Extraordinary

Federal Republic of Nigeria Official Gazette

No. 107 **Lagos - 14th June, 2023** **Vol. 110**

Government Notice No. 72

The following is published as supplement to this *Gazette* :

S. I. No.	*Short Title*	*Page*
34	MIdstream and Downstream Petroleum Environmental Regulations, 2023	B801-822

Printed and Published by The Federal Government Printer, Lagos, Nigeria
FGP 100/62023/350

Annual Subscription from 1st January, 2023 is Local : ₦50,000.00 Overseas : ₦65,000.00 [Surface Mail] ₦80,000.00 [Second Class Air Mail]. Present issue ₦3,000 per copy. Subscribers who wish to obtain *Gazette* after 1st January should apply to the Federal Government Printer, Lagos for amended Subscriptions.

B 800

PETROLEUM INDUSTRY ACT, NO. 6, 2021

MIDSTREAM AND DOWNSTREAM PETROLEUM ENVIRONMENTAL REGULATIONS, 2023

ARRANGEMENT OF REGULATIONS

Regulation :

PART I — OBJECTIVES AND APPLICATION

1. Objectives
2. Application

PART II — ENVIRONMENTAL MANAGEMENT SYSTEM

3. Establishment of Environmental Management System
4. Environmental Management Reviews
5. Periodic environmental audits
6. Evaluation and reporting of environmental management performance
7. EMS as an environmental basis for license or permit renewal

PART III — ENVIRONMENTAL STUDIES AND ASSESSMENT

8. Environmental study
9. Studies to be conducted by the licensee or permit holder
10. Studies or assessments to be prepared by accredited persons
11. Mandatory approvals for environmental studies or assessment

PART IV — ENVIRONMENTAL MANAGEMENT PLAN

12. EnvironmentalManagement Plan
13. EMP to be prepared by accredited persons
14. Submission of an EMP
15. Approval of EMP
16. Revision of an approved EMP

PART V — MIDSTREAM AND DOWNSTREAM PETROLEUM WASTE MANAGEMENT

17. Waste Management Plan (WMP)
18. Produced Formation Water (PFW) management
19. Point source registration

PART VI — CLIMATE CHANGE

20. Green House Gas (GHG) management
21. Management of methane emission

PART VII — LABORATORY OPERATIONS

22. Accreditation of laboratories
23. Performance evaluation of laboratories

PART VIII — INDUSTRY CHEMICAL AND PRODUCT CERTIFICATION

24. Certification of industry chemicals and products
25. Toxicity tests of industry chemicals and products

PART IX — EMERGENCY RESPONSE AND POLLUTION ABATEMENT

26. Spill or Release Contingency Planning (SRCP)
27. Mystery spills
28. Spill or release reporting, investigation and clean-up
29. Liability and documentation of spills
30. Remediation and restoration of impacted area
31. Use of spill management and remediation chemicals or products

PART X — NON-COMPLIANCE AND PROCEDURE FOR SANCTION

32. Notice of non-compliance with environmental obligations
33. Conflict resolution
34. Fees
35. Offences and penalties
36. Authority to issue guidelines and directives
37. Interpretation
38. Citation

SCHEDULES

S. I. No. 34 of 2023

PETROLEUM INDUSTRY ACT, NO. 6, 2021

MIDSTREAM AND DOWNSTREAM PETROLEUM ENVIRONMENTAL REGULATIONS, 2023

[10*th Day of May*, 2023] Commencement

In exercise of the powers conferred on it by sections 32 (*bb*), 103, 113 (6), and 304 (3) of the Petroleum Industry Act, 2021 ("Act") and all other powers enabling it in that behalf, the Nigerian Midstream and Downstream Petroleum Regulatory Authority ("Authority") makes these Regulations —

PART I — OBJECTIVES AND APPLICATION

Objectives

1. The objectives of these Regulations are to —

(*a*) regulate, monitor and enforce health and environmental measures relating to midstream and downstream petroleum operations ;

(*b*) provide for environmental standards to be observed during midstream and downstream petroleum operations ;

(*c*) outline the duties of licensees and permit holders to whom these Regulations apply ; and

(*d*) provide sanctions and administrative penalties for failure to comply with these Regulations.

Application

2. These Regulations shall apply to activities connected with environmental operations in the midstream and downstream petroleum industry.

PART II — ENVIRONMENTAL MANAGEMENT SYSTEM

Establishment of Environmental Management System

3. A licensee or permit holder shall establish an Environmental Management System (EMS) for its petroleum operations, which shall conform to guidelines issued by the Authority.

Environmental Management Reviews

4. A licensee or permit holder shall conduct regular Environmental Management Reviews (EMR) and verifications to evaluate the status and adequacy of its EMS in relation to environmental issues, regulations and changing circumstances.

Periodic environmental audits

5. A licensee or permit holder shall conduct periodic environmental audits to facilitate management control of environmental practices and to assess compliance with the EMS and regulatory requirements.

Evaluation and reporting of environmental management performance

6. A licensee or permit holder shall evaluate and report performance of the management of its environmental aspects in the format set out in guidelines issued by the Authority.

EMS as an environmental basis for license or permit renewal

7. Where a licensee or permit holder intends to renew a license or permit, compliance with the established EMS shall form the environmental basis for the renewal.

PART III — ENVIRONMENTAL STUDIES AND ASSESSSMENT

Environmental study

8. A licensee or permit holder shall conduct an environmental study to evaluate the impact of activities or operations —

(*a*) prior to the implementation of a new project ;

(*b*) while operating an existing facility ;

(*c*) after the occurrence of an incident such as a spill ; and

(*d*) for special activities in midstream and downstream petroleum operations as directed by the Authority.

Studies to be conducted by the licensee or permit holder

9.—(1) A licensee or permit holder shall, in accordance with guidelines issued by the Authority, conduct —

(*a*) Project Concept Screening (PCS) study prior to adopting a project concept or option, and every concept or option shall be environmentally screened, and the outcome of the screening shall influence the decision on the choice of concept or option ;

(*b*) Preliminary Environmental Risk Assessment (PERA) study on the selected project concept or option to assess for potential significant and adverse environmental effects ;

(*c*) Environmental Evaluation Study (EES) —

(*i*) every five years from the date of commencement of operations of the facility as part of compliance measures,

(*ii*) where the Authority considers it necessary based on the impact of the licensee or permit holder's operations on the environment and where there is paucity or limited data on the environment,

(*iii*) prior to decommissioning and abandonment of a facility, the licensee or permit holder shall be required to conduct and obtain approval of an EES specific to the decommissioning and abandonment programme, as prescribed in the guidelines issued by the Authority, and

(*iv*) such that all EES reports contain functional chapters on EMP, with appropriate schedules of implementation ; and

(*d*) a Post Impact Assessment (PIA) study —

(*i*) where the Authority requires a licensee or permit holder to do so after any incident, such as a spill from petroleum liquids or hazardous materials, explosion or other incidents, has occurred; and

(*ii*) within five weeks from the date the incident under subparagraph (*i*) is cleaned-up.

(2) The Authority may, in response to new and emerging environmental challenges in the midstream and downstream petroleum sector, direct that special studies be conducted.

Studies or assessments to be prepared by accredited persons

10. An environmental study or assessment in these Regulations submitted by a licensee or permit holder shall be prepared by a person accredited by the Authority, in a form prescribed in accordance with guidelines issued by the Authority.

Mandatory approvals for environmental studies or assessment

11. A licensee or permit holder shall obtain approvals for the conduct of these environmental studies or assessments where applicable or required for midstream and downstream petroleum projects or operations —

(*a*) Mandatory Environmental Site Assessment (MESA) for retail outlets with a combined storage capacity below 270,000 liters ;

(*b*) Project Concept Screening (PCS) report prior to grant of LTE;

(*c*) Preliminary Environmental Risk Assessment (PERA) report prior to LTC ; or

(*d*) EMP for projects which require Environmental Impact Assessment (EIA) studies or projects referred to environmental impact assessment as a result of mediation or a review panel under the applicable laws.

Part IV — Environmental Management Plan

Environmental Management Plan

12.—(1) A licensee or permit holder shall submit to the Authority for approval an EMP for these activities —

(*a*) onshore and offshore petroleum liquids and gas transportation pipelines and systems

(*b*) petroleum liquids and gas separation, processing, liquefaction, compression, handling and storage facilities, such as Gas to Liquid (GTL), Floating Storage and Offloading (FSO) vessels ;

(*c*) refineries, petrochemicals, gas-based fertilizer, and other gas derivative plants ;

(*d*) product depots for the storage of petroleum liquids, gas, and lube blending plants ;

(*e*) retail outlets of combined storage capacity equal to or greater than 270,000 litres for refined products and greater than 10 metric tons for gas ;

(*f*) petroleum waste management facilities for the collection, treatment or disposal of wastes generated from the midstream and downstream petroleum sector ; and

(*g*) any other midstream and downstream petroleum project or operation as may be determined by the Authority due to the sensitive nature of the project location or the operation.

(2) A licensee or permit holder shall submit an EMP under subregulation (1), within six months after the grant of the applicable licence or permit.

EMP to be prepared by accredited persons

13. An EMP submitted by a licensee or permit holder shall be prepared by a person or company accredited by the Authority in accordance with guidelines issued by the Authority.

Submission of an EMP

14. The EMP shall be accompanied with —

(*a*) a summary of the EIA report from which the plan was derived ; and

(*b*) a report on public consultations between the licensee or permit holder and stakeholders, on the environmental impact assessment of the project from which the EMP relates and the report shall provide and state the —

(*i*) evidence of public consultation such as list of attendees and newspaper publications,

(*ii*) venue of the consultation where applicable,

(*iii*) level of stakeholder engagement,

(*iv*) mode of consultation,

(*v*) period and method of notice given,

(*vi*) information on environmental impacts and risks disclosed at the consultation,

(*vii*) comments received from stakeholders during consultation and consideration given to the comments, and

(*viii*) any other information or document required by the Authority for the review of the EMP.

Approval of EMP

15.—(1) The Authority shall approve an EMP or a re-submitted EMP in the case of —

(*a*) an initial submission, within 90 days from date of such submission, and

(*b*) a re-submission, within 30 days from the date of such resubmission, or 90 days from the initial submission, whichever is later.

(2) An EMP or re-submitted EMP shall be deemed approved where the Authority fails to communicate its approval or rejection within the time prescribed in subregulation (1).

(3) The Authority may, prior to the approval or rejection of an EMP, in writing, require a licensee or permit holder to modify or re-submit the EMP in order to meet any or all the criteria in these Regulations within a reasonable time :

Provided that the time given under this subregulation shall not extend the maximum time prescribed in these Regulations within which an EMP may be approved or rejected.

(4) A licensee or permit holder whose EMP has been rejected may resubmit a modified EMP for consideration and approval.

(5) The Authority may approve the EMP subject to the licensee or permit holder's financial contribution to the Environmental Remediation Fund.

(6) An approved EMP shall form the environmental basis for project implementation.

Revision of an approved EMP

16.—(1) A licensee or permit holder with an approved EMP shall apply to the Authority for approval to revise the EMP stating the grounds for the change, or proposed change of circumstances in its petroleum operations.

(2) An application for revision under subregulation (1) shall be made —

(*a*) prior to the commencement of —

(*i*) any new petroleum operations or activities, or

(*ii*) any significant modification, change, or new stage of existing petroleum operations,

that is not provided for in the EMP ;

(*b*) following the occurrence of —

(*i*) any significant new environmental impact, or

(*ii*) any significant increase in an existing environmental impact,

that is not provided for in the EMP for the petroleum operations or activities ; or

(*c*) upon the occurrence of a series of new environmental impacts, or a series of increases in existing environmental impacts, which, taken together, amount to the occurrence of a significant —

(*i*) new environmental impact, or

(*ii*) increase in an existing environmental impact,

that is not provided for in the EMP for the petroleum operations.

Part V — Midstream and Downstream Petroleum Waste Management

Waste Management Plan

17.—(1) A licensee or permit holder shall, in addition to the EMP, submit a Waste Management Plan (WMP) for the management of waste emanating from its petroleum operations to the Authority for approval.

(2) A licensee or permit holder shall be responsible for the management of waste emanating from its petroleum operations from "cradle to grave" in accordance with the WMP of the project, activity or operation, as approved by the Authority.

(3) A licensee or permit holder shall notify the Authority in writing within one month of the generation of any new hazardous waste not captured in the approved WMP for its operation and the Authority shall give directions on the management of the hazardous waste.

(4) Wastes generated from midstream and downstream petroleum projects or operations shall be transported in fit-for-purpose containers or vessels, approved by the Authority.

(5) Hazardous wastes generated from midstream and downstream petroleum projects or operations shall not be discharged or disposed after treatment into the environment without the approval of the Authority.

Produced Formation Water (PFW) management

18.—(1) The discharge of Produced Formation Water (PFW) from midstream petroleum facilities shall be in an Offshore Discharge Zone (ODZ) or into approved re-injection wells subject to the consent of the Authority.

(2) The discharge of PFW from midstream petroleum facilities into a Zero Discharge Zone (ZDZ) is prohibited :

Provided that the Authority may authorise the discharge of PFW in cases of emergency, safety or threat to life and where the Authority authorises the discharge of PFW, it shall be in accordance with the options approved by the Authority.

Point source registration

19.—(1) New and existing industrial effluent and emission-point sources at a midstream or downstream facility shall be registered with the Authority.

(2) The discharge of liquid and gaseous effluent from midstream and downstream facilities into the environment shall not be undertaken without a valid permit from the Authority.

PART VI — CLIMATE CHANGE

Green House Gas (GHG) management

20.—(1) A licensee or permit holder shall monitor Green House Gases (GHG) generated from its activities or operations, estimate the volumes and report the information periodically, in accordance with the guidelines issued by the Authority.

(2) A licensee or permit holder shall develop and submit a strategy for the carbon capture, decarbonisation and achievement of net-zero targets in its operations to the Authority for approval on a date determined by the Authority.

Management of methane emission

21.—(1) A licensee or permit holder shall conduct monitoring and control of methane emission from new and existing facilities or projects in which the following activities are performed —

(*a*) processing, transportation, and distribution of hydrocarbons ; and

(*b*) storage of petroleum liquids and gas.

(2) A licensee or permit holder shall take inventory of equipment and components identified as sources and possible sources of methane emissions in new and existing facilities and implement Leak Detection and Repair (LDAR) and Monitoring Reporting and Verification (MRV) programmes.

Part VI — Laboratory Operations

Accreditation of laboratories

22. The Authority shall accredit third-party and in-house laboratories rendering operational and consultancy services to the midstream and downstream petroleum industry.

Performance evaluation of laboratories

23. The Authority shall conduct regular analytical performance evaluations by means of reference samples, proficiency testing programmes and inter-laboratory tests on all laboratories in the midstream and downstream petroleum industry.

Part VIII — Industry Chemical and Product Certification

Certification of industry chemicals and products

24. The Authority shall evaluate industry chemicals and products intended for use in the midstream and downstream petroleum industry to ascertain the hazard and risk potentials as prescribed in guidelines issued by the Authority.

Toxicity tests of industry chemicals and products

25.—(1) Prior to its use, industry chemicals or products shall be subjected to toxicity test on standard aquatic organisms under Nigerian environmental conditions as prescribed in guidelines issued by the Authority.

(2) Tests and investigations on midstream and downstream industry chemicals or products shall be conducted only by laboratory facilities approved by the Authority.

(3) A licensee or permit holder shall obtain an approval for any industry chemical or product intended for deployment in midstream and downstream petroleum operations.

(4) A licensee or permit holder shall seek the consent of the Authority prior to deployment of the industry chemical or product.

(5) A licensee or permit holder shall submit to the Authority for approval its industry chemicals or products management programme for all new and existing facilities in accordance with guidelines issued by the Authority.

(6) A licensee, permit holder or chemical vendor shall periodically submit inventories of industry chemicals or products deployed in their operations in accordance with guidelines issued by the Authority.

(7) Results of the tests and other production chemistry investigations on use of industry chemicals and products shall be submitted to the Authority for review and approval.

Part IX — Emergency Response and Pollution Abatement

Spill or Release Contingency Planning (SRCP)

26.—(1) A licensee or permit holder shall submit its current Spill or Release Contingency Plan (SRCP) document to the Authority within the last quarter of each calendar year for review.

(2) There shall be an annual drill exercise scheduled by the Authority for the activation of the SRCP of a licensee or permit holder.

Mystery spills

27. A licensee or permit holder shall contain and recover any spill discovered within its operational area whether or not its source is known and even while the joint investigation process is yet to be concluded.

Spill or release reporting, investigation and clean-up

28.—(1) A spill or release of refined and unrefined petroleum, natural gas, industry chemicals, and products shall be reported to the Authority within 24 hours of the spill or release, in accordance with the Spill or Release Notification Reporting format and procedures as prescribed in the guidelines issued by the Authority.

(2) A Joint Spill Investigation (JSI) team, comprising of the licensee or permit holder, the spiller where different from the licensee or permit holder, the community where applicable, the Authority and other relevant stakeholders, shall be convened by the licensee or permit holder of the affected facility, within 24 hours of the spill or release notification to conduct a Joint Investigation Visit (JIV).

(3) A licensee or permit holder responsible for a spill or release shall be required to conduct a PIA study of any adversely impacted environment within a specific timeframe as prescribed in the guidelines issued by the Authority.

(4) An approval by the Authority shall be required for any remediation and rehabilitation method to be used for clean-up and restoration of an impacted site.

Liability and documentation of spills

29.—(1) A spiller shall be liable for the damage and cost incurred from a spill clean-up or remediation by a licensee or permit holder who is not the spiller.

(2) Where more than one spiller is responsible and liable, the liability shall be joint and several.

(3) A licensee or permit holder shall keep a register of potentially polluted spill site or past impacted spill site and the site shall be cleaned-up or remediated in accordance with guidelines issued by the Authority.

(4) A licensee or permit holder shall provide a geochemical characterisation or fingerprint of petroleum liquids, such as crude oil and condensate, being transported, processed, or stored at its facilities.

Remediation and restoration of impacted area

30.—(1) A licensee or permit holder shall obtain the approval of the Authority prior to commencement of any remediation project.

(2) A licensee, permit holder or spiller liable for any spill or release shall be responsible for the clean-up and restoration of any impacted area to its original state.

(3) Where the licensee or permit holder in subregulation (2) fails to rehabilitate, manage or is unable to undertake the rehabilitation or management of any impact on the environment arising from its operations, the procedure or criteria for incidence qualification as prescribed in the Midstream and Downstream Environmental Remediation Fund Regulations, shall be applied.

Use of spill management and remediation chemicals or products

31.—(1) Spill management and remediation chemicals or products intended for use within Nigeria and its territorial waters shall be subjected to tests and approval by the Authority prior to use or deployment.

(2) Use of exogenous microbes in remediation of any spill impacted sites in the midstream and downstream industry is prohibited.

(3) Use of spill chemicals on land, coastal and inland waters is prohibited.

(4) The on-scene-commander shall obtain the approval of the Authority for the deployment of any spill chemical in offshore water spills.

Part X — Non-compliance and Procedure for Sanction

Notice of non-compliance with environmental obligations

32.—(1) Where the Authority receives notification that a negative environmental impact incident has occurred or is occurring within an area of petroleum operations as a result of failure of the licensee or permit holder to comply with environmental obligations as required by law or the provisions of the licence or permit, the Authority shall —

(*a*) issue a potential incidence of non-conformity notice to the licensee or permit holder and commence an investigation to determine whether the licensee or permit holder followed the measures —

(*i*) in an EMP or the environmental management measures to avoid or prevent the incident,

(*ii*) to reduce or minimise the negative environmental impact, or

(*iii*) to restore, remediate or otherwise offset the negative environmental impact ;

(*b*) where it determines that the licensee or permit holder failed to follow the measures in paragraph (*a*), issue an incidence of non-conformity notice to the licensee or permit holder and impose an administrative penalty equivalent to 100% of the licensee or permit holder's annual contribution to the Environmental Remediation Fund ;

(*c*) in addition to the imposition of the administrative penalty, require the licensee or permit holder to carry out the measures for reduction or mitigation of the impact within a specified period in accordance with the EMP or as deemed fit by the Authority ; and

(*d*) where it discovers that the licensee or permit holder failed to comply with paragraph (*c*), issue a non-compliance notice to the licensee or permit

holder and impose an administrative penalty equivalent to 150% of the licensee or permit holder's annual contribution to the Environmental Remediation Fund, where applicable :

Provided that where the licensee or permit holder is not a contributor to the Environmental Remediation Fund the sanctions, fines and administrative penalties set out in the Act and Regulations made by the Authority shall apply to such licensee or permit holder.

(2) In addition to the imposition of an administrative penalty in subregulation (1), the licensee or permit holder shall be required to implement the measures to restore, remediate, or otherwise offset the effects of the negative environmental impact within a specified period in accordance with the EMP where applicable, failing to do so, the Authority may also revoke the licence or permit.

Conflict resolution

33. The Authority may mediate in disputes arising from midstream and downstream petroleum environmental related issues.

Fees

First Schedule

34. The fees in the First Schedule to these Regulations shall be applicable to environmental activities in midstream and downstream petroleum operations in Nigeria.

Offences and penalties

35. A person who —

(*a*) fails to obtain a licence or permit required under these Regulations,

(*b*) fails to permit an inspection required under these Regulations,

(*c*) makes a false declaration to the Authority or wilfully furnishes information so required which is in any respect false or insufficient, or

(*d*) fails to comply with any provisions of these Regulations or any directives given or condition of any permit or licence issued under these Regulations,

shall, in addition to the sanctions, fines and administrative penalties contained in the Act and Regulations made by the Authority, be liable to an administrative penalty as contained in the Second Schedule to these Regulations and any permit or authorisation granted to that licensee or permit holder may be suspended or revoked.

Second Schedule

Authority to issue guidelines and directives

36. The Authority may issue guidelines, directives and notices for the effective implementation of these Regulations.

Interpretation

37. In these Regulations —

"*Act*" means the Petroleum Industry Act No. 6 2021 ;

"*activation*" means the action or process of making the SRCP operative during the planned annual SRCP drill exercise ;

"*audit*" means an inspection of a facility, operations, processes, procedures and documentation or records to ensure a licensee or permit holder is in compliance with the relevant conditions and requirements of its license or permit ;

"*chemical vendors*" means entities, companies, organisation licenced by the Authority to sell chemical utilised for any process in the midstream and downstream petroleum industry ;

"*CNG*" means Compressed Natural Gas ;

"*Cradle to Grave*" means the management of waste from its generation to disposal ;

"*downstream petroleum operations*" shall have the meaning ascribed to it in the Act ;

"*environment*" means —

(*a*) land, water, air, including all layers of the atmosphere,

(*b*) natural and physical resources,

(*c*) ecosystems and their constituent parts, including people and communities,

(*d*) the qualities and characteristics of locations, places and areas, and

(*e*) the heritage value of places,

and includes the social, economic and cultural features of the matters mentioned in (*a*) - (*e*) ;

"*environmental issues*" means any environmental problem such as pollution, damage to lives and property, grievances caused to the community, caused by operations of a licensee or permit holder in the midstream and downstream petroleum industry ;

"*environmental effect*" means any change to the environment, whether adverse or beneficial, that wholly or partly results from a petroleum activity ;

"*environmental risk*" means the chance of something happening that will have an adverse environmental effect, measured in terms of the environmental consequences and the likelihood of those particular consequences occurring ;

"*Emergency Response Plan*"means an organised and predetermined course of action to be pursued in the event of an emergency, such as spill or leakage of oil, gas, chemicals or hazardous substances, fire, man overboard, loss of containment, natural disaster, injury, piracy, security breach, and this orderly arrangement of events to effectively manage the incident shall be compiled in a document by a licensee or permit holder ;

"*Environmental Remediation Fund*" means the contributory fund established in the Midstream and Downstream Environmental Remediation Fund Regulations made by the Authority ;

"*exogenous microbes*" means micro-organisms that are not indigenous to the Nigerian environment and may be contained in chemicals or products

intended for use in the midstream and downstream petroleum industry for remediation of impacted sites;

"*facility*" means a factory, plant, installations, structure, utilities, pipelines, processing plants, petroleum products tank farms or other facilities, for production, manufacturing, transportation, distribution and storage of petroleum, petroleum liquids, natural gas, petrochemicals, industrial chemicals, precursors, and other derivatives from crude oil or natural gas ;

"*hazardous waste*" means waste material with characteristics that make it dangerous or capable of causing a harmful effect to the environment and human health ;

"*HSEC*" means Health, Safety, Environment and Community ;

"*LNG*" means Liquified Natural Gas ;

"*LTC*" means Licence to Construct ;

"*LTE*" means Licence to Establish ;

"*midstream petroleum operations*" shall have the meaning ascribed to it in the Act ;

"*NGN*" means Nigerian Naira ;

"*Offshore Discharge Zone*" means the offshore area 12nm away from the shoreline and of water depth greater or equal to 200 feet where regulated discharges are allowed ;

"*on-scene-commander*" means the person responsible for coordinating, organising and directing all actions and parties during an emergency response situation ;

"*point source*" means any discernible, confined, and discrete conveyance from which treated and permitted gaseous emissions or liquid effluents are or may be discharged ;

"*project*" means all specific petroleum operations to be undertaken under a licence granted under the Act ;

"*review*" means an assessment or examination of something with a possibility or goal of making a change for improvement where necessary ;

"*special environmental permit*" means environmental permits that are not routinely or statutorily issued, and the permit is issued based on the need ;

"*special studies*" refer to studies that are initiated based on the need to solve peculiar environmental challenge such as fate and effect studies, dispersion modelling and environmental risk assessment ;

"*spill*" means the accidental or intentional release of petroleum liquids, gas release, industry chemicals or products into the environment ;

"*spiller*" means any person participating in midstream and downstream petroleum operations whose activities directly or indirectly cause a spill ;

"*waste*" means hazardous and non-hazardous materials generated from midstream and downstream petroleum operations, that has no use to the waste generator ;

"*waste generator*" means a license or permit holder whose operations or activities generates waste ;

"*USD*" means United States Dollars ; and

"*Zero Discharge Zone*" means a location onshore (land) or waters nearshore and offshore within less than 12 nautical miles from the shoreline and 200 feet water depth.

38. These Regulations may be cited as the Midstream and Downstream Petroleum Environmental Regulations, 2023. Citation

SCHEDULE

FIRST SCHEDULE *Regulations* 34

FEES

The following fees shall be payable in respect of environmental activities in midstream and downstream petroleum operations.

A. MIDSTREAM FACILITIES

Facility Type	*Activity*	*USD*	*Frequency*
Engineered Landfill	Environmental Management Plan	600.00	As per requirement
	Point Source Registration (per Facility or installation)	150.00	5 years
	Project Concept Screening Report or Preliminary Environmental Risk Assessment	200.00	As per requirement
	Post Impact Assessment Study	300.00	As per requirement
	Environmental Evaluation Study	850.00	As per requirement
	Terms of Reference and Scope of Work (TOR & SOW)	300.00	As per requirement
	Permit to Operate	1,250.00	As per requirement
Environment General	Post Clean-Up Certificate	250.00	As per requirement
	Special Studies, Biological Monitoring Studies	200.00	As per requirement
	Measurement Reporting and Verification of GHG Emissions	200.00	As per requirement
	Remediation Action Plan	100.00	As per requirement
	Emergency Response and Spill or Release Contingency Plan	250.00	As per requirement
	Journey Management Plan (JMP) Authorisation	100.00	As per requirement
	Decommissioning and Abandonment Plan	300.00	As per requirement
	Produced Formation Water disposal permit	400.00	As per requirement
	Special Environmental Permit	400.00	As per requirement

Facility Type	*Activity*	*USD*	*Frequency*
Hydrocarbon Processing plants and Installations	Environmental Management Plan	500.00	As per requirement
	Point Source Registration (per Facility or installation)	400.00	As per requirement
	Project Concept Screening Report, Preliminary Environmental Risk Assessment	200.00	As per requirement
	Post Impact Assessment Study	300.00	As required by the Authority
	Terms of Reference and Scope of Work (TOR & SOW)	400.00	As per requirement
	Environmental Evaluation Study	3,350.00	5 years
Waste Management Facility	Environmental Management Plan	300.00	As per requirement
	Point Source Registration (per Facility or installation)	150.00	As per requirement
	Project Concept Screening Report or Preliminary Environmental Risk Assessment	150.00	As per requirement
	Terms of Reference and Scope of Work (TOR & SOW)	100.00	As per requirement
	Environmental Evaluation Study	100.00	As per requirement
	Post Impact Assessment Study	100.00	As per requirement
	Operational Permit (per treatment facility or unit)	250.00	As per requirement
	Point Source Registration or Facility	100.00	As per requirement

B. DOWNSTREAM FACILITIES

Facility Type	*Activity*	*USD*	*Frequency*
Downstream Storage, Retail and Distribution Facility	Environmental Management Plan	160,000.00	As per requirement
	Point Source Registration (per Facility or installation)	100,000.00	5 years
	Project Concept Screening Report, Preliminary Environmental Risk Assessment	80,000.00	As per requirement
	Post Impact Assessment Study	120,000.00	As required by the Authority
	Terms of Reference and Scope of Work (TOR & SOW)	120,000.00	As per requirement
	Environmental Evaluation Study	345,000.00	5 years
Depot	Environmental Management Plan	160,000.00	As per requirement
	Point Source Registration (per Facility or installation)	100,000.00	5 years
	Project Concept Screening Report or Preliminary Environmental Risk Assessment	80,000.00	As per requirement
	Post Impact Assessment Study	120,000.00	As required by the Authority
	Terms of Reference and Scope of Work (TOR & SOW)	120,000.00	As per requirement
	Environmental Evaluation Study	345,000.00	5 years
Retail Outlet/Retail Outlet with CNG Add-on	Mandatory Environmental Site Assessment	80,000.00	As per requirement
	Retail Outlet Site, Facility or Plant Audit	40,000.00	As per requirement
	Environmental Management Plan	60,000.00	As per requirement
	Post Impact Assessment Study	40,000.00	As per requirement
	Terms of Reference and Scope of Work (TOR & SOW)	40,000.00	As per requirement
	Environmental Evaluation Study	40,000.00	As per requirement

C. OTHER FACILITIES

Facility Type	*Activity*	*USD*	*Frequency*
Laboratory	Annual Laboratory Accreditation	500.00	Annually
	Verification of industry Chemicals or Remediation Products	250.00	3 years
	Annual Laboratory QA or QC- Reference material and Proficiency testing	500.00	Annually
	Approval to produce culture test organisms for Biomonitoring	500.00	As per requirement

SECOND SCHEDULE *Regulations* 35

ADMINISTRATIVE PENALTIES

The administrative penalties, referred to in ERegulation 35 of these Regulations, are —

No.	*Penalties*	*Midstream Petroleum Operations* *USD*	*Downstream Petroleum Operations* *NGN*
	A — Environmental Permit		
1.	Failure to register a point source	250.00/point	65,000/point/ source/day
	B — Environmental Studies		
1.	Failure to conduct requisite or statutory environmental study	100,000.00	5,000,000.00
2.	Altering Environmental Status prior to requisite Environmental Studies	50,000.00	5,000,000.00
3.	Commencing field data gathering without approved Scope of Work	25,000.00	2,500,000.00
4.	Commencing construction without requisite environmental study approval	100,000.00	5,000,000.00
5.	Failure to submit Biological Monitoring report within six months of the final field data gathering	25,000.00	2,500,000.00
	C — Waste Management		
1.	Noncompliance with submission of Waste Release Inventory Consignment Notes and Manifest	10,000/ month	1,000,000/ month
2.	Unauthorised discharge or disposal of wastes	200,000.00	5,000,000.00
3.	Use of containers not fit for purpose in waste collection, storage and transportation	20,000.00	2,500,000.00
4.	Unauthorised storage of waste within and outside operational areas	50,000.00	5,000,000.00
5.	Failure to conduct Environmental Compliance Monitoring	10,000.00	1,000,000.00
6.	Failure to submit Environmental Compliance Monitoring	10,000.00	1,000,000.00
7.	Conduct of Environmental Compliance Monitoring without the participation of the Authority	10,000.00	1,000,000.00

No.	*Penalties*	*Midstream Petroleum Operations USD*	*Downstream Petroleum Operations NGN*
	D — Spill Management		
1.	Failure to emplace adequate or reasonable measures to avoid spillages	100,000.00	1,000,000.00
2.	Failure to report a spill incident	80,000.00	8,000,000.00
3.	Late reporting of spill incidents	25,000 + 1,000 for each day of late reporting	2,500,000 +100,000 for each day of late reporting
4.	Making false or incomplete representations regarding the cause or volume of spills	100,000.00	5,000,000.00
5.	Failure to convene a Joint Investigation Visit (JIV) with the Authority in participation	50,000.00	5,000,000.00
6.	Failure to clean-up spill impacted site	25,000.00 per site	2,500,000 per site
7.	Failure to conduct post impact assessment	25,000.00	2,500,000.00
8.	Use of approved spill or remediation products without the consent of the Authority	25,000.00	2,500,000.00
9.	Use of unapproved spill or remediation products	50,000.00	5,000,000.00
10.	Failure to carry out geochemical characterisation or fingerprinting of petroleum liquid as statutorily required.	25,000.00	2,500,000.00
	E — Laboratory Services		
1.	Use and sales of unapproved industry chemical or product	25,000.00	2,500,000.00
2.	Failure to submit quarterly sales reports by Chemical Vendors, Licensee or permit holder (procurement, consumption & stock/balance) for Chemical regulations and tracking.	20,000.00	1,000,000.00
3.	Operating a Laboratory without accreditation by the Authority	5,000.00	1,000,000.00
4.	Falsification or alteration of results by Laboratory	5,000.00	1,000,000.00

No.	*Penalties*	*Midstream Petroleum Operations USD*	*Downstream Petroleum Operations NGN*
	F — HSEC AUDIT AND SRCP ACTIVATION EXERCISE		
1.	Postponement of annual HSEC Audit and SRCP Activation Exercise without authorisation by the	50,000.00	5,000,000.00
	Authority.		
2.	Failure to conduct the annual HSEC audit and SRCP Activation exercise as scheduled without authorisation by the Authority.	100,000.00	10,000,000.00
3.	Failure to submit an updated SRCP document within the stipulated period	25,000.00	1,000,000.00
4.	Failure to close out identified audit issues within the stipulated time provided by the Authority.	25,000.00	2,500,000.00
	G — REMEDIATION		
1.	Failure to remediate spill impacted sites in accordance with the guidelines issued by the Authority.	100,000.00	20,000,000.00
2.	Failure to update the Authority on the numbers and status of spill impacted sites	50,000.00	10,000,000.00
3.	Deployment of unapproved products or technologies for remediation	5,000.00 per site	1,000,000.00 per site
4.	Failure to obtain statutory certification for cleaned-up or remediated sites	5,000.00	1,000,000.00

MADE at Abuja this 10th day of May, 2023.

ENGR. FAROUK AHMED
Authority Chief Executive
Nigerian Midstream and Downstream
Petroleum Regulatory Authority