



**UDO UDOMA &
BELO-OSAGIE**
OIL & GAS SYNOPSIS

**MINISTERIAL REGULATIONS
ON NIGERIAN CONTENT:
An Overview of the
Regulation for the
Registration of Oil & Gas
Professionals with
Nigerian Professional Bodies**



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Overview

Industry analysts forecast a positive turn for Nigerian oil and gas in 2023, with onshore volume recovery, incremental growth from shallow water projects, and discernible increases in onshore drilling activity set to potentially offset recent dips in oil production and concerns around energy security.

These and other trends and developments signal the emergence of significant indigenous players, including certain strategic alliances with international partners. The emerging opportunities and the structuring and compliance considerations that they raise align with transformative market developments, including the enactment of the Petroleum Industry Act; the expected deregulation of the downstream sector; the successful disposal of 57 marginal fields; the implementation of gas policy; increasing investments in gas infrastructure; ongoing bid rounds for flare gas commercialisation; and an upcoming deep offshore mini bid round for seven offshore blocs recently announced by the Nigerian Upstream Petroleum Regulatory Commission.

Since the Nigerian Oil & Gas Industry Content Development Act in April 2010 (NOGICDA), the practical implications of implementing minimum mandatory indigenisation prescriptions while balancing local content capacity gaps remain highly topical in an era of petroleum industry transformation fuelled by extensive regulatory reform and market diversification.

This overview of the Ministerial Regulations for the Registration of Oil and Gas Professionals with Nigerian Professional Bodies is part of a 7-part series that highlight key features and regulatory compliance requirements with business structuring, investment, contracting, transactional, and operational implications for existing and prospective participants in the Nigerian oil and gas industry.

The regulations were developed by and under the supervision of the Nigerian Content Development and Monitoring Board based on its interpretation of the NPGICDA and practice and issued by the Nigerian Minister of State for Petroleum (MOSP) with the expressed objective of clarifying and providing pragmatic strategies for the consistent implementation and enforcement of the Nigerian Content.

Follow #UUBOOilandGas, our Udo Udoma & Belo-Osagie social media pages, and our website at www.uubo.org for other team publications and to read our synopses of the other Ministerial Regulations: the Regulation for the Further Growth of Indigenous Capacity; the Regulation for the Establishment of Operations in Nigeria; the Regulation for Training in the Oil and Gas Industry; the Nigerian Oil and Gas Industry Technology Transfer Regulation; the Nigerian Oil and Gas Research and Development Regulation; and the Nigerian Oil and Gas Industry Enforcement and Compliance Regulation.

Introduction

Exercising statutory powers conferred by section 42 of the NOGICDA, which empowers the Minister to make regulations that require operators and companies, as well as any professional employees engaged in providing engineering and other professional services in the Nigerian oil and gas industry, to register with relevant professional bodies in Nigeria, the MOSP issued the Regulations for the Registration of Oil and Gas Professionals with Nigerian Professional Bodies (the “Regulations”) on 26th February 2021.

In addition to its capacity-building objectives, the Regulation seeks to standardise, ensure the conformity of professional certifications with the minimum requirements of Nigerian professional bodies and to promote the engagement by operators and service providers of (local and foreign) professionals who are duly certified in their appropriate fields by relevant professional bodies in Nigeria.

Which entities and persons must register?

‘Professionals’ are defined as persons or companies having competence or belonging to a profession requiring a higher level of skills acquisition, specialised training and proficiency, which is a result of examinations taken in conjunction with a course of training approved by relevant educational regulatory bodies.

A non-exhaustive list of Professionals is indicated in the First Schedule to include local and expatriate accountants, architects, auditors, economists, engineers, geographers, legal practitioners, medical practitioners, pharmacists, secretaries, surveyors and town planners, and such others as may be designated from time to time.

The Regulations require that all petroleum industry operators, companies, and the employees engaged by them that provide designated ‘Professional’ engineering or other services must register with their relevant professional bodies in Nigeria in accordance with timeframes prescribed under applicable laws.

Expatriate Professionals and operators intending to operate in the Nigerian petroleum industry must register with the relevant Nigerian professional bodies within 90 days of arrival in Nigeria.

Implications for Expatriate Quota Approval and Nigerian Content Compliance Certificate (NCCC) Applications

Operators and companies in the industry and their professional employees must register with the relevant professional bodies in accordance with applicable laws.

Operators, companies and Professional employees must submit evidence of their registration with Nigerian professional bodies to the Nigerian Content Development and Management Board via the NOGIC JQS platform, within 30 days of registration or of the commencement of operations (for companies and operators) or of employment (for employees).

Evidence of registration is a condition for obtaining or renewing expatriate quota position approvals and for the issuance of Nigerian Content Compliance Certificates that certify approved scope of work details, agreed Nigerian Content prescriptions, commitments and delivery strategies for oil and gas projects.

Liaison with professional bodies and Supervision by the NCDMB

All operators and companies in the industry must submit evidence of registration with the relevant professional bodies, together with certified copies of constitutional or analogous governing documents and the biodata of all Professionals (directors or principal officers).

The NCDMB may conduct due diligence investigations to verify the information presented and may liaise with the relevant professional bodies to ensure strict compliance with, and enforcement of, the Regulations.

Sanctions and Enforcement

The NCDMB is empowered to enforce the Regulations. Breaches, including obtaining registration by fraud, misrepresentation, false declaration or false evidence or making of false statements, could lead to possible fines, sanctions, and penalties under paragraph 21 of the Enforcement and Compliance Regulations 2021, section 68 of the NOGICDA and section 125A of the Criminal Code Act and the corresponding section in the Penal Code. Penalties for breach include a fine equivalent to 5% of the value of the contract in which the violation occurred, outright cancellation of the project, or one year's imprisonment.

*This update has been provided by **Folake Elias-Adebowale, Markanthony Ezeoha, Idorenyin Umoh, and Elo Adhekpukoli** of the Oil & Gas team at Udo Udoma & Belo-Osagie. For more information about our Oil & Gas practice group offerings, please visit our website at www.uubo.org or email us at ogteam@uubo.org.*

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