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Legal Assessment of The Regulatory Framework on Combating Gas Flaring and Fugitive Gas Emissions in Nigeria

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LEGAL ASSESSMENT OF THE REGULATORY FRAMEWORK ON COMBATING GAS FLARING AND FUGITIVE GAS EMISSIONS IN NIGERIA

Tony A. Francis* and Onumbu Nkechi Ann**

Abstract

This paper examined gas flaring penalties under Nigeria's Petroleum Industry Act, 2021, with particular focus on compliance, enforcement, and climate accountability. The paper adopted the doctrinal research method, relying on the analysis of statutes, regulations, case laws, policy documents, and relevant academic literature relating to gas flaring regulation in Nigeria. The paper found that the Petroleum Industry Act significantly improved the legal framework on gas flaring by introducing stricter compliance requirements, higher penalties, mandatory gas utilization plans, and enhanced regulatory powers for monitoring and enforcement. The paper also found that while the PIA established a framework that could support climate accountability, particularly through emission reduction obligations and gas utilization requirements, the absence of strong climate reporting obligations, transparent emissions data, and clear environmental remediation mechanisms limited the effectiveness of the Act in achieving full climate accountability. The paper concluded that the Petroleum Industry Act represented a significant step toward strengthening gas flaring regulation, improving compliance, and promoting environmental protection in Nigeria's petroleum sector. However, the effectiveness of gas flaring penalties under the Act depended largely on strong enforcement, institutional capacity, transparent monitoring systems, and integration of climate accountability mechanisms into petroleum regulation. Therefore, it was recommended that to improve compliance, the Nigerian Upstream Regulatory Commission and other relevant agencies should invest in advanced real time gas flaring monitoring technologies. Secondly, the Nigerian Upstream Petroleum Regulatory Commission should establish strict timelines for penalty imposition and prevent protracted litigation.

Keywords: Combating, gas, flaring, fugitive, emission, accountability

1. Introduction

A transformative legal shift occurred with the enactment of the Petroleum Industry Act,[1] which repealed prior petroleum statutes[2] and consolidated Nigeria's petroleum governance regime. Sections 102 and 103 of the PIA establish general environmental management obligations on licensees and lessees, mandating the submission of Environmental Management Plans and compliance with environmental standards.[3] These sections reinforce the 'polluter pays principle' and integrate environmental stewardship into upstream petroleum operations. They

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[1] Petroleum Industry Act is hereinafter referred to as PIA, wherever it appears.

[2] Examples of the repealed petroleum statutes include Petroleum Act, 1969, and Associated Gas Re-injection Act.

[3] Petroleum Industry Act, 2021, ss. 102, 103, and 104.

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require operators to prevent pollution and environmental damage and to remediate impacted areas, thereby linking operational licensing to environmental accountability.[4]

However, while section 104 of the PIA provides the core statutory prohibition against gas flaring and venting; it also allows for exceptions in emergencies and where deemed necessary for safety, pursuant to a permit issued by the Nigerian Upstream Petroleum Regulatory Commission.[5] Crucially, section 104(4) of the PIA stipulates that those penalties for flaring are to be paid in the same manner as royalties and are not tax-deductible. Thus, the penalties are not recoverable as petroleum costs, but are treated as operational expenses. Funds collected from gas flaring penalties are designated for environmental remediation and host community development. This provision strengthens compliance by embedding fiscal consequences directly into petroleum accounting structures and enhances regulatory oversight under the NUPRC.[6]

A major dimension of the problem concerns regulatory discretion and enforcement capacity. While section 104 prohibits flaring without Commission authorization, it simultaneously permits exemptions in cases of emergency or where a permit is granted by the Nigerian Upstream Petroleum Regulatory Commission. This creates a structural risk of over-reliance on administrative waivers, echoing past regimes under earlier legislation. Furthermore, enforcement depends heavily on accurate measurement, transparent reporting, and timely remittance of penalties. Weak monitoring infrastructure, limited technological oversight, and institutional capacity constraints undermine the deterrent value of the statutory penalty framework. This work therefore accesses the provisions of the PIA on penalties, and advocates the steps at combating gas flaring and fugitive gas emissions in Nigeria

2. Critical Evaluation of the Petroleum Industry Act, 2021 Gas Flaring Penalty Regime

[4] ibid.
[5]Nigerian Upstream Petroleum Regulatory Commission is hereinafter referred to as NUPRC.
[6] ibid.

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The PIA, 2021, represents a landmark reform in Nigeria's oil and gas sector, and one of its critical components is the regulation of gas flaring. Gas flaring, the burning of associated natural gas during oil production has been a longstanding environmental and economic concern.[7] The PIA 2021 introduces a comprehensive penalty regime aimed at curtailing routine gas flaring, linking financial penalties directly to the volume of gas flared and the duration of non-compliance. This provision is significant because it not only incentivizes producers to invest in gas capture and utilization infrastructure but also aligns with Nigeria's international obligations to reduce greenhouse gas emissions.[8]

The PIA's gas flaring penalty framework has several notable strengths. Firstly, it establishes clear and quantifiable penalties, which provides predictability for operators and regulators alike. By tying fines to both the volume of gas flared and the time frame of flaring, the law creates a proportional and escalating disincentive for non-compliance. Additionally, the Act recognizes the importance of environmental sustainability by explicitly linking gas flaring reduction to national economic development objectives, thereby promoting cleaner production practices. The regime also gives the Minister of Petroleum and the Nigerian Upstream Petroleum Regulatory Commission enforcement authority, which centralises oversight and enhances accountability. However, despite its strengths, the PIA's gas flaring penalty regime has several weaknesses.

One key limitation is the Act's broad discretion afforded to regulators in assessing penalties, which may create inconsistency and potential arbitrariness in enforcement. Moreover, historical issues such as inadequate monitoring infrastructure, delayed reporting of flared volumes, and the high cost of gas capture technologies present significant practical barriers. Arguably too, it would appear that the Act does not provide sufficient incentives for smaller

[7] PIA, 2021, ss. 102 – 105.
[8] ibid.

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operators struggling to finance gas utilization projects, thereby potentially leading to uneven compliance across the industry.

When evaluated against international benchmarks, Nigeria's gas flaring penalty regime under the PIA is moderately progressive but still lags behind best practices. Countries like Norway and the United States have adopted stricter flaring regulations, combining stringent financial penalties with mandatory deadlines for gas capture and robust monitoring systems. Unlike these jurisdictions, Nigeria's enforcement is highly dependent on voluntary compliance and self-reporting, which limits its effectiveness. Nonetheless, the PIA marks a significant improvement over previous frameworks such as the Associated Gas Reinjection Act of 1979, which lacked clear penalties and had minimal enforcement, allowing gas flaring to persist at unsustainable levels.

The PIA, 2021 represents a transformative framework for Nigeria's oil and gas sector, consolidating regulatory provisions for upstream, midstream, and downstream operations. Among its key environmental provisions is the regulation of gas flaring, a practice in which associated natural gas is burned during oil extraction rather than captured and utilized.[9] Gas flaring contributes significantly to greenhouse gas emissions, environmental degradation, and economic loss. By embedding gas flaring regulations within the PIA, 2021, Nigeria seeks to align its energy production with global best practices on environmental sustainability and climate change mitigation.

The PIA's gas flaring regulations cover all upstream petroleum operations in Nigeria, including oil-producing fields, associated gas facilities, and marginal fields. Sections 108 and 109 of the Act explicitly address the prohibition of routine gas flaring, except in cases approved under

[9] F A Anyanwu and Others, 'Oil and Gas Industries Financing and Financial Performance in Nigeria: The Case of Intelligent Capital Led Model' [2017] (3) (12) *International Journal of Commerce and Management Research* 63-73.

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emergency circumstances.[10] The scope extends to both indigenous and international oil companies operating in Nigeria, thereby standardising flaring practices across the sector. Additionally, the PIA encompasses obligations for reporting, monitoring, and verification of flared volumes, ensuring that all operators are accountable to the Nigerian Upstream Petroleum Regulatory Commission.

The primary objectives of the PIA's gas flaring regulations are threefold: environmental protection, economic optimization, and compliance with international climate commitments. By curbing gas flaring, the Act aims to reduce air pollution and greenhouse gas emissions, mitigating the negative impact of oil operations on local communities. Economically, capturing and utilising associated gas enables revenue generation through domestic power generation, industrial use, and gas export.[11] Additionally, these regulations support Nigeria's obligations under global frameworks such as the Paris Agreement, enhancing the country's credibility in climate governance.

Section 108 of the PIA explicitly prohibits routine gas flaring, making it an offence for operators to flare gas without regulatory approval. The section provides that flaring is permissible only under temporary circumstances, such as safety concerns or equipment failure, and only with the consent of the Minister of Petroleum. This provision is significant because it sets a legal baseline for environmental compliance and establishes that gas flaring is no longer a routine operational choice but an exception subject to oversight.

Section 109 outlines the penalties for non-compliance with the gas flaring prohibition. The Act stipulates financial sanctions proportionate to the volume of gas flared and the duration of the violation.[12] For instance, operators may incur fines that escalate with continued non-compliance, creating a strong economic incentive to invest in gas utilization infrastructure. This

[10] ibid
[11] O Elumah 'Exploring Financing Strategies in Oil and Gas Industry: Lessons from Nigeria' [2025] (9) (1) *Petroleum Business Review* 1-12.
[12] Petroleum Industry Act, 2021.

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section also empowers the NUPRC to enforce penalties and monitor compliance, ensuring that legal consequences are credible and enforceable. Furthermore, the PIA requires oil and gas operators to submit periodic reports on gas production, utilization, and flaring activities to the NUPRC. Section 10 emphasizes the use of metering, independent verification, and documentation to accurately measure flared volumes. This regulatory mechanism is intended to prevent underreporting and ensure transparency. In practice, however, challenges remain due to limited metering infrastructure and reliance on operator-submitted data, which may sometimes be inaccurate or delayed.[13]

Beyond penalties, the PIA encourages operators to reduce flaring through economic incentives such as access to gas commercialization initiatives and tax incentives for gas utilization projects. For example, captured gas can be used for electricity generation, local industrial use, or liquefied natural gas export, turning a formerly wasted resource into economic value. Such incentives aim to align environmental compliance with commercial interest, encouraging sustainable practices among both multinational and indigenous operators. However, in spite of the laudable regulatory framework, several challenges hinder effective gas flaring regulation under the PIA. First, enforcement capacity remains limited; the NUPRC often relies on self-reporting and lacks the resources to independently verify all flaring activities. Second, high capital costs for gas capture and processing infrastructure pose a barrier for operators, particularly marginal field operators. Third, historical legacy issues such as inadequate pipeline networks in the Niger Delta restrict the practical utilization of associated gas, sometimes forcing operators to flare as a last resort.

Instances of ongoing non-compliance illustrate the challenges of PIA enforcement. For example, reports have shown that multinational operators in the Niger Delta, such as those in the Ogoni and Delta regions, continue to flare substantial volumes of associated gas despite

[13] ibid.

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existing penalties. The lack of real-time monitoring systems and delayed regulatory responses exacerbate these compliance gaps. Moreover, some operators exploit legal loopholes, classifying flaring as "emergency" even when avoidable, highlighting the need for stricter definitions and verification mechanisms in the Act.

3. Statutory Basis for Gas Flaring Prohibition and Penalties in Nigeria

Gas flaring has been a persistent environmental and economic issue in Nigeria, particularly in the Niger Delta, where associated gas from oil production is often burned rather than captured. Statutory regulation of this practice aims to protect the environment, conserve natural resources, and align with international obligations on greenhouse gas emissions. Over the years, Nigerian law has evolved from weak and fragmented provisions to a more consolidated framework under the Petroleum Industry Act, 2021, which provides clear prohibitions and penalties for non-compliance.[14]

The first statutory attempt to regulate gas flaring was the now repealed Associated Gas Reinjection Act, 1979.[15] AGRA prohibited routine flaring of associated gas and encouraged reinjection into oil reservoirs for enhanced oil recovery. The repealed old law required oil companies to submit flaring reduction plans to the Minister of Petroleum, but enforcement was weak due to vague penalties and lack of monitoring mechanisms. For instance, despite AGRA, gas flaring persisted in fields operated by multinational oil companies such as Shell and ExxonMobil in the 1980s and 1990s, illustrating the ineffectiveness of early statutory provisions. The Petroleum Act, 1969 also provided some authority for regulating flaring, mainly through licensing conditions.[16] Section 8(b) allowed the Minister to impose terms and conditions on petroleum operations, including gas utilization. However, the Act lacked explicit

[14] E Nangih, E, 'Financing Mix and Market Potentials of Listed Oil and Gas Firms in Nigeria' [2021] (2) (1) *Journal of Applied Financial Econometrics* 15-27.

[15] Associated Gas Reinjection Act is hereinafter referred to as AGRA

[16] E Nangih, E, 'Financing Mix and Market Potentials of Listed Oil and Gas Firms in Nigeria' [2021] (2) (1) *Journal of Applied Financial Econometrics* 15-27.

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penalty structures for flaring violations, relying instead on discretionary enforcement. This gap meant operators often flared gas with minimal risk of sanctions, reinforcing the perception that flaring was an acceptable operational cost.

The PIA 2021 provides the most comprehensive statutory basis for gas flaring prohibition in Nigeria. Section 108 explicitly prohibits routine gas flaring, except under temporary or emergency conditions approved by the Minister of Petroleum. This represents a clear legislative intent to make flaring the exception rather than the rule, moving away from decades of regulatory tolerance. The PIA applies to all upstream operators, including multinational corporations and indigenous producers, creating a uniform legal standard. Section 109 of the PIA establishes penalties for unauthorized gas flaring. Fines are calculated based on the volume of gas flared and the duration of non-compliance, making them proportionate and economically significant. This "volume × time" penalty approach ensures that operators have a strong incentive to invest in gas utilization infrastructure. For example, if a company flares 10 million standard cubic feet of gas over a month, the fines could amount to millions of naira, depending on regulatory rates.

The PIA empowers the Nigerian Upstream Petroleum Regulatory Commission to enforce flaring prohibitions and assess penalties. Operators must submit periodic flaring reports, and the Commission may use independent verification tools, such as satellite monitoring or metering systems, to ensure compliance.[17] This regulatory oversight contrasts with earlier laws, where enforcement relied heavily on self-reporting by oil companies. In practice, enforcement has begun to take shape under the PIA. For instance, the NUPRC has recently issued notices to operators flaring beyond permitted thresholds in the Niger Delta, demanding payment of fines or investment in gas capture projects. Historically, companies like Shell Nigeria were fined under the AGRA framework for flaring in the Ogoni region, though penalties were limited

[17] A Meza and Others, *Perspectives and Strategies for LNG Expansion in Qatar: A SWOT Analysis* [2022] Energy Policy 10-30

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and largely symbolic. The PIA strengthens the statutory backbone for more meaningful enforcement.[18]

Nigeria's statutory framework for gas flaring is also reinforced by international agreements. As a signatory to the Paris Agreement, Nigeria is obligated to reduce greenhouse gas emissions. Sections 108–109 of the PIA operationalize this obligation by prohibiting flaring and penalizing violators, showing alignment between domestic law and global environmental standards. Despite the statutory clarity of the PIA, challenges remain. Furthermore, section 104 (4) of the PIA, 2021 provides that gas flaring penalties received by the Nigerian Upstream Petroleum Regulatory Commission shall be used for environmental remediation and relief of affected host communities. According to NUPRC's 2024 operational report reviewed by PREMIUM TIMES, although N700.75 billion had been remitted as gas flare penalties between 2021 and 2024, liabilities arising from gas flaring exceeded $936 million.[19] However, these figures do not establish how much was actually disbursed to host communities or the benefits delivered. The 2026 controversy over the administration of gas flaring penalties further raises question about compliance with section 104 (4).

4. **Classification of Penalties**

The classification of penalties with respect to gas flaring in Nigeria can be understood from legal, regulatory, economic, and environmental perspectives. Gas flaring penalties are primarily imposed to discourage the waste of natural gas resources and reduce environmental pollution. In Nigeria, these penalties are mainly governed by the Petroleum Industry Act 2021. Despite the existence of penalties, gas flaring continues due to structural, economic, and enforcement challenges.[20]

[18] ibid.
[19] https://www.premiumtimesng.com/investigationspecial-reports/913916-investigation-nuprc-fails-to-enforce-nigerias-anti-flaring-law-as-methane-emissions-go-unchecked-2.html, accessed on the 5/11/26.
[20] ibid.

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The first classification of gas flaring penalties in Nigeria is statutory penalties. These are penalties expressly provided by legislation, particularly under the Petroleum Industry Act, 2021. The Act empowers regulators to impose fines on companies that flare gas without authorization or outside permitted limits. These statutory penalties are legally binding and enforceable in court, making them the primary legal mechanism for controlling gas flaring in Nigeria.

The second classification is regulatory or administrative penalties. These penalties are imposed by regulatory agencies such as the Nigerian Upstream Petroleum Regulatory Commission. The Commission may impose fines, suspend licenses, or withdraw permits where operators fail to comply with gas flare regulations, reporting obligations, or gas utilization plans.[21] Administrative penalties are important because they allow regulators to enforce compliance without lengthy court proceedings.[22]

The third classification is monetary or economic penalties. These are the most common gas flaring penalties in Nigeria and are calculated based on the volume of gas flared, usually in dollars per thousand standard cubic feet of gas. The purpose of monetary penalties is to make gas flaring economically unattractive and encourage companies to invest in gas gathering and utilization infrastructure. However, in practice, many oil companies prefer to pay the fines because the penalties are often lower than the cost of gas capture projects.[23]

Another classification is environmental compensation penalties. These penalties are intended not only to punish offenders but also to compensate host communities and fund environmental remediation projects in areas affected by gas flaring. Gas flaring causes air pollution, acid rain, destruction of crops, and health problems in oil-producing communities such as those in the

[21] A Frühauf, *Mozambique's LNG revolution: A political risk outlook for the Rovuma LNG Ventures* (Oxford Institute for Energy Studies 2023) 1-53

[22] ibid.

[23] N Jorge, N and C Fernando, "Comprehensive Analysis of the Energy Transition in Mozambique: Opportunities and Challenges for Achieving the Established Global Goals' [2024] (14) *Journal of Energy Technology Policy* 20-35.

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Niger Delta. Therefore, part of the penalty framework is structured to address environmental damage and community development.[24]Furthermore, in the case of *Registered Trustees of Socio-Economic Rights and Accountability Project v Federal Republic of Nigeria*,[25] SERAP brought an action brought an action before the ECOWAS Community Court of Justice alleging that Nigeria's failure to prevent environmental degradation in the Niger Delta violated fundamental human rights, including rights to health, livelihood, and a satisfactory environment. The ECOWAS Court held that Nigeria had obligations under the African Charter on Human and Peoples' Rights to protect citizens from environmental harm. It ordered Nigeria to take measures to restore the Niger Delta environment, prevent further damage, and hold perpetrators accountable.

Gas flaring penalties can also be classified as criminal penalties, although these are rarely enforced. Under Nigerian petroleum laws, unauthorized gas flaring may constitute an offence punishable by fines and possible imprisonment for responsible officers of companies. However, criminal prosecution is uncommon in practice, as enforcement agencies usually rely on monetary penalties instead of criminal sanctions. Despite these classifications, several challenges affect the effectiveness of gas flaring penalties in Nigeria. One major challenge is low penalty rates. In many cases, the cost of paying gas flaring penalties is cheaper than investing in gas utilization infrastructure. This defeats the deterrent purpose of the penalties and encourages companies to continue flaring gas rather than stopping it.

Another major challenge is weak enforcement and regulatory capacity. Regulatory agencies sometimes lack adequate monitoring equipment, data accuracy systems, and enforcement mechanisms to ensure compliance. Oil companies often self-report the volume of gas flared, which may lead to underreporting and reduced penalty payments. Weak enforcement

[24] F A Alabi, *Offshore Liquefied Natural Gas LNG and Monetization* (Offshore Technology Conference, Houston, TX, USA, 2022) 3-25.
[25] (ECW/CCJ/JUD/18/12), judgment of the ECOWAS Community Court of Justice delivered on December 14, 2012, in Ibadan, Nigeria.

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significantly undermines the effectiveness of the penalty regime. There is also the challenge of legal and regulatory inconsistencies. Over the years, Nigeria has had multiple laws and regulations on gas flaring, including the repealed Associated Gas Re-Injection Act[26] and Petroleum Act, 1969.[27] At present, the enactment of the Petroleum Industry Act, 2021 is yet another welcome development. However, the overlap of these laws sometimes creates uncertainty regarding penalty rates, enforcement authority, and compliance obligations.

Another challenge is infrastructure and market limitations. Gas flaring continues partly because there are insufficient gas pipelines, processing plants, and markets for associated gas. Even where penalties exist, companies may still flare gas because there is no infrastructure to capture and transport the gas. This shows that penalties alone cannot solve the gas flaring problem without infrastructure development.

5. **Court Enforcement and Legal Remedies**

Judicial enforcement provides a complementary layer of accountability beyond regulatory sanctions. Nigerian courts have, on occasions, intervened in environmental matters involving gas flaring, using principles of public nuisance, negligence, and statutory breaches. Communities in the Niger Delta have leveraged litigation to compel oil companies to reduce flaring or remediate environmental harm.[28] Courts can also interpret the PIA's provisions to ensure that regulatory discretion does not undermine climate accountability. For example, judicial review may challenge the issuance of flaring permits if granted in violation of statutory conditions or without proper environmental assessment.

Legal remedies empower communities and civil society organizations to act as watchdogs, complementing NUPRC's regulatory enforcement. This multi-layered approach creates

[26] Cap A 25 LFN 2004
[27] Petroleum Industry Act 2001
[28] NC Egwu and R Babalola, 'Nigeria Energy Transition: The Role of Gas in Achieving a Low Carbon Economy' [2024] *Proceedings of the 2nd International Facilities Engineering & Management Conference Exhibition, AGM* 72-78.

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accountability not only through penalties but also through public interest litigation. A challenge for judicial enforcement is the technical complexity of flaring cases. Courts often require expert testimony on gas volumes, emissions, and environmental impacts. Effective enforcement thus depends on the capacity of legal institutions to interpret technical data, a challenge that can delay remedies or reduce their effectiveness.

6. Lessons from Algeria and Norway on Combating Gas Flaring

Algeria has successfully implemented a strong regulatory framework linking gas flaring reduction to licensing and production obligations.[29] Lesson one: Nigeria can adopt stricter conditions in licenses requiring phased flare elimination, as Algeria does with Sonatrach operations. Algeria emphasizes integration of gas commercialisation programmes. Nigeria can emulate this by mandating that operators channel associated gas into domestic power or Liquefied Natural Gas projects rather than relying on penalties alone. Algeria employs robust monitoring technology, including remote sensing and field audits. Nigeria can scale up satellite monitoring to detect unauthorized flaring in real-time.

Algeria aligns penalties with the economic capacity of operators, ensuring fines are proportionate to revenue and sufficiently deterrent. Nigeria can revise its penalty rates to reflect corporate profitability, making non-compliance costly. Algeria demonstrates community engagement and benefit-sharing, linking gas utilization projects to local development. Nigeria can integrate similar requirements in the PIA, ensuring environmental and social co-benefits from compliance.

Norway enforces penalties through a clear legal framework with minimal discretion and limiting loopholes.[30] Nigeria can reduce discretionary flaring permits, making flaring truly exceptional.

[29] Algeria Hydrocarbon Law No.13-19, 2019
[30] Section 10, Norwegian Petroleum Act (No. 72) of 29 November, 1996

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Norway invests in cutting-edge metering and measurement systems, ensuring accuracy in enforcement. Nigeria can deploy standardized meters at all flare points, including offshore platforms. Norway integrates long-term climate planning into petroleum licensing, linking permits to emission reduction trajectories. Nigeria can similarly require operators to submit climate action plans with measurable targets before license approval.

7. Conclusion

Enforcement of gas flaring penalties faces persistent challenges that limit the effectiveness of sections 102–104 of the Petroleum Industry Act 2021. Inadequate monitoring infrastructure, overlapping regulatory responsibilities, and delays caused by litigation all weaken the ability of regulators to impose timely and consistent sanctions. Additionally, gaps in accurate measurement and verification of flared volumes further complicate enforcement. These challenges highlight the need for stronger institutional capacity, streamlined agency roles, and improved monitoring technologies to translate the legal provisions into tangible results.

While the PIA introduces substantial penalties for gas flaring, questions remain about their sufficiency to deter non-compliance. For large oil and gas operators, penalties, although significant, may sometimes be viewed as a manageable operational cost rather than a true deterrent, particularly if compliance requires heavy infrastructure investment. Therefore, the deterrent effect of PIA penalties is conditional on strict and timely enforcement, coupled with incentives that encourage operators to adopt sustainable gas utilization practices.

In addressing climate accountability, the PIA links gas flaring directly to environmental obligations and greenhouse gas reduction commitments. Operators are required to minimize emissions, implement gas utilization plans, and report flaring volumes transparently. This legal framework aligns Nigeria's oil and gas sector with international climate goals, emphasizing the country's responsibility to reduce environmental and health impacts associated with flaring.

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8. **Recommendations**

The following recommendations are made for implementation**:**

1. **Monitoring and Verification Systems**

To improve compliance, the Nigerian Upstream Petroleum Regulatory Commission and other relevant agencies should invest in advanced real-time gas flaring monitoring technologies, such as satellite-based surveillance and automated flow meters. For instance, the World Bank's Global Gas Flaring Reduction Partnership uses satellite monitoring to track flare volumes globally, allowing for accurate enforcement. Applying similar technology in Nigeria will ensure operators' reported flaring volumes are verifiable, enabling timely and precise imposition of penalties.

2. Timely and Consistent Enforcement of Penalties

The effectiveness of the PIA depends on prompt and consistent enforcement. Agencies such as Nigerian Upstream Petroleum Regulatory Commission should establish strict timelines for penalty imposition and prevent protracted litigation. For example, in Norway, the Petroleum Safety Authority enforces immediate penalties on oil operators exceeding flaring limits, creating a strong deterrent effect. Adopting a similar approach in Nigeria will reinforce the credibility of sections 102–104 of the PIA and ensure penalties are more than just symbolic.

3. Incentives for Gas Utilization and Flaring Reduction

Beyond penalties, incentives can encourage operators to invest in gas capture and utilization infrastructure. For instance, Algeria offers fiscal breaks and support for operators who convert flared gas into domestic energy or exportable gas products. The NUPRC could implement similar incentives under the PIA, 2021 linking reduced penalties or tax benefits to demonstrable reductions in flaring volumes, thereby promoting sustainable practices alongside legal enforcement, through the Nigerian Upstream Petroleum Regulatory Commission.

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