



**UDO UDOMA &
BELO-OSAGIE**

OIL & GAS INDUSTRY ALERT

**LAUNCH OF THE NIGERIAN
MIDSTREAM AND DOWNSTREAM
INDUSTRY OIL AND GAS SERVICE
PERMIT PORTAL SYSTEM**



The Petroleum Industry Act 2021 (the **PIA**) vests the Nigerian Midstream and Downstream Regulatory Authority (**The Authority**) with responsibility for the technical and commercial regulation of midstream and downstream petroleum industry operations, including the issuance of licences to midstream and downstream sector participants.

In keeping with sections 32(11) and 218 of the PIA, the Authority, by a Circular dated 23rd March 2023, has launched a digital application portal system for the grant of two categories of Midstream and Downstream Industry Oil and Gas Service Permits (**MDOGISPs**) to sector service providers.

The MDOGISPs and the portal system replace the broader-focused Oil and Gas Industry Service Permits (OGISPs) and portal regime regulating the upstream, midstream, and downstream activities that were previously administered by the defunct Department of Petroleum Resources (DPR).

With effect from 31st March 2023, it is now mandatory for companies rendering services in the midstream and downstream sectors including the wholesale gas suppliers, gas processing companies, domestic gas aggregators, petroleum liquid transporter operators, Wholesale petroleum liquid suppliers, bulk gas storage companies, LPG or CNG Bulk cylinder operations, etc to register, apply for, and obtain the relevant permit(s) on the MDOGISP portal system.

The failure to obtain valid permits through the platform attracts penalties under the Midstream and Downstream Petroleum Regulations 2023) including sealing of premises, imposition of fines (ranging from ₦500,000 to \$1,000,000), destruction of facility, confiscation of equipment and materials, etc.

The Authority's launch of the MDOGISP portal system should help to enhance and to streamline the permit application, tracking and issuance process, reduce paperwork and bureaucracy, improve transparency and enhance communication between companies and regulators. Reporting and compliance requirements will also enhance regulator capacity to track and meeting permit conditions. The MDOGISP Portal platform can be accessed at www.mdogisp.mndpra.gov.ng.

While the PIA requires the Authority to recommend refinery licences to the Minister for Petroleum, the Authority's launch of the MDOGISP is a definitive substantive step signalling the implementation of the PIA and its continuing transformative impact, particularly the implementation concurrently with its issuance and the publication in the Federal Gazette of six new Gazetted regulations for the midstream and downstream sector, namely, Midstream Gas Flare Regulation, Assignment or Transfer of Licence and Permit Regulations, Midstream and Downstream Petroleum Operations Regulations, Gas Pricing and Domestic Demand Regulations, Gas Distribution Systems Regulations, Midstream and Downstream Penalties and Enforcement Mechanisms Regulations.

*This update has been provided by **Folake Elias-Adebowale and Idorenyin Umoh** 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.*