

## Renegotiation and Stabilization Clauses in Nigeria's Upstream Petroleum Industry's Contracts: How Effective are these Legal Remedies?

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**Background/Aim:** The research attempt to investigate the implication of renegotiation and stabilization phrases in oil firms' agreements owing to many discrepancies in national regulations to tackle ineptitudes in this area. The objective is to lessen the menace of indiscriminate alteration or annulment of crude oil agreements on the ground of domestic regulation to boost prescribed indemnity by mollifying hazards to enhance effectiveness via legislative remodels to boost Nigeria's Petroleum industry's regulations.

**Methods:** The study embraces a theoretical methodology depend on existing academic narratives with the use of the doctrinal licit analysis approach. The research further utilizes fundamental and ancillary sources of laws for instance legislative and case laws.

**Results:** The significant discovery is the domineering authority of the government in the industry and unsuitable estimation of fossil fuel commodities has caused the industry to be unappealing to financiers owing to undue control by the Federal Government. Haphazard termination of crude oil contracts inspite of rejuvenated efforts to draws investments into the sector. The research advocates a model for enforceable indemnity in the country's upstream contracts.

**Conclusions:** the study concludes with the recommendations centred on the discoveries the necessity for advanced combination of laws and non-regulatory motivations for contributions in the country's oil sector and encourages swift enactment of the awaiting Petroleum Industry Governance Bill, 2017 with compulsory enclosure of limitation of liability phrases in enforceable agreements to immune an harmless party from legal burdens in the occasion of unanticipated exigencies outside the parties. The study further proposes the necessity for utilitarian regulatory transformations, to encourage advantageous competition by incorporating limitation of liability clauses with severe application of both the hard and soft laws methodologies with the importance of taking on negotiation as a tool for resolution of enforceable crude oil disagreements in the sector. Besides, there is still a broad field of promising avenues for future research. Analyzing renegotiation and stabilization phrases in country's mid and downstream agreements and prospective implications are proposed.

**Key words:** Renegotiation, Stabilization Clauses, Laws, Nigeria's Petroleum Industry Contracts.