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NIGERIA'S OIL & GAS INDUSTRY REPORT

An Executive Briefing for Global Energy
Investors and Decision Makers

Brooks Partners

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FOREWORD

Nigeria's petroleum industry is undergoing one of the most significant transformations in its history. Recent policy reforms, evolving fiscal frameworks, regulatory innovation and renewed government commitment to attracting investment are collectively reshaping the country's energy landscape. Amid rising global demand for energy security, cleaner fuels and resilient supply chains, Nigeria is repositioning itself as one of Africa's most compelling destinations for long-term energy investment.

With substantial crude oil reserves, one of the world's largest proven natural gas endowments, an expanding domestic energy market, and strategic access to regional and international markets, Nigeria remains central to the global energy ecosystem. The country's ambition extends beyond increasing hydrocarbon production. Current reforms aim to unlock value across the entire petroleum value chain by improving regulatory certainty, strengthening institutions, encouraging private investment, expanding domestic refining capacity, accelerating gas commercialisation, and supporting the transition towards a more diversified and sustainable energy future.

The implementation of the Petroleum Industry Act, 2021 ("PIA") continues to mature through new regulations¹, institutional reforms and market-driven initiatives². Complementing these developments are fiscal and tax reforms³, targeted Executive Orders⁴, increased indigenous participation following the divestment of several

Nigeria's petroleum industry is undergoing one of the most significant transformations in its history. Recent policy reforms, evolving fiscal frameworks, regulatory innovation and renewed government commitment to attracting investment are collectively reshaping the country's energy landscape. Amid rising global demand for energy security, cleaner fuels and resilient supply chains, Nigeria is repositioning itself as one of Africa's most compelling destinations for long-term energy investment.

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The implementation of the Petroleum Industry Act, 2021 ("PIA") continues to mature through new regulations , institutional reforms and market-driven initiatives . Complementing these developments are fiscal and tax reforms , targeted Executive Orders , increased indigenous participation following the divestment of several international oil companies, renewed investment in gas infrastructure and sustained efforts to improve the ease of doing business in the sector. Together, these initiatives are creating new opportunities for investors, financiers, operators, service providers and technology companies seeking to participate in Nigeria's evolving energy market.

¹ Nigerian Upstream Petroleum (Commercial) Regulations 2025; Upstream Petroleum Domestic Gas Delivery Regulation 2022; Midstream and Downstream Petroleum Operations Regulations 2025; and Gas Pricing and Domestic Demand Regulations 2023, among several other regulations.

² Including the Federal Government's Decade of Gas Initiative (2021 – 2030); Presidential Initiative on Compressed Natural Gas and Electric Vehicles (Federal Government's CNG Initiatives); and The Gas Master Plan 2026 (unveiled by the NNPC).

³ Nigeria's tax reforms of 2025 harmonized all previously existing applicable tax statutes in Nigeria and replaced them with just four new principal tax legislation: Nigeria Tax Act 2025; Nigeria Tax Administration Act 2025; Nigeria Revenue Service (Establishment) Act 2025; and Joint Revenue Board (Establishment) Act 2025.

⁴ Oil and Gas Companies (Tax Incentives, Exemption, Remission, etc.) Order 2024; Presidential Directive on Local Content Compliance Requirements 2024; Presidential Directive on Reduction of Petroleum Sector Contracting Costs and Timelines 2024; and Presidential Executive Order to Safeguard Federation Oil and Gas Revenues and Provide Regulatory Clarity 2026.

Meanwhile, the industry faces ongoing complex challenges such as infrastructure deficits, energy security issues, financing limitations, environmental sustainability, changing climate commitments, and the need to balance energy transition goals with Africa's development priorities. These issues highlight the critical need for effective policy enforcement, stable regulations, and investment models that are commercially viable.

This Executive Briefing aims to give business leaders, government officials, investors, and industry stakeholders a clear summary of the key policy, regulatory, and commercial developments influencing Nigeria's oil and gas sector in 2026. Instead of an in-depth legal analysis, the report focuses on the most relevant developments for strategic decision-makers, emphasizing their practical impact on investments, project execution, and business activities.

This publication, prepared for the Gastech Exhibition & Conference 2026, demonstrates our dedication to promoting informed investment choices and fostering constructive discussions about Nigeria's energy future. We aim for it to be a useful resource for organizations looking to grasp the opportunities, understand the regulatory environment, and engage in the upcoming growth phase of one of Africa's most vibrant energy markets.

At Brooks Partners, we remain committed to partnering with governments, investors, financial institutions, developers and energy companies to deliver innovative, commercially focused legal and regulatory solutions that support successful investment across the upstream, midstream and downstream segments of the petroleum industry.

EXECUTIVE SNAPSHOT – TEN (10) THINGS EVERY GLOBAL ENERGY EXECUTIVE SHOULD KNOW ABOUT NIGERIA'S OIL & GAS INDUSTRY IN 2026

Nigeria remains one of the world's most strategically important hydrocarbon markets. Home to Africa's largest proven natural gas reserves and among the continent's leading crude oil producers, the country is implementing far-reaching reforms to unlock investment, strengthen regulatory certainty and position its energy sector for long-term growth. For global investors, financiers, developers and policymakers, the following ten developments define the Nigerian oil and gas landscape in 2026.

i. Nigeria is repositioning itself as Africa's premier energy investment destination

The Nigerian Government has intensified efforts to improve the investment climate through regulatory reforms, fiscal incentives, streamlined approval processes and investor-friendly Executive Orders.

These initiatives are intended to reduce barriers to investment, accelerate project execution and enhance the competitiveness of Nigeria's petroleum industry.

Investor Takeaway: Nigeria's energy sector is increasingly being shaped by policies aimed at attracting long-term private capital and restoring investor confidence.

ii. Natural gas has become the centrepiece of Nigeria's energy strategy

Nigeria's vast natural gas resources are now at the heart of national energy policy. Government priorities include expanding domestic gas use, increasing gas processing capacity, supporting industrialisation, improving electricity generation, promoting liquefied natural gas ("LNG") exports and developing regional gas infrastructure.

The transition from an oil-focused industry to a broader gas-driven economy is creating significant opportunities across gas processing, transport, storage, distribution, LNG, petrochemicals and gas-fired power generation.

Investor Takeaway: Gas is now considered Nigeria's main driver for future energy investments, no longer seen as just a by-product of oil production.

iii. The Petroleum Industry Act continues to reshape the sector

Implementation of the PIA continues to transform Nigeria's petroleum industry by establishing clearer governance structures, strengthening regulatory institutions and enhancing transparency in commercial frameworks. The PIA has fundamentally redefined the legal, fiscal and institutional architecture governing upstream, midstream and downstream petroleum operations.

As implementation matures, regulatory agencies continue to issue guidelines and regulations to improve operational certainty and facilitate investment.

Investor Takeaway: The regulatory environment is becoming increasingly structured, transparent and commercially oriented, although successful investment still requires careful navigation of evolving implementation frameworks.

iv. Indigenous energy companies are driving a new phase of industry growth

Nigeria is experiencing notable developments in its downstream petroleum industry, largely due to greater private-sector involvement in refining, storage, distribution, and marketing of petroleum products.

Increasing domestic refining capacity can enhance energy security, decrease reliance on imports, and promote wider industrial growth.

Investor Takeaway: The downstream industry is shifting from reliance on imports to a more competitive, investment-oriented environment.

v. Fiscal and tax reforms are improving the business environment

Recent tax reforms constitute one of the most significant overhauls of Nigeria's fiscal framework in decades. The reforms aim to simplify tax administration, improve compliance, reduce inefficiencies and create a more predictable investment environment across the economy, including the energy sector.

For investors, greater clarity and consistency in tax administration are expected to facilitate long-term project planning and capital allocation.

Investor Takeaway: A more coherent fiscal framework enhances investment certainty and fosters a more competitive operating environment.



vi. Midstream infrastructure presents significant investment opportunities

Nigeria's growing gas sector demands significant investments in processing plants, pipelines, storage, LNG infrastructure, LPG distribution, compression stations, and industrial gas networks.

Government policy increasingly encourages private-sector participation in developing the infrastructure required to support domestic gas utilisation and export growth.

Investor Takeaway: Midstream infrastructure remains one of the most attractive investment segments in Nigeria's energy value chain.

vii. Domestic refining and downstream markets are undergoing structural transformation

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viii. Energy transition is creating new commercial opportunities

Nigeria's energy transition strategy emphasizes natural gas as the main fuel for transition, while also encouraging investments in carbon reduction, cleaner technologies, renewable energy, emissions control, and sustainable financing.

Instead of completely replacing hydrocarbons, current policies aim to strike a balance between ensuring energy security, supporting economic development, and achieving climate goals.

Investor Takeaway: *Investors can expect increasing opportunities in projects that integrate conventional hydrocarbons with low-carbon and sustainability initiatives.*

Boardroom Perspective

The key narrative for Nigeria's oil and gas sector in 2026 centres on strategic repositioning rather than on regulatory reforms alone. Nigeria is utilising legislative changes, fiscal modernisation, greater indigenous participation, and gas commercialisation to enhance its competitiveness amid a rapidly evolving global energy landscape.

For international investors, the opportunity extends beyond resource extraction. It lies in participating in the transformation of one of the world's most important emerging energy economies. Those who engage early, build strong local partnerships, and align their investments with Nigeria's evolving policy direction will be well placed to participate in the next phase of growth across Africa's largest energy market.

ix. Regulatory institutions are becoming more responsive and technology-driven

Nigeria's petroleum regulators continue to modernise regulatory processes through digital platforms, enhanced stakeholder engagement, improved licensing systems, and greater emphasis on transparency and operational efficiency.

Institutional reforms are progressively enhancing regulatory responsiveness and reinforcing industry oversight.

Investor Takeaway: *Ongoing regulatory modernization is expected to enhance the ease of doing business and support more efficient project execution.*

x. Nigeria offers long-term growth potential across the entire energy value chain

Recent tax reforms constitute one of the most significant overhauls of Nigeria's fiscal framework in decades. The reforms aim to simplify tax administration, improve compliance, reduce inefficiencies and create a more predictable investment environment across the economy, including the energy sector.

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B. POLICY & REGULATORY DASHBOARD – THE REFORMS RESHAPING NIGERIA’S OIL & GAS INDUSTRY

Nigeria’s petroleum industry is undergoing one of the most comprehensive reform programmes in decades. Legislative reforms, new fiscal policies, institutional strengthening and targeted Executive Orders are collectively creating a more transparent, commercially driven and investment-oriented operating environment. While implementation continues to evolve, the policy direction is increasingly clear: to improve investor confidence, accelerate project delivery, strengthen domestic energy security and unlock the country’s vast hydrocarbon potential.

The dashboard below highlights the key policy and regulatory developments that every investor and industry stakeholder should understand.

S/N	Policy/Regulatory Development	What Changed	Commercial Implications
i	Petroleum Industry Act (PIA) – Continuing Implementation	The implementation of the PIA continues through new regulations, regulatory guidance and institutional reforms across the upstream, midstream and downstream petroleum sectors. Regulatory frameworks are becoming more structured and predictable.	Greater regulatory certainty supports long-term investment planning, project development and financing while improving confidence in Nigeria’s petroleum governance framework.
ii	Government’s Drive to Increase Oil and Gas Production.	Government has introduced policy measures aimed at increasing crude oil production, expanding gas output, reducing production costs, improving operational efficiency and attracting fresh investment into upstream operations.	Increased production targets are expected to generate new licensing, field development, drilling, financing and service opportunities across the upstream sector.
iii	Executive Orders to Improve the Investment Climate.	Recent Executive Orders seek to streamline contracting processes, shorten regulatory approval timelines, improve coordination among government agencies and enhance the ease of doing business within the energy sector.	Faster approvals and improved regulatory coordination will reduce project execution risks and improve investment returns.

S/N	Policy/Regulatory Development	What Changed	Commercial Implications
iv	Fiscal and Tax Reforms.	The Nigeria's tax reform of 2025 modernizes aspects of the country's fiscal framework through simplified tax administration, greater consistency and improved revenue governance.	A more predictable fiscal environment supports investment decision-making and enhances long-term project bankability.
v	Gas Commercialization Agenda	Government continues to prioritize natural gas as the foundation of Nigeria's energy transition strategy through policies supporting domestic gas utilization, gas processing, LNG expansion and industrial gas development.	Significant investment opportunities continue to emerge across gas processing, pipelines, LNG, LPG, gas-fired power generation, petrochemicals and industrial gas infrastructure.
vi	Strengthening of Petroleum Regulators.	The Nigerian Upstream Petroleum Regulatory Commission (" NUPRC ") and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (" NMDPRA ") continue to refine regulatory processes through new guidelines, enhanced stakeholder engagement and digital regulatory platforms.	Improved institutional capacity is expected to facilitate licensing, compliance, regulatory oversight and investor engagement.
vii	Growth of Indigenous Participation.	The completion of several upstream asset divestments has accelerated the participation of indigenous companies in exploration, production and field development activities.	Increased indigenous ownership is expected to stimulate new partnerships, project financing, mergers and acquisitions, technical alliances and local supply chain development.
viii	Domestic Refining and Downstream Liberalization.	Increased private investment in refining and downstream infrastructure is gradually reshaping Nigeria's domestic petroleum products market and strengthening local refining capacity.	New opportunities are emerging in refining, storage, logistics, trading, distribution and associated downstream infrastructure.

S/N	Policy/Regulatory Development	What Changed	Commercial Implications
ix	Energy Transition & Environmental, Social and Governance (ESG).	Nigeria continues to pursue a balanced energy transition that recognizes natural gas as a transition fuel while supporting emissions reduction, cleaner technologies, carbon markets and sustainable energy investments.	Investors increasingly have opportunities to integrate ESG objectives into conventional oil and gas projects while developing new low-carbon business models.
v	Digital Transformation of Regulatory Processes.	Regulatory agencies continue to deploy digital platforms to improve licensing, reporting, compliance monitoring and stakeholder engagement.	Greater transparency and operational efficiency are expected to reduce administrative delays and improve the overall ease of doing business.

What These Reforms Mean for Investors

Overall, these reforms mark a distinct shift in Nigeria's energy policy. The emphasis has shifted from merely boosting hydrocarbon output to establishing a more competitive, transparent, and investment-attractive energy sector that can attract long-term domestic and international investment.

Three themes stand out:

First, government policy increasingly recognises that regulatory certainty and efficient institutions are essential for attracting investment. Recent reforms therefore place considerable emphasis on improving governance, simplifying administrative processes and enhancing collaboration between regulators and industry participants.

Second, Nigeria's long-term energy strategy now centers on natural gas. The government aims to convert abundant gas reserves into revenue through infrastructure development, industrial applications, electricity generation, regional exports, and expanding LNG facilities.

Third, Nigeria aims to balance energy security, economic growth, and sustainability. Instead of viewing hydrocarbons and the energy transition as conflicting goals, policies now focus on using oil and gas revenues to foster economic development while promoting cleaner, lower-carbon technologies and responsible environmental practices.

Boardroom Perspective

Nigeria's energy industry reforms are intentionally aimed at boosting the country's global competitiveness. As implementation progresses, the main policy focus remains steady: attracting investment, strengthening institutions, increasing local value addition, and using natural gas as a driver of sustainable economic growth.

For international investors, the opportunity lies not only in Nigeria's resource base but also in the country's ongoing regulatory transformation. Businesses that understand the evolving policy landscape, engage proactively with regulators and align their investment strategies with national energy priorities will be well placed to participate in the next phase of growth in Africa's largest energy economy.



C. INVESTMENT LANDSCAPE – WHERE CAPITAL IS FLOWING ACROSS NIGERIA'S ENERGY VALUE CHAIN

Nigeria's energy industry is entering a new investment cycle, driven by regulatory reforms, greater indigenous participation, expanded gas commercialisation, downstream liberalisation, and renewed government commitment to improving the investment climate. While traditional upstream opportunities remain significant, investors are increasingly looking beyond crude oil production towards integrated projects spanning gas infrastructure, refining, petrochemicals, power generation, and energy transition initiatives.

The following sectors are expected to present some of the most attractive investment opportunities over the medium-to-long term.

i. Upstream Oil & Gas

Nigeria remains a key region for exploration, field redevelopment, brownfield optimization, and enhanced oil recovery efforts. Recently, divestments by numerous international oil firms have altered ownership patterns, leading to more local companies taking on greater roles in production and asset management.

This shift is driving demand for capital, technical expertise, production optimization, drilling services, digital technologies, and strategic partnerships that enhance operational efficiency and boost reserves replacement.

Investment drivers:

- Expansion of indigenous ownership
- Increased focus on production growth
- Brownfield redevelopment opportunities
- Enhanced oil recovery technologies
- Strategic farm-ins and acquisitions
- Improved regulatory certainty under the Petroleum Industry Act

Investor insight:

The Nigerian upstream sector is evolving from one dominated by multinational operators to a more diversified ecosystem in which partnerships, financing solutions and operational excellence are becoming increasingly important.

ii. Natural Gas & LNG

Natural gas has become the defining growth story in Nigeria's energy sector. With one of the world's largest proven gas reserves, the government's policy is increasingly focused on commercialising these resources to support industrialisation, electricity generation, regional exports and international LNG markets.

Investment opportunities span gas gathering systems, processing plants, transmission infrastructure, LNG facilities, LPG distribution networks, compressed natural gas ("CNG"), floating LNG projects and industrial gas utilisation.

Investment drivers:

- Expansion of domestic gas utilization
- Increasing LNG demand
- Gas-to-power initiatives
- Industrialization policies
- Regional gas export opportunities
- Growing private sector participation

Investor insight:

Gas is expected to remain the principal growth segment of Nigeria's energy industry over the coming decade, offering significant opportunities for long-term infrastructure investors and project developers. coming decade, offering significant opportunities for long-term infrastructure investors and project developers.



iii. Midstream infrastructure

The success of Nigeria's gas strategy depends largely on the development of modern midstream infrastructure. Significant investment is required to support gas processing, transport, storage, compression and distribution.

As production increases, demand for pipelines, terminals, logistics infrastructure and integrated energy facilities is expected to rise considerably.

Investment drivers:

- Pipeline expansion
- Gas processing facilities
- Storage terminals
- LNG infrastructure
- Marine logistics
- Industrial parks
- Private infrastructure financing

Investor insight:

Midstream infrastructure is one of the least saturated and most capital-intensive parts of Nigeria's energy sector, providing promising prospects for long-term institutional investors.

iv. Refining, petrochemicals, and downstream markets

Nigeria's downstream sector is undergoing structural transformation as increased private investment strengthens domestic refining capacity and reshapes petroleum product supply chains.

Alongside ongoing refinement efforts, emerging opportunities are appearing in sectors such as petrochemicals, fertilizers, lubricants, fuel storage, distribution networks, retail infrastructure, and petroleum logistics.

As domestic production grows, investors are more frequently evaluating integrated projects that can address both local and regional markets.

Investment drivers:

- Expansion of domestic refining capacity
- Petrochemical development
- Growing regional demand
- Improved market liberalisation
- Modernisation of storage and distribution infrastructure

Investor insight:

The downstream sector offers opportunities that extend well beyond fuel retailing, with growing potential for integrated industrial and export-oriented investments.

v. Energy services and technology

As the industry evolves, demand continues to grow for specialised technical, engineering and professional services supporting exploration, production, infrastructure development and regulatory compliance.

Digital technologies – including artificial intelligence, automation, predictive maintenance, remote asset monitoring, cybersecurity and data analytics – are increasingly important for improving operational efficiency across the energy value chain.

Investment drivers:

- Digital transformation
- Operational efficiency
- Local content development
- Asset optimization
- Technology-enabled field operations

Investor insight:

Technology is increasingly a key competitive advantage in Nigeria's energy sector, creating opportunities for service providers offering innovative, cost-efficient solutions.

vi. Energy transition and sustainable investment

Nigeria's energy transition strategy seeks to balance climate goals with economic growth and energy security. Instead of cutting hydrocarbon investments, the policy focuses on promoting cleaner production techniques and encouraging investment in low-carbon technologies and sustainable energy infrastructure.

Emerging opportunities encompass carbon capture and storage, methane emissions reduction, carbon markets, hydrogen development, renewable energy integration, sustainable finance, and environmental infrastructure.

Investment drivers:

- ESG investment strategies
- Carbon market development
- Climate finance
- Emissions reduction initiatives
- Clean technology deployment
- Sustainable infrastructure

Investor insight:

The energy transition is progressively opening complementary investment opportunities beyond traditional oil and gas projects, allowing investors to diversify their portfolios while advancing long-term sustainability goals.

Sector Attractiveness Snapshot

S/N	SECTOR	INVESTMENT OUTLOOK	PRIMARY OPPORTUNITIES
1	Upstream Oil & Gas	HIGH	Exploration, field redevelopment, acquisitions, production optimization.
2	Natural Gas & LNG	VERY HIGH	LNG, gas processing, pipelines, gas-to-power, industrial gas.
3	Midstream Infrastructure	VERY HIGH	Pipelines, terminals, storage, compression, logistics.
4	Downstream & Petrochemicals	HIGH	Refining, petrochemicals, storage, marketing, distribution.
5	Energy Services & Technology	HIGH	Engineering, digital solutions, automation, advisory services.
6	Energy Transition	HIGH GROWTH	Carbon markets, CCUS, hydrogen, ESG, climate finance.

Boardroom Perspective

Nigeria’s upcoming energy investments will focus less on standalone upstream projects and more on developing comprehensive value chains. Investors are increasingly looking for opportunities that combine production, infrastructure, processing, transportation, power generation, and downstream activities into a single, cohesive commercial ecosystem.

This evolution reflects a broader shift in Nigeria’s energy policy – from exporting raw hydrocarbons to maximising domestic value creation, industrial development and regional competitiveness.

For global investors, success in Nigeria will increasingly depend on identifying opportunities that align with these national priorities and on leveraging strategic partnerships, innovative financing structures and technology-driven solutions to unlock long-term value.

D. MARKET & INDUSTRY HIGHLIGHTS – THE TRANSACTIONS, PROJECTS AND TRENDS DEFINING NIGERIA'S ENERGY SECTOR IN 2026

Nigeria's energy sector remains active with ongoing government reforms, increased local involvement, infrastructure expansion, and revived investor confidence transforming the industry. Despite a constantly changing operating environment, recent events show increasing momentum throughout the upstream, midstream, and downstream parts of the petroleum value chain.

The following developments are among the most significant indicators of the direction of Nigeria's oil and gas industry.

i. Indigenous operators continue to reshape the upstream sector

In recent years, the transfer of strategic upstream assets from international oil firms to local operators has marked a major structural shift in Nigeria's petroleum sector. Successful divestments have increased domestic involvement in exploration, production, and field development, creating new avenues for investment, technical collaboration, and improved production efficiency.

As indigenous companies grow their operations, there will be higher demand for project finance, engineering services, drilling programs, digital technologies, and strategic alliances that support effective asset management and sustained production growth.

Market significance:

The Nigerian upstream industry is entering a new phase in which local companies are expected to play a larger role in maintaining production growth and attracting new investment.

ii. Natural gas continues to drive industry growth

Natural gas continues to play a key role in Nigeria's future energy strategies. Investments are growing in gas processing, transportation, LNG, domestic consumption, and industrial infrastructure, as government policies prioritize commercializing gas and securing energy supply.

Growing demand for cleaner fuels, industrial feedstock and electricity generation continues to strengthen the business case for long-term investment in gas infrastructure and in integrated gas projects.

Market significance:

Gas has evolved from a complementary petroleum resource into the primary driver of Nigeria's next phase of growth in the energy sector.

iii. Domestic refining capacity continues to expand

Nigeria's downstream sector is still transforming structurally, with more private investment boosting domestic refining capacity and enabling more value to be added locally.

The continued development of refining infrastructure is expected to improve product availability, strengthen supply-chain resilience, stimulate the petrochemical industry and reduce dependence on imported refined petroleum products over the long term.

Market significance:

A stronger domestic refining industry could transform Nigeria from a major importer of refined petroleum products into a more self-sufficient and regionally competitive refining hub.

iv. Midstream infrastructure development gains momentum

Investment in pipelines, gas processing facilities, storage terminals, marine logistics and associated infrastructure continues to grow in response to rising production targets and the country's expanding gas commercialisation agenda.

Infrastructure development remains central to unlocking stranded gas resources and to improving connectivity among production fields, industrial consumers and export markets.

Market significance:

Midstream infrastructure is emerging as one of Nigeria's most attractive long-term investment opportunities and will play a critical role in supporting future industry expansion.

v. Regulatory reforms continue to improve market confidence

The continued implementation of the PIA, together with broader fiscal and institutional reforms, has strengthened investor confidence by improving regulatory transparency, clarifying governance structures and modernising the operating environment.

Regulatory agencies continue to refine licensing, compliance and stakeholder engagement processes to improve efficiency and support sustainable industry development.

Market significance:

A more predictable regulatory environment enhances investment confidence and supports long-term capital allocation decisions.

vi. Technology and digital transformation are accelerating

Digital technologies are increasingly transforming petroleum operations across exploration, production, infrastructure management and regulatory compliance. Industry participants continue to invest in automation, predictive maintenance, artificial intelligence, cybersecurity and data-driven operational systems to improve efficiency and reduce costs.

At the regulatory level, digital platforms are also streamlining licensing processes, compliance monitoring and stakeholder engagement.

Market significance:

Technology is growing in importance as a competitive edge in Nigeria's energy sector and plays a vital role in achieving operational excellence.

vii. Sustainability and energy transition continue to shape investment decisions

ESG considerations continue to shape investment strategies across the energy sector. There is increasing emphasis on emissions reduction, methane management, carbon markets, sustainable financing and cleaner energy technologies, while recognising the continuing importance of oil and natural gas to Nigeria's economic development.

The integration of sustainability considerations into conventional petroleum projects is expected to become increasingly important as investors align their commercial objectives with global climate expectations.

Market significance:

Future energy investments will increasingly integrate commercial performance with environmental sustainability and responsible corporate governance.



S/N	Trend	Direction	Strategic Impact
1.	Indigenous participation	 Increasing	Greater local ownership and operational capacity
2.	Natural gas investment	 Strong growth	Expansion of domestic utilization and export opportunities
3.	Midstream infrastructure	 Accelerating	Improved market connectivity and value chain integration
4.	Domestic refining	 Expanding	Enhanced energy security and industrial development
5.	Regulatory certainty	 Improving	Increased investor confidence
6.	Digital transformation	 Accelerating	Greater efficiency and operational resilience
7.	ESG integration	 Strengthening	Improved sustainability and access to long-term capital

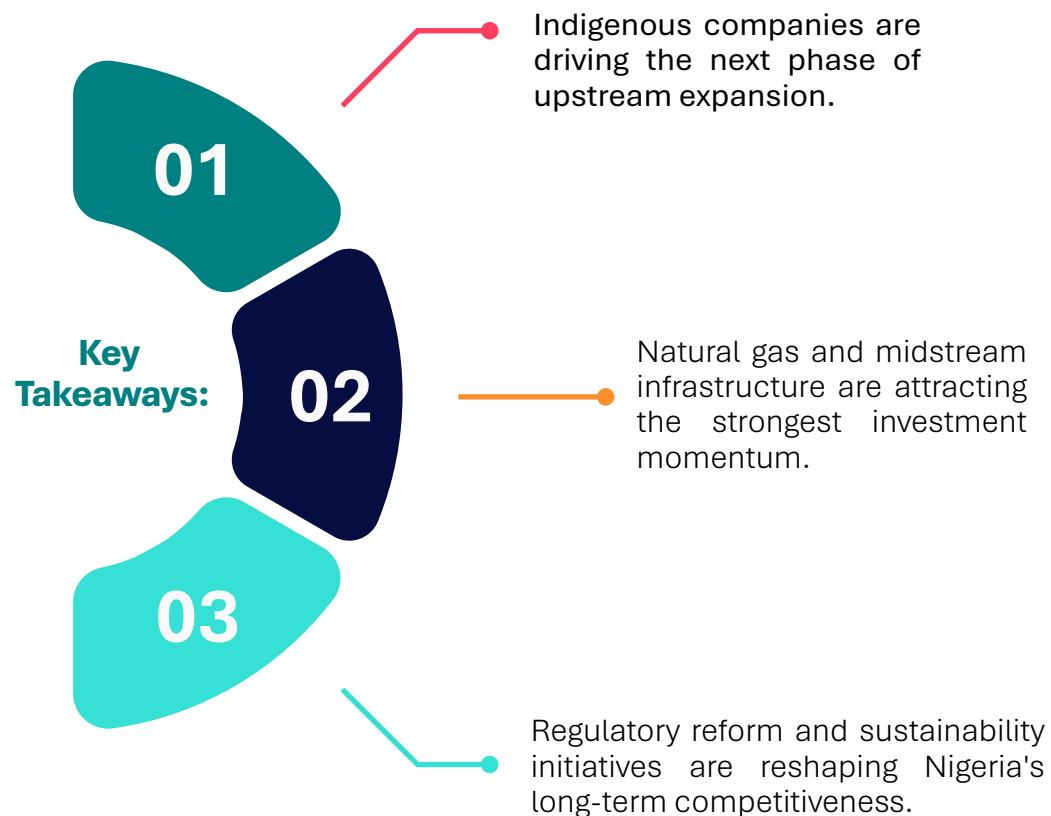
Boardroom Perspective

The changes influencing Nigeria’s energy industry go beyond standalone regulatory or commercial measures; they signify a broader structural shift within the sector.

The industry is shifting toward increased indigenous participation, stronger institutions, greater domestic value addition, expanded gas utilisation, and a more diverse investment landscape. At the same time, technology, sustainability, and integrated infrastructure development are becoming key drivers of competitiveness.

For investors and industry leaders, these developments underscore an important reality: Nigeria’s energy market is entering a new phase in which long-term value creation will depend not only on access to resources but also on the ability to navigate regulatory reforms, forge strategic partnerships, deploy innovative technologies and align investments with the country’s evolving energy priorities.

The trajectory of reform suggests that Nigeria is positioning itself not merely as a leading hydrocarbon producer but as a diversified energy economy capable of supporting investment across the entire petroleum value chain.



E. OUTLOOK – NIGERIA'S ENERGY FUTURE: THE NEXT PHASE OF GROWTH

Nigeria's oil and gas industry is entering a defining period of transformation. The convergence of regulatory reforms, fiscal modernisation, expanding indigenous participation, increased private-sector investment and a renewed focus on natural gas is laying the foundation for a more competitive, resilient and investment-oriented energy sector.

Although implementation challenges remain, the strategic direction is increasingly clear. Government policy is focused on improving the ease of doing business, attracting long-term capital, increasing hydrocarbon production, strengthening domestic energy security, and positioning Nigeria as a leading energy hub for Africa.

For investors, the question is no longer whether opportunities exist, but where long-term value is most likely to be created.

Five (5) Themes That Will Shape Nigeria's Energy Industry

01

Natural gas will continue to define the growth story

Natural gas is expected to remain the cornerstone of Nigeria's long-term energy strategy. Continued investment in gas processing, transport, LNG, industrial use, domestic distribution and gas-to-power infrastructure is likely to shape the industry's next phase of expansion.

As global demand for cleaner energy sources evolves, Nigeria's extensive gas reserves offer a strategic advantage that can support both domestic economic development and international energy security.

02

Indigenous companies will become increasingly influential

The growing participation of indigenous operators is expected to reshape the structure of Nigeria's upstream petroleum industry.

As these companies expand production and assume responsibility for larger asset portfolios, demand will continue to grow for project finance, technical expertise, engineering services, digital technologies and strategic partnerships that support efficient asset development and long-term operational sustainability.

03

Infrastructure will become the industry's greatest enabler

Future industry growth will depend not only on resource availability but also on the infrastructure needed to commercialise those resources efficiently.

Investment in pipelines, gas-gathering systems, storage facilities, export terminals, marine logistics, processing plants, refining infrastructure and integrated energy corridors will remain essential to realising Nigeria's full energy potential.

04

Technology will drive competitiveness

Digital transformation is expected to become increasingly central to exploration, production, infrastructure management and regulatory administration.

Artificial intelligence, advanced analytics, automation, predictive maintenance, remote monitoring and cybersecurity will continue to improve operational efficiency, reduce costs and enhance asset reliability.

Companies that successfully integrate technology into their operations are likely to enjoy greater long-term competitiveness.

05

Sustainability will become a core business imperative

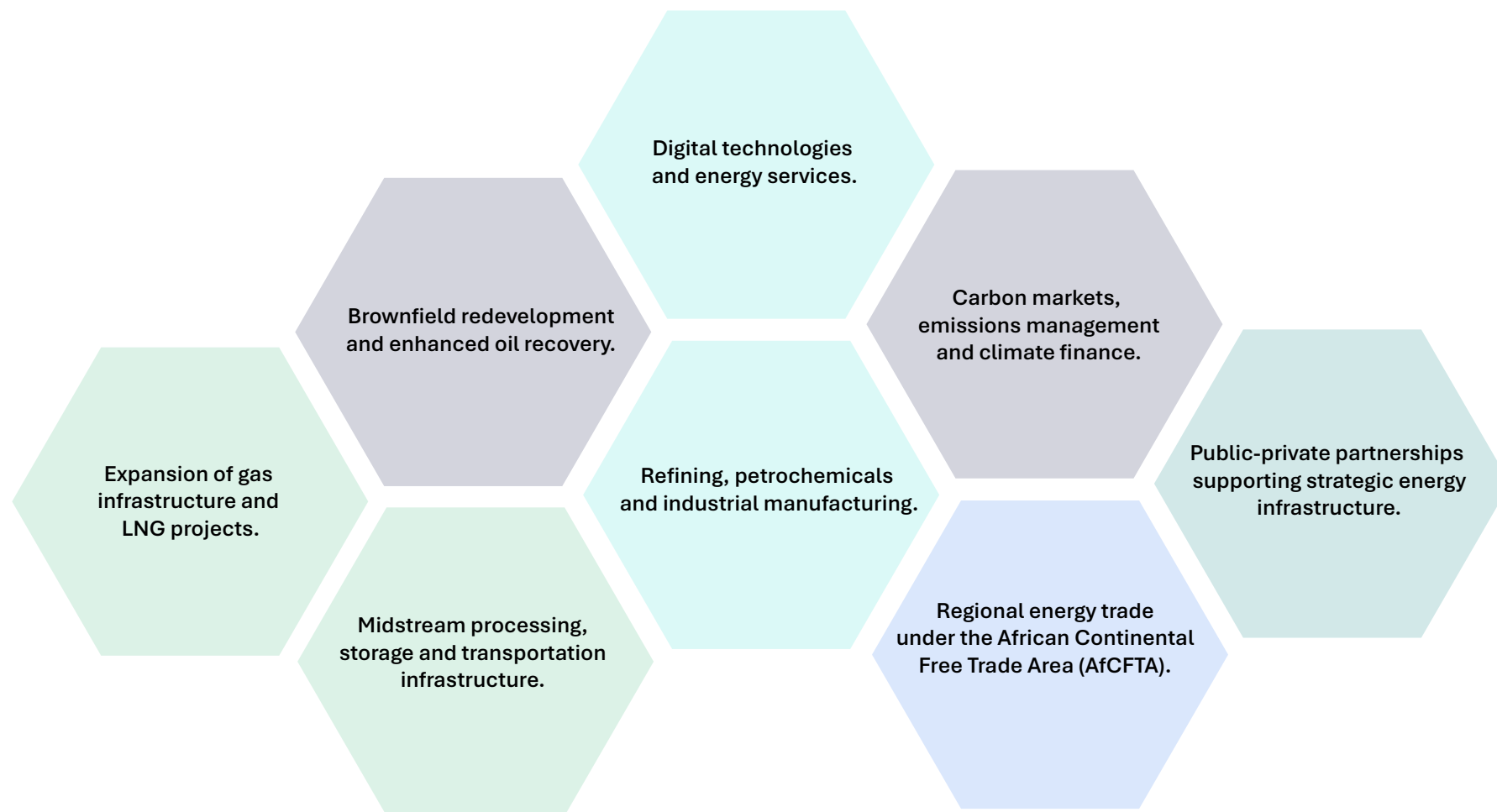
Environmental sustainability is expected to become an increasingly important consideration across project development, financing and corporate governance.

Rather than replacing hydrocarbons, Nigeria's energy transition strategy aims to promote responsible resource development while supporting emissions reduction, cleaner technologies, carbon markets, sustainable finance and broader ESG objectives.

Future investment decisions are therefore likely to integrate commercial performance with environmental stewardship and social responsibility.

F. OPPORTUNITIES ON THE HORIZON

Looking ahead, several areas are expected to attract increasing investor attention:



Collectively, these opportunities reinforce Nigeria's position as one of Africa's most diversified energy investment destinations.

G. NAVIGATING THE OPPORTUNITIES

As the industry evolves, successful investment will depend not only on access to capital but also on a clear understanding of Nigeria's legal, regulatory and commercial landscape.

Investors will increasingly require multidisciplinary advice covering project development, financing, mergers and acquisitions, regulatory approvals, fiscal compliance, local content, environmental obligations, dispute resolution and stakeholder engagement.

Early engagement with regulators, robust governance structures and carefully designed commercial arrangements will remain critical to managing project risks and delivering sustainable long-term value.

Boardroom perspectives

Nigeria's energy industry stands at a pivotal moment. The country has the resource base, market scale, institutional framework and policy ambition to strengthen its position as one of the world's most important emerging energy markets.

The success of the current reform agenda will ultimately depend on consistent implementation, regulatory certainty, infrastructure development and sustained collaboration between government and the private sector. If these elements continue to advance in tandem, Nigeria is well placed to unlock substantial new investment, accelerate industrial development and reinforce its role as a strategic energy supplier to domestic, regional and global markets.

For global investors, the opportunity extends beyond participation in individual projects. It lies in contributing to the transformation of an energy economy increasingly focused on value creation, innovation, sustainability and long-term competitiveness.



H. CONCLUSION

Nigeria's oil and gas industry is entering a new chapter, defined not only by abundant natural resources but also by purposeful reform, institutional evolution and a growing private-sector presence. The transition from policy reform to sustained implementation will be critical, but the direction of travel is encouraging.

As Africa's largest economy and one of the continent's most significant energy producers, Nigeria offers compelling opportunities across the upstream, midstream and downstream value chains. From natural gas and LNG to refining, petrochemicals, infrastructure, digital technologies and energy transition initiatives, the scale of investment opportunities continues to grow.

At Brooks Partners, we are proud to partner with governments, international investors, financiers, developers and energy companies to navigate this evolving landscape. Our multidisciplinary Energy Practice combines deep sector knowledge with practical commercial insight to support clients throughout the full lifecycle of energy projects – from market entry and regulatory strategy to project development, financing, operations, restructuring and dispute resolution.

As Nigeria's energy sector continues to transform, we remain committed to helping clients anticipate change, manage complexity and unlock opportunities in one of Africa's most dynamic investment destinations. We look forward to partnering with stakeholders to shape the next chapter in Nigeria's energy future.



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