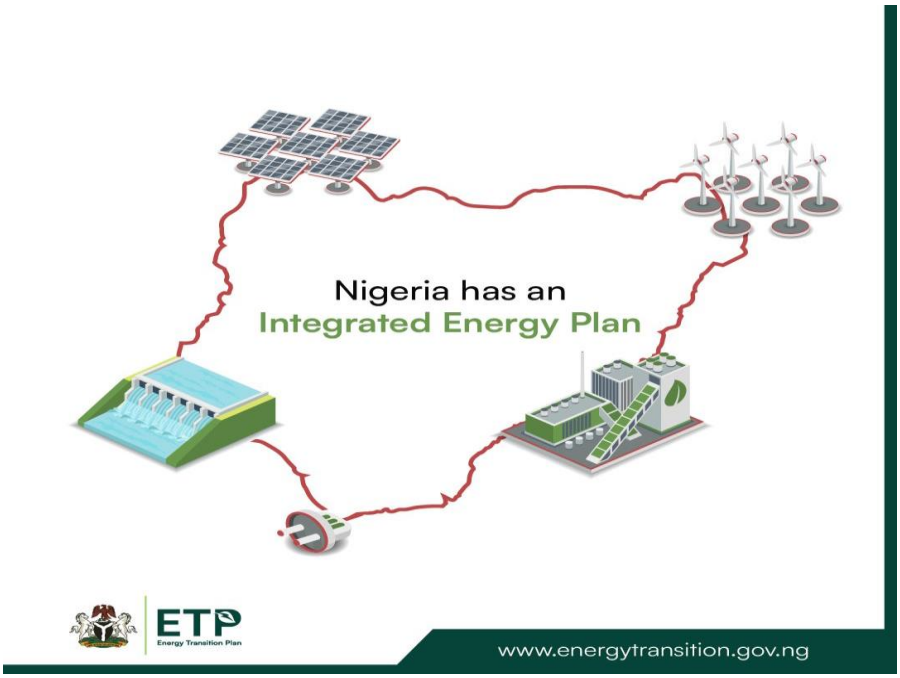
Nigeria's Energy Transition Plan (ETP) 2022



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The African Coalition for Sustainable Energy & Access (ACSEA) with support from Lift Humanity Foundation (LHF) and Ecosteward and Humanitarian Foundation (EHF) in Nigeria.

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Executive Summary

Nigeria's Energy Transition Plan (ETP) emerges as a critical response to the interconnected crises of climate change and energy poverty. With nearly 90 million Nigerians still without access to electricity, there is an urgent need to transform the country's energy system. The ETP sets an ambitious goal of achieving net-zero emissions by 2060 while ensuring that energy is affordable, sustainable, and locally owned. At its heart, the plan emphasizes energy justice and democracy**,** advocating for an energy transition that is both environmentally sustainable and socially equitable. A key focus of the ETP is the empowerment of local communities through decentralized renewable energy solutions such as solar and biogas, especially in rural areas. This approach reduces dependency on fossil fuels while promoting community-led energy systems that create local jobs and industries in the renewable energy sector. It recognizes the importance of inclusive decision-making, particularly for marginalized groups that have long suffered the impacts of energy poverty and environmental degradation. Aligned with section 14(2)(b) of the 1999 Constitution**,** which states that *"the security and welfare of the people shall be the primary purpose of government,"* the ETP places a clear responsibility on the government to ensure access to essential resources, including energy. The plan champions policies aimed at reducing financial barriers to clean energy adoption, ensuring that all Nigerians regardless of their socio-economic status can benefit from the energy transition. Achieving the ETP's ambitious goals will require coordinated action, strong political will, and a shared commitment to building a just, democratic energy future for Nigeria, one that truly leaves no one behind.

Despite the important of this national energy development plan, awareness about the Nigeria Energy Transition Plan (ETP) and its goals for an equitable and sustainable energy future remains limited. Lift Humanity Foundation (LHF) and Ecosteward and Humanitarian Foundation (EHF), with support from the African Coalition for Sustainable Energy & Access (ACSEA), Pan African Climate Justice Alliance (PACJA), and funding from the German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV) through the International Climate Initiative (IKI), are working to bridge this gap. The project focuses on creating greater awareness by printing and distributing the Energy Transition Plan (ETP) 2022 to individuals and key stakeholders across Nigeria to ensure widespread dissemination. Its goal is to foster meaningful discussions around the plan's implementation while empowering citizens with the knowledge needed to hold the government accountable for energy justice and democratic participation in shaping the country's energy future.

Introduction

Amid the fragmented and conflict prone world, Nigeria faces many economic, social and environmental challenges. They are unprecedented in scale, complexity, and interconnectedness, and they impede Nigeria's attaining the agenda 2030 for sustainable development . these challenges render business as usual strategies unstainable. A new approach is backed by a consistent and SMART Framework is required to accelerate wealth creation, reduce inequality and achieve more equitable and sustainable development.

Nigeria's Energy Transition Plan (ETP), launched in August 2022, represents a crucial step toward addressing the dual challenges of climate change and energy poverty. It aims to achieve net-zero emissions by 2060 while ensuring universal access to affordable and clean energy for all Nigerians. The plan, which integrates national development objectives with climate action, presents an opportunity to transition to renewable energy sources and reduce dependence on fossil fuels. The plan has government approval and presents a $23 billion opportunity for supporting financiers and partners.

Key Objectives of the Energy Transition Plan

The ETP outlines six primary objectives:

1. **Eradicating Poverty**: Improving living standards for over 100 million people.
2. **Promoting Sustainable Economic Growth**: Particularly in key commercial sectors.
3. **Achieving Universal Electricity Access**: Bridging the energy gap for nearly 90 million Nigerians without access to electricity.
4. **Mobilizing Investments**: Attracting private sector involvement in clean energy projects.
5. **Committing to Carbon Neutrality**: Serving as a blueprint for achieving net-zero by 2060.
6. **Mitigating Job Losses**: Ensuring a just transition from traditional energy sectors to renewable energy industries.

Barriers of the Nigeria Energy Transition Plan (ETP).

There are three main areas of challenge: funding, infrastructure, and skills development. Nigeria's energy transition faces funding hurdles, needing S1.9 trillion. Policy reforms are vital, along with addressing infrastructure issues like poor power systems. Capacity building for new technologies is also crucial, necessitating investments in education and training

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Sectoral Analysis and Policy Recommendations

1. Power Sector

The power sector is responsible for approximately 27% of Nigeria's total emissions. The ETP proposes a phased transition from diesel/petrol generators to solar, gas, and centralized renewable energy systems.

Recommendations:

- Strengthen the transmission and distribution infrastructure to accommodate renewable energy sources.
- Prioritize investment in decentralized renewable energy systems, especially in rural areas.
- Develop policies that incentivize local manufacturing of solar components to reduce import dependence.

2. Oil and Gas Sector

This sector accounts for 11% of emissions due to upstream energy consumption, venting, gas flaring, and fugitive emissions.

Recommendations:

- Enforce an Environmental, Social, and Governance (ESG) framework to regulate upstream activities.
- Accelerate the deployment of carbon capture, utilization, and storage (CCUS) technologies.
- Strengthen policies that promote the reduction of gas flaring and the optimization of equipment using artificial intelligence (AI).

3. Industry Sector

Industries like cement and ammonia production contribute 16% of energy-related emissions.

Recommendations:

- Support the adoption of green and blue hydrogen for industrial processes.
- Localize and scale up carbon-curing concrete technologies.
- Encourage public-private partnerships to fund cleaner industrial energy solutions.

4. Transport Sector

Transportation contributes about 24% of emissions, primarily from gasoline and diesel-powered vehicles.

Recommendations:

- Develop a comprehensive Electric Vehicle (EV) policy to accelerate EV adoption by 2030.
- Create fiscal incentives, such as removing import duties on EVs and charging infrastructure.
- Promote local assembly of EVs and electric buses to create jobs and reduce costs.

5. Cooking Sector

Traditional cooking methods using firewood and charcoal contribute 22% of emissions. The ETP proposes a shift to LPG, electric cookstoves, and biogas.
Recommendations:

- Conduct large-scale sensitization campaigns on the benefits of cleaner cooking technologies.
- Provide financial support to rural communities for the adoption of biogas systems.
- Collaborate with local manufacturers to produce affordable electric cookstoves.

Financing the Energy Transition Plan

One of the critical challenges of the ETP is securing adequate funding. Public-private partnerships and international financing are essential to closing the viability gap in clean energy projects.
Policy Recommendations:

- Develop innovative financing mechanisms, such as green bonds and climate funds.
- Establish a de-risking framework to attract private sector investments.
- Align fiscal policies with climate action goals, ensuring subsidies are directed toward renewable energy initiatives.

Advocacy and Implementation Strategy

For successful implementation, a multi-stakeholder approach involving government agencies, civil society organizations (CSOs), private sector and the media is crucial.

Advocacy Pathways:

1. **Promote Energy Justice:** Ensure that the voices of marginalized communities are at the forefront of the transition process.
2. **Strengthen Local Participation:** Engage communities in designing and implementing clean energy projects.
3. **Policy Advocacy:** Work with lawmakers to ensure the Climate Change Act (2021) is effectively enforced and that future policies are aligned with the ETP goals.
4. **Capacity Building:** Train local stakeholders in renewable energy technologies and advocacy strategies.
5. **Public Awareness Campaigns:** Increase public understanding of the benefits of the energy transition through targeted outreach programs.

Conclusion

Nigeria's Energy Transition Plan is a bold and comprehensive framework for achieving sustainable energy goals while addressing energy poverty and climate change. However, successful implementation requires consistent policy support, financial investments, and

active participation from all stakeholders. Advocacy efforts must focus on ensuring that the transition is equitable, inclusive, and just, prioritizing the needs of vulnerable populations and empowering local communities to lead the change.
