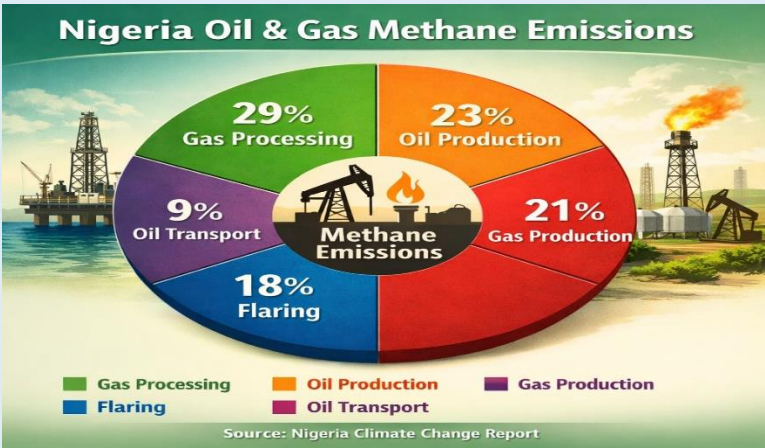


FACTSHEET ON NEITI GREEN HOUSE GAS EMISSION INCLUDING METHANE EMISSION by isdfoundation

Overview

Nigeria’s NEITI report now includes methane emissions data for the first time, but only 15 out of 62 oil and gas companies disclosed figures in 2022–2023. This marks progress toward climate accountability, though most companies (76%) remain non-compliant, leaving major gaps in transparency.



Nigeria, with vast oil and gas reserves, is a major methane emitter from its fossil fuel operations through venting, incomplete flaring, fugitive leaks (from equipment/pipelines), and processing. Methane (CH₄) is a potent greenhouse gas — about 84 times more warming than CO₂ over 20 years released. Nigeria ranks among the world’s top gas-flaring nations, which directly links to methane releases (especially from incomplete combustion) alongside Russia, Iran, Iraq.

Policy Area	Objective	Impact on Companies	Expected Outcome
Energy Transition Plan	Achieve net-zero by 2060	Pushes oil & gas firms to adopt cleaner technologies	Gradual decarbonization of upstream operations
Climate Change Act 2021	Achieve net-zero by 2060	Requires annual GHG disclosures to NEITI & NESREA	Improved transparency & accountability
Methane Abatement Program	Enforce carbon budgets & reporting	Targets high emitters like NNPC & SEPLAT	Lower short-term climate forcing
Carbon Capture Incentives	Reduce methane leaks & flaring	Encourages partnerships with global tech providers	Enhanced carbon sequestration capacity
Renewable Integration Policy.	Promote CCS investments	Encourages partnerships with global tech providers	Reduced fossil dependency

Key Facts from NEITI Methane Data

- **First-time disclosure:** Methane (CH₄) emissions were included in NEITI's 2022 and 2023 oil & gas audit reports.
- Only **15 of 62 companies** submitted greenhouse gas (GHG) data, including methane.
- **Non-compliance: 76% of companies failed to disclose** any emissions data, raising concerns about transparency and some the accuracy of the data.
- **The types of gases disclosed:** Companies reported **CO₂, CH₄, CO, N₂O, NO, SO₂, and Halons although not uniform.** Notable Company Methane Examples (Reported)
 - Mobil (ExxonMobil): Top emitter in 2023 with 256 million kg CO₂e (up ~15% from 2022).
 - Heirs Holdings: Second-highest in 2023 with 217 million kg CO₂e (no 2022 comparison available).
 - Chevron: Dramatic reported drop from 173 million kg in 2022 to just 270,000 kg in 2023 (99.8% reduction) — NEITI called this suspicious without third-party verification.
- Emissions Intensity (pollution per barrel of oil, for fairer comparison across company sizes):
 - Oriental Energy: 7.11 kg per barrel (also high).
 - Frontier Oil: Improved (cut by ~33% in one year).
 - Pillar Oil: Extreme spike (flagged as possible error or flaring incident).
- Broader Context (Gas Flaring and Economic Loss)
 - Nigeria flared 183.4 billion standard cubic feet (SCF) of gas in 2023 (down slightly from 188.5 billion in 2022).
 - Economic loss: ~\$458.5 million (or ₦686 billion) in 2023 alone at \$2.50 per thousand SCF. Five-year projection at similar levels: over \$2.29 billion lost.
- Gas flaring and venting are major methane sources (along with fugitive emissions from pipelines and facilities).

Table 49: 2023 Company Responses Greenhouse Gas Emission

Parameters		Response	
		#	%
Responsive	Available	15	24%
	Not Available	47	76%
	Work-In-Progress	-	0%
Non-Responsive	None	-	0%
Total		62	100%

Source: NEITI 2022-2023 OGA, 2024

- **Potential uses of data:**

- Support Nigeria's **climate finance positioning**
- Inform **Nationally Determined Contributions (NDCs)** under the UNFCCC as contained in Nigeria NDC3.0.
- It will help attract **financing for methane abatement projects**.
- Intervention by technical and development partners
- Provide insight into **economic risks** and competitiveness of oil and gas projects.
- Guide EU regulators in the companies to do business with.
- Civil societies and Government regulators and agencies use the data for advocacy, monitoring and oversight :



Challenges Highlighted

- **Transparency gaps:** Lack of **asset-level** and disaggregated disclosures hides high-emission oil mining leases (OMLs).
- Inconsistent reporting methods risk **greenwashing and lack of standardized methodology for all reporting**.
- **Civil society role:** Advocacy groups are urged to demand **intensity disclosures**, push for **asset-level data**, and verify figures using independent tools like:
 - Methane Alert and Response System (MARS)
 - Country Methane Abatement Tool (COMAT)
 - International Methane Emissions Observatory (IMEO) Data Portal
 - GHGSat and VIIRS satellite monitoring
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Why Methane Matters for Nigeria

- **Methane is 84x more potent than CO₂** over a 20-year period.
- Nigeria's oil and gas sector are a **major methane emitter**, especially from flaring and leaks.
- Tackling methane is **low-cost and high-impact** compared to other climate measures.
- Disclosure can help Nigeria meet its **zero-routine flaring by 2030** target and strengthen its global climate commitments NDC3.0 and decarbonization efforts.
- The devastating health, Agricultural and environmental implication on controlled methane
- Global credibility: Strong methane action strengthens Nigeria's position in climate negotiations and financing.
- Economic benefits: Captured methane can be sold as natural gas, boosting revenues.
- Reduces economic waste from flaring, and helps maintain access to international markets and climate finance. Nigeria was the first African country to regulate methane in the energy sector.

Policy Framework

- NUPRC Guidelines (2022): Fugitive methane management aligned with the Global Methane Pledge (30% reduction by 2030).
- Flare regulation system: thresholds targeting zero routine flaring by 2030, with penalties set to match/exceed gas market prices.
- Infrastructure gaps: Offshore facilities often lack pipeline connections, leading to continued flaring or reinjection.
- NDC3.0

Impacts

- **Climate:** Contributes to global warming and Nigeria's NDCs (20–47% emissions reduction by 2030).
- **Local:** Air pollution, health risks, and lost revenue in host communities.
- **Global Context:** Fossil fuel operations (oil/gas/coal) emit ~120+ Mt methane annually worldwide; Nigeria's share is notable in sub-Saharan Africa.
- Captured methane (natural gas) can be used for electricity, cooking, or industry. The Gas Flare Commercialization Programme aims to turn waste gas into economic value.
- **Economic impact.** Reduced productivity, Reduced earnings from oil and gas
- **Environment Impact:** Contamination of the environment, Air pollution,

Opportunities: Methane abatement (e.g., LDAR, gas capture/utilization) is often low-cost or profitable. Nigeria aims to leverage this for energy security, exports, and climate finance.

Company	Emissions (MT CO ₂ e)	Scope 1 (Direct)	Scope 2 (Indirect)	Key Sources
NNPC Group	35.27	24.10	11.17	Oil production, flaring
SEPLAT Energy	22.65	15.80	6.85	Gas processing, power generation
Shell (SPDC)	20.25	13.90	6.35	Upstream operations
TotalEnergies	14.10	9.45	4.65	Refining, transport
ExxonMobil	12.06	8.20	3.86	Offshore extraction
Chevron	9.36	6.10	3.26	Gas flaring, logistics
NLNG	6.45	4.25	2.20	LNG processing

STAKEHOLDERS ROLE:

1. The NCCC, The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) Federal Ministry of Petroleum Resources should design a methane emissions-specific framework across the oil and gas value chain to strengthen methane emissions reduction strategies,
2. Regulators should set minimum emission targets for companies to ensure Nigeria is not penalized by EU regulations and other market restrictions that may affect Nigerian oil and gas exports.
3. Oil and Gas companies' associations and their members should demonstrate and ensure effective compliance with local regulations
4. Oil and gas companies should participate in independent data verification and disclosure initiatives, such as the new EITI requirements for greenhouse gas emissions and the NEITI audit process
5. Companies should invest in infrastructure upgrades, leak detection and repair (LDAR) programs, and technologies to capture and utilize flared gas.
6. Oil and gas companies adhere to strict environmental and technical standards to minimize methane emissions.
7. CSOs can build trust and facilitate dialogue between host communities, industry players and government.
8. Nigerian CSOs should monitor company compliance with methane emissions regulations and MRV tools and also raise awareness
9. Partners should channel funding for methane abatement projects, prioritizing those with clear community benefits and potential for replication.

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