Opening Remarks by Dr Orji Ogbonnaya Orji, the Executive Secretary, Nigeria Extractive Industries Transparency Initiative (NEITI) at the 3rd National Extractive Dialogue on Gas Flare Reduction: Catalyst for Accelerating Nigeria's Path to Net Zero Emission and Sustainable Development" Organised by Spaces for Change in collaboration with NEITI and NOSDRA on 24th - 25th July 2024 at Bon Hotel Elvis, Abuja.

Protocols!

1. I feel honoured and privileged to speak at the 3rd National Extractive Dialogue (NED 2024).
2. The Dialogue with the theme "Gas Flare Reduction: Catalyst for Accelerating Nigeria's Path to Net-Zero Emissions and Sustainable Development" is pertinent and could not have come at a better time than now, when government's attention is focused on energy transition and the vehicle that Nigeria has identified for its journey being gas. In addition, the theme of the Dialogue is also at the heart of our government's resolve to eliminate gas flare by 2025 and carbon emission by 2060.
3. The National Extractive Dialogue Jointly organized by the Nigeria Extractive Industries Transparency Initiative (NEITI), Spaces for Change, the National Oil Spill Detection and Response Agency (NOSDRA), and supported by the Ford Foundation offers stakeholders here a constructive platform to discuss means of propelling gas flare down, carbon footprint reduction, and sustainable development in host communities.
4. With the United Nations' projection of Nigeria's population to rise to over 260 million in 2030 and over 400 million by 2050, which is just ten years away from our country's net zero target of 2060, NEITI predicts an upsurge in Nigeria's energy demand that may surpass 47% projected global increase by the same period in 2050.
5. The theme of this Dialogue is therefore of huge interest to us as an agency because the right time to table the issue of gas flaring as a national agenda for public discussion is now.

6. At a time when Nigeria is grappling with huge energy gaps, the global transition to renewable energy creates an even greater need for this timely intervention. NEITI highly commends the Spaces for Change for bringing this issue to the front burner.
7. NEITI recognises that Nigeria needs to position itself as the technology frontier to take full advantage of the opportunities that lie in the energy transition journey especially as relates to gas production, utilization, gas flaring and carbon emission reduction. The opportunities are in the areas of investments in technology and innovation that will ensure a Just Transition to net zero emission by 2060.
8. Nigeria has identified natural gas as its transition fuel. At over 200 trillion cubic feet, Nigeria has the largest gas reserves in Africa and the 9th largest in the world. With increasing new gas discoveries on the way from ongoing frontier explorations across the country, the role that gas will play in Nigeria's energy transition discuss cannot be over emphasized.
9. Historically, the legal framework for combating gas flaring in Nigeria are embedded in the underlisted several policies, laws, and regulations; The 1999 Nigerian Constitution: The Environmental Impact Assessment Act 1992, Criminal Code Act CAP. C38 LFN 2004: Sections 245 and 247: Associated Gas Reinjection (Continued Flaring of Gas 1984) Regulation; The Nigeria Gas Master Plan 2008; The Nigeria Gas Flare Commercialization Programme 2017 and several others. We have similar laws on Carbon Emission.
10. Then came the game changer, the Petroleum Industry Act in 2021, the Act as it is called made copious pronouncement on the management of Nigeria's oil and gas resources including gas flare and the setting up of regulatory agencies to oversight the sector.
11. Whereas other laws vested the Powers of regulating Nigeria's oil and gas sector on the President and by extension his Minister designate, the Petroleum Industry Act created two regulatory agencies, The Nigeria Upstream Petroleum Regulatory

Commission (NUPRC) and the Nigeria Midstream Downstream Petroleum Regulatory Agency (NMDPRA). Rising from the PIA, the NUPRC in 2023 developed and gazette the Gas flaring, venting and methane emissions (Prevention of Waste and Pollution) regulation.

12. The Nigeria Gas Flare Commercialization Programme of 2017 relaunched in 2022 and the Gas flaring, venting and methane emissions (Prevention of Waste and Pollution) regulations aims to reduce the environmental and social impact of gas flaring in Nigeria while creating economic benefits from captured gas. It requires all flare gas assigned to be sold at a competitive auction, with permits needed for flare site access—non-compliance results in sanctions. However, this was challenged by weak enforcement due to lack of political will.
13. The Petroleum Industry Act 2021 can be considered as a beacon of hope in the fight against gas flaring as it imposes restrictions on flaring or venting natural gas and sets penalties for non-compliance. Additionally, it mandates the installation of metering equipment and requires a natural gas flare elimination and monetization plan.
14. I am very optimistic that with the progress made so far with the specific regulation on gas flare by NUPRC last year, that we are on the path to realizing our goals as a country. However, stringent measures should be put in place with a plan that has clear timelines for delivery. I do not think that NUPRC at this point with few months to 2025 should be making exceptions. Section 6(1) of the regulations (Gas flaring, Venting and Methane Emissions (Preventing of Waste and Pollution) Regulations 2023) grants the Commission power to award permit for access flare gas on an exclusive basis. NEITI advices that such exclusivity should not be exploited or granted to ensure 100% compliance levels by operators.
15. NEITI's latest report in the oil and gas industry disclosed that 884 million scf was flared in 2011 when compared to the 249 million scf flared in 2021. The data

collected between 2011 and 2021 shows a decline in flaring by 51.27% of the volume of gas flared. Similarly, 129 million scf was utilised in 2011 as compared to 915 million scf in 2021.

16. The report revealed that 9.8% of the gas produced and utilized in 2021 was flared while 55% was sold. Data also indicated that gas flare has reduced by about 50% between 2021 and 2020. Though this is a remarkable improvement, we must strive to meet our country's target of 100% gas flare elimination by 2025 which is just one year away and six years away from global commitment of 2030.
17. In recognition of the vital role which energy resources play in our economic aspirations, Nigeria is pursuing an energy transition plan to promote economic growth and encourage investments in renewable energy that would reduce carbon emissions, while utilising its natural gas as the transition fuel.
18. In our Policy Advisory on The Way Forward in The Reform of Nigerian Oil, Gas and Mining Sector to President Bola Ahmed Tinubu, NEITI advocated for a comprehensive Gas Policy with clear roles for stakeholders with timelines to track progress, marshal out a detailed plan to end gas flaring through a private sector led commercialization program amongst other recommendations.
19. We also canvassed for open, competitive and transparent Gas flare commercialization programme. This we have followed keenly with the NUPRC bidding process that was extended to accommodate new entrant and we strongly align with the Federal Government of Nigeria's commitment to global emission reduction and methane abatement.
20. We are also aware that this programme was conceived as a strategic market driven initiative of the Federal Government to eliminate routine gas flaring in the country through commercial mechanisms. The programme seeks to enable the Federal Government to award flare sites to competent third parties with proven technical

capacity and financial capability to take the flare gas to market through a competitive bid rounds process.

21. NEITI also urges the Federal Government through the NUPRC and NMDPRA to provide the political capital and ensure that there is open, competitive and transparent implementation of the Nigeria Gas Flare Commercialisation Programme and the regulations (Gas flaring, Venting and Methane Emissions (Preventing of Waste and Pollution) Regulations 2023). This is given its immense potential for revenue generation in the gas sector, our country's net zero emission reduction and methane abatement overall plan.
22. As an institution with longstanding experience in multi-stakeholder approaches, NEITI stands in a very strategic place to facilitate engagements and inclusive participation of all the relevant stakeholders in planning and implementation of the regulations on gas flare and methane abatement.
23. A successful transition to Just energy for Nigeria also, would require data and information for comprehensive planning, monitoring and evaluation of the transition implementation plans. This data includes social and economic impact of the transition as well as the progress and impact on Nigeria's climate change and carbon emission reduction commitments.
24. At NEITI, this is what we do best and we commit to support the Nigerian Energy Transition Plan with the required and credible data and information that will guide the formation of the plan and strategies and successful implementation process.
25. The global Extractive Industries Transparency Initiative (EITI) model, which NEITI implements, is founded on the philosophy that regular disclosures of information and data in the extractive sector will promote public debate, foster civic actions and accountability in the sector.

26. NEITI therefore, views the National Extractive Dialogue as another opportunity to deepen its engagements with credible Institutions to bring to the fore critical extractive issues and sustain the advocacy on sector reforms.
27. We thank you for the opportunity to share our thoughts and plans on the Gas Flare and Carbon Emission Reduction discus. We are also here to learn and galvanise the needed support that would guide Nigeria's Energy Transition Plan as we eliminate 100% gas flare by 2030 and net zero emission by 2060.
28. I wish you all a very fruitful discussion.