



ENDING GAS FLARING IN THE NIGER DELTA — WHY IS THE NIGERIAN GOVERNMENT CONTINUALLY SHIFTING THE GOAL POST?

by Francis Igho Erhiakporeh

The debate on gas flaring in Nigeria dates as far back as when the Nation joined the ranks of oil producing Countries in 1958, when its first oil field came on stream, producing 5,100 barrels per day. As far back as 1960, there were already concerns expressed about the dangers of flaring gas, and the need to put same in check. Following these concerns, the Government fixed the initial deadline for ending gas flaring for January 1984. That target was never achieved and over the years, it has been shifted successively to 2007, 2008, 2010 and 2020. Here we are now, midway into the 2020 deadline and nowhere near achieving conclusion.

Data from the Nigeria Ministry of Environment indicate that oil companies in Nigeria flare over 313.0m scf of gas annually, which results in about 16.5m tonnes of CO₂ emitted into the atmosphere. This is without prejudice to the effort of the Nigerian LNG Limited which is the Nation's arrowhead in the attempt to curb gas flaring, as it is reported to have helped reduce Nigeria's gas flaring profile from 65.0% to below 25.0%. However, Nigeria remains among the top gas flaring countries in the World. The World Bank's Global Gas Flaring Reduction Partnership recently ranked Nigeria as the 6th largest gas flaring country globally.

It is arguable that gas flaring is inevitable in any oil field that has gas associated with the crude extracts from those oil fields. Under such circumstances, the associated gas is usually vented or flared in order to avoid uncontrollable build-up of pressure within such platforms. It is common practice for flares from oil fields to be lit occasionally and then put off until the pressure mounts again, during expropriation activities. However, it has been reported that the gas furnaces that have ravaged the Niger Delta are not out to relieve pressure from the oil fields in the affected areas. They are simply lit to waste the gas, because no one cares to complain over the waste or poisonous fumes emanating from such oil fields.

Some oil companies, rather than flare the gas way up into the atmosphere to prevent the pollution of the air directly inhaled by inhabitants of host communities and environs, negligently flare the gas into the earth surface confined only by concrete earthing perimeter built to contain the fire from spreading beyond the perimeter. The implication is that these inhabitants, in addition to the destruction of their source of livelihood, inhale air already contaminated by uncontrolled gas flaring. Apart from the negative impact of gas flaring on host communities, gas flaring is also a source of major economic loss to Nigeria. Nigeria is reported to have lost potential income estimated at US\$ 770.0m (₦281.1bn) to gas flaring in 2016 alone.

The Federal Government in its usual ostrich-with-its-head-buried-in-sand approach, signed into law the Flare Gas (Prevention of Waste and Pollution) Regulation, 2018. This Regulation, in a classic give-with-one-hand-and-take-back-with-the-other, purports to prohibit gas flaring. However, the Regulation allows for gas to be flared, provided a permit is obtained from the President who doubles as the Minister of Petroleum, and a fine not exceeding \$2.0 (approximately ₦700 depending on the prevailing exchange rate) per 1000 scf of gas flared is paid, in the case of an oil company producing more than 10,000 bpd. Whilst a company producing less than 10,000 bpd shall be liable to a flare payment of \$0.5 (less than ₦200) per 1000 scf of gas flared.



Curiously, the relevant government agencies are unable to ascertain the level of gas being flared by the oil companies. The oil companies are the determinants of the volume of gas flared by them. In effect, it is what the oil companies report that qualifies as the volume of gas flared.

The 2018 Regulations provide penalties for failure to disclose the exact quantity of gas flared. However, because these companies make outrageous amounts of money from oil exploration, it will be foolhardy for them to under-report the amount of gas flared by them, when they can easily pay the paltry fine attached to gas flared by them without ever having to under-report same.

Given the very obvious dangers to the environment and human health occasioned by gas flaring, the question that begs for answer is: why is the Nigerian government continually shifting the deadline to end gas flaring in Nigeria since 1984?

The question becomes even more agitating when you realize that expropriation of crude oil is achievable with minimal flaring of gas or without flaring gas at all. The only reason it would seem most of the oil companies continuously flare gas rather than toe the path of reinjecting same or channelling it into more productive use, is down to the cost of acquiring the needed equipment and/or facility to trap the gas with a view to using same for more productive venture.

Apparently, the cost of acquiring the needed equipment/facilities to trap gas rather than flare it is too much of a sacrifice to make even after over 60 years of oil exploration. The opportunity cost seems to be the welfare and wellbeing of the millions of people in host communities whose lives and means of livelihood are being destroyed by the constant flaring of gas.

Perhaps, it makes sense to keep flaring the gas so long as the monies keep flowing in and the wheel of the economy is constantly greased, regardless of the cost to lives and the environment being devastated. If there were ever any doubts, it is now obvious that the 2020 deadline set by the Federal Government to end gas flaring in Nigeria was merely hot air not backed by political will. Whilst it is hoped that the Nigerian Government, being a signatory to the Global Gas Flaring Partnership (GGFP) principles aiming at a flare-out date of 2030, will not in its shifting spree, shift the deadline to end gas flaring in Nigeria beyond 2030, however, going by the antecedent of previous unachieved deadlines, it is safe to say that gas flaring will not be over in Nigeria until the gas flaring actually stops.

References

Gas Flaring: A never ending dark tunnel - published on Nairametrics on February 18, 2020, by CSL Stockbrokers.

Nigeria: 35 years After Gas Flare Ban, Nigeria 2020 Deadline unattainable. Published on Daily Trust on November 27, 2019 by Nnimmo Bassey.