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## TEMPLARS Transcripts: Energy & Natural Resources Digest

### Nigeria

#### Oil and Gas

- **NUPRC Issues Guidelines for Advance Cargo Declaration**

On 17 June 2025, the Nigerian Upstream Petroleum Regulatory Commission ("**NUPRC**") published guidelines for implementing the Advance Cargo Declaration Regulation, 2024. The Guidelines apply to all crude oil, gas, and petroleum product exports under PIA-regulated leases and licences.

Exporters must:

- Obtain export permits, vessel clearance, and a Unique Identification Number ("**UIN**") through designated platforms;
- Ensure the UIN is reflected on all export documentation;
- Pay a clearance and processing fee of US\$0.03 per barrel.

Rejected applications may be resubmitted, and revisions may be made with a US\$100 fee. Final certificates will be uploaded by the NUPRC within 24 hours of loading.

TEMPLARS published a client alert examining the impact of the guidelines in Nigerian oil and gas operations. Read here: [Client-Alert Nigeria-Operationalises-New-Advance-Cargo-Declaration-Guidelines-.pdf](#)

- **NUPRC Issues Commercial Regulations for Upstream Sector**

The NUPRC has released the Nigerian Upstream Petroleum (Commercial) Regulations, 2025, pursuant to Section 8 of the Petroleum Industry Act 2021. The Regulations seek to enhance transparency and predictability in upstream operations by standardizing cost estimates and enforcing strict reporting timelines.

Highlights include:

- Mandatory inclusion of Class 3 cost estimates (-10%, base, +20%) in field development plans;
- Annual Work Programme and Status Reports due between 15 October and 16 November each year;
- Half-yearly reporting obligations and regulatory benchmarking; and
- Authority for the Commission to request commercial agreements with third parties

- **NUPRC Introduces Interim Framework for Fees and Rents**

The NUPRC has issued the Upstream Petroleum Fees and Rents (Temporary) Regulations, 2025. The framework, effective for six months from 5 May 2025 (renewable for another six months), is intended to enhance predictability and stakeholder confidence.

Key provisions include:

- Fees and rents tied to surface acreage and lease duration;
- Advance annual payment requirement, irrespective of lease termination; and
- Minimum renewal bonus of USD 1,000, calculated from projected after-tax cash flows.

The Temporary Regulations introduce a clearer, time-bound fee structure that links payments to acreage and lease terms.

- **Federal Government Introduces Cost Efficiency Incentives**

The Federal Government of Nigeria ("FG") has signed into law the Upstream Petroleum Operations (Cost Efficiency Incentives) Order, 2025 via Statutory Instrument No. 22 of 2025. The Order, effective from 30 April 2025 to 31 May 2035, is designed to encourage fiscal discipline and promote efficiency across the upstream oil and gas value chain.

Operators who meet cost reduction benchmarks set by the NUPRC will qualify for performance-based tax credits capped at 20% of annual tax liability. Additionally, 50% of the government's incremental fiscal gains from cost savings will be shared with compliant operators.

## Nigeria Upstream Regulation



### Advance Cargo Declaration Guidelines (17 Jun 2025)

- Steps to compliance: Permit → Vessel clearance → UIN on docs
- Fees: US\$0.03/barrel; resubmissions US\$100



### Commercial Regulations (2025)

- Field development plans: "Class 3" estimates (-10%/+20%)
- Reporting deadlines: AWPS (15 Oct–16 Nov), half-yearly briefs



### Fees & Rents (Temporary, 5 May–4 Nov 2025)

- Acreage-based fees; advance annual payment; ₦1,000 minimum bonus



### Cost-Efficiency Incentives Order (30 Apr 2025–31 May 2025)

- Tax credits up to 20% for meeting benchmarks
- 50% of fiscal gains shared with operators

## POWER

### • LASERC Issues Order Regulating Lagos Electricity Market

On 6 June 2025, following the commencement of the Lagos State Electricity Law, 2024, and the formal establishment of the Lagos State Electricity Regulatory Commission (LASERC), the Commission issued Order/001/2025 requiring all electricity market participants in Lagos to obtain new operating licences from LASERC. The Order mandates the immediate cessation of unlicensed electricity activities, with non-compliance attracting a ₦20 million fine and a daily penalty of ₦20,000.

TEMPLARS published an article where the legal and market implications of this regulatory shift are examined. Read here: [NEW-LAGOS-ELECTRICITY-ORDER.pdf](#)

## Renewable Energy and Energy Transition

### • Nigeria Signs €20 Million Energy Transition Deal with Germany

On 18 June 2025, the Federal Government of Nigeria signed a €20 million agreement with the German government to support renewable energy development and vocational training.

The initiative is co-facilitated by the KfW Development Bank and the Africa Enterprise Challenge Fund and is aimed at strengthening local capacity in clean energy technologies and skills development. The agreement supports Nigeria's energy transition by combining funding for renewable infrastructure with skills development. It is expected to boost local capacity, create jobs, and accelerate adoption of clean energy solutions.

### • TCN Establishes Committee to Implement Power Sector Recovery Plan

On 17 June 2025, the Transmission Company of Nigeria (TCN) inaugurated its Performance Improvement Plan/Power Sector Recovery Operation (PIP/PSRO) Committee.

The Committee is to be responsible for identifying transmission network bottlenecks and supervising the implementation of sector recovery initiatives under the NERC-mandated PIP/PSRO-AF programme.

The initiative reflects a coordinated push to address longstanding grid inefficiencies. By targeting transmission constraints, the Committee is expected to improve grid reliability, reduce energy losses, and support broader power sector recovery goals.

- **REA and FCMB Announce ₦100 Billion Loan Facility for Mini-Grids**

The Rural Electrification Agency ("REA") and First City Monument Bank ("FCMB") have entered into a ₦100 billion loan facility agreement to finance renewable mini-grid projects across Nigeria. The partnership falls under the World Bank-supported Distributed Access through Renewable Energy Scale-up (DARES) programme. Key features include:

- FCMB providing revolving loans of up to ₦1 billion per eligible developer;
- REA maintaining a reserve account to enable performance-based grants and reduce credit risk;
- A dedicated "Deal Room" platform to streamline engagement between developers, REA, and FCMB.

The aim of this facility is to enhance access to affordable finance for mini-grid developers and strengthens investor confidence in the off-grid energy sector. By blending commercial lending with grant-based de-risking, the programme is expected to accelerate rural electrification and drive scale in Nigeria's renewable energy market.

## Ghana

### Oil And Gas

- **Tema Oil Refinery to Resume Operations**

The Tema Oil Refinery ("TOR") has announced plans to resume crude oil refining operations by October 2025, following a four-year hiatus. The refinery, which ceased operations in 2021, is undergoing phased recommissioning of its key units. The Crude Distillation Unit (CDU) is expected to come online between September and October 2025, with the Residue Fluid Catalytic Cracker (RFCC) anticipated to restart by December 2025 or early 2026.

A fully operational TOR is expected to significantly reduce Ghana's reliance on imported petroleum products, which currently cost the country an estimated \$400 million monthly.

- **Oil License Extensions to Boost Production**

On 25 June 2025, the Government of Ghana signed a Memorandum of Understanding (MoU) with Tullow Oil, Kosmos Energy, PetroSA, GNPC, and GNPC Explorco to extend the production licences for the Jubilee and TEN oil fields until 2040. These licences were originally due to expire in 2034 and 2036 respectively.

The MoU maintains the existing fiscal terms under the Petroleum Agreements and allows for the drilling of up to 20 new wells in the Jubilee field, with an investment of up to \$2 billion envisaged for the extension period. Additional provisions include:

- Increase of gas supply to 130 mmcfd from 100 mmcfd;
- A revised pricing structure for associated gas from the Jubilee field, with a guaranteed reimbursement mechanism; and
- Institutional development support for GNPC and the Petroleum Commission.

- **Implementation of Revised Petroleum Levy Postponed**

The Ghana Revenue Authority (GRA) has announced the indefinite postponement of the revised levy rates on petroleum products under the Energy Sector Levies (Amendment) Act, 2025 (Act 1141). The new levy, which was intended to increase the Energy Sector Shortfall and Debt Repayment Levy, was initially scheduled to take effect from 16 June 2025.

Following stakeholder consultations, the Minister of Finance has directed the GRA to defer implementation until further notice. The revised levy framework was introduced under a certificate of urgency and enacted on 3 June 2025.

***If you require any further clarification, do not hesitate to contact us.***