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CSOs Urge the Incoming Government to Clarify Plans for Gas and Resolve Risks that Undermine Nigeria’s Economy and Energy Transition

ABUJA – President-elect Bola Ahmed Tinubu has vowed to accelerate implementation of the Nigeria Gas Master Plan, fully develop and modernize our regulatory framework for natural gas production. His [campaign manifesto](#) promised a 20 percent increase in gas production, completion of certain “critical” gas infrastructure projects by 2027, a boost in Nigerian gas exports to the EU, and a “Nigeria First policy” by which “gas resources shall be directed, as a #1 priority to Nigerian power generation.”

Flowing from the above energy mission statement by President-elect Bola Tinubu, a coalition of Nigerian civil society organizations today called on the incoming administration to disclose its action plans for Nigeria’s gas sector within ninety [90] days of taking office. The coalition said that although looking more to gas for foreign exchange or domestic energy could address short term energy and development needs, betting big on gas in the long term carries huge risks. Specifically, the coalition said that:

- Given Nigeria’s limited past success in turning gas into energy at home and the limited progress reported in the three years of the implementation of the government’s Decade of Gas policy, the details of what constitutes “acceleration” and how it intends to achieve its objectives should be made known to stakeholders in the sector.
- The international sources of finance for Nigerian gas projects are very limited at this point. We suspect that the incoming government could be forced into borrowing billions of dollars to fund new gas infrastructure. This would consume the government’s scarce revenues and foreign exchange. It would also add to the rapidly ballooning public debt and divert money from other urgent priorities.
- Given the large scale of prior uncompleted projects and the limited funding available, the incoming government must let Nigerians know its gas project priority areas and how the plans for gas would key into Nigeria’s more expanded energy transition plan.
- Transparency and public consultation around the new government’s gas plans are crucial for ensuring stakeholders buy-in and drive a sustainable implementation process.
- The incoming government should state in clear terms how it intends to engage civil society organizations and other stakeholders to monitor and track the implementation of the Decade of Gas policy.

The history of chronic blackouts and grid failures; chronic reliance on private generators and dangerous unhealthy household fuels are well known in Nigeria. Despite wasting tens of billions of dollars in uncompleted, and underperforming projects in Nigeria's energy sector, almost half the Nigerian population remain in darkness. Lack of access to power has stifled economic growth and driven more Nigerians into extreme poverty.

In 2021, the then Minister of State for Petroleum Resources, Timipre Sylva, emphasized the need for Nigeria to continue to rely on natural gas as a transition fuel for key power generation. Under his leadership, the 'Decade of Gas' policy has been heralded as a pathway to a gas powered economy by 2030. But this is not the first-time leaders have pinned such grand ambitions and prospects for the Nigerian economy and citizens on Nigeria's gas sector. Despite Nigeria having the largest gas reserves in Africa and the ninth largest in the world, estimated at over 200 trillion cubic feet (tcf), successive Nigerian governments have not translated this resource wealth into sustainable economic development. Instead, leaders have set ambitious, unmet targets and rolled out a series of largely unimplemented plans. These include 2008's [Gas Master Plan in 2008](#); the 2017 [National Gas Policy](#) nearly a decade later; and most recently, the 2021 [Decade of Gas Policy](#), which is expected to power more homes and businesses, reduce subsidies by promoting compressed natural gas (CNG) as alternative for transportation fuel for transportation and improve access to clean cooking usage with liquified petroleum gas (LPG). It is also expected to improve gas supply and reduce gas flaring through the Nigerian Gas Flare Commercialization Program (NGFCP) which has encountered a number of false starts.

Granted, some strides have been made with the gas sector through the Petroleum Industry Act (PIA, 2021) with the gas business decoupled from the oil business, and the governance and fiscal frameworks strengthened. However, the PIA provides investments for new oil and gas projects more than the critical gas infrastructure needs. The midstream and downstream infrastructure fund is targeted at environmental remediation rather than bridging the infrastructure deficit it expects to address, and the power sector remains overregulated, dis-incentivizing the gas-to-power expansion.

Furthermore, the global energy transition continues to gather steam with huge implications for Nigeria's ambitious gas plans. To transition from fossil fuels to renewables and meet its global commitments, Nigeria's [Energy Transition Plan](#) outlines a shift household consumption from kerosene and firewood to biomass and gas for clean cooking; from fuel to CNG for transportation; and increasing gas for power generation, before ultimately shifting over to renewables. Achieving this will require an estimated \$20 bn annually to bridge Nigeria's gas infrastructure deficit gap. As wealthier countries like the US and some EU nations push for defunding of fossil fuel projects, and capital investments to the continent shrinks, the risks become greater. With the estimated 2040 forecast for reducing fossil fuel demand, this puts Nigeria's economy, and the country's sustainable energy future at risk. Instead of transitioning twice, first through gas across Nigeria's five sectors; cooking, oil and gas, power, industry and transport, it may be prudent for Nigeria to transition to renewables across sectors where feasible.

The coalition is calling on the incoming government to take the necessary steps to:

- Publish a comprehensive, costed, realistic and detailed Decade of Gas Policy with clear roles for state, non-state actors and investors with periodic progress updates.

- Fast track implementation of the Petroleum Industry Act and improve enforcement of regulations to hold all projects to higher operational standards specifically decommissioning and community relations.
- Clarify the role of subnational governments and agencies in the implementation of national gas and energy transition policies.
- Provide a detailed outline of the investment mobilization for critical infrastructure needed to address the wide dearth of gas industry infrastructure across the value chain.
- Properly assess the risks involved with gas expansion and create a strategy to minimize the impacts, maximize the benefits, phase out oil and gas assets and plan for a post-oil and gas future.
- Outline a detailed plan to end gas flaring and provide progress updates on the gas flare commercialization program designed to reduce host community exposure to toxins and increase gas supply.

[Signed by Natural Resource Governance Institute (NRGI), African Initiative for Transparency, Accountability and Responsible Leadership (AFRITAL), Stakeholder Democracy Network (SDN), Policy Alert, Paradigm Leadership Support Initiative (PLSI), Media Initiative for Transparency in Extractive Industries (MITEI), Centre for Journalism Innovation and Development (CJID), Healthy Life Development Initiative (HELDi), Youths and Environmental Advocacy Centre (YEAC-Nigeria), Centre for Transparency Advocacy (CTA), Women in Extractives (WiE), Gas Alert for Sustainable Initiative (GASIN), Civil Society Legislative Advocacy Centre (CISLAC), Centre for Environmental Human Rights and Development (CEHRD), Spaces for Change (S4C), BudgIT Foundation, Africa Oil and Gas Report, Good Governance Africa (GGA), NEXTIER Gas & Energy Transition, Centre for Climate Change and Development (CCD), Shehu Musa Yar'Adua Foundation (SMYF).