Comparative Assessments of Legal and Institutional Regime on Gas Flaring in Nigeria's Upstream Petroleum Sector: How Adequate?

Olujobi, Olusola Joshua LL.B, B.L, LL.M, AciArb. & Notary Public.

Legal Practitioner and Lecturer, Business Management Department, Covenant University Nigeri

Background/Aim: Nigeria is rated number one producers of crude oil in Africa and owing to this, oil exploration activities have resulted to high rate of gas flaring which was intensified by poor enforcement of anti-gas flaring laws by the regulatory authorities. Associated natural gas is generated from oil production and it is flared in large volumes, thereby leading to the emission of greenhouse gases and a waste of natural resources which could have possibly generated billions of dollars for the Federal Government of Nigeria. There are concerned that if nothing is done to curtail this menace, the environment and man will be at peril due its negative consequences. There is therefore the need to abate gas flaring by replicating the strategies applied in the selected relatively advanced petroleum countries to combat the menace.

Methods: The study is a comparative analysis of national legal regimes on gas flaring in Nigeria, Canada, the United Kingdom and Saudi Arabia. The study adopts a doctrinal legal research method with point-by-point comparative approach with library based legal research method.

Results: Weak enforcement of laws is largely identified as the key factor responsible for the menace. It recommends the use of more advanced technologies, sophisticated mixture of regulations and non-regulatory incentives such as fiscal policies, gas market restructuring. The enforcement of laws needs more efficiency on the part of human, regulatory, and statutory authorities. We also observed the absence of advanced technologies to capture flared gas for electricity generation and to eliminate gas flaring in the sector and the delay in the passage of the pending Petroleum Industry Governance Bill 2017 to encourage private investors in the sector.

Conclusions, the study proffers further suggestions based on the lessons learnt from the selected case study countries.

Key words: Petroleum, Enforcement of laws, Gas Flaring, Environment, Nigeria.