

Legal Analysis For Carbon Border Adjustment Mechanism (CBAM) and Actualization Through African Imports: A Nigerian Case Study

By

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ABSTRACT

*This article gives an exhaustive legal analysis of the European Union's Carbon Border Adjustment Mechanisms (CBAM) and examines how Nigeria can coincide its domestic legal framework with global carbon-linked trade rules. CBAM, which begins full operation in 2026, demands EU carbon pricing on imports such as steel, aluminum, fertilizer, hydrogen, cement, and electricity, advancing the Paris Agreement's objectives under Articles 2(1)(a), 4, and 6. The article argues that CBAM is lawful under WTO law, provided transparency, non-discrimination, and credible MRV systems are maintained. Using Nigeria as a case study, the article identifies weaknesses in Nigeria's climate governance notwithstanding its Constitutional and environmental mandate under Sections 1(3) and 20, and judicial pronouncements regarding environmental rights in *Gbemre v. Shell*. It evaluates how Sections 52 and 104(4) of the Petroleum Industry Act, Section 20 of the Climate Change Act on carbon limits mandate, and the Energy Transition Plan 2022 are instrumental, but inadequate for CBAM requirements. Nigeria's lack of enforcement, poor MRV policies and lack of carbon-pricing policies expose exporters to increased CBAM accountabilities and restricted competition. Some of the recommendations include comprehensive legal and institutional reforms for carbon accounting where Nigeria benefits from Articles 6 and 9 of the Paris Agreements and enhance Nigeria's role in decarbonisation.*

Keywords: Carbon Border Adjustment Mechanism (CBAM), Carbon Pricing, MRV Systems, Petroleum Industry Act, Climate Change Act, Paris Agreement Compliance.

Introduction: CBAM As A Novel Tool in International Climate Policy And Trade Regulation

The Carbon Border Adjustment Mechanism (CBAM) is a European Union climate change initiative which would take effect on October 2026 in efforts to impose carbon taxes on European imports and significantly reduce the impact of carbon productions by steel plants, aluminum, fertilizer, hydrogen, and some electricity for Europe to stand as the global pillar for climate action.³ CBAM is a safeguarding tool used for the prevention as well as the protection from excessive carbon in countries, such as the European Union, and mitigate the harmful impacts of imports saturated with carbon. The European Union has developed this climate change initiative to curb carbon emissions in export and import countries in the production of

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³ Société Générale de Surveillance (SGS). 2024. *Carbon Border Adjustment Mechanism Services*. Retrieved November 10, 2025, from <http://www.sgs.com/en-ng/services/carbon-border-adjustment-mechanism-cbam-services>

equipment embedded in carbon and require export countries to pay reasonable taxes for the manufacturing of such products.⁴ The European Union has started this initiative by restricting free allowances of carbon-intensive products and initiating a fair price for Green House Gases (GHGs) on exporting countries through the EU Emissions Trading System (ETS) where the EU puts a cap on the amount of permissible carbon into a European country.⁵

According to the Paris Agreements under the United Nations Framework Convention on Climate Change, the agreement's purpose is as follows:

Hold the increase in the global average temperature to well below 2°C...and pursue efforts to limit the temperature increase to 1.5°C.⁶

The EU makes the exporting country pay taxes on carbon-intensive goods; thereby, preventing the exporting country from taking advantages of countries that lack carbon regulations and ultimately controlling climate temperatures prescribed by the Paris Agreement.⁷ Parties to the agreement, such as the European Union, shall abide by Nationally Determined Contributions (NDCs) to significantly reduce carbon measures through their domestic laws and maintain cooperation by voluntarily using international policies to account for carbon-intensive products being imported:

Parties shall prepare, communicate and maintain successive Nationally Determined Contributions (NDCs) and pursue domestic mitigation measures.⁸

Parties may voluntarily cooperate using internationally transferred mitigation outcomes (carbon markets) – a mechanism for cross-border carbon accounting.⁹

In light of the above, importing countries provide for incentives for exporting countries by ensuring that they significantly mitigate the embedded carbon during the manufacturing of their products, and prevent importing countries from paying higher carbon taxes. This would allow for exporting countries to create strong domestic laws and policies to curb excessive

⁴ Taxation and Customs Union. 2025. *Carbon Border Adjustment Mechanism The EU's environmental policy tool for fair carbon emissions pricing*. Retrieved November 10, 2025, from https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en?utm_

⁵ Carbon Market Watch. Oct., 2025. *EU Emissions Trading System (EU ETS or ETS1)*. Retrieved November 10, 2025, from <https://carbonmarketwatch.org/glossary/eu-emissions-trading-system/>

⁶ United Nations Framework Convention on Climate Change. 2016. *The Paris Agreement*. Retrieved November 11, 2025, from https://unfccc.int/sites/default/files/resource/parisagreement_publication.pdf?utm_ Article 2(1) Para. (a).

⁷ Bux, C., Rana, R.L., Tricase, C., Geatti, P., and Lombardi, M. 2024. Carbon Border Adjustment Mechanism (CBAM) to Tackle Carbon Leakage in the International Fertilizer Trade. *Sustainability* 16. 1-18. Retrieved Nov. 11, 2025, from https://www.mdpi.com/2071-1050/16/23/10661?utm_

⁸ United Nations Framework Convention on Climate Change. 2016. *The Paris Agreement*. Retrieved November 11, 2025, from https://unfccc.int/sites/default/files/resource/parisagreement_publication.pdf?utm_ Article 4.

⁹ Ibid. Article 6.

carbon, and account for emissions intake as prescribed by the Paris Agreement.¹⁰ It is important to note that Article 6 of the Paris Agreement provides for the tools or incentives for carbon credits which would create the legal pathway for exporting countries to legitimately mitigate carbon emissions and lessen CBAM measures.¹¹

Parties to the Paris Agreement are also expected to act with fairness and justice in accordance to principles of international environmental law¹² by mitigating climate change in their respective jurisdictions:

This Agreement will be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.¹³

Developed country Parties shall provide financial resources to assist developing country Parties with respect to both mitigation and adaptation in continuation of their existing obligations under the Convention.¹⁴

In light of the above, CBAM can only be applied methodically where both developed and developing countries have a shared responsibility to address challenges with climate change; however, developing countries differ in levels of capacity and require financial and technological support to properly implement CBAM measures on imports. Developing countries, such as Nigeria, could harmonize its domestic energy laws such as the Petroleum Industry Act, Climate Change Act, and the Energy Transition Plan by incorporating carbon measurement provisions that are similar to CBAM importers in EU countries.

A Contextual Background to CBAM in Nigeria

Nigeria is still regarded as one of Africa's largest oil producers, but it is still heavily reliant on oil exports for government revenue as well as foreign exchange. While oil and gas remains Nigeria's essential commodities for industrialization, there is a need to consider how much carbon should be mitigated through new carbon emissions measurements as a trade policy before applications for oil licenses and permits are approved.¹⁵ Nigeria published the Energy Transition Plan in 2022 providing the roadmap to reduce carbon and ultimately achieve net-zero by 2060; however, there have been gaps in its implementation, lack of stronger technical

¹⁰ Bux, C., et al. 2024. Carbon Border Adjustment Mechanism (CBAM) to Tackle Carbon Leakage in the International Fertilizer Trade. *Sustainability* 16. 1-18. Retrieved Nov. 11, 2025, from <https://www.mdpi.com/2071-1050/16/23/10661?utm>

¹¹ Rahut, D.B., Sebastian, S., and Sarangi, G.K. 2025. The Carbon Border Adjustment Mechanism, Article 6 Credits, and Domestic Carbon Pricing Instruments: A Proposal for Integration in Asia and the Pacific. *Asian Development Bank Institute* 12. 1-12. Retrieved Nov. 11, 2025, from <https://www.adb.org/sites/default/files/publication/1060111/adbi-carbon-border-adjustment-mechanism-article-6-credits-and-domestic-carbon-pricing-instruments.pdf?utm>

¹² Kumar, V., and Chaturvedi, S. 2025. The evolution of common but differentiated responsibilities (CBDR): From principle to practice. *International Journal of Political Science and Governance* 7. 14-19. Retrieved Nov. 15, 2025, from <https://www.journalofpoliticalscience.com/uploads/archives/7-1-49-840.pdf> Pgs. 14-16.

¹³ United Nations Framework Convention on Climate Change. 2016. *The Paris Agreement*. Retrieved November 15, 2025, from https://unfccc.int/sites/default/files/resource/parisagreement_publication.pdf?utm Article 2(2).

¹⁴ Ibid. Article 9(1).

¹⁵ Eboh, C. Dec. 31, 2024. Nigeria oil licence applicants must prove low carbon emissions, Nigerian regulator says. *Reuters*. Retrieved Nov. 15, 2025, from <https://www.reuters.com/world/africa/nigeria-oil-licence-applicants-must-prove-low-carbon-emissions-nigerian-2024-12-31/?utm>

capacity, and foreign investment to reach its emissions targets.¹⁶ The Petroleum Industry Act and the Climate Change Act provide are among the key energy laws which contribute to the overall energy governance blueprint for sustainability. However, gas flaring including lack of strong enforcement, institutional collaboration, and over-dependence on exports most especially from the upstream sector which undermine Nigeria's target for emissions reduction irrespective of what has been on paper.¹⁷ It is noteworthy to note that the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has initiated the process by mandating oil license applicants to provide low-carbon emissions plans before granting such licenses; thereby, demonstrating Nigeria's commitment to international climate action agreements including the Paris Accords. CBAM is significant in Nigeria because the EU's CBAM regulations demonstrates its commitment to decarbonisation at the borders by mandating exporters to pay carbon taxes. If Nigeria faces the challenge of demonstrating low-carbon emissions by also initiating carbon pricing, it faces reduced market trade for products shipped to CBAM countries. CBAM establishes an incentive for Nigeria to significantly improve its low-carbon policies and technical capacity for verifiable emissions information for foreign investors. There is the need for Nigeria to consider integrating key energy laws such as the Petroleum Industry Act, Climate Change Act, and the Energy Transition Plan to create domestic carbon pricing aligning with the Paris Agreement and incentivizing support from developed countries. CBAM in Nigeria poses as a disadvantage if Nigeria does not shift policy in decarbonisation in the upstream sector including mitigating gas flaring, enforcement of low-carbon emissions plans from oil licensees, and creating verifiable emissions information; thereby, diminishing Nigeria's market competitiveness. On the other hand, CBAM presents an advantage by placing Nigeria as a pioneer for sustainable governance in the implementation of the Energy Transition Plan encouraging export countries to align its domestic laws and policies to international climate commitments.¹⁸ The central research question for consideration is how Nigeria can legally and economically align with CBAM through its energy transition blueprint and domestic laws.

The Legal Foundation of The EU's CBAM And Its Effect on Trade and Climate Policy

The Carbon Border Adjustment Mechanism is a climate policy measurement requiring export countries to pay a carbon tax equivalent to EU's ETS for imports such as cement, fertilizer, steel, aluminum, and electricity and prevent pollution leakage. This initiative serves as an incentive to mitigate carbon-embedded products from being released into the atmosphere of European countries; thereby, demonstrating their commitment to addressing climate change. Currently, importers have the obligation to report to carbon emissions from their imports in a

¹⁶ Ekpotu, F.W., Akintola, J.T., Moses, Q., and Obialor, M., Osagie, E., Utoh, I., and Akpan, J. 2024. Nigeria's Energy Transition Plan: A Technical Analysis, Opportunities, and Recommendations for Sustainable Development. SPE Nigeria Annual International Conference and Exhibition, Lagos: Nigeria. 1-20. Retrieved Nov. 15, 2025, from https://www.researchgate.net/profile/Joseph-Akpan-5/publication/383202069_Nigeria%27s_Energy_Transition_Plan_A_Technical_Analysis_Opportunities_and_Recommendations_for_Sustainable_Development/links/67ccc236e62c604a0dd684de/Nigerias-Energy-Transition-Plan-A-Technical-Analysis-Opportunities-and-Recommendations-for-Sustainable-Development.pdf?origin=publication_detail&_tp=eyJjb250ZXh0Ijp7ImZpcnN0UGFnZSI6InB1YmxpY2F0aW9uIiwicGFnZSI6InB1YmxpY2F0aW9uRG93bmxxvYWQlLCJwcmV2aW91c1BhZ2UiOiJwdWJsaWNhdGlvbiJ9fQ

¹⁷ Nigerian Upstream Petroleum Regulatory Commission (NUPRC). The Future of Nigeria's Petroleum Industry: Trends and Innovations Shaping 2025. *Upstream Gaze* 9. May 2025: 1-66. Pg. 34.

¹⁸ Okoro, C. 2025. Impact of Carbon Border Adjustment Mechanisms (CBAMS) on the Export Competitiveness of Developing Nations. *International Journal of Economic Policy* 5. 53-61. Retrieved Nov. 16, 2026, from 3252-Article Text-8127-9191-10-20251015.pdf

given period¹⁹; however, according to the CBAM regulations, importers will also be mandated to buy CBAM certificates which will take effect on 1st of January, 2026 to demonstrate their effectiveness with CBAM compliance on imports.²⁰ In practice, all importers are required to document the carbon emissions from their imports and the exporting country is expected to pay the carbon price equal to EU carbon price on the certificate. If not, the importer would be mandated to surrender the CBAM certificate which shows the EU price for carbon. Therefore, all exporting countries involved in production must have verifiable access to carbon emissions data and pricing to avoid paying higher than they should.²¹ It is important to note that CBAM seeks for imports that are highly embedded in carbon and significant for trade that are beneficial for the economy. Products such as cement, iron, steel, fertilizer, and aluminum are essential for industrialisation and agricultural purposes which contain high carbon intensity. Therefore, it is important to utilize the impact of CBAM to curb carbon intensities in these imports and keep producers in check, for instance, by seeking alternative decarbonisation policies for fertilizers which need fossil fuels for ammonia, aluminum using electricity for smelting, and iron/steel using coal for production, and others.

The CBAM acts as a climate-trade instrument under the World Trade Organization (WTO) rules by ensuring there is non-discrimination with carbon emissions measurements between countries. CBAM also ensures that no foreign product is treated less favorably than domestic products²² where there is uniform carbon pricing between the export and import countries.²³ Member states under the WTO allows for taxation at the borders such as VAT, but it remains unclear how this policy fits into taxation on carbon emissions from imports.²⁴ The EU provides for the justification of CBAM under the General Agreement on Tariffs and Trade (GATT), 1947 which stipulates:

.... nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures:
(a) necessary to protect public morals;
(b) necessary to protect human, animal, or plant life or health...²⁵

CBAM is compatible with the WTO rules in that once implemented effectively with proper monitoring standards, reporting, and verification, it significantly reduces discrimination

¹⁹ Charluet, C. July 28, 2025. What is CBAM: The EU importers's guide to the Carbon Border Adjustment Mechanism. *Coolset*. Retrieved Nov. 16, 2025, from <https://www.coolset.com/academy/what-is-cbam-carbon-border-adjustment-mechanism-explained>

²⁰ Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May, 2023 Establishing a Carbon Border Adjustment Mechanism

²¹ European Climate Foundation. June 2025. *EU CBAM in 2025: reform and implementation Simplification, third-country policy responses and international impacts*. Retrieved Nov. 16, 2025, from https://media.odi.org/documents/CBAM_Briefing_Paper.pdf

²² Article I of the General Agreement on Tariffs and Trade (GATT 1947).

²³ Lunenborg, P., and Naidu, V. Feb. 5, 2024. How the EU's Carbon Border Adjustment Mechanism discriminates against foreign producers. *Policy Brief*. Retrieved Nov. 16, 2025, from https://www.southcentre.int/wp-content/uploads/2024/02/PB124_How-the-EUs-Carbon-Border-Adjustment-Mechanism-discriminates-against-foreign-producers_EN.pdf?utm_source=chatgpt.com

²⁴ Durel, L. 2024. Border carbon adjustment compliance and the WTO: the interactional evolution of law. *Journal of International Economic Law* 27. 18-40. Retrieved Nov. 16, 2025, from <https://academic.oup.com/jiel/article/27/1/18/7613372>

²⁵ Article XX of the General Agreement on Tariffs and Trade (GATT 1947).

against foreign products.²⁶ Where foreign exporters have paid their fair share of carbon emissions taxes CBAM is expected to credit that to prevent export countries from paying twice and support regulation.²⁷ CBAM is also used in combination with alternative options for lowering carbon-embedded imports into EU countries to achieve GHGs control.²⁸ The ultimate goal of CBAM is environmental protection which would mitigate climate change by preventing carbon from escaping into the atmosphere.

Legal Framework for CBAM in the United States

The United States Department of Energy (DOE) is asked to publish greenhouse gas emissions data on specific categories of products made in the United States and create an online database regarding those products for purposes of transparency under the proposed Prove It bill yet to be passed into law.²⁹ Although no agency is mandated to impose carbon taxes, the proposed online database should be updated every five years.³⁰ The proposal for this policy is essential because verifiable greenhouse gas emissions data would create the legal foundation for CBAM where, for instance, imported steel ton and domestic steel ton tariff prices would be compared in a fair and equitable manner.³¹ The proposed bill aims to establish a low-carbon policy by charging carbon taxes or pollution fees on specific categories of products and; therefore, the need for verifiable data on carbon-embedded foreign products and how they compare with domestic products.³² There are various proposal policies to be considered including charging a fixed carbon tax or percentage, or paying levies based on the intensity of carbon-embedded products across different products imported into the United States.³³ The purpose for proposing carbon tariffs is to increase competition in the United States and drastically mitigate the production of carbon-embedded products overseas where other countries would have the incentive for adapting similar climate policy initiatives and manufacture cleaner products.³⁴ However, in order for tariffs to work, there is a need for effective monitoring, reporting, and verification standards to ascertain the level of carbon potency; otherwise, such tariffs would be inequitable. This would enhance transparency and non-discrimination with carbon pricing on foreign products in accordance to WTO rules; thereby, mitigating legal challenges. Where

²⁶ Bye, B., Kaushal, K.R., and Storrøsten, H.B. 2025. EU's carbon border adjustment mechanism CBAM – industrial effects. *Climate Policy*. 1-13. Retrieved Nov. 16, 2025, from <https://www.tandfonline.com/doi/full/10.1080/14693062.2025.2557236?utm>

²⁷ Bachmann, F., and Nellen, F.J.G. 2025. A Critical Analysis of the Carbon Border Adjustment Mechanism. *Global Trade and Customs Journal* 20. 519-530. Retrieved Nov. 16, 2025, from <https://kluwerlawonline.com/JournalArticle/Global%2BTrade%2Band%2BCustoms%2BJournal/20.7/GTCJ2025082?utm>

²⁸ Morone, P., and Alfino, A. 2025. Impact of the EU Carbon Border Adjustment Mechanism on the Global South. *Discover Sustainability* 6. 1-11. Retrieved Nov. 16, 2025, from <https://link.springer.com/content/pdf/10.1007/s43621-025-01131-x.pdf>

²⁹ Congress.Gov. Jan., 2024. *S. 1863 – PROVE IT Act of 2024 118th Congress (2023-2024)*. Retrieved Nov. 16, 2025, from <https://www.congress.gov/bill/118th-congress/senate-bill/1863/text>

³⁰ Ibid.

³¹ Congressional Research Service. Oct., 2024. *Border Carbon Adjustments: Policy Considerations, Legislation, and Developments in the European Union*. Publication No. R48247. Retrieved Nov. 16, 2025, from https://www.everycrsreport.com/files/2024-10-28_R48247_da5ab165f88c772854047f22c3b1ceb387d605ab.pdf

³² Ibid.

³³ American Action Forum. Apr., 2025. *The New U.S. Carbon Tariff Proposal: A Brief Overview*. Retrieved Nov. 16, 2025, from <https://www.americanactionforum.org/insight/the-new-u-s-carbon-tariff-proposal-a-brief-overview/?utm>

³⁴ Resources for the Future. May 2025. *Proposed Carbon Tariff Could Boost US Manufacturing and Emissions*. Retrieved Nov. 16, 2025, from <https://www.rff.org/news/press-releases/proposed-carbon-tariff-could-boost-us-manufacturing-and-emissions/?utm>

there is a domestic carbon tariff, it would prevent lawmakers in Congress from engaging in political incentives by imposing new carbon taxes in order to collect GHGs emissions data. Carbon taxes can play the role of reducing carbon-intensive products manufactured in foreign countries, or shifting trade deals to developing countries that prioritize industrialisation over climate change impacts. The Prove It Act in the United States would assist in the assessment of exporters by providing for verifiable emissions data. It is; therefore, significant that Nigeria invests in technological capacity, data-exchange, and low-carbon production to take advantage of the United States trade market and avoid facing high carbon costs in exports.

Is CBAM an Authentic Climate-Friendly Trade or Simply Non-Tariff Barriers?

CBAM is a climate action initiative established to mitigate carbon emissions into the atmosphere; however, without proper tools for effective monitoring, reporting, and verification regarding data on carbon emissions intensity, this initiative would serve only as a protection policy for countries from foreign competition.³⁵ In this case, countries would find other places with very lax climate initiatives with lower carbon pricing or taxes where emissions would continue to increase.³⁶ The main purpose for CBAM is to have foreign countries pay carbon imports as a measuring tool to mitigate carbon leakage and align CBAM with climate action similar to what EU manufacturers pay under the Emissions Trading System (ETS). This would ultimately prevent increased levels of production in other countries with very weak climate policies which could negate the genuine purpose of CBAM in mitigating carbon emissions into the atmosphere.³⁷ CBAM is also derived from the United Nations environmental policy where polluters bear the costs for taking the necessary steps to control pollution.³⁸ Under the CBAM regulations, importers are mandated to report carbon-embedded emissions and surrender their CBAM certificates aligning with EU carbon pricing except if carbon costs had already been paid.³⁹

CBAM may also be used a barrier to trade where countries do not possess the requisite technologies for monitoring, reporting, and verification of carbon emissions data which entails evidence of low-carbon emissions. As a result, countries would need to pay higher carbon costs to trade within EU jurisdictions; thereby, forcing these countries to conduct business to other countries with lower carbon costs.⁴⁰ Secondly, CBAM's methodologies for carbon emissions factors or thresholds for highly-embedded carbon in products could disproportionately disadvantage exporting countries; thereby, raising discrimination concerns

³⁵ Buylova, A., and Nasiritousi, N. 2024. CBAM: Bending the carbon curve or breaking international trade? *Swedish Institute for European Policy Studies* 9. 1-13. Retrieved Nov. 17, 2025, from https://sieps.se/media/lxucunvq/2024_9epa.pdf

³⁶ Ibid. Pg. 2.

³⁷ Bux, C., Rana, R.L., Tricase, C., Geatti, P., and Lombardi, M. 2024. Carbon Border Adjustment Mechanism (CBAM) to Tackle Carbon Leakage in the International Fertilizer Trade. *Sustainability* 16. 1-18. Retrieved Nov. 17, 2025, from <https://www.mdpi.com/2071-1050/16/23/10661?utm> Abstract.

³⁸ Organisation for Economic Co-operation and Development (OECD). 1975. *The Polluter Pays Principle Definition Analysis Implementation*. Retrieved Nov. 17, 2025, from https://www.oecd.org/content/dam/oecd/en/publications/reports/1975/01/the-polluter-pays-principle_g1gh8f8f/9789264044845-en.pdf

³⁹ Amendola, M. 2025. Winners and losers of the EU carbon border adjustment mechanism. An intra-EU issue? *Energy Economics* 142. 1-24. Retrieved Nov. 17, 2025, from https://www.sciencedirect.com/science/article/pii/S014098832400848X?ref=pdf_download&fr=RR-2&rr=9a010ebee9404052

⁴⁰ Dechezleprêtre, A., Haramboure, A., Kögel, C., Lalanne, G., and Yamano, N. 2025. Carbon Border Adjustments: The potential effects of the EU CBAM along the supply chain. OECD Science, Technology and Industry Working Papers 2025/02. OECD Directorate for Science, Technology and Innovation. 1-79.

leading to political influences and WTO violations.⁴¹ There should be transparency and clarity for purposes of meeting CBAM obligations by producers and devoid of unfair practices. CBAM could affect competition when producers of highly-embedded carbon products shift from countries with stringent climate policies to other countries with lax climate initiatives; thereby, increasing carbon emissions except such climate policies give sufficient incentives including carbon credits as well as international technological support to developing countries like Nigeria to resume trade.⁴²

Legal Framework For Nigeria's Carbon and Energy Governance

Climate Change Under the 1999 Constitution of the Federal Republic of Nigeria (As Amended)

The 1999 Constitution of the Federal Republic of Nigeria (As Amended) is the supreme law of the land and any other law which goes in conflict with the provisions of the Nigerian Constitution, such law would be of no effect:

If any other law is inconsistent with the provisions of this Constitution, this Constitution shall prevail, and that other law shall to the extent of the inconsistency be void.⁴³

The Nigerian Constitution is the foundational principle for the establishment of other domestic laws in Nigeria geared towards the protection of the environment which the Constitution provides thus:

The State shall protect and improve the environment and safeguard the water, air and land, forest and wild life of Nigeria.⁴⁴

Therefore, the harmful impacts on the environment including GHG emissions derived from fossil fuels affects climate change. Unfortunately, Chapter II of the Constitution is not enforceable under a court of law which means that a Nigerian citizen cannot sue to enforce his or her rights under this section regarding environmental challenges. This absence of constitutional guarantee violates the African Charter of Human and Peoples' Rights (ACHPR) which provides for the protection of people against environmental harm.⁴⁵ A Federal High Court judge in *A locus classicus* judicial case held that the Plaintiff is entitled to a clean and

⁴¹ Sabyrbekov, R., and Overland, I. 2024. Small and large friends of the EU's carbon border adjustment mechanism: Which non-EU countries are likely to support it? *Energy Strategy Reviews* 51. 1-18. Retrieved Nov. 17, 2025, from https://www.sciencedirect.com/science/article/pii/S2211467X24000105?ref=pdf_download&fr=RR-9&rr=9a0148b7fbc7b2e5 Pg. 1.

⁴² Wirdyansyah, D.M. 2025. Carbon Border Adjustment Mechanism (CBAM) and Its Implications for Developing Economies: A Systematic Literature Review. *Indonesian Journal of Energy* 8. 162-176. Retrieved Nov. 17, 2025, from <https://ije-pyc.org/IJE/article/view/292/94> Abstract.

⁴³ Section 1(3) of the 1999 Constitution of the Federal Republic of Nigeria (As Amended).

⁴⁴ Section 20 of the 1999 Constitution of the Federal Republic of Nigeria (As Amended).

⁴⁵ Olujobi, O.J., and Odogbo, I.S. 2024. Strategic evaluation of the 2021 Nigeria Climate Change Act: Surmounting challenges, paving the way for success, and envisioning future trajectories. *Social Sciences & Humanities Open* 10. 1-11. Retrieved Nov. 19, 2025, from https://www.sciencedirect.com/science/article/pii/S2590291124001256?ref=pdf_download&fr=RR-9&rr=9a0b6adfcfc36555

healthy environment where the judge ordered the defendant in the case to cease gas flaring⁴⁶ which aligns with the constitutional provision that every Nigerian citizen is entitled to the right to human dignity.⁴⁷ The Nigerian courts also reaffirmed its argument from Gbemre's case where it held that the continued gas flaring in the Niger Delta by the Nigerian government and oil companies within the region violates the constitutional rights of the Ogoni people and a transgression to the ACHPR.⁴⁸ The rationale behind the lack of the constitutional impact towards the protection of Nigerian citizens against environmental and climate justice is borne under non-justiciability under the provisions of the Nigerian Constitution.⁴⁹ As a result, the judiciary is not permitted to adjudicate under the provisions contained in Chapter II of the Constitution but make references to the extent of all civil obligations between people and the government.⁵⁰

Decarbonization and Low-Carbon Transition Under Nigeria's Petroleum Industry Act (PIA), 2021

The Petroleum Industry Act (PIA), 2021 is a paradigm shift for overhauling Nigeria's regulatory and fiscal framework in the oil and gas sectors. The Act contains the provisions for the establishment of a gas transition fund as well as guidelines for environmental governance imposed on the government which; if properly implemented, would encourage decarbonisation and strengthen renewable governance.⁵¹ The Act provides for the creation of a fund for gas transition to meet Nigeria's energy transition goals:

- (1) There is established the Midstream and Downstream Gas Infrastructure Fund subject to appropriation by the National Assembly, which shall be –
 - (a) a body corporate with perpetual succession and a common seal; and
 - (b) reside in the Authority as prescribed in accordance with this Act.
- (7) The source of the Midstream and Downstream Gas Infrastructure Fund shall be –
 - (b) funds and grants accruing from multilateral agencies, bilateral institutions and related sources dedicated partly or wholly for the development of infrastructure for midstream and downstream gas operations in Nigeria;
 - (d) money received from gas flaring penalties by the Commission under section 104(4) of this Act, shall be for the purpose of environmental remediation and relief of the host communities of the settlor on which the penalties are levied; and

⁴⁶ FHC/B/CS/53/05 - Gbemre (on behalf of Iwherekan Community, Delta State) v. SPDC Ltd. and Ors.

⁴⁷ Section 34 of the 1999 Constitution of the Federal Republic of Nigeria (As Amended).

⁴⁸ ECW/CCJ/JUD/18/12 – Socio-Economic Rights and Accountability Project (SERAP) v. Nigeria

⁴⁹ Section 6(6). Para. (c) of the 1999 Constitution of the Federal Republic of Nigeria (As Amended).

⁵⁰ Olujobi, O.J., and Odogbo, I.S. 2024. Strategic evaluation of the 2021 Nigeria Climate Change Act: Surmounting challenges, paving the way for success, and envisioning future trajectories. *Social Sciences & Humanities Open* 10. 1-11. Retrieved Nov. 19, 2025, from

https://www.sciencedirect.com/science/article/pii/S2590291124001256?ref=pdf_download&fr=RR-9&rr=9a0b6adfc36555

⁵¹ KPMG. Aug., 2021. *Petroleum Industry Act (PIA) 2021 – A Game Changer?* Retrieved Nov. 17, 2025, from https://assets.kpmg.com/content/dam/kpmg/ng/pdf/tax/petroleum-industry-act-%28pia%29-2021-a-game-changer.pdf?utm_ Pgs. 12 and 16.

(e) any other sum, freely donated or accruing to the Midstream and Downstream Gas Infrastructure Fund for development of infrastructure in midstream gas operations.⁵²

In light of the above, the Midstream and Downstream Gas Infrastructure Fund (MDGIF) is a funding scheme used to attract investments for gas pipelines, processing, and gas infrastructure development in the midstream and downstream sectors which is essential for gas transition in Nigeria.⁵³ The MDGIF is funded by charging small tariffs stipulated in the PIA as well as 0.5% from sales of gas and wholesale petroleum products which is managed by a governing council for oversight purposes, and would ultimately allow for reduction of gas flaring, high carbon fuels and enable domestic gas usage for gas infrastructure development.⁵⁴ The MDGIF is the gas transition mechanism which supports decarbonisation because proper funding of gas pipelines and processing plants would permit the use of domestic natural gas to power homes and the industry, and mitigate incessant gas flaring as well as toxic methane emissions. These infrastructures would permit the integration of lower-carbon usage with hydrogen and biogas in so far as the MDGIF regulations are effectively implemented.⁵⁵ There are also various provisions under the PIA which mandate oil operators and licensees to comply with environmental guidelines to restrict pollution while coordinating with other regulators to conduct Environmental Impact Assessments to promote health and safety within host communities.⁵⁶ The PIA and its various regulations give regulators the authority to observe, investigate, and provide punishment for environmental violations as well as the mandate for providing certificates of quality, proof of petroleum sales, and sanctions for refusing to remit tariffs into the MDGIF.⁵⁷ Therefore, there is a need for compliance obligations that would serve as the institutional foundation to address gas flaring and accountability. The PIA and its regulations contain provisions regarding the support for decarbonisation and while promising, these laws face lack of enforcement, weak institutional collaboration, and technical capacity.⁵⁸ Proper implementation of environmental guidelines require technical capacity and political will. The PIA favours gas infrastructural development through tariff and investment allowances, mandating applicants for licenses and permits to prepare plans for GHGs reduction using the Upstream Petroleum Decarbonisation Template (UPDT)⁵⁹, as well as the MDGIF

⁵² Sections (1)(a)(b) and (7)(b)(d) and (e) of the Petroleum Industry Act, 2021.

⁵³ Regulations 3 and 5 of the Midstream and Downstream Gas Infrastructure Fund (MDGIF) Regulations, 2024.

⁵⁴ Prof. Dokpesi, A.O., and Dr. Godwin, G.O. 2024. Implementation of the Petroleum Industry Act, 2021: Available Prospects for A Better Oil and Gas Industry in Nigeria. *Journal of Social Theory and Research (JOSTAR)* 4. 183-197. Retrieved Nov. 18, 2025, from <https://publications.jostar.org/ng/sites/default/files/2024-10/Full%20Jostar%202024%20Vol.%204%20No.%201-191-205.pdf?utm> Pgs. 192-193.

⁵⁵ KPMG. 2025. *Nigerian Midstream and Downstream Subsector Watch*. Retrieved Nov. 18, 2025, from <https://assets.kpmg.com/content/dam/kpmg/ng/pdf/2025/05/Nigerian%20Midstream%20and%20downstream.pdf?utm>

⁵⁶ Regulations 1, 3, 4, and 8 of the Midstream and Downstream Petroleum Environmental Regulations, 2023 and Section 33 Para. (y) of the Petroleum Industry Act, 2021.

⁵⁷ Regulations 1, 4, and 5 of the Midstream and Downstream Petroleum Fees Regulations, 2024 and Section 32 Para. (e) of the Petroleum Industry Act, 2021.

⁵⁸ Dr. Obele, J.D. 2025. Effect of Government Policy Frameworks on the Diversification from Crude Oil to Alternative Energy in Nigeria. *Academic Journal of Marketing and Management Science* 10. 118-125. Retrieved Nov. 18, 2025, from <https://bwjournal.org/index.php/bsjournal/article/view/3283/2854>

⁵⁹ Section 6. Paras. (d), (g), (h), (i), (j), and (k) of the Petroleum Industry Act, 2021. This regulatory template was issued by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) to promote sustainability and its commitment to net zero emissions as a pioneer for global energy transition.

funding gas development projects in substitution to fossil fuels.⁶⁰ Last year, the NUPRC introduced the UPDT being a model for mitigating GHG emissions which permit and license applicants are mandated to follow regarding crude oil projects including preparing GHG management programs, and combining renewable energy.⁶¹ This new development serves as a major breakthrough integrating licenses to decarbonisation. Recent literature had emphasized that while Nigeria's decarbonisation prospects is hopeful which would demonstrate its commitment to net zero emissions; however, there is need for clearer MRV⁶² requirements for GHGs reduction, effective enforcement measures, and ensuring oversight of MDGIF funding.⁶³

Climate Change Act 2021: Creating a National Climate Council and Carbon Limits Across All Sectors

The Climate Change Act provides for the institutional foundation for government to create an emissions budget as well as a Nigerian climate action plan that would integrate global climate commitments with national laws and policies.⁶⁴ The Act creates the National Council on Climate Change as a body corporate which provides for policies regarding issues concerning climate change action in Nigeria. The Council can sue and be sued under its corporate name.⁶⁵ The functions of the Council include implementing policies for regulating GHGs emissions, manage the climate change fund, conduct Nigerian climate change action plan oversight, finance plans for carbon taxation and carbon trading schemes, and collaborate with MDAs on climate change mitigation policies for decarbonization.⁶⁶ It is important to note that the Federal Ministry of Environment; in collaboration with the Federal Ministry of Budget and Economic Planning, shall set a carbon limit in Nigeria:

set carbon budget for Nigeria, to keep average increases in global temperature within 2°C and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels,⁶⁷

Based on the above, the carbon limit plan must be presented for consent within 12 months of the commencement period,⁶⁸ there should be a regular assessment of carbon limit policies aligning with Nigeria's climate action commitments under the Paris Agreement,⁶⁹ and recurring publications of nationwide climate impact assessments and policies which support

⁶⁰ Eboh, C. Dec. 31, 2024. Nigeria oil licence applicants must prove low carbon emissions, Nigerian regulator says. *Reuters*. Retrieved Nov. 19, 2025, from https://www.reuters.com/world/africa/nigeria-oil-licence-applicants-must-prove-low-carbon-emissions-nigerian-2024-12-31/?utm_

⁶¹ Africa Oil and Gas Report. Jan., 2025. *NUPRC's Mandatory Decarbonisation Rules (UPDT): The Risk of Becoming Mere Boxes to Tick*. Retrieved Nov. 19, 2025, from <https://africaoilgasreport.com/2025/01/in-the-news/nuprcs-mandatory-decarbonisation-rules-updt-the-risk-of-becoming-mere-boxes-to-tick/>

⁶² Monitoring, Reporting, and Verification (MRV).

⁶³ Natural Resource Governance Institute. July 2024. *Strengthening Methane Emissions Reduction in Nigeria's Oil and Gas Sector*. Retrieved Nov. 19, 2025, from <https://resourcegovernance.org/sites/default/files/2024-09/strengthening-methane-emissions-reduction-in-nigeria%E2%80%99s-oil-and-gas-sector-6552.pdf>

⁶⁴ Section 20 of the Climate Change Act, 2021.

⁶⁵ Section 3 of the Climate Change Act, 2021.

⁶⁶ Section 4 of the Climate Change Act, 2021.

⁶⁷ Section 19(1). Para. (a) of the Climate Change Act, 2021.

⁶⁸ Section 19(3) of the Climate Change Act, 2021.

⁶⁹ Section 19(1)(b) (ii.) of the Climate Change Act, 2021.

climate limits.⁷⁰ The Act also provides for how carbon limit policies should be conducted which include a five year carbon limit cycle, annual carbon limits at the end of each cycle, as well as carbon footprints for the past, present, and future outlooks.⁷¹ This would translate carbon limits into industry-specific goals and annual quotas. Previous studies have truly commended the Act's establishment of the Council, Nigeria's Climate Action Plan, carbon limits, and the Climate Change Fund and revered these policies as new legal reforms; however, there have been implementation gaps regarding weaknesses in MRV rules, fragmented institutional collaboration, and requirements for carbon limits and action plan policies as dysfunctional.⁷² Scholars recommend skills-building, clarity in MRV rules, and accountable governance within the Climate Change Fund.⁷³

Advancing Net-Zero Through Gas Transition, Renewable Expansion, and Industrial Decarbonization in Nigeria's Energy Transition Plan

Challenges regarding the CBAM policy for African exporters, including Nigeria, is that the policy is designated as a trade-restrictive policy which would hamper exports of products resulting in billions of dollars in yearly losses. Therefore, exports of products from African countries would reduce significantly.⁷⁴ However, Nigeria's Energy Transition Plan was launched August 24, 2022 to achieve net-zero emissions by 2060 as part of Nigeria's NDC to climate change commitments across five key sectors including power, cooking, oil and gas, transportation, and industry.⁷⁵ This plan is a welcomed achievement for the advancement of sustainable growth in the energy industry geared towards the reduction of GHGs emissions. Former Vice President Osinbajo stated thus:

For Africa, the problem of energy poverty is as important as our climate ambitions. Energy use is crucial for almost every conceivable aspect of development. Wealth, health, nutrition, water, infrastructure, education, and life expectancy are significantly related to the consumption of energy per capita.⁷⁶

While Nigeria has ambitions to initiate its climate action potentials through this robust plan, there is still the challenge of transparency, accountability, and implementation of the actionability of climate and energy data to reduce GHGs emissions. If a similar CBAM policy is to be implemented in Nigeria through the ETP, there is a need to consider how to task institutions implementing the ETP to meet targets setup by the ETP policy. Incorporating a

⁷⁰ Section 19(5)(a)(b) of the Climate Change Act, 2021.

⁷¹ Section 20 of the Climate Change Act, 2021.

⁷² Climate Policy Initiative. Oct., 2024. *Landscape of Climate Finance in Nigeria 2024*. Retrieved Nov. 23, 2025, from <https://www.climatepolicyinitiative.org/wp-content/uploads/2024/10/Landscape-of-Climate-Finance-in-Nigeria-2024.pdf?utm> Pgs. 25-27.

⁷³ Ibid. Pg. 31.

⁷⁴ Jeremiah, K. May 11, 2023. Nigeria, other African countries may lose \$25b yearly to EU carbon adjustment initiative. *TheGuardian*. Retrieved November 23, 2025, from <https://guardian.ng/business-services/nigeria-other-african-countries-may-lose-25b-yearly-to-eu-carbon-adjustment-initiative/>

⁷⁵ Sustainable Energy for All. Nov., 2024. *Nigeria Energy Transition & Investment Plan Update (2024)*.

Retrieved Nov. 23, 2025, from <https://www.seforall.org/system/files/2025-05/Nigeria-ETIP-u.pdf#page24> Pg. 5

⁷⁶ Sustainable Energy for All. Aug., 2022. *Nigeria's Vice President launches Energy Transition Plan as country seeks USD 10 billion initial support package*. Retrieved Nov. 23, 2025, from <https://www.seforall.org/news/nigerias-vice-president-launches-energy-transition-plan-as-country-seeks-usd-10-billion>

carbon adjustment policy initiative through the ETP and effective implementation of the initiative would drive foreign investment for cleaner technologies putting Nigeria at the pedestal globally for climate action.

Legal and Economic Risks For Intersecting CBAM And Nigerian Imports

Implementation Strategies for Nigeria

Implementing the CBAM in Nigeria confers both challenges and opportunities. There are economic and administrative hurdles such as the need for Nigeria to develop the necessary infrastructure and expertise for accurate and transparent carbon measurement reporting techniques to align with CBAM requirements.⁷⁷ The federal government needs to develop keener interests in investing in cleaner processes by involving policymakers and stakeholders in the implementation process. However, it is important to note that both domestic and international investors seek stability, predictability and transparency in well-regulated environments before committing capital to energy projects. Secondly, a major challenge with fossil fuel dependency is that it fuels corruption and significantly reduces government's effectiveness on resource governance.⁷⁸ It is apparent that for CBAM to work in Nigeria, the government needs to diversify its economy to encourage foreign exports to limit carbon embedded in products.⁷⁹ The African Continental Free Trade Area (AfCFTA) established by the AfCFTA agreement, could provide for the improvement of Nigeria's investment chances and positioning of policies of energy partners through dialogue between members of AU and exporters at the World Trade Organization (WTO).⁸⁰ A key element of the agreement is to eliminate tariffs and non-tariff barriers to trade in goods progressively. However, dialogue with international trade partners would suggest provisions for the inclusion of CBAM and further amendments to promote sustainable development. Lastly, to address the lack of infrastructure, there is need to train local industries and governmental bodies in Nigeria in carbon measurement and management. One way could be by incentivizing foreign investors through tax deductions to encourage technology usage to enhance carbon accounting. Unfortunately, Nigeria currently lacks a domestic carbon pricing system to prove equivalent carbon costs, making exports vulnerable. There is a need for Nigeria to build its domestic carbon accounting framework and integrate energy laws with the Paris Agreement.⁸¹

Conclusion

This paper examined how CBAM is an essential tool to engender international climate mechanisms and trade regulations, the legal foundation for EU's CBAM and its impact on climate policy and trade to establish domestic legal reforms in exporting countries, and the

⁷⁷ Perdana, S. and Vielle, M. 2022. Making the EU Carbon Border Adjustment Mechanism acceptable and climate friendly for least developed countries. *Energy Policy* 170. 113-245. Retrieved November 23, 2025, from <https://www.sciencedirect.com/science/article/pii/S0301421522004645?via%3Dihub>

⁷⁸ Olujobi, O.J. and Olusola-Olujobi, T. 2021. Nigeria Renewable Energy as Alternative Sources of Energy: Impacts and Potentials. *Environmental Policy and Law* 50. 433-444. Retrieved November 23, 2025, from https://www.researchgate.net/publication/349069632_Nigeria_Renewable_Energy_as_Alternative_Sources_of_Energy_Impacts_and_Potentials

⁷⁹ Energy Monitor. 2023. *How CBAM threatens Africa's sustainable development*. Retrieved November 23, 2025, from <https://www.energymonitor.ai/policy/carbon-markets/how-cbam-threatens-africas-sustainable-development/>

⁸⁰ African Climate Wire. 2023. *EU's Carbon Border Adjustment Mechanism Could Reduce African GDP by 0.91%*. Retrieved November 23, 2025, from <https://africanclimatewire.org/2023/02/eus-carbon-border-adjustment-mechanism-could-reduce-african-gdp-by-0-91/>

⁸¹ Article 6 of the Paris Agreement.

legal framework for CBAM in the United States and extracting lessons for Nigeria as a model for African imports. The legal analysis for CBAM and its implications for Nigeria reveals a clear and unavoidable truth which is the paradigm shift from fossil fuel consumption toward low-carbon production, and countries that fail to adjust will encounter rising trade restrictions, reduced export opportunities, and diminished competitiveness. Nigeria's challenge is balancing climate compliance with socio-economic development. CBAM, though foreign, presents a wake-up call for domestic reforms for Nigeria; therefore, integrating CBAM readiness within Nigeria's energy laws including the Petroleum Industry Act, 2021, the Climate Change Act, 2021, and the Energy Transition & Investment Plan would provide a model for other African countries to navigate global carbon-linked trade mechanisms. From one point of view, Nigeria suffers from economic hardships if it continues to produce carbon-embedded products, conduct poor environmental enforcement, and weak institutional collaboration. In absence of accurate carbon data, strong MRV rules, and carbon pricing blueprint legislation, Nigerian exports will experience high carbon prices due to carbon-intensive products and ultimately lose business trade with the EU and the United States. On the other hand, aligning with CBAM would position Nigeria as a global pioneer for decarbonisation and sustainable resource governance. Policies including the Midstream and Downstream Gas Infrastructure Fund, the National Council on Climate Change, and the Upstream Petroleum Decarbonisation Template already contain solid footing, but these policies must be enhanced through effective enforcement, strengthened technical competence, and genuine dedication to innovation. CBAM in Nigeria should be seen as the stepping stone to cleaner technologies, capacity building with global partners, and economic strength under the Paris Agreement for sustainable development. Nigeria's pathway to sustainable green economy requires establishing a reliable carbon accounting blueprint encouraging decarbonisation across different sectors. This will support renewable energy expansion programs allowing for international climate negotiations. If the federal government pursues these issues rigorously with heightened ambition, Nigeria would easily secure the position as the leading African country in climate action competitiveness.

Recommendations

To practically achieve CBAM for Nigeria, the following should be appropriately addressed:

1. The National Assembly; in collaboration with the Federal Ministry of Environment and National Council on Climate Change should legislate a Unified National Carbon Accounting and Pricing Bill that supports a carbon emissions database used by the PIA, Climate Change Act, and Energy Transition Plan and mandating MRV requirements for all carbon-intensive industries including cement, fertilizer, steel and petroleum operations.
2. National Assembly; in collaboration with the Federal Ministry of Environment and NCCC should amend the Climate Change Act to empower the NCCC to supervise all carbon-related regulations, make the NUPRC's Upstream Petroleum Decarbonisation Template (UPDT) enforceable and harmonized with NCCC carbon limits, and mandate MDAs to produce annual compliance reports on emissions. This would link the PIA, Climate Change Act, and Energy Transition Plan so they function as one coordinated climate-trade system.
3. National Assembly; in collaboration with the Ministry of Petroleum Resources (Gas) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority should amend the PIA to make the Midstream and Downstream Gas Infrastructure Fund be Nigeria's main gas transition and industrial decarbonisation mechanism by ensuring

independent audits of MDGIF activities, prioritizing funding for gas processing plants, pipelines, and gas flare capturing technologies.

4. National Assembly together with the Federal Ministry of Petroleum (Oil) and Federal Ministry of Environment should amend the PIA and the Climate Change Act to create independent compliance units within the NUPRC and NCCC with legal mandate to investigate and rigorously sanction violations, digitize licensing and emissions reporting processes to reduce human discretion, and reform gas flaring penalties high enough to discourage non-compliance with emissions reduction.
5. Federal government should consider policies for training officials within regulators such as the NUPRC, NMDPRA, NCCC, engineers, and auditors on CBAM technologies, carbon accounting, and digital emissions monitoring which would close the gaps on technical capacity for MRV, carbon pricing, and decarbonisation.
6. Federal government should lead African negotiations under the AfCFTA to become a pioneer on CBAM, advocate for international financing and technological support for African countries transitioning to low-carbon production under Article 6 of the Paris Agreement.
7. National Assembly; in collaboration with the Federal Ministry of Finance and Nigerian Revenue Service, Nigerian Export Promotion Council, Federal Ministry of Industry, Trade and Investment, and NESREA should consider policies in providing low-interest loans for decarbonization projects, and create a low-carbon certification policy poised as an incentive to reward exporters with fast-track customs clearance and trade incentives.
8. National Assembly; in collaboration with the Ministry of Petroleum Resources (Oil), Ministry of Environment, NUPRC, and NCCC should amend the PIA and the Climate Change Act to publish annual National Carbon Inventory Reports with unrestricted access to the public, create a digital platform where industries submit reliable emissions data, and include emissions performance in the evaluation of oil and gas licenses and renewals with strict enforcement.