



## **RELAUNCH OF THE NIGERIAN GAS FLARE COMMERCIALISATION PROGRAMME (NGFCP 2022): NOTICE OF PRE-BIDDERS' CONFERENCE**

### **SYNOPSIS**

Nigerian Upstream Petroleum Regulatory Commission ("The Commission") has relaunched the Nigerian Gas Flare Commercialisation Programme ("NGFCP") to drive Nigeria's commitment to end routine gas flaring within the decade and support the imperatives of the Nigeria Energy Transition Plan. The NGFCP 2022 has been *restructured* to reflect current industry gas flaring situation, prevailing operational realities, and changes in the socio-economic landscape due to the passage of time since the NGFCP was conceived and implemented by the Ministry of Petroleum Resources (MPR) and the defunct Department of Petroleum Resources (DPR).

The Petroleum Industry Act 2021 (PIA) and its enhanced regulatory enablers have addressed the bottlenecks that hitherto impeded the expeditious implementation of the Programme. The NGFCP 2022 is therefore poised to deliver end-to-end value from flare gas commercialisation to both existing and new participants.

In consideration of Section 105 (2) of the PIA and similar provisions enabling the Commission in that respect, the Commission hereby invites existing applicants to validate their status and for new investors to register to participate in the NGFCP 2022 through the Programme website/portal - [ngfcp.nuprc.gov.ng](http://ngfcp.nuprc.gov.ng).

## THE NGFCP 2022

The Federal Government of Nigeria (FGN) maintains a long-standing policy against gas flaring due to its deleterious impact on host communities, the effect on global climate change, and the resource waste and value erosion the unwholesome practice represents. To this end, the FGN pledged its commitment to Net Zero carbon emissions by 2060 at COP26, passed the Climate Change Act, and recently launched the Nigeria's Energy Transition Plan, all of which reinforce the need for the oil and gas industry to spearhead FGN's mandate to reduce carbon emissions.

The recently enacted PIA has overhauled the legal/regulatory landscape and established the NUPRC as the upstream technical and commercial regulator, charged to drive significant industry reforms and value addition in the sector , including the FGN's flares-out mandate. These landmark changes have made the redesign of the NGFCP imperative.

Consequently, the Commission has *restructured* the NGFCP to ensure that the flare auction process is executed in line with prevailing realities via an accelerated delivery timeline. The renewed Programme will preserve opportunities for existing applicants while expanding participation to new investors.

NGFCP 2022 is therefore a new iteration of the Programme modified to adapt to changes in the industry and market with a renewed focus to implement Government's policy objectives for flare elimination and gas-based industrial economy in Nigeria.

## WHO SHOULD PARTICIPATE

Any competent investor (indigenous or international) with proven technical and commercial capacity to convert flare gas for useful purposes are encouraged to participate. Such an investor would be required to demonstrate requisite experience in project development, access to

proven technology in commercial application and understanding of the market. The following categories of suitably qualified investors should participate:

### **Existing Applicants**

Entities who were previously pre-qualified and submitted bids during the 2020 bid process are encouraged to visit the Portal to validate their status and progress to the next stage of the Programme.

Kindly note that entities who previously met pre-qualification requirements *and* submitted bids may remain prequalified and will be exempted from payment of associated fees with respect to the pre-qualification stage only.

### **New Participants**

All new investors, including those who participated previously but did not progress to bid submission, are also encouraged to register their interest on the Portal.

Investors are invited to note that despite the hiatus, this first-of-its-kind auction remains a unique opportunity for domestic and international players to participate in the world's largest market-driven flare gas commercialisation programme.

Successful bidders will be granted title to the flare gas through gas sales agreement to be executed with the Commission on behalf of the FGN. Significant volumes of flare gas distributed across the areas of operations in both clustered and single site configuration are available through this auction round.

Interested entities are therefore invited to renew/validate/register their interest through the NGFCP 2022 portal ([ngfcp.nuprc.gov.ng](http://ngfcp.nuprc.gov.ng)) by following the requirements for status verification and Statement of Qualification (SOQ) submission for existing applicants and new participants, respectively.

### **PRE-BIDDERS' CONFERENCE**

The Commission is pleased to note the significant wave of interest in the NGFCP 2022 going by the series of enquiries, registrations, and SOQ submissions on the Portal since the Programme relaunch on September 30, 2022. Accordingly, we wish to invite all registered entities, interested parties, investment community, technology providers, financiers, and the public to a post-launch virtual engagement scheduled to hold as follows:

**Date: Monday, 17th October 2022**

**Time: 11:00 am**

**Venue: Virtual (Microsoft Teams)**

The NGFCP post-launch conference will serve as an avenue to provide further clarification on the programme framework/architecture and to seek valuable inputs from investors and relevant stakeholders.

Please visit the NGFCP website ([ngfcp.nuprc.gov.ng](http://ngfcp.nuprc.gov.ng)) for details of participation at the conference or send a request to [ngfcp.enquiries@nuprc.gov.ng](mailto:ngfcp.enquiries@nuprc.gov.ng).

Signed

**Engr. Gbenga Komolafe, FNSE**  
Commission Chief Executive