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The CONDUIT

Monthly Updates On *Nigeria's Petroleum, Mining And Power Sectors*

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Oil and Gas

PRESIDENT TINUBU APPROVES FISCAL INCENTIVES TO UNLOCK US$50 BILLION IN DEEP OFFSHORE INVESTMENT

President Bola Tinubu has approved a new investment framework aimed at restarting capital-intensive offshore projects that have stalled. The incentives, developed through the Office of the Special Adviser to the President on Energy (Oil & Gas), Mrs. Olu Verheijn, was designed to unlock over US$50 billion in deep offshore investment. These incentives which were introduced through a Presidential Order titled "Deep Offshore Oil and Gas Projects Incentives (Tax Remission) Order, 2026", are expected to support the next generation of deep offshore projects, beginning with the approximately US$10 billion Bonga South-West project.
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NUPRC GIVES 2025 LICENSING ROUND WINNERS 60 DAYS TO PAY SIGNATURE BONUSES

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has given the companies that emerged as winners of oil and gas blocks in the 2025 Licensing Round approximately 60 days to complete payment of their signature bonuses and satisfy other post-award obligations. Successful bidders that fail to satisfy the prescribed conditions risk forfeiting their bid guarantee and provisional award, after which the relevant block may be offered to the reserve bidder.
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NMDPRA PROPOSES REGULATIONS TO PROHIBIT ANTI-COMPETITIVE PETROLEUM MARKET PRACTICES

The Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) recently released the draft Midstream and Downstream Petroleum Prevention of Anti-Competitive Practices and Behaviour Regulations, 2026 for public consultation. The draft regulations seek to prohibit agreements or coordinated conduct capable of restricting competition, such as price fixing, market allocation, bid rigging, and coordinated supply reductions. It also seeks to regulate exclusive supply agreements, restrictive long-term contracts and take-or-pay obligations that may restrict access to petroleum products. Stakeholders were invited to submit comments within 21 days from the date of the notice (August 6, 2026), while a consultation forum is scheduled for September 22, 2026.
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OPEC+ APPROVES 188,000 BPD PRODUCTION INCREASE FOR SEPTEMBER

The Organisation of Petroleum Exporting Countries and its allies (OPEC+) recently approved an increase of 188,000 barrels per day in the group's oil production quotas for September 2026. This is the fourth consecutive monthly increase of production quotas and forms part of the group's phased reversal of production cuts introduced in 2023. Accordingly, OPEC+ further noted that it expects to maintain production quotas for the remainder of the year after the September increase while assessing market conditions. The development follows Nigeria's average crude oil production of 1.56 million barrels per day in June 2026, exceeding its OPEC quota of 1.5 million barrels per day for the second consecutive month.
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NNPC LIMITED AND PARTNERS EXECUTE ADDENDA FOR BONGA SOUTHWEST/APARO PROJECT

NNPC Limited and the contractor parties to Oil Mining Lease 118 - Shell Nigeria Exploration and Production Company Limited, Esso Exploration and Production Nigeria (Deepwater) Limited and Nigerian Agip Exploration Limited, have executed an addendum to the Production Sharing Contract and an addendum to the Dispute Settlement Agreement for the Bonga South-West/Aparo project. These addenda give effect to fiscal and commercial terms approved by the Federal Government of Nigeria (FGN) and advance the project towards a Final Investment Decision (FID). The parties also announced that they have completed the Pre-FEED phase and identified a preferred FPSO contractor.
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NIGERIA'S PETROLEUM PRODUCT EXPORTS RISE SEVEN-FOLD SINCE 2023

Nigeria's seaborne petroleum product shipments averaged 561,000 barrels per day in the second quarter of 2026, representing a seven-fold increase from the 79,000 barrels per day recorded in 2023. Of the second-quarter shipments, approximately 350,000 barrels per day were exported, compared with an annual average of 46,000 barrels per day in 2023. According to the United States Energy Information Administration (EIA), the increase is largely attributable to operations at the Dangote Petroleum Refinery, whose crude distillation capacity increased from 650,000 to 700,000 barrels per day following the expansion programme executed by the refinery. The EIA report further states that Nigeria's seaborne petroleum product imports consequently declined from nearly 400,000 barrels per day in 2023 to less than 130,000 barrels per day.

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AJAOKUTA STEEL COMPANY SECURES NEW GAS SUPPLY AGREEMENT

The FGN has concluded a gas supply arrangement for the Ajaokuta Steel Company under which up to 50 million standard cubic feet of gas per day will be supplied to a power plant serving the steel complex. With reliable gas supply reportedly being a major obstacle to attracting investors to the facility, it is expected that this milestone will drive investment into the facility. The government's preferred revival strategy involves engaging private partners to finance and operate the complex for an extended period of time.

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NCDMB AND BOI LAUNCH US$100 MILLION EQUITY FUND FOR INDIGENOUS OIL AND GAS FIRMS

The Nigerian Content Development and Monitoring Board (NCDMB) and the Bank of Industry (BOI) have launched a US$100 million Nigerian Content Equity Fund to provide long-term equity financing to indigenous oil and gas service companies. The fund, which will be provided by the NCDMB and managed by the BOI, has a maximum investment limit of US$5 million per beneficiary. Eligible businesses include oilfield service companies, manufacturers connected to the oil and gas sector, fabrication yards and other related businesses. The fund is expected to support business expansion, strengthen local participation and create jobs.

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ARADEL TARGETS PETROL PRODUCTION AT OGBELE REFINERY IN 2027

The General Manager for Refineries at Aradel Holdings Plc, Temitayo Ogunbanjo, recently disclosed plans to commence petrol production, in addition to the currently produced kerosene, diesel, gas oil and naphtha, at the company's 11,000 barrel per day modular facility in Ogbele, Rivers State by 2027. The company also disclosed plans to explore refinery expansion, crude oil supply arrangements, export logistics and aviation fuel production, with concrete decisions expected after engineering studies are completed over the next year.

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NUPRC'S SITUATION REPORT IDENTIFIES 19 OIL LICENCES WITH 2026 EXPIRY DATES

The Nigerian Upstream Concession Situation Report prepared by the NUPRC has identified 19 upstream oil licences with stated expiry dates falling within 2026. The affected concessions comprise 12 Petroleum Prospecting Licences and seven Oil Prospecting Licences across onshore, continental shelf and offshore acreages. While the report does not state that the licences have been revoked, it indicates that some of the concessions are being processed for possible tenure extensions or conversions, while others are marked as having conversions in progress.

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Mining and Metals

FGN AND PREMIUM STEEL SIGN AGREEMENT TO REVIVE DELTA STEEL COMPANY

The Ministry of Steel Development signed a sub-lease and operations agreement with the National Iron Ore Mining Company and Premium Steel and Mines Limited to support the revival of the Delta Steel Company in Ovwian-Aladja, Delta State. As part of the arrangement, Premium Steel and Mines Limited has committed to invest over US$1.3 billion in raw material exploration, plant rehabilitation and modernisation, with commercial operations expected to commence within 18 to 24 months. The project targets an annual production capacity of one million metric tonnes of liquid steel and is expected to create jobs, while supporting the development of the Ajabanoko iron ore deposits.
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FGN AND CHINESE FIRM EXPLORE COLLABORATION ON MINING AND TECHNOLOGY

The FGN has commenced discussions with Zhenjiang Risesun Science and Technology Company Limited on potential collaboration in power, mining, food security and modern security technologies. Under the proposed partnership, the parties intend to develop technology that supports responsible mineral exploitation and value addition, improves electricity generation and distribution, and strengthens agricultural productivity and storage.
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FGN DEVELOPS INITIATIVE TO REPURPOSE ABANDONED MINING PITS FOR ENERGY, TOURISM AND FISHERY PROJECTS

The FGN has identified more than 4,000 abandoned mining pits in Plateau State and commenced an initiative to map and support their reclamation using Geographic Information System satellite technology and artificial intelligence. The initiative is being implemented through a public-private partnership with ImPPPact Nigeria Alliance and Intomatics, with Plateau State serving as the pilot beneficiary. The Minister of Solid Minerals Development noted that FGN had so far rehabilitated 59 abandoned pits and is seeking private-sector participation to repurpose others for energy, tourism and fishery projects.
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PRESIDENT TINUBU TO CHAIR AMSG CRITICAL MINERALS ROUNDTABLE

President Bola Tinubu is scheduled to chair the third High-Level Roundtable of the Africa Minerals Strategy Group (AMSG) on Critical Minerals Development in Africa in New York on September 21, 2026. The roundtable, themed “From Resources to Wealth: Continental Cooperation for Mineral Value Addition,” will focus on bankable opportunities, policy alignment and investment structures for developing integrated African mineral value chains. It will also feature the proposed unveiling of the Continental Integration and Economic Assurance Declaration, which is expected to provide a framework for policy coordination, investment mobilisation, mineral value addition and supply-chain security.
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FGN UNVEILS NIGERIA NOW! GLOBAL INVESTORS EXPO 2026

The FGN has unveiled the Nigeria NOW! Global Investors Expo 2026 as a platform for attracting local and foreign investment into Nigeria’s mining industry and other productive sectors. The Expo will enable government institutions, state governments and project developers to present bankable projects, infrastructure priorities and investment opportunities to prospective investors. Between 500 and 600 delegates are expected to attend the inaugural edition scheduled for November 19 and 20, 2026, at the Bola Ahmed Tinubu International Conference Centre, Abuja.
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Electricity and Renewables

TCN UPGRADES FOUR LAGOS TRANSMISSION SUBSTATIONS AND NETWORK DATA VALIDATION

The Transmission Company of Nigeria (TCN) has completed upgrades at Apapa Road, Ijora, Lekki and Alausa transmission substations in Lagos State. The Apapa Road 132/33kV substation's capacity increased from 60MVA to 180MVA, while the replacement of two transformers at Ijora increased the installed transformation capacity at Ijora from 90MVA to 230MVA. The installation of two 60MVA transformers at Lekki added 120MVA of transformer capacity and increased output by 96MW, while a new 100MVA transformer at Alausa raised the facility's total capacity from 135MVA to 205MVA.
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PROPOSED US$500 MILLION SOLAR POWER INVESTMENT EXPECTED TO SUPPLY ELECTRICITY TO UNIVERSITIES AND RURAL AREAS

Gigawatt Global has proposed up to US$500 million in project financing for solar power plants at Nigerian universities under the Tinubu Light Initiative. The financing would cover up to 90% of project costs, subject to internationally bankable power purchase agreements and the attainment of agreed project milestones. Each proposed solar plant is expected to generate between 10MW and 20MW of electricity, supplying the relevant university and providing surplus electricity to surrounding rural communities through prepaid meters. The projects are intended to reduce universities' dependence on diesel generation, lower energy costs and support teaching and research, while prioritising Nigerian manufacturers and service providers for construction, operation and maintenance.
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ECN COMMISSIONS RENEWABLE ENERGY COLLEGE IN KOGI

The Energy Commission of Nigeria (ECN) has commissioned the Barefoot Renewable Energy College at the Confluence University of Science and Technology, Osara, Kogi State, described as Africa's first purpose-built institution dedicated to practical renewable energy education and workforce development. The facility will provide hands-on training to Nigerians and includes laboratories and training facilities for solar PV and thermal systems, battery storage, power electronics, mini-grids, wind and bioenergy, electric vehicle charging and energy efficiency. The college is intended to address a skills gap in Nigeria's growing renewable energy market while supporting research, technology development and local capacity in clean energy.
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NISO TO EXPLORE PARTNERSHIP WITH CANADA TO MODERNISE NIGERIA'S POWER SECTOR

The Nigerian Independent System Operator (NISO) and the Canadian High Commission have identified potential areas of collaboration to modernise Nigeria's electricity sector. The proposed cooperation covers capacity development, technology transfer, renewable-energy integration, battery storage, digital grid technologies, research and investment in critical power infrastructure. NISO is implementing technologies including the supervisory control and data acquisition system, energy management system, telemetry systems and advanced metering infrastructure to improve grid visibility, reliability and electricity market operations. The Canadian High Commission indicated its willingness to provide expertise in electricity system management, renewable-energy integration, energy storage, cybersecurity and electricity market operations.
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NERC TRANSFERS AKWA IBOM ELECTRICITY MARKET OVERSIGHT TO STATE REGULATOR

Nigerian Electricity Regulatory Commission (NERC) has issued an order transferring regulatory oversight of the intrastate electricity market in Akwa Ibom

State Electricity Regulatory Commission. The transfer is expected to be completed by February 17, 2027, and will make Akwa Ibom the 17th state to assume regulatory control of its electricity market. NERC directed Port Harcourt Electricity Distribution Plc to incorporate a subsidiary within 60 days to assume responsibility for electricity supply and distribution within Akwa Ibom. The subsidiary will be required to obtain the relevant licence from the state regulator, while NERC will retain regulatory responsibility for interstate and international electricity activities.

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LASERC TARGETS ATC&C LOSSES BELOW 10% THROUGH AI MONITORING

The Lagos State Electricity Regulatory Commission (LASERC) plans to deploy artificial intelligence-enabled monitoring systems to strengthen regulatory oversight and reduce Aggregate Technical, Commercial and Collection losses in the Lagos electricity market to below 10%. LASERC's priorities also include universal metering, licensing additional market participants, expanding franchise zones and completing transitional arrangements for electricity distribution companies. LASERC further clarified that, following the commencement of its Retail Electricity Supply Code, a licensee that fails to meter an eligible consumer within the prescribed period may not recover electricity charges that are more than 12 months old, except in limited circumstances specified in the Retail Electricity Supply Code.

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