

UPSTREAM GAZE

THE OFFICIAL MAGAZINE OF NIGERIAN UPSTREAM
PETROLEUM REGULATORY COMMISSION



SEPTEMBER 2025
VOL. 10

**50 OIL RIGS BY YEAR-
END: NUPRC'S BOLD PLAN
TO REVITALISE NIGERIA'S
PETROLEUM SECTOR**

**REGULATING FOR
RESULTS: THE NUPRC
MODEL OF TRANSPARENT
ENERGY GOVERNANCE**

**NIGERIA'S UPSTREAM
PETROLEUM
RENAISSANCE: A
TRIBUTE TO VISIONARY
LEADERSHIP AND
STRATEGIC REFORM**

**OIL BID ROUND: WHY
UNDERSTANDING
THE REGULATORY
FRAMEWORK MATTERS**

UNLOCKING \$2.5 BILLION: THE GAME CHANGING IMPACT OF NUPRC'S GAS FLARE COMMERCIALISATION PROGRAMME



**"NIGERIA MUST NOT ONLY BE OPEN FOR
BUSINESS; NIGERIA MUST BE IRRESISTIBLE
FOR INVESTMENT"**



**"NIGERIA'S INVESTMENT CLIMATE HAS BEEN
PROFOUNDLY RESHAPED THROUGH BOLD AND
INVESTOR-FOCUSED REFORMS"**



OUR VALUED STATEMENTS

VISION

Be Africa's Leading
Regulator

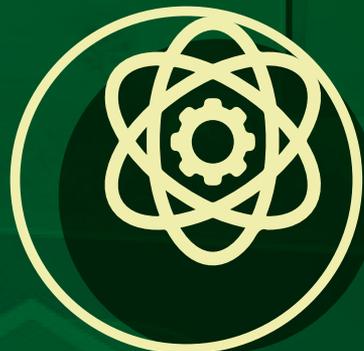


MISSION

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

VALUES

- Professionalism
- Responsiveness
- Ownership
- Integrity



NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION

No. 7, Sylvester Ugoh Crescent, Off Obafemi Awolowo way, Jabi District, Abuja.
Tel +234 (1) 2790000, 9037150 Email info@nuprc.gov.ng

CONTENTS

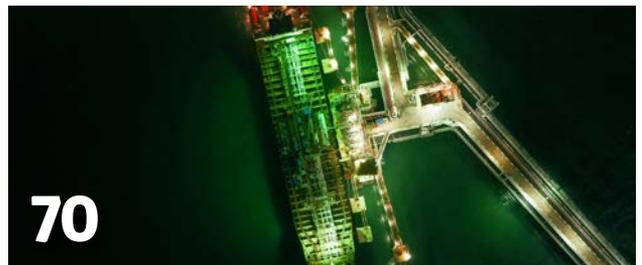
COVER STORY

16 **Unlocking \$2.5 Billion:** The Game Changing Impact of NUPRC's Gas Flare Commercialisation Programme



62

19 **50 Oil Rigs by Year-End:** NUPRC's Bold Plan To Revitalise Nigeria's Petroleum Sector



70

30 **Regulating For Results:** The NUPRC Model Of Transparent Energy Governance

50 **Oil Bid Round:** Why Understanding the Regulatory Framework Matters



80

56 **Nigeria's Upstream Petroleum Renaissance:** A Tribute to Visionary Leadership and Strategic Reform

58 **Advance Cargo Declaration:** A Strategic Turning Point For Nigeria's Oil Exports And Global Credibility



116

120

UPSTREAM GAZE is published by the office of the Commission Chief Executive, Nigerian Upstream Petroleum Regulatory Commission. All correspondences should be directed to the Editorial Board, UPSTREAM GAZE, Nigerian Upstream Petroleum Regulatory Commission - 7, Sylvester Ugoh Crescent, Jabi Abuja. Tel +234 1 279 0000, +234 903 7150 Email info@nuprc.gov.ng

UPSTREAM GAZE

PUBLISHER'S NOTE

Ten editions ago, Upstream Gaze began as a vision, to document the transformation of Nigeria's upstream petroleum sector. Today, it stands as a record of resilience, reform and results.

This 10th edition marks more than a publishing milestone; it reflects the bold strides taken under the Petroleum Industry Act (PIA) and the Renewed Hope Agenda of President Bola Ahmed Tinubu.

Over the past year, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has advanced transparency, efficiency and stakeholder inclusion. With seventeen new regulations gazetted and thirteen more near completion, we've reinforced legal clarity and operational consistency.

In 2024, our revenue exceeded targets by ₦555 billion, reaching 114.65% performance, a sign of improved compliance and trust. We ensured accountable production of over 552 million barrels through strict oversight and enforcement of the Technical Allowable Rate (TAR), reducing inefficiencies.

Beyond the numbers, our mission remains community empowerment. Through the Host Community Development Trust (HCDDT), engagement is now structured, inclusive and impact-driven. Transparency is now our standard. From open licensing to fiscal disclosures, we're restoring investor confidence and redefining Nigeria as a responsible energy steward.

This edition captures more than metrics, it reflects the people and progress behind every reform. As we celebrate this milestone, we remain focused on building a more inclusive and empowered future for Nigeria's upstream industry.

Together, we are writing the next chapter.

Happy reading!



Engr. Gbenga Komolafe, OFR, FNSE



UPSTREAM GAZE TEAM

Publisher

Engr. Gbenga Komolafe

Editorial Advisory Board

Dr. Kelechi O. Ofoegbu - Chairman

Capt. John Tonlagha

Jide Fasina

Ejiro Ufondu

Edu Inyang

Afeez Balogun

Anyawu Ignatius

Editor In Chief

Eniola Akinkuotu

Legal Adviser

Austin Okwah

Editorial - Public Affairs

Anna Mustapha

Phillip Ukpe

Anthony Ukpo

IT

Osagie Imasuen

Distribution

Ishaq Abdulhameed Muhammad

Media Consultants

Akpandem James

Lekan Fatodu

Concept and Production

Checkout Communications Ltd

+2347038436251

www.checkoutcomms.com

Setting Standards

NUPRC ensures sustainable development of Nigeria's Upstream Petroleum Resources through effective regulatory practices, while entrenching world-class professionalism, accountability, and transparency.

We guarantee international best practices in regulating the Upstream Oil and Gas Sector in Nigeria.



NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION

No. 7, Sylvester Ugoh Crescent, Off Obafemi Awolowo way, Jabi District, Abuja.

Tel +234 (1) 2790000, 9037150 Email info@nuprc.gov.ng

Delivering the Best Insurance and Risk Management Solutions

We are integrated insurance professionals, providing cutting-edge insurance services and consultancy for corporate organisations and government at different levels that values excellence.

The company was founded out of a desire to be the best insurance services provider in Nigeria and across the globe. Professionalism, relationship management and excellent service delivery stand us out.



RISK MANAGEMENT ■ INTEGRATED INSURANCE CONSULTANTS



POST ASSURANCE BROKERS

Corporate Head Office 47, Raymond Njoku Street, Off Awolowo Road, Ikoyi, Lagos, Nigeria.
Tel: +234 291 8531
Email: info@postassurancebrokers.com

Abuja Office Sterling Tower, Plot 1083 Muhamadu Buhari Way Central Business District, Abuja.
Mobile No: +234 802 340 8418

London Office 70, White Lion Street, Angel London N1 9PP, United Kingdom.
Tel: +44 204 549 2126, +44 204 549 2246

www.postassurancebrokers.com

THE
big
picture



■ Oil rig and the tanker ship on Nigeria's high sea



"With Renewed Hope, we embark on a journey of transformation, where every step forward is a testament to our collective strength and unyielding spirit."



FEDERAL REPUBLIC OF NIGERIA

ACCELERATING ENERGY PROGRESS THROUGH INVESTMENT: THE ROAD AHEAD

KEYNOTE ADDRESS BY **SEN. HEINEKEN LOKPOBIRI PH. D**
THE HONOURABLE MINISTER OF STATE FOR PETROLEUM RESOURCES (OIL)
AT THE NIGERIAN OIL AND GAS CONFERENCE 2025



It is both an honour and a privilege to welcome you all to this year's Nigerian Oil and Gas Conference 2025.

Every year, the NOG week gives us a mirror, a chance to reflect on where we are, a compass to define where we want to go and a map to strategise how to get there. This year, with the theme **“Accelerating Energy Progress Through Investment, Global Partnerships and Innovation,”** we are compelled to do more than just talk. We are compelled to act boldly and collaboratively.

In my usual style, I would not like to bore you, so let me go straight to the message I have for you today.

ACCELERATING PROGRESS – THE ROAD AHEAD

In our ongoing drive to boost national oil production, the Federal Government remains resolute in ensuring that maximum value is derived from upstream assets currently held by operators. This objective has taken on greater urgency as global financing for oil and gas projects continues to tighten, making it increasingly difficult for all operators to secure the capital needed to develop these assets.

It is no longer acceptable for critical national resources to remain in the hands of companies that lack the technical or financial capacity to optimise them or worse, those who use such licenses merely as a lever to access scarce capital, only to divert it to unrelated ventures. Our oil and gas

industry has witnessed far too many cautionary tales of this nature and we must now draw a clear line.

Let's be clear: Joint Ventures and Financial/Technical Services Agreements (FTSAs) are not weapons to hold the sector hostage. They are frameworks built on trust that you will act in the nation's best interest. If you cannot, it's time to step aside or step up through partnership.

In this regard, the Federal Government is prepared to re-evaluate existing partnerships in the oil and gas sector in order to ensure that they align with our strategic national objectives for resource development and economic value creation. The mandate from His Excellency, President Bola Ahmed Tinubu, to the new NNPC Ltd Board to review all existing operatorship arrangements is not just an administrative exercise it is a clear signal. Operators must wake up to the responsibility they hold. The era of dormant fields and underperforming assets must give way to action. Unlock dormant and untapped assets. Re-enter shut-in wells. Convert dormant licenses into measurable output.

It is worth noting, as a matter of strategic concern, that one company's production volumes before the enactment of the Petroleum Industry Act (PIA) were higher than what we are all currently delivering today even with the full benefit of the incentives and business-friendly policies embedded not just in the PIA but

even with the presidential directives. So, this cannot be a Governance problem. I want to put it to you, the operators, what happened? How did we get here? And more importantly, what are we going to do differently?

Distinguished ladies and gentlemen, we must confront a reality that cannot be ignored. Last year, we stood here and spoke passionately about increasing production. Yet today, we find ourselves asking: what has truly changed? What tangible difference has been made?

The Federal Government has implemented far-reaching reforms, executive orders, fiscal incentives, streamlined regulatory processes to make the work of operators easier and investment more attractive. But the question remains: where is the output?

We cannot continue this way. If we are serious about ramping up production and reclaiming Nigeria's rightful place among leading oil producers, then every operator must show cause - by performance, not promises.

We are not just chasing barrels. We are building an economy. One that reflects the aspirations of Nigerians, the commitment of this administration and the immense potential of our resources.

The government has done a lot and is willing to do more, but the results must now speak for themselves. The responsibility is collective, but the obligation to deliver rests first with those holding the assets.

A WORD TO EPC COMPANIES

We acknowledge that, in the past, the Local Content Act was sometimes misapplied. However, with the advent of President Bola Ahmed Tinubu, we are returning to the true tenets of the Act one that allows companies, both large and small, to coexist and operate side-by-side. The era of briefcase contractors winning jobs only to sublet them to technically capable firms is coming to an end.

So don't just exhibit make plans to return and reinvest in Nigeria.

THE POWER OF PARTNERSHIPS

We cannot make progress in isolation. The world is too interconnected and the energy value chain is too integrated.

We therefore see global partnerships as a central pillar in our national energy strategy. Whether in joint ventures, technology alliances, financing consortia or regional trade blocs, we welcome partners who understand the Nigerian context and are committed to mutual value creation.



We are also deepening our cooperation with international bodies including APPO, IEC and OPEC because we believe that Nigeria's growth must catalyse Africa's prosperity. We will continue to play a leading role in shaping Africa's position in global energy diplomacy.

AFRICAN ENERGY BANK

I cannot conclude this address without speaking about the African Energy Bank. We are firmly on course and steadily approaching our official launch. As with any institution of this magnitude, it is critical that we take the time to cross our T's and dot our I's.

Advertisements for the position of Bank President have been published and the application window has closed.

Nigeria, as host country, has fulfilled all its legal and ancillary

obligations. I am also aware that APPO and indeed Afreximbank, the co-originator of this visionary Initiative is working assiduously to convene not only the first shareholders' meeting, which will signal the formal commencement of the Bank, but also to get its operations fully underway.

Africa is not asleep. We are determined to take our place in the global energy financing space not only to ensure that our resources yield maximum benefit for our people, but also to serve as a catalyst for energy security. We will not let you down.

CONCLUSION

Distinguished ladies and gentlemen,

As I formally declare the 2025 edition of the Nigerian Oil and Gas week open, let me remind us all: this is not just a conference. It is a call to action. A call to move from rhetoric to results.

We have the resources. We have the talent. And now, we are building the right environment.

Let us move forward with renewed confidence, clear strategy and an unwavering commitment to national development. Let us accelerate progress not for ourselves alone, but for the millions of Nigerians whose lives depend on the value we create in this industry.

I look forward to the rich conversations, partnerships and solutions that will emerge from this gathering. May they lead to action that outlives this room and shapes the future of our great nation.

Thank you, and God bless the Federal Republic of Nigeria. ■

ACCELERATING ENERGY PROGRESS THROUGH INVESTMENT: CATALYSTS THAT UNDERPIN PROGRESS

MINISTERIAL ADDRESS BY THE HMSPR (GAS)
RT. HON. DR. EKPERIKPE EKPO
AT THE 24TH EDITION OF THE NOG WEEK 2025



It is my honour and pleasure to address this distinguished gathering at the 24th edition of the NOG Energy Week, one of Nigeria's important platforms for convening leaders across the oil, gas, power and renewables value chain.

Permit me to begin by commending the organisers for their unwavering commitment to sustaining this important dialogue over the years. This platform has

grown into a dynamic space where ideas converge, investments are catalysed and partnerships are born. Indeed, it exemplifies the very spirit of this year's theme: **"Accelerating Energy Progress through Investment, Global Partnerships and Innovation."**

As the Minister of State for Petroleum Resources (Gas), I am deeply aware of the pivotal role natural gas must play in Nigeria's journey toward economic transformation,



industrialisation, and net-zero ambition. Our Decade of Gas Initiative is not just a slogan, it is a national development strategy backed by policy reforms, infrastructure expansion and strategic collaborations.

Today, Nigeria boasts one of the largest proven gas reserves in the world with over 200 trillion cubic feet of proven natural gas reserves, yet we recognise that value is only created when resources are developed and utilised.

Through the Decade of Gas Initiative, we are focused on translating our vast gas wealth into tangible socio-economic benefits. This includes driving industrialisation, expanding power generation, increasing domestic LPG usage, deepening gas-to-transport adoption and growing gas export capacity.

Distinguished ladies and gentlemen, in line with this year's theme, allow me to reflect briefly on the three fundamental catalysts that must underpin our progress:

A. INVESTMENT:

- The full implementation of the Petroleum Industry Act (PIA) has improved regulatory clarity and investor confidence, offering a single, transparent legal framework that investors can rely on. The Act also introduces a revised fiscal framework that is more competitive globally, especially in the gas and deepwater sectors.

- We have made considerable progress in addressing legacy debts to gas producers and ensuring commercial frameworks for key infrastructure are viable.
- The activation of the Midstream and Downstream Gas Infrastructure Fund (MDGIF) now provides a dedicated vehicle for capital mobilisation. From modular gas plants to pipeline expansion and virtual gas networks, we are aligning investment incentives with project execution.

B. GLOBAL AND REGIONAL PARTNERSHIPS:

- Energy development cannot and must not be pursued in isolation. Nigeria remains committed to strategic partnerships; bilateral, multilateral and regional that deepen cooperation, expand market access and enhance energy security across the continent.
- In this regard, I am pleased to share that the Ajaokuta–Kaduna–Kano (AKK) Gas Pipeline has achieved a significant milestone, marking a major leap in our drive to industrialise Northern Nigeria and strengthen internal gas distribution. We are equally optimistic that the OB3 Gas Pipeline and River Niger crossing will reach similar progress shortly, as we work to fully interconnect our national gas grid.



- Regionally, our pipeline diplomacy is bearing fruit. We are committed to the long-standing West African Gas Pipeline (WAGP), which continues to deliver gas from Nigeria to our West African neighbours. Furthermore, the Trans-Atlantic Gas Pipeline, also known as the Nigeria–Morocco Gas Pipeline (NMGP), spanning over 5,000 kilometres and linking over a dozen countries, is advancing steadily. This transformative project will enhance regional integration, boost gas accessibility and ultimately connect to the European market.
- In addition, we are progressing on the Nigeria–Equatorial Guinea Gas Pipeline, a strategic collaboration that will provide access to Equatorial Guinea’s gas processing and export facilities. This project exemplifies our commitment to regional energy interconnectivity and monetisation of stranded gas assets.
- Furthermore, the Trans-Saharan Gas Pipeline (TSGP) remains an important part of our long-term regional strategy and will benefit from continued alignment between Nigeria, Niger and Algeria.

C. INNOVATION:

- We are prioritising innovation across every segment of the gas value chain. From digitising metering and deploying AI for surveillance, to piloting smart

gas distribution, piloting CNG-fueled mass transit systems and promoting carbon capture solutions, Nigeria is actively adopting 21st-century technologies to future-proof its gas sector.

- Just as important is indigenous innovation. With the support of the Nigerian Content Development and Monitoring Board (NCDMB), we are strengthening local manufacturing, engineering and R and D capacity, ensuring that Nigerian companies are not just participants but leaders in our energy ecosystem.

While we pursue growth, we must also ensure sustainability. The world is transitioning but the pace, structure and timing of that transition must be context-specific. Nigeria’s transition must be just, equitable and inclusive. It must account for our developmental needs, energy poverty and economic aspirations.

That is why gas remains our transition fuel of choice. It is cleaner than liquid fuels, abundant in Nigeria and adaptable for power generation, industrial use and transportation. It enables both decarbonisation and development.

Excellencies, distinguished ladies and gentlemen, as we gather over the next few days to engage in panels and forge partnerships, let us remain anchored on a shared vision:

- A Nigeria where every home has clean cooking fuel;
- A Nigeria where gas powers industries and illuminates communities;
- A Nigeria that is an energy hub, not only for West Africa, but for the world.
- We must transit from Gas to Prosperity

To achieve this, we must move beyond policy documents to project execution. We must translate frameworks into infrastructure. And most importantly, we must sustain the trust of investors, communities and citizens.

In closing, I thank His Excellency, President Bola Ahmed Tinubu, GCFR, for his visionary leadership and unwavering support for the gas sector. I also commend all stakeholders, public and private, for your continued commitment to building a resilient, inclusive and innovative energy sector.

Let us seize this moment, harness our collective strengths and accelerate Nigeria’s energy progress for the benefit of generations to come.

Thank you, and I wish us all a productive and impactful NOG Energy Week.

God bless the Federal Republic of Nigeria. ■

INVESTMENT AND PRODUCTIVITY: A NATIONAL PRIORITY

MINISTERIAL SPEECH AT NOGOF
HIS EXCELLENCY, SENATOR HEINEKEN LOKPOBIRI
Honourable Minister of State Petroleum Resources (Oil)



Esteemed industry leaders, captains of industry, representatives of IOCs, NOCs, indigenous operators, valued investors, innovators, service providers, development partners, distinguished ladies and gentlemen, good morning.

It is a privilege to stand before you today at the 2025 Nigerian Oil and Gas Opportunity Fair, a platform that not only showcases investment prospects but also celebrates what is possible when opportunity meets strategy and when commitment meets capacity.

The theme of this year's event – **“Driving Investment and Production Growth: Shaping a Sustainable Oil and Gas Industry Through Indigenous Capacity Development”** is not only apt, it is timely. It speaks to the very soul of what must now define our industry: Resilience, Relevance and Responsibility.

INVESTMENT AND PRODUCTION: A NATIONAL PRIORITY

We are all aware that Nigeria is at a critical juncture in her oil and gas journey. It is not news that our reserves are vast, our potential remains unmatched on the continent, yet our production figures tell a story that calls for intentional recalibration.

As the Minister of State for Petroleum Resources (Oil), you all

know that I am committed to an agenda that restores investor confidence, enhances transparency and removes bottlenecks to exploration, production and project execution. I don't just have this commitment, many of you in this room have experienced it. We must return to full throttle not just in rhetoric, but in results.

This is why, under the leadership of President Bola Ahmed Tinubu, GCFR, we have strengthened inter-agency coordination, accelerated regulatory alignment and prioritised the removal of barriers that have historically discouraged investment. Some of the investments that have come in and the renewed vigour in the industry, are proof of this commitment.

We are making the environment more attractive from acreage awards to project financing models, from contract sanctity to cost efficiency. We are saying clearly: Nigeria is open for business and we are ready to grow with our investors.

Let me also add that our target is to ramp up crude oil production to at least 2 million barrels per day within the next 12 to 18 months, with a clear roadmap toward reducing unit technical costs and incentivising timely development of discovered assets. Investment is not just welcomed, it is essential and we are taking decisive steps to make it rewarding.

THE POWER OF INDIGENOUS CAPACITY

But let me be clear: sustainable growth will not come from foreign capital alone. It will come when we couple investment with indigenous capacity. It will come when Nigerians not only own the assets but also have the capacity to design, develop, execute, maintain and even export those capabilities. Local content is not just a compliance requirement, it is a strategic imperative. It is how we retain value. It is how we create jobs. It is how we industrialise. It is how we build the next generation of oil and gas champions, engineers, geologists, rig operators, manufacturers, financiers and innovators. Today, we can proudly point to FPSO integration yards, modular refineries, fabrication hubs, pipe mills, training centers and a growing network of indigenous players who are no longer just spectators but strategic participants in upstream, midstream and downstream value chains. But we must go further. We must embed local content not only in policy but in practice. We must ask tough questions: Are we giving our Nigerian companies a real chance to compete? Are we transferring skills with real depth? Are we building institutions that outlive projects? Are we discouraging briefcase EPCs, which are responsible for some of the high costs we experience in this industry? Are we giving indigenous manufacturers a chance to play in the industry such that it has a multiplier effect not just keeping funds in-country, but creating job opportunities in line with the Federal Government's Renewed Hope Agenda?

OPPORTUNITIES AHEAD

That is why I am excited about the purpose of this fair.

And so, let us make sure that it is not just a talk shop that we come to once a year. Let it be a marketplace of opportunities. From processing plants to deepwater developments, from pipeline infrastructure to service contracts, this fair should be about what's coming next and how we can strategically position Nigerian firms to benefit.

Let me also emphasise our renewed focus on upstream revival is not at the exclusion of sustainability. We understand the urgency of climate adaptation and the global energy transition. But we also recognise that for Nigeria, oil and gas remain central to energy security, economic stability and national development.

So our path is not abandonment, it is balance. It is about using our hydrocarbon wealth wisely, responsibly and with a clear eye on value addition, decarbonisation, and technological innovation.

To every operator here today international or indigenous, I urge you to see this moment for what it is: a time to collaborate, to invest and to build.

To our young entrepreneurs, service providers and startups: your time is now. The future of this industry will be driven by those who can innovate, adapt and localise solutions. To the manufacturers and other stakeholders on display at this fair, make sure that your products and services are up to globally accepted standards. That is the only way our advocacy for you will be worth the while. Only recently, the Federal Executive Council approved a procurement policy that prioritises "Nigeria First." And we at the NCDMB have long been champions of this cause. I have said we will minimise waivers for goods and services that are available in-country. I still stand by that. However, that can only succeed when you, as producers and manufacturers, play by the rules and deliver goods and services that can compete anywhere in the world.

THE AFRICAN ENERGY BANK

I will not end this address without speaking about something dear to my heart, the African Energy Bank. We are at the launch phase of this bank and I want to invite you all to be players and not spectators as this important institution hits the ground running.

CONCLUSION

As I look around this hall today, I do not just see a room full of oil and gas professionals. I see nation builders. I see the people who will shape the next decade of Nigeria's energy destiny. Let us work together; government, private sector and communities to make this a decade of progress, prosperity and partnership.

Let us drive investment. Let us grow production. Let us build capacity. And let us do so sustainably, boldly and together.

Thank you and I wish us all a productive and opportunity-rich fair. ■



UNLOCKING \$2.5 BILLION: THE GAME-CHANGING IMPACT OF NUPRC'S GAS FLARE COMMERCIALISATION PROGRAMME

- Lekan Fatodu -

A decisive moment has arrived in Nigeria's journey to intensify efforts to align its petroleum sector with global sustainability imperatives. As the nation races toward its environmental and economic goals, unlocking the potential of flared gas presents both a moral and financial turning point. At the centre of this transformation stands the Nigeria Gas Flare Commercialisation Programme (NGFCP), a project poised to inject a remarkable \$2.5 billion into Nigeria's oil and gas economy.

Nigeria's resolve to intensify the deployment of the NGFCP comes at a critical time. Flaring of associated gas remains a persistent challenge in the country. This practice undermines efforts to address climate change and continues to waste a vital energy resource. From a financial standpoint as well, the losses are significant—losses that a resource-dependent economy like Nigeria can no longer afford to overlook.

In the first quarter of 2025, the country lost 9,900 GWh of power potential, equivalent to 98.8 million mmscf flared, causing an estimated loss of \$346 million and emitting 1.6 million tonnes of CO₂. While Nigeria continues to make deliberate efforts in improving its ranking among the top flaring countries responsible for 75 percent of global flared gas, this scale of waste highlights the urgency.

The NGFCP, thankfully, holds exacting relevance in this context. Launched under the Petroleum Industry Act of 2021 to transform gas flaring into structured investment, revenue generation and job creation, the programme offers a transparent and competitive platform for flare gas commercialisation. Since late 2023, at least 139 firms have been shortlisted to develop flare site projects in partnership with host communities. These projects are being structured through regular stakeholder engagements that bring together technical partners, local communities and financiers.

The scale of expected investment is unprecedented.

At the 2025 Nigeria International

Energy Summit, Engr. Gbenga Komolafe, CEO of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), unveiled the full economic promise of NGFCP. He revealed that the next phase of the programme will attract approximately \$2.5 billion in direct investment, generate revenue and create a significant number of jobs. He added that while the programme seeks to drive improvements in methane emission reduction and carbon credit generation, it will also continue to promote carbon capture and storage, while further strengthening community development frameworks.

This anticipated investment, in truth, should not be viewed solely through the prism of financial gain. For one, it will reinforce Nigeria's standing international commitments. The country's pledge to end routine gas flaring by 2030 under the Paris Agreement and the Global Gas Flaring Reduction Partnership remains a central climate priority. The NGFCP aligns with these climate targets and further supports the ongoing deployment of domestic utilisation infrastructure, from gas-to-power plants to compressed natural gas (CNG) distribution networks, which are key components of Nigeria's energy transition strategy.

By converting flared gas into usable energy, the country stands to reduce greenhouse gas emissions by millions of tonnes annually, while supplying clean, low-carbon energy to industries and households. Indeed, domestic use of flare-derived gas through mini power plants, CNG systems and floating LNG projects is gaining momentum. For instance, a new floating LNG facility by UTM Offshore, planned for early 2029, will harness flared gas off the Niger Delta, with \$2.1 billion in initial financing and a total projected investment of \$5 billion.

Also central to the programme's promises is its potential for extensive community impact. It is undeniable that the health rationale for ending flaring

is compelling. Gas flares release benzene, nitrogen oxides, heavy metals and black carbon known to cause respiratory illness and various health risks. For decades, communities in the Niger Delta have borne these health and environmental burdens, while Nigeria loses revenue annually due to environmental damage in that region.

So far, under the Petroleum Industry Act, about 154 Host Community Development Trusts have been established, receiving significant funding for local development. Structured benefit-sharing is intended to ensure gas flare monetisation yields tangible improvements in livelihoods, infrastructure and social cohesion. These trusts are particularly critical to ensuring that flare monetisation delivers tangible benefits such as schools, clinics and clean energy to host regions.

Perhaps more exciting is the technological readiness that underpins the importance of NGFCP. Flare gas recovery systems are growing worldwide. The global market, already valued at \$1.3 billion in 2025, with a projected increase to \$2.2 billion by 2035, signals rapid expansion of compressor-based and skid-mounted systems that deliver sub two year ROI. In Nigeria, adoption of such advanced equipment can further unlock efficient utilisation of flare gas, integrate carbon credits and catalyse public and private sector development.

It is critical to acknowledge that the expected investment also aligns with Nigeria's ambitious target of achieving one million barrels per day growth in oil output by



THE NGFCP ALIGNS WITH THESE CLIMATE TARGETS AND FURTHER SUPPORTS THE ONGOING DEPLOYMENT OF DOMESTIC UTILISATION INFRASTRUCTURE, FROM GAS-TO-POWER PLANTS TO COMPRESSED NATURAL GAS (CNG) DISTRIBUTION NETWORKS, WHICH ARE KEY COMPONENTS OF NIGERIA'S ENERGY TRANSITION STRATEGY

December 2026 under Project 1 MMBOPD. As production scales, flare monetisation must scale as well, or the country risks environmental setbacks and regulatory pressure.

The anticipated \$2.5 billion is therefore a proving ground for Nigeria's capacity to mobilise private capital in the energy sector. It promises to catalyse related

template for other developing energy economies facing the same challenge of wasted resources and emissions.

Ultimately, unlocking \$2.5 billion via NGFCP carries meaningful implications for Nigeria's future. It commits the country to energy productivity and sustainability, raises expectations around regulatory effectiveness and lays a foundation for long-run industrial growth.



SO FAR, UNDER THE PETROLEUM INDUSTRY ACT, ABOUT 154 HOST COMMUNITY DEVELOPMENT TRUSTS HAVE BEEN ESTABLISHED, RECEIVING SIGNIFICANT FUNDING FOR LOCAL DEVELOPMENT

infrastructure investments, from pipelines to processing plants, while creating demand for engineering and construction services. If fully realised, NGFCP could generate hundreds of millions of dollars in new revenues for both federal and state governments.

Regardless of the challenges ahead, one thing remains certain: institutional reforms remain central to the NGFCP's integrity. Over the past three years, leadership at NUPRC has reinforced the programme's credibility. Since the Petroleum Industry Act came into effect, the NUPRC has adopted a ten-year regulatory strategy and a wide-ranging action plan. Through NGFCP, regulatory stability is reinforced by transparent bidding, strict monitoring and a platform for emerging technologies in upstream operations.

As Nigeria advances its licensing rounds and deep-water exploration plans, NGFCP stands as both a financial engine and a policy exemplar. It signals that responsible, private sector-led solutions are possible when regulatory clarity meets strategic national purpose. The programme's success could become a



With NUPRC's leadership and institutional reforms, the programme demonstrates its readiness to mobilise capital, protect communities and reduce environmental harm.

Nigeria has long sought to balance hydrocarbon wealth with environmental responsibility. The NGFCP provides one of the most concrete paths yet toward that convergence. It stands as both a signal of intent and a test of execution. If it delivers on its promise, it will reshape Nigeria's oil and gas footprint, turning waste into wealth and aligning profit with public purpose. ■



50 OIL RIGS BY YEAR-END: NUPRC'S BOLD PLAN TO REVITALISE NIGERIA'S PETROLEUM SECTOR

- Nze David Ugorji -

The number of active oil rigs in a country goes beyond technical metric. It is a barometer of economic ambition, investor confidence and operational capacity. For Nigeria, where oil still forms the backbone of national revenue and foreign exchange, the current rig count has fallen short of potential. As of early 2025, Nigeria operates about 39 active rigs.

While this marks progress from the pandemic slump

that saw activity dip below 10 rigs in 2021, the figure remains far behind peer oil-producing nations.

Take the United States, for instance. The country maintains over 400 oil rigs and produces roughly 13 million barrels of oil per day. Canada, with close to 100 rigs, is experiencing one of its most productive years in the last decade. These countries have not just invested in rig quantity but have also modernised operations using automation, artificial intelligence-driven drilling

and remote monitoring systems. They are extracting more oil from fewer wells with higher efficiency.

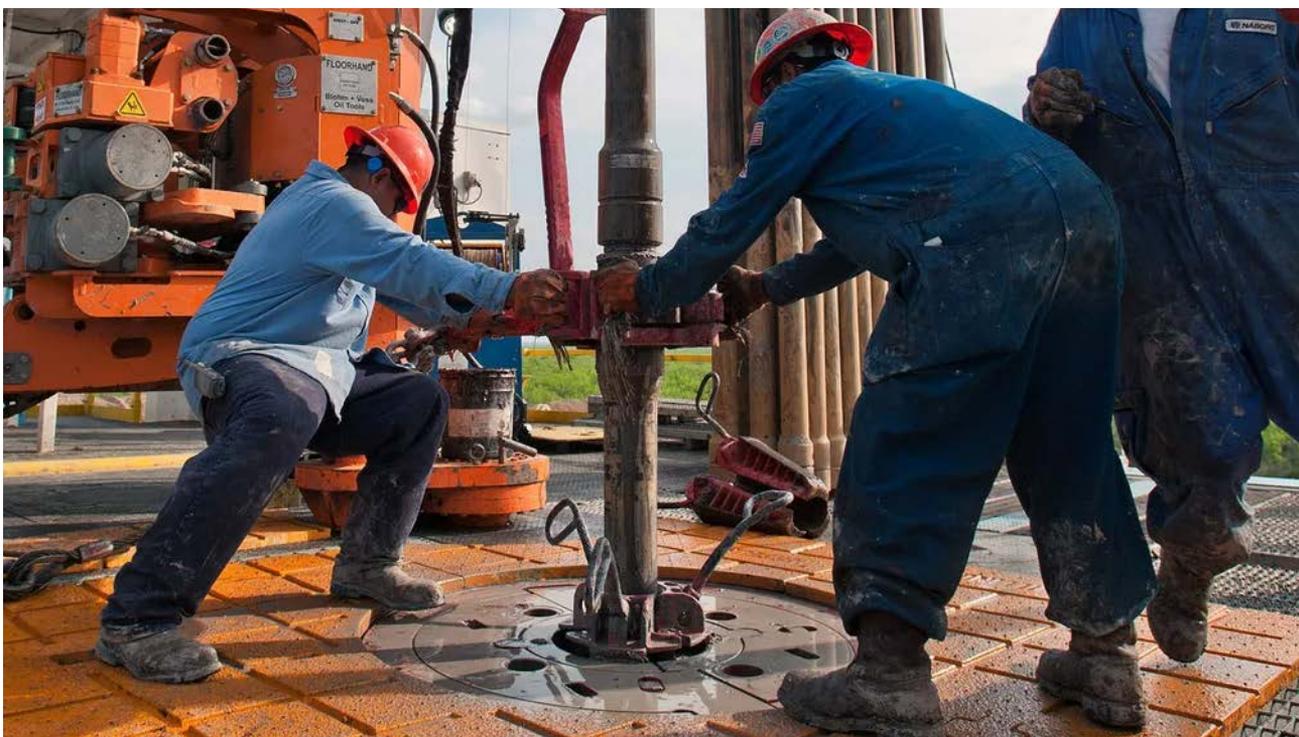
Nigeria, despite holding one of the largest proven oil reserves in Africa, lags significantly in output. Crude oil production averaged around 1.52 million barrels per day (bpd) in the first quarter of 2025, falling short of the national budget benchmark of 2.06 million bpd. This shortfall has serious implications, from missed fiscal targets and reduced foreign reserves to constrained funding for public services. It is widely acknowledged that Nigeria's lower rig count and operational inefficiencies are key factors behind the sluggish and uneven pace of production growth.



NOT RELENTING ON THE MILESTONES ACHIEVED SO FAR, THE COMMISSION HAS YET AGAIN SET ITS SIGHT ON ITS OIL SECTOR TRANSFORMATION AGENDA, ROLLING OUT A BOLD PLAN: RAISE NIGERIA'S RIG COUNT TO 50 BY THE END OF 2025

three years. Not relenting on the milestones achieved so far, the Commission has yet again set its sight on its oil sector transformation agenda, rolling out a bold plan: raise Nigeria's rig count to 50 by the end of 2025. From all indications, this is not an arbitrary target for the upstream regulatory authority. It is a deliberate strategy to match upstream capacity with national revenue goals, job creation ambitions and long-term energy security.

At the recently concluded 2025 Nigeria Oil and Gas Outlook Conference, NUPRC Chief, Engr. Gbenga Komolafe reaffirmed this goal, citing improving investor sentiment and policy clarity as key



Historically, Nigeria's rig count has fluctuated due to underinvestment, pipeline vandalism, regulatory uncertainties and crude theft. The 2021 Petroleum Industry Act (PIA) was intended to address many of these bottlenecks. However, implementation challenges persisted, slowing investor confidence. Now, a more coordinated push under a strengthened regulatory framework appears to be changing the tide.

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has consistently been at the forefront of implementing the PIA over the past

enablers. The Commission's 10-year regulatory strategy, combined with fiscal incentives introduced under the PIA, has remarkably contributed to growing investor interest. Transparent licensing processes, enhanced community relations mechanisms and a unified regulatory structure have also helped attract new capital.

There are visible signs that this strategy is working. Since mid-2023, Nigeria has awarded several production sharing contracts and revived exploration interest in both onshore and deepwater blocks. Major operators like ExxonMobil and TotalEnergies are committing fresh

capital to new drilling campaigns. ExxonMobil, in particular, is investing \$1.5 billion to boost operations in its Usan and Owowo fields. These developments are now expected to translate into active rigs on the ground within months.

It is critical to note that rig count expansion alone is not enough, however. The rigs must be deployed in productive basins with supporting infrastructure and secure environments. This is why NUPRC is pairing the increase in rig numbers with other critical reforms, including streamlined well approvals, improved security collaborations in the Niger Delta and incentives for enhanced oil recovery technologies. Additionally, the Commission is fast-tracking the reactivation of shut-in wells, which could quickly bring thousands of barrels back online.

The potential impact of this integrated approach is immense. More rigs, for instance, mean more economic activity. A single active rig operation can generate employment for hundreds of direct and indirect workers, ranging from drillers and safety officers to caterers and logistics personnel. Scaling this impact across 11 additional rigs could translate into more substantial injection into local job markets. At a macroeconomic scale, even incremental gains in daily production can translate into billions in annual government revenue, reinforcing budgetary stability and external reserves amid volatile global markets.

Beyond labour market and fiscal gains, the rig expansion plan supports Nigeria's goal of attracting Foreign Direct Investment (FDI). Oil companies and investors look for stable regulatory environments and growth potential. The 50-rig target, combined with institutional reforms, sends a clear signal that Nigeria is serious about reinvigorating its upstream sector.

NUPRC's rig expansion strategy also aligns with broader national priorities such as the Decade of Gas initiative and the push toward energy transition. Increased crude and gas production will bolster feedstock for refineries, gas-to-power projects, and even potential LNG exports. These interdependencies mean that rig deployment is not just an upstream affair, but critical to industrial growth, power sector reliability and regional trade competitiveness.

Another exciting dimension of the plan is the central role of technological advancement.

Already, NUPRC's Energy Sustainability and Carbon Management Division is encouraging operators to integrate smart rig solutions including real-time emissions monitoring and digital twin technologies. These tools not only improve safety and efficiency but also appeal to international investors demanding low-carbon operations.

This is just as community engagement promises to remain at the center of the

Commission's expansion focus. Under the Petroleum Industry Act, at least 154 Host Community Development Trusts have been established, receiving dedicated funding that have translated into development of community infrastructure, education, healthcare and clean energy initiatives. As rig operations expand, these Trusts are positioned to scale their impact, ensuring that local populations share directly in the sector's growth.

Nevertheless, challenges persist. Nigeria's aging pipeline infrastructure, limited gas evacuation capacity and insecurity in certain regions could slow progress. Financing is another critical area. To reach 50 rigs, consistent access to capital for both international and indigenous operators is essential. Addressing these requires ongoing collaboration between the government, financial institutions and technical partners.

Still, the roadmap is clear. NUPRC continues to



A SINGLE ACTIVE RIG OPERATION CAN GENERATE EMPLOYMENT FOR HUNDREDS OF DIRECT AND INDIRECT WORKERS, RANGING FROM DRILLERS AND SAFETY OFFICERS TO CATERERS AND LOGISTICS PERSONNEL

outline detailed implementation timelines, intensify engagement with operators and create a monitoring and evaluation framework to track progress. The Commission's leadership has consistently intimated that the expansion plan is not a vision for the distant future, but a practical, measurable and actionable commitment that begins now.

Reaching 50 active rigs would mark a significant shift in Nigeria's oil sector revitalisation journey. It would reflect a concrete shift from policy ambition to visible progress, positioning the country as a dependable and competitive oil producer in global markets. For an economy that still draws heavily from hydrocarbon revenues while seeking to diversify and reduce emissions, this rig deployment strategy could become one of the most impactful energy interventions of the decade.

The coming months will be decisive. NUPRC's detailed roadmap, supported by focused leadership, stronger investor confidence and grounded in host community inclusion, is primed for implementation. If fully executed, the plan has the potential to redefine Nigeria's oil industry narrative, turning long-standing challenges into opportunities and reaffirming the country's relevance in both regional and global energy conversations. ■

EXECUTING PRODUCTION SHARING CONTRACT WITH TOTALENERGIES - SAPETRO CONSORTIUM

RENEWED HOPE AGENDA NOT MERE SLOGAN, BUT STRATEGY DELIVERING MEASURABLE PROGRESS

AT THE CLOSING CEREMONY FOR THE EXECUTION OF THE PRODUCTION SHARING CONTRACT (PSC) WITH THE TOTALENERGIES-SAPETRO CONSORTIUM

It is with great pleasure and a deep sense of purpose that I welcome you all to this landmark event; the formal closing ceremony for the execution of the Production Sharing Contract (PSC) for Petroleum Prospecting Licences PPL 2000 and PPL 2001, awarded to TotalEnergies and its partner South Atlantic Petroleum (Sapetro).

Let me begin by congratulating TotalEnergies, the Operator with an 80% interest and Sapetro, holding the remaining 20%, for emerging successful in the 2024 Licensing Round. The award of these two offshore licences, covering approximately 2,000 square kilometres in the prolific Niger Delta Basin, is a direct outcome of the transparent, competitive and reform-driven licensing framework established under the Petroleum Industry Act (PIA) 2021. This closing ceremony is not merely procedural; it is profoundly symbolic. It reflects our collective commitment to reshaping Nigeria's upstream petroleum sector through strategic partnerships, regulatory clarity and sustainable resource development.

Today's ceremony marks the beginning of a new exploration journey; one that is anchored in a committed



work programme to unlock the full geological potential of our under-explored deep water, expand our reserves base, boost oil and gas production and bolster national energy security. The PSC we sign today represents a key milestone in our broader vision to position Nigeria as



Africa's premier destination for upstream investment. It stands as a clear testament to the growing investor confidence in our regulatory environment and the compelling commercial potential of our deep and ultra-deep offshore basins.

Let me take this opportunity to thank the technical and legal teams from both the NUPRC and the TotalEnergies–Sapetro Consortium for the professionalism and diligence shown throughout the negotiation process. Your work exemplifies the kind of collaboration and excellence we strive to institutionalise in our industry.

To the Consortium, I say this: you are not just investing in blocks; you are investing in the global energy security, in our people and in our aspiration to responsibly harness our hydrocarbon wealth for the benefit of generations to come. We count on your operational excellence, innovation and environmental stewardship as you execute the agreed work programme in alignment with international best practices.

As we embark on this partnership, we expect swift and technically sound exploration efforts that lead to early Final Investment Decisions and first oil, while strengthening Nigeria's energy security. Equally, we urge the Consortium to deepen local content, create quality jobs and empower Nigerian businesses across the value chain. In addition, we expect your operations to reflect the highest standards of environmental

responsibility and sustainability; fully aligned with the host community provisions of the Petroleum Industry Act. Moreso, throughout the exploration and development journey, we count on timely, transparent execution and open collaboration with the Commission to deliver lasting value for all stakeholders.

As a Commission, we remain unwavering in our mandate to enable, promote and regulate in a manner that ensures transparency, accountability and shared prosperity. We will continue to provide a level playing field, reduce regulatory uncertainty and foster the ease of doing business.

Conclusion

Let me conclude by stating that the successful conclusion of this PSC, under the guiding principles of the PIA, reaffirms that Nigeria is open for business, ready for investment and determined to lead. Together, let us make this partnership a shining model of what is possible when vision, investment and regulation converge with purpose.

Congratulations to us all and thank you for being part of this historic moment.

With record revenues, bold reforms and a growing indigenous footprint, the Komolafe-led NUPRC is redefining Nigeria's upstream oil narrative. The Renewed Hope Agenda is not merely a slogan, it is a strategy that is delivering measurable progress and reshaping the future of Nigeria's energy sector. ■

PRESIDENCY APPLAUDS KOMOLAFE-LED NUPRC FOR GENERATING ₦20.45 TRILLION IN THREE YEARS

...Says Tinubu's Renewed Hope Agenda is Delivering Tangible Results

The Presidency has lauded the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) for its exceptional performance, following the commission's announcement of a record-breaking ₦20.45 trillion in revenue generated between 2022 and 2024. This milestone, according to the Presidency, reflects the effectiveness of President Bola Tinubu's Renewed Hope Agenda and the administration's strategic reforms in Nigeria's oil and gas sector.

In 2024 alone, the NUPRC posted ₦12.25 trillion in revenue, an increase of 182 percent from the ₦4.34 trillion recorded in 2023 and more than triple the ₦3.78 trillion generated in 2022. Speaking on behalf of the Presidency, Special Adviser on Information and Strategy, Mr. Bayo Onanuga, praised the leadership of NUPRC Chief Executive, Engr. Gbenga Komolafe, for championing transparency, efficiency and national development. He described the commission's performance as a testament to the transformative impact of President Tinubu's energy sector reforms, noting that under Komolafe's stewardship, the NUPRC has evolved

into a catalyst for progress; tackling crude oil theft, improving hydrocarbon measurement and enabling indigenous ownership of oil assets.

According to the NUPRC's 2024 Annual Report, the commission exceeded its ₦6.9 trillion revenue target by 176.7 percent. Royalties from oil and gas, including NNPC receivables, reached ₦11.08 trillion, representing a 172.5 percent increase over projections. Gas flared penalties brought in ₦391.26 billion, surpassing expectations by over 309 percent. Lease renewals generated ₦230.73 billion, while revenue from Good and Valuable Consideration rose to ₦117 billion, an increase of 380 percent compared to initial forecasts.

These achievements were driven by a series of strategic reforms introduced by Komolafe. Among them were the implementation of Metering Systems Audit and Optimisation, the Advance Cargo Declaration initiative to curb revenue leakages and the submission of the Engineering Audit Report on Nigeria's upstream measurement systems by PE Energy Limited. During the presentation of the report, Komolafe emphasised that the findings would redefine how Nigeria manages and monetises its most vital natural resource.

The Commission also played a pivotal role in facilitating major divestments by International Oil Companies (IOCs), paving the way for increased indigenous participation in the sector. Approved transactions included Eni's sale of NAOC to Oando Plc, Equinor's asset transfer to Project Odinmim Investment Ltd, the TotalEnergies-Telema Energies deal, ExxonMobil's MPNU sale to Seplat, and the acquisition of SPDC by Renaissance. These divestments have significantly shifted the balance of control in Nigeria's oil production landscape, with local companies now contributing to a daily crude output of 1.7 million barrels.

With record revenues, bold reforms and a growing indigenous footprint, the Komolafe-led NUPRC is redefining Nigeria's upstream oil narrative. The Renewed Hope Agenda is not merely a slogan, it is a strategy that is delivering measurable progress and reshaping the future of Nigeria's energy sector. ■

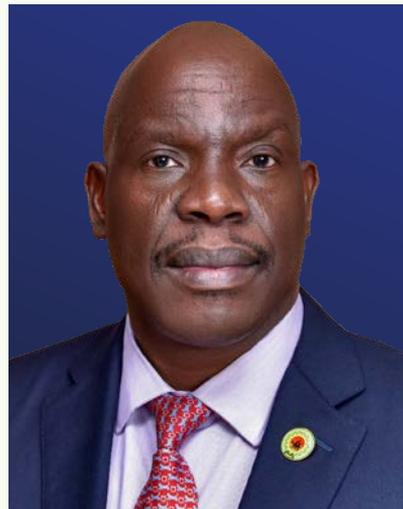
GOODWILL MESSAGE AND REGULATORY REMARKS BY

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

AT THE OPENING CEREMONY OF
**THE SOCIETY OF PETROLEUM ENGINEERS
NIGERIA COUNCIL'S 48TH NIGERIA ANNUAL
INTERNATIONAL CONFERENCE AND
EXHIBITION (NAICE)**

Distinguished industry leaders, esteemed government officials, members of the Society of Petroleum Engineers, captains of industry, partners from academia, young professionals, colleagues and honoured guests: it is with profound honour and deep sense of responsibility that I stand before you today at the opening of the 48th Nigeria Annual International Conference and Exhibition (NAICE). This conference, which has spanned nearly five decades, remains the premier platform for industry collaboration, where our industry converges to exchange ideas, explore innovations and renew our shared commitment to Nigeria's energy future; our shared vision for a resilient, innovative and sustainable energy future for Nigeria and beyond.

I would therefore like to sincerely acknowledge and extend my gratitude to the Society of Petroleum Engineers Nigeria Council, the esteemed host and organiser of this landmark International Conference and



Exhibition, for graciously inviting me to today's opening ceremony and affording me the opportunity to deliver this goodwill message and regulatory remarks hinged on a critically important theme, "Building a Sustainable Energy Future: Leveraging Technology, Supply Chain, Human Resources and Policy." The theme is indeed both timely and transformative. It resonates deeply with global realities and Nigeria's unique context as an energy-rich nation grappling with the dual imperatives of economic growth and environmental stewardship.

At the global level, we are navigating a period of rapid change. As we envision a balanced and inclusive energy future, one enduring truth shines through: oil and gas will remain indispensable well beyond 2050. While the International Energy Agency (IEA) foresees renewables like wind and solar contributing nearly 90% of the increase in global electricity generation by 2030, hydrocarbons are still projected to provide over half of

the world's primary energy by mid-century. OPEC and Energy Information Administration (EIA) rightly highlights fossil fuels as crucial to meeting rising global and energy demand and anticipate steady growth in oil and gas, fuelled by expanding populations and economic dynamism across Asia and Africa.

Moreso, as the clean energy advocates champion the drive to triple renewable capacity, the UN and World Bank acknowledge that a secure, affordable transition must build on the foundation of existing oil and gas infrastructure. Taken together, these insights paint a compelling picture: in a world increasingly powered by renewables, oil and gas will continue to anchor global energy security and economic strength for decades to come.

In Nigeria, the stakes could not be higher. With proven reserves of 37.28 billion barrels of crude oil and 210.54 trillion cubic feet of natural gas, the oil and gas sector remains the backbone of our economy; accounting for about 90% of export earnings and nearly 70% of government revenues. Yet, our aspiration is not just to remain a resource-rich country, but to become a resource-responsible nation, harnessing hydrocarbons sustainably while accelerating investment in cleaner alternatives.

The urgency and complexity of this mission is magnified by rising global scrutiny, climate vulnerability, geopolitics and supply chain disruptions as well as local challenges, such as underinvestment and infrastructure gaps. Addressing these requires nothing less than transformational thinking and concerted action.

Distinguished colleagues and energy leaders, building a sustainable energy future starts with technology: the great enabler of change. From decarbonisation technologies and artificial intelligence to digital twins that optimise field performance and reduce downtime, innovation has never been more critical. Through initiatives like the Nigerian Gas Flare Commercialisation Programme (NGFCP) and the Presidential Compressed Natural Gas (CNG) Initiative, Nigeria is demonstrating commitment to technological solutions that reduce emissions and create economic value. But we must go further: embracing cutting-edge data analytics, remote sensing, advanced earth imaging and optimisation technologies to enhance exploration, improve drilling efficiency and well placement, support real-time monitoring, reduce costs, unlock stranded assets and maximise production from Nigeria's petroleum reservoirs.

Equally vital is the resilience of our supply chain. Global events, from the COVID-19 pandemic to geopolitical tensions in Eastern Europe and the Middle East, have exposed the fragility of supply chains worldwide, driving inflation and delays in project delivery. For Nigeria, the answer lies in deepening local content, enhancing fabrication capacity and incentivising modular refinery development. I am proud to share that through the Petroleum Industry Act (PIA) and

Presidential Executive Orders, the NUPRC along with our industry stakeholders is driving reforms to remove bottlenecks, improve transparency, promote local value creation and attract new investments, ensuring our industry becomes less susceptible to supply chain disruption and more competitive globally.

Yet, none of these strategies can succeed without people. With around 70% of Nigerians under 30, our vibrant youth are more than a statistic: they are our greatest strategic advantage, a dynamic force poised to drive productivity and innovation across every sector. Besides, several UN reports project that Nigeria will become the third most populous country in the world by 2050. Investing in technical education, leadership development and cross-disciplinary skills is therefore critical to building an energy workforce ready to innovate and adapt. As the regulator, NUPRC will continue to work with our stakeholders in promoting talent development fostering partnerships with universities and supporting local research and innovation.

Policy remains the invisible hand that aligns all efforts. Nigeria's commitment to sustainable energy and the seriousness with which we approach emissions reduction and environmental responsibility, is underpinned by concrete policy actions: the Decade of Gas Initiative, Nigerian Gas Flare Commercialisation Programme driven as well as the Upstream Petroleum Decarbonisation Template (UPDT), and Nigerian Upstream Oil and Gas Decarbonisation & Sustainability Blueprint recently launched by the NUPRC. These policies are more than regulatory tools; they are roadmaps guiding us to transition from routine flaring to commercialisation, from fossil dependence to optimised energy mix and from linear models to circular economic approaches.

Distinguished participants, as we open this conference, let us remember that we are not just discussing policies and projects; we are defining the legacy we leave behind. To quote Mahatma Gandhi, "The future depends on what we do in the present." And to paraphrase Martin Luther King Jr., "We are not makers of history; we are made by history." Today, let us collectively choose to be makers of history by driving bold initiatives, embracing innovation and forging partnerships that cross national, sectoral and generational boundaries.

On behalf of the management and staff of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), I sincerely thank you for standing with me today on this platform of dialogue, learning and transformation. It is my fervent hope that the ideas we share in the days ahead will spark transformative collaborations, inspire groundbreaking projects and bring us ever closer to a Nigeria, and a world, where energy is not only abundant and affordable, but also clean, inclusive and truly sustainable for generations to come.

Thank you for listening. ■

■

BEYOND BLACK GOLD: NUPRC'S VISION FOR SUSTAINABLE ENERGY AND DECARBONISATION IN 2025

- Lekan Fatodu -



The world is facing a critical turning point in the climate crisis. As extreme impacts accelerate and carbon budgets tighten, the urgency for action has never been greater. Leading climate science indicates that unless greenhouse gas emissions peak before the end of 2025 and decline sharply, by

around 43 percent, there is little chance of limiting warming to the 1.5°C threshold.

Around the world, nations are desperately expanding renewable energy capacity, constructing robust carbon markets and embedding climate considerations into national policies. In 2024, climate-related damages

exceeded \$2 trillion, prompting even oil-rich countries to rethink investment and energy modalities. COP29 in Baku saw the first UN backed carbon credit trading framework and governments pledged \$300 billion annually through 2035 for climate finance, yet independent analysts say this falls short of the \$1.3 trillion needed to limit global warming effectively.

Climate experts also warn that despite renewable energy investments hitting \$2 trillion in 2024, reflecting a shift in investor sentiment and policy formulation, global CO₂ output continues to reach record highs. They warn that extreme weather, from deadly heatwaves to escalating wildfires, reflects how far the world remains from climate stability.

Despite geopolitical turbulence and pushes to relax emission rules in parts of the US and Europe, the broader trajectory, however, remains decisive. Corporate accountability, technological innovation and public support for more ambitious climate measures continue to shape a global momentum toward sustainability.

It is within this global climate context that Nigeria's upstream regulator, the Nigerian

Upstream Petroleum Regulatory Commission (NUPRC), led by Engineer Gbenga

Komolafe, is aligning its strategy with international climate action and energy transition goals. Since its establishment, the Commission has placed sustainability at the core of its mandate, but it has now clearly reaffirmed its intent to intensify decarbonisation efforts with renewed clarity and urgency.

Recently, the Commission has taken decisive steps to institutionalise sustainability across Nigeria's upstream oil and gas operations. Recognising that fossil fuels will continue to support energy systems even as renewables scale, NUPRC launched its Decarbonisation and Sustainability Blueprint in March 2025. The plan positions climate risk management as essential to long term competitiveness. It also introduced the mandatory Upstream Petroleum Decarbonisation Template, requiring all licences and approvals to embed emissions reduction frameworks, methane controls, energy efficiency and carbon capture design from 2025 onward.

This alignment with global standards goes further. NUPRC has



IT ALSO INTRODUCED THE MANDATORY UPSTREAM PETROLEUM DECARBONISATION TEMPLATE, REQUIRING ALL LICENCES AND APPROVALS TO EMBED EMISSIONS REDUCTION FRAMEWORKS, METHANE CONTROLS, ENERGY EFFICIENCY AND CARBON CAPTURE DESIGN FROM 2025 ONWARD

identified natural gas as the transition fuel in Nigeria's pathway to fulfilling its pledge of net zero emissions by 2060. In fact, at the 2025 Global Energy Show, the Commission's leadership highlighted that gas could form over 70 percent of Nigeria's energy mix by 2030. Indeed, nationwide programmes such as the National Gas Expansion Programme and the Decade of Gas initiative operate under this vision. Concurrently, the Nigeria Gas Flare

Commercialisation Programme is targeting 49 flare sites and planning to eliminate roughly 7 million tonnes of CO₂ annually.

Also pivotal in the NUPRC's evolving decarbonisation agenda is the effort to activate a functional carbon market. To catalyse this in line with COP29 outcomes, Nigeria has introduced its Carbon Market Activation Policy, targeting \$2.5 billion in private investment by 2030. The policy aims to transform emissions reduction

into tradable financial instruments that support and complement clean-energy investments, echoing a broader global shift toward monetising climate action through market-based mechanisms.

Importantly, achieving a just energy transition requires that social inclusion remain front and center. In alignment with these priorities, Nigeria's host communities, long affected by fossil fuel extraction, benefit from over 150 Development Trusts with significant funding for education, healthcare and clean energy infrastructure. This mechanism parallels international emphasis on just transitions, ensuring climate strategies support emissions goals, equity and local welfare.

The NUPRC's climate agenda is even broader. Not least in the Commission's strategy to drive long-term environmental sustainability is a strong embrace



THE POLICY AIMS TO TRANSFORM EMISSIONS REDUCTION INTO TRADABLE FINANCIAL INSTRUMENTS THAT SUPPORT AND COMPLEMENT CLEAN-ENERGY INVESTMENTS, ECHOING A BROADER GLOBAL SHIFT TOWARD MONETISING CLIMATE ACTION THROUGH MARKET-BASED MECHANISMS

of technological innovation. Through its newly established Energy Sustainability and Carbon Management division, the NUPRC is equipping the upstream sector with advanced tools ranging from smart metering systems to methane detection sensors. These technologies are designed to modernise field operations and provide the kind of emissions transparency increasingly required by global investors. Furthermore, the ongoing development of a national upstream data repository is expected to reduce exploration risks and unlock new capital by enhancing data accessibility and reliability.

A firm and sustained commitment to institutional reform, above all, reinforces the

Commission's drive toward achieving climate-aligned goals. Since the Petroleum Industry Act became law in 2021, the NUPRC has implemented wide-ranging licensing reforms, digitised application processes and tied regulatory approvals to emissions performance. These actions mirror global best practices focused on creating climate responsive governance environments. In line with this momentum, Nigeria now observes "Upstream Decarbonisation Day" each year on March 18 to drive progress both culturally and institutionally.

It is pertinent to note that Nigeria has also assumed a lead role regionally through AFRIPERF, the African Petroleum Regulatory Forum. Launched in 2024, it coordinates regulatory standards among member states, echoing global trends toward unified climate governance that emerged from COP29 and COP30. Similarly, international engagement is expanding, with collaboration efforts underway with Canada and the United Kingdom to finance and pilot clean field energy projects.

Nevertheless, bridging ambition and execution is no small feat. Nigeria faces infrastructural constraints, including a fragile gas



WITH MOTIVATED LEADERSHIP AT THE NUPRC AND DEEP TECHNICAL KNOW HOW, THE COUNTRY'S PATH TOWARD A BALANCED ENERGY FUTURE IS NO LONGER SPECULATIVE

network and intermittent power supply. Financing is likewise critical: carbon market take off depends on reliable measurement, reporting and verification. In 2025 some flare volumes have edged up, highlighting the need to strengthen enforcement and monitoring systems. Globally, mid term reviews at COP30 will cast a spotlight on whether frameworks like Nigeria's are delivering tangible emissions reductions. There is, however, no denying that NUPRC is positioning Nigeria to be part of the global energy transition conversation.

The decisive showdown of the next five years is fast approaching. COP negotiations and tightening national targets are accelerating timelines, as the global community grows increasingly relentless in its demand for climate action. Against this backdrop, Nigeria's integration of sustainability into upstream regulation reflects both a deliberate response and a clear sense of direction. With motivated leadership at the NUPRC and deep technical know how, the country's path toward a balanced energy future is no longer speculative. Every remarkable move by the commission signals that execution and not mere aspiration, will define this blueprint.

Early indicators are promising: drilling licences now require emissions planning; flared gas is being monetised at scale; transparent carbon guidelines are translating into market opportunity; and host communities are sharing in resources. As these ambitions coalesce into functioning projects and shared gains, Nigeria is poised to emerge as a global exemplar of what a developing nation's energy transition looks like in practice, where oil and gas wealth and environmental ambition move forward together for a sustainable future. ■

■

REGULATING FOR RESULTS: THE NUPRC MODEL OF TRANSPARENT ENERGY GOVERNANCE

- Dr. Kelechi O. Ofoegbu -

In a world increasingly defined by the quest for energy security, sustainability and transparency, Nigeria's upstream petroleum sector is undergoing a fundamental transformation. At the center of this evolution is the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), a pioneering regulatory agency established under the Petroleum Industry Act (PIA) of 2021. In an industry often mired in complexity, bureaucratic opacity and inconsistent oversight, the NUPRC is championing a new model: regulation that delivers measurable outcomes, investor confidence and long-term national benefit. The establishment of the NUPRC followed the signing of the PIA by former President Muhammadu Buhari, marking a historic milestone after over two decades of failed attempts at reforming the petroleum industry. The Act consolidated disparate laws, redefined institutional mandates and placed transparency, efficiency and accountability at the core of Nigeria's new energy regulatory architecture. The NUPRC, created specifically to oversee upstream operations, has since emerged not just as a regulator, but as a reform driver with a strategic mission to reposition Nigeria as a leading global hydrocarbon



“

WHAT DISTINGUISHES THE NUPRC MODEL IS ITS CLEAR-EYED COMMITMENT TO BALANCING GOVERNMENT REVENUE INTERESTS, INVESTOR CONCERNS AND ENVIRONMENTAL AND COMMUNITY CONSIDERATIONS

investment destination.

Since its inception, the NUPRC has taken critical steps to reverse the mistrust and inefficiencies that long plagued the Nigerian oil and gas sector. Led by Engr. Gbenga Komolafe, an industry veteran with decades of regulatory and operational experience, the Commission is executing a multi-pronged transformation strategy that blends digital innovation, stakeholder engagement, data integrity and enforceable regulation. What distinguishes the NUPRC model is its clear-eyed commitment to balancing government revenue interests, investor concerns and environmental and community considerations.

One of the defining features of this transformation is the digitisation of Nigeria's upstream petroleum regulation. The NUPRC developed and deployed the National Production Monitoring System (NPMS), a robust digital platform that provides real-time surveillance of crude oil and gas production activities nationwide. Prior to NPMS, data inconsistencies and manual reporting created significant gaps in production verification and revenue assurance. Today, NPMS offers end-to-end visibility into production volumes, flare gas levels, facility



performance and infrastructure status, making it possible for both government and investors to base decisions on verified metrics. Equally important is the Commission's investment in regulatory technology through its comprehensive RegTech suite. The digital interface enables companies to submit applications, track license approvals, upload statutory reports and receive timely regulatory responses online. This end-to-end automation has helped eliminate bureaucratic bottlenecks, reduce opportunities for rent-seeking and build investor trust. In a sector where time is money and clarity is critical, the NUPRC's technology-first approach is dramatically reshaping the ease of doing business in Nigeria's upstream sector.

Another cornerstone of the NUPRC's transparent governance model is data sanctity. The Commission has launched Nigeria's first Integrated Petroleum Industry Data Management System (IPIDMS), which combines geological, production, fiscal and environmental datasets into a central repository. With this, operators, researchers and policymakers have access to current, verified and harmonised information essential for planning and compliance. Unlike the fragmented legacy systems of the past, the IPIDMS allows regulators to anticipate challenges, conduct trend analysis and design smarter policy responses.

Beyond technology, the NUPRC's licensing practices underscore its commitment to fairness and investor

inclusion. The 2022 Mini Bid Round conducted under the Commission's oversight was a test case for transparent asset allocation. With clearly defined bid parameters, a level playing field, publicised timelines and an online bidding portal, the process attracted widespread participation, including from indigenous companies and new international entrants. This open process contrasts sharply with previous rounds that were criticised for opacity and favoritism, marking a decisive break with the past. The NUPRC has also prioritised sustainable resource development. In response to Nigeria's chronic gas flaring problem which not only wastes valuable energy resources but also contributes to climate change, the Commission is implementing the Nigerian Gas Flare Commercialisation Programme (NGFCP). This initiative incentivises private sector-led utilisation of flare gas for power generation, LPG production and industrial use. In doing so, it addresses both environmental concerns and the country's energy

access gaps, especially in rural areas.

In alignment with the global push for energy transition, the NUPRC is playing a central role in guiding Nigeria's just transition pathway. Rather than adopting a one-size-fits-all approach to decarbonisation, the Commission is promoting gas as a transition fuel while supporting investments in cleaner technologies and carbon capture systems. It has initiated dialogues with producers on emission tracking, sustainability metrics and industry-wide energy efficiency targets. By focusing on contextualised climate action, the NUPRC is ensuring that Nigeria can meet its development goals without sacrificing environmental responsibility.



THE COMMISSION SUPERVISES THE REGISTRATION, OPERATION AND ACCOUNTABILITY OF THESE TRUSTS, ENSURING THAT LOCAL POPULATIONS RECEIVE TANGIBLE BENEFITS FROM RESOURCE EXTRACTION

A major achievement under the NUPRC's transparent governance ethos is the implementation of the Host Community Development Trust (HCDDT) framework. Mandated by the PIA, this framework requires operating companies to set aside a percentage of their annual operating expenses to fund socio-economic development in their host communities. The Commission supervises the registration, operation and accountability of these Trusts, ensuring that local populations receive tangible benefits from resource extraction. This has helped reduce community conflict, improved security around oil installations and created



FOR AN INTERNATIONAL AUDIENCE SEEKING MODELS OF EFFECTIVE ENERGY GOVERNANCE IN EMERGING MARKETS, THE NUPRC STANDS OUT AS A COMPELLING CASE OF REGULATION DELIVERING REAL RESULTS

opportunities for inclusive development.

Financial transparency is also being strengthened. Signature bonuses, which are one-off payments made by companies upon winning oil blocks, are now governed by publicly available guidelines and monitored through the Central Bank of Nigeria. The NUPRC ensures that payments are made promptly, accurately reported and fully traceable. This is a significant improvement from previous practices where such payments often lacked oversight, leading to revenue losses for the state.

Institutional integrity lies at the heart of the NUPRC's approach. The Commission operates with published service-level agreements, performance benchmarks and regulatory timelines. These are not merely internal metrics; they are communicated publicly to hold the Commission accountable. Staff recruitment, training and deployment are guided by professional standards, while ongoing partnerships with global institutions provide staff with access to the latest best practices and regulatory tools. The NUPRC's international engagements reflect its broader vision for regulatory leadership. The Commission has initiated regulatory dialogues with peer institutions in Angola, Ghana, Uganda and Mozambique, sharing insights on licensing, revenue assurance, environmental oversight and community engagement. These efforts are part of a broader move to harmonise African energy regulation, enhance cross-border cooperation and attract global capital to the continent.

Despite its progress, the NUPRC operates in a challenging environment. Oil theft, pipeline vandalism and regulatory non-compliance remain serious threats to Nigeria's production targets. The Commission has responded by collaborating with security agencies, leveraging surveillance technology and introducing stricter monitoring protocols. It also engages regularly with local communities to foster cooperation and support joint problem-solving around infrastructure protection. Investment retention remains another concern. With increasing global pressure to divest from fossil fuels, Nigeria must compete aggressively for capital. The NUPRC is addressing this through its upstream investment promotion strategy, which highlights Nigeria's vast untapped reserves, improved fiscal terms and revamped regulatory environment. It has introduced risk-based field development planning, cost optimisation tools and flexible asset management frameworks to enhance asset bankability. Through all this, the core philosophy of the NUPRC remains unchanged: regulation should deliver results, not create hurdles. The Commission is not content to merely police industry players; it seeks to enable them, provide clarity and support their growth in alignment with national objectives. This paradigm shift from control to collaboration, from opacity to openness is the defining characteristic of the NUPRC model.

In today's global energy economy, trust is a critical asset. For decades, Nigeria's oil and gas industry struggled to build and maintain that trust. With the NUPRC now leading upstream regulation, the tide is turning. Investors are returning, communities are more engaged and the government is collecting revenues more efficiently. More importantly, the Nigerian public long skeptical of oil sector governance is beginning to see signs of a system that works. As the world navigates the complex future of energy, Nigeria's experience offers useful lessons. It shows that transparency, when institutionalised, becomes a catalyst for growth. That regulation, when anchored in technology and accountability, becomes an enabler rather than a constraint. And that with the right leadership, even deeply entrenched systems can be reformed to serve national and global interests.

The NUPRC has not solved all the challenges facing Nigeria's upstream sector, but it has provided a credible roadmap. It is building a system that rewards compliance, punishes misconduct and empowers all stakeholders to participate meaningfully in shaping the industry's future. For an international audience seeking models of effective energy governance in emerging markets, the NUPRC stands out as a compelling case of regulation delivering real results. ■



STRATEGIC IMPERATIVES FOR ADVANCING INVESTMENTS THROUGH UPSTREAM PETROLEUM REGULATIONS

ADDRESS BY

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

AT THE
NIGERIA-CHINA SUSTAINABLE BILATERAL BUSINESS,
TRADE AND INVESTMENT SUMMIT



Your Excellencies, Captains of Industry, Distinguished Investors and Business Leaders, Gentlemen of the Press, Ladies and Gentlemen, It is a great pleasure and honour for me to deliver this speech to an esteemed audience of top government officials, investors, business leaders and eminent stakeholders in the Nigerian oil and gas industry, at this Nigeria-China Sustainable Bilateral Business, Trade, and Investment Summit with the objective of discussing Nigeria's Upstream investment landscapes and regulatory instruments for ease of doing business with a reaffirmation of our shared vision to strengthen energy security and reliability, energy accessibility and affordability, energy sustainability and economic viability of investment as the cornerstone of economic growth, national resilience and social prosperity.

Let me begin by conveying my profound appreciation to the distinguished members of the Nigerian Parliament for organising and hosting this landmark event. This gathering is a powerful reflection of our collective resolve to deepen the strategic partnership between Nigeria and China; one built on mutual respect, shared aspirations and economic cooperation. I wish to particularly thank Honourable Jafaru Yakubu, Chairman of the House of Representatives



Committee on Nigeria-China Parliamentary Relations and the esteemed members of this critical Committee as well as His Excellency, Ambassador Yu Dunhai, the Chinese Ambassador to Nigeria, for this steadfast dedication to enhancing diplomatic engagement between our nations and their unwavering commitment to strengthening our bilateral relations.

I must acknowledge the visionary leadership of His Excellency, President Bola Ahmed Tinubu, GCFR, President of the Federal Republic of Nigeria and Minister of Petroleum Resources. Under his administration, Nigeria's oil and gas sector has undergone transformative reforms designed to enhance operational efficiency and global competitiveness. These reforms are underpinned by a strong commitment to regulatory clarity, investor confidence, ease of doing business, vacating entry barriers, promoting and supporting long-term industry stability, further reinforcing Nigeria as a premier destination for energy investment.

Ladies and Gentlemen, the presidential reforms were not mere policy gestures or rhetorical flourishes; they are marching orders that have slashed average contracting cycles from a cumbersome 36 months to just 6 months, unlocked strategic tax incentives for deep-water, frontier basin and gas projects and dismantled long-standing fiscal bottlenecks, accelerating project approvals and investor confidence. The outcome has been extraordinary: between 2023 and 2025, Nigeria secured over \$16 billion in upstream

investment commitments, with renewed participation from global energy giants like Shell, TotalEnergies and Seplat, as well as a surge of dynamic indigenous operators rising to the fore.

GLOBAL ENERGY DEMAND

Your excellencies, Distinguished Ladies and Gentlemen, this Summit is taking place in an era defined by the call for decarbonisation yet underscored by the undeniable truth that oil and gas will remain vital to global energy security for decades to come. As the world races towards a low-carbon future, projections



from BP's Energy Outlook 2024 remind us that hydrocarbons will still supply over half of global energy needs by 2050. Meanwhile, Africa's own energy demand is poised to surge by 30% by 2040, driven by rapid population growth, industrial ambition and the rightful quest for universal energy access. Meeting this demand sustainably will require over \$600 billion in upstream investments annually through 2030, according to a study conducted by the International Energy Forum (IEF) last year.

Interestingly, the global community is increasingly

recognising that the path to net zero must be just, inclusive and region-specific. At COP28, and in the lead-up to COP29, consensus grew around the idea that developing nations must be empowered to chart tailored transitions; ones that do not compromise energy security or economic development. As António Guterres, UN Secretary-General, declared, "The climate emergency is a race we are losing—but it is a race we can win." But that victory depends on access to energy, to capital and to opportunity. John Kerry rightly affirmed, "No country has to give up growth or energy security

to solve the climate crisis.” and Fatih Birol, the Executive Director of the International Energy Agency, puts it that, “Energy security is not a destination; it is a journey of continuous effort.” These are not rhetorical flourishes; they are marching orders for action, grounded in principles that align profoundly with our energy reality.

Certainly, oil and gas remain indispensable not only for power generation but for economic stability and industrial resilience. In this evolving landscape, the competing global capital will flow not just to nations with abundant resources, but to those with the readiness, resolve and regulatory clarity to convert those resources into lasting impact. Distinguished investors and business leaders, Nigeria is ready! We cannot abandon our hydrocarbon potential. Instead, we must accelerate its development responsibly, sustainably, efficiently and strategically to finance our future, power our present and create economic prosperity for the over two hundred million Nigerians.

REGULATORY REFORMS AND EASE OF DOING BUSINESS

Distinguished audience, 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 the enactment Petroleum Industry Act (PIA) 2021 which provides the legal, governance, fiscal and regulatory frameworks to standardise industry operations. Accordingly, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) is developing a forward-thinking regulatory instruments and policies that promote transparency, efficiency and innovation for the optimal development of the country’s hydrocarbon resources. Our regulations are agile and adaptable to the evolving landscape of the industry, creating a predictable and stable regulatory environment, boost investors’ confidence and attract the much-needed capital to unlock the full potential of our hydrocarbon resources.

The Petroleum Industry Act (PIA) 2021 provides a clear and unambiguous framework for governance, fiscal terms and cost recovery mechanisms in Nigeria’s petroleum sector. In line with its mandate to operationalise the provisions of the Act, the Commission has issued 19 regulations and has continued to oversee the administration of licenses, leases, permits, approvals

and compliance within the upstream petroleum industry. To enable ease of doing business and attract credible investors, licensing rounds are intentional and are conducted through a bidding process that is open, transparent and competitive. To strengthen stakeholders’ confidence and streamline approval processes, issuance of regulatory instruments such as licenses and service permits is automated. For informed decision-making and investment evaluation, the National Data Repository (NDR) hosts seismic, well and production data from across the Nigeria’s sedimentary basins. To monitor field operations, digital tools and operational dashboards for real-time monitoring of upstream activities and compliance are deployed.

WHY INVEST IN NIGERIA

Nigeria’s investment climate has been profoundly reshaped through bold and investor-focused reforms. The generous fiscal incentives in the PIA, such as zero hydrocarbon tax, reduced royalty rates, tax consolidation provisions amongst others are attractive for investments. Under the visionary leadership of President Bola Ahmed Tinubu, GCFR and guided by the Petroleum Industry Act (PIA), Nigeria has introduced some additional suite of attractive incentives that include globally competitive fiscal terms, more efficient regulatory processes and the elimination of prohibitive entry barriers to promote and attract viable investment to the oil and gas sector. Notably, in March 2024, the President signed into effect a historic package of Executive Orders, including the Oil and Gas Companies (Tax Incentives, Exemption, Remission, etc.) Order (# 40), Presidential Directive on Local Content Compliance (# 41), and the Directive on the Reduction of Petroleum Sector Contracting Costs and Timelines (# 42). Today, entry fees are pragmatic, calibrated to global realities and tailored to support commercial viability on a case-by-case basis.

The transformative impact has been remarkable. Our oil and gas sector has seen a significant surge in investment. New investors, empowered by clarity and quality, have entered our sector, oil and gas reserves and production have increased, while rig counts have surged from 8 in 2021 to 42 currently, with projections to reach 50 by the end of the year. This momentum reflects a bold new chapter; one driven by ambition,



resilience and opportunity.

With 210.54 trillion cubic feet of natural gas reserves, the largest in Africa and 37.28 billion barrels of crude oil reserves, Nigeria holds enormous reserves. As the largest oil producer in Africa, Nigeria currently produces approximately 1.75 million barrels of oil per day (MMBPD) and 7 billion standard cubic feet of gas per day (BSCFD). However, our national aspiration is to increase production to 3 million barrels of oil and 12 billion standard cubic feet of gas per day. Realising these ambitious targets requires sustained investment to unlock untapped basins, advance the development of mature and frontier fields and establish critical oil and gas infrastructure to secure our future energy needs and support the demands of Nigeria's rapidly growing population.

There are new frontier opportunities in onshore, shallow water and deep offshore blocks, especially in underexplored basins. Our new licensing rounds regime provides predictable and more frequent investment opportunities for both international companies and indigenous players to enter and expand in the Nigeria's growing energy market. There are also other vast and compelling transformative opportunities particularly in natural gas development as Nigeria positions gas as a strategic transitional fuel. Backed by bold initiatives such as the Decade of Gas, the Presidential CNG Initiative and the Nigerian Gas Flare Commercialisation Programme, Nigeria is establishing a transparent, competitive and investor-friendly gas market, to harness its vast natural gas resources, estimated to exceed 600 trillion cubic feet (upside potential).

There are enormous investment opportunities in Liquefied Natural Gas (LNG) projects, FLNGs and Compressed Natural Gas (CNG) transportation infrastructure, aimed at enhancing both export capacity and domestic energy supply. In addition, attractive green investment prospects exist in gas-to-power initiatives, Carbon Capture and Storage (CCS) technologies and renewable energy solutions, as Nigeria intensifies efforts to reduce gas flaring and methane emissions in alignment with global energy sustainability goals. In this regard, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has developed a comprehensive regulatory framework and a strategic blueprint for the decarbonisation of the upstream oil and gas industry. This framework is designed not merely to ensure compliance, but to empower investors to fully leverage the available incentives and credits associated with environmentally sustainable practices.

Other investment and business opportunities in Nigeria's upstream oil and gas sector include:

1. Opportunities in Licensing and Exploration Activities including: participation in licensing rounds, Multi-Client and Speculative Seismic Surveys, mergers and acquisition, development of frontier basins and various other opportunities for third-party involvement in exploration,

prospecting and development

2. Opportunities in Project Development and Financing which include: project financing and investment advisory, facility development (flow stations, gas plants, new evacuation routes, metering systems, modular refineries, deep water terminals and other export infrastructure), shared-risk ventures with proportional returns

3. Services and Technical Support including: financial advisory services, drilling services and equipment supply, seismic data acquisition, processing and interpretation, consultancy services (regulatory, strategic, technical), training and capacity building services, technical and financial partnerships in existing assets, deployment of deep-water technologies.

The above narratives in a nutshell highlight the vast opportunities that abound in Nigeria's upstream oil and gas sector, offering immense potential for both existing investors and new entrants seeking to participate in our dynamic and promising energy landscape.

Distinguished Investors, Ladies and Gentlemen, as we reflect on the immense potential within Nigeria's economic landscape, Nigeria stands out as a compelling destination for investment and business offering huge market advantages; a large consumer market of over 200 million people, abundant natural resources and a strategic location that serves as a gateway to West Africa. Its economy, one of the largest on the continent, continues to grow across key sectors such as oil and gas, agriculture, telecommunications, financial services and entertainment. A young, dynamic population fuels both innovation and demand, while emerging industries like fintech and agribusiness present fresh opportunities. The government's pro-investment policies, including tax incentives and special economic zones, coupled with ongoing infrastructure improvements, further enhance Nigeria's appeal. Though challenges such as regulatory complexities and infrastructure gaps exist, they are surmountable with informed strategy and strong partnerships with a country like China.

Distinguished audience, it is clear that Nigeria is not only ripe for business. Nigeria is fully ready, determined and capable of strategic efforts to deepen investor confidence, drive sustainable growth, bridge the gap between resource potential and actual production, unlock the full value of our upstream assets and deliver tangible results that advance shared prosperity. With bold reforms, forward-thinking regulations and a renewed commitment to ease of doing business, we have built the foundation. As President Bola Ahmed Tinubu reminds us, "**Nigeria must not only be open for business; Nigeria must be irresistible for investment.**" Together, let us turn the potential into profits.



THE 13% OIL DERIVATION POLICY IS A SIGNIFICANT ASPECT OF NIGERIA'S FEDERAL REVENUE ALLOCATION SYSTEM, AIMED AT EMPOWERING OIL-PRODUCING STATES AND ADDRESSING HISTORICAL GRIEVANCES, BUT IT CONTINUES TO FACE CHALLENGES IN ACHIEVING ITS OBJECTIVES EFFECTIVELY



IMPACT ON OIL-PRODUCING STATES IN NIGERIA

1. **Economic Dependency:** The Nigerian economy heavily relies on oil revenues, which constitute a significant portion of the national budget. For oil-producing states like Rivers, Delta, and Akwa Ibom, this dependency can lead to economic volatility, particularly when global oil prices fluctuate. While oil wealth can drive development, over-reliance on hydrocarbons can stifle diversification and innovation.
2. **Revenue Allocation and Fiscal Federalism:** The distribution of oil revenues among federal, state, and local governments has long been a contentious issue in Nigeria. The revenue sharing formula often leads to disputes, with oil-producing states arguing for a larger share to address local needs and development. The PIA aims to address some of these disparities, with ongoing review of policy.
3. **Social and Environmental Challenges:** The extraction of hydrocarbons has led to significant environmental degradation, including oil spills, gas flaring, and habitat destruction. These environmental challenges have disproportionately affected

communities in oil-producing states, leading to health issues and loss of livelihoods. The federal government and oil companies face ongoing pressure to implement effective environmental management practices in which the PIA has addressed many issues as regards to Environmental Remediation fund (ERF), Gas flaring, venting and Methane Emissions (Prevention of Waste and Pollution) Regulations, 2023.

4. **Community Relations and Conflicts:** The wealth generated from hydrocarbons has not always translated into improved living conditions for local communities. Issues of neglect, inadequate infrastructure, and environmental damage often lead to conflicts between communities and oil companies, resulting in protests and disruptions in oil production. The Petroleum Industry Act (PIA), 2021 includes provisions aimed at addressing the concerns of the host communities impacted by oil and gas operations. These provisions typically focus on ensuring that host communities benefit from resources extracted in their areas while also addressing environmental and social concerns for sustainable development initiatives and community engagement are critical to fostering peaceful relations. E.g. Host Community Development Trust Fund (HCDTF).
5. **Investment and Development Opportunities:** Despite challenges, hydrocarbons present significant investment opportunities for oil-producing states. With proper management and investment in infrastructure, education, and healthcare, these states can harness their oil wealth to stimulate economic growth and improve the quality of life for their residents.

CONCLUSION

Hydrocarbons attribution in Nigeria is a complex interplay of geological, legal, economic, environmental, and social factors. While oil-producing states stand to gain immensely from their hydrocarbon resources, the challenges associated with dependency, revenue allocation, environmental degradation, and community relations must be addressed. As Nigeria moves forward, the implementation of sound policies, transparent governance, and sustainable practices will be essential to ensuring that the benefits of hydrocarbons are equitably shared and contribute to the nation's overall development. ■

ENERGY SECURITY AND SUSTAINABILITY: NUPRC'S STRATEGY FOR A GREENER OIL AND GAS INDUSTRY

- Nze David Ugorji -

As global temperatures rise and climate finance goals remain unmet, the urgency of reconciling energy access with environmental responsibility is defining how oil-producing nations approach development. While the energy transition gathers momentum through rapid investments in renewables, global reliance on fossil fuels, especially oil and gas, persists.

The International Energy Agency (IEA) forecast that, despite rising investment in renewables, fossil fuels will still account for over 60 percent of global energy supply by 2030. Meanwhile, international

“
IN EFFECT, NUPRC IS EMBEDDING CLIMATE RISK MANAGEMENT INTO THE CORE OF UPSTREAM GOVERNANCE, A SHIFT THAT MIRRORS EMERGING GLOBAL FINANCIAL AND TRADE EXPECTATIONS

financial and trade institutions are increasingly tying investment and market access to emissions transparency, carbon pricing and climate risk disclosures. This intersection of global energy demand and climate accountability is transforming the operating environment for hydrocarbon-producing countries.

This puts countries like Nigeria at a crossroads. The imperative is no longer whether to reform the oil sector, but how fast and effectively such reforms can deliver both energy security and lower emissions. Interestingly, in regards to this context, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has



introduced a range of sustainability-driven policies aimed at modernising upstream activities and aligning with global climate goals.

In March 2025, NUPRC unveiled its Decarbonisation and Sustainability Blueprint, a framework aimed at driving the restructuring of Nigeria's upstream oil and gas operations through enforceable standards and technology integration. A central element of this strategy is the Upstream Petroleum Decarbonisation Template (UPDT), now mandatory for all new licences and approvals. The UPDT moves climate planning from

a voluntary consideration to a regulatory requirement. It compels operators to incorporate emissions reduction plans, methane abatement measures, energy efficiency targets and carbon capture feasibility into project design. In effect, NUPRC is embedding climate risk management into the core of upstream governance, a shift that mirrors emerging global financial and trade expectations.

Gas is also taking a prominent role in this evolving space. Nigeria holds over 210 trillion cubic feet (Tcf) of proven natural gas, with reserves potentially exceeding 600 Tcf. The Commission, under the leadership of Engr. Gbenga Komolafe, views natural gas as the critical bridge fuel in the country's move toward cleaner energy. At the 2025 Global Energy Show in Canada, NUPRC leadership reiterated plans for natural gas to constitute about 70 percent of Nigeria's energy mix by 2030. This shift is supported by nationwide efforts under the National Gas Expansion Programme and the Decade of Gas initiative. These programmes are advancing gas-to-power infrastructure, encouraging compressed natural gas (CNG) adoption in transport and incentivising industrial gas usage. The goal is clear: reduce reliance on diesel and other carbon-intensive fuels while creating new value chains for domestic gas.

The Commission's reinvigorated focus on the activation of the Nigeria Gas Flare Commercialisation Programme (NGFCP) validates this direction. With Nigeria still among the top global gas flarers, the commercialisation of 49 identified flare sites represents an environmental and economic opportunity. Instead of releasing associated gas into the atmosphere, licensed developers are now required to harness it for energy use. This not only reduces harmful emissions, including black carbon and volatile organic compounds, but also supports the development of local energy solutions such as mini-LNG, LPG, and power generation facilities. The initiative turns an environmental liability into a productive asset, supporting both emissions mitigation and energy diversification.

As global carbon markets mature, Nigeria is also establishing mechanisms to monetise climate action. Following the introduction of a UN-backed carbon credit trading system at COP29, NUPRC launched the Carbon Market Activation Policy, targeting \$2.5 billion in private investment by 2030. This



INSTEAD OF RELEASING ASSOCIATED GAS INTO THE ATMOSPHERE, LICENSED DEVELOPERS ARE NOW REQUIRED TO HARNESS IT FOR ENERGY USE





THROUGH PRAGMATIC INTERVENTIONS AND FORWARD-LOOKING REGULATION, THE COMMISSION IS LAYING THE GROUNDWORK FOR A GREENER OIL AND GAS INDUSTRY—ONE THAT SUPPORTS LONG-TERM RESILIENCE, COMPETITIVENESS AND CLEANER GROWTH

policy facilitates the measurement, reporting and verification (MRV) of emission reductions, allowing companies to generate tradeable carbon credits. With these credits conforming to international standards, Nigeria is positioning itself to participate actively in global Article 6 transactions under the Paris Agreement. The financial implications are substantial, but the policy also signals a strategic intent to transform environmental compliance into market value.

In recognition of the need for institutional strength to drive these reforms, NUPRC has established the Energy Sustainability and Carbon Management Division. Established specifically to champion upstream decarbonisation and support Nigeria's energy security and economic development goals, the unit now allows the Commission to integrate energy transition strategies into the core of its regulatory framework more effectively.

The division promotes advanced technologies such as digital twin systems, real-time emissions tracking and smart rig innovations. These tools will be pivotal in improving the accuracy of environmental data, support predictive maintenance and boost investor confidence in regulatory transparency. For stakeholders increasingly scrutinising ESG credentials, such capabilities elevate Nigeria's standing in global investment circles.

Initial indicators suggest that the strategy is gaining traction. Operators are aligning new project submissions with the UPDT, and commercial interest in flare site development is increasing. The integration of carbon tracking protocols and digital reporting systems is also underway, creating a foundation for credible emissions accounting. While infrastructure limitations and regional insecurity remain challenges, NUPRC's approach is adaptive, reinforcing its capacity to monitor, enforce and refine policies in real time.

What emerges from this evolving framework is a coherent pathway where energy security and sustainability reinforce rather than contradict each other. By focusing on gas, decarbonisation and digital oversight, Nigeria is reconfiguring its upstream sector to serve both economic and environmental objectives. Rather than waiting for fossil fuel demand to decline, the Commission is proactively reshaping how oil and gas are produced and utilised. The process is data-driven, anchored in compliance and designed to attract green capital.

In a world where energy policy is being redefined by climate thresholds, NUPRC is charting a course that respects Nigeria's developmental realities while responding to international expectations. Through pragmatic interventions and forward-looking regulation, the Commission is laying the groundwork for a greener oil and gas industry—one that supports long-term resilience, competitiveness and cleaner growth. ■

HYDROCARBONS ATTRIBUTION, PRINCIPLES AND IMPACT TO THE OIL- PRODUCING STATES IN NIGERIA.

- Badru Rilwan O. -



INTRODUCTION

Hydrocarbons, primarily encompassing crude oil and natural gas, are vital to the global energy landscape and the economic structures of oil-producing countries. In Nigeria, the properties and ownership of the petroleum resources within its territorial waters, continental shelf and exclusive economic zone are vested in the Government of Federation of Nigeria.

The Nigeria Upstream Petroleum Regulatory Commission (NUPRC) is an institution of the Federal Government empowered by the Petroleum Industrial Act, 2021



THE COUNTRY'S HYDROCARBON RESERVES ARE PRIMARILY LOCATED IN ITS SEDIMENTARY BASINS, WHICH ARE PRESENT BOTH ONSHORE AND OFFSHORE, EXPLORING THE DISTRIBUTION AND ATTRIBUTION OF HYDROCARBON RESOURCES TO THE VARIOUS PRODUCING STATES IN NIGERIA

to oversee the technical and commercial regulatory functions of the upstream activities in Nigeria.

Hydrocarbons play a crucial role in shaping the nation's economy, influencing social dynamics, and affecting environmental policies. Understanding hydrocarbons attribution—how resources are assessed, managed, and attributed to specific regions or states—is essential for comprehending their impact on oil-producing states in Nigeria.

Hydrocarbons are formed from organic materials that have been subjected to heat and pressure over millions of years. In Nigeria, the principal sedimentary basins where hydrocarbons are found include the Niger Delta Basin, the Anambra Basin, and the Benin Basin.

These geological formations are conducive to the accumulation of oil and gas, making Nigeria one of the leading oil producers in Africa. The country's hydrocarbon reserves are primarily located in its sedimentary basins, which are present both onshore and offshore, exploring the distribution and attribution of hydrocarbon resources to the various producing states in Nigeria.

Hydrocarbons play a pivotal role in Nigeria's economy and are attributed to several producing states, each contributing to the nation's overall oil output. Addressing the challenges associated with hydrocarbon production while maximizing its benefits is crucial for sustainable development in Nigeria. As the global energy landscape evolves, Nigeria's hydrocarbon resources will continue to be integral to its economic future.

The Nigeria Upstream Petroleum Regulatory Commission (NUPRC) has a statutory mandate from the Presidency and Petroleum Industry Act, 2021, for technical and administration of the hydrocarbon resources in Nigeria and provides oil and gas production statistics and databases to the Revenue Mobilization and Fiscal Commission (RMAFC) for the purpose of allocation of 13% derivation to the producing states.

The 13% oil derivation principle in Nigeria refers to the revenue allocation formula that grants oil-producing states a specific percentage of the revenue generated from oil production in their territories. This policy has evolved over time, particularly since the 1990s, and has significant implications for federal-state relations and the development of oil-producing regions.

HISTORICAL BACKGROUND

The revenue allocation system in Nigeria has its roots in the colonial period. Initially, regions received allocations based on their contributions to the national

treasury. However, the discovery of oil in the late 1950s shifted the economic landscape.

The oil boom of the 1970s led to increased federal control over oil revenues. The federal government centralized revenue collection, diminishing the financial power of the regions, leading to tensions between the federal and state governments.

In 1992, the 13% derivation principle was introduced by the Federal Government to the oil-producing states. The intention was to address the grievances of these states, which argued that they were not receiving a fair share of the wealth generated from their natural resources.

INTERDEPENDENT AGENCIES FOR HYDROCARBONS ATTRIBUTION

1. Revenue Mobilization Allocation and Fiscal



- Commission (RMAFC)
2. Nigeria Upstream Petroleum Regulatory Commission (NUPRC)
 3. Office of the Surveyor General of the Federation (OOSGOF)
 4. Nigeria Boundaries Commission (NBC)

These agencies are mandated and responsible to determine the factors and formulas for hydrocarbons distribution and attribution to the respective producing states.

Objectives of the 13% Oil Derivation based on Hydrocarbons Attribution to producing states

1. Ensuring Transparency: Ensuring transparency in sharing revenues from hydrocarbons attribution to the states from statistic data provides by the Commission.
2. Limiting Resource Control Agitation: The primary objective was to empower oil-producing states

by giving them a financial stake in the resources extracted from their land, promoting local development and investment in infrastructure.

3. **Addressing Underdevelopment:** Many oil-producing areas, particularly in the Niger Delta, which faces environmental degradation and socio-economic challenges. The 13% derivation was aimed at alleviating poverty and improving living conditions in these regions.
4. **Political Stability:** By providing a financial incentive to oil-producing states, the policy sought to reduce tensions and foster a sense of ownership among local or host communities over their resources.
5. **Encouraging Accountability:** The allocation was also intended to encourage state governments to be more accountable to their citizens regarding the management of oil revenues and the development of their regions.
6. **Safety Operations:** It creates safety environment for the development and operations of oil and gas activities in the states or regions.
7. **Improving on Local Content Development:** The returns on derivation have improved economic growth impacts of the states, participation in the local operations, security and local industry development, creating employment opportunities for the local people within the producing states
8. **Improved stakeholders Engagement:** Foster a strong sense of ownership among the stakeholders in resource management through engagement, enhancing collaboration, transparency, an accountability, leading to improve energy security, protection of oil and gas assets and infrastructures.
9. **Economic Diversification:** Use generated revenue from derivation to impact state revenue for economic diversification into non-oil sectors, promoting trade and investments, especially in the support for Small and Medium Enterprise (SMEs)
10. **Support for Monthly Allocation to the State:** The derivation has increased revenue allocation to the producing states to improve government spending and capacity building, as well as other basic needs for social- infrastructure development.

IMPACT AND ONGOING CHALLENGES

While the 13% derivation has provided financial support to oil-producing states, challenges remain. Ongoing environmental degradation persists. The policy has also sparked debates about equity in revenue sharing among states, wells boundaries and locations,

prompting calls for a review of the entire revenue sharing formula.

The 13% oil derivation policy is a significant aspect of Nigeria's federal revenue allocation system, aimed at empowering oil-producing states and addressing historical grievances, but it continues to face challenges in achieving its objectives effectively.

The current producing states: Rivers, Bayelsa, Akwa-Ibom, Edo, Ondo, Delta, Lagos, Anambra, Abia, and Imo.

PRINCIPLES OF HYDROCARBONS ATTRIBUTION

1. **Geological Assessment:** The first principle involves the geological evaluation of hydrocarbon resources. This entails identifying and mapping the presence of oil and gas reserves through geological surveys and exploration activities. In Nigeria, the Niger Delta region is recognized for its significant hydrocarbon deposits, necessitating detailed geological studies to assess the quantity and quality of these resources.
2. **Legal Framework:** Hydrocarbons attribution is governed by a legal framework by different institutions (RMAFC, NUPRC, OOSGN, NBC) that delineate territorial locations of the fields, and sharing formula based on wells coordinates. In Nigeria, the Petroleum Industry Act (PIA), 2021 aims to reform and regulate the petroleum sector, promoting transparency, accountability, and equitable resource distribution among oil-producing states.
3. **Economic Valuation:** The economic value of hydrocarbons is determined through market dynamics, including supply and demand, pricing mechanisms, and global economic conditions. The pricing of oil can significantly affect the revenue streams of oil-producing states in Nigeria, impacting their economic stability and development initiatives.
4. **Environmental Considerations:** Environmental impact assessments (EIAs) are crucial in the attribution process. These assessments evaluate the potential ecological consequences of hydrocarbon exploration and extraction, ensuring that sustainable practices are employed to mitigate environmental degradation.
5. **Social Responsibility:** Corporate social responsibility (CSR) is another vital principle, as oil companies operating in Nigeria are often expected to contribute to community development, health, and education initiatives. This enhances the relationship between oil companies and local communities, fostering mutual benefits, through host communities' development program as enshrined in the PIA, 2021. ■

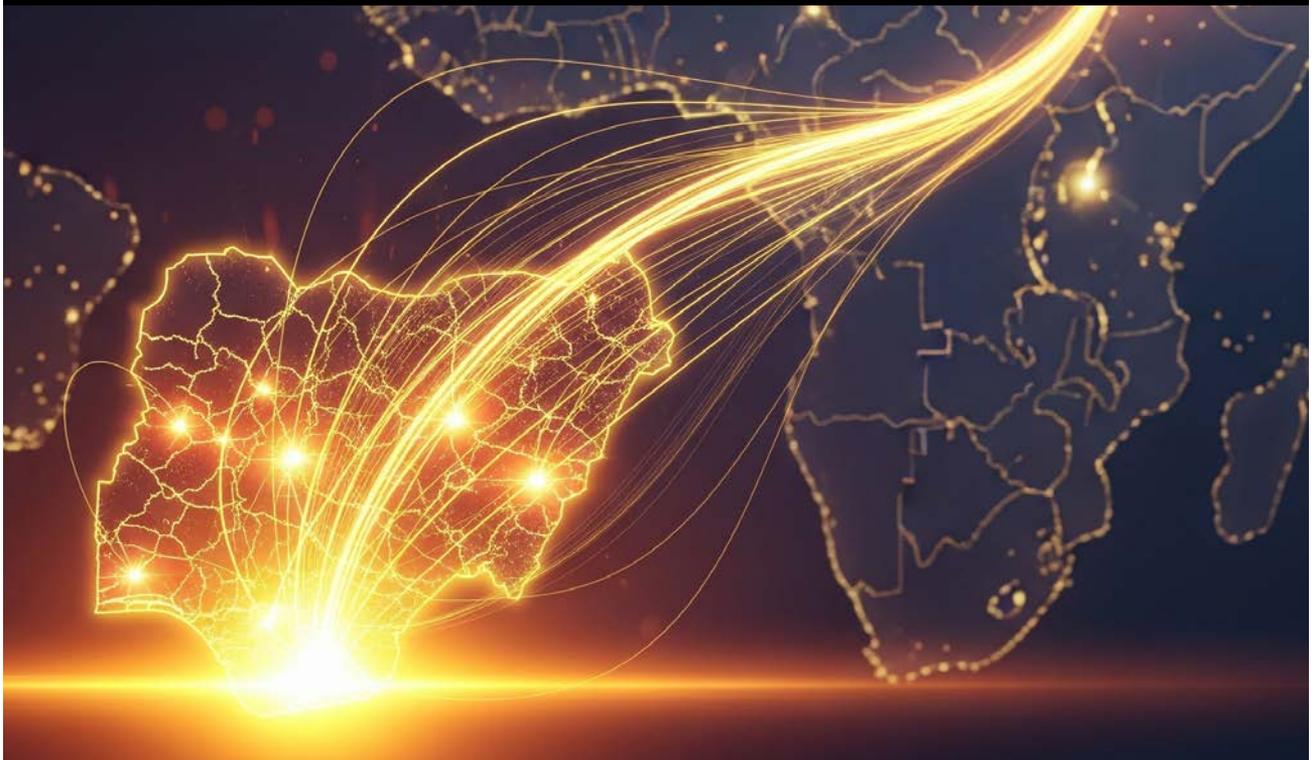
IGNITING NIGERIA AND AFRICA'S ENERGY FUTURE: EVOLVING LANDSCAPES, CHALLENGES AND TRANSFORMATIVE OPPORTUNITIES

Address by

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

at the

2025 AFRICA ENERGIES SUMMIT



Captains of Industry, Distinguished Investors and Business Leaders, Gentlemen and Ladies of the Press, Ladies and Gentlemen, I am greatly delighted and honoured to be here with you at this year's Africa Energies Summit, a gathering that has continued to shape the narrative of our continent's

energy sustainability and future.

We extend our heartfelt appreciation and commendation to the Frontier Energy Network, the convener and driving force behind this remarkable event. Your unwavering commitment, year after year, to amplifying Africa's energy potential on the global stage is truly laudable.

Ladies and Gentlemen, at the 2024 edition of the Summit, Frontier afforded us a platform to unveil Nigeria's 2024 Licensing Round. That occasion ignited meaningful dialogue and opened a gateway to investment prospects across Nigeria's upstream oil and gas sector. It was more than just an announcement of opportunities; it was a powerful reaffirmation of our shared vision to strengthen energy security as the cornerstone of economic growth, national resilience and social prosperity. Today, with renewed purpose and a visionary outlook, we unveil some strategic initiatives to expand oil and gas exploration, accelerate production and reinforce the foundations of Nigeria and Africa's evolving energy landscape.

DECARBONISATION IMPERATIVES AND RISING GLOBAL ENERGY DEMAND



Distinguished Ladies and Gentlemen, we have gathered again at this pivotal moment in global energy history; an era defined by the call for decarbonisation yet underscored by the undeniable truth that oil and gas will remain vital to global energy security for decades to come. As the world races towards a low-carbon future, projections from BP's Energy Outlook 2024 remind us that hydrocarbons will still supply over half of global energy needs by 2050. Meanwhile, Africa's own energy demand is poised to surge by 30% by 2040, driven by rapid population growth, industrial ambition and the rightful quest for universal energy access. Meeting this demand sustainably will require over \$600 billion in upstream investments annually through 2030, according to a study conducted by the International Energy Forum

(IEF) last year.

Interestingly, the global community increasingly recognises that the path to net zero must be just, inclusive, and region-specific. At COP28 and in the lead-up to COP29, consensus has grown around the idea that developing nations must be empowered to chart tailored transitions; ones that do not compromise energy security or economic development. As António Guterres, UN Secretary-General, declared, "The climate emergency is a race we are losing—but it is a race we can win." But that victory depends on access to energy, to capital and to opportunity. John Kerry rightly affirmed, "No country has to give up growth or energy security to solve the climate crisis." and Fatih Birol, the Executive Director of the International Energy Agency, puts it that, "Energy security is not a destination; it is a journey of continuous effort." These are not rhetorical flourishes; they are marching orders for action, grounded in principles that align profoundly with Africa's energy reality.

In addition, events such as the U.S. declaration of an energy emergency and insights from CERAWEEK reinforce what we already know: oil and gas remain indispensable not only for power generation but for economic stability and industrial resilience. Distinguished investors, Nigeria is ready! We cannot abandon our hydrocarbon potential. Instead, we must accelerate its development responsibly, sustainably, efficiently and strategically to finance our future, power our present and uplift our over 200 million people who are in dire need of energy.

CATALYSING EXPLORATION OPPORTUNITIES

Against this backdrop, Nigeria is forging a pragmatic and forward-looking path, recognising that for Africa, climate action must be intrinsically linked with development and universal energy access. It is in this spirit that I take this opportunity to highlight and celebrate the significant milestones Nigeria has achieved in its upstream oil and gas sector through recent licensing initiatives including: 57 PPL Awards in 2022, the 2022 Mini-Bid Round and the 2024 Licensing Round. Each of these awards and rounds was conducted with unprecedented transparency, unmatched competitiveness and remarkable investor engagement. Collectively, they have repositioned Nigeria as a prime destination for oil and gas investment, while reaffirming our commitment to global standards of excellence, innovation and partnership. At the core of this progress lies a deliberate strategy anchored on three key pillars: access to

high-quality geological and technical data, regulatory certainty backed by the Petroleum Industry Act and a reform agenda that places investor confidence and value creation at its center.

QUALITY AND ACCESSIBILITY OF SUBSURFACE DATA

A key driver of Nigeria's recent successes in the oil and gas sector has been the strategic unlocking and modernisation of its subsurface data. Through a landmark partnership with TGS-PetroData and other multiclient service providers, the NUPRC embarked on one of Africa's most ambitious data acquisition and reprocessing campaigns, acquiring over 11,000 square kilometers of 3D seismic data as part of the broader 56,000 sq km Awalé Project. This initiative, alongside reinterpretations of 2D seismic lines, bathymetric surveys and legacy well data, has brought unprecedented clarity to Nigeria's basins and significantly de-risked exploration. At the heart of this revolution also is our National Data Repository (NDR), which houses one of the most extensive seismic databases on the continent and records from over 10,000 wells, enabling both physical and remote access for thorough technical due diligence. This wealth of accessible, high-quality data has not only empowered investor confidence during recent bid rounds but has firmly repositioned Nigeria as one of the most data-rich and investment-ready destinations in the global energy landscape.

TRANSFORMATIVE REFORMS

Beyond the unprecedented accessibility to high-quality subsurface data, Nigeria's investment climate has been profoundly reshaped through bold and investor-focused reforms. Under the visionary leadership of President Bola Ahmed Tinubu, GCFR, and guided by the Petroleum Industry Act (PIA), Nigeria has introduced a suite of attractive incentives that include globally competitive fiscal terms, more efficient regulatory processes and the elimination of prohibitive entry barriers to promote and attract viable investment to the oil and gas sector. Today, entry fees are pragmatic, calibrated to global realities and tailored to support commercial viability on a case-by-case basis. Through the Presidential Executive Orders and the proactive stance of the NUPRC, Nigeria has redefined itself not only as a land of vast hydrocarbon potential but as a destination where opportunity meets ease of doing business, certainty and investor value.

IMPACT: INVESTMENT INFLOWS

The transformative impact has been remarkable. Our oil and gas sector has seen a significant surge in investment. New investors, empowered by clarity and quality, have entered our sector, oil and gas reserves and production have increased, while rig counts have surged from 8 in 2021 to 36 currently, with projections to reach 50 by the end of the year. This momentum reflects a

bold new chapter; one driven by ambition, resilience and opportunity. With 210.54 trillion cubic feet of natural gas reserves, the largest in Africa and 37.28 billion barrels of crude oil reserves, Nigeria holds enormous reserves. Our national production target is 3 million barrels per day but achieving this requires continuous investment to unlock new basins and mature frontier fields to secure future energy needs that will match our fast-growing population.

SUSTAINING VALUE CREATION

Distinguished Ladies and Gentlemen, as you are aware, the Nigerian oil and gas industry stands as the very heartbeat of our national economy, contributing an astounding 95% of foreign exchange earnings and nearly 70% of government revenue, while creating jobs and establishing Nigeria as a strong player in the global energy landscape. Yet, if we are to sustain, accelerate and truly harness the full potential of this sector for future generations, we must remain steadfast in advancing strategic initiatives that maximise government revenue, deliver tangible economic benefits to over 200 million Nigerians and ensure consistent, attractive returns for our valued investors.

Building on the success of our previous bid rounds, the NUPRC is committed to delivering even more impactful and frequent licensing rounds and other initiatives anchored on principles of certainty and predictability. As President Bola Ahmed Tinubu rightly observed, "Markets thrive not just on opportunity, but on certainty." Guided by this insight, we will be applying the lessons learned from past exercises to future rounds, with the aim of unlocking new waves of exploration, fast-tracking the maturation of promising fields and accelerating the development of untapped reserves.

PROJECT 1MILLION BARREL INITIATIVE

To further consolidate our drive for energy security and production resilience, the NUPRC launched the bold and visionary initiative known as Project 1 Million Barrels per Day (1MMBOPD). At the center of this lies a propelling goal to increase Nigeria's crude oil production by over one million barrels per day, in the mid-term, beyond the October 2024 baseline. This initiative was not conceived in abstraction, but in the context of real opportunity. It is a call to every oil and gas operating company, partners and investors to revitalise dormant fields, rejuvenate brownfields and deliver on the promise of existing assets in line with good asset stewardship.

Since the launch of the project, we have achieved a notable increase in daily production, recently reaching 1.78 million barrels per day, up from a baseline of 1.46 million barrels per day in October 2024. To sustain momentum, the NUPRC is fast-tracking rig licensing and is set to introduce digital tools aimed at optimising rig utilisation and securing long-term contracts. The NUPRC is also firmly committed to the timely issuance of field development plan approvals and other regulatory

instruments essential to accelerating the development of Nigeria's hydrocarbon resources. Our current drive on pipeline security and the development of alternative crude evacuation infrastructure is to ensure that there are no disruptions in production and that produced crude oil reaches the desired destination intact. However, our current production levels still fall well below our true production potential. The question is no longer about whether the resources exist, but whether we can unlock them efficiently, sustainably and profitably.

Distinguished Investors and Partners, our drive to increase production has presented several opportunities in a wide range of upstream activities including reviving shut-in wells, executing workover campaigns, deploying enhanced oil recovery techniques in mature fields and advancing new development drilling across both brown-fields and underdeveloped assets. These efforts must be supported by robust reservoir management and real-time production optimisation. Also, to match this scale of activity, Nigeria requires more modular early production facilities, expanded central processing units and state-of-the-art gas processing plants.

Indeed, the Project 1 Million Barrels per Day is a transformative initiative: unlocking value to a diverse range of stakeholders, enabling IOCs and Indigenous E and P companies to boost production and unlock new reserves, creating strong demand for rig owners and production facility vendors, opening new frontiers for service providers, engineers, and consultants through expanded project opportunities and enhancing capacity for midstream and gas processing firms. The infrastructure deficit across our exploration and production hubs calls for strategic partnerships to develop pipelines, processing facilities and logistics networks that will unlock stranded reserves and create enduring value. These opportunities offer global financiers and investors high-yield, asset-backed prospects in a rapidly growing market and we warmly welcome innovative funding solutions, such as affordable financing and collaborative investment models, to unlock capital and drive sustained growth in Nigeria's upstream sector.

We recognise that the global market fundamentals have witnessed a downward swing recently, but we are responding with decisive reforms and strategic actions, aimed at improving cost efficiency and investor confidence. As we focus on ramping up production and unlocking dormant fields through the Project 1 Million Barrels per Day, we are also rigorously implementing the Presidential Executive Orders on the ease of doing business, reducing contracting cycles, eliminating operational bottlenecks, streamlining Nigerian Content requirements and driving down production costs to maximise return on investment. In doing so, we are not just weathering the storm of global uncertainty, we are positioning Nigeria as a resilient, reform-driven and investment-ready destination at the heart of Africa's energy renaissance.

There are also other vast and compelling

transformative opportunities particularly in natural gas development as Nigeria positions gas as a strategic transitional fuel. Backed by bold initiatives such as the Decade of Gas, the Presidential CNG Initiative and the Nigerian Gas Flare Commercialisation Programme, Nigeria is establishing a transparent, competitive and investor-friendly gas market, to harness its vast natural gas resources, estimated to exceed 600 trillion cubic feet (upside potential). NUPRC is spearheading the efforts to unlock this huge potential to accelerate industrialisation, expand energy access and establish Nigeria as a pivotal player in the global energy transition.

The above narratives highlight the vast opportunities that abound in Nigeria's upstream oil and gas sector, offering immense potential for both existing investors and new entrants seeking to participate in our dynamic and promising energy landscape. Additionally, Nigeria's youthful population presents a unique opportunity to drive innovation and workforce development in the exploration of frontier basins as well as the advancement of decarbonisation technologies in the oil and gas sector.

We recognise that regional collaboration is essential to addressing the challenges in Africa's oil and gas sector, such as fragmented regulations and infrastructure gaps. The NUPRC is leading the collaborative efforts by initiating and coordinating the efforts of the African Petroleum Regulatory Forum (AFRIPERF) to harmonise regulations, encourage cross-border investments and support shared infrastructure, all aimed at building a more resilient and competitive oil and gas industry in Africa. As a key voice for Africa's leading hydrocarbon producer, the NUPRC also supports the Africa Energy Bank by providing technical and regulatory expertise to ensure it delivers targeted financing for oil, gas and energy transition projects, advancing sustainable development and energy security across the continent.

CONCLUSION

Distinguished Investors, Ladies and Gentlemen,

Permit me to conclude by reiterating that Nigeria is not waiting on the sidelines. We are standing boldly at the center; fully ready, capable and determined to lead. In this new energy era, our initiatives and strategic efforts are designed to deepen investor confidence, drive sustainable growth, bridge the gap between resource potential and actual production, unlock the full value of our upstream assets and deliver tangible results that advance shared prosperity. Our message to you is therefore simple and resolute: Nigeria is not only rich in natural resources; it offers a strategic landscape of high-yield opportunities for forward-looking investors. With bold reforms, transparent regulation and a renewed commitment to excellence, we have built the foundation. Now, we invite you to walk it with us to shape the next phase. As President Bola Ahmed Tinubu reminds us, **"Nigeria must not only be open for business; Nigeria must be irresistible for investment."** Together, let us turn the potential into performance. ■

Travel to your dream destination with us

Skyla Air is currently operating African jet/charter carrier based in Murtala Muhammed International Airport in Lagos.



OIL BID ROUND: WHY UNDERSTANDING THE REGULATORY FRAMEWORK MATTERS

- Akpandem James, fngc -

CONTEXT: A CALL FOR REGULATORY LITERACY

Following the landmark 2024 Licensing Round, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) is emphasising the critical importance of understanding the regulatory framework that governs oil licensing in Nigeria. As the nation prepares for the next oil bid round, stakeholders, ranging from investors and the media to civil society and the general public, must be equipped with accurate knowledge of the processes, requirements and legal provisions under the Petroleum Industry Act (PIA) 2021.

A thorough understanding will prevent misrepresentations, misinformation and premature conclusions,

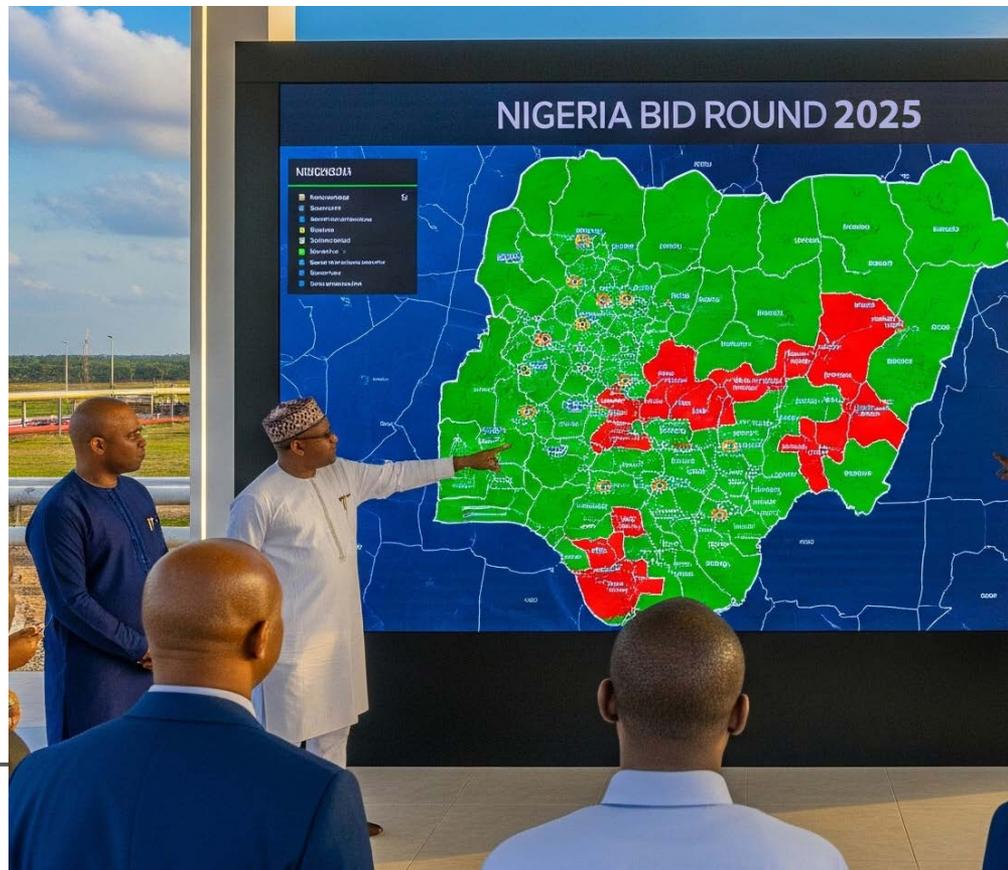
which attended public discourse following the successful 2024 licensing round.

MISINTERPRETATIONS POST-2024: A TEACHABLE MOMENT

Despite the wide acclaim for the transparency of the 2024 Bid Round, some uninformed commentary arose, alleging irregularities and favouritism in the award of oil blocks. These claims, which were quickly dispelled, suggested breaches of the PIA and regulatory procedures. However, scrutiny revealed that these allegations stemmed from a fundamental misunderstanding of the rules and the rigorous process implemented.



AMONG THE KEY COMPONENTS OF THIS METICULOUS PROCESS WERE PUBLIC HEARINGS HELD AT VARIOUS STAGES, WHERE ALL RELEVANT INDUSTRY STAKEHOLDERS WERE ENCOURAGED TO PARTICIPATE AND PRESENT THEIR PERSPECTIVES



NUPRC views this as a teachable opportunity, to bring clarity and awareness to the structured, rule-based framework guiding Nigeria's upstream oil licensing system.

BEYOND THE HEADLINES: INSIDE THE 2024 LICENSING ROUND

The 2024 Oil Licensing Round was a landmark in Nigeria's upstream regulatory history. It was conducted under a meticulously developed framework designed to ensure:

- Transparency
- Fairness
- Broad stakeholder engagement

To provide some clarity, the NUPRC in 2024 undertook and concluded an Oil Bid Round. This process was characterised by a comprehensive and rigorous framework designed to ensure transparency and stakeholder engagement. Among the key components of this meticulous process were public hearings held at various stages, where all relevant industry stakeholders were encouraged to participate and present their perspectives.

These hearings facilitated a collaborative atmosphere, allowing for input from regulatory agencies and all parties operating in, and overseeing industry operations. Their involvement was not limited to the final stages of the bid round; they played an integral role from the very outset, contributing to the development of regulations and guiding the bid process. This level of engagement and procedural rigour underscores a commitment to fostering a fair and competitive bidding

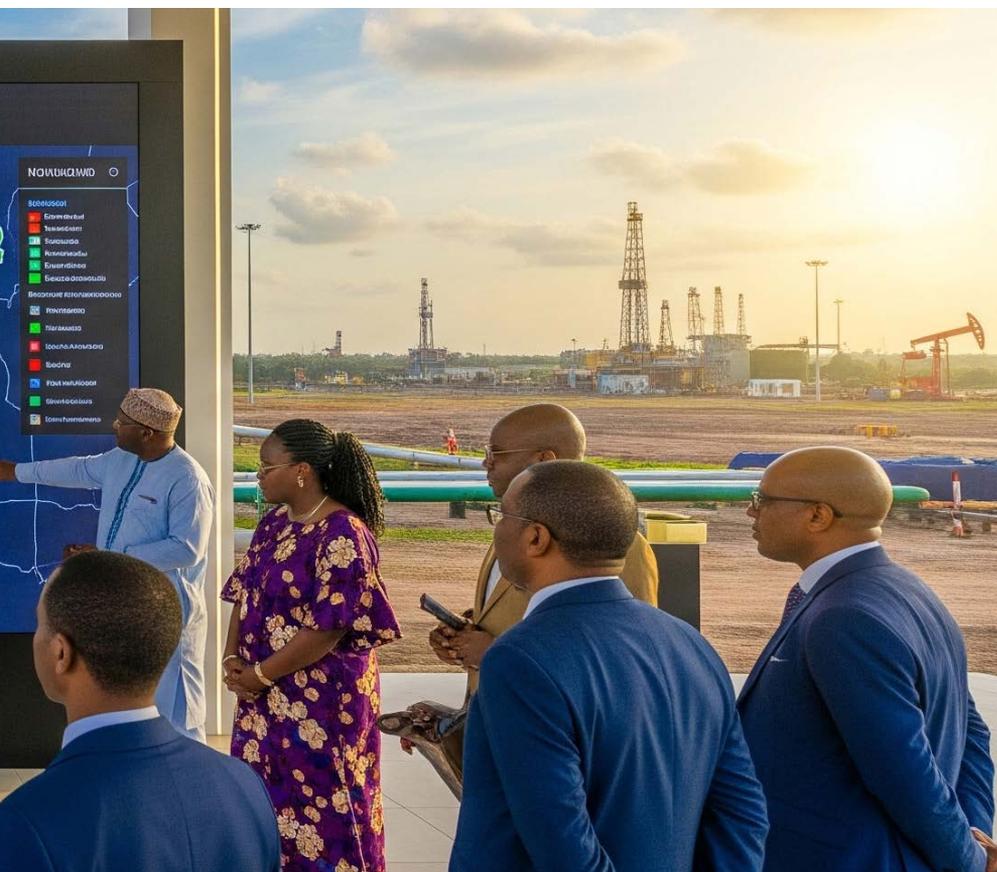


THIS DIGITAL MODEL REMAINS THE GOLD STANDARD FOR FUTURE LICENSING ROUNDS AND WILL BE USED AGAIN IN THE NEXT ROUND, EXCEPT WHERE MORE SUPERIOR AND RELEVANT TECHNOLOGIES EMERGE

environment in the Nigerian oil sector.

The selection process for the 2024 oil bid round was a comprehensive and inclusive event, involving a diverse array of stakeholders such as the international oil companies (IOCs), various local and international firms, the Nigeria Extractive Industries Transparency Initiative (NEITI), relevant government agencies, civil society organisations, and both national and international media representatives. This process was conducted in a manner that upheld the principles of competitiveness, openness and transparency, as mandated by section 73 of the Petroleum Industry Act (PIA).

The 2024 Licensing Round marked a new chapter in Nigeria's upstream oil sector. It was the first time in over 70 years that oil block awards were conducted using digital systems free from human interference, guided fully by the provisions of the Petroleum Industry Act (PIA) 2021 and the NUPRC Licensing Guidelines.



HOW THE LICENSING PROCESS WORKS: REGULATORY OVERVIEW

The process follows a rigorous, multi-tiered structure which involves a pre-qualification phase focused on technical capacity, financial strength and legal compliance; technical evaluation which was open to all qualified applicants without restrictions on the number of blocks; and commercial bid evaluation conducted via an encrypted digital platform and live-streamed to ensure transparency. That was the process adopted in the 2024 bid round and remains standard requirements in the PIA and regulatory guidelines.

PREQUALIFICATION PHASE

The prequalification stage evaluates bidders based on:

- **Technical Expertise:** A

minimum of three to five years' experience in deep offshore, onshore, or shallow water operations, either directly or through key personnel.

- **Financial Strength:** Proof of financial capability, including a minimum annual turnover of up to \$200 million for deep offshore assets or a bank guarantee of \$50 million for onshore/shallow water assets.
- **Legal Compliance:** Submission of incorporation documents, tax clearance certificates, beneficial ownership details and an organisational structure in line with regulatory requirements.

In the case of the 2024 bid round, this stage opened on May 13, 2024, and closed July 5, 2024. There was no restriction on the age of bidding entities.

TECHNICAL EVALUATION



THE NIGERIAN OIL AND GAS INDUSTRY IS THE HEARTBEAT OF OUR ECONOMY, CONTRIBUTING 95% OF FOREIGN EXCHANGE EARNINGS AND 70% TO GOVERNMENT REVENUE

There is no restriction on the number of blocks for which a bidder could submit a technical bid. Only technically qualified bidders can proceed to the commercial bid stage (per bid guidelines). The guidelines do not prescribe restrictions based on the date of incorporation. Rather, eligibility is determined based on:

- Technical capacity, including experienced personnel with upstream industry backgrounds;
- Financial capacity, backed by demonstrable financial support or bank guarantees;
- Legal compliance, including incorporation documents, beneficial ownership disclosures and tax clearance certificates.

It must be noted that the technical and financial capability of a bidding entity is not solely determined by the date of incorporation of the Special Purpose Vehicle (SPV) used for bidding. Instead, it is assessed based on the expertise, financial strength and track record of the

stakeholders, affiliated entities or parent companies backing the SPV.

This is where the pedigree of the promoters becomes crucial. The experience, financial capacity and operational history of the parent company or key affiliates play a significant role in demonstrating the SPV's ability to meet the bid requirements. This approach ensures that even newly incorporated SPVs, when backed by credible industry players with proven expertise and financial strength, can participate competitively and effectively in the bidding process.

COMMERCIAL EVALUATION

This final stage was conducted via a secure digital platform and live-streamed to the public. The process used an encrypted, point-based scoring system focused on:

- Signature Bonus
- Work Programme Financial Commitments
- Performance Guarantees

The bidder with the highest score is declared the winner. If a winning bidder fails to meet obligations (e.g. Signature Bonus payment), the reserve bidder steps in, as per the rules outlined in the bid guidelines and PIA. If no eligible bidder remains, the block reverts to the basket for future rounds. No discretionary re-allocation is permitted.

under the PIA.

In the 2024 round, a computer-based competitive bidding process was adopted, leveraging encryption and decryption technology to ensure data integrity and confidentiality. The outcomes were determined instantaneously and transparently in full public view. The Bidder with the highest aggregate score was announced as the winning Bidder, while the second-highest scorer was designated as the reserve bidder. This was televised live for full transparency, open to the public, and conducted in the presence of representatives from relevant entities such as NEITI, Federal Ministries of Finance and Petroleum Resources, and acknowledged by all knowledgeable entities as being transparent.

It is worth noting that the commercial phase was highly competitive attracting participation of national, indigenous and international oil companies. It was observed that indigenous oil companies demonstrated a strong and aggressive approach in their commercial submissions to outbid the national oil company and international oil companies who were conservative. The bullish bids may be attributed to the degree of perceived prospectivity of the assets, availability/ interpretation of data, nearness to existing infrastructure, development concept, hydrocarbon preference, terrain preferences, eagerness for market entries, vacation of signature bonus entry barriers and investor confidence with the enactment of the Petroleum Industry Act 2021.



- Eliminated human interference;
- Was broadcast live for public viewing.

This digital model remains the gold standard for future licensing rounds and will be used again in the next round, except where more superior and relevant technologies emerge.

INDIGENOUS FIRMS EXCELLED - ON MERIT

The 2024 round revealed a significant shift: indigenous firms emerged as aggressive and successful bidders, often outcompeting multinational and national oil companies. Analysts credit this to:

- Greater familiarity with local terrain;
- Eagerness to expand operational footprints;
- Relaxation of signature bonus entry thresholds;
- Enhanced investor confidence under the PIA framework;

ADDRESSING KEY CONCERNS: SPVS AND ELIGIBILITY

One common misconception post-2024 was that newly incorporated firms were ineligible. This is incorrect. The use of Special Purpose Vehicles (SPVs) in oil bids is both legal and common. SPVs backed by credible, experienced parent companies and meeting all regulatory criteria are fully eligible to compete. Eligibility is based on proven technical capacity, including personnel with upstream experience; financial backing, through verifiable capital, annual turnover, or bank guarantees; and full legal compliance, including submission of incorporation documents, beneficial ownership details and tax records. This means companies can use SPVs to participate in such rounds. These are often newly incorporated entities with the backing of well-established parent companies or investors.

DIGITAL INNOVATION: A TRANSPARENT ADVANTAGE

A standout feature of the 2024 round was its Digital Commercial Evaluation System. This system:

- Used end-to-end encryption and real-time decryption;

- Access to relevant data and infrastructure.
- This marks a strong win for Nigeria's local content aspirations and proves that the system rewards merit, not privilege.

RECOGNITION OF TRANSPARENCY: NEITI APPLAUDS PROCESS

The 2024 bid round was not only internally transparent but externally validated. NEITI, which diligently observed the process, publicly endorsed the professionalism and openness of NUPRC's approach. Every stage, from registration to final awards, was subject to public and multi-stakeholder oversight. Public hearings allowed input from regulators, operators, media and civil society. Such validation undercuts any claims or perceptions of backdoor dealings or procedural lapses.

STRENGTHENING INVESTOR CONFIDENCE

Despite isolated attempts to sow doubt, investor interest in Nigeria's upstream sector is increasing. Multinational energy firms like TotalEnergies are reaffirming their long-term investment plans, citing trust in Nigeria's regulatory clarity and institutional reforms under the PIA.

The Independent Petroleum Producers Group (IPPG) on Wednesday, June 11, 2025, also expressed appreciation to the Commission for the critical role it played in facilitating the divestment of assets by international oil companies. The group noted that the divestments, which were closely supervised by the Commission, have enabled a significant transfer of upstream oil and gas assets to indigenous operators. This transition marks a pivotal shift in Nigeria's energy landscape, creating new opportunities for local companies to scale up operations.

Given the milestones, NUPRC remains focused on fostering a stable, transparent and business-friendly environment while driving energy security and sustainable development.

LOOKING AHEAD: STRATEGIC PLANS AND DEEPWATER SYNERGY

In a bid to further unlock Nigeria's deepwater potential, the Commission is developing a cluster governance framework for deep offshore and gas assets. This initiative aims to:

- Optimise infrastructure usage;
- Promote economies of scale;
- Encourage synergy among operators.

This approach will tackle the challenges related to evacuation infrastructure and promote synergy in facility usage to unlock the vast potential of Nigeria's deep-water resources while reducing costs and leveraging economies of scale. Engr. Gbenga Komolafe, the Commission Chief Executive indicated that "through regulatory excellence, collaboration and visionary planning, NUPRC is poised to guide Nigeria towards a future defined by energy security, economic growth and environmental responsibility,"

He underscored the strategic importance of the NUPRC as a powerful catalyst for the growth, sustainability and global competitiveness of the oil and gas sector. "The Nigerian Oil and Gas industry is the heartbeat of our economy, contributing 95% of foreign exchange earnings and 70% to government revenue. It unlocks employment opportunities and positions Nigeria as a formidable leader in the global energy arena. However, sustaining and accelerating this momentum requires a regulator that is visionary, predictable, firm, transparent, innovative and business-friendly. We are proud to assert that the NUPRC today strives to maintain all these attributes of a 21st-century regulator."

The CCE affirmed that NUPRC's regulatory excellence, forward-thinking strategy and inclusive leadership will steer Nigeria toward energy security and economic advancement.

NEW GUIDELINES FOR ADVANCED CARGO DECLARATION

As part of its policy moves to enhance transparency, accountability and efficiency in the country's crude oil and petroleum exports the Commission, on Tuesday, June 17, 2025, released new guidelines for the advanced

cargo declaration regime. The guidelines were issued under the Nigerian Upstream Petroleum Advance Cargo Declaration Regulation, 2024, and are designed to establish a robust framework for declaring and tracking crude oil and petroleum product exports from Nigeria, monitoring and accounting for the movement of crude oil within the country, preventing disruptions, theft and under-declaration at export terminals and ensuring that only certified and measured products are exported, supporting accurate revenue generation for the government.

This applies to all licences and leases granted or preserved under the Petroleum Industry Act (PIA) 2021, covering crude oil, natural gas, natural gas liquids and petroleum products exported from all terminals and export points in Nigeria.

The new guidelines represent a significant step toward a more transparent, accountable and efficient oil export regime in Nigeria. By leveraging technology, robust validation and strict documentation protocols, the Commission is addressing long-standing challenges of opacity, losses and inefficiency in the sector.

RESPONSIBLE REPORTING AND PUBLIC ENGAGEMENT

The Oil and Gas Sector is central to Nigeria's economy, and its governance must be held to high standards. The Commission is committed to openness and transparency and would support responsible reporting of its activities based on accuracy, context and a fair understanding of regulatory processes. It welcomes public scrutiny but urges balanced report within the bounds of factual integrity. The PIA and NUPRC Guidelines are public documents. Therefore, interpretations should reflect their actual content, not speculative narratives.

On the part of the Commission, it would continue to stand firm on its core values of technical competence, transparency and accountability, agility and responsiveness, data-driven oversight and stakeholder collaboration. As misinformation threatens to distort public perception, the best remedy is informed engagement, and a collective commitment to upholding the truth.

CONCLUSION: A DIGITAL, INCLUSIVE, RULES-BASED FUTURE

The 2024 Licensing Round has set a new benchmark for oil block allocation in Nigeria: digital-first, inclusive, competitive and compliant with the PIA.

As the country works toward the next round, NUPRC is committed to refining this template to attract quality investment, deepen local participation and ensure that Nigeria's vast hydrocarbon wealth works for all its people, not just a privileged few. ■

P R E S S R E L E A S E

PUTTING EVERY BARREL TO WORK: NIGERIA'S NEW PRESIDENTIAL DIRECTIVE ON COST EFFICIENCY TARGETS NEW INVESTMENTS, IMPROVED REVENUES AND NATIONAL VALUE

President Bola Ahmed Tinubu has issued a new Executive Order designed to lower project costs, attract investment and enhance revenues from oil and gas operations.

The Upstream Petroleum Operations Cost Efficiency Incentives Order (2025) introduces performance-based tax incentives for upstream operators who deliver verifiable cost savings that meet defined industry benchmarks.

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) will publish these benchmarks annually according to terrain; onshore, shallow water and deep offshore. Additionally, detailed implementation guidelines for the new Order will be issued in due course.

Among other provisions, the Order returns to investors 50% of incremental government gain resulting from cost saving and also caps available tax credits at 20% of a company's annual tax liability, protecting government revenues while still offering strong fiscal terms to incentivise efficient operators.

"Nigeria must attract investment inflows, not out of charity, but because investors are convinced of real and enduring value. This Order is a signal to the world: we are building an oil and gas sector that is efficient, competitive and works for all Nigerians. It is about securing our future, creating jobs and making every barrel count," said President Tinubu.

To ensure effective implementation of the new Order, the President has tasked the Special Adviser on Energy to lead inter-agency coordination, ensuring alignment across key government institutions and translating policy intent into measurable outcomes.

"This is not a pursuit of cost reduction for its own sake. It is a deliberate strategy to position Nigeria's upstream sector as globally competitive and fiscally resilient," said Mrs. Olu Verheijen, Special Adviser to the President on Energy. ***"With this reform, we are rewarding efficiency, strengthening investor confidence and ultimately delivering greater value to the Nigerian people."***

The new Order builds on the administration's 2024 presidential reform directives which delivered improved fiscal terms, shortened project timelines and aligned local content policies with global best practice.

Download the gazetted Executive Order at <https://www.energyreforms.ng/>

Media Contact:

Senan Murray

Office of the Special Adviser to the President on Energy

media@energyreforms.ng



NIGERIA'S UPSTREAM PETROLEUM RENAISSANCE: A TRIBUTE TO VISIONARY LEADERSHIP AND STRATEGIC REFORM

- Nze David Ugorji -

In an era where energy security and resource governance are defining metrics of national strength, Nigeria is charting a compelling new course. From the verdant wetlands of the Niger Delta to the policy chambers of Abuja, the country's upstream petroleum sector is undergoing a historic rebirth. At the heart of this transformation lies the resolute leadership of President Bola Ahmed Tinubu, architect of the Renewed Hope Agenda and the steadfast stewardship of Engineer Gbenga Komolafe, the Commission Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). Together, they have reignited faith in the Nigerian energy narrative ushering in a new era of productivity, transparency and inclusive growth. This is not merely a policy success. It is a national resurgence.

A PRESIDENCY OF PURPOSE

President Tinubu's Renewed Hope Agenda was envisioned as a roadmap for comprehensive renewal, revitalising the nation's economy, institutions and moral fabric. For the oil and gas sector, it has become a clarion call to restore Nigeria's pride of place as Africa's energy leader. Upon entering office, President Tinubu inherited a stagnating upstream industry beleaguered by declining output, underinvestment and widespread



WHAT DISTINGUISHES THE NUPRC MODEL IS ITS CLEAR-EYED COMMITMENT TO BALANCING GOVERNMENT REVENUE INTERESTS, INVESTOR CONCERNS AND ENVIRONMENTAL AND COMMUNITY CONSIDERATIONS

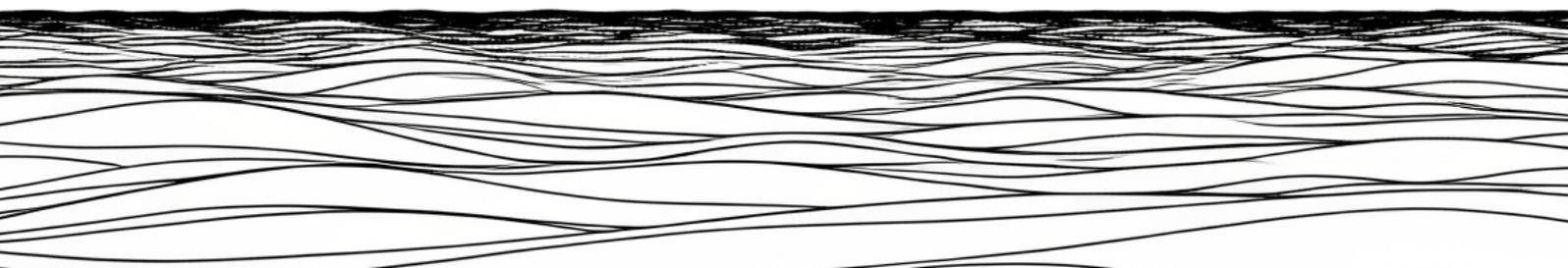
opacity.

Within two years, strategic reforms under his agenda have reversed the decline. Daily crude oil production has risen from a subdued 1.3 million barrels per day in 2022 to 1.65 million by mid-2025. The confidence of international investors has returned, with over \$5 billion in new commitments enabled by the restoration of licensing rounds and fiscal clarity. Crucially, the President has emphasised not only increased output but equitable outcomes. Under his directive, the revitalisation of Host Community Development Trusts (HCDTs) has brought renewed vitality to long-neglected communities. The upstream sector has evolved from a story of extraction to one of empowerment, extending infrastructure, healthcare and economic opportunities to the very

regions that have long sustained the industry.

THE TECHNOCRAT'S TOUCH

If President Tinubu provided the strategic compass, Engineer Gbenga Komolafe has charted the course. As CCE of the NUPRC, Komolafe has reinvented the agency as a regulator of precision, foresight and inclusivity. His leadership has brought clarity where once there was opacity and confidence where there was once investor hesitation. Among his signal achievements is the implementation of the National Hydrocarbon Measurement



Framework, a game-changing policy that has curtailed oil theft and waste, safeguarding national revenue. The establishment of a first-of-its-kind Upstream Data Repository has digitised operations, enabling real-time regulatory intelligence and operational efficiency. Komolafe's ethos is unmistakably inclusive. Under his watch, local operators often sidelined in the past have gained unprecedented access. Today, indigenous firms account for nearly 35% of upstream activity, empowering Nigerian enterprises and fortifying domestic value chains.

AN INDUSTRY REIMAGINED

The gains of the past two years are not isolated. They form part of a broader vision for a globally competitive Nigerian energy ecosystem:

- **Transparent Licensing:** With credible bidding rounds and digitised processes, Nigeria is once again viewed as a premium destination for upstream investment.
- **Decarbonisation Commitment:** The NUPRC has introduced the country's first Upstream Decarbonisation Roadmap, aligning Nigeria with global climate targets while maintaining production viability.
- **Gas Expansion:** A strategic pivot is underway to monetise Nigeria's vast natural gas reserves, supporting industrialisation and positioning the country as West Africa's clean energy anchor.
- **Technology Foresight:** Plans are in motion for the launch of an AI-driven Upstream Innovation Lab, a bold step toward making Nigeria a thought leader in petroleum technology.

A GLOBAL MODEL, ROOTED IN NATIONAL PRIDE

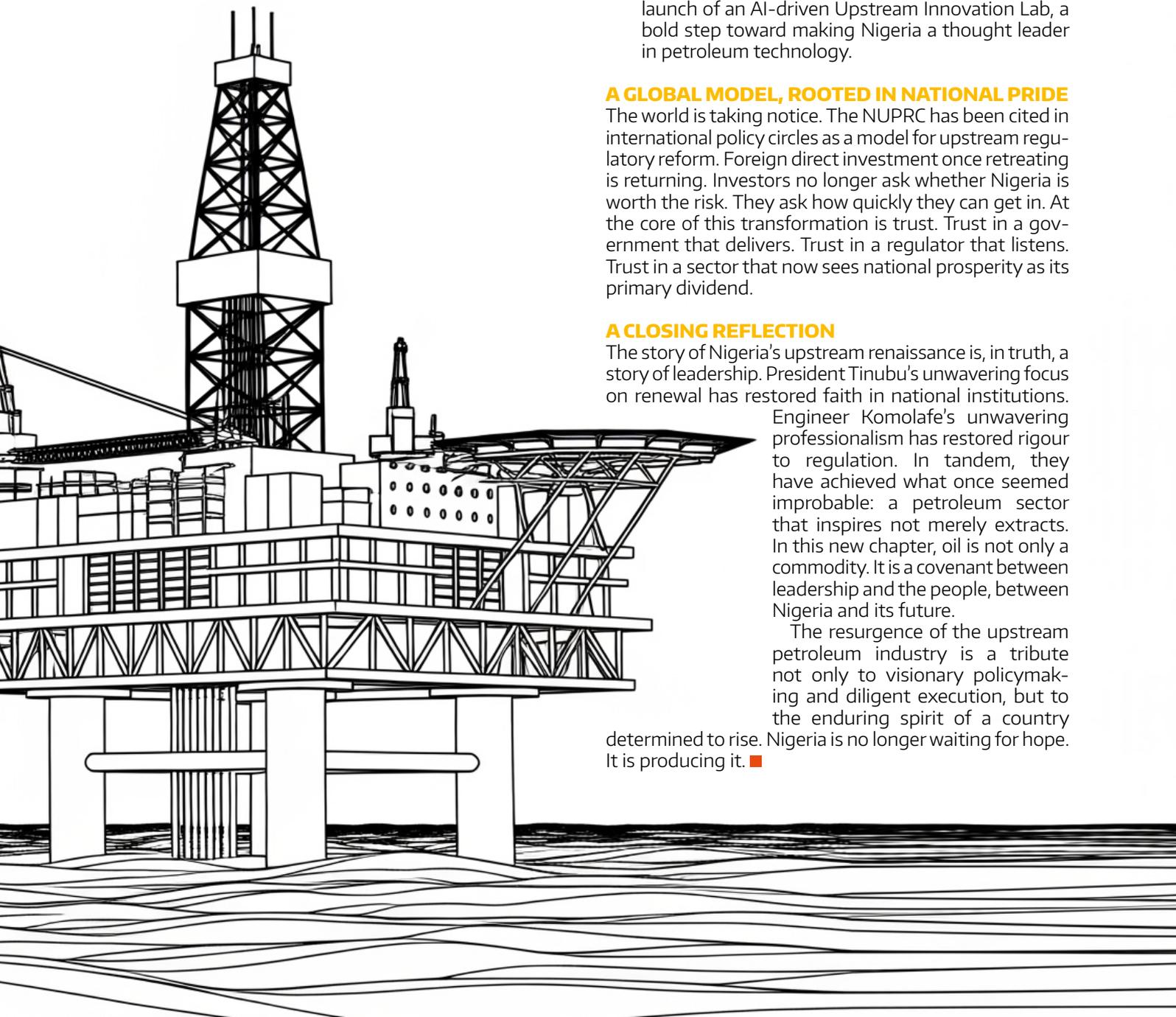
The world is taking notice. The NUPRC has been cited in international policy circles as a model for upstream regulatory reform. Foreign direct investment once retreating is returning. Investors no longer ask whether Nigeria is worth the risk. They ask how quickly they can get in. At the core of this transformation is trust. Trust in a government that delivers. Trust in a regulator that listens. Trust in a sector that now sees national prosperity as its primary dividend.

A CLOSING REFLECTION

The story of Nigeria's upstream renaissance is, in truth, a story of leadership. President Tinubu's unwavering focus on renewal has restored faith in national institutions.

Engineer Komolafe's unwavering professionalism has restored rigour to regulation. In tandem, they have achieved what once seemed improbable: a petroleum sector that inspires not merely extracts. In this new chapter, oil is not only a commodity. It is a covenant between leadership and the people, between Nigeria and its future.

The resurgence of the upstream petroleum industry is a tribute not only to visionary policymaking and diligent execution, but to the enduring spirit of a country determined to rise. Nigeria is no longer waiting for hope. It is producing it. ■





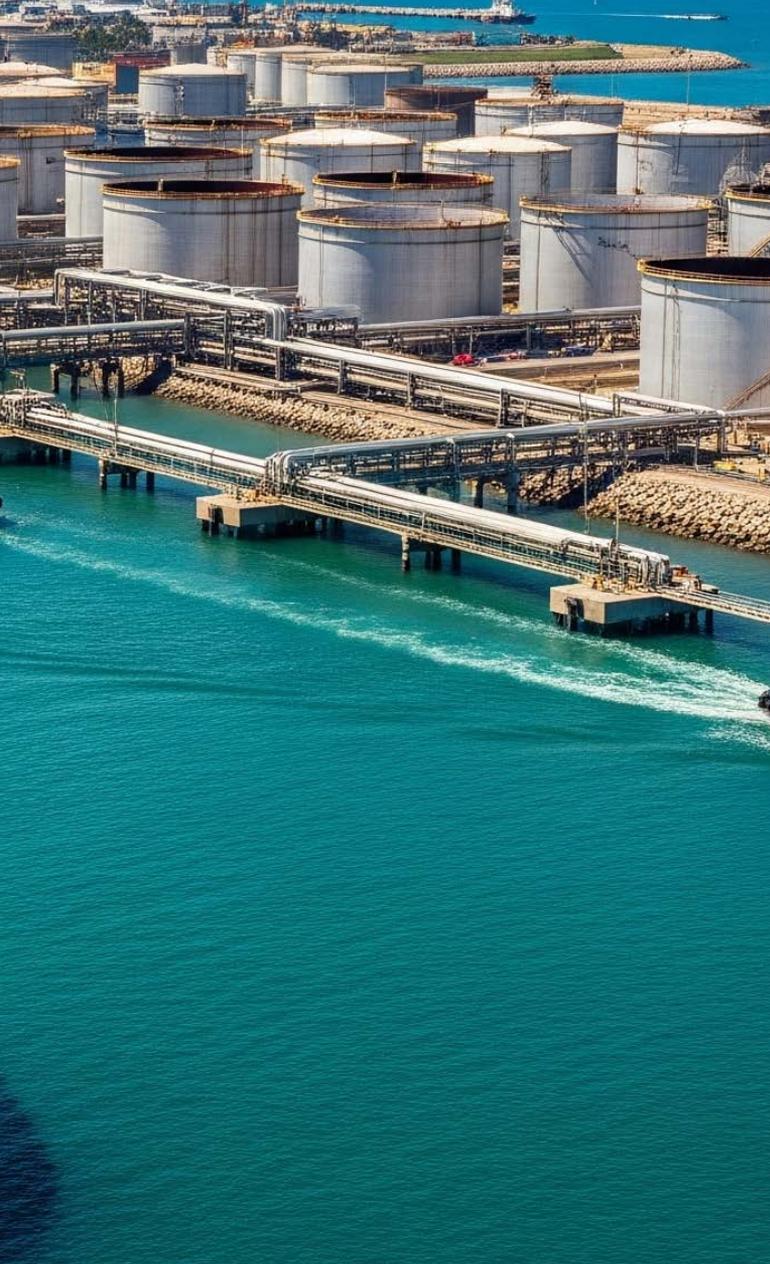
ADVANCE CARGO DECLARATION: A STRATEGIC TURNING POINT FOR NIGERIA'S OIL EXPORTS AND GLOBAL CREDIBILITY

- TONY A. UKPO -

Nigeria's oil and gas sector stands at a critical crossroads. On one hand, it is blessed with proven reserves of 37.28 billion barrels of crude oil and 210.54 trillion cubic feet of natural gas, the oil and gas sector remain the backbone of our economy with immense hydrocarbon reserves and a strategic global position as a major exporter. On the other, it has long battled challenges that have eroded its credibility, dampened investor confidence and

hindered the optimisation of its resource wealth. But since 2024, a major change began to take shape, one that may defines the next chapter in Nigeria's upstream petroleum narrative.

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC), empowered by Section 10(f) of the Petroleum Industry Act (PIA) 2021, introduced the Advance Cargo Declaration (ACD) Guidelines, a transformative regulation designed not just to tidy up



bill of lading, certificate of origin, cargo manifest and vessel documentation. This unique tag ensures that every shipment is traceable from origin to destination, eliminating any gaps for manipulation or loss.

Such structure offers more than just administrative order, it injects integrity into the heart of Nigeria's upstream value chain. By requiring full transparency before any cargo leaves the country, the NUPRC has created a system that prevents false declarations and stops revenue losses at the source. The Commission has gone further to mandate that once loading is complete, it will issue an official Certificate of Quantity and Quality, again bearing the same UIN and upload it to the portal within 24 hours. The result is real-time visibility into Nigeria's export activities, available to regulators, traders and where necessary, international authorities.

Additionally, the implication of this framework extends well beyond compliance. It is a blueprint for restoring



BUT THE REAL GAME CHANGER IS THE ADVANCE CARGO DECLARATION PORTAL, AN ELECTRONIC PLATFORM WHERE EXPORTERS MUST SUBMIT A "DOCUMENTARY INSTRUCTION", A DIGITAL RECORD DETAILING THE CARGO'S QUANTITY, QUALITY, DESTINATION AND ASSOCIATED VESSEL INFORMATION

export documentation, but to shift the country's oil export culture into one of structure, transparency and enforceable accountability. These guidelines under the transformative leadership of Engr. Gbenga Komolafe, mark a significant evolution in how Nigeria handles crude oil, condensates, natural gas liquids and petroleum product exports.

Under the new system, no cargo can be exported from any terminal or loading point in Nigeria without first undergoing a rigorous clearance process. This begins with obtaining an export permit through the NUPRC's COTEX platform. But the real game changer is the Advance Cargo Declaration Portal, an electronic platform where exporters must submit a "Documentary Instruction", a digital record detailing the cargo's quantity, quality, destination and associated vessel information.

Accordingly, only after this data is validated by the Commission, can a vessel receive its clearance notification. However, each clearance is tagged with a Unique Identification Number (UIN), a digital footprint that is carried through all shipping documents, including the

trust. For decades, Nigeria has been plagued by skepticism from the international community. Questions around cargo legitimacy, measurement accuracy and export accountability have cast a long shadow. But the ACD changes that narrative. With digitally verified cargo records and streamlined export documentation, Nigeria's upstream now presents itself as a partner that operates by the book.

More so, the shift is not only regulatory, it is reputational. And in global energy markets, reputation is everything. Traders now have fewer concerns about shipment discrepancies. Refiners can anticipate more predictable deliveries. In the same vein, customs authorities in importing countries are now processing Nigerian oil faster, just as Insurance companies face reduced risk. All of these makes Nigerian crude more competitive, more desirable and more consistent.

Dr. Fatih Birol, Executive Director of the International Energy Agency (IEA), captured this sentiment succinctly: "Data is the new oil. Transparent and reliable data is essential for efficient markets and long-term investment



decisions". By embracing this principle, Nigeria positions itself among forward-thinking nations that understand modern oil governance, which is no longer about volume alone, it's about visibility, verifiability and value assurance.

From a domestic economic standpoint, the benefits are just as compelling. The Commission, by extension the government, now has a reliable tool to verify declared export volumes against what is actually shipped. This directly supports more accurate royalty collection, better forecasting of foreign exchange inflows and stronger fiscal planning. It also creates a fairer playing field for compliant operators, while exposing and isolating those who have historically exploited the system.

The system's flexibility, allowing for revision of applications with tracking under the same UIN, shows that it was designed not just for enforcement, but also for operational efficiency. It recognises the dynamic nature of upstream logistics, while ensuring that every change is logged and auditable. Even the payment processes have been standardised and centralised through designated accounts, reducing opportunities for fraud and leakages.

It is important to emphasise that the ACD is not a theoretical framework, it is operational, active and being implemented in real time. And as with any regulatory overhaul, its success depends not only on enforcement by the Commission, but on full adoption by



**THIS DIRECTLY SUPPORTS
MORE ACCURATE ROYALTY
COLLECTION, BETTER
FORECASTING OF FOREIGN
EXCHANGE INFLOWS
AND STRONGER FISCAL
PLANNING**

stakeholders. This includes terminal operators, exploration and production companies, trading houses, shipping agents and government export agencies.

For these stakeholders, the ACD should not be seen as a regulatory burden, rather it is a strategic enabler. Compliance with the ACD opens doors to smoother export processes, faster documentation cycles, reduced legal exposure and higher buyer confidence. In a world increasingly governed by ESG criteria and risk ratings, stakeholders that demonstrate alignment

with global transparency standards stand to gain not only commercially, but reputationally.

This policy shift by the Commission's Chief Executive, Engr. Gbenga Komolafe, also has geopolitical implications. Nigeria's renewed commitment to transparent oil governance strengthens its hand in bilateral energy negotiations. It allows the country to position its crude more competitively in Asian, European and North American markets. It also aligns Nigeria with international anti-money laundering protocols and strengthens its role in multilateral initiatives such as the Extractive Industries Transparency Initiative (EITI).

At a time when oil-rich nations are grappling with questions around diversification and post-oil futures, reforms like the ACD provide a credible path forward. It has created the kind of structure that supports long-term planning, attracts sustainable investment



THE FUTURE OF UPSTREAM SUCCESS IS NOT JUST IN THE OIL THAT FLOWS, BUT IN THE DATA THAT PROVES IT AND THE SYSTEM THAT GUARANTEES IT



and builds confidence across value chains. Even as Nigeria explores renewable energy opportunities and transition fuels, having a disciplined, transparent upstream sector remains an irreplaceable foundation.

Moreover, the ACD lays critical groundwork for digital transformation in energy regulation. The Commission's use of modern APIs and integration-ready systems creates opportunities for automation, real-time analytics and enhanced collaboration with other government agencies. Export data from the ACD portal can be cross-referenced with customs, trade, taxation and national security systems, enabling a whole government approach to monitoring resource flows.

But perhaps the most powerful argument for ACD lies in what it symbolises: Nigeria taking control of its narrative. For too long, the story of Nigeria's oil sector has been one of missed opportunities and murky practices. With the ACD, the country signals that it is ready to write a new chapter, one built on trust, data and accountability.

Stakeholders must not hesitate to embrace this evolution. Those who see only short-term compliance requirements will miss the long-term strategic advantage. This is not about paperwork, it is about positioning. It is certainly about building systems that protect our resources, project our reliability and propel our economy.

Consequently, the Advance Cargo Declaration Guidelines represent more than just a regulatory milestone. They are a national statement of intent. A commitment to transparency. A framework for growth. And a competitive edge in a world where oil markets reward integrity as much as production.

For Nigeria and for every stakeholder willing to rise to the occasion, the message is clear: the future of upstream success is not just in the oil that flows, but in the data that proves it and the system that guarantees it. ■

■

INSTITUTIONALISING ACCOUNTABILITY: LEVERAGING AFTER-ACTION REVIEWS AND POST-WELL REPORTING AS REGULATORY TOOLS FOR CLIMATE AND COMPLIANCE GOVERNANCE IN NIGERIA'S UPSTREAM PETROLEUM SECTOR

- Olumayowa Samuel Fadeyi -



In response to growing environmental challenges and the imperative for operational efficiency, Nigeria's upstream petroleum sector is undergoing transformative reforms. This paper evaluates the strategic deployment of After-Action Reviews (AARs) and End-of-Well/Abandonment Reports (EoWRs/EoARs) as



THE 2025 COST EFFICIENCY INCENTIVES ORDER, AMONG OTHER INSTRUMENTS, AFFIRMS THE GOVERNMENT'S INTENT TO PROMOTE COST-EFFECTIVE LOW-EMISSION OPERATIONS

regulatory instruments under the Petroleum Industry Act (PIA), applicable subsidiary regulations and the recently gazetted Upstream Petroleum Operations (Cost Efficiency Incentives) Order, 2025. The paper underscores the role of these tools in enhancing compliance, driving cost efficiency and mitigating greenhouse gas (GHG) emissions particularly methane from Plug and Abandon (P&A) wells and decommissioned seabed infrastructure. By positioning AARs within the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) compliance framework, this study highlights their potential to foster institutional learning, accountability and environmental sustainability.

INTRODUCTION

Nigeria's upstream oil and gas sector is entering a pivotal phase marked by regulatory modernisation and heightened environmental accountability. The 2025 Cost Efficiency Incentives Order, among other instruments, affirms the government's intent to promote cost-effective low-emission operations. Within this evolving landscape, AARs and EoWRs/EoARs are increasingly recognised as integral regulatory tools, not merely operational checklists, but frameworks for post-activity evaluation and knowledge retention.

This paper proposes a structured, data-driven approach to embedding these instruments in national policy execution, particularly targeting legacy well emissions and deepwater decommissioning practices.

REGULATORY AND POLICY CONTEXT

The initiative aligns with a suite of enabling legislation and regulatory instruments, including:

- Petroleum Industry Act (PIA), 2021; section 6, 7, 8, 102, 232 & 233
- Nigeria Energy Transition Plan and Gas Flare Commercialisation Programme
- Flare-Out Regulations and EGASPIN (2018)
- NUPRC AAR and End-of-Well Reporting Guidelines
- Nigerian Upstream Petroleum Decommissioning and Abandonment Regulations, 2023
- Nigerian Upstream Acreage Management and Drilling Regulations, 2024
- Upstream Petroleum Operations (Cost Efficiency Incentives) Order, 2025
- Guidelines for Managing Fugitive Methane and GHG Emissions in Upstream Operations

Collectively, these frameworks underscore Nigeria's commitment to emissions reduction, cost control and data-led regulatory oversight.

METHODOLOGY AND FRAMEWORK DESIGN

The proposed implementation model is built on three core pillars:

i. Inventory and Monitoring

Deployment of advanced technologies including UAVs, infrared sensors, sonar and seabed mapping provides

a comprehensive emissions and integrity inventory for legacy and P&A'd wells.

ii. AAR Integration

post-operation reviews are systematised to document lessons learned, root-cause analyses and compliance gaps, with emphasis on deepwater abandonment campaigns.



THESE TOOLS NOT ONLY ENHANCE OPERATIONAL ACCOUNTABILITY AND COST-EFFICIENCY BUT ALSO CONTRIBUTE MEANINGFULLY TO NATIONAL CLIMATE OBJECTIVES

DIGITAL REPORTING INTERFACE

A real-time, cloud-based dashboard is envisioned to host emissions data, AAR outcomes and regulatory status updates, linked directly to NUPRC's central compliance portal.

AARS AS REGULATORY COMPLIANCE TOOLS

Traditionally viewed as internal evaluation processes, AARs are now being redefined as structured regulatory instruments. When mandated and standardised, they offer:

- Objective assessment of cost and performance outcomes
- Documentation of deviations and corrective actions
- Evidentiary support for incentive qualification
- Data points for performance benchmarking and audit trails

These benefits establish AARs as crucial tools for enforcing transparency, ensuring accountability and institutionalising sector-wide learning. They will also serve as a useful source of data to help with NUPRC's cost benchmarking and commercial regulation.

ALIGNMENT WITH THE 2025 COST EFFICIENCY INCENTIVES ORDER

The Incentives Order mandates demonstrable cost savings and regulatory compliance as criteria for benefit qualification. AARs serve as the primary documentation interface for:

- Verifying cost efficiency claims
- Mandating corrective action plans
- Substantiating emissions mitigation results
- Demonstrating value-for-money in operational delivery

By linking compliance outcomes with reward structures, the Order incentivises responsible operations and progressive behaviour among operators.

GHG EMISSIONS MITIGATION FROM P&A'ED AND DECOMMISSIONED ASSETS

Legacy wells and improperly decommissioned assets are high-risk sources of fugitive methane. Regulation 15(1)–(2) of the 2023 Decommissioning and Abandonment Regulations mandates submission of:

- Statements of Measures detailing barrier integrity
- Statements of Procedures-Monitoring plans for emissions from P&A'ed wells and seabed structures
- AARs, supplemented by digital emissions modeling and UAV inspections are instrumental in verifying these compliance obligations and pre-emptively addressing emissions risks.

IMPLEMENTATION ROADMAP

Phase I

- Pilot deployment of emissions detection technologies
- Training sessions for operators and regulators
- Rollout of digital dashboard prototype

Phase II

- Comprehensive well integrity and emissions inventory
- Integration with national regulatory compliance systems
- Sector-wide sensitisation and stakeholder engagement

Phase III

- Targeted remediation and recovery of residual gas
- Expansion of CO₂/HC gas sequestration pilots
- Policy refinement based on real-time operational data

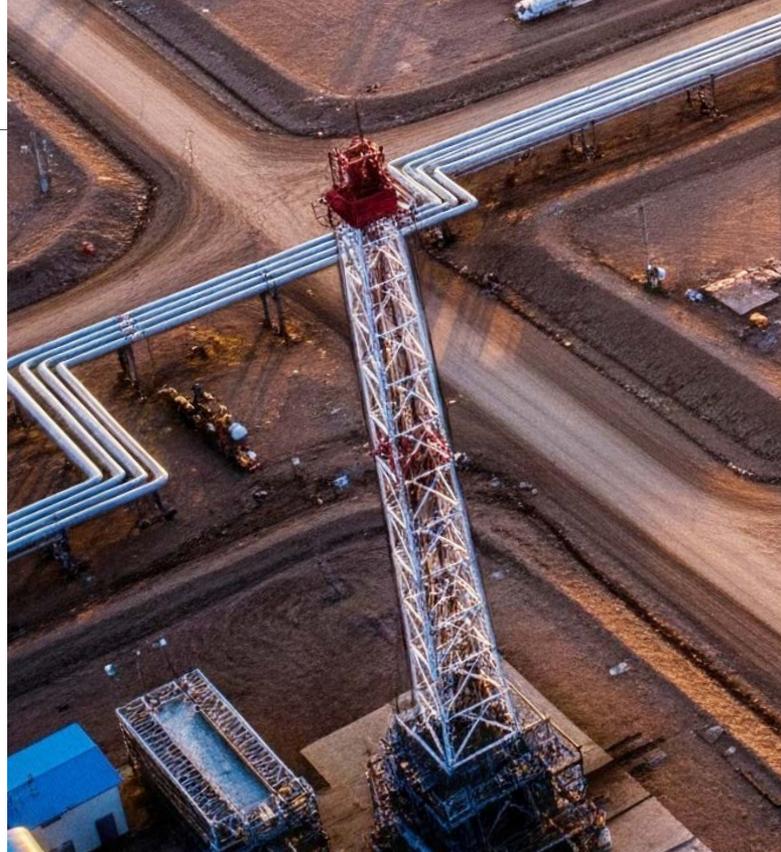
OUTCOMES FOR REGULATORS AND OPERATORS FOR REGULATORS

- Reduced response time by up to 30%
- Enhanced submission compliance by 25%
- Real-time emissions and barrier monitoring For Operators
- Reduced long-term environmental liabilities
- Enhanced ESG performance and reporting credibility
- Access to cost-efficiency incentives
- Recovery of stranded gas resources

CASE STUDY: DEEPWATER P&A CAMPAIGN

A landmark AAR conducted in May 2025 on deepwater well operations campaign confirmed:

- Zero fugitive emissions post-abandonment
- Verified cement barrier integrity using Cement Bond Logging (CBL), Variable Density Logging (VDL) and Ultra Sonic Imaging Tools (USIT), with



- sonar imaging, drone validation and downhole camera inspections
- Adoption of Well Cam and Well Miller Reverse Circulating Bits (RCB) tools for localised clean-out and inspection
- UAV-enabled seabed monitoring for post-abandonment assurance

The review also revealed extended suspension of some wells up to five years prior to P&A exceeding the NUPDA, 2023's stipulated three-year maximum unless formally extended with documented justification. This finding led to enhanced enforcement guidance on suspension timelines.

SYNERGY OF AARS AND EOWRS/EOARS

An integrated model is proposed to align qualitative and quantitative insights:

AAR	EOWR/EOAR
Operational lessons learned	Barrier validation and integrity records
Root-cause and risk analysis	Technical performance and conformance
Regulatory audit trail	Benchmarking and compliance metrics



Together, they provide a dual-lens evaluation framework that strengthens regulatory scrutiny and institutional memory.

STRATEGIC RECOMMENDATIONS

- Mandate AARs as prerequisites for cost-efficiency incentives
- Establish a centralised digital repository for AARs and EoWRs/EoARs
- Integrate real-time emissions data into compliance dashboards
- Require emissions modeling for all well abandonment submissions
- Promote sealed-well repurposing for gas sequestration
- Institutionalise cross-operator AAR workshops for knowledge sharing

CONCLUSION

By institutionalising AARs and EoWRs/EoARs, Nigeria is moving from reactive regulation to proactive governance. These tools not only enhance operational accountability and cost-efficiency but also contribute meaningfully to national climate objectives. As the upstream sector aligns with global ESG benchmarks, this dual-instrument approach offers a replicable model for resource-rich countries navigating energy transition imperatives.

Acknowledgements

The author acknowledges the invaluable contributions of the NUPRC technical team, Abuja D&A, Lagos D&P and HSE&C units, Shell Nigeria Exploration and Production Company (SNEPCo), the Bonga well operations campaign team.



Energy for Today Energy for Tomorrow



www.nnpcgroup.com

CLEAN ENERGY SOLUTIONS: THE PANACEA TO A NEW GLOBAL WORLD

- Imanze Omonghegbe -

In the face of escalating climate change, resource depletion and geopolitical tensions over fossil fuels, clean energy solutions have emerged as a beacon of hope for a sustainable and equitable global future. The transition to renewable energy sources—solar, wind, hydropower, geothermal and emerging

technologies like green hydrogen—represents not only an environmental imperative but also a transformative opportunity to reshape economies, enhance energy security and foster global cooperation. This article explores how clean energy solutions can serve as a remedy for the challenges of the modern world,



THE COST OF SOLAR PHOTOVOLTAIC (PV) PANELS HAS DROPPED BY OVER 80% SINCE 2010 AND WIND POWER IS NOW ONE OF THE MOST INEXPENSIVE SOURCES OF NEW ELECTRICITY IN NUMEROUS REGIONS

driving us toward a cleaner, more resilient and inclusive global society.

THE URGENCY OF THE ENERGY TRANSITION

The world stands at a critical juncture. Global temperatures are rising, with 2024 marking another year of record-breaking heatwaves, wildfires and extreme weather events. The Intergovernmental Panel on Climate Change (IPCC) warns that limiting warming to 1.5°C requires halving global greenhouse gas emissions by 2030. Fossil fuels, which account for approximately 80% of global energy consumption, are the primary contributors. Meanwhile, energy poverty persists, with over 700 million people lacking access to electricity, primarily in sub-Saharan Africa and parts of Asia (IEA, 2021).

Clean energy presents a dual solution: addressing climate change by reducing emissions and ensuring access to affordable, reliable power. In contrast to fossil fuels, renewable energy sources are plentiful, widely available and increasingly cost-effective. For example, the cost of solar photovoltaic (PV) panels has dropped by over 80% since 2010 and wind power is now one of the most inexpensive sources of new electricity in numerous regions.

THE PILLARS OF CLEAN ENERGY

1 Solar and Wind: The Backbone of Renewables

Solar and wind energy are leading the charge due to their scalability and declining costs. In 2024, solar capacity worldwide surpassed 1.3 terawatts, with countries like China, India and Germany driving massive installations by harnessing stronger and more consistent winds.

In Nigeria, the Federal Government's "5 Million Solar Power Naija" initiative is a good example aimed at developing large-scale solar power plants and off-grid solar solutions in rural communities.

These technologies are not only environmentally friendly but also economically transformative. They create jobs—over 12 million globally in the renewable energy sector in 2023 and reduce reliance on volatile fossil fuel markets. For developing nations, decentralised solar

systems offer a lifeline, enabling rural communities to bypass costly grid infrastructure.

2 Hydropower and Geothermal: Steady and Reliable

Hydropower remains the largest source of renewable electricity, contributing about 16% of global power. While large-scale dams face environmental and social challenges, small-scale hydropower and run-of-river projects offer sustainable alternatives. Geothermal energy, though underutilised, provides a stable, 24/7 power source, with countries like Iceland and Kenya tapping into their volcanic resources to meet significant portions of their energy needs.

3 Green Hydrogen: The Future of Industry

Green hydrogen, generated from renewable energy to split water molecules, is set to decarbonise hard-to-abate sectors like heavy industry and shipping. By 2025, pilot projects in Europe and Australia will be scaling up, with green hydrogen costs expected to become competitive with fossil-based hydrogen by 2030 (BloombergNEF, 2021). This technology could close the gap for industries where electrification alone is inadequate.

4 Energy Storage and Grid Modernisation

The intermittent nature of solar and wind necessitates robust energy



THE INTERNATIONAL RENEWABLE ENERGY AGENCY (IRENA) ESTIMATES THAT A GLOBAL TRANSITION TO RENEWABLES COULD ADD \$98 TRILLION TO GLOBAL GDP BY 2050, DRIVEN BY INVESTMENTS IN INFRASTRUCTURE, INNOVATION AND JOB CREATION



storage solutions. Lithium-ion batteries dominate, but innovations like flow batteries, solid-state batteries and pumped hydro storage are gaining traction. Smart grids, powered by AI and IoT, optimise energy distribution, reduce waste and integrate renewables seamlessly. For instance, microgrids in remote areas can operate independently, enhancing resilience against natural disasters or grid failures.

ECONOMIC AND SOCIAL BENEFITS

The shift to clean energy is a catalyst for economic transformation. It fosters energy independence, reducing reliance on imported fuels and shielding economies from price shocks. The International Renewable Energy Agency (IRENA) estimates that a global transition to renewables could add \$98 trillion to global GDP by 2050, driven by investments in infrastructure, innovation and job creation.

Socially, clean energy promotes equity. Off-grid solar systems and community-owned wind projects empower marginalised communities, providing access to education, healthcare and economic opportunities. In regions like Sub-Saharan Africa, solar-powered microgrids are illuminating schools and clinics, bridging the gap between urban and rural development.

Geopolitical Implications

Fossil fuels have long fueled geopolitical tensions, with control over oil and gas reserves shaping global alliances and conflicts. Clean energy disrupts this paradigm. Renewables are geographically dispersed, reducing the strategic chokeholds of resource-rich nations. Countries like Chile, with vast solar potential and Morocco, a leader in concentrated solar power, are emerging as energy exporters. This decentralisation fosters cooperation, as nations share technology, expertise and infrastructure.

However, the transition is not without challenges. Critical minerals such as lithium, cobalt and rare earth elements, which are vital for batteries and turbines, are located in a limited number of countries, raising concerns about new supply chain vulnerabilities. Addressing this issue requires international collaboration, recycling initiatives and investment in alternative materials.

OVERCOMING BARRIERS

Despite its promise, the clean energy revolution faces obstacles. Though high upfront costs are decreasing, they still pose a barrier for developing nations. Financing mechanisms, such as green bonds and multilateral funds, are essential for bridging this gap. Additionally, policy frameworks must evolve, with subsidies transitioning from fossil fuels to renewables and establishing clear regulatory pathways for new technologies.

Public perception and misinformation can hinder progress. Campaigns emphasising the tangible benefits of clean energy—such as lower electricity bills, cleaner air and job creation can help build support. Education



BY IMPLEMENTING THESE, THE NUPRC ENSURES COMPLIANCE WITH NIGERIA'S BROADER CLIMATE OBJECTIVES, INCLUDING ITS COMMITMENT TO NET ZERO BY 2060

and workforce training are also essential to prepare workers for the green economy.

THE PATH FORWARD

Clean energy is not a silver bullet, but it is the closest thing we have to a panacea for the interconnected crises of climate change, energy poverty and economic instability. Achieving a net-zero world by 2050 requires unprecedented global cooperation, innovation and investment. Governments must set ambitious targets, like the European Union's 55% emissions reduction goal by 2030, while the private sectors drive technological breakthroughs.

A good example is the introduction of the Upstream Petroleum Decarbonisation Template (UPDT) policy by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). The UPDT requires licensees and lessees to reduce greenhouse gas emissions, adopt low-carbon technologies, implement energy efficiency measures and incorporate renewables in their operations. By implementing these, the NUPRC ensures compliance with Nigeria's broader climate objectives, including its commitment to Net Zero by 2060.

Individuals, too, have a role. From adopting energy-efficient appliances to supporting green policies, collective action amplifies impact. The rise of community energy projects, where citizens co-own renewable assets, exemplifies this grassroots momentum.

CONCLUSION

Clean energy solutions are more than a technological shift; they are a blueprint for a new global world—one that is sustainable, equitable and resilient. By harnessing the power of the sun, wind and earth, humanity can address its most pressing challenges while unlocking unprecedented opportunities. The journey is complex, but the destination—a thriving planet powered by clean energy—is within reach. The time to act is now. ■



FOUR YEARS OF PIA 2021: HOW FAR!

- Akpandem James, fngc -

The Oil and Gas industry plays a vital role in Nigeria's economy, serving as a foundation for GDP growth, foreign exchange earnings, government revenue and enhancement of human capital. It is, in essence, the primary driver of the country's economic landscape. However, the sector has long been under critical scrutiny due to persistent contentious issues, attracting attention from stakeholders and critics alike.

Among the issues were lack of transparency and accountability, corruption and mismanagement, host community grievances, revenue sharing and regional tensions, inefficiency and structural problems, as well as regulatory and policy uncertainty.

The endemic corruption that became worrisome and loose regulations within the industry prompted widespread calls for reform, leading to the initiation of the Petroleum Industry Bill. This bill, which took a considerable amount of time, was eventually passed by the National Assembly on July 1, 2021, and signed into law by then-President Muhammadu Buhari on August 16, 2021.

The resulting Petroleum Industry Act (PIA) 2021 marked a significant reform in Nigeria's oil and gas sector, establishing a comprehensive legal, governance, regulatory and fiscal framework aimed at restructuring and transforming the industry. The Act defined clear institutional roles by creating two key regulators: the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA). It vests ownership of petroleum resources in the federal government while promoting transparency, accountability and efficiency in the management of these resources.

While signing the bill into law, President Buhari hailed the PIA 2021 as Nigeria's second-largest achievement in the energy sector, expressing confidence in its potential to address longstanding challenges and

drive significant reforms. Four years since its implementation, it is evident that the Act has paved the way for significant advancements in the oil and gas sector, resulting in nearly four years of transformative progress.

The PIA introduced mechanisms that support the development of petroleum host communities, foster a business environment conducive to investment and promote local content participation. By repealing outdated laws and consolidating regulatory oversight, the Act aimed to modernise Nigeria's oil and gas industry, attract investment and ensure sustainable economic benefits for the country.

Within this four-year period, the Act has facilitated considerable improvements in the oil and gas sector through the efforts of the regulatory bodies, ushering in a new regulatory landscape characterised by critical reforms and operational milestones that enhance transparency, efficiency and investment.

In addition, the issuance of four executive orders by President Bola Ahmed Tinubu between 2024 and 2025 has further invigorated the momentum generated by the PIA. These executive orders introduced targeted tax incentives for oil and gas projects, streamlined contracting processes, aligned local content requirements with investment goals and implemented performance-based incentives to reward cost savings in upstream operations.

Collectively, these measures aim to position Nigeria as a preferred investment destination in Africa's petroleum sector, while also enhancing fiscal sustainability and operational efficiency.

As a result, ongoing reforms, increased production and investments are expected to bolster the sector's





contribution to Nigeria's broader economic objectives of growth, stability and diversification in 2025 and beyond.

KEY ACHIEVEMENTS SINCE INCEPTION

Key achievements of the PIA 2021 can be assessed under the following broad categories: Regulatory restructuring, Commercialisation of NNPC, Host Community Development Trusts, Impact on investment and exploration of deepwater projects, Fiscal reforms, Contractual reforms and Gas sector transformation.

Regulatory restructuring: The PIA established two distinct regulatory bodies: the NUPRC for upstream activities and the NMDPRA for midstream and downstream operations. This restructuring focuses on enhancing governance and operational efficiency within the sector.



PRESIDENT BUHARI HAILED THE PIA 2021 AS NIGERIA'S SECOND-LARGEST ACHIEVEMENT IN THE ENERGY SECTOR, EXPRESSING CONFIDENCE IN ITS POTENTIAL TO ADDRESS LONGSTANDING CHALLENGES AND DRIVE SIGNIFICANT REFORMS



THE PIA HAS SIGNIFICANTLY BOOSTED INVESTMENT AND EXPLORATION IN NIGERIA'S DEEPWATER OIL SECTOR BY OFFERING CLEARER AND MORE ATTRACTIVE FISCAL TERMS

Commercialisation of the NNPC: Transforming the Nigerian National Petroleum Corporation (NNPC) into a limited liability company has marked a fundamental shift towards independent commercialisation, promoting accountability and efficiency.

Host Community Development Trusts: The introduction of development trusts for host communities ensures that socio-economic benefits from oil and gas activities are directed towards the local populations, thereby fostering goodwill and reducing community tensions. The Act mandates the establishment of Host Community Development Trusts funded by 3% of the operating expenditure of oil companies, aimed at ensuring sustainable development for communities impacted by petroleum operations.

Impact on Investment and Exploration of Deepwater Projects: The PIA has significantly boosted investment and exploration in Nigeria's deepwater oil sector by offering clearer and more attractive fiscal terms. This has resolved contractual uncertainties and instilled confidence among international oil companies. As a result, Nigeria is better positioned to access vast offshore reserves and enhance its long-term oil production capacity. The issuance of the first exploration license under the new legal framework marks a pivotal step in revitalising exploration efforts.

Fiscal Reforms: The Act has established a transparent and accountable regulatory regime. It created new regulatory bodies, improved corporate governance and introduced effective dispute-resolution mechanisms, which together enhance investor confidence, reduce corruption and promote sustainable development. The transition from the former Directorate of Petroleum Resources (DPR) to the NUPRC and NMDPRA has clarified roles and minimised conflicts of interest, thereby improving regulatory oversight.

Contractual Reforms: The Act has reshaped the



country's oil sector by replacing the Joint Venture (JV) model with Production Sharing Contract (PSC) for frontier projects, enforcing acreage management policies, resolving legacy disputes through contract renewals and introducing transparent fiscal and reporting frameworks.

Key reforms include the move to PSCs, provisions for contractual stability and simplified fiscal terms, designed to attract investment and enhance operational efficiency. By implementing a dual tax system -Hydrocarbon Tax and Company Income Tax - and streamlining royalty rates from 5% to 15%, the PIA aims to attract substantial investment in frontier exploration, facilitating growth in the upstream segment.

Gas Sector Transformation: Significant advancements in gas infrastructure, policy reforms and utilisation initiatives have been realised, supporting Nigeria's energy security and economic growth goals. The Act introduced favorable fiscal terms for gas projects to stimulate investment and reduce gas flaring, contributing to Nigeria's energy security and economic diversification goals.

Most of these reforms and transformations were driven by the NUPRC in collaboration with other industry stakeholders.

CONTRIBUTIONS AND ROLE OF NUPRC

The NUPRC has played a pivotal role in steering the successful implementation of the PIA by enhancing regulatory transparency and accountability, which have restored investor confidence and mitigated previous uncertainties. Some of its key contributions include:

Effective Regulation and Stakeholder Engagement:



NUPRC has been pivotal in enforcing the PIA with transparency and accountability, which has restored investor confidence and reversed previous regulatory uncertainties and capital flight in the upstream sector. By actively engaging stakeholders, particularly regarding compliance with crucial provisions such as Section 94 related to marginal fields, the NUPRC ensures optimal resource utilisation while promoting local content and Indigenous participation.

Digitalisation and Anti-Corruption Initiatives: The introduction of digital platforms for processes like licensing, reporting and monitoring has significantly reduced corruption and improved operational efficiency in the oil and gas sector.

Strengthening Host Community Relations: The Commission has strengthened engagement with host communities, ensuring that they fully benefit from oil production, which fosters socio-economic development and minimises conflicts.

Strategic Planning for Investment Attraction: The Commission has developed a comprehensive 10-year strategic plan (2023-2033) aimed at attracting investment, enhancing production capacity and increasing reserves, complemented by transparent licensing rounds.

Driving the Gas Commercialisation Programme: Through initiatives like the Nigeria Gas Flare Commercialisation Programme (NGFCP), the Commission is a key driver of the Federal Government's Decade of Gas Programme, aimed at maximising gas development and reducing environmental impacts from flaring.

Promotion of Local Content and Indigenous

Participation: NUPRC has initiated policies that empower indigenous operators, increasing Nigerian companies' active participation in upstream activities, thus promoting broad-based economic development. This was exemplified during the 2024 oil bid round.

IMPACT OF PIA ON OIL-BEARING COMMUNITIES

The introduction of Host Community Development Trusts under the PIA is viewed by some stakeholders and companies as a catalyst for structured and transparent community development, building on previous frameworks such as the Global Memorandum of Understanding (GMOU) and Offshore Memorandum of Understanding (OMoU).

For rather obvious reasons, vested interests, including youth groups and civil society

organisations, are not comfortable with the aspects that allows deductions from the 3% host community fund if communities fail to protect oil infrastructure from vandalism or unrest. They see this provision as punitive. In spite of the provisions made in the Act to address safety and environmental issues in the Niger Delta region, critics say they are not enough to meet the expectations for environmental restoration and community empowerment. They claim the law does not adequately address environmental degradation, gas flaring as a health hazard and the socio-economic marginalisation of the Niger Delta people. Following up on these contentions, they have called for an immediate review of the PIA to better protect the livelihoods, environment and rights of oil-bearing communities.

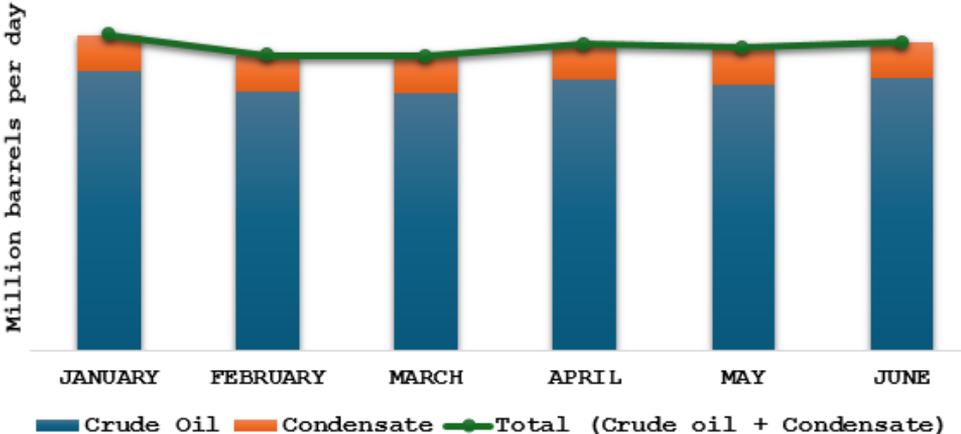
CONCLUSION

Notwithstanding, there is no doubt that the PIA 2021 has significantly transformed Nigeria's oil and gas industry by modernising its regulatory, fiscal and contractual frameworks to attract investment and improve governance. Thus, the four years following the PIA's enactment have witnessed foundational reforms that have reshaped Nigeria's upstream petroleum sector into a more transparent, investor-friendly and growth-oriented industry. The NUPRC's dedication to regulatory enforcement and stakeholder engagement has garnered acclaim from industry stakeholders, positioning Nigeria to regain competitiveness in the global oil and gas market. As we look to the future, the progress made thus far highlights the potential for sustained growth and development within Nigeria's petroleum industry. ■

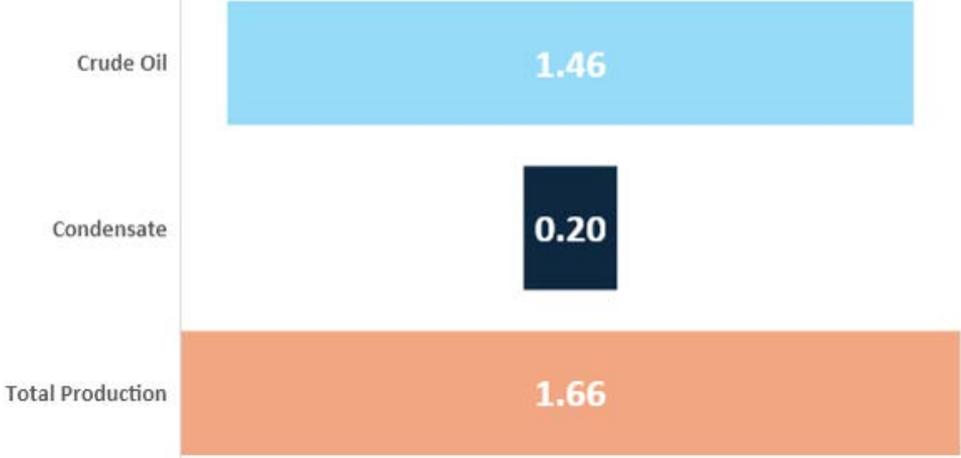
**Q1- Q2 2025 CRUDE OIL AND
CONDENSATE PRODUCTION AND
LIFTING STATISTICS**

- Idris Abdulrahman -

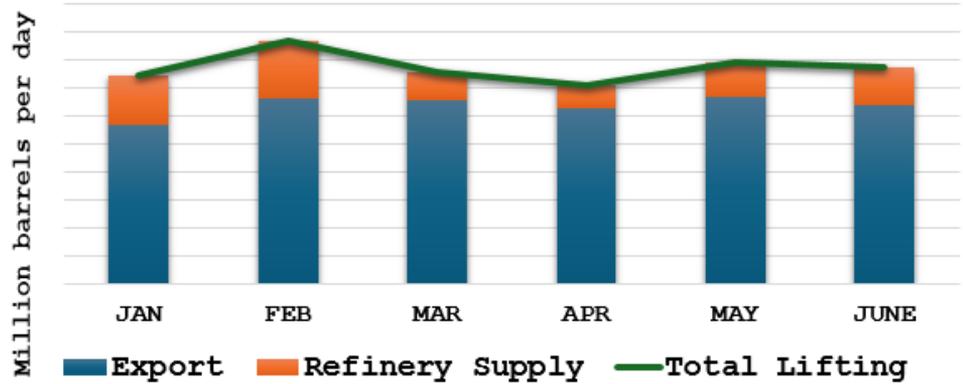
**YTD JUNE 2025
AVERAGE DAILY
PRODUCTION**



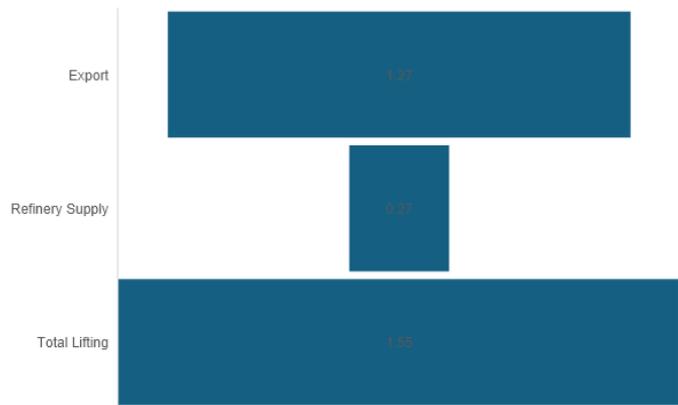
**YTD JUNE 2025
DAILY AVERAGE
PRODUCTION
(MBPD)**



**YTD JUNE 2025
CRUDE OIL +
CONDENSATE
LIFTING**



**YTD JUNE 2025
DAILY LIFTING
SPLIT (MBPD)**



KEY OIL & CONDENSATE FACTS FOR 2025 YTD

S/NO	TOTAL OIL & CONDENSATE PRODUCED	1.66 MBPD
1	OIL: CONDENSATE SPLIT	88%:12%
2	TOTAL LIFTING	1.55 MBPD
3	EXPORT VOLUME	82%
4	DOMESTIC (REFINERY) SUPPLY	18%

INSIGHT FROM THE CRUDE OIL & CONDENSATE NUMBERS



For quarter two (Q2), 2025 crude oil and condensate remain indispensable in the energy supply. As of June 30th, record shows steady output levels and a strong export market presence.

PRODUCTION

Total crude oil and condensate production for January to June 2025 averaged 1.66 million barrels per day (mbpd), indicating a continuous upstream operations. Breakdown of the production mix reveals that crude oil accounted for 88%, while condensate contributed 12%, maintaining historical production trends.

LIFTING

Total lifting stood at 1.55 mbpd, with export volumes souring up to 82%, highlighting Nigeria's position as a key supplier in international markets. Meanwhile, 18%

of the lifted volume was allocated to domestic refinery supply, further underlining government's ongoing efforts to enhance local refining capacity and reduce import dependency.

INDUSTRY IMPLICATIONS

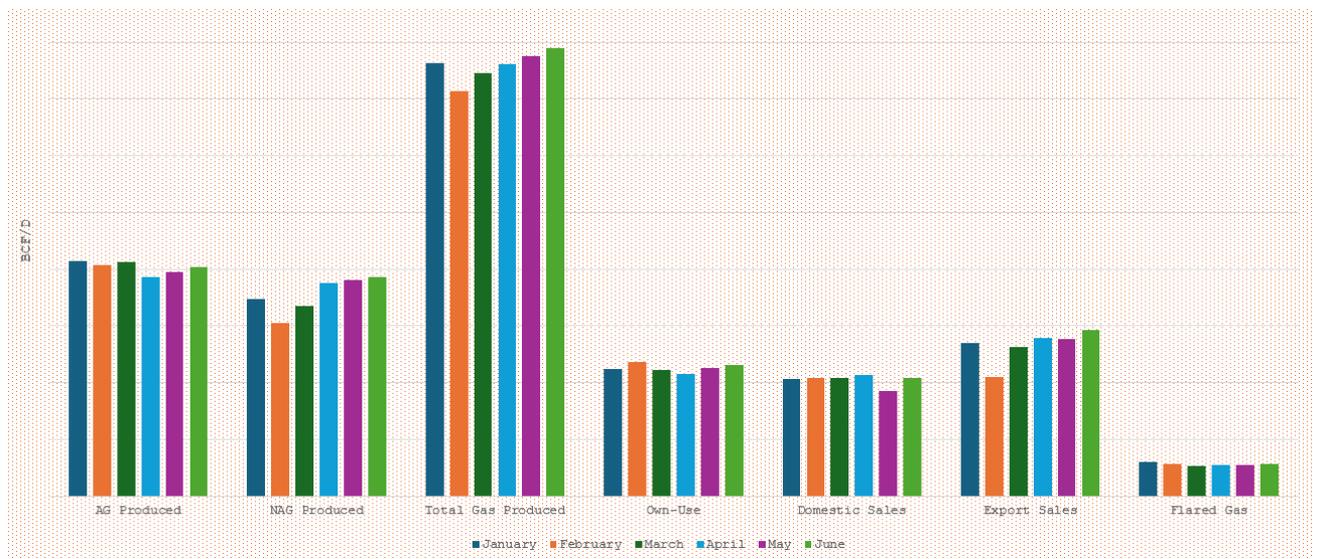
The near-balance between production and lifting is a pointer to the level of accuracy and consistency in the oil data being managed by the Upstream Petroleum Regulatory Commission. Although refinery supply constitutes a smaller portion, it ensures reliable domestic energy availability. Moving forward, market trends, global energy policies and efforts to strengthen Nigeria's refining capacity are some of the factors to that could influence the oil and gas industry's trajectory.

2025 Q1&Q2 GAS PRODUCTION & UTILISATION IN NUMBERS

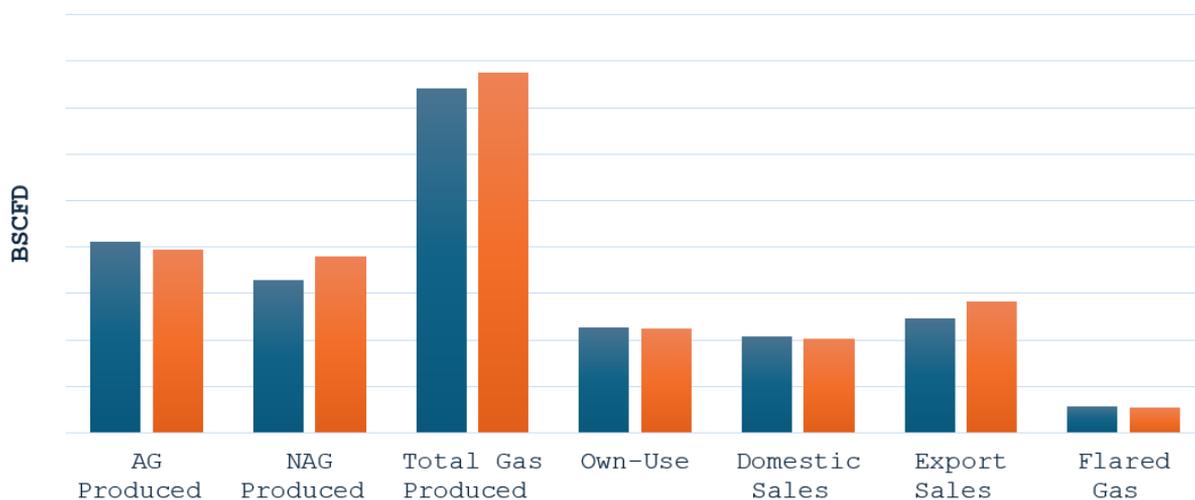
- Engr. J.C. Anyanwu & Pius .E. E -



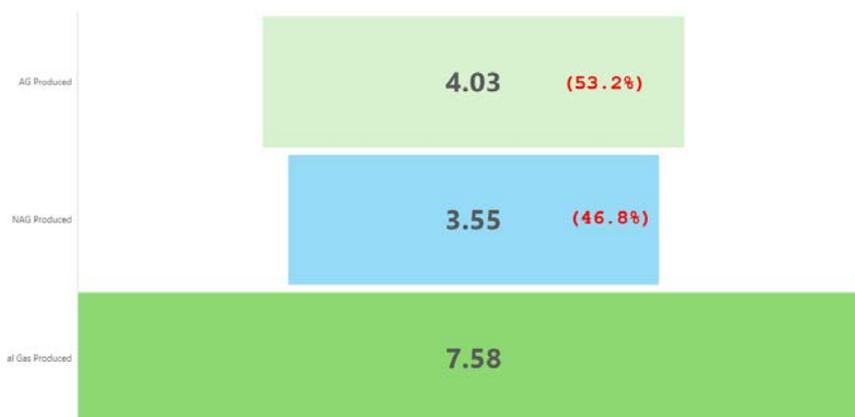
YTD JUNE, 2025 GAS PRODUCTION, UTILISATION AND FLARE



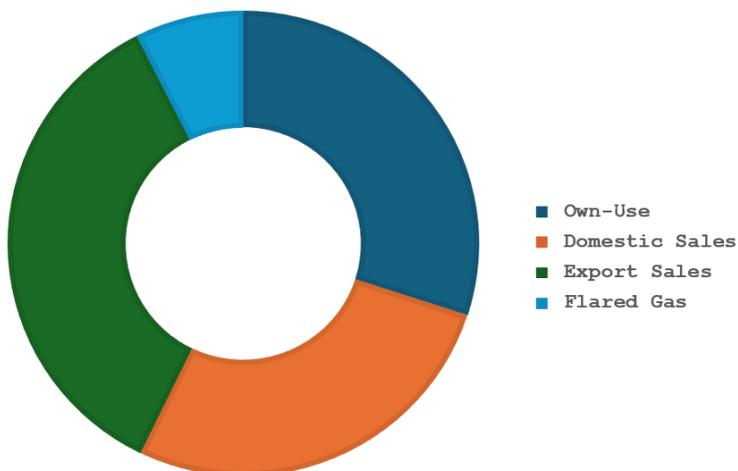
Q1 VS Q2 GAS PERFORMANCE



YTD JUNE 2025 DAILY DAY GAS PRODUCTION SPILT (BSCFD)



YTD JUNE 2025 AVG. DAILY GAS UTILISATION RATIOS



KEY GAS FACTS FOR 2025 Q1 & Q2YTD

S/N	DESCRIPTION	QUARTER 1	QUARTER 2
1	Total Production	7.41 BSCF/D	7.75 BSCF/D
2	AG:NAG Split	56% / 44%	51%/49%
3	Export Sales (Leads)	33%	36%
4	Domestic Sales (Lags)	28%	26%
5	Field use quite substantial at	31%	29%
6	Flaring at	8%	7%

* Q1 data is reconciled and Q2 is yet to be reconciled and might change slightly after reconciliation

INSIGHTS FROM THE GAS NUMBERS

Q2, 2025 witnessed a steady increase in gas production, from 7.61BSCFD in April to 7.90BSCFD in June, giving an average uptick from Q1 to Q2 of 7.41 to 7.75 BSCFD respectively.

Gas produced in association with oil - Associated Gas (AG) continues to lead in the production split for Q2 with 51% share of total gas produced.

This implies that any impediments to oil production, including evacuation constraints and deferrals due to vandalism or other operational challenges impacted gas production during the period.

The export market continues to dominate as compared to the domestic supply. The usual challenges for the domestic market include traditional infrastructural constraints in both the offtake and supply value chain.

Issues relating to back pressure (upstream) and low pressure (midstream and distribution) challenges in the ELPS line continue to limit supply potential through this critical pipeline. In a similar vein, the non-completion



of the OB3 pipeline threatens the availability of about 300MMSCFD from ANOH gas plant intended for supply to the domestic market.

On the other hand, gas flaring numbers for Q1 was maintained at 7% despite the ramp-up in oil and associated gas. This performance is attributable to strict compliance enforcement of the flaring thresholds and temporary permitting regimes.

■

GUARDIANS OF ACCURACY: HOW PROVING, CALIBRATION AND RECERTIFICATION REDUCE MEASUREMENT INACCURACY IN THE OIL AND GAS INDUSTRY

- Ikechukwu Okoro -



INTRODUCTION

As a young boy, I vividly remember watching my mother at the local market. Before buying garri, she would ask the seller to pour the first measure into her own container. Curious, I asked why. She explained, “I need to prove that the cup is not short”, her simple but effective way of ensuring she was not undersold. Unbeknownst to me, that was my earliest lesson in proving, calibration and recertification.

We encounter needs for such similar checks every day at petrol stations, at home with our electricity and water meters or even when weighing produce. In the oil and gas industry, however, the implications of inaccurate measurements go far beyond short-changing,

they can lead to serious financial discrepancies, operational inefficiencies and regulatory penalties in the oil and gas industry.

This paper explores these fundamental processes that uphold measurement integrity in this industry with emphasis on oil.

Let's start with simplified definitions:

- Proving verifies that a metering system is working correctly by comparing its output to a known reference.
- Calibration adjusts measurement instruments to minimise error and provide accurate readings.
- Recertification ensures equipment continues to meet standards after extended use or maintenance.

These practices are not just technical procedures, they are the foundation of fair trade, compliance and profitability in the oil and gas industry.

To grasp the scale: as of January 2025, global crude oil output reached 82.18 million barrels per day and natural gas production was approximately 4.1 trillion cubic meters (tcm). North America led with 1.28 tcm, followed by the CIS with 800 billion cubic meters (bcm). All this oil and gas volumes needs to be measured and with that comes inevitable error.

Studies show that flow measurement inaccuracies can range from 2.2% to 10.8%, depending on equipment, calibration frequency and environmental factors. That translates to a potential daily loss of 2 to 9 million barrels of crude oil, a staggering figure that highlights the need for stringent error-reduction processes.

WHAT CAUSES MEASUREMENT ERRORS?

- Multiphase flow challenges – Measuring oil, gas and water simultaneously introduces uncertainty.
- Aging infrastructure – Older meters can drift from their original calibrations.
- Environmental conditions – Variables like temperature, pressure and fluid composition impact accuracy.

Though we cannot always eliminate these influences, we can apply precision techniques to detect, quantify and correct their effects. That's where proving, calibration and recertification come in.

PROVING: THE ACCURACY GATEKEEPER

Proving is the process of validating the accuracy of a flow meter by comparing its readings against a known reference called a prover. The result of this comparison

is a meter factor, which is used to adjust the flow meter's readings for accuracy.

THE FORMULA IS STRAIGHTFORWARD:

Meter Factor = Prover Volume / Meter Indicated Volume

Example:

At a custody transfer station:

1. A prover measures 10,000 barrels of crude oil.
2. The operational flow meter records 9,870 barrels.
3. Applying the formula:

Meter Factor = 10,000 / 9,870 = 1.0137

This meter factor (1.0137) is then applied to all future readings, compensating for the meter's under-registration by 1.37%.

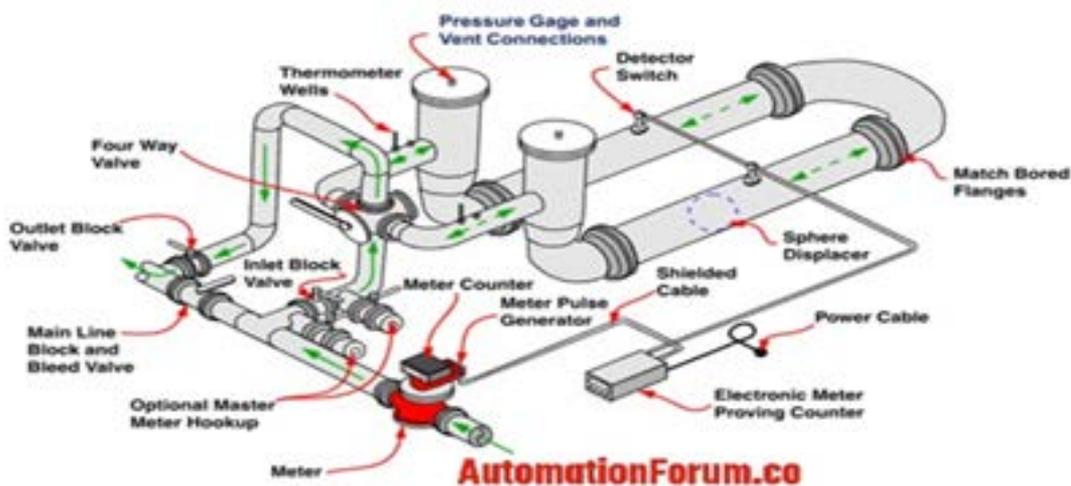
What It Means Practically:

- If your meter reads 9,8700 barrels, multiplying by 1.0137 adjusts the value to the true volume—10,000 barrels.
- This correction ensures accurate billing and custody transfer, maintaining trust and compliance.

COMMON PROVER TYPES

Ball Prover

- Uses a sphere that displaces a known fluid volume inside a loop.
- Triggers detectors at specific points for volume measurement.
- Flow through the loop can be unidirectional or bidirectional with bidirectional preferred for compactness and efficiency.
- Known for high accuracy and compliance with custody transfer standards.



Schematic of a bidirectional ball prover setup



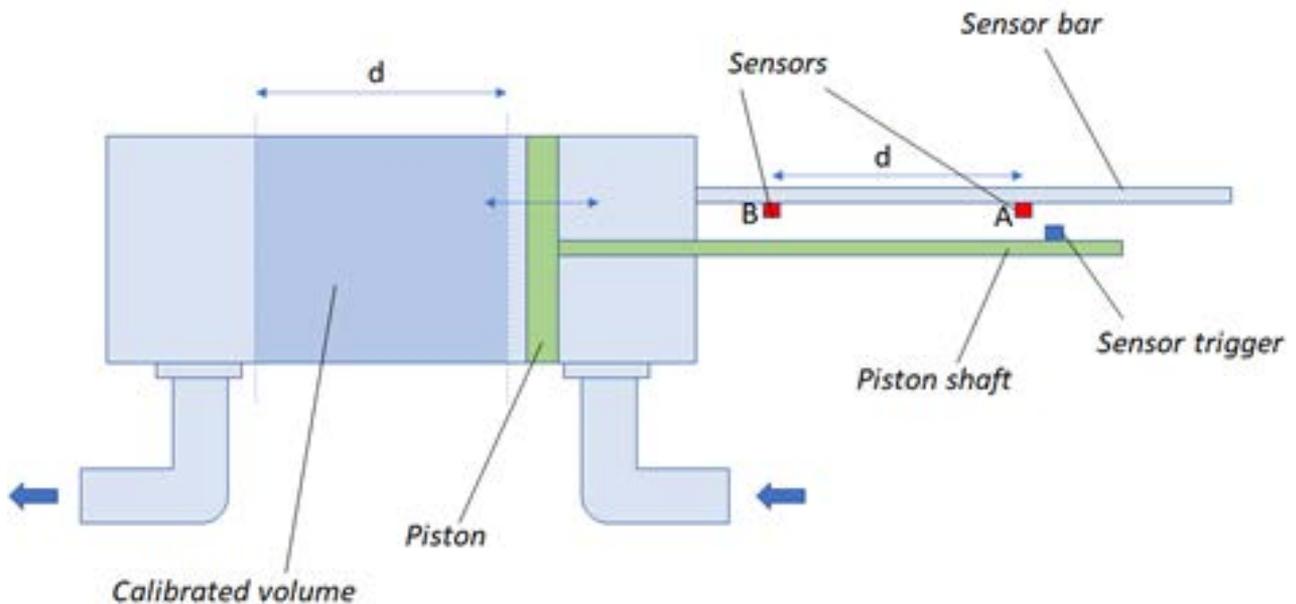
Bidirectional prover loop showing the ball in motion

MASTER METER PROVER

- Utilises a highly accurate meter, previously calibrated against a standard.
- Installed in series with the operational meter for comparison.
- Ideal for portable, cost-effective and non-disruptive proving especially offshore.

SMALL VOLUME PROVER (SVP)

- Employs precision displacement with compact fluid volumes.
- Incorporates pulse interpolation and double chronometry for precision.
- Best suited for tight spaces and high-accuracy verification with minimal downtime.



Small volume prover set up schematic



Small Volume Prover

WHY IT MATTERS

Whether correcting for tiny discrepancies or ensuring compliance during a high-stakes custody transfer, these processes help reduce losses and foster trust between operators and regulators. When applied consistently, proving ensures that every drop and cost is properly accounted for.

CALIBRATION

Calibration is a broader concept than meter proving. While Proving is specific to flow meters, Calibration refers to the process of adjusting any measurement instrument whether a meter, gauge or sensor so that its readings align with a known reference standard.

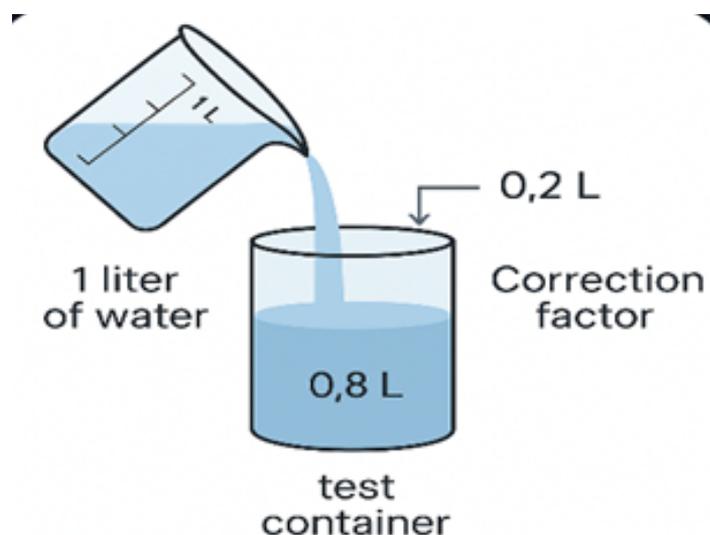
This process typically involves:

- Applying known values to the instrument (e.g., using a meter factor for flow meters)
- Adjusting settings to correct any observed deviations
- Documenting results for traceability and regulatory compliance

The story of my mother testing the garri seller's cup remains a fitting real-world analogy. In that situation, she poured a known volume of garri from her own cup into the seller's measure to verify

its accuracy. If there was a shortfall, she adjusted for it essentially performing a basic calibration.

To illustrate further: imagine pouring 1 liter of water into a test container that is also assumed to hold 1 liter. If 0.2 liters remain after the container is full, it indicates the container only holds 0.8 liters. This 0.2-liter discrepancy becomes the correction factor. Going forward, any use of that container must account for the missing volume. This correction serves a similar purpose to a meter factor in proving.



COMMON CALIBRATION METHODS

- **Flow Meter Calibration (Proving)** – Uses provers, master meters or gravimetric methods to verify volume accuracy.
- **Pressure Gauge Calibration** – Applies known pressure using devices like deadweight testers or precision calibrators.
- **Temperature Sensor Calibration** – Compares the sensor's readings to a certified thermometer in a controlled setting.

It is important to note that temperature and pressure greatly influence fluid volume measurements, so accurate calibration of these parameters is critical.

PROVING VS CALIBRATION

ASPECT	PROVING	CALIBRATION
Purpose	Verifies meter accuracy	Adjusts instrument settings
Scope	Specific to flow meters	Applies to a variety of instruments
Frequency	Regularly for custody transfer	Typically, periodic or as needed
Regulatory Role	Ensures transactional fairness	Maintains operational precision

In short, proving ensures accurate volume measurement for commercial transactions, while calibration supports a wider range of instruments and helps maintain overall equipment reliability. Just like in Proving, Calibration intervals may be monthly, quarterly or per manufacturer guidelines.

A meter or equipment that isn't calibrated regularly is like a clock running slow, it may look reliable, but every second it drifts becomes a liability.

RECERTIFICATION

Recertification is a comprehensive process that

verifies whether an instrument or equipment still meets applicable industry standards after a defined period of use. While it often includes Proving and Calibration, it typically goes further by incorporating:

- **Inspection and Testing** – Assessing equipment functionality and identifying signs of wear or failure
- **Documentation Updates** – Ensuring records are current for traceability and audit purposes
- **Regulatory Approval** – Confirming continued compliance with safety, legal and operational standards

CALIBRATION VS. RECERTIFICATION

ASPECT	CALIBRATION	RECERTIFICATION
Purpose	Ensures measurement accuracy	Verifies continued compliance
Scope	Focuses on correcting measurements	Includes calibration, inspection, and regulatory checks
Frequency	At regular intervals (e.g., monthly/yearly)	Based on regulations, usage duration, or criticality
Regulatory Role	Required for operational precision	Essential for legal compliance and audit readiness

In essence, Proving and Calibration corrects how instruments measure, while Recertification determines whether equipment can still be trusted and legally permitted to perform its function.

KEY STANDARDS

In the oil and gas industry, Proving, Calibration and Recertification is governed by stringent international and national standards to ensure measurement

accuracy, safety and regulatory compliance. In Nigeria, the following key standards are commonly used:

- **Nigerian Upstream Petroleum Measurement Regulations** Mandates measurement practices in Nigeria upstream oil and gas operations.
- **Procedure Guide for the Determination of the Quantity and Quality of Petroleum and Petroleum Products in Nigeria** Offers standardised protocols for consistent and accurate hydrocarbon measurement in Nigeria upstream oil and gas.
- **API Standards – American Petroleum Institute** Includes various guidelines for the calibration and operation of petroleum equipment.
- **ASTM Standards – American Society for Testing and Materials** Provides specifications and procedures for testing and measurement accuracy.
- **ISO 17025 – General Requirements for the Competence of Testing and Calibration Laboratories** Sets the benchmark for laboratory calibration capability and traceability.

COMMON CHALLENGES

Proving, Calibration and Recertification in oil and gas operations is essential, but several obstacles can compromise its effectiveness:

- Harsh environmental conditions
- Instrument wear and tear
- Data inconsistencies
- Regulatory compliance pressure
- Limited access to equipment
- Operational downtime and cost
- Human error

BEST PRACTICES

Since accurate Proving, Calibration and Recertification is a cornerstone of safety, efficiency, and compliance in the oil and gas industry, the following best practices help ensure reliability across operations:

- Use certified reference standards
- Establish a routine Proving and Calibration schedule
- Maintain comprehensive Proving and Calibration records
- Provide ongoing personnel training
- Adopt automated Calibration tools
- Consider environmental factors
- Verify Calibration through cross-checks

FREQUENCY OF KEY EXERCISE

S/N	EXERCISE	FREQUENCY
1	Lease Automatic Custody Transfer (LACT) unit Recertification	Annually
2	Production allocation meter Proving	Monthly
3	Custody transfer meter Proving	Biweekly
4	Export meter Proving	During each export operation
5	Process control instrument Calibration	Annually (as part of LACT recertification)
6	Autosampler Calibration	Annually (as part of LACT recertification)

CONCLUSION

In the dynamic and high-stakes world of oil and gas, accuracy in measurement is not just a technical requirement, it is a business imperative. The processes of Proving, Calibration and Recertification serve as the guardians of this accuracy, protecting operational integrity, financial fairness and regulatory trust.

From the humble market lessons of verifying a cup of garri to the billion-dollar oil and gas industry, the principles remain the same: measure right, measure fair and measure consistently. As we have seen, even a

small deviation in measurement can scale into millions of barrels lost, making these practices vital not only for compliance but for the sustainability of the industry.

If the sector is to evolve toward greater transparency and efficiency, investment in regular Proving schedules, robust Calibration protocols and timely Recertification must not be optional, they must be standard.

In other words: precision is power. And that power begins with a culture of accurate measurement. ■



NIGERIAN CONTENT DEVELOPMENT and MONITORING BOARD



Promoting Local Participation, Powering National Progress

The Nigerian Content Development and Monitoring Board (NCDMB), established in 2010 under the NOGICD Act, oversees the implementation of local content policies in the oil and gas industry. Its main roles include approving Nigerian Content plans, setting industry guidelines, building local capacity, managing the Nigerian Content Fund, operating the NOGICJQS, monitoring compliance, issuing project authorizations, and promoting growth through research and training.

NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION (NUPRC)

9 7, Sylvester Ugoh Crescent, Jabi, Abuja FCT. P.M.B. 399, Garki, Abuja.

Tel +234 (9) 903 2000

Email nuprc@nuprc.gov.ng

Web www.nuprc.gov.ng

PRESS RELEASE

NUPRC APPOINTS AKINKUOTU AS HEAD OF MEDIA AND STRATEGIC COMMUNICATIONS

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has announced the appointment of seasoned journalist, Eniola Akinkuotu, as Head of Media and Strategic Communications with effect from 8 AIJgUSt 2025.

Until his appointment, Akinkuotu served as Head of Politics in Abuja for the Parisbased publication, The Africa Report, a member of the Jeune Afrique Media Group. He was also a political analyst on Arise Television and a regular contributor to Channels Television.

Akinkuotu began his journalism career at The PUNCH Newspaper, where he rose through the ranks from Correspondent to Associate Editor and Head of the Abuja Bureau. Over his 15-year career, he has covered diverse beats including politics, crime, business, foreign affairs, agriculture, health, education, and the judiciary. He also led the breaking news and special investigations desk at the PUNCH.

A recipient of the Diamond Award for Media Excellence (DAME) and a nominee for the Nigeria Media Merit Award (NMMA), Akinkuotu brings a wealth of experience and professionalism to his new role.

He holds a degree in Philosophy from the University of Lagos and has participated in many professional trainings, conferences, and workshops both locally and internationally.

His appointment underscores the Commission's renewed commitment to effective stakeholder engagement, strategic communication, and public trust.

Signed:

Kelechi Onyekachi Ofoegbu, PhD

Executive Commissioner, Corporate Services and Administration

Nigerian Upstream petroleum Regulatory Commission

NUPRC: REGULATORY DIVESTMENT FRAMEWORK

- 1. TECHNICAL CAPACITY** The successor entity must demonstrate proven and verifiable capacity to operate the asset vigorously and in a business-like manner. The entity must showcase competencies and capabilities comparable to or surpassing those of the divesting entity. In addition, all production allocation and cost issues related to unitisation in the case of straddled fields must be resolved.
- 2. FINANCIAL** The Commission shall assess the prospective successor entity's balance sheet and financial viability and verify readiness to undertake a defined work programme and fulfil required obligations on the assets. Due diligence shall be undertaken on potential buyers to assess suitability, alignment with state interests, reputation, investment objectives, and track record etc.
- 3. LEGAL** The acquiring entity must be 'fit and proper' persons in the eyes of the law and in line with the interest of the nation. Clear evidence of the resolutions of legacy debts and legal encumbrances must be established and appropriate mechanisms to manage residuals agreed.
- 4. DECOMMISSIONING AND ABANDONMENT (D&A)** Applicable D&A costs must be diligently assessed and ensure settlement of outstanding obligations. Commission to ensure that potential exposure of the Nigerian government to decommissioning liabilities is averted.
- 5. HOST COMMUNITY TRUST / ENVIRONMENTAL REMEDIATION FUND** The Commission shall assess the status of Host Community Trust Fund obligations and ensure robustness of successor entity's social inclusion programme in line with the provisions of the Petroleum Industry Act, 2021 (PIA). The Commission shall evaluate acquiring entity's adherence to decarbonisation plans and sound Environmental Social & Governance (ESG) principles.
- 6. INDUSTRIAL RELATIONS AND LABOUR ISSUES** The Commission shall implement a robust assessment mechanism to avert undesirable labour union issues and disharmony arising from the divestment process. Concerned parties shall endorse "Certificate of Settlement" to validate alignments reached on all labour issues (staff welfare, benefits, entitlements as well as disengagement, redundancies, retirement, etc.). The aim is to ensure the nation averts socio-economic disruptions arising from failure to resolve labour issues that might result as a consequence of post divestment.
- 7. DATA REPATRIATION** The Commission shall ensure that all data mined during the operating life of the asset are repatriated to the National Data Repository (NDR) in line with extant regulations.

COMMISSION CALL

- Eniola Akinkuotu -

1

UK DEEPENS SUPPORT FOR NIGERIA'S ENERGY TRANSITION, STRENGTHENS CLIMATE-RESILIENT PARTNERSHIPS FOR SUSTAINABLE GROWTH

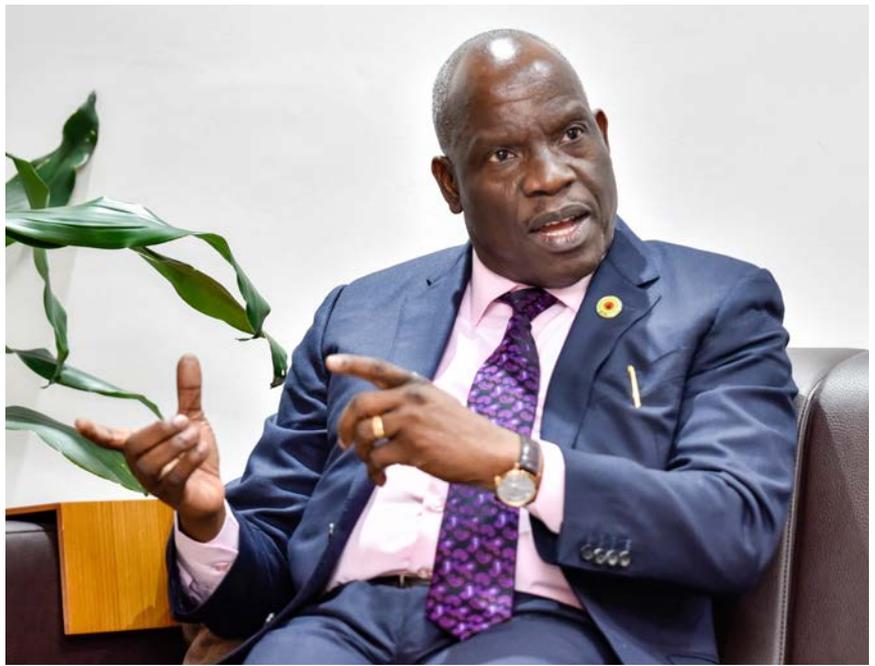
The British High Commission in Abuja reaffirmed its commitment to Nigeria's energy transition agenda during a courtesy visit by Ms. Samantha Harrison, First Secretary for Climate Diplomacy, to the Nigerian Upstream Petroleum Regulatory Commission (NUPRC).

Ms. Harrison underscored the United Kingdom's readiness to collaborate on climate and energy priorities, with particular focus on reducing gas flaring, an essential pillar of Nigeria's decarbonisation strategy.

The engagement signals the UK's continued dedication to fostering sustainable energy practices and advancing climate-resilient development as a foundation for long-term economic progress.

In his remarks, NUPRC Chief Executive, Engr. Gbenga Komolafe, highlighted the Commission's proactive role in steering decarbonisation across Nigeria's upstream petroleum sector. He outlined a twin-track strategy aimed at both neutralising flare sites and transforming flared gas into commercially viable assets, a model that reduces environmental impact while enhancing national revenue. A key component of this strategy is the Nigerian Gas Flare Commercialisation Programme (NGFCP), which covers 49 identified flare sites. The initiative converts previously wasted gas resources into productive use, contributing to national sustainability and economic diversification. Engr. Komolafe also acknowledged the critical support from multilateral bodies such as the World Bank and Net Zero World, expressing optimism about deepening collaboration with the British High Commission to scale the Commission's decarbonisation initiatives. The visit concluded with a technical session between officials of the Commission and the British delegation, aimed at strengthening institutional partnerships and accelerating Nigeria's energy transition goals.







2

OSS TECHNICAL COMMITTEE DEEPENS STRATEGIC COLLABORATION WITH NUPRC ON NAIRA-DENOMINATED CRUDE AND REFINED PRODUCTS TRANSACTIONS

The Technical Committee of the One-Stop Shop (OSS) initiative for Sales of Crude and Refined Products in Naira paid a working visit to the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), marking a significant milestone in efforts to streamline petroleum transactions and reinforce inter-agency coordination across Nigeria's energy sector. Welcoming the delegation on behalf of the Commission's Chief Executive, Engr. Gbenga Komolafe, Mr. Babajide Fasina, Executive Commissioner for Economic Regulation and Strategic Planning, reaffirmed NUPRC's full support for the OSS initiative. He described it as a transformative platform for enhancing the petroleum value chain and promoting economic transactions in local currency. Mrs. Maureen Ogonna, Coordinator of the OSS Technical Committee, led the delegation and emphasised the national vision articulated by President Bola Ahmed Tinubu. She stated that President Tinubu's administration envisions a Nigeria that is fully self-sufficient in petroleum products production, positioned to export refined products and emerge as Africa's leading exporter. Initiated in 2024, the OSS framework seeks to eliminate regulatory, logistical and operational bottlenecks hindering the domestic supply of crude oil and refined products in Naira. Its objectives are aligned with the President's broader economic agenda, which prioritises local content development and sectoral efficiency.





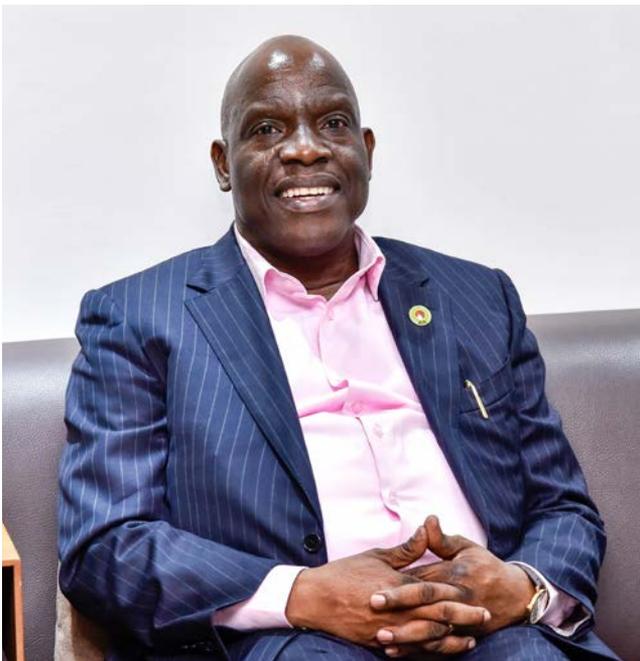
3

NUPRC HOSTS ENSERV DELEGATION, REAFFIRMS STRATEGIC ALIGNMENT WITH NATIONAL ENERGY PRIORITIES

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC), under the leadership of Commission Chief Executive, Engr. Gbenga Komolafe, formally received the newly appointed management team of NNPC Energy Services (ENSERV) at its headquarters in Abuja. The delegation was led by the Managing Director of ENSERV, Sotonye Pinnick and the visit marked an important step toward enhancing inter-agency collaboration in pursuit of Nigeria's energy sector development. During the engagement, Mr. Pinnick conveyed ENSERV's readiness to collaborate with the Commission in strategic areas, notably frontier basin exploration, an initiative central to expanding Nigeria's hydrocarbon reserves and fortifying national energy security.

In his remarks, Engr. Komolafe congratulated the new leadership and underscored the imperative of regulatory cooperation, as stipulated in the Petroleum Industry Act (PIA) 2021. He urged the ENSERV team to embed innovation, environmental responsibility and global energy transition principles into their operational ethos and stressed the importance of timely implementation of fiscal plans to ensure executional efficiency.

The meeting concluded with a shared commitment to building a results-oriented partnership that aligns with national priorities and advances the upstream sector's strategic objectives.



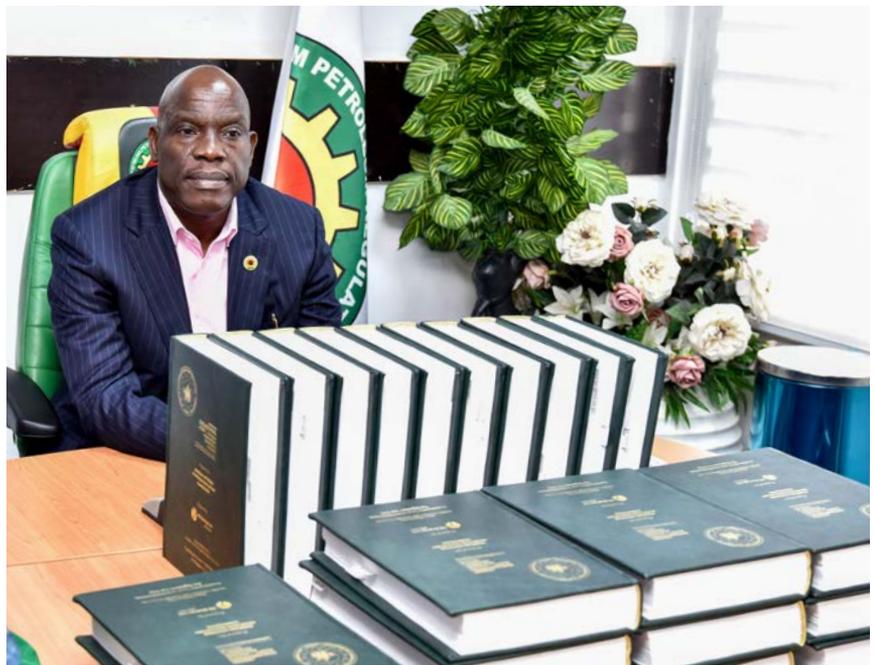
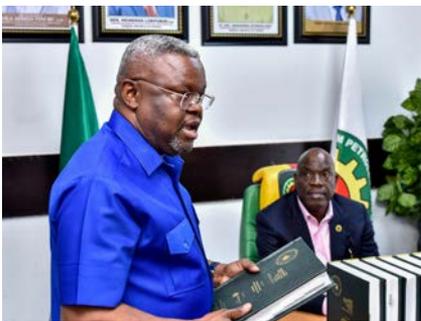


4

NUPRC WELCOMES LANDMARK ENGINEERING AUDIT TO STRENGTHEN ACCURACY OF OIL AND GAS MEASUREMENT SYSTEMS

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) received a landmark Engineering Audit Report conducted by PE Energy, marking a critical step in strengthening hydrocarbon measurement standards across Nigeria's oil and gas sector. The report, approved by the Federal Executive Council in 2024, emphasises Nigeria's commitment to transparency, accuracy and optimal revenue generation in line with the mandates of the Petroleum Industry Act (PIA) 2021. The audit provides a comprehensive review of upstream metering systems, identifying key infrastructure gaps, mapping current and ideal measurement points, and offering strategic recommendations to address deficiencies. It also includes a verified baseline inventory and a technical capacity-building program aimed at reinforcing regulatory competence within NUPRC. Speaking on the report's significance, PE Energy Chairman Daere Akobo positioned the audit as a cornerstone of Nigeria's broader sector reform, reaffirming a shift toward rigorous oversight and dependable reporting. NUPRC Chief Executive Engr. Gbenga Komolafe commended the initiative's scope and pledged full implementation of its recommendations, noting the findings would reshape how Nigeria quantifies, manages, and monetizes its vital petroleum resources.





5

NUPRC SETS STRATEGIC DIRECTION FOR UPSTREAM GROWTH AT NOGOF 2025: INDIGENOUS CAPACITY AND INVESTOR CONFIDENCE TAKE PRIORITY

At the 2025 Nigerian Oil and Gas Opportunity Fair (NOGOF) held in Yenagoa, Bayelsa State, the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) presented a robust new strategy to advance indigenous capacity and bolster investor confidence in the upstream sector. Representing Commission Chief Executive Engr. Gbenga Komolafe, Executive Commissioner Capt. John Tonlagha laid out a transformative roadmap aimed at driving investment, accelerating production growth and shaping a sustainable future for Nigeria's oil and gas industry.

Under the theme "Driving Investment and Production Growth: Shaping a Sustainable Future for Nigeria's Oil and Gas Industry Through Indigenous Capacity Development," NUPRC reaffirmed its commitment to enabling upstream investments, enhancing regulatory transparency and expanding critical infrastructure. The Commission emphasised that investor trust in legal and fiscal frameworks is essential to achieving long-term sectoral growth.

Capt. Tonlagha also highlighted the Commission's broader mission of sustainable value creation and inclusive prosperity anchored in the strategic development of local talent and enterprises. He urged industry stakeholders to integrate environmental responsibility into their operations and pointed to the newly launched Upstream Decarbonisation and Sustainability Blueprint as a key tool to support Nigeria's transition to low-carbon operations and net-zero goals. Further reinforcing its commitment to inclusive development, NUPRC spotlighted the Host Community Development Trust (HCDDT) created under the Petroleum Industry Act (PIA) 2021. The Trust, alongside a dedicated regulatory framework, aims to ensure host communities benefit from targeted investments in infrastructure, healthcare and education.





6 NUPRC PROUDLY JOINED THE INTERNATIONAL COMMUNITY IN CELEBRATING THE 2025 INTERNATIONAL NURSES WEEK, THEMED "OUR NURSES, OUR FUTURE: CARING FOR NURSES STRENGTHENS ECONOMIES.

Observed annually on May 12 in honour of Florence Nightingale, the founder of modern nursing this global commemoration highlights the indispensable role nurses play in shaping healthcare systems, supporting societal wellbeing and driving economic resilience. NUPRC's recognition of this occasion underscores its commitment to the values of care, professionalism and inclusive development across all sectors.



7

THE NUPRC RECEIVED HIGH COMMENDATION FROM THE INVESTMENT MONITORING COMMITTEE OF THE REVENUE MOBILISATION ALLOCATION AND FISCAL COMMISSION (RMAFC), EARNING A FIVE-STAR RATING FOR ITS TRANSPARENCY IN REGULATORY REPORTING AND PERFORMANCE IN REVENUE GENERATION.

During a courtesy visit to the Commission, Committee Chairman Ekene Enefe praised NUPRC's commitment to data accuracy and accountability in line with its statutory mandate. He emphasised the visit's objective: to enhance collaboration and address key challenges related to fiscal mobilisation in Nigeria's upstream sector.

Representing the Commission Chief Executive, Engr. Gbenga Komolafe, Executive Commissioner for Economic Regulation and Strategic Planning, Babajide Fashina, reiterated NUPRC's dedication to global best practices under the Petroleum Industry Act (PIA) 2021. He highlighted the Commission's recent strides in policy reform, the deployment of new regulations and efforts to expand investment opportunities across the oil and gas landscape.

This recognition not only reflects NUPRC's growing influence as a regulatory authority but also signals its role in fostering transparency, economic expansion and investor confidence in Nigeria's petroleum industry.





8

EXXONMOBIL ANNOUNCES A MAJOR INVESTMENT PLAN OF \$1.5 BILLION IN NIGERIA'S DEEPWATER OIL EXPLORATION AND DEVELOPMENT, REAFFIRMING ITS COMMITMENT TO THE COUNTRY'S ENERGY SECTOR.

The capital deployment, scheduled for Q2 2025 through 2027, will focus on revitalising production at the Usan deepwater field and accelerating projects in Owowo and Erha fields, among others. A Final Investment Decision (FID) is expected in Q3 2025, pending regulatory and funding approvals. This commitment was disclosed during a courtesy visit by ExxonMobil Nigeria's Managing Director, Mr. Shane Harris, to the Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Engr. Gbenga Komolafe. Mr. Harris emphasised the company's confidence in Nigeria's upstream prospects and its alignment with NUPRC's "Project 1 Million Barrels" initiative, which aims to boost national crude output to 2.4 million barrels per day. Engr. Komolafe welcomed the announcement, reiterating NUPRC's role as a business enabler and pledging regulatory support to ensure seamless execution. He stressed the importance of transparent pricing mechanisms and compliance with the Domestic Crude Supply Obligation under the Petroleum Industry Act (PIA), particularly Section 109 which promotes market-driven transactions through the "willing buyer, willing seller" principle. The development quashes speculation about ExxonMobil's potential withdrawal from Nigeria, instead signalling strategic expansion and deepened collaboration toward achieving energy security and production growth.



9

THE COMMISSION REITERATES CALL FOR FAIR PRICING PRACTICES AMONG CRUDE OIL PRODUCERS TO ENSURE THE FULFILLMENT OF DOMESTIC SUPPLY OBLIGATIONS AND SECURE NIGERIA'S ENERGY FUTURE.

The call was made by the Commission Chief Executive, Engr. Gbenga Komolafe, during a courtesy visit from Mr. Mattieu Bouyer, Managing Director of TotalEnergies, at NUPRC's headquarters. Komolafe underscored the Commission's regulatory mandate to safeguard national energy security while maintaining alignment with Nigeria's production targets under the Organisation of the Petroleum Exporting Countries (OPEC). He emphasised that achieving a balance between domestic demand and international commitments hinges on transparent and equitable pricing mechanisms. In response, Mr. Bouyer commended NUPRC's regulatory leadership and confirmed TotalEnergies' ongoing commitment to Nigeria's upstream sector. He also expressed the company's interest in participating in the forthcoming 2025 Licensing Bid Round. The visit marked a continuation of strategic engagement between NUPRC and TotalEnergies, aimed at fostering investment and enhancing operational efficiency within Nigeria's upstream oil and gas landscape.





■

THE NUPRC ALTERNATIVE DISPUTE RESOLUTION CENTRE: MEDIATION AT THE HEART OF RESOLUTION

- Hafsat Garba Maidugu -



Disputes are an inevitable part of human and business interaction, but how they are managed often determines whether they become stumbling blocks or stepping stones. In Nigeria's oil and gas industry where partnerships, host community relations and multibillion-dollar operations converge, conflicts can arise at any time. If left unresolved, they may disrupt investments, delay projects and strain vital relationships.

To address this challenge, the Upstream Alternative Dispute Resolution Centre (ADRC) was established with the primary mandate of facilitating the resolution of disputes in upstream petroleum operations through dispute resolution mechanisms, with particular focus on mediation. With offices in Lagos and Yenagoa, the Centre provides a neutral, confidential and efficient forum dedicated exclusively to resolving petroleum-related disputes.

THE PURPOSE OF THE CENTRE

The Upstream ADRC is designed to place mediation at the core of conflict resolution. Its primary goal is to assist parties in reaching mutually acceptable solutions in a cost-effective, timely and relationship-preserving manner.

Unlike traditional litigation, which can be lengthy and adversarial, mediation provides a collaborative environment where parties are encouraged to speak openly, explore creative solutions and retain control over the outcome. This approach not only saves valuable time and resources but also strengthens relationships, an invaluable asset in the oil and gas sector.

By prioritising dialogue over division, the Upstream ADRC ensures that disputes do not derail operations or erode trust. Instead, they become opportunities to rebuild relationships and foster long-term cooperation.



DISPUTES ADJUDICATED AT ADRC

The Centre's jurisdiction covers a wide spectrum of disputes in the upstream petroleum sector, including:

- Disputes between licence or lease holders.
- Disputes between licensees/lessees and subcontractors.
- Employee and industrial relations matters.
- Dispute between Settlor and Board of Trustees, Settlor and host communities and all host

community disputes relating to upstream petroleum activities.

- Disputes emanating from oil field service contracts.
- Disputes arising from or relating to the commercial and technical aspects of oil and gas operations involving operators, non-operators, joint ventures and contractors.
- Other disputes that may be referred to the Centre.

Through these interventions, the Upstream ADRC provides a safe, impartial and fair platform for dialogue, promoting sustainable solutions that benefit all stakeholders.

THE BODY OF NEUTRALS (BON)

At the heart of the Upstream ADRC's operations is its Body of Neutrals (BoN), a distinguished panel of seasoned professionals comprising both legal and non-legal experts with a minimum of 15 years' relevant, verifiable experience in oil and gas disputes and proven experience in mediation.

Each Neutral brings not only technical expertise but also proven mediation skills. Guided by the principles of independence, impartiality, confidentiality and professionalism, the BoN inspires confidence in the Centre's processes. Their deep understanding of both the commercial and technical dynamics of the oil and gas sector ensures that disputes are resolved with fairness and foresight.

BUILDING A CULTURE OF DIALOGUE

Beyond dispute resolution, the Upstream ADRC is committed to nurturing a culture of dialogue and cooperation within Nigeria's upstream petroleum industry. Through stakeholder engagements, awareness programmes and capacity-building initiatives, the Centre is promoting mediation as the first choice for dispute resolution.

This proactive approach reflects the Commission's vision of a stable and thriving upstream sector, one where conflicts are constructively managed and relationships are preserved.

TOWARDS SUSTAINABLE GROWTH

The establishment of the Upstream ADRC represents a bold and strategic step in strengthening Nigeria's business environment. By providing a specialised mediation platform, the Centre not only resolves disputes but also enhances stability, fosters investor confidence and contributes to the sustainable growth of the oil and gas industry.

The NUPRCADRC: Mediation at the Heart of Resolution, where disputes end and cooperation begins. ■



STRATEGIC INNOVATION MANAGEMENT AND OPERATIONAL PERFORMANCE

Elochukwu Emefo, Ph.D. -

Strategic Management is the process of formulating, implementing and evaluating cross-functional decisions that enables an organisation to achieve its long-term goals.

The rate and magnitude of changes that affect organisations in the twenty-first century are increasing dramatically due to the dynamic business environment. To survive, all forward-looking organisations must be capable of vigorously identifying and adapting to these changes to stay afloat and be competitive.



Strategic innovation is an integral part of Strategic Management. It is the process of creating and implementing new ideas, products, services, processes or business models that drive long-term growth of an organisation.

An organisation is said to be "strategic" when it has a clear understanding of its goals and priorities. It makes deliberate decisions that align with its objectives with long-term perspectives. Strategic organisations tend to be proactive, adaptable and responsive to changes in their environment. A

strategic organisation prioritises initiatives, allocates resources effectively and measures progress towards its goal. Such organisation knows that success today does guarantee success tomorrow. That is why any organisation with "strategic thinking" continually scans the internal and external environments to come to terms with its strengths and weaknesses internally and opportunities and threats externally.

The dimensions of strategic innovation include the following : Allocation of resources, Level of flexibility in adapting to changing circumstances, response to technological changes, Strategic alliances, fostering cross-functional teams and open communication, entrenching a continuous learning culture that encourages knowledge sharing and feedback, Data-driven decision-making, Risk tolerance and experimentation by embracing calculated risk-taking and Employee autonomy and empowerment to enable employees have freedom to make decisions, take Calculated risks and own their work.

The salient point about strategic innovation is the process of redesigning an organisation's corporate strategy to drive growth, generate value for the organisation and its stakeholders.

Operational performance refers to the efficiency and effectiveness with which an organisation converts its resources into goods and services. Enhanced operational performance leads to greater efficiency and productivity, allowing organisations to produce more with the same or fewer resources. This results in cost-savings and improved resource allocation. Improved organisational performance leads to 'organisational effectiveness.' This is a measure of how much an organisation achieves its objectives and fulfils its mission through optimal resource allocation. This includes financial performance, customer satisfaction, internal processes and the ability to innovate and adapt to unanticipated circumstances.

Strategic Innovation Management (SIM) can be defined as the systematic process of managing an organisation's innovation activities to achieve long-term goals. This involves identifying opportunities for innovation, developing new products or services and optimising processes to maintain competitive advantage in a rapidly changing environment. The aim of is to align innovation efforts with the organisation's overall strategic objectives, ensuring that innovation contributes to the organisation's growth and sustainability.

Whenever Strategic Innovation Management (SIM) is mentioned, our mindset centres on technological advancement, overlooking the non-technological dimensions that also play a crucial role. This treatise explores the multifaceted nature of SIM, examining factors beyond technological disruptions that significantly impact its effectiveness.

Strategic Innovation Management (SIM) is crucial for commercial entities, government agencies and

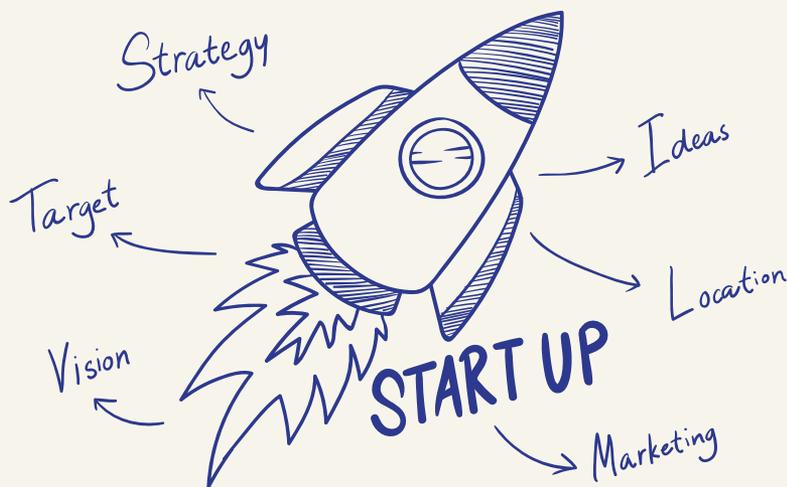
non-profit organisations alike. Where strategic objectives exist, effective strategic innovation management is essential – a sine qua non for success. The Nigerian Upstream Regulatory Commission (NUPRC), a key regulatory body in Nigeria's oil and gas sector, requires strategic innovation management to navigate the dynamic nature of upstream operations. Given the numerous technological disruptions in this field, NUPRC must adapt quickly to keep pace with global developments. Let us explore the key factors, both technical and non-technical, NUPRC should consider towards a far-reaching strategic innovation Management:

RESPONSE TO TECHNOLOGICAL CHANGES

Technological resources encompass a wide range of tools, machines, software and equipment utilised in the production of goods and services. The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has made significant strides in its digitalisation efforts. We have transitioned from the digitisation phase (which involves converting analog data to digital form) to the digitalisation phase, leveraging digital technology to enhance processes thereby increasing efficiency in terms of time and costs. Notably, NUPRC has implemented automated platforms for leave administration and performance appraisal marking a significant milestone.

FUTURE OPPORTUNITIES

Building on this progress, we can explore automating annual Management interview process to further boost efficiency and minimise costs. By doing so, we can eliminate unnecessary expenses such as airfare and hotel accommodation. This is a feasible and logical step.



DIGITAL TRANSFORMATION

As we leverage technology, we should envision a future where we can streamline processes and eliminate unnecessary contract agreements. For instance, the adoption of Microsoft Office 365 yielded positive outcomes, demonstrating the benefits of embracing

digital solutions. I strongly believe that the time will come when we can dispense with courier service contracts. For instance, a one-time payment for sending retirees' files to the pension administrator would eliminate the need for recurring courier costs. As a result, courier service agreements will soon become redundant.

The rapid pace of technological advancement in the oil and gas industry demands that the NUPRC be agile in its response. By embracing digitalisation, artificial intelligence and data analytics, the Commission can enhance its regulatory oversight, improve data-driven decision-making and reduce operational costs.

BENCHMARKING WITH ADVANCED REGULATORY BODIES

To establish a benchmark, let us briefly examine how regulatory bodies in advanced countries leverage cutting-edge technologies in the global oil and gas industry

OIL AND GAS AUTHORITY (OGA): UNITED KINGDOM

OGA leverages technologies like Geographic Information System (GIS) to regulate the UK'S Oil and Gas industry maximising economic recovery while ensuring safety and environmental protection.

Canada Energy Regulator (CER)

CER uses advanced technologies like predictive modelling and Geographic Information System (GIS) to oversee the country's energy infrastructure, ensuring safe and environmentally responsible operations.

NATIONAL OFFSHORE PETROLEUM SAFETY AND ENVIRONMENTAL MANAGEMENT AUTHORITY (NOPSEMA): AUSTRALIA

NOPSEMA deploys technologies like remote sensing and drones to monitor offshore oil and gas operations and ensuring compliance with safety and environmental regulations

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT (BSEE): UNITED STATE OF AMERICA

BSEE regulates oil and gas drilling and production in the Outer Continental Shelf (OCS). OCS refers to the submerged lands, subsoil and seabed. By this oversight, it enforces safety and environmental regulations.

TECHNOLOGIES USED BY BSEE

- **Digital Oilfield Technologies**
This deploys data analytics, automation and Internet of Things (IoT) sensors to optimise drilling, production and maintenance operations.
- **Green Completion Technology**
This integrates techniques to reduce emissions during well completion operations

- **Advanced Blowout Preventers (BOPs)**
This is configured to prevent oil and gas from escaping during drilling and production operations
- **Seismic Surveying**
This deploys advanced imaging techniques to identify potential oil and gas reserves.
- **Hydraulic Fracturing**
This technology extracts oil and gas from shale formations. Shale is a type of rock that can generate hydrocarbons.

At NUPRC, we are committed to bridging the gap with global practices, leveraging cutting-edge technologies and fostering a culture of innovation. To achieve this, we will prioritise continuous learning, driven by a strong will to stay ahead of the curve and remain competitive in the long-term.

INTEGRATED MANAGEMENT PRACTICES (IMP)

This is a process of combining various management systems and processes to achieve synergy, improve efficiency and enhance overall performance.

NUPRC can adopt integrated Management Practices that combine quality management, environmental management, Health and Safety Management, Risk Management and Social responsibility Management within a unified framework. The benefits of Integrated Management Practices include better risk control, informed decision-making, streamlined processes and quality standards.

Integrated Management Practices (IMP) is not technologically driven, and it focuses on management practices, organisational development and strategic planning. IMP is a strategic approach to managing an organisation's overall performance including planning, risk management and continuous improvement.

IMP is guided by principles such as ISO 9001 (Quality), ISO 14001 (Environment), ISO 45001 (Occupational Health and Safety), ISO 22301 (Continuity Management Systems) and ISO 50001 (Energy Management Systems).

CASE STUDY

To gain deeper insight into Integrated Management Practices (IMP), let us examine the key organisations involved in conformity assessment globally and their role in promoting sustainable standards for products and processes worldwide. This will provide a clearer understanding of how these organisations contribute to consistency, quality and sustainability in various industries.

THE INTERNATIONAL ORGANISATION FOR STANDARDISATION (ISO)

The International Organisation for Standardisation (ISO) is an independent, non-governmental organisation that develops and publishes international

standards for various industries and sectors. Its primary goal is to facilitate global trade, ensure quality and safety, enhance efficiency and provide a unified framework for products and processes. As a network of national standards bodies from over one hundred and sixty countries, IOS's standards are widely recognised and adopted worldwide.

Headquartered in Geneva, Switzerland, ISO plays a vital role in promoting consistency and excellence across industries globally.

THE INTERNATIONAL ACCREDITATION FORUM (IAF)

The International Accreditation Forum (IAF) is a global association dedicated to promoting consistent and reliable conformity assessment practices. By uniting accreditation bodies and other stakeholders, IAF fosters trust in accredited certificates, reducing risks for businesses and consumers worldwide. Its primary objective is to ensure that accredited certifications are reliable, trustworthy and internationally recognised. IAF collaborates closely with the International Organisation for Standardisation (ISO) to develop and implement certification policies and guidelines, driving global consistency and excellence in accreditation practices. IAF is headquartered in Geneva, Switzerland.

THE NIGERIAN NATIONAL ACCREDITATION SYSTEM (NINAS)

The Nigerian National Accreditation System (NiNAS) is accredited by the International Accreditation Forum (IAF) and is currently working towards admission into the IAF Multilateral Recognition Arrangement (MLA). Upon admission, NiNAS-accredited certificates will gain international recognition, enabling Nigerian goods and services to be more easily accepted and trusted globally, thereby enhancing the country's trade prospects and economic growth. The Headquarters of NiNAS is located at House A07, Plot 32, Emerald Flower Estate, Lokogoma District, Federal Capital Territory, Abuja, Nigeria.

FLEXIBLE RESOURCE ALLOCATION

This is the ability of an organisation to allocate resources such as funds, human resources and equipment in a way that can be adjusted or re-allocated based on changing priorities.

Flexible resources allocation allows organisations to respond to changing market conditions and internal priorities. It enables an organisation to adapt quickly to new challenges and opportunities.

NUPRC's ability to allocate

resources effectively is critical to its operational performance. By adopting a flexible resource allocation approach, the Commission can respond to changing industry dynamics, prioritise strategic initiatives and optimise resource utilisation. This flexibility will enable NUPRC to adapt to emerging challenges and opportunities in the upstream sector. It is worth knowing that of all the resources available to any organisation, human resources stand out as the most valuable asset. The other resources revolve around the human element underpinning its central importance. On this note, resource allocation is basically a strategic process that involves assigning tasks to the right employees at the right time and ensuring that they have the necessary materials to maximise efficiency and productivity. NUPRC's challenge is to establish a sustained, result-driven talent management strategy that ensures a steady supply of skilled and talented individuals, both within the organisation and in its talent pipeline and pool. Talent pipeline focuses on cultivating long-term relationships with high-potential individuals, ensuring the organisation's future workforce needs are met. In contrast, the talent pool provides a centralised database of potential candidates, offering rapid access to a diverse range of profiles for immediate hiring requirements. By combining these approaches, an organisation can develop a robust recruitment strategy that balances speed and quality, ultimately driving organisational success

CREATIVITY DEVELOPMENT

This is the ability of an organisation to generate new ideas, solutions and approaches to problems or challenges. Developing creativity in an organisation involves creating a



culture and environment that support critical thinking.

This can be achieved through various means such as providing opportunities for brainstorming, fostering a culture of open communication and collaboration, and investing in training and development.

Fostering a culture of creativity and innovation within NUPRC is essential for driving growth and improvement. By encouraging employee creativity, providing training and development opportunities and recognising and rewarding innovative ideas, the Commission can develop novel solutions to industry challenges. This creativity will enable NUPRC to stay competitive and effective in its regulatory role. To achieve this, the hiring process of NUPRC should be refreshed to ensure that only candidates with requisite skills and potential are brought on board. Attention be paid to "Talent Pipeline" and "Talent Pool" discussed earlier.

ORGANISATIONAL NETWORKING

Organisational networking is the process of creating and maintaining connections, relationships and interactions within and outside an organisation.

To ensure growth, NUPRC should strive as much as possible to leverage institutional networks and cooperation to expand its regulatory capacity. This will help the Commission to sustain its relevance in the global oil industry.

Building strategic partnerships and networks with industry stakeholders, academia and other regulatory bodies (as stated under response to technological changes) will enhance the Commission's operational performance big time. By collaborating with other organisations, the Commission can leverage expertise, share the best practices and stay informed about industry trends. Organisational networking will enable the Commission to regulate the upstream oil and gas sector much better to drive innovation.

Internally, networking will help NUPRC to build strong connections and interactions among the employees. This will provide the employees with opportunities for career advancement, mentorship and professional growth to improve their problem-solving capacity to drive innovation.

CULTURAL SHIFT

As I stated in my introduction, effective innovation is not only about technology but vision. It is not about speed but direction.

The Commission's operational performance can be significantly enhanced by fostering a culture of innovation, transparency and accountability. By promoting a culture that values meritocracy, teamwork, equal opportunity for employee growth and continuous learning, the Commission can drive behavioral changes among the employees.

This cultural shift will enable NUPRC to respond more effectively to industry challenges and opportunities. Work tools must be provided- laptops, printers etc. The

work environment should be conducive to work so that the employees would be in the right frame of mind, focused and determined to bring out the best in them.

Starbucks: United States of America

During my time as a business and management student, I conducted case studies on organisations that implemented Strategic Innovation Management through cultural transformation. Howard Schultz (the former CEO who retired in 2023) helped transform Starbucks into a global brand it is today through cultural change. Shultz was inspired by the Italian Espresso culture, where coffee shops serve as social hubs for people to gather, relax and enjoy high quality coffee. The concept (business model) focused on serving premium coffee providing an inviting ambience. This way, Starbucks transformed the American coffee landscape. The Italian Espresso cultural concept helped establish Starbucks as a global brand synonymous with high-quality coffee and a unique customer experience. This is not a technological revolution, it is a cultural change – strategic innovation at its best.

Southwest Airlines: United States of America

Another inspiring story is that of Southwest Airlines. This major US airline founded in 1967 in Dallas, Texas and operates over four thousand flights daily. Southwest Airlines prioritised cost-reduction by operating a single aircraft type – Boeing 737.

It simplified its operations and reduced turnaround times. It deployed the "No-Frills – Approach by stripping away unnecessary amenities. This business model helped Southwest Airlines to keep costs low and passed the savings to the customers. The low fares made air travel more accessible to a broad audience.

By prioritising affordability, efficiency and simplicity Southwest Airlines successfully disrupted the traditional airline industry and created a loyal customer base. This is a cultural shift and not a technological breakthrough.

As previously emphasised, NUPRC should prioritise transparency, meritocracy, teamwork, equal opportunities for employee growth, continuous learning, a conducive work environment and adequate provision of work tools to foster employee engagement. When employees are engaged, they become emotionally invested and enthusiastic about their roles, leading to attainment of organisational goals..

ABOUT THE AUTHOR

Elochukwu Emefo is a Manager, Corporate Services and Administration at NUPRC, Owerri Regional Office. He holds PhD in Management from the Federal University of Technology, Owerri, Imo State, Nigeria. He is a business and management analyst as well as a commentator on national issues.

NIGERIA: Ready for Business; Open to the World

Investing in Nigeria presents an opportunity to tap into the abundant returns of Africa's growing innovation hub, fueled by a young population, a dynamic tech environment and supportive government policies and incentives.

Explore investment prospects across various sectors including Oil & Gas, Agriculture, Real Estate, Financial Services, Communication Technology, Mining, Tourism, Manufacturing, Entertainment and Transportation.



FEDERAL REPUBLIC OF NIGERIA



BUILDING LOCAL EXPERTISE

At Petroleum Technology Development Fund, Our goal is to develop local talent and promote the transfer of technology in the oil and gas industry. We aim to make Nigeria a leading center for skilled human resources in West Africa and the Gulf of Guinea.

We are committed to training Nigerians to become qualified graduates, professionals, technicians, and craftsmen in engineering, geology, science, and management—both locally and internationally.



2 Memorial Close, Central Business District, Abuja.
Mobile: +234-810-6857806, +234-810-6801744

Email: info@ptdf.gov.ng

Web: www.ptdf.gov.ng

GAZE PUZZLE

Find the following words related to the activities of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). Words may appear horizontally, vertically or diagonally, and can be forward or backward.

B	R	T	C	G	H	U	T	I	K	A	E	A	E	X	G	C	M	I	M
D	Q	O	H	V	A	Q	Z	B	E	N	V	I	R	O	N	M	E	N	T
D	G	V	A	U	D	I	T	P	X	J	J	V	T	G	R	Y	O	D	L
E	A	J	A	X	E	X	P	L	O	R	A	T	I	O	N	J	C	A	B
R	S	W	R	E	G	U	L	A	T	I	O	N	S	Z	X	R	D	T	O
E	J	C	O	M	P	L	I	A	N	C	E	S	S	Z	W	U	R	A	A
G	O	I	I	G	O	A	C	C	O	U	N	T	A	B	I	L	I	T	Y
U	E	A	L	C	T	N	B	J	A	B	R	P	M	V	D	T	T	T	B
L	U	X	O	E	R	K	I	T	E	C	H	N	O	L	O	G	Y	L	T
A	F	Y	C	L	A	A	E	T	G	O	P	C	K	D	G	O	Z	O	I
T	D	O	A	I	N	B	Y	G	O	T	D	F	J	Z	L	B	O	Z	N
I	N	A	L	C	S	X	Y	Q	O	R	C	R	U	D	E	D	L	P	X
O	S	L	C	E	P	V	J	U	G	P	I	F	A	U	X	B	X	A	U
N	A	T	O	N	A	D	H	E	B	O	I	N	T	E	Q	E	R	P	I
E	F	F	N	S	R	H	E	G	A	X	D	R	G	D	Q	L	Q	L	V
G	E	C	T	I	E	I	J	A	U	K	Z	D	F	S	N	N	E	T	T
E	T	O	E	N	N	X	R	H	P	H	C	P	O	L	I	C	Y	W	K
A	Y	K	N	G	C	I	N	S	P	E	C	T	I	O	N	Q	G	X	V
Y	H	W	T	Y	Y	V	P	R	O	D	U	C	T	I	O	N	T	K	K
H	K	J	A	P	W	A	O	P	E	R	A	T	I	O	N	S	X	L	A

WORDS TO FIND

- REGULATION
- GAS
- INSPECTION
- CRUDE
- MONITORING
- DATA
- LICENSING
- TRANSPARENCY
- EXPLORATION
- ACCOUNTABILITY
- PRODUCTION
- POLICY
- ENVIRONMENT
- TECHNOLOGY
- AUDIT
- LOCALCONTENT
- DEREGULATION
- SAFETY
- COMPLIANCE
- OPERATIONS

ERGONOMIC WORKPLACE PRACTICES ENHANCING COMFORT & PRODUCTIVITY

Moedu Adaeze -



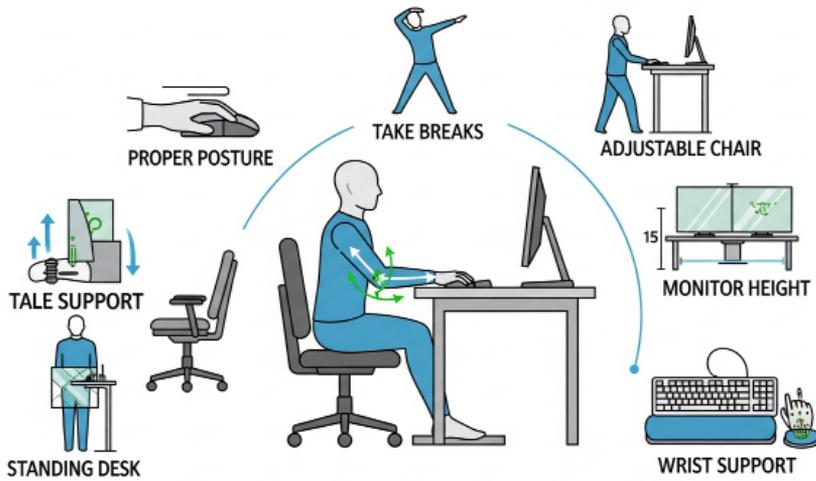
UNDERSTANDING ERGONOMICS

Ergonomics is all about creating a workspace that works for people, not the other way around. It focuses on designing environments that enhance comfort, efficiency, and safety while reducing physical strain. A well-thought-out ergonomic setup aligns the worker, their tasks, and their surroundings to promote overall well-being and productivity.

WHY ERGONOMICS MATTERS

Investing in ergonomic workplace strategies offers a host of benefits, including:

- **Reducing the Risk of Injuries:** Proper ergonomic adjustments help prevent musculoskeletal disorders (MSDs) such as carpal tunnel syndrome, back pain, and neck strain.
- **Enhancing Employee Well-being:** A comfortable work environment leads to greater job satisfaction and improved morale.
- **Boosting Productivity:** When employees feel comfortable, they work more efficiently with fewer distractions caused by discomfort or fatigue.



stiffness and improves circulation.

Switching Up Work Tasks

Repetitive movements can lead to strain and fatigue. Rotating between tasks throughout the day can help reduce the risk of repetitive motion injuries.

Choosing Ergonomic Tools

Use tools designed to accommodate different hand sizes and grip strengths. Ergonomic keyboards,

chairs, and footrests can make a significant difference in comfort and efficiency.

Using Safe Lifting Techniques

When lifting heavy objects, employees should bend their knees, keep their back straight, and use their legs to lift rather than their back. Proper training on safe lifting techniques can prevent workplace injuries.

The Role of Ergonomics Training

Regular training sessions can educate employees on the importance of ergonomics and how to adjust their workstations for maximum comfort. A well-informed workforce is less likely to suffer from work-related discomfort and injuries.

Tailored Ergonomic Assessments

No two employees are the same, and neither are their ergonomic needs. Providing adjustable chairs, desks, and equipment ensures that everyone can customize their workspace to their specific requirements.

ERGONOMICS IN DIFFERENT WORK ENVIRONMENTS

For Office Workers

Ensure proper chair adjustments, monitor positioning, and keyboard/mouse placement.

For Industrial Workers

Emphasize correct lifting techniques, the use of ergonomically designed tools, and efficient workspace layout.

For Healthcare Workers

Focus on reducing repetitive motion injuries and ensuring safe patient-handling techniques.

FINAL THOUGHTS

A workplace that prioritizes ergonomics isn't just about preventing injuries—it's about creating an environment where employees can thrive. By making simple yet effective adjustments to workstations and daily routines, organizations can improve comfort, productivity, and overall job satisfaction, leading to a healthier and more successful workforce. ■

- **Lowering Healthcare Costs:** Fewer workplace injuries mean lower medical expenses and reduced absenteeism.

ESSENTIAL ERGONOMIC PRACTICES FOR WORKSTATIONS

Adjusting Your Chair for Maximum Support

- **Seat Height:** Adjust so your knees are at a 90-degree angle with your feet flat on the floor.
- **Back Support:** Ensure the backrest aligns with your lower spine to provide proper lumbar support.
- **Armrests:** Position them so your elbows form a 90-degree angle while typing, reducing shoulder strain.

Optimizing Monitor Placement

- **Screen Height:** Keep the top of your screen at eye level to avoid excessive neck bending.
- **Viewing Distance:** Position your monitor about an arm's length away for optimal visibility.
- **Screen Tilt:** Slightly tilt the screen to minimize glare and reduce eye strain.

Proper Keyboard and Mouse Positioning

- **Keyboard Placement:** Keep it close to your body to maintain a neutral wrist position.
- **Mouse Accessibility:** Position your mouse within easy reach to prevent excessive arm extension.

Setting Up Your Desk for Comfort

- **Work Surface Height:** Adjust your desk so that you can work comfortably without straining your arms or shoulders.
- **Posture Maintenance:** Sit with a straight back, avoid slouching, and ensure your feet are flat on the ground or supported by a footrest.

ADDITIONAL ERGONOMIC BEST PRACTICES

Taking Regular Breaks and Stretching

Encourage employees to take short breaks every hour to stretch, stand up, and move around. This helps prevent

GAZELIFESTYLE

HEALTH AND WELL-BEING

- Dr. Okoawoh Andrew Isimenmen (MBBS, MRCEM) -

Sleep as Medicine:

Why Rest is More Important than You Think

For all the pills, supplements, fitness regimens and wellness hacks in the world, there's one powerful, natural tool we often take for granted: sleep.

In today's fast-paced world, especially in high-pressure environments and growing urban centers, sleep is often seen as an indulgence. Many people wear their sleeplessness as a badge of productivity, pushing their minds and bodies to extremes in pursuit of success. But scientific research continues to reveal something we've always known deep down: sleep is not a luxury, it's essential. It is just as vital to human survival and performance as water, food or air.

Sleep isn't merely a break from the day. It's a state of active healing. While we rest, the body goes into





a mode of deep repair, rebuilding muscles, balancing hormones and regulating critical systems like blood pressure and metabolism. The brain, meanwhile, processes information, stores memories and clears out toxic waste through a system known as the glymphatic pathway. This natural nightly maintenance affects nearly every aspect of health, from emotional balance to immune strength and cardiovascular health. Without proper sleep, we begin to feel the strain not just in our energy levels, but in our long-term well-being.

The consequences of insufficient sleep are far-reaching. Sleep deprivation increases the risk of serious conditions such as high blood pressure, stroke, diabetes, heart disease, depression and obesity. It also impairs cognitive functions like memory, concentration, decision-making and weakens the immune system, leaving us more vulnerable to illness. Over time, chronic sleep debt can even contribute to the development of neurodegenerative diseases like Alzheimer's.

In many African societies, particularly in Nigeria, conversations around rest are often overshadowed by a culture that values hustle above recovery. Rest is sometimes misinterpreted as laziness and those who seek it may be seen

as unserious. Yet, the cost of this mindset is evident in rising rates of stress-related illnesses, burnout and mental health issues. There is an urgent need to shift this perception and embrace the truth: rest is not the opposite of productivity, it is a requirement for it.

One of the most immediate and visible benefits of sleep is its impact on mental health. Even a single night of poor sleep can heighten anxiety and make it harder to manage emotions. Over time, inadequate sleep can worsen depression and reduce overall emotional resilience. On the other hand, consistent, quality sleep improves mood, strengthens focus and supports a more balanced and positive outlook on life.

The same holds true for performance. Whether you're an athlete, student, entrepreneur or civil servant, your ability to think clearly, solve problems and perform under pressure improves dramatically when you're well-rested. This isn't just theory, it's backed by growing data from sports, medicine, neuroscience and workplace studies. Sleep supports quicker reaction times, better memory retention, more stable moods and even greater creativity. In a world where ideas and decisions matter more than ever, sleep isn't slowing you down, it's powering you up.

Promoting a healthier sleep culture requires both personal and systemic change. People must begin to recognise the value of rest in their daily routines and prioritise it with the same seriousness as diet and exercise. Leaders and institutions must also rethink outdated beliefs about success and stop rewarding burnout. Workplaces need to create space for healthy boundaries and flexible schedules. Schools and universities should educate students about sleep just as they do about nutrition. Communities should begin to talk openly about rest, not as something to be ashamed of, but as something to protect.

In the end, sleep is one of the most democratic forms of healthcare available to us all. It is free, powerful and deeply restorative. In a world that constantly demands more of us, more hours, more output, more energy; choosing to sleep is a radical act of self-preservation. It's not laziness. It's leadership over your own life.

So tonight, let rest take its place. Turn off the noise. Close your eyes. Let your body and mind return to balance. Sleep and let it do what medicine so often tries to replicate: heal, restore and prepare you for tomorrow. ■

GAZESPORTS

- Adewale Osoneye -

NIGERIA'S SPORTING REVOLUTION: POWERING UNITY, PRIDE AND PROGRESS



Sport in Nigeria has never been just about competition. From dusty football pitches in rural villages to Olympic podiums draped in green and white, it's long been a mirror reflecting the nation's hope, identity and resilience. But something deeper is happening now beyond the cheers and trophies. Nigeria is undergoing a quiet sporting revolution, one that is rewriting narratives, creating opportunities and bringing together a nation that often struggles to find common ground.

In a country as diverse and complex as Nigeria, unity has always been a fragile thread, yet when the Super Eagles take to the field or Tobi Amusan breaks a world record, everything else pauses. Ethnic and political divides dissolve at least for a moment and what remains is pride. Sports have become the one language every Nigerian understands, the one thing that can ignite joy in the streets of Kano, Warri, Enugu and Lagos all at once.

But this revolution goes beyond sentiment. There's a visible shift in how sports are being approached both as a tool for social cohesion and as a vehicle for national development. The government and private stakeholders are gradually recognising sports as more than recreation; it's employment. It's infrastructure. It's international diplomacy. It's a billion-naira industry waiting to be fully tapped.

Take youth empowerment for instance, Nigeria's youth population is one of the largest in the world. For many of these young people, sport is not just an escape, it's a future. For every Victor Osimhen who rises from the streets of Lagos to shine in Naples and Istanbul, there are hundreds of aspiring talents just like him. Local academies are springing up with better training, nutrition and mentorship. Technology is giving athletes

access to global audiences. From football to basketball, from track and field to combat sports, Nigerian athletes are no longer waiting to be discovered they're making themselves impossible to ignore.

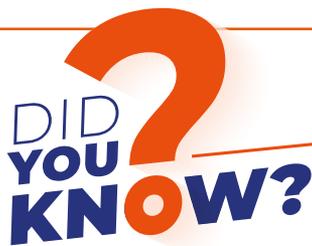
Equally important is the rise of women in Nigerian sports. For decades, female athletes fought hard for recognition in a culture that often saw their ambitions as distractions. Today, names like Blessing Oborududu and Asisat Oshoala are not just medalists, they're symbols of change. They represent a breaking of barriers and an expansion of possibilities, showing young girls across the country that they too can compete, lead and win on the world's biggest stages.

Yet, for all the gains, challenges remain. Facilities are outdated or underfunded. Governance is still marred by bureaucracy and shortsightedness. Talents are lost to countries that offer better systems and support. To truly revolutionise sports in Nigeria, there must be intentional investment not just financially, but structurally. Schools need programmes that go beyond textbook sports. Communities need safe, accessible spaces to nurture future athletes. And perhaps most importantly, policies must prioritise long-term vision over short-term glory.

Still, the signs of progress are undeniable. From the street-level passion for local leagues to the global exploits of Nigerian athletes, there's a fire that refuses to go out. It's a fire lit not just by love of the game, but by the belief that sports can be the bridge between our many differences and the engine that drives national pride and progress.

Nigeria's sporting revolution isn't only about winning matches, it's about reclaiming dignity, restoring hope and rewriting what it means to move forward, together. The ball is rolling and for once, everyone wants to play. ■

GAZE KNOWLEDGE



Exploring the NUPRC and Nigeria's Energy Evolution

Test your knowledge about the Nigerian Upstream Petroleum Regulatory Commission (NUPRC)

- Do you know what year the NUPRC was officially established?**
A. 2021
B. 2015
C. 2008
D. 2023
- True or False: The NUPRC replaced the Department of Petroleum Resources (DPR).**
- Do you know what the acronym "NUPRC" stands for?**
A. Nigerian Upstream Petroleum Revenue Commission
B. Nigerian Union of Petroleum and Resource Companies
C. Nigerian Upstream Petroleum Regulatory Commission
D. National Upstream Petroleum Resource Committee
- Which law governs the establishment and operations of the NUPRC?**
A. Oil Pipelines Act
B. Petroleum Industry Act (PIA) 2021
C. Nigerian Mineral Resources Law
D. Energy Governance Act
- Fill in the blank: The NUPRC is responsible for the technical and commercial regulation of _____ activities in Nigeria.**
- Do you know who currently serves as the Chief Executive of the NUPRC (as of 2025)?**
A. Dr. Farouk Ahmed
B. Engr. Gbenga Komolafe
C. Mrs. Amina Ahmed
D. Mr. Mele Kyari
- True or False: The NUPRC oversees the refining and marketing of petroleum products in Nigeria.**
- NUPRC's headquarters is located in which Nigerian city?**
A. Lagos
B. Port Harcourt
C. Abuja
D. Warri
- Which of the following is a key focus area of the NUPRC?**
A. Retail pricing of fuel
B. Oil spill remediation only
C. Licensing and regulation of upstream activities
D. Urban energy distribution
- Fill in the blank: The NUPRC is mandated to ensure transparency and accountability in the _____ sector.**

ANSWERS

6. B. Engr. Gbenga Komolafe
7. False
8. C. Abuja
9. C. Licensing and regulation of upstream activities
10. upstream petroleum

1. A. 2021
2. TRUE
3. C. Nigerian Upstream Petroleum Regulatory Commission
4. B. Petroleum Industry Act (PIA) 2021
5. upstream petroleum

GAZETOURISM

- Folakemi Famoroti -

OJÚDÉ OBA FESTIVAL: A CULTURAL MASTERPIECE WITH GLOBAL TOURISM POTENTIAL

In the heart of Ijebu-Ode, Ogun State, a spectacle of tradition, royalty and unity explodes into life annually - the Ojúdé Oba Festival. This vibrant cultural celebration, held two days after Eid-el-Kabir, is not just a colorful tribute to the Awujale (the king of Ijebu land), but a pulsating showcase of Yoruba heritage that has steadily transformed into a beacon of cultural tourism with the potential to place Nigeria firmly on the global tourism map.

A GLIMPSE INTO THE HEART OF OJÚDÉ OBA

"Ojúdé Oba" means "the king's forecourt" in Yoruba and the festival literally brings the entire Ijebu community before the Awujale in homage. With origins rooted in religious coexistence and gratitude, the festival began over a century ago when early Muslim converts, led by Chief Balogun Kuku, sought the king's blessing after the Eid celebration. Over time, this simple act of loyalty blossomed into a full-fledged cultural festival involving over 60 regberegbes (age-grade groups), traditional warlords on horseback, drummers, dancers, masquerades and lavishly dressed indigenes returning home from around the world.

TOURISM AND ECONOMIC GAINS: A FESTIVAL WITH PROSPEROUS PROSPECTS

The Ojúdé Oba Festival offers immense economic and tourism potential:



1. **Boosting Local Economy:** Hotels, restaurants, tailors, traders and artisans record significant business gains during the festival. The influx of guests both local and international translates to heightened economic activity and income generation.
2. **Cultural Tourism Magnet:** With its regal pageantry, horse parades and sartorial elegance, Ojúdédé Ọba has the potential to rival global cultural festivals like Brazil's Rio Carnival or India's Kumbh Mela. Proper promotion can draw thousands of cultural tourists annually.
3. **Job Creation:** From event planning and logistics to fashion and performance arts, the festival supports a wide array of jobs. Youths can be gainfully engaged as cultural guides, performers, hospitality staff and creative entrepreneurs.
4. **Image Branding for Nigeria:** Ojúdédé Ọba paints a powerful picture of unity, peace and heritage. In a world often fed with negative stereotypes about Africa, this festival challenges the narrative, offering a fresh, inspiring view of Nigerian vibrancy and communal strength.

CULTURAL DIPLOMACY AND GLOBAL ENGAGEMENT

Cultural festivals like Ojúdédé Ọba are effective tools for soft diplomacy. When well-promoted, they serve as cultural exports, opening channels for collaboration with international tourism boards, media, fashion industries and arts institutions. Global platforms like UNESCO and CNN Travel have increasingly featured such African festivals and Ojúdédé Ọba is ripe for such recognition.

COMPLEMENTING NIGERIA'S CULTURAL TREASURE TROVE

Ojúdédé Ọba is a jewel among Nigeria's constellation of cultural festivals. Together with:

- Argungu Fishing Festival in Kebbi,
- Osun-Osogbo Festival in Osun,
- Eyo Festival in Lagos,
- Durbar Festival in Kano and Zaria,
- New Yam Festivals across the Southeast,

...it enriches Nigeria's cultural tapestry and offers a 360-degree tourism experience from water sports and masquerade displays to regal horse parades and spiritual rituals. These festivals, when bundled in a national tourism calendar and marketed strategically, could make Nigeria a prime cultural tourism destination.

STRATEGIC RECOMMENDATIONS FOR GLOBAL PROMOTION

To maximise Ojúdédé Ọba's global tourism potential, the following strategies are key:

- **Government Support and Sponsorships:** Active support from tourism ministries and parastatals to promote the festival in international tourism expos and platforms.
- **Public-Private Partnerships:** Collaborations between the government, tourism boards, airlines and hospitality firms can create packaged experiences for tourists.
- **Digital Storytelling and Media Engagement:** Leveraging platforms like YouTube, Instagram, and travel blogs to tell the Ojúdédé Ọba story visually and emotionally to a global audience.
- **Heritage Preservation and Cultural Education:** Documenting the history, rituals and aesthetics of the festival for future generations and scholarly engagement.

THE GLOBAL FUTURE OF OJÚDÉDÉ ỌBA

Ojúdédé Ọba is not merely a celebration; it is a cultural movement with the power to generate revenue, foster unity, promote culture and rebrand Nigeria internationally. With the right investments in infrastructure, media promotion and strategic partnerships, this festival can stand shoulder to shoulder with the world's greatest cultural showcases.

In a nation eager to diversify its economy and strengthen its global identity, Ojúdédé Ọba is more than a festival; it is a golden gateway.



GAZETA INMENT

- Dare Olaniyan -

FROM SKITS TO STARDOM: HOW NIGERIAN DIGITAL CREATORS ARE CONQUERING THE GLOBE



In the crowded, fast-moving world of online content, one wave stands out with energy, humour and cultural authenticity: the rise of Nigerian digital creators. From viral Instagram skits and comedic YouTube series to TikTok trends and gaming livestreams, a new generation of Nigerians is redefining entertainment, one upload at a time. They're not just local stars, they're building global audiences, reshaping Africa's digital image and carving out new creative economies in real time.

For many, it started with a phone, an idea and no budget. Now, names like Sabinus, Taaoma, Kiekie, Mr Macaroni and Brainjotter are drawing millions of views across continents. Their short skits rooted in everyday

Nigerian life blend sharp social commentary with slapstick comedy and relatable characters. What makes them stand out isn't just the humour, but the originality and cultural nuance. They're showing the world Lagos traffic, Nigerian aunties, church culture, street slang and more packaged in ways anyone can laugh at, no subtitles needed.

Meanwhile, streamers and vloggers like Korty EO, Fisayo Fosudo and Tee Kuro are documenting life, tech, fashion and food through a Nigerian lens with the kind of storytelling that grabs global attention. With loyal fanbases from the UK to the U.S. and UAE, they're

proving that Nigerian perspectives aren't just relevant, they're in demand.

What's remarkable about Nigeria's digital boom is how grassroots it is. These creators didn't rise through old media. No talent agents, no TV studios, just the internet, creativity and hustle. Social media platforms like TikTok, YouTube and Instagram have become their stages, production studios and distribution channels.

With the right content, a skit filmed in a cramped apartment in Ibadan can reach an audience in Canada, go viral in South Africa and earn sponsorship from a global brand. Nigerian humour, drama and storytelling now travel faster and wider than ever before.

More than just entertainers, these creators are shifting how the world sees Nigeria. For decades, Western media often portrayed Africa through a narrow lens; conflict, poverty, instability. But Nigerian creators are rewriting

to financing and inconsistent policy support. The digital economy in Nigeria is growing faster than regulation can keep up. Many creators operate without formal protections, contracts or support systems. Monetisation, especially in currencies hit by inflation and exchange rate swings, is a constant struggle.

Still, the momentum is hard to ignore. Nigerian creators are forming collectives, building studios and training the next generation. Some are expanding into podcasts, documentaries and feature films. And as Africa's digital audience continues to grow, Nigeria's creators are poised to lead the charge.

The global entertainment map is shifting and Nigeria's skit makers, vloggers, streamers and storytellers are claiming space. With over 100 million internet users, a booming youth population and a culture wired for



that narrative with humour, creativity and entrepreneurial spirit. They're showing a Nigeria that is dynamic, youthful, connected and confident.

And brands are paying attention. From Coca-Cola and Showmax to local fintech startups and telcos, creators are becoming marketing powerhouses, trusted, influential voices with massive reach. Some are launching fashion lines, monetising content through Patreon and YouTube ads or landing acting roles in Nollywood and beyond.

But it's not all laughs and likes. Creators still face infrastructure gaps, unreliable internet, limited access

storytelling, Nigeria isn't just catching up, it's setting the pace.

As the world increasingly turns to the internet for entertainment and inspiration, expect more Nigerian names to rise not just as content creators, but as cultural exports, brand ambassadors and creative entrepreneurs shaping the future of global media.

The skits may be short but the impact is long-lasting. . Let the festivities begin! ■

GAZEDIASPORA

- Nze David Ugorji -



VISA, VISION, VICTORY: THE UNTOLD STORIES OF NIGERIAN RESILIENCE OVERSEAS

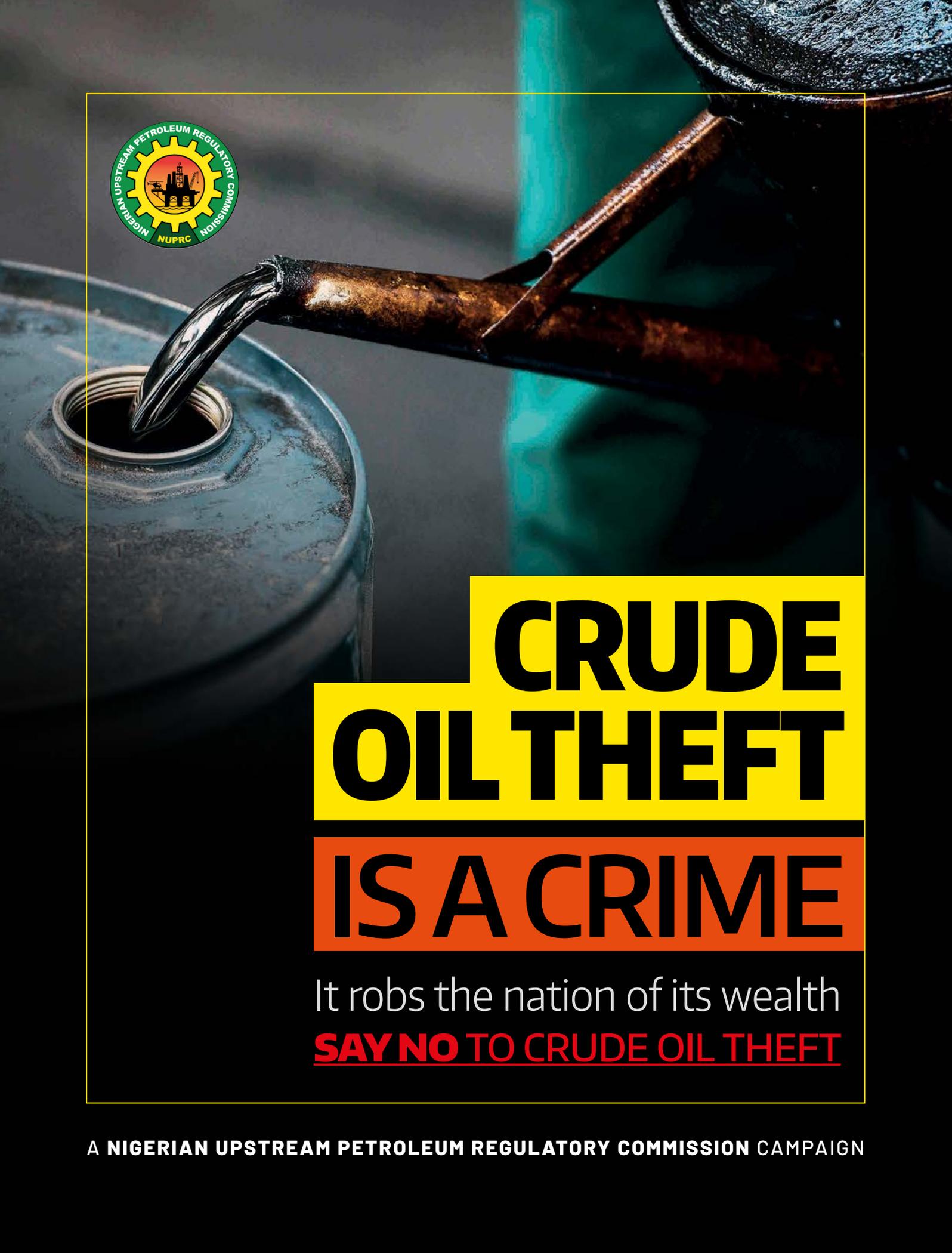
When a Nigerian crosses a border, they carry more than a passport, they carry a fire, a fire forged in the heat of adversity, lit by dreams too bold to be boxed in. For many, the journey begins with a visa: a fragile document that opens the door to a world of uncertainty. But what transforms that paper into purpose is vision, the kind that sees beyond survival, toward significance. And when vision is met with relentless will, it births victory. Across continents, Nigerians in the diaspora are not just surviving, they are shaping destinies. In the United States, United Kingdom, Canada, Germany, South Africa and beyond, they are rewriting what it means to be African, to be Nigerian, to be unstoppable. They are doctors healing bodies and systems. They are engineers building bridges literal and metaphorical. They are artists, professors, entrepreneurs and activists. They are the quiet architects of change in their host countries and the lifelines of hope back home.

Their contributions ripple far beyond remittances, though those alone are staggering, over \$25 billion annually, more than Nigeria's oil revenues in some years. These funds build homes, send children to school, fund startups and keep families afloat. But the deeper impact lies in the transfer of knowledge, values and vision. Diaspora Nigerians are mentoring youth, launching tech hubs and investing in healthcare and education. They are returning home to teach, build and serve. And even when they don't return physically, their influence travels through ideas, innovation and inspiration. In their host countries, they are cultural

ambassadors and community builders. They bring jollof rice to potlucks and Afrobeats to playlists. They challenge stereotypes with excellence and grace. They rise in politics, in science, in the arts not just as representatives of Nigeria, but as reminders that greatness knows no geography. They enrich the multicultural fabric of their adopted homes while holding tightly to the threads of their heritage.

Yet, their journey is not without pain. Many face racism, isolation and the pressure to prove themselves twice over. They navigate systems that often see their brilliance as a threat or an anomaly. They carry the weight of expectations from home and the burden of being misunderstood abroad. But still, they rise. Because resilience is not just a trait, it's a tradition. These are the untold stories. The stories of the nurse in Manchester who sends half her salary to fund a clinic in Enugu. The coder in Toronto who mentors Nigerian teens online. The fashion designer in Milan who weaves Ankara into haute couture. The student in Berlin who organises cultural festivals to keep Igbo and Yoruba languages alive. These are not just stories of success, they are stories of service, sacrifice and soul.

Visa. Vision. Victory. These three words capture a journey that is both deeply personal and profoundly national. They remind us that the Nigerian spirit cannot be contained by borders or broken by barriers. It adapts. It endures. It triumphs. And in every Nigerian abroad who dares to dream, to build, to give back, we see the future of a nation not just surviving but soaring.



CRUDE OIL THEFT IS A CRIME

It robs the nation of its wealth
SAY NO TO CRUDE OIL THEFT

A NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION CAMPAIGN

HOST COMMUNITY DEVELOPMENT TRUST FUND



The Host Community Development Trust Fund helps to engender harmonious and peaceful operating environments in the communities.

All Producers are enjoined to remit their statutory payments as prescribed by the Petroleum Industry Act 2021

