Communique on Methane Emissions Reductions Training and Stakeholder Engagement Sessions on Energy Transition and Methane Emissions

Held at NEITI House and Johnwood Hotels

from 11th to 15th of March 2024
**Background**

In 2022, the Natural Resource Governance Institute (NRGI) in collaboration with the Nigerian Extractive Industries Transparency Initiative (NEITI) and BudgIT Foundation convened a national dialogue with various stakeholders including the energy transition related government institutions, civil society, oil communities and the media to understand Nigeria’s response to energy transition, its impacts and opportunities and challenges it presents. The dialogue aimed to inform the country’s energy transition plan and implementation process, ensuring that it reflects the needs and aspirations of the Nigerian people. One of the themes of the dialogue focused on interrogating the practicality and feasibility of the use of gas as transition fuel to renewables in Nigeria’s energy transition plan. Since then, NRGI has explored how Nigeria can right size its ambitions for gas as it seeks to expand its use up till 2030 in consideration of the impacts of that expansion on the lives and livelihoods of the Nigerian people.

Building on that intervention, NRGI partnered with NEITI and the Centre for Journalism Innovation and Development (CJID) to foster a broader understanding of energy transition, the role of gas and to build new momentum around methane emissions reduction efforts in Nigeria’s oil and gas sector, to mitigate the economic and environmental impact of Nigeria’s plans to expand its gas uses.

Further, the intervention sought to address the limited understanding by the Nigerian public of the impacts of methane emissions to their lives and the minimal involvement of media and civil society organizations (CSOs) in advocating for and shaping discussions around methane emissions reduction strategies contributes to this. To facilitate that, training for NEITI was held on 11th and 12th of March, 2024 at the NEITI house to strengthen NEITI’s understanding of how it can support public reporting and debate on methane emissions and initiate the integration of the EITI requirements into NEITI’s audit procedures. On the 13th and 14th of March, 2024 at Johnwood Hotel, NRGI and CJID increased the capacity of CSOs, media to raise awareness and engage in meaningful public debate on the need to implement methane emissions reduction strategies in the oil and gas sector. On the 15th of March, 2024, a stakeholder engagement on energy transition and methane emissions was held to provide a platform for ensuring effective and constructive engagement between state and non-state actors including trained NEITI officials, civil society and media actors.

**Introduction**

**NEITI Training**

The NEITI training session was opened by the NEITI CEO and Executive Secretary, Dr Orji Ogbonnaya Orji, who gave welcome remarks about the urgent need to take significant steps in increasing transparency to mitigate the environmental risks of Nigeria’s energy transition. He strongly emphasized the timeliness of the training for NEITI, which is at a pivotal stage of developing its in-house template for greenhouse gas emissions (GHG) disclosures and publishing its next audit reports. He assured that the training outcomes will be fully onboarded into NEITI’s audit processes, and remain entrenched in NEITI’s institutional memory, evidenced by the holistic participation of its experienced and budding technical staff. He noted the high esteem in which NEITI holds NRGI’s partnership and its long-standing support.

Opening remarks were also given by Tengi George-Ikoli [Senior officer, Natural Resource Governance Institute (NRGI)]. In Tengi’s remarks, she stated that the training is aimed at strengthening NEITI’s pivotal role in Nigeria’s energy transition, in a manner that enables it to interrogate and drive policy, and interventions from state and non-state actors, towards reducing the environmental risks of Nigeria’s energy transition in the form of methane emissions. She noted that Gas is declared to be
Nigeria’s transition and emphasized the need to reflect on the risks it poses, adding the need to develop or enhance strategies and plans that address the environmental, social, and economic risks of the Energy Transition. In addition, she reiterated that current strategies leave much to be desired.

The NEITI two-day training sessions were delivered by Tengi George-Ikoli, Senior Officer (NRGI), Rob Pitman, Senior Governance Officer (NRGI), Ahmad Abdulsamad, Program Officer, NRGI, Chucks Okereke, Society for People and Planet, TJ Conway (RMI), Dr. Charles Ofori (Africa Centre for Energy Policy) and Alexander Sidwell (Stakeholder Democracy Network). Also present at the event were NRGI’s Africa Director; Ms. Nafi Chinery and the Rocky Mountain Institute (RMI)’s Nigeria Program Director, Suleiman Babamanu.

Civil society and media training on methane emissions

Akintunde Babatunde, Programs Director, CJID gave a welcome remark. He emphasized the important contributions made by CSO and Media to use their knowledge to set agendas and influence behavior, so that state actors and the Nigerian public can make informed decisions. He stated the need for CSOs to collaborate with Industry experts in order to work from an informed perspective. Nafi Chinery, Africa Director, NRGI, gave an opening remark, emphasizing the importance of a country like Nigeria at the forefront of regional responses to energy transition declaring gas as its transition fuel and yet acknowledging the potential risk of that decision increasing emissions. She surmised that NRGI has a responsibility to share knowledge with other CSOs, as well as gain context-specific knowledge from them towards demanding accountability from government.

The two-day training sessions included similar sessions delivered at the NEITI trainings adapted for CSO and media with Advocacy and Story Lab sessions to aid their conceptualizations of stories and advocacy interventions following their increased capacity from the trainings.

Stakeholder engagement on energy transition and methane emissions

The training sessions set the tone for the Stakeholder Engagement event, which was attended by state and non-state actors.

Launch of the Guidebook on Energy transition

NRGI launched its “Guidebook on Nigeria’s Energy Transition”, which surmised NRGI’s learnings and journey in its bid to interrogate and shape Nigeria’s Energy Transition. The guidebook is intended to serve as advocacy and accountability tool for CSO/Media, a reference document for Government, and to provide insights and context specific information to external development partners.

The event was opened with a Goodwill Message by Zira John Quaghe, Nigeria Focal Person for the Africa Climate Foundation, who remarked on the importance of charting a path that minimizes the risks of Energy Transition in Nigeria, in a manner that is collaborative and inclusive. He commended NRGI’s efforts in developing a guidebook on energy transition that could be leveraged by non-state and state actors to clarify their understanding of the energy transition and hold government accountable to its national and global commitments. Executive Secretary of NEITI, Dr. Orjo Ogbonnaya Orji commended ACF and NRGI for their efforts to consolidate learnings from work with stakeholders including NEITI into the Guidebook. NEITI intends to leverage the guidebook to inform their design of a roadmap for the government on energy transition.

Stakeholder Engagement on Methane emissions

During the event, NRGI showcased the preliminary findings of the mapping it conducted on the landscape of methane emissions in Nigeria, via a presentation themed “Nigeria’s Methane Emissions
Reduction Strategies: Challenges and Opportunities”. This was intended to garner insights from state and non-state actors to validate NRGI’s findings towards developing a robust final product, which reflects the true trends and current contexts of the methane emissions landscape in Nigeria.

Goodwill messages were delivered by the Executive Secretary of NEITI, Dr Orji Ogbonnaya Orji, who emphasized that Energy Transition and control of Methane emissions is of huge interest to NEITI, and that it is the right time to table it as a national agenda for public discussion and debate, to be facilitated by the active involvement of state and non-state actors such as government, extractive industry, the private sector, civil society, the media and practitioners. Goodwill messages were also delivered by the NRGI Africa Director, Nafi Chinery, The representative of Media Outlets, and the Representative of CSOs present.

In attendance were several Ministries, Departments and Agencies (MDAs) including The National Council on Climate Change (NCCC), The Energy Commission, the Federal Ministry of Petroleum Resources (Gas), The Federal Ministry of Environment, The Nigerian Upstream Petroleum Regulatory Commission (NUPRC), The National Oil Spill Detection and Response Agency (NOSDRA), The Nigerian National Petroleum Corporation Limited (NNPCL), The Nigerian Extractives Industries Transparency Initiative (NEITI), and the Revenue Mobilization Allocation and Fiscal Commission (RMAFC). Media and Civil Society Actors such as BudgIT Foundation, HumAngle, ASO Radio and TV station, Policy Alert, African Initiative for Transparency Accountability & Leadership (AFRITAL), and the Centre for Transparency Advocacy.

Participants lauded the inclusivity and rarity of the event, which was able to convene key state and non-state actors in the same room, thereby facilitating constructive and holistic conversation. The sessions were characterized by a high level of participation and engagement from all stakeholders, reflecting a widespread desire among both state and non-state actors for the continuation and replication of such training initiatives. There was a unanimous agreement on the necessity for concerted efforts from all parties involved. Achieving success in this endeavour demands coordinated government policies and actions, which currently seem to operate in isolation. It is crucial that these efforts are gender-responsive, bottom-up, context-specific, and inclusive of the perspectives of communities directly impacted by these policies and practices.

**Key Highlights from the Conversations**

1. There are current challenges that hinder methane reduction efforts in Nigeria. These issues include lack of credible data and estimation methods, inconsistent baseline figures, ineffective MRV tools, private sector transparency, policy formulation and implementation gaps, poor institutional/policy alignment, and political economy constraints.

2. The NNPCL is giving attention to Methane Emissions and is currently collaborating with international partners to reduce emissions from its operations.

3. The National Oil Spill Detection and Response Agency (NOSDRA) agrees the need for a more effective and context specific MRV system and noted that the Nigerian Gas Flare Tracker is being strengthened in collaboration with the SDN, to track facility level methane emissions effectively and accurately in Nigeria.

4. Government actors are aware that methane is a low-hanging fruit and recognize the urgent need to align efforts across MDA’s to reduce methane emissions. They also highlight the need to tailor international support to local realities, and preference for external support to leverage on already existing context and models - which only require improvements to be effective, rather than complete overhaul.

5. The National Upstream Petroleum Regulatory Corporation (NUPRC) demonstrates willingness to collaborate with CSOs to further engage industry players and create public awareness on its work.
6. Through NEITI’s partnership with NRGI, a greater transparency and data driven discourse can be promoted with regards the Energy transition and Methane Emissions issues in Nigeria. This is reinforced by its willingness to onboard outcomes of the training into its processes, as well as the appetite of the CSO and media actors for similar.

7. There is a holistic and resounding consensus - both among state and non-state actors on the need to refine approaches - with the major obstacles being governmental coordination (owing to the young age of NCCC) and prior lack of capacity of CSOs/Media

8. Several local and international economic threats face Nigerian Gas revenue in a scenario where high levels of methane emissions persists. The European Union, a major gas export destination for Nigeria, are putting regulations in place, such as the EU Methane Regulations that could make Nigerian gas less competitive, should current practices persist. Nigeria may continue to miss out on significant portion of its gas resources. In 2022 alone, Nigeria flared an estimated 5.3 billion cubic meters of natural gas equivalent to 177m units of 12.5kg cylinders. In Addition, environmental challenges in form of air pollution and climate change may become exacerbated.

Resolutions

1. The NCCC, Federal Ministry of Petroleum Resources and the Federal Ministry of Environment should establish a unified method for methane emission estimation across sectors. It should define standard categories for emissions (venting, flaring, fugitive) to pinpoint areas for action and incorporate actual measurements (satellites, on-ground sampling) to enhance accuracy and track trends.

2. The NCCC and the Federal Ministry of Petroleum Resources must design a methane emissions-specific framework to strengthen methane emissions reduction strategies.

3. The Government, through NCCC should Set 2030 BAU baselines for each emission category, providing a clear reference point and define specific reduction targets against the 2030 baselines, guiding focused methane mitigation efforts.

4. Government should ensure that the activities of the Nigerian Council on Climate Change (NCCC) are coordinated with those of other public and private stakeholders to ensure coherence in the actualization of national targets.

5. Government should enhance collaboration across methane oversight between the NUPRC and NMDPRA, streamline regulations focusing on key sources (flaring, venting, fugitives) and ensure alignment with national climate pledges.

6. Incentives should be restructured to favor methane capture and utilization over flaring, robust penalty mechanisms for non-compliance should be implemented.

7. The National Assembly, the NCCC, The Federal Ministry of Petroleum Resources and the Federal Ministry of Environment should establish clear communication channels with host communities and ensure equitable benefit-sharing and address historical grievances through tangible policies and development initiatives that ensure oil companies demonstrate commitment to methane reduction beyond minimal compliance, and that they adopt global best practices.

8. Oil companies should invest in infrastructure upgrades, leak detection and repair (LDAR) programs, and technologies to capture and utilize flared gas and actively pursue energy efficiency measures.

9. NEITI has resolved to adopt the new EITI greenhouse gas emissions data disclosure template developed in collaboration with NRGI and incorporate it in its next audit report. The template is based on EITI’s 2023 new greenhouse gas emissions standards. It will be validated with stakeholders such as the NUPRC and shared with Oil and gas companies operating in Nigeria. Companies will then be required to comply henceforth with the new standards in their disclosures to NEITI.