2022–2024 MINI BID & LICENSING ROUND CONDUCTED BY THE NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION (NUPRC)

ADVISORY REPORT

By the Nigeria Extractive Industries Transparency Initiative (NEITI)

EXECUTIVE SUMMARY

This report presents the observations and advisory recommendations of the Nigeria Extractive Industries Transparency Initiative (NEITI) following its independent monitoring of the prequalification and technical bid evaluation phases of the 2022–2023 Mini Bid Round and the 2024 Licensing Round conducted by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). The monitoring was carried out in line with NEITI's statutory mandate under the Petroleum Industry Act (PIA), 2021 and the global EITI Standard.

At its statutory meeting held in Umuahia, Abia State, on 9th May 2025, the NEITI National Stakeholders' Working Group (NSWG) formally reviewed the reports of NEITI's monitoring team. The Board expressed satisfaction with the Commission's efforts to work collaboratively with NEITI in the ongoing reforms to institutionalize transparency, accountability, and effective regulation of Nigeria's upstream petroleum sector.

While commending several aspects of the licensing process, including the use of technology, diverse evaluation teams, and gender inclusion, NEITI identified key areas for improvement to build on the successes recorded in the exercise. These include strengthening evaluation methodology, enhancing transparency in result disclosure, and ensuring earlier and easier public access to bidder information. The report outlines actionable recommendations to reinforce the integrity, competitiveness, and stakeholder trust in future licensing rounds.

INTRODUCTION

The 2024 Licensing Round and the 2022–2023 Mini Bid Round represent significant milestones in Nigeria's upstream petroleum sector. These rounds are designed to attract credible investments, unlock hydrocarbon potential, and advance national development objectives. NEITI, as mandated under Sections 2(c), 66(f), and 67 of the PIA 2021, monitored the prequalification (5–7 July 2024) and technical bid evaluation (29

November, 5 December 2024) stages to assess compliance with published criteria, procedural integrity, and alignment with national and international transparency standards.

1. **Key Observations and Findings**

   A. **Prequalification Phase**

   - **Transparency and Inclusivity:** The process was generally professional and inclusive, supported by clear evaluation ground rules and transparency mechanisms. One-third of team members were women, reflecting commendable gender representation.
   - **Criteria Disclosure:** Prequalification guidelines were publicly disclosed and broadly adhered to, in line with PIA and EITI provisions.
   - **Support for Start-ups:** Concessions were granted to indigenous and emerging firms, particularly in technical and financial criteria, promoting wider stakeholder participation and public confidence.

   ✓ **AREAS FOR IMPROVEMENT:**

   - Evaluation metrics lacked published weightings or descriptive grading frameworks.
   - Some submissions were presented in non-English languages without certified translations.
   - Several companies did not disclose beneficial ownership as required.
   - Portal limitations necessitated physical submissions, undermining efficiency.
   - Commercial Value Assurance (Item 3.5) was omitted from evaluation at this stage.

   B. **Technical Bid Evaluation Phase**

   Strengths:

   - Multidisciplinary evaluation teams ensured robust assessments and upheld procedural integrity.
   - The bid portal improved submission efficiency and transparency.
   - The exercise was completed ahead of schedule, reflecting sound coordination.
   - ESG and local content considerations were embedded in the evaluation criteria.

✓ **Areas for Improvement:**

- All 21 metrics were scored equally, without accounting for relative importance, limiting objectivity.
- Incomplete or misfiled documents from two bidders could not be assessed.

2. Strategic Recommendations

A. Technical Enhancements

- Introduce weighted scoring matrices to reflect the varying significance of evaluation criteria.
- Upgrade the digital licensing portal to include multilingual support and real-time submission tracking.
- Provide evaluators with detailed scoring guides and calibration workshops to promote consistency.

B. Transparency and Compliance

- Ensure timely publication of prequalified bidder lists, including full beneficial ownership disclosures, in line with EITI Requirement 2.2(c).
- Clearly delineate the roles and scope of technical, commercial, and post-award stages.
- Establish a binding schedule for evaluation result disclosures, with protocols for documenting and communicating any deviations.

C. Oversight and Governance

- Institutionalize NEITI's monitoring role across all bid phases, technical, commercial, and contract award.
- Publish anonymized bid evaluation summaries to enhance public trust and investor confidence.
- Introduce a formal redress mechanism for bidder grievances and appeals.
- Conduct post-bid reviews to assess compliance, identify lessons, and strengthen future exercises.

3. Conclusion

NEITI commends the Nigerian Upstream Petroleum Regulatory Commission for the progress made in conducting the 2022–2024 Licensing Rounds. Notable improvements in inclusivity, digitization, and procedural integrity are recognized. However, for Nigeria to solidify its position as a globally competitive hydrocarbon investment destination,

greater emphasis must be placed on transparent disclosures, standardized scoring systems, and consistent public communication.
The NEITI NSWG urges the Commission to adopt the recommendations contained in this report. NEITI remains committed to collaborating with NUPRC, civil society, and the private sector to promote reforms that support good governance, responsible regulation, and sustainable development in Nigeria's extractive industries.

Acknowledgements

This report was developed by the NEITI Secretariat and approved by the National Stakeholders' Working Group at its meeting in Umuahia, Abia State, on 9th May 2025. NEITI acknowledges the cooperation of the NUPRC and all stakeholders who enabled NEITI's participation in the process.

Contact

Nigeria Extractive Industries Transparency Initiative (NEITI)
Website: www.neiti.gov.ng
Email: info@neiti.gov.ng
Address: NEITI House: Plot 121 Danladi Kifasi Wuye Abuja