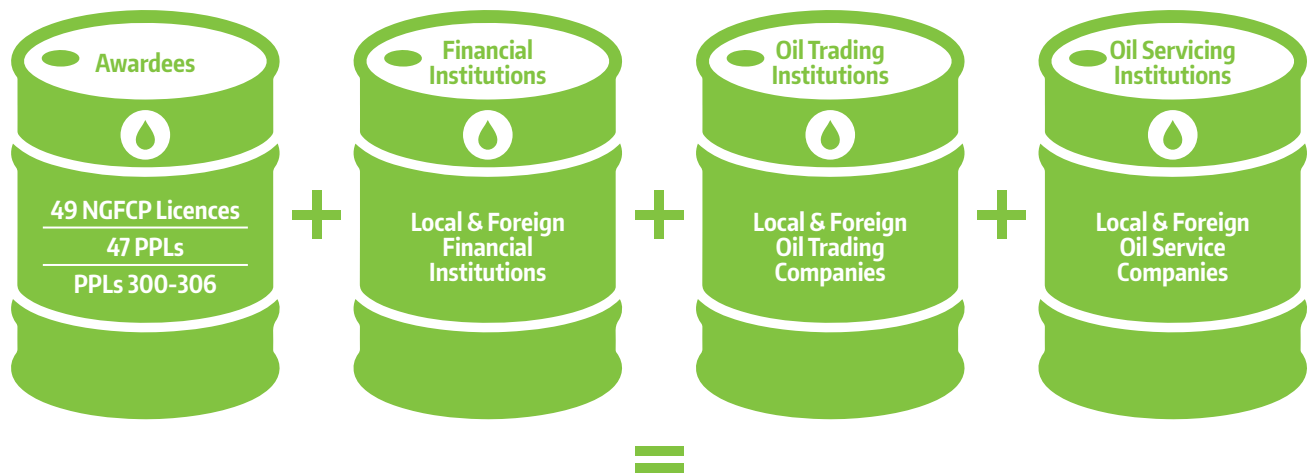
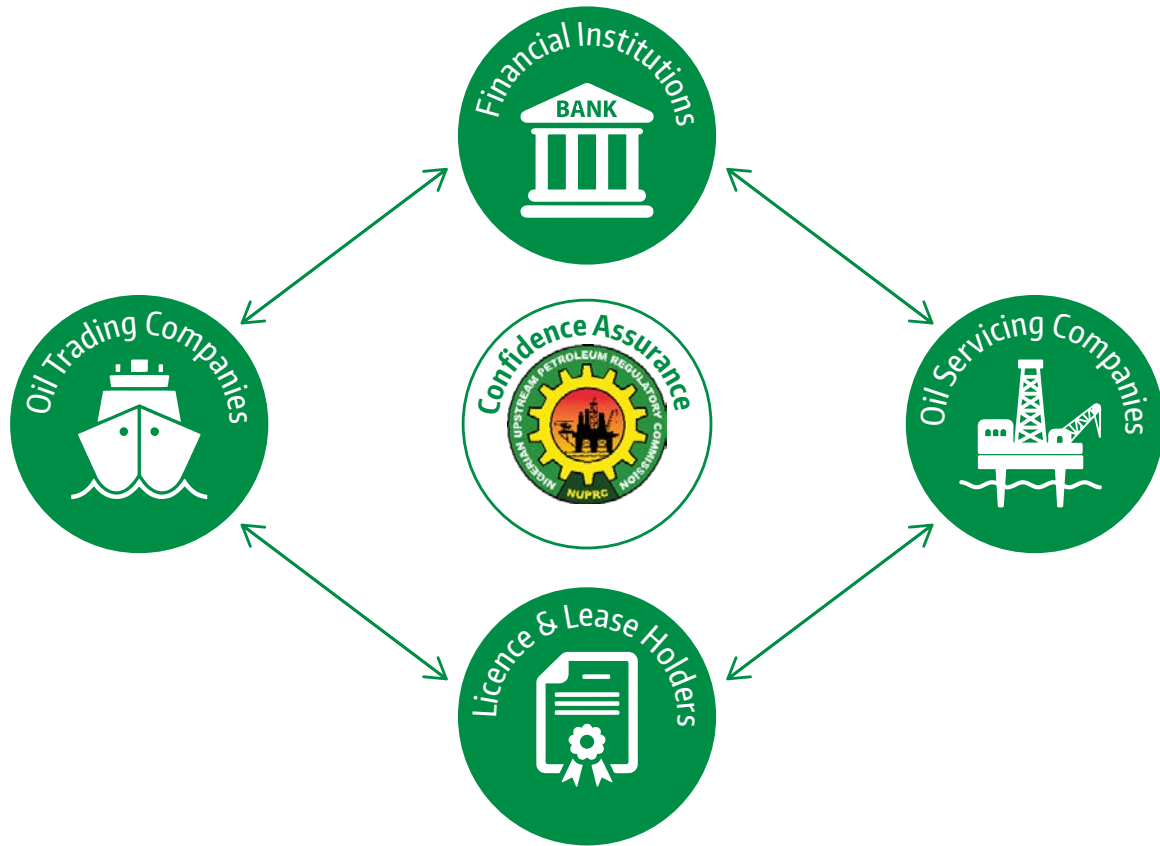
- Eliminate routine gas flaring in the country - Government commits to cleaner environment.
- Creating value and wealth through Flared Gas –since Gas is the Transition Fuel for Nigeria
- Deepen in-country value addition through indigenous participation in the sector, in line with the provisions of the PIA.
- Support the achievement of the National Determined Contributions (NDC) towards the Paris agreement
- Attract Foreign Direct Investments (FDIs) in the Nigerian Oil and Gas industry
- Create gas-based industrialisation for enhanced socio-economic benefits in and around host communities in the Niger Delta.

Technology Needs



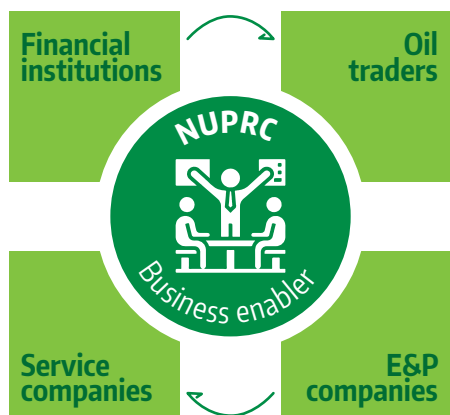
- Deep Seismic Imaging
- Deep Drilling (HPHT)
- Commingled Production Technology
- Improved Oil Recovery Technologies
- Crude Oil Facility Surveillance
- Carbon Capture, Utilisation and Storage
- Modularised Flare Capture Technologies

Alternative Funding Mechanism for De-risking Upstream Assets



ALTERNATIVE FUNDING MECHANISM

The Investment Roadshow



- 2022 Deep Water Bid Round
- NGFCP 2022 Bid
- New Asset Awardees

Alternative fund mechanism that leverages the technical capacity of indigenous and foreign investors

Creating robust synergy among the oil services providers, financing institutions commodity traders and awardees to accelerate oil and gas production.

Opportunity for collaboration and De-risking of Awards and Investments



Conclusion

Nigeria's vast human and natural resources puts it in a vantage position as Africa's Largest Economy

Nigeria is positioned to optimally develop its Oil & Gas resources for the benefit of its people and Investors. The PIA provides enormous opportunities.

Divestment is another opportunity to increase indigenous participation in the Nigerian Oil and Gas Sector for increased 'local content' value addition

Great Investments and Opportunities exist in the Nigerian Upstream sector for industry players

AFRICAN COUNTRIES MUST COLLABORATE TO ADDRESS ENERGY TRANSITION CHALLENGES - NNPCCL BOSS

Group Chief Executive Officer of the Nigerian National Petroleum Company (NNPC) Limited, Mele Kyari has urged African countries to collaborate and adopt a strategic approach towards addressing energy transition challenges.

He made this statement at the luncheon and panel session organised by the Petroleum Technology Association of Nigeria (PETAN) at the offshore technology conference (OTC), recently in Houston, Texas, United States.

The NNPCCL GCEO reiterated the need for the African Union (AU) to adopt a common position on energy access and equitable transition, which he described as a comprehensive approach that charts the continent's short, medium, and long-term energy development.

Kyari, represented by Adokiye Tombomieye, Executive Vice-president, Upstream, NNPCCL, said despite having some of the largest oil and gas reserves in the world, Africa has had difficulty in adequately utilising these resources to promote sustainable development.

According to him, the lack of affordable and dependable electricity on the continent has seriously hampered economic expansion and development, especially in rural regions.

The NNPCCL boss said the oil and gas sector in Africa has contributed to the continent's economic growth for several years, adding that its sustainability must be guaranteed.

"As we gather here today, it is essential to acknowledge that Africa is at the forefront of the global energy transition," Kyari said.

"The journey towards a sustainable, low-carbon energy future presents challenges and opportunities



Mallam Mele Kyari, GCEO, NNPCCL

for the continent. The energy transition is driving changes in the global energy mix, and it presents significant challenges for Africa (financing, infrastructure, policy/regulatory frameworks, skills, and capacity).

"We must adopt a strategic approach to address them to ensure that we remain competitive, sustainable and relevant in the years to come. Despite these challenges, Africa has several opportunities for energy access, economic growth, environmental sustainability, and region

Meanwhile, the Chief Executive Officer (CEO) of the Nigerian Upstream Petroleum Regulatory

Commission (NUPRC), Gbenga Komolafe in his presentation at the event observed that the Nigerian economy is closely knitted with volatile international oil prices.

According to him, while Nigeria cannot completely phase out its use of fossil fuels yet, there is a need for a 'just' energy transition in the country.

"Nigerian government was left with no choice but to reject the notion of a single pathway to net-zero, preferring instead the concept of 'just' energy transition which takes into cognisance the specific circumstances of each nation in developing the energy transition pathway that best achieves the environmental, social, political, and economic objectives of the transition in that specific nation," he said.

"Multiple pathways to energy transition should and must exist in order to ensure that no country is left behind in the process of achieving net zero by 2050. Accordingly, the government declared natural gas as our transition fuel". ■

LOCAL CONTENT DEVELOPMENT IN NIGERIA'S OIL & GAS SECTOR: A CATALYST FOR ECONOMIC DIVERSIFICATION

- Nze David Ugorji -

It is an interesting time in Nigeria's oil and gas sector, as industry regulators begin to shift their focus on various regulatory policies and activities to achieve long-term sustainable growth. A pivotal focus of industry stewards in recent years is the achievement of true economic diversification through the concept of local

content development in the sector.

In Nigeria, the need for local content development is particularly crucial. Despite achieving a steady increase in its oil production rate in recent months, with a daily average production of 1.5 million barrels of oil and 7.5 billion standard cubic feet of gas, the country has struggled with a paradoxical situation where peculiar oil and gas setbacks have inhibited desired wealth generation for its 200 million strong population. But recent growth statistics, interestingly, indicate the sector is on the

“

IN NIGERIA, THE NEED
FOR LOCAL CONTENT
DEVELOPMENT IS
PARTICULARLY CRUCIAL



right path to surmounting the challenges it has faced in the past few years.

Although the oil sector's 6.21% contribution to the total real GDP in the first quarter of 2023 is down from the figure recorded in the corresponding period of 2022 where it contributed 6.63%, its contribution is up from the preceding quarter with only 4.34%. The year-on-year growth is on an even more encouraging trajectory. The sector in Q1 2023 has recorded a -4.21% (year-on-year) growth, indicating an increase of 21.83% points compared to the -26% rate recorded in the corresponding quarter of 2022 and 9.18% points when compared to Q4 2022 which was -13.38%.

The determination to sustain and maximise the steady growth recovery in the sector has inspired a renewed sense of purpose among industry players in developing local content that promote and utilise local human and material resources in the industry. These efforts encompass a range of activities aimed at enhancing



THE OBJECTIVE, THE REGULATORS HAVE REVEALED, IS TO REDUCE THE INDUSTRY'S DEPENDENCE ON FOREIGN EXPERTISE, CREATE JOBS, AND STIMULATE THE GROWTH OF LOCAL INDUSTRIES THAT CAN SUPPORT THE SECTOR

indigenous participation, capacity building, and technology transfer. The objective, the regulators have revealed, is to reduce the industry's dependence on foreign expertise,

create jobs, and stimulate the growth of local industries that can support the sector.

The postulation that local content development can effectively drive these objectives is spot on. A key benefit of local content development is the creation of employment opportunities. By promoting the use of local workers and companies, the oil sector can become a source of job creation for Nigerians which will significantly help to address the issue of youth unemployment and poverty that has been a persistent challenge in the country. Additionally, the development of local skills and expertise contributes to human capital development, enabling Nigerians to take on higher-value roles in the oil industry.

Moreover, local content development has vast potential to stimulate the growth of local industries. Encouraging the use of locally manufactured goods and services can help the oil sector create a demand for domestic products, fostering the growth of local businesses. Consequently, the country's dependence on imports can drastically reduce while contributions to the development of a sustainable and diversified economy can record significant improvement.

Considering these wide spectra of possibilities local content can unleash in Nigeria's oil sector to alleviate the prevailing challenges in



its labour market and economy, it has become imperative to ramp up existing local content development policies or drum up novel ones. The profound understanding of this situation, fortunately, resonates deeply within the corridors of Nigeria's oil industry, inspiring a series of local content activities.

At the forefront of the energised efforts in local content development in the oil sector is the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). Since becoming an authorised regulator in the industry's upstream sector under the Petroleum Industry Act (PIA) signed into law by former President Muhammadu Buhari in 2021, the Commission has mandated itself to implement and uphold strategic local content development policies. The urgent need to transform the oil industry into a catalyst for job creation and national economic growth through local content is evident in the enactment of the Nigerian Oil and Gas Industry Content Development Act, for instance.

It also explains why, just months after the NUPRC's establishment, the commission's Chief Executive Officer, Engr. Gbenga Komolafe immediately set the ball in motion, urging stakeholders in the sector to devise and embrace critical strategies necessary for optimising business recovery and sustainability of Nigerian content policies in a post-pandemic era. At the 10th Practical Nigerian Content 2021 Conference, Engr. Komolafe emphatically stated, "Local content development and research is a major driver of most productive economies and a trigger for socio-economic development. It is a multi-professional area that requires all stakeholders to be closely synergised for effectiveness towards achieving national goals and objectives."

Under the NUPRC boss' astute leadership in its nearly two years of existence, the commission has led by example in delivering on its assurances. It has sprung into action to deepen the development of local content that assures clarity, transparency, and efficiency in the upstream sector, thereby creating an enabling environment for more local participation, investments and sustainable growth. Specifically, the NUPRC has been transparent and unambiguous in providing the required information and elaborating on its many regulatory policies to industry stakeholders, investors, host communities, and the general populace.

In May 2023, the commission revealed it has issued seven new regulations to enable a fair regulatory environment for oil and gas operations in Nigeria, bringing the total number of gazetted regulations in the discharge of its statutory functions under the PIA regime to 12. Per the NUPRC insights, the newly gazetted regulations

— covering the base of oil and gas discovery, production and supply of domestic crude oil, oil measurement, abandoned facilities, waste pollution and prevention, and upstream petroleum unitisation — are critical to further stimulate the development of indigenous capacities and capabilities necessary for job creation and economic growth in the country.

Over the next few months, these recent cutting-edge regulations will complement the initial five guidelines successfully gazetted after the first rounds of consultation with stakeholders, including the Nigeria Upstream Petroleum Host Community Development Trust Regulations; Royalty Regulations; Domestic Gas Delivery Obligation Regulations; Nigeria Conversion and Renewal (Licence and Lease) Regulations and; Petroleum Licensing Round Regulations.

The Petroleum Licensing Round Regulations particularly provide a level playing field for local players in the oil and gas sector. Its implementation, among many other objectives, encourages openness and transparency, thereby providing an avenue to engage the pool of technically competent Nigerians or companies in the sector for high-level employment opportunities.

The Host Community Development Trust (HCDT), on its part, encourages active participation and compensation of locals ensuring peaceful and harmonious coexistence between oil operators and the communities they operate in. Ultimately, the HCDT is facilitating direct social and economic benefits of petroleum operations and ensuring enduring prosperity for host communities. Many of the NUPRC's regulatory policies promise similar agendas.

This year, in April, the Federal Government, through the Nigerian Content Development and Monitoring Board (NCDMB), announced it had achieved a 54%

increase in local content investment activities in the oil and gas industry in 2022. It also emphasised its determination to continue building the capacity of indigenous oil and gas industry players by increasing the figure to 70% by 2027, in line with its 10-year strategic roadmap.

With these relentless local content development efforts by the NUPRC, under the guidance of Engr. Komolafe, to ensure that a greater proportion of Nigeria's oil and gas project activities are carried out in the country and with active participation of Nigerians, there is no cause for worry that the NCDMB's target is achievable. And by the Q1 2023 real growth indications, it certainly won't be long before the economic growth resulting from diversification and local job creation in the sector becomes even more evident. ■



UNDER THE NUPRC BOSS' ASTUTE LEADERSHIP IN ITS NEARLY TWO YEARS OF EXISTENCE, THE COMMISSION HAS LED BY EXAMPLE IN DELIVERING ON ITS ASSURANCES

TAKE OVER ALL CRUDE OIL EXPORT TERMINALS, BUHARI DIRECTS NUPRC



President Muhammadu Buhari has mandated the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) to assume management of all crude oil export terminals in the country.

President Buhari gave the directive in a letter, dated May 3, 2023, with reference number SH/COS/24/A/78, sent to Gbenga Komolafe, chief executive officer (CEO) of NUPRC, and Farouk Ahmed, chief executive officer (CEO) of Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA).

The directive ordered NMDPRA to stop monitoring activities at Nigerian crude oil export terminals.

This is on the backdrop of complaints by stakeholders in the oil sector about the overlap of regulatory activities between the NUPRC and the NMDPRA.

President Buhari directed the two regulatory commissions to cease existing operations on crude oil

export terminals established prior to the effective date of the PIA.

He also directed immediate compliance with the resolution of the senate that “NUPRC is the sole and (sic) only regulatory entity to regulate and monitor the activities of all existing crude oil export terminals in Nigeria subsists in compliance with section 7(e) of the PIA (2021)”.

Buhari also asked the “honourable minister of state for petroleum resources to ensure immediate compliance and report back within “14 days that the resolution as stipulated in (a) above are being adhered to by the NUPRC, NMDPRA, NNPC, FMIT, industry players and relevant MDAs”. ■

COMMISSION CALL

- Obianuju Akwunwa -

1

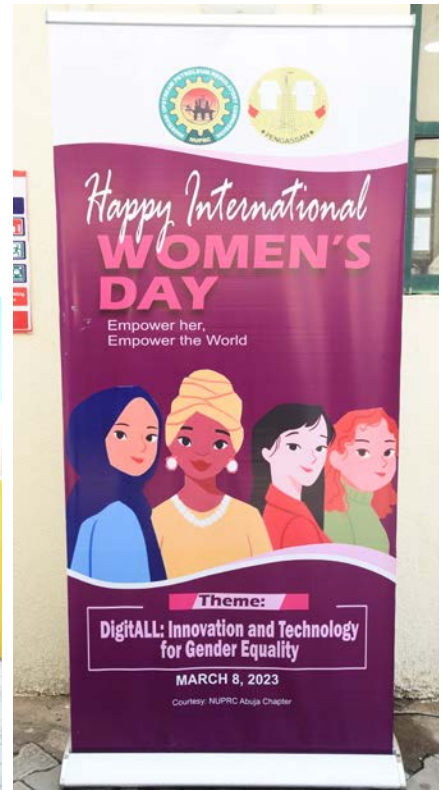
NUPRC Executive Commissioner, Exploration and Acreage Management, Mrs Rose Ndong, bags "Energy Sheromes Award" in recognition of her invaluable contributions towards articulating and promoting women participation in energy across the Continent.

Mrs. Ndong, has made significant strides towards breaking barriers and creating opportunities for women to excel in this field. Her efforts are not only inspiring but also crucial to fostering diversity, inclusiveness and equal representation in the energy sector. This award serves as a well deserved recognition of Mrs. Ndong's commitment and leadership in driving positive change.



2

Photo story of the Nigerian Upstream Petroleum Regulatory Commission's Celebration of the International Women's Day 2023, themed, Embrace Equity!



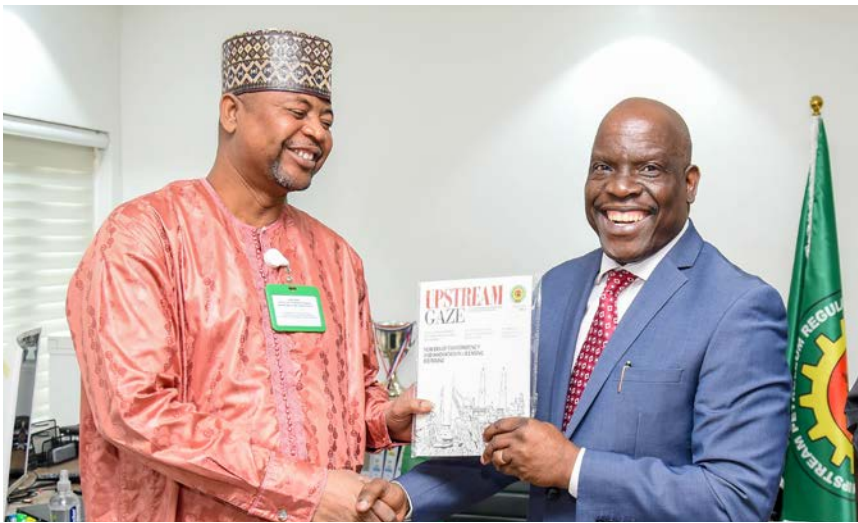
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The Managing Director, Nigerian Agip Oil Company, Mr. Bolondi Fabrizio, paid a working visit to the NUPRC Headquarters in Abuja.



4

A working visit by a delegation from the Ministry of Petroleum, Niger Republic, led by Mr Zouberou Maazou to the NUPRC Headquarters, Abuja. The visit to foster bilateral cooperation and discuss matters of mutual interest between both organizations.



5

The NUPRC Chief Executive, Engr. Gbenga Komolafe, OFR, FNSE; received the Chairman/CEO Economic Growth and Development Centre, Prof. Magnus L. Kpakol, at the Commission's Headquarters in Abuja.



6

His Excellency, King Alfred Diete-Spiff, CFR, pays a courtesy visit to the NUPRC Chief Executive, Engineer Gbenga Komolafe, OFR, FNSE; at the Commission's Headquarters in Abuja.



7

NUPRC Executive Commissioner, Corporate Services and Administration, Mr Jide Adeola, bags "African Leadership Award as Beacon of Hope for Africa's Development" by All Africa Students Union (AASU).



TREASURERSHIP AND STEWARDSHIP ACCOUNTING: UNDERSTANDING THE ROLE OF TREASURY BRANCH IN FINANCE DIVISION OF NUPRC.

- ASK Makinde -

Accounting an organised system of recording, analysing, summarising and reporting financial transactions of an organisation.

Accounting is a highly intellectual profession requiring good reasoning, due diligence and quality assurance service to achieve optimum result.

In ensuring accountability, there must be competence, capacity, uniformity, resourcefulness, assurance, confidence and transparency.

An Accountant is a professional entrusted with the task of providing correct and reliable financial information such that it guides the overall Accounting Officer, clients and management to make a rational decisions concerning revenue and expenditure.

The evolution of accounting is premised on Treasurership (projecting and spending) and stewardship (making report on expenditure and performance measurement). The modern profession of the chartered Accountant originated in Scotland in the nineteenth century. During this time, Accountants often belonged to the same associations as solicitors, and the latter solicitors sometimes offered accounting services to their clients. Early modern accounting had similarities to today's forensic accounting. Like forensic accountants today, accountants then

incorporated the duties of expert financial witnesses into the general services being rendered.

Stewardship Accounting

Stewardship accounting records kept by business entities of all their transactions (profit and loss), outstanding debts (account payables and receivables), and the way in which their capital employed has been invested (cash flow statements, Statement of affairs).

This rest on 4 major principles:

1. The principle of ownership (ultimate Owner of business)
2. The principle of responsibility (fiduciary)
3. The principle of accountability (reporting performances)
4. The principle of reward (remuneration for good performance and returns on investments to Shareholders).
5. This aspect of accounting will be discussed in future writings.

Treasurership Accounting

The general function of the Treasury Department is to manage the inflows and out-flows of an Organisation. This means that all current and projected cash inflows and outflows must be monitored to ensure that there is sufficient cash to fund company operations, as well as to ensure that excess cash is properly invested (not yet executed but permitted by PIA 2021). While accomplishing this mission, the Treasurer must engage in considerable prudence to ensure that existing assets are safeguarded.

The Treassury in NUPRC is a branch in Finance Division saddled with the responsibility of enforcing tax laws such as Value Added Tax (VAT), Withholding Tax (WHT) and Stamp Duty (SD) and payment of approved bills for staff and clients of NUPRC.

The NUPRC Treasury Branch is limited to three (3) Units.



The Units are as listed below with various roles and responsibilities.

1. Central Invoice Processing (CIP) – this Unit prepares all the payment vouchers and charges all relevant taxes
2. Banking Operations (BO) – receives all allocations and makes all authorised payments
3. Reconciliation – report on all payment compliance and highlight variances

The job functions of these 3 Units are dependent and mutually related, however, the overall main roles/functions of Treasury Branch far exceeded these limited ones.

Some missing links in NUPRC Treasury management

As part of Treasurership accounting, the process of originating payment, after due approvals, should start from Budget Unit. This is the Unit that project all expenditure and monitor actual performances. Variations are highlighted but virement totally unacceptable. This is one missing link in the current job alignment in FAD, which should be corrected.

In line with modern trend and foistered responsibilities by PIA 2021 on NUPRC, it may rightly be suggested that the Head of the Treasury Branch, on the organogram be called Treasurer. This will impose distinctiveness on the Branch and prepares the Branch for higher and additional responsibilities that makes up Treasurership accounting.

Also, it should be part of treasury management to helps the Organisation grow/manage its revenue. This function was hitherto part of FAD till recently when it was shipped to Planning Division. However, to maintain internal check and balances, this aspect should be a primary function of FAD. While Planning Division does the billing, the actual collection of all account receivables should be done by FAD

The Treasurer should be concerned in growing the company's investments, manage relationships with shareholders and ensure additional income is generated. They do this by effectively communicating the company's goals and plans for achieving its fiscal targets. The role is well spelt out in PIA 2021 but still missing in the Treasury function.

When fully developed, the treasury, being best suited to explain the company's financial position, should be tasked with communicating with potential and current investors. It is up to the Treasurer to explain how the company is doing financially and how it plans to remain profitable and beneficial to its investment.

Major functions of Treasury Branch.

In general terms the following are the major functions of Treasury

1. Forecast cash flow positions (budget performance and analysis), and funds available for investment (Expenditure balances)
2. Generate income through other sources (enhancement of IGR).
3. Ensure that sufficient funds are available to meet ongoing operational and capital investment

requirements (Vote Heads balances)

4. Maintain banking relationships (presently with CBN only)
5. Invest funds (permitted by PIA 2021 not yet commenced)
6. Invest pension funds (currently being done by 3rd party- NNPC)
7. Monitor the activities of third parties handling out-sourced treasury functions on behalf of the company (Pension funds management)
8. Advise management on the liquidity aspects of its short- and long-range planning (depending on monthly allocations)
9. Maintain a system of policies and procedures that impose an adequate level of control over treasury activities (internal checks and balances)
10. Compliance with government policy on fiscal statutory deductions.

Challenges:

- Non-automation of accounting processes in NUPRC for excellent and efficient service delivery. Accounting processes are still being operated manually.
- Incomplete back-up of documents and submission of photocopies in place of original this delay the payment processes.
- Manpower constraint – shortage of staff.
- Network challenges
- Non implementation of monthly payment cycle
- Obsolete laptops that are outdated slows down work pace.
- Bureaucracy
- Staff exposure to modern trends and personal development

Bridging the gap

- Collaboration with stakeholders in solving issues that may arise through dialogue.
- Broadening the horizon of the Branch with inclusion of Budget, Revenue and Investment Units
- Cost reduction.
- Fulfilling the mandate on Investment and governance (The Conference and Excellent Center).
- Prioritise contract.
- Value for money and due dilligence.
- Capacity development
- Staff self development
- Deployment of Accounting softwares (Automation).
- Integration into main stream petroleum accounting computation and evaluation.

The professionalism of the Branch is better exemplified in utmost accuracy and display of intergrity, which has been the hallmark of the Branch over the years.



“PIVOTING UPSTREAM PETROLEUM REGULATIONS & INVESTMENTS”

**SPEECH DELIVERED BY THE
COMMISSION CHIEF EXECUTIVE (NUPRC)**

- ENGR. GBENGA KOMOLAFE, OFR, FNSE -

AT THE NIGERIA INTERNATIONAL
ENERGY SUMMIT 2023

It is a great pleasure and honour for me to deliver this keynote speech to an esteemed audience of professionals and eminent stakeholders in the Nigerian oil and gas industry, as well as our international counterparts, on the 6th Edition of the Nigeria International Energy Summit (NIES) themed **“Global Perspectives for a Sustainable Energy Future”**. To begin, let me thank our Chief Host and the leader of the industry, President Muhammadu Buhari GCFR, for his effort and support on policy transformation in the industry including the enactment of the Petroleum Industry Act (2021) that has brought about landmark reforms in the industry, as well as thank Brevity Anderson for sustaining the hosting of this annual conference noted for quality content and great networking opportunities.

2. Ladies and Gentlemen, you would agree with me that NIES has, over the years, been consistent in delivering internationally recognized high-quality resources; attracting delegates from a broad spectrum of global oil and gas communities including industry professionals and academics involved in Research and Developmental activities. Today, the NIES organisers have again sustained the tempo and have shown their unalloyed commitment to this commendable conference and exhibition by gathering some of the brightest minds in the petroleum industry at this 2023 edition. Remarkably, the theme of this year's Upstream Forum Session **“PIVOTING UPSTREAM PETROLEUM REGULATIONS & INVESTMENTS”** is indeed apt, considering the events of the recent years, especially the past one year following 2022 edition of NIES, as well as the expectations of our stakeholders on the implementation of the Petroleum Industry Act (PIA) 2021.

3. As a country, Nigeria boasts of 37.064 billion barrels of oil with a daily production of over 1.5 million barrels of oil. In terms of reserves, Nigeria ranks 2nd in Africa, 8th in OPEC and 11th in the World. On the other hand, she ranks 1st in Africa, 6th in OPEC and 15th in the World in terms of crude oil production. It is interesting to note that the GDP per capita for Nigeria stands at \$1,998 which ranks her at 12th position amongst the OPEC member states and 22nd in Africa. Although crude oil contributes over 85% to Nigeria's foreign exchange earnings, its contribution to GDP is about 6.33%, while Algeria's is 10.2%, Angola is 30% and Libya at over 50%. Ladies and Gentlemen, Nigeria is a nation where needs meet opportunity. Aside the catalogued hydrocarbon potentials, Nigeria is blessed with potentials for blue energy, solar, wind, biomass as well as other sources of renewable energy to leverage for right energy mix in the energy transition regime.

4. Unfortunately, in the years preceding the enactment of the Petroleum Industry Act (2021), investments in the

Nigerian oil and gas industry declined due to regulatory uncertainty in addition to de-funding of fossil fuel development occasioned by energy transition and COVID-19. Most of the IOCs deprioritized Nigeria in their portfolios leading to the redirection of CAPEX to other countries and the attendant dwindling investment in Nigeria's upstream sector. For instance, the Nigeria's total annual upstream capital expenditure decreased by 74% from \$27 billion in the year 2014 to less than \$6 billion in 2022. Moreso, increasing competition from regional peers has led to decrease in the proportion of the overall upstream investment attracted by Nigeria.

5. This under-investment is also reflected in the country rig count. On average, Nigeria had 17 active oil rigs in 2019 representing one of the highest counts on the African continent as at then. Nigeria's average rig count declined to 11 in 2020, 7 in 2021, 10 in 2022, but recently grew to 24 in April 2023, a positive signal of new investments trickling into the country. This is also a reflection of investors' acceptance of effective implementation of the PIA by the regulator. In contrast, other OPEC member countries such as Iran, Iraq, Algeria, Libya, Angola had 117, 62, 31, 12 and 9 active rigs respectively as of February 2023 as against Nigeria's rig count which stood at 13. However, following two years of high energy prices, the global oil & gas industry is experiencing a boom that could be directed to capital investment in upstream. The projected outlook over the next few years is positive, and as an industry we need to leverage on this opportunity by doing all that is necessary to attract more investments and revive the Nigerian upstream sector.

6. Distinguished Industry Stakeholders, as opposed to the defunding of fossil fuel projects, global investments in energy R & D and innovations in renewables and clean energy technologies are increasing, even at the peak of Covid-19 pandemic as governments race to stay on track with Net Zero Emissions by 2050. From 2021 to 2022, the annual global investments in clean energy sources and technology specifically relevant to the energy transition increased by 31 percent representing the 7 largest annual investment increase since 2010. Governments are supporting major R&D and demonstration projects in key areas such as low emission hydrogen-based energy, lithium-ion and lithium-free batteries for electric vehicles, CCUS and other critical energy technologies. For instance, Egypt plans to invest more than US\$7 billion in hydrogen projects.

7. Ladies and Gentlemen, this funding situation was reconfirmed by the US Special Presidential Envoy for Climate, John Kerry, while addressing the G7 Ministers of Climate, Energy and Environment in a summit held in Japan on 15th

and 16th, April 2023, alluded to special funds earmarked for clean energy, confirming that funding is now skewed against fossil fuels. According to him, such funds "... will not be invested in new coal-fired power plants (or any other fossil fuel projects), because there's no such thing as clean coal". He cited the ongoing aggressive moves, in the US by the Joe Biden administration, enticing companies to invest in electric vehicles and other cleaner energy technologies positing that consumer preferences have evolved in response to global net-zero commitments.

8. Conference participants and delegates, the need for Oil and Gas producers in Africa to embrace the reality of green transition and take strategic position to leverage on the opportunities presented by the unfolding era has indeed become more pressing. On the other hand, energy transition plans have also been derailed by the unprecedented global energy crisis provoked by the Russia-Ukraine war as reiterated by the G7 Ministers of Climate, Energy and the Environment. The ministers who met on Saturday 15th – 16th, April 2023 in Japan, expressed concerns about the devastating impacts of the energy crisis characterized by high-energy prices, market volatility and disruptions to energy supply. With a total of over 620 trillion cubic feet of Natural Gas reserves, Africa is poised to develop cleaner fossil fuel to offset the deficits in the world energy supply but requires the right legislative framework and a change in policy direction in order to design a system that will foster energy sufficiency while simultaneously attending to the urgency of ending carbon emissions.

9. Interestingly, Parties at the United Nations Climate Change Conference COP27 in November, 2022 took a ground-breaking decision and announced a new funding arrangement termed "loss and damage" to enable the establishment of dedicated fund for assisting developing countries in their response to climate disasters. It is expected that both the new funding arrangements and the fund will be operationalized at COP28 this year. In this regard, the G7 Climate, Energy and Environment Ministers, through a Communiqué issued on April 16, 2023, reaffirmed their commitment to support developing and emerging countries in accelerating the implementation of programmes for emission reduction through capacity building and strengthening of environmental regulatory frameworks for green transition as well as working with development finance partners for increased support for methane abatement.

10. In addition, at the COP27, the Africa Carbon Markets Initiative (ACMI) was launched by a coalition of organisations to help shape and harness the potential of carbon markets in Africa, to drive a dramatic increase in the production of African carbon credits while ensuring that carbon credit revenues are transparent, equitable, and create good jobs. It is therefore incumbent on us as industry stakeholders to embrace climate action initiatives targeted at emissions reduction while ensuring

that opportunities arising from increasing demand for credit in the Voluntary Carbon Markets do not elude us. In response to the dynamics of the energy transition and the global footprint, the Nigerian Upstream Petroleum Regulatory Commission, as the industry regulator, has embarked on development of a regulatory framework for carbon-pricing system to make businesses pay for their emissions and incentivize emission reductions through carbon credits. Accordingly, the Commission has risen to the occasion by establishing a new Department, "Energy Transition & Carbon Monetization", saddled with the regulation of the oil and gas carbon market and we will soon revert to the industry on proposed actions and measures in this regard.

11. Distinguished Guests, it is pertinent to state that Nigeria is already charting a new course in the Upstream Petroleum Sector and is poised to secure a blossoming energy future through effective implementation of the PIA that potentially provides legal, governance, fiscal and regulatory frameworks for regulating industry operations. Accordingly, the Nigerian Upstream Petroleum Regulatory Commission (Commission) in line with its mandate is developing forward-thinking technical and commercially viable regulations as regulatory instruments to promote transparency, efficiency, and innovation for sustainable development of Nigeria's hydrocarbon resources.

12. In the implementation of PIA and as regulatory approach we are also trying to benchmark international standards. Our regulatory focus is targeted at achieving:

- Reduced Unit cost per barrel.
- Transparency in hydrocarbon accounting
- Operational efficiency
- Conducive operating environment
- Increase in oil and gas reserves and production
- Reduction in Carbon footprint

13. In the above regard, as part of its achievement within 20 months of its existence, the Commission successfully gazetted five (5) Regulations, developed thirteen (13) fresh Regulations which are currently under review by the Federal Ministry of Justice and another six (6) which are at consultative stages with industry stakeholders. In addition, the Commission is currently engaging all lease holders on their natural gas elimination and monetization plan to ensure compliance with Section 108 of the PIA and boost supply to the rapidly growing gas market. We have continuously encouraged investors to leverage on the generous fiscal incentives in the PIA, such as zero hydrocarbon tax, reduced royalty rates based on production and across terrains, tax consolidation provisions amongst others and take final investment decisions on their proposed upstream projects. With a proven gas reserve base of 208.62TCF (as of 1st January 2022), we are on track to increase our reserves volumes to 220TCF in less than 10 years and 250TCF thereafter.

Opportunities for investment in the Energy Sector

14. Ladies and Gentlemen, Dear Investors, our drive to increase our Gas Reserves and Production from its current volumes to meet the future energy demand of the country and the international market offers a huge investment opportunity not only for the exploration and development of our vast gas resources, but also for the

mini bid round for seven (7) Deep Offshore Petroleum Prospecting Licences (PPLs) is expected to be concluded early Q3, 2023 and will boost the Nation's Reserves as well as bring about anticipated benefits to the Nation and other stakeholders. Also, the NGFCP 2022 bid process for 49 flare sites with a combined volume of about 300 million standard cubic feet of gas per day is expected to be



creation of the much needed infrastructure to utilise the gas within the country as well as earn revenue for further development of our renewable resources.

15. Esteemed Stakeholders, permit me to express that the PIA provides for approval of only projects with gas utilization plan in the upstream sector. The Commission is already enforcing this statutory provision in a manner to attract the multiplier economic benefits to the Nigerian economy. We have intensified our efforts towards eliminating flared gas while arresting methane and other fugitive gas emissions. The significance of this is that more gas would be available for domestic utilization as Liquefied Petroleum Gas (LPG), feedstock for power generation plants, fertilizer plants and petrochemicals to mention but a few. Each of these areas provide a unique entry point for willing investors and opportunities to build capacity locally.

16. Further investments opportunities have been created with the successful completion of the 2020 Marginal Field Bid Round. The Commission is engaging the awardees to ensure early field development. Similarly, the ongoing

concluded in April 2023. The flare commercialisation initiative is aimed at driving Nigeria's target to end routine gas flaring within this decade, supporting the Nigeria Energy Transition Plan (ETP) and creating value from its gas resources. In this gas flare commercialisation journey, the Commission has partnered with relevant global players to leverage the carbon credit market mechanism that should improve the bankability of some of the flare elimination projects.

17. Ladies and Gentlemen, with the attractive fiscal, legal and regulatory provisions in the PIA, vast opportunities for investment abound for investors to leverage. Some of these opportunities include the development of deeper hydrocarbon opportunities, conversion of producing marginal fields to Production Mining Leases (PMLs) and clear definitions for domestic supply and delivery of crude oil and gas respectively to create potential for a robust domestic market to mention just a few. In addition, the NUPRC is deliberate in implementing strategic actions and initiatives aimed at increasing national crude oil



and gas reserves and production. In this regard, the Commission will in the weeks ahead organise its Maiden Nigerian Upstream International Investment and Financial Roadshow (NUIIFR) for Petroleum Prospecting Licence (PPL) Awardees, NGFCP Bidders, and potential investors in the upcoming Mini Bid for Deep Water Assets, to explore funding opportunities and leverage capabilities of industry players, prospective Investors (local and offshore) to de-risk the assets and awards. The event will provide opportunity for participants to network, exchange ideas and chart strategic pathways to enhance investment opportunities.

18. The regulatory and governance framework provided in the PIA has empowered the Commission to develop Regulations in consultation with stakeholders for conducive operating environment and buy-in of communities on the activities of industry operators. The PIA provides for the incorporation of host communities development fund for the benefit of the host communities. The Commission as part of its achievement has registered 72 HCDDT in effective implementation of the PIA aside engaging on sensitisation workshop on the HostCom implementation. In addition, the Commission has in partnership with an OEM developed an intelligent, digital, automated platform for reporting and monitoring the Host Community Development Trust (HCDDT) for transparent administration of the HostCom provisions of the PIA. The portal ready to go live for subscription is scheduled to be launched in the weeks ahead by the Commission and is designed to meet specific requirements of HCDDT as enshrined in the PIA. The digital solution will aid all stakeholders (the Settlers, Board of Trustees, Management Committees, Advisory Committees, Fund Managers etc) to fulfil their obligations to host communities and promote accountability and transparency in the management of the HCDDT program as well as enable quick feedbacks from the stakeholders and the public for the Commission to carry out its regulatory oversight effectively.

Official Declaration of 2023 Reserve Position

19. Ladies and Gentlemen, the Commission, empowered by the PIA, has continued to drive the upstream industry performance to grow reserves through deliberate oil and gas exploration, deep 19 drilling, prospects maturation, appraisal, field studies and improved oil recovery. Our efforts are beginning to manifest in our gas reserves position, and we expect similar manifestation in oil reserves in the very short term. It is, therefore, my pleasure to declare the National Hydrocarbon Reserves Position as at January 1, 2023 at this important forum as follows: Nigeria's oil and condensate reserves as at January 1, 2023 stands at 31.060 Billion Barrels for Oil and 5.906 Billion Barrels for Condensate, making a total of 36.966 Billion Barrels for oil and condensate while the Associated Gas reserves is 102.32 Trillion Cubic Feet, Non-Associated Gas reserves is 106.51 Trillion Cubic Feet, making the total of 208.83 Trillion Cubic Feet of Natural Gas reserves. The oil and condensate reserves decline of about 0.22% compared to January 01, 2022, figures is attributable to low exploration activities and reserves revision arising from subsurface studies in year 2022. On the other hand, the slight increase of 0.10% in gas reserves over January 1, 2022 reserves position is primarily attributed to the revisions arising from additional information from new wells, and field development studies.

Conclusion

Permit me to conclude by remarking that Nigeria as a nation state is suitably positioned to become a super-power in the unfolding energy transition regime given its population of over 200 million people and abundant energy sources to achieve the right energy mix for sustainability of energy supply. Thank you for listening. counts on your support all to deliver on the potentials of Nigeria's oil and gas sector.

Thank you.



SPEECH BY THE COMMISSION CHIEF EXECUTIVE (NUPRC)

- ENGR. GBENGA KOMOLAFE, OFR, FNSE -

AT THE SIGNING OF SEVEN CONCLUDED REGULATIONS INTO LAW

I am indeed delighted to welcome you to witness this signing ceremony of seven (7) new regulations which have been successfully concluded and is being issued by the Commission today.

1. The Nigeria Upstream Petroleum Measurement Regulations, 2023. This will close the metering gap in upstream petroleum operations; encourage accelerated hydrocarbon measurement metering devices roll out in upstream petroleum operations; encourage the development of independent and competitive meters used in the Upstream; attract private investment in the provision of metering services; provide for the regulation of the measurement of petroleum produced; ensure transparent and accurate measurement of crude oil and gas as a basis for the calculation of oil and gas revenues accruable to the Government; and define requirements for the design,

fabrication, manufacturing, testing, calibration, operation and maintenance of upstream metering equipment. This is a clear departure from the trajectory in the Nigeria upstream sector since oil was discovered in Nigeria in 1956 and production commenced in 1958.

2. Recall that PIA 2021 empowers the Commission to make regulations which will give meaning and intent to the spirit of the Act. Consequently, the Commission, in fulfillment of this mandate, swung into action with drafting of regulations of which five (5) regulations have already been gazette and published to date. It's apt to note that the process of development of these new sets of regulations followed strictly the prescriptions of the PIA.

3. Distinguished Ladies and Gentlemen, as mentioned earlier, five (5) Regulations were successfully gazetted into

law between June and October 2022 namely:

1. Petroleum Licensing Round Regulations 2022
2. Petroleum Royalty Regulations 2022
3. Domestic Gas Delivery Obligations Regulations 2022
4. Conversion and Renewal (Licences and Lease)
5. Nigeria Upstream Petroleum Host Communities Development Regulations 2022.

The Gazetting of these regulations demonstrated the Commission's commitment towards providing a business enabling environment in the Nigerian Upstream Oil & Gas industry space. Our drive to promote clarity, trust and predictability in the industry has remained un-flinching as evident in the efforts deployed towards ensuring that regulations and key policies necessitated by the PIA are developed and gazetted expeditiously to enable alignment with the provisions of the PIA.



4. Ladies and Gentlemen, the seven (7) regulations that will be signed today are part of the thirteen (13) draft regulations that were presented for discussion during the 1st, 2nd and 3rd phase of our consultations with stakeholders between 2022 and 2023. These are:

1. Upstream Petroleum Fees and Rents Regulations
2. Upstream Decommissioning and Abandonment Regulations
3. Unitization Regulations
4. Acreage Management (Drilling & Production) Regulations
5. Frontier Exploration Fund Administration Regulations
6. Upstream Environmental Remediation Fund Regulations
7. Upstream Petroleum Safety Regulations
8. Upstream Petroleum Environmental Regulations
9. Upstream Petroleum Measurement Regulations
10. Advance Cargo Declaration Regulations
11. Significant Discovery Regulations
12. Domestic Crude Oil Supply Obligation Regulations
13. Gas Flaring and Venting (Prevention of Waste and Pollution) Regulations

5. Please note that the inputs of the Stakeholders from the various engagements were considered in the drafting of these regulations. The draft regulations were subsequently forwarded to the Honourable Attorney General of the Federation and Minister of Justice for vetting, legislative standardization, and approval.

6. Distinguished Ladies and Gentlemen, it is with great pleasure that I now announce that seven (7) out of the thirteen (13) draft Regulations have been concluded and are now signed into law. These are:

1. The Nigeria Upstream Petroleum Measurement Regulations, 2023. This will close the metering gap in upstream petroleum operations; encourage accelerated hydrocarbon measurement metering devices roll out



in upstream petroleum operations; encourage the development of independent and competitive meters used in the Upstream; attract private investment in the provision of metering services; provide for the regulation of the measurement of petroleum produced; ensure transparent and accurate measurement of crude oil and gas as a basis for the calculation of oil and gas revenues accruable to the Government; and define requirements for the design, fabrication, manufacturing, testing, calibration, operation and maintenance of upstream metering equipment. This is a clear departure from the trajectory in the Nigeria upstream sector since oil was discovered in Nigeria in 1956 and production commenced in 1958.

2. The Production Curtailment and Domestic Crude Oil Supply Obligation Regulations, 2023. This regulation will provide the general rules for production curtailment and utilisation of the produced petroleum in relation to export and domestic crude oil supply obligation pursuant to sections 8(c) and 109 of the Act.

3. The Frontier Basins Exploration Fund Administration Regulations, 2023. This regulation will also provide the general rules for the exercise of the Commission's responsibilities with respect to frontier basins in Nigeria pursuant to section 9 of the Act and the administration of the Frontier Exploration Fund. The aim is to encourage and attract investment to the frontier basins in Nigeria.

4. The Nigeria Upstream Decommissioning and Abandonment Regulations 2023. It seeks to ensure that decommissioning and abandonment activities are conducted in accordance with good international petroleum industry practice. The regulations also set the framework for the establishment and administration of a Decommissioning and Abandonment Fund.

5. The Significant Crude Oil and Gas Discovery Regulations, 2023. This would ensure optimum exploitation of petroleum covered by Petroleum Prospecting Licenses, granted under the Act, by the retention of areas of significant crude oil discovery and significant gas discovery by a licensee for specified time in accordance with section 78 of the Act.

6. The Gas Flaring, Venting and Methane Emission (Prevention of Waste and Pollution) Regulations, 2023 seeks to:

- reduce environmental and social impact associated with gas flaring and venting of natural gas and fugitive methane emissions into the atmosphere;
- preserve and protect the environment;
- prevent waste of natural resources;
- enhance energy transition in Nigeria;
- create social and economic benefits from gas flaring and venting; and
- set out the procedure for the Commission to

exercise its rights to take gas at flare point in accordance with the Act and all other applicable laws.

7. The Nigeria Upstream Petroleum Unitization Regulations, 2023 establishes rules, principles, and procedures for the implementation of unitisation of oil and gas from a petroleum reservoir that extends beyond the boundaries of a licence or lease area into an area to which another licence or lease relates.

7. These seven regulations being signed and issued today by the Commission brings to 12 the total number of regulations now gazetted, out of the 18 regulations initially identified as priority regulations. They represent a significant milestone achievement for the Commission in its continues stride towards the attainment of the goals of the PIA and the reformation of the upstream petroleum sector. All the regulations are revolutionary in nature aimed at providing a regulatory environment that assures efficiency, predictability, clarity, and effectiveness to the industry in the discharge of the Commission's mandate.

8. All the Regulations now 12 in number and the others to be soon finalised would serve as the key regulatory tool that would be deployed by the Commission in the discharge of its statutory functions under the PIA regime.

9. Ladies and Gentlemen, as I conclude this speech, it is pertinent to note that the process of formulating the above regulations has been a rigorous and strenuous exercise characterised by several challenges at different stages of the regulation making process. Nevertheless, the outcome of that process is a result of critical thinking, vigorous engagements with the industry stakeholders, careful evaluation, and hard work by the Commission's Regulation development team, whose efforts are a testament to the Commission's continuing strive towards excellence in the discharge of its functions. I also charge them to re-double their on-going efforts to speedily conclude work on the other regulations that they are currently working on as well as the others that have been identified and are being developed.

10. Finally, the Commission assures the industry of its continuous dedication to develop and issue policies that will create an enabling environment for growth and more investments in the Nigerian upstream oil and gas sector. We therefore look forward to the support of all stakeholders in complying with the regulatory measures put in place by the NUPRC to ensure operations are conducted in line with international best practices.

Thank you all.



SPEECH BY THE COMMISSION CHIEF EXECUTIVE (NUPRC)

- ENGR. GBENGA KOMOLAFE, OFR, FNSE -

AT THE OFFICIAL SPUDDING OF WADI-B EXPLORATORY/APPRaisal WELL IN OPL 732 BY NNPC LIMITED

Your Excellency, distinguished guests, ladies and gentlemen, it is indeed my pleasure and honour to deliver this regulatory remark at this important event marking the official Spudding of Wadi-B Appraisal/ Exploratory Well in OPL 732, located within Chad Basin, covering Jere Local Government Area of Borno State. This event also marks another milestone in the decades of hydrocarbon exploration, appraisal and prospectivity studies of the inland frontier basins, and further underscores the effort government is making in ensuring that requisite investments are made in Frontier Basin exploration in Nigeria.

2. Distinguished ladies and gentlemen, in conveying this goodwill message, permit me to pay glowing tribute to His Excellency, President Muhammadu Buhari, GCFR for his commitment to mitigate energy poverty, create shared prosperity and enthrone sustainable growth in the Nigerian Economy. Let me also heartily commend

the commitment of the Board and Management of NNPC Limited especially the effort of my dear brother, Mele Kyari, the GCEO of NNPC Limited, and his team of professionals for their doggedness in maturing our hydrocarbon resources, most especially in the frontier basin.

3. Ladies and gentlemen, this spudding ceremony cannot have come at a better time, especially given the recent global events that bother on energy security and energy transition. We are all aware of the global call for transition from fossil fuel to cleaner and more sustainable sources of energy. But we have also seen how world leaders have embraced the need to consider the right of nations to harness their energy resources for their developmental goals in attaining the right energy mix in multiple energy pathways for just transition. This is evident in the recently concluded G7 Japan Hiroshima

Summit 2023 which held between May 19 and 21 in consideration of the blueprint for various pathways towards resilient transitions, noting different national and regional circumstances.

4. Nigeria, in its energy transition plan, has defined its energy transition pathway, highlighting the processes and activities to achieve our 2060 carbon neutrality target while also meeting the nation's energy needs. The Nigeria Energy Transition Plan recognised that in light of rapidly rising population, accelerated (resources) development is needed to ensure improved living conditions for millions of Nigerians.

5. At the Commission, we have continued to play a leading role in the discourse around promoting a fair, inclusive and equitable energy transition, enabling sustainable development of our oil and gas resources while providing regulatory support for the deployment of decarbonisation technologies and adoption of emission abatement practices in our upstream oil and gas industry operations.

6. Your Excellency, distinguished guests, one of the key regulatory focuses of the Commission is to grow our national reserves from the current 37 billion barrels of oil to 40 billion barrels of oil by 2030.

7. Considering the positive results recorded so far in OPL 732 from previous exploratory activities, we are optimistic that through this Wadi-B Appraisal drilling, the huge P50 case prospective hydrocarbon resource estimated at about 943 million barrels of Oil Initially in Place (OIIP), will be matured and migrated into proven reserves.

8. We are therefore elated that the outcome of this appraisal drilling will significantly contribute to growth in our national oil reserves, facilitate sustainable domestic energy security, usher in wealth creation and massive economic prosperity for the people of Borno State as well as create shared prosperity for the nation in general as we navigate through the rapidly evolving energy landscape.

9. Distinguished guests, let me at this juncture allude to the fact that this project aligns seamlessly with the objectives, spirit and intent of the Petroleum Industry Act 2021 (PIA). Section 9(1) of the PIA mandates the Commission to promote the exploration of the frontier basins of Nigeria and establish Frontier Exploration Fund which can be utilized to deploy world class cutting-edge technologies to de-risk exploration in the frontier basins.

10. According the Commission has developed the Frontier Exploration Fund Administration Regulations which provides a robust mechanism for the administration of Frontier Exploration Fund. This regulation is currently being reviewed by the Federal Ministry of Justice prior to gazetting. With this, the Commission can assure the nation of our readiness to promote and support frontier

exploration as required. The Commission therefore assures NNPC Limited of our continuous and unwavering regulatory support and commitment required to enable the exploration and development of frontier basins and all other NNPC-operated assets. Our doors will remain open for guidance and quick issuance of all necessary approvals.

11. Distinguished ladies and gentlemen, as I conclude



this speech, I would like to express my delight once again about the implications of this special day. I have no doubt that NNPC, being Africa's largest energy company, will continue to deliver on its commitment to economic and social development, making energy available and accessible to all as we continue to position Nigeria to harness her abundant energy sources to achieve the right energy mix for sustainability of energy supply for the benefit of her growing population.

Thank you for listening.

GAZEDIASPORA

- Nze David Ugorji -

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PRESIDENT BUHARI COMMISSIONS DANGOTE REFINERY

- Favour Olushola -

The Dangote Refinery and Petrochemicals Plant, was commissioned by His Excellency, President Muhammadu Buhari, at Ibeju-Lekki Free Trade Zone, Lagos State. The Commission Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission, Engr. Gbenga Komolafe, OFR, FNSE; was amongst the distinguished guests who graced this historic event. ■





(L-R) CCE, NUPRC with other top dignitaries at the commissioning of Dangote Refinery



Intentional
Living

MY JOURNEY TO SELF ACTUALISATION AND FULFILLMENT

- Moedu Adaeze -

**"The quality of your commitments will
determine the course of your life".**

Ralph Marston

About Eight years ago, my life was cluttered with no sense of direction. On my birthday in 2015, I gifted myself a book entitled **"THE 7 HABITS OF HIGHLY EFFECTIVE PEOPLE"** by Stephen R. Covey which completely inspired and transformed my views about life. The book pointed that success comes from building internal character, based on values and principles, rather than just trying to change behavior.

I read this book at the right time. I was a young Corporation member with no proper guidance and strategy on how

to survive the post-service years. Towards the end of my NYSC, I began attending a series of seminars, workshops as well as reading many inspirational books which laid the foundation of my journey towards **INTENTIONAL LIVING**.

By the time I was done reading **"THE 7 HABITS OF HIGHLY EFFECTIVE PEOPLE"**, I made a note of all the "THE 7 HABITS". I didn't only paste them on every corner of my apartment, I also began to practice them daily. Some of the habits include:

1 Be Proactive

2 Begin with the End in Mind

3 Put First Things First

4 Think Win/Win

5 Seek First to Understand, Then to be Understood

6 Synergize

7 Sharpen the Saw

Intentional living is basically making choices that conform with your convictions and priorities. It's about living your life with intention and purpose, rather than just drifting through life. According to John Maxwell, the author of *Intentional Living: Choosing a Life That Matters*, **"when you intentionally use your everyday life to bring about positive change in the lives of others, you begin to live a life that matters."**

Intentional Living is relatively personalized, hence the way you comprehend and apply it will differ based on your beliefs and circumstances.

Living intentionally, in the words of therapist and coach Sarah Normandin, means being "true to my own experiences, aspirations, and goals, rather than living up to others' expectations. Living intentionally entails letting go of all the things our thoughts tell us we need to do in order to prove our worthiness—and then doing the things we would do if we already knew that we were."

For Kristina Sander, founder of In Bold Company, intentional living **"feels like a sense of peace and ease. It looks like making purposeful decisions and creating boundaries. Not living for others, but for myself"**.

Irrespective of your definition, intention affects every aspect of your life, including how you manage your finance, career, family and friends, your spiritual life, where you travel, and more.

Intentional Living is a continuous process and not a one-off task you do and checks off your list. In this article I'm sharing my own Intentional living Journey. My journey might differ from yours remarkably but outlined are the primary steps I applied, how one step led to another and some of the benefits that came with it, including confidence, certainty, and momentum.

1. Affirmation

"I AM: are two of the most powerful words. For what you put after them shapes your reality." - Bevan Lee
An affirmation reflects the qualities that allow you to thrive in every aspect of your life. For instance, if you are focusing on healing, your affirmation should be, **"I am strong, whole, healthy and resilient"**.

Intentionally stating affirmations to yourself is powerful. Love yourself so much that you cannot stand to live an inferior life. One thing I do every morning before I start my day, is say affirming truth statements to myself like I am loving, I am capable, I can do anything I set my mind on, I am attentive, I am strong, I am

nurturing, I am passionate. These affirmations define who I want to be, and I repeat them while accepting it as manifest truths.

2. Reading

Reading is a large part of my life that I now intentionally want to refine and sharpen. One of my 2023 new year resolutions is to be a more intentional reader. Hence, choosing books in advance and having a timeline for each book.

The Richest Man in Babylon by George Clason is a must-read book I picked up a while ago based on a recommendation from one of my colleagues.

The wisdom in the book is timeless and the simplicity in the way the information is narrated in the form of a parable, is something of a marvel. This book has had a tremendous effect on the ideology that I adopted on ~~finance management. And most importantly, these~~ ideas are biblical truths stated in a simple way that can be applied straight away to our everyday life situations.

3. Make Friends: Build Sisterhood

For a girl who has been a tomboy all her life and has only men as friends, building a sisterhood with women who choose to intentionally nurture friendship, build wholesome and rewarding relationship was something I began to cherish as I got to my thirties. It took me a while to acknowledged this but the minute I did, I embraced this truth with all my heart. In my search for sisterhood, I meet my soul sister, Maureen in the in late 2021. We connect in a way that is beyond imagination. She understands me more than I understand myself and is always there to give me sound advice. We find peace in the same thing and find joy in similar situations. I'm just grateful to have someone in my life who is as grateful to have me in her life. Dear black Queens, I pray you find your once-in-a-lifetime soul sister, when ~~you find your soul sister, you have completed the cycle of becoming.~~

4. Travel the world

I have never seen an expensive car and gone **"Oh I wish I own it"**. But anytime I see Jessica Nabongo who is the first black woman to travel to every country in the world on one of her vacations, I say to myself, this is what I want. Why women are not prioritizing travelling the entire world, will always be a mystery to me.

An experienced traveller will tell you that it's not the places you visit but rather it's the people you meet along the way that create the biggest impact. They open your eyes to things and place that you might have missed, why teaching you one of two invaluable life lessons.

Intentional travelling should not be all about yourself, think about the impact you can make in the local community. This might be through teaching the locals one of your talents, giving to the local charity organization and purchasing locally produced products and more.

5. Spirituality

The more I see people fall ill because of bad food and lifestyle choices, the more I realize the need to be intentional about my health. Consequently, I try to eat healthy and exercise at least five times per week. Sometimes, I will rather watch Netflix than exercise, but I know my body will feel sluggish if I choose Netflix than exercise. Therefore, it is safe to say that intentionality is vital to fitness.

The same goes for my spiritual life—intentionality is the key to spiritual well-being. Therefore, I create an alone time with God every day. I read the scripture, I take note of lessons learnt, and I invite God's presence into my every thought and action.

Establishing a relationship with God is not as a result of any religious obligation or something I was forced to do, instead I see it as an honor to establish a connection with God, which has been worth it.

If we want to be spiritually fit, we need to be intentional about it...continually, not just when we feel like.

6. Finance

Being intentional with your finances not only helps prevent lifestyle inflation, but it is also a vital part of creating a budget that works for you.

As a student I struggled a bit with my finances, because I wasn't firm at sticking with a budget.

As a result of my short course in Finance Management, I found a system that works well for me and helped me be more intentional. I worked on getting more comfortable telling people NO when I couldn't afford to do something or needed to focus on saving. I also learnt to keep a list of all the things I have the urge or impulse to buy, then, wait a few months to see if it's still something I really want or should budget for.

Another tip that has also helped me to be intentional with my spending and saving was setting up a monthly budget templates using Google Sheets, which help me to be more consistent at tracking my spending.

The aim of being more intentional with my finances isn't to be thrift about spending. I want to be intentional with what I spend, what I give and what I save and if I don't know where my money is going, it's hard to be intentional.

7. Forgiveness

One thing missing in the intentional life of most persons is forgiveness. According to Lewis B. Smedes **"to forgive is to set a prisoner free and discover that the prisoner was you."**

I listened to a very powerful podcast by an artist/author/publisher/mentor, Wendy Piersall on forgiveness. She said that forgiveness was the catalyst that helped her to declutter her emotions of resentment, failure and displeasures and draw herself closer to her faith, purpose and the richness of her gifts, following her tragic downfall during the 2008 recession after years of tremendous success in business and writing.

Her experience prompted me to ponder on how forgiveness could benefit my journey of intentional living. I asked myself who and what wrongs do I need to forgive? And my answer was MYSELF.

I forgive myself for dwelling on things that have stolen my joy and gratitude. I forgive myself for being ungrateful. I forgive myself for paying more attention to people's opinion about me, rather than God's opinion about me. I forgive myself for falling for societal pressure that if I have the right fashion sense, the ideal body type, and the most beautiful face then I matter. I forgive myself for not believing in myself and questioning my purpose in life. I forgive myself for quitting when things got hard, instead of picking up due to fear. I forgive myself for doubting my faith in God. I forgive our patriarchal society that teaches young girls that they have to look and act in a certain way so the right kind of man will love them and that marriage is a reward for good behavior. I forgive our patriarchal society that constantly make excuses for men by not holding them accountable for their actions.

Certainly forgiveness is a work in progress. It is okay if you are not ready to forgive everything, however, start the work and see how far you get. Every step will matter.

Conclusion

Intentional living is about being true to yourself and living your authentic life. There are no right or wrong answers as long as you're true to your yourself. While it might seem stressful, you will see the benefits in every aspect of your life. There is an urban myth in Australia regarding the iconic Sydney Harbour Bridge: **"the painters never stop. When they get to one end, they simply go back to the beginning and start all over again"**. In other words, intentional living is a continuous process and not a oneoff task. You have to communicate regularly with yourself, establishing what is working and what is not, and making little changes as you go.

GAZETOURISM

- Ugah Esther Ehiowoicho -

Amazing places to visit in Nigeria



IDANRE HILL

The hill of Idanre is one of the most beautiful natural landscapes in Nigeria. It includes such cultural sites as "Owa's Palace, Shrines, Old Court, Belfry, Agboogun footprint, thunder water (Omi Apaara) and burial mounds and grounds". It resides 3000 ft (914.4meters) above sea level and houses a unique ecosystem upon which the cultural landscape has integrated. Idanre Hills is located on a Precambrian igneous batholith that is about 500 Million years old, and is cut by several large fracture that form deep valleys within the rocks. Idanre Hills is a scenic treasure! This is one of the many tourist attraction centres in Ondo State.

Cultural Center, Alagbaka, Akure, Ondo State, Nigeria.

Tel: +2348034706870, +2348161176190 **Email:** culturetourism@ondostate.gov.ng



YANKARI GAME RESERVE

Yankari Game Reserve is a large wildlife park located in Bauchi State, in north eastern Nigeria. It covers an area of about 2,244 square kilometers (866 sq mi) and is home to several natural warm water springs, as well as a wide variety of flora and fauna. Its location in the heartland of the West African savanna makes it a unique way for tourists and holidaymakers to watch wildlife in its natural habitat.

Yankari Game Reserve, Mainamaji, KM 110, Alkaleri L.G.A, Bauchi State, Nigeria.

Tel: (+234) 902 733 2226 **Email:** info@yankarigamereserve.com.ng



OGUTA LAKE RESORT

Oguta Lake is the largest natural lake in Imo State, South East Nigeria; within the equatorial rainforest region of Niger Delta. Oguta Lake's catchment area comprises the drainage area of the Njaba River and a part of the River Niger floodplain in the region south of Onitsha. The lake is situated in Oguta about thirty miles (48.27 km) from the junction of the Ndoni and Orashi River. It is a fine piece of water, being about five miles (8.05 km) long from east to west and a mile and half (2.41 km) wide. Njaba River is a major tributary of Oguta Lake. The other 3 tributaries are Awbana, Utu and Orashi. The Orashi River flows past Oguta Lake in its southwestern portion. Oguta lake is Nigeria's second largest lake. It is a popular tourist spot as the lake is a beautiful blue colour, and is neither salty nor home to crocodiles, making it ideal for swimming and water sports..

Imo State Tourism Board

Orlu Road Secretariat, PMB 1475, Owerri, Imo state, Nigeria

CORPORATE SOCIAL RESPONSIBILITY BY NUPRC IN AKWA IBOM STATE

The Nigeria Upstream Petroleum Regulatory Commission (NUPRC) organized a distribution event for relief materials for communities affected by the flood on the 10th of January 2023. The event was attended by the representative of the Executive Governor of Akwa Ibom state, Local Governments Chairmen, Paramount Rulers, traditional rulers of all the flood-impacted communities, and other government officials. The event was held in Eket, one of the communities affected by the flood.

Eket Field Office anchored the event and distributed the relief material to six (6) beneficiaries - Eket, Ibono, Eastern Obolo, Ikot Abasi, Nsit Ibom, and Mbo Local Government respectively. Items donated included bags

of rice, cartons of cooking oil, mattresses, and blankets.

The NUPRC expressed their appreciation to the members of the affected communities for their resilience and determination in the face of the challenges posed by the flood, with hopes that the gesture of support will inspire others in the State to help their neighbours in need in this new year and beyond.

In conclusion, the NUPRC emphasized the importance of coming together as a community to support one another and provide assistance to those in need. The distribution of these relief materials was part of the Commission's Corporate Social Responsibility (CSR) and was intended to provide some comfort and support to the affected communities.





2nd June, 2023

Engr. Gbenga Olu Komolafe, FNSE, CON
Commission Chief Executive
Nigerian Upstream Petroleum Regulatory Commission (NUPRC)
7 Sylvester Ugoh Street,
Jabi, Abuja.

Dear Sir,

CONGRATULATIONS

On behalf of the Board and Management of the Nigerian Economic Summit Group (NESG), we extend our sincere congratulations to you on your conferment of the National Honour of **'Commander of the Order of the Niger (CON)'** by His Excellency Muhammadu Buhari, GCFR. This remarkable recognition serves as a testament to your unwavering commitment and tireless efforts towards the development of Nigeria.

As you continue to advance in your career and dedication to serving our nation, please be assured that our thoughts and prayers are with you. We pledge our unwavering support as you strive to contribute to the betterment of our beloved country.

Yours faithfully,

'Laoye Jaiyeola
Chief Executive Officer
Nigerian Economic Summit Group

📍 **THE SUMMIT HOUSE**
6 Oba Elegushi Street,
Off Oba Adeyinka Oyekan Avenue,
Ikoyi, Lagos.
P.M.B 71347, Victoria Island, Lagos.

📍 **ABUJA LIAISON OFFICE:**
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Beside Reinsurance building
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Central Business District, Abuja

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9a, Oniru Road
Ikoyi Lagos

FOLA ADEOLA, mni; OFR

41 Suleiman Barau Crescent
Asokoro, Abuja

June 1, 2023

Engr. Gbenga Komolafe
Commission Chief Executive
Nigerian Upstream Petroleum Regulatory Commission
7, Sylvester Ugoh Crescent
Off Obafemi Awolowo Way
Jabi District, Abuja.

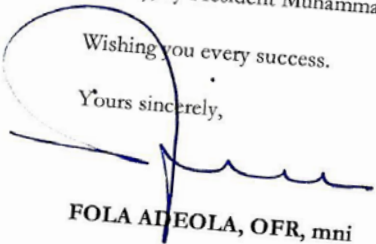
Dear Engr. Komolafe,

CONGRATULATIONS

Congratulations on your investiture as **Officer of the Order of the Federal Republic of Nigeria (OFR)**, by President Muhammadu Buhari. This is an honour well merited.

Wishing you every success.

Yours sincerely,



FOLA ADEOLA, OFR, mni



WOMEN IN ENERGY NETWORK
ESTABLISHED 2020

Congratulations

Engr. Gbenga Komolafe, on your National Honours Award
of **Order of the Federal Republic (OFR)**,
by His Excellency President Muhamadu Buhari



WOMEN IN ENERGY NETWORK

National Headquarter 7B, Ilu Drive, Ikoyi Lagos, Nigeria.

Email Address info@wienergynetwork.com

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www.postassurancebrokers.com



June 1, 2023

The Commission Chief Executive
Nigerian Upstream Petroleum Regulatory Commission (NUPRC)
No 7, Sylvester Ugoh Crescent
Jabi
Abuja.

Attention: Engr. Gbenga Komolafe OFR

Dear Sir,

CONGRATULATORY LETTER

We congratulate you on the laudable achievement in respect of the national honour's of **Officer of The Order of The Federal Republic (OFR)**, awarded to you by the President of the Federal Republic of Nigeria, General Muhammadu Buhari, GCFR.

You have worked hard to achieve this milestone, and completely deserve every accolade that is bestowed on you. We trust that this national honour's will spur you to work with remarkable dedication towards a greater height for our Country in the future.

We pray that God will grant you the required strength and wisdom to optimize this achievement, while we wish you continued success.

Yours truly,

Robert Ade-Odiachi, FCA, FNES
Chief Executive

NUPENG
NIGERIA UNION OF PETROLEUM & NATURAL GAS WORKERS

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13/05/23

The Commission Chief Executive (**Engr. Gbenga Komolafe**)
Nigerian Upstream Regulatory Commission
7, Sylvester Ugoh Crescent, Jabi
Abuja FCT

Sir,

**FELICITATION ON THE CONFERMENT OF PRESIDENTIAL AWARD OF THE
OFFICER OF THE FEDERAL REPUBLIC (OFR) ON YOU BY PRESIDENT
MUHAMMADU BUHARI (GCFR)**

We the entire NUPRC Branch of NUPENG sincerely felicitate with you on the auspicious occasion of the conferment of the award of Officer of the Federal Republic (OFR) on you by President Muhammadu Buhari (GCFR).

The conferment of this award on you indicates your astute strides in the management of the Commission and the Upstream regulation of the oil and gas industry.

We wish you long life and lofty heights.

Please accept the assurances of the Branch Chairman and the entire NUPRC Branch of NUPENG highest Regards.


Comrade Eiameta George Oghenero
Branch Chairman

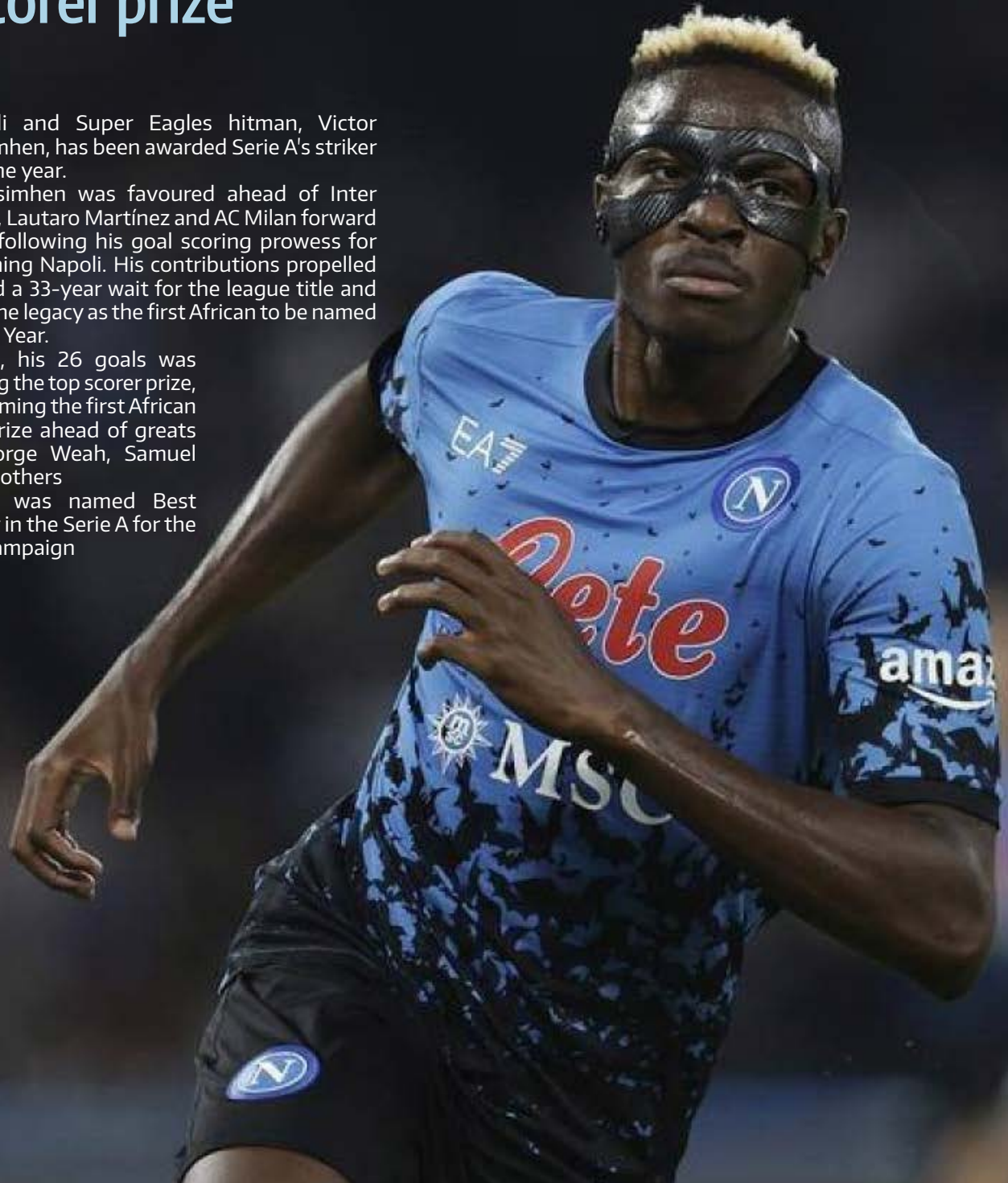
Osimhen bags best striker award, topscorer prize

Napoli and Super Eagles hitman, Victor Osimhen, has been awarded Serie A's striker of the year.

Osimhen was favoured ahead of Inter Milan, striker, Lautaro Martínez and AC Milan forward Rafael Leão following his goal scoring prowess for the title winning Napoli. His contributions propelled Napoli to end a 33-year wait for the league title and earned him the legacy as the first African to be named Striker of the Year.

Meanwhile, his 26 goals was enough to bag the top scorer prize, thereby becoming the first African to win the prize ahead of greats such as George Weah, Samuel Eto'o among others

Osimhen was named Best Young Player in the Serie A for the 2021-2022 campaign



GAZETAINMENT

- Adewale Osoneye -

Tiwa Savage delivers electrifying performance at King Charles III's coronation concert

Introduced as the Queen of Afrobeat, Tiwa Savage made history as the first Nigerian artiste to perform at the royal coronation. Organised by the BBC, over 20,000 people attended the Coronation concert with 18 million global views.

As the only Nigerian artiste to perform at the coronation concert of King Charles III and Queen Camilla at Windsor Castle in England, the Somebody Son crooner stunned the stage in a regal green dress designed by Lanre Da Silva.

Tiwa Savage thrilled the 20,000-audience with her beautiful voice as she rendered "Keys to the Kingdom," a song she recorded with Mr Eazi and featured on Beyoncé's album "The Lion King" released in July 2019.

Accompanied by an orchestra that included violinists, drummers, and backup singers, Tiwa Savage delivered an electric performance in Yoruba and English. The peak of her performance was the two 'Bata' (Talking drums) drummers who came to play beside her leaving the well-packed concert attendees screaming with joy.

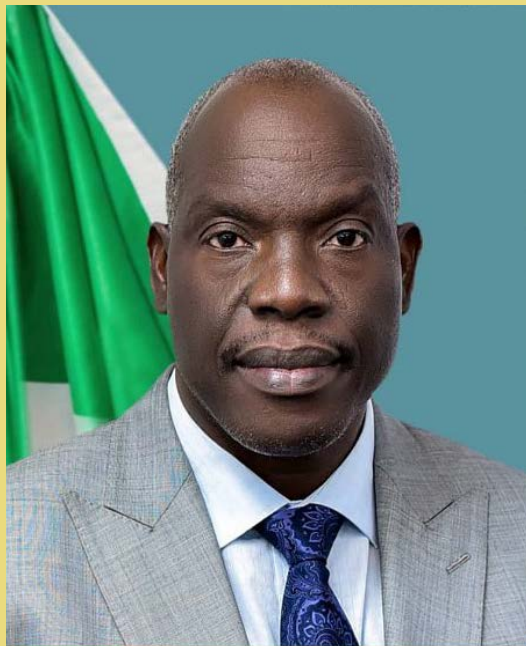
The inspirational song is a blend of the traditional Yoruba language and English that aims to motivate one to keep pushing through and defeat doubts.

The concert also featured performances from global music icons like Katy Perry, Lionel Richie, Take That, Freya Ridings, Alexis Ffrench, Andrea Bocelli, and Sir Bryn Terfel





Congratulations!



ENGR. GBENGA KOMOLAFE OFR, FNSE
COMMISSION CHIEF EXECUTIVE
NIGERIAN UPSTREAM PETROLEUM
REGULATORY COMMISSION (NUPRC)

To our CCE, Engr. Gbenga Komolafe OFR, FNSE, on
his conferment of
Order of the Federal Republic (OFR) by the
President of the Federal Republic of Nigeria



CRUDE OIL THEFT IS A CRIME

It robs the nation of its wealth

A NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION CAMPAIGN