



NUPRC ANNOUNCES SUCCESSFUL BIDDERS FOR THE NIGERIAN GAS FLARE COMMERCIALISATION PROGRAMME

Press Release

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) hereby announces the outcome of the bidding exercise and issuance of letters of award to **42 companies/entities** deemed successful in the keenly contested bid for **49 Flare Sites** put forward during the 2022 Nigerian Gas Flare Commercialisation Programme (NGFCP) Auction process.

Thirty-eight (38) of the companies/entities have been awarded **Forty (40) Flare Sites** for standalone single flare site development, while **Four (4)** are awarded **Nine (9) sites** to be developed as clusters. Reserve bidders' status has also been accorded some companies for the corresponding flare sites in case the preferred bidders fail to meet the terms and conditions stipulated in the RFP.

The management of NUPRC indicated on Tuesday September 5, 2023 that award letters are already being transmitted to the respective successful entities through the appropriate channels.

In furtherance of its mandate in **Section 7 (e) and Section 105 (2)** of the Petroleum Industry Act (PIA), 2021, the Commission, in the third quarter of 2022, restructured the NGFCP and re-launched the programme to align with the provisions of the PIA, as well as reflect prevailing economic and operational realities.

The Commission notes that the significant success recorded in the NGFCP bid process was due to a series of focused engagements by the Commission with

relevant stakeholders including domestic investors, international development agencies, oil and gas producers, technology providers and financial institutions during the intervening months. The engagements were to galvanise and sustain interest in the programme, attract investments and stimulate participation by local and foreign entities.

In response to the **Request for Qualification (RFQ)** issued in the fourth quarter of 2022, **three hundred (300) companies/entities** indicated interest in either revalidating their prequalification status as existing participants or submitting **Statement of Qualification (SOQ)** as new participants.

Following the evaluation of SOQs, a total of one hundred and thirty-nine (139) applicants were deemed successful and awarded the **Qualified Applicant** status. Subsequently, in the first quarter of 2023, the Commission issued the **Request for Proposal (RFP)** to enable qualified applicants to put together their respective proposals for any of the forty-nine (49) flare sites on offer.

Eighty-eight (88) entities, comprising individual companies and consortiums responded to the RFP and submitted a total of one hundred and thirty-seven (137) proposals, each containing technical, commercial and financial documentation for one or more of the forty-nine (49) flare sites for either standalone or cluster development.

The proposals were duly evaluated by the Commission and approval secured to announce 38 companies/entities as successful bidders for forty (40) sites for standalone single flare site developments and four (4) companies/entities for nine (9) sites to be developed as clusters; while some companies were also awarded **Reserve Bidders** status for the corresponding flare sites in case the **Preferred Bidders** fail to meet the terms and conditions contained in the RFP.

At this stage, the Preferred Bidders would individually proceed to execute the **Suite of Commercial Agreements** with relevant parties and effect payment of the prescribed award fees to enable the grant of **Permit to Access Flare Gas** by the Commission.

KPMG, a global network of professional firms, has been approved to partner with the Commission in the implementation of the award to ensure successful outcome of the gas flare out commercialization process.

The Management hereby congratulates the successful bidders and enjoined them to follow through with the final stages of the programme towards becoming **Permit Holders** and executors of viable projects that would harness flare gas for value creation.

Signed

Management

Tuesday, September 5, 2023