

**ENERGY AND
INFRASTRUCTURE
SECTOR NEWS UPDATE JULY 2025**

 LAGOS | ABUJA | CALABAR

OIL AND GAS SECTOR



NNPC Ltd. Achieves Major Milestone on AKK Gas Pipeline Project, Records 100% Crude Oil Pipeline Availability

The Nigerian National Petroleum Company Limited (“NNPC Ltd.”) has announced a breakthrough in the construction of the Ajaokuta-Kaduna-Kano (“AKK”) Gas Pipeline, confirming the successful crossing of the River Niger as an essential milestone toward project completion by Q4 2025 and a 100% crude oil pipeline availability in June 2025. The company reaffirmed its consistent fulfilment of cash-call obligations and its strengthened financing capacity under the Petroleum Industry Act (“PIA”) 2021.

NURPC Reports Rise in Nigeria’s Oil Rig Count to 46, Signaling Upstream Sector Growth

The Nigerian Upstream Petroleum Regulatory Commission (“NUPRC”) has reported a rise in the country’s oil rig count to 46 as of July 2025, from just eight in 2021, highlighting renewed momentum in upstream activity. With projections indicating 50 active rigs by the end of 2025, the sector has also recorded modest reserve gains: oil reserves increased by 1.43% to 37.5 billion barrels, and gas reserves by 0.21% to 209.26 trillion cubic feet between 2023 and 2024.

NNPC Ltd., Akwa Ibom, and GACN Sign \$3.5 Billion MoU to Accelerate Gas-Based Industrialisation

NNPC Ltd., the Akwa Ibom State Government, and the Gas Aggregation Company of Nigeria have signed a \$3.5 billion Memorandum of

Understanding (“MoU”) to develop gas infrastructure and drive industrialisation across Nigeria’s South-South region. The agreement supports the federal government’s “Decade of Gas” agenda and complements key national projects such as the AKK and OB3 pipelines.

FG to Revoke Dormant Oil Field Licences to Boost Production and Attract Investment

The Federal Government of Nigeria has issued a directive to oil field operators with dormant assets, signalling plans to withdraw licences from firms lacking the technical and financial capacity to develop them, as part of efforts to ramp up crude oil production, meet OPEC targets, and support 2025 budget execution. The move follows the engagement of an international consultant to review 273 industry fees and align Nigeria’s fiscal framework with global benchmarks.

FG and Huawei Launch Mini-Grid Simulation Lab to Improve Solar Standards and Boost Local Manufacturing

The Federal Government, in collaboration with Huawei Technologies, has launched a \$150,000 Mini-grid Simulation and Standardisation Centre in Abuja to certify off-grid solar components, curb substandard imports, and enhance local manufacturing in Nigeria’s renewable energy sector. Developed by the Rural Electrification Agency (“REA”) with equipment donated under a China-Nigeria bilateral agreement, the lab features 18 high-tech machines, including power analysers, battery testers, and climate simulation tools, capable of replicating diverse environmental conditions for product testing.

NCDMB Finalises Nigeria’s First Procurement Policy to Deepen Local Content and Energy Resilience

The Nigerian Content Development and Monitoring Board (“NCDMB”) is finalising the Nigeria First Procurement Policy; a strategic

framework aimed at prioritising locally produced goods and services across Nigeria’s oil and gas value chain. By embedding the policy into all approvals, particularly Nigerian Content Plans and Compliance Certifications, NCDMB aims to stimulate job creation, retain economic value within the country.

Abia, Arnergy Launch Clean Energy Project for Healthcare; Expand Statewide Solar Rollout

Abia State and Arnergy have commissioned a 150kVA, 430kWh solar power system at the Abia State Specialist Hospital, replacing diesel generators and now powering key units like the ICU and diagnostic centre with clean, reliable energy.. A broader MoU was also signed for statewide solar deployment across health, education, and government assets under Energy-as-a-Service and PPA models. This initiative opens up investment opportunities for both public and private stakeholders.

ELECTRICITY SECTOR



States Oppose Electricity Act Amendment Over N5 Trillion Subsidy Transfer Risk

The Forum of Commissioners of Power and Energy in Nigeria (“FOCPEN”) has raised strong objections to the proposed Electricity Act (Amendment) Bill, 2025, warning that its passage could transfer over ₦5 trillion in unpaid electricity subsidies to consumers through higher tariffs. FOCPEN argues that the bill would establish multiple federal agencies and impose administrative and subsidy costs on end-users, including those in states that have implemented

cost-reflective tariffs. The Forum urged lawmakers to reconsider the bill, which they believe undermines efforts to deliver affordable, reliable, and service-linked electricity access nationwide.

Ekiti State Signs MoU with REA to Advance Off-Grid Electrification and Close Metering Gap

Ekiti State Government has signed an MoU with the Rural Electrification Agency (“REA”) to accelerate off-grid electrification and reduce the state’s electricity metering gap by 80%, with plans to install prepaid meters in thousands of homes. Backed by over ₦4 billion in prior infrastructure investments and the reconnection of 40+ communities to the national grid, the initiative aims to expand reliable power access to rural and underserved areas under a public-private partnership framework.

NCC and REA Partner to Replace Telecom Diesel Use with Renewable Energy Solutions

The Nigerian Communications Commission (“NCC”) and the Rural Electrification Agency (“REA”) have launched a joint initiative to transition telecom infrastructure from diesel generators to renewable energy solutions. This initiative aims to address the \$350 million spent annually on diesel by operators. Through the newly inaugurated NCC–REA Collaboration Committee, the project seeks to deploy clean energy technologies to telecom sites in underserved and rural areas, advancing digital and energy inclusion.

FG Targets \$32.8 Billion to Expand Electricity Access for 300 million Africans

The Federal Government has unveiled plans to mobilise \$32.8 billion for the Mission 300 Compact aimed at expanding electricity access to 300 million unserved Africans, including 86 million Nigerians.

Osun State Passes State Electricity Law

On 28th July, 2025, the Osun State Government passed the Osun state electricity bill into law. The law is aimed at deepening and boosting the economy of Osun State by the establishment of a local electricity market and a state Electricity Regulatory Agency.

INFRASTRUCTURE SECTOR



Ondo State and BINL Sign MoU to Develop 500,000 bpd Refinery and Free Trade Zone Infrastructure

The Ondo State Government has signed a Memorandum of Understanding (“MoU”) with Backbone Infrastructure Nigeria Limited (BINL) to develop a 500,000 barrels per day (bpd) refinery and associated Free Trade Zone (FTZ) infrastructure in Ilaje LGA, beginning with a 100,000-bpd modular phase. The refinery is designed to serve both local and export markets, and will be supported by storage tanks, loading bays, terminals, and roads. The project aims to reduce Nigeria’s trade deficit, conserve forex, generate jobs, and boost local revenues.

Lagos State Unveils \$400 Million Waste-to-Energy Plant to Tackle Waste and Boost Power Supply

The Lagos State Government has unveiled a \$400 million plan to build a Waste-to-Energy (“WTE”) plant in Epe through a private-sector-led model, which aims to generate clean electricity for over two million residents and tackle mounting waste and flooding risks. With an expected 12% IRR over

20 years, the plant aligns with Lagos’ climate action and energy transition goals.

FG Seeks \$60 Million Climate Finance to Establish Green Energy Hubs Across Nigeria

The Federal Government of Nigeria has commenced negotiations with international financial institutions to secure over \$60 million in climate finance for the development of pilot green energy hubs, including a flagship hybrid energy facility at a major Nigerian airport. The initiative aims to drive inclusive and digitally monitored low-carbon energy systems across public infrastructure. The government also unveiled supporting initiatives, such as regional climate engagement clinics and a white paper on green growth financing, as it seeks to position Nigeria as a regional leader in climate innovation.

Nigeria and Morocco Push Forward \$25 Billion Transcontinental Gas Pipeline Project

Nigeria and Morocco have intensified efforts to deliver the \$25 billion Nigeria-Morocco Gas Pipeline (“NMGP”) following recent steering and technical committee meetings in Rabat, which brought together ECOWAS officials and national oil company executives to review progress and plan next steps. The 5,660 km pipeline intended to connect Nigeria to Morocco and Europe via 13 West African countries has completed feasibility and front-end engineering studies, with a final investment decision expected by year-end.

MINING SECTOR



NIGERIA SIGNS MINERAL PACT WITH SOUTH AFRICA IN DEVERSIFICATION PUSH

The Federal Republic of Nigeria and South Africa have signed an Accord to boost cooperation in the mining sector of both countries. The countries will partner on mining including geological mapping using drones, share mineral data and jointly explore agro and energy mineral in Nigeria.

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