



Policy Brief: The Nigeria 2021 Climate Change Act

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1. Background

The Federal Republic of Nigeria has the largest economy in Africa; in 2021, the 'country's GDP amounted to 440 Billion US Dollars. As the world recovers from the Covid-19 Pandemic in 2022, the economy is expected to grow exponentially¹.

The 'country's main export is petroleum and natural gas; in 2021, the country earned 46 Billion US Dollars from the petroleum sector². Nigeria is historically one of the largest oil and gas producers and exporters in Africa and joined the (Organization of the Petroleum Exporting Countries) OPEC in 1971³. The country largely depends on its oil and gas sector for economic growth; consequently, this has resulted in the country being one of the largest emitters in sub-Saharan Africa. Nigeria's largest greenhouse gas emitting sector is the energy sector, with fugitive emissions from the oil and gas sector making up a large percentage of the energy sector emissions. The other leading sectors are Agriculture, Waste, Forestry and Land Use and Industrial processes⁴. As such, the climate response is focused on mitigation and halting flaring in the petroleum sector while ensuring the commercialisation of gas flaring; in this way, the country has managed to include an adaptation component in its response⁵.

¹ World Bank Open Data, 'Nigeria GDP'

<https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?contextual=region&locations=NG>

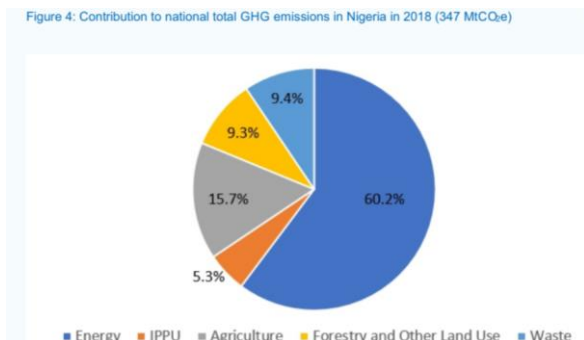
² ibid

³ Nigeria, OPEC, https://opec.org/opec_web/en/about_us/167.htm

⁴ The Federal Republic of Nigeria, 'Nigeria's First Nationally Determined Contribution- 2021 Update' pg 17 https://unfccc.int/sites/default/files/NDC/2022-06/NDC_File%20Amended%20_11222.pdf (Nigeria 2021 INDC)

⁵ Refer to the 'Nigerian Gas Flare Commercialization Programme, <https://ngfcp.dpr.gov.ng/>

Figure 4: Contribution to national total GHG emissions in Nigeria in 2018 (347 MtCO₂e)



Depiction of 'Nigeria's Green House Gas Emissions'⁶

International Climate Obligations

Nigeria ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1992, and in 2004 ratified the Kyoto Protocol⁷. In 2012 the Nigerian Government ratified the Doha Agreement under the Kyoto Protocol and committed to reducing greenhouse gas emissions by at least 18% below 1990 levels by 2020. In the same year, Nigeria became a voluntary member of the United Nations 'Environment's Climate and Clean Air Coalition to reduce short-lived climate pollutants⁸.

In 2015 prior to the 21st United Nations Climate Conference, Nigeria submitted its Intended Nationally Determined Contributions (NDCs) following the ratification of the Paris Agreement under the UNFCCC⁹. In 2021 an updated NDC was submitted where the country intends to reduce GHG emissions by 47% by 2030¹⁰. In the 2021 updated NDC, the Government of Nigeria identifies six propriety sectors: Energy, Agriculture, Forestry and Land Use (AFOLU), Waste, Industrial Sector and Short-Lived Climate Pollutants. The NDCs factor in cross-cutting issues which impact the delivery of adaptation and mitigation targets; these include Gender, Youth, Sub-national action, Whole society approach, Green Jobs and a Just Transition.

Legislative Framework

To support the achievement of international climate objectives, Nigeria has the following laws and policies in place:

Policy	Description
National Climate Change Policy 2021- 2030 ¹¹	Sets the overall policy direction for the climate response. It is the result of the review and updating process conducted on the National Climate Change Policy and Response Strategy (NCCPRS) in 2012. The policy aims to promote a low-carbon, climate-resilient and gender-responsive sustainable socio-economic development.

⁶ Nigeria 2021 INDC, pg 21

⁷ USAID, 'Nigeria: Climate Change Fact Sheet'

https://www.usaid.gov/sites/default/files/documents/Climate_Change_Fact_Sheet_-_NIGERIA_FINAL_FORMAT2.pdf

⁸ ibid

⁹ Nigeria 2021 INDC pg 5

¹⁰ Nigeria 2021 INDC pg 19

¹¹ Nigeria Federal Ministry of Environment: Department of Climate Change, 'National Climate Change Policy For Nigeria: 2021 – 2030' https://climatechange.gov.ng/wp-content/uploads/2021/08/NCCP_NIGERIA_REVISIED_2-JUNE-2021.pdf

National Action Plan to Reduce Short-Lived Climate Pollutants (2019)	It aims to improve air quality and Nigeria's mitigation efforts through 22 specific mitigation measures in 8 source sectors (transportation, cooking and lighting in households, industry, waste, oil and gas, agriculture, power and HFCs).
National Adaptation Plan (NAP) Framework 2020	Nigeria's NAP process began in response to negotiations under the UNFCCC, which first started at the 2001 UN Climate Conference in Morocco. The national action plan sets the country's objectives, principles, approaches, and structure of climate change adaptation planning and implementation.
National Green Bonds Programme ¹²	In 2017 the Nigerian Government issued a 5-year Green Bond to finance projects in the 2017 Appropriation Act for Afforestation, Renewable Energy and Clean Energy to support education. The Green Bond funded renewable energy projects, education and afforestation programs ¹³ .
National Action Plan on Gender and Climate Change for Nigeria ¹⁴	The Action Plan works to ensure the mainstreaming of gender considerations to guarantee inclusivity of all demographics in the formulation and implementation of climate change initiatives, programs and policies.
The flare gas (prevention of waste and pollution) regulations 2018	The regulations aim to create a market for flare gas and use the free market to reduce flaring while ensuring that communities and the Government obtain a financial benefit to counteract the externalities in cases where gas must be flared. The 4 main objectives of the regulations are: <ul style="list-style-type: none"> a) Reduce the environmental and social impact caused by flaring; b) Environmental protection; c) Prevent waste of natural resources; and d) Create social and economic benefits from gas flare capture¹⁵.
National Adaptation Strategy and Plan of Action on Climate Change for Nigeria (NASPA -CCN, 2011)	The Goal is to take action to adapt to climate change by reducing vulnerability to climate change impacts and increasing the resilience and sustainable wellbeing of all Nigerians; and to minimize risks by improving adaptive capacity, leveraging new opportunities, and facilitating collaboration nationally and as part of the global community. The Objectives are: <ul style="list-style-type: none"> • To reduce the impacts of climate change through adaptation measures and improving awareness and preparedness for climate change across all levels of government and sectors; • Mobilise communities for adaptation actions;

¹² The Presidency, 'The Debut Federal Government of Nigeria Green Bonds' <https://www.dmo.gov.ng/fgn-bonds/green-bond/2290-green-bond-factsheet/file>

¹³ Nigeria's Federal Ministry of Environment, 'Nigeria's National Adaptation Plan Framework' (June 2020) <https://napglobalnetwork.org/wp-content/uploads/2021/06/napgn-en-2020-Nigeria-National-Adaptation-Plan-NAP-Framework.pdf>

¹⁴ Federal Republic of Nigeria: Federal Ministry of Environment, 'National Action Plan On Gender and Climate Change For Nigeria' (Nigeria, 2020) <http://dhq.climatechange.gov.ng/Documents/climate-change-and-gender-action-plan.pdf>

¹⁵ The Federal Republic of Nigeria, The Flare Gas (prevention of waste and pollution) Regulations 2018, Reg. 1 <https://ngfcp.dpr.gov.ng/media/1120/flare-gas-prevention-of-waste-and-pollution-regulations-2018-gazette-cleaner-copy-1.pdf>

- Reduce the impacts of climate change on key sectors and vulnerable groups;
- Integrate adaptation measures into national and sectoral plans. This includes State and Local Government planning, universities, research and educational organizations, civil society organizations, the private sector and the media.

International Initiatives and Coalitions

In addition to the national policy and legislative landscape, Nigeria has joined several climate-focused alliances to strengthen the various aspects of its climate action. Below is a description of some of the most relevant climate alliances that Nigeria is a party to.

Global Methane Pledge¹⁶

Nigeria signed the Global Methane Pledge in 2021, signifying its intention to collaborate with other signatories to reduce global methane emissions by at least 30% from 2020 levels by 2030, which could eliminate over 0.2°C warming by 2050. Additionally, the country has committed to using Intergovernmental Panel on Climate Change (IPCC) good practice inventory methodologies to ensure the accuracy and completeness of national greenhouse gas inventory reporting under the UNFCCC and Paris Agreement.

Global Methane Alliance¹⁷

In September 2019, Nigeria and Cote 'd'Ivoire joined the Global Methane Alliance (GMA), which brings together Governments, financiers, international organisations and private sector actors to support methane reduction targets from the oil and gas industry. Within the GMA, countries can choose either an absolute 45% reduction target by 2030 or a "near-zero" methane intensity target, depending on actual methane emissions and the level of development in their oil and gas industry.

Climate and Clean Air Coalition (CCAC)¹⁸

In 2019 Nigeria joined the CCAC. The CCAC is a multi-stakeholder partnership of national and subnational governments, intergovernmental organisations, non-governmental organisations, academia and private sector actors dedicated to addressing air pollution and climate change. The CCAC partners work towards reducing short-lived climate pollutants (SLCPs), specifically methane, hydrofluorocarbons (HFCs) and black carbon, by driving political changes, advancing planning, and delivering sectoral mitigation actions. Being a CCAC partner has enabled Nigeria to gain adequate support in implementing its 2019 National Action Plan to Reduce SLCPs¹⁹.

West African Alliance on Carbon Markets and Climate Finance²⁰

¹⁶ Global Methane Pledge <https://www.globalmethanepledge.org/>

¹⁷ Global Methane Alliance, <https://www.globalmethane.org/challenge/gma.html>

¹⁸ Climate and Clean Air Coalition, 'Annual Report 2018-2019' <https://www.ccacoalition.org/en/resources/climate-and-clean-air-coalition-annual-report-2018-2019>

¹⁹ Climate and Clean Air Coalition, 'Nigeria' <https://www.ccacoalition.org/en/partners/nigeria#:~:text=Nigeria%20has%20been%20a%20Climate%20and%20Clean%20Air,of%20short-lived%20climate%20pollutant%20%28SLCPs%29%20mitigation%20is%20critical.>

²⁰ West African Alliance on Carbon Markets and Climate Finance <https://westafricaclimatealliance.org/members/>

In June 2017, Nigeria joined the West African Alliance on Carbon Markets and Climate Finance. The Alliance works to enhance the position of West African countries in participating in international carbon markets, benefiting from technology transfer and ensuring access to result-based climate finance for NDC implementation.

NDC Partnership²¹

The NDC Partnership is composed of countries and institutions working together to create and deliver climate goals so as to achieve the targets set in the 2015 UNFCCC Paris Agreement and the UN Sustainable Development Goals (SDGs). The NDC Partnership offers Governments access to expertise, technical assistance, and funding ultimately contributing to sustainable development.

Nigeria joined the NDC partnership in November 2016 and is currently implementing stage 3 of a 5-stage engagement strategy. The country is currently designing and strengthening the partnership plan, as evidenced from various developments including the passage of the 2021 Climate Change Act.

2. Climate Change Act, 2021

On 17th November 2021, President Muhammadu Buhari signed the Climate Change Bill into law. The Act provides for the mainstreaming of climate change actions and establishes the National Council on Climate Change. Below is a short analysis of the Climate Change Act, 2021.

The Act has the following objectives:

- a) Formulate and implement climate change mitigation and adaptation programs;
- b) Coordinate the national climate response;
- c) Mainstream climate change actions nationally and sub-nationally across all sectors;
- d) Facilitate the mobilisation of climate finance;
- e) Integrate climate change policies and actions with national priorities to promote sustainable development;
- f) Set targets for the achievement of a carbon net zero economy for the period 2050- 2070;
- g) Build resilience and strengthen existing adaptive capacities;
- h) Ensure climate mitigation by promoting a low carbon economy; and
- i) Coordinate the involvement of private and public entities in the climate response.

National Council on Climate Change (The Council)

The Act establishes The Council, which acts as the central government body charged with overseeing the implementation of policies and decisions relating to the climate response²². The Council is headed by the President and is composed of multiple Ministers, the Governors' Forum, and Civil Society. Additionally, representatives of the private sector, women, youth and persons living with disabilities are part of the council²³. The Council shall have a secretariat

²¹ NDC Partnership, 'Nigeria' <https://ndcpartnership.org/countries-map/country?iso=NGA>

²² Climate Change Act 2021 (NG) Section 3

²³ *ibid* Section 5

headed by a Director General and shall be charged with implementing and updating the National Climate Change Action Plan in collaboration with other stakeholders²⁴. To ensure proper coordination and efficiency, the secretariat shall have 6 zonal officers to account for the six geo-political zones alongside State directors for each of the 36 states²⁵.

Policy and legislative function:

The Act requires The Council to coordinate the climate policy implementation and legislative framework. The Council is in charge of ensuring the creation, mainstreaming and coordination of climate change policies starting with the National Climate Change Action Plan²⁶. Additionally, the Council is tasked with creating and ensuring the implementation of the legislative framework relating to climate impact and vulnerability assessments across all sectors. The Council shall review international climate agreements relating to climate change and advise the Federal Government on potential ratification and compliance²⁷.

Climate Finance

The Council is in charge of administering the Climate Change Fund and fundraising for climate action. Working together with the Federal Ministries in charge of Environment and Trade, the Council shall work to create a national carbon emissions trading system²⁸. Additionally, together with the Federal Inland Revenue Service, The Council shall develop a mechanism for levying carbon tax²⁹. Finally, the Council will work to ensure that the Nigeria Sovereign Green Bond propels the country to meet its NDC targets³⁰.

Educator and Advisor

The Council is charged with ensuring proper climate education on local vulnerability risks, laws & policies and adaptation and mitigation measures³¹. This is an external facing function of The Council as it involves the greater general public. The Council is charged with giving technical, scientific and legal advice relating to climate change³².

Climate Finance

Climate Change Fund

The Act establishes the Climate Change Fund, which The Council maintains. The Fund shall be resourced through budgetary allocations from the Federal Government, funding from international organisations and proceeds from the carbon tax and emissions systems³³. The Fund shall be used for various endeavours related to the climate response, including policy implementation, supporting advocacy and incentivising private and public entities to hasten their transition to clean energy³⁴. The Act enables the Council to borrow from financial organisations and other institutions when necessary to ensure adequate funding³⁵.

Carbon Budget

The Ministries in charge of Environment and National Planning must work together to set a carbon budget and budgetary period. The initial carbon budget is expected to commence within

²⁴ *ibid* Section 8, 1, (c &d)

²⁵ *ibid* Section 11, 1

²⁶ *ibid* Section 4 (a-d)

²⁷ *ibid* Section 4, k

²⁸ *ibid* Section 4, j

²⁹ *ibid* Section 4, i

³⁰ *ibid* Section 4, p

³¹ *ibid* Section 4, l

³² *ibid* Section 4, m

³³ *ibid* Section 15 (1)

³⁴ *ibid* Section 15 (2)

³⁵ *ibid* Section 17

12 months of the operationalisation of the Climate Change Act, which is November 2023³⁶. The Carbon Budget shall be reviewed every 12 months. Additionally, the National Climate Change Action Plan shall contain a 5-year cycle carbon budget shall be contained³⁷.

Nature Based Solutions

The Act requires the Ministry in charge of Environment to establish and manage a national and sub-national registry which captures the progress in implementing Reducing Emissions From Deforestation And Forest Degradation (REDD+) activities, including Forest Reference Emission Level (FREL)³⁸.

The Council must work with the National Bureau of Statistics to develop Nigeria's Natural Capital Accounts (NCA). Data generated from the NCA shall be used in policy formulation and monitoring of the implementation of the Carbon Budget ³⁹.

3. Analysis of the Climate Change Act

'Nigeria's Climate Change Act signals the reality of the political commitment to respond to climate change. However, as with the development of a novel body of laws in different contexts, stakeholders should be open to considering specific issues for improvement to ensure proper implementation and, ultimately, sustainability.

Where the Act Trailblazes

Legally Binding Commitments: The promulgation of the Climate Change Act signals 'Nigeria's political and national legislative commitment to achieving climate preparedness objectives. The National Climate Change Action Plan includes measurable commitments to reducing greenhouse emissions through the 5-year carbon budget and requires the quantification of adaptation and mitigation measures⁴⁰. The establishment of the Council allows for a clear coordination structure on the national climate response and institutionalises pre-existing initiatives within a parastatal.

Articulated Timelines: The Act introduces timelines that ensure that the executive and legislature implement, monitor and evaluate the country's progress in achieving climate objectives. The Act requires a Carbon Budget to be prepared within 12 months of the promulgation of the Act and for timely updating of subsequent budgets⁴¹. Additionally, the National Climate Change Action plan shall be produced within 12 months of the promulgation of the Act and updated every five years in line with national objectives⁴².

A coordinated climate response: This coordination is achieved in 2 key ways: institutionally through the Council and secondly through policy in establishing the Climate Change Plan. Establishing the National Council on Climate Change allows for the central coordination of all climate-related activities in Nigeria. The Council coordinates its activities with various Ministries and departments, including the Ministry in charge of Environment and Trade, when setting up

³⁶ *ibid* Section 19, 2

³⁷ *ibid* Section 20, 5

³⁸ *ibid* Section 28

³⁹ *ibid* Section 29

⁴⁰ *ibid* Section 22

⁴¹ *ibid* Section 19, 2 & 3

⁴² *ibid* Section 20, 1 & 2

the carbon emissions trading system, among other initiatives⁴³. The membership of the Council ensures proper coordination among all relevant ministries and interest groups. The National Climate Change Action Plan provides regular coordination at the federal and sub-national levels on climate initiatives. Additionally, as elaborated above, the 5-year cycle and requirement for consistent engagements will ensure a proper inter-sectoral and inter-governmental climate response.

Issues to be considered by policymakers

Duplicated Functions: While the establishment of The Council will ensure proper coordination, the Act's implementation must ensure no duplication of functions with other bodies. Prior to the promulgation of the Act, 'Nigeria's climate change response was coordinated by the Department of Climate Change (DCC), housed within the Federal Ministry of Environment and supervised by the Inter-Ministerial Committee on Climate Change (ICCC)⁴⁴. The establishment of the Council results in a new 'head' institution, and policymakers, legislators and the executive must be cautious to ensure a proper transition to The Council. Proper subsidiary legislation should be drafted and implemented by the ICCC and Federal Ministry in charge of Environment to ensure no duplicated functions with the Council. Additionally, the key officials working on climate change within the ICCC and DCC must be closely involved in setting up the Council and collaborating with other bodies to ensure efficient sharing of functions.

Leveraging Existing Resources: Given the ICCC and Ministry of Environment's involvement in the national climate response, staff members have the requisite institutional, technical and political skills and experience. It may be helpful for stakeholders to consider continuing with various functions without interrupting them as the Council comes into place. Most governments manage such transitions by *de-facto* converting an existing speciality group in the Ministry, in this case, the DCC, into an integral part of The Council they can leverage existing skills and experience. While there may be many reasons that governments may wish to get new staff to deal with new organisations, it is more helpful and efficient to first redeploy key staff to The Council before engaging external talent.

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⁴³ *ibid* Section 4, j

⁴⁴ The Federal Republic of Nigeria, 'Facilitative Sharing Of Views Nigeria' (Bonn, Germany, 19th June 2019) https://unfccc.int/sites/default/files/resource/Nigeria_FSV%20ppt.pdf