Assessing Environmental Social and Governance (ESG) Integration in Nigeria's Extractive Industries Through Policy Review and Analysis

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Abstract- This study examines the integration of Environmental, Social, and Governance (ESG) principles in Nigeria's extractive industries through a review of national policies and institutional frameworks. Key instruments such as the Petroleum Industry Act (2021) and the Mining Act (2007) are assessed against global standards including GRI, SASB, UNGPs, and EITI. Findings reveal that while Nigeria has made progress in ESG policy development, implementation remains fragmented, largely procedural, and weakened by poor inter-agency coordination and limited monitoring capacity. Significant ESG risks and uneven compliance persist across different operator types. The study recommends the development of a unified ESG framework, a centralized monitoring portal, mandatory performance audits, and expanded institutional capacity to support more effective and inclusive extractive governance.

Indexed Terms- ESG, Extractive Industries, Nigeria, Sustainability, Policy Review, NEITI, PIA, Governance, Mining, Oil and Gas.

I. INTRODUCTION

Environmental, Social, and Governance (ESG) criteria have become central pillars for sustainable development and responsible corporate conduct in the 21st century. Globally, ESG integration serves as a framework for evaluating how corporations and industries manage risks and opportunities related to environmental stewardship, social responsibility, and ethical governance (World Economic Forum, 2020; IFC, 2021). For extractive industries comprising oil and gas, solid minerals, and mining the relevance of ESG principles is even more pronounced, given their profound environmental footprints, socio-economic implications, and governance complexities.

In Nigeria, the extractive sector remains a vital component of the economy, contributing over 70% of national export earnings and about 7% to Gross Domestic Product (GDP) (NEITI, 2023). However, it is equally associated with significant challenges such as environmental degradation, resource-related conflicts, weak regulatory enforcement, and socio-economic inequality, particularly in host communities (Oviasuyi & Uwadiae, 2010; Aghalino, 2020). These challenges underscore the urgent need for a robust ESG framework that not only mandates compliance but also fosters inclusive development and long-term sustainability.

The Nigerian government, in line with global best practices, has initiated several policies and frameworks to address ESG issues. These include the Nigerian Extractive Industries Transparency Initiative (NEITI Act, 2007), the Petroleum Industry Act (PIA, 2021), the Nigerian Mining and Minerals Act (2007), the National Environmental Standards and Regulations Enforcement Agency Act (NESREA Act, 2007), and a suite of sector-specific guidelines such as the Nigerian Upstream Petroleum Regulatory Commission's (NUPRC) Guidelines on ESG Reporting (2022). Moreover, Nigeria's participation in the Extractive Industries Transparency Initiative (EITI) provides a global accountability platform for governance reforms.

Despite these developments, concerns remain about the level and effectiveness of ESG integration across extractive operations in Nigeria. Key issues include policy fragmentation, inadequate enforcement capacity, data transparency gaps, weak institutional synergy, and limited stakeholder engagement—especially from marginalized communities (Iledare, 2022; Ebeku, 2019). As such, there is a growing imperative to assess how ESG principles are currently embedded within Nigeria's policy frameworks, and whether these frameworks are adequate in promoting sustainability, accountability, and socio-environmental justice in extractive activities.

This study, therefore, seeks to assess Environmental, Social, and Governance (ESG) integration in Nigeria's extractive industries through a comprehensive policy review and analysis. It aims to evaluate the strengths and limitations of existing regulatory instruments, assess alignment with international ESG standards, and propose pathways for more effective ESG implementation. By doing so, the research contributes to the broader discourse on sustainable governance of natural resources in Nigeria and aligns with Sustainable Development Goals (SDGs) 12 (Responsible Consumption and Production), 13 (Climate Action), and 16 (Peace, Justice, and Strong Institutions).

II. LITERATURE REVIEW

Environmental, Social, and Governance (ESG) frameworks have gained significant global attention as essential instruments for promoting sustainable corporate practices, particularly in sectors with substantial environmental and socio-economic footprints such as the extractive industries. ESG principles are designed to ensure that companies manage not only financial performance but also their impact on the environment, the welfare of people and communities, and the governance structures that underpin transparency and accountability (IFC, 2021; World Economic Forum, 2020). In the extractive sector, ESG considerations are particularly vital given the history of environmental degradation, resource-related conflict, and governance challenges, especially in resource-rich but underdeveloped countries like Nigeria (Aghalino, 2020; Oviasuyi & Uwadiae, 2010).

The global ESG discourse has evolved significantly, with international frameworks such as the Global Reporting Initiative (GRI), the Equator Principles, the Sustainability Accounting Standards Board (SASB), and the United Nations Guiding Principles on Business and Human Rights (UNGPs) offering structured guidance for implementation and reporting (GRI, 2022; SASB, 2020; UNGP, 2011). These standards emphasize responsible resource management, climate action, community inclusion, human rights protection, and ethical corporate governance. The Extractive Industries Transparency Initiative (EITI), to which Nigeria is a signatory, has further institutionalized transparency and accountability mechanisms in natural resource governance. Although Nigeria's participation in EITI through the Nigerian Extractive Industries Transparency Initiative (NEITI) has led to increased disclosure of revenue flows, challenges persist in translating these disclosures into concrete environmental and social accountability outcomes (NEITI, 2023; EITI, 2022).

Several theoretical lenses have been applied in the literature to explain ESG integration. Stakeholder theory, as developed by Freeman (1984), argues that companies must consider the interests and wellbeing of all affected parties ranging from local communities to regulators rather than prioritizing shareholder profits alone. Institutional theory, advanced by DiMaggio and Powell (1983), highlights the role of regulatory, normative, and cognitive pressures in shaping corporate behavior, suggesting that firms are more likely to adopt ESG standards when such practices are institutionalized or mandated by law. Ecological modernization theory further posits that industrial development can be reconciled with environmental sustainability through regulatory innovation and the adoption of cleaner technologies (Mol & Sonnenfeld, 2000), a perspective particularly relevant to extractive operations that are often polluting but essential to economic growth.

In Nigeria, various policy instruments have been developed to support ESG integration in the extractive industries. These include the Petroleum Industry Act (PIA, 2021), the Nigerian Minerals and Mining Act (2007), the NEITI Act (2007), the Environmental Impact Assessment (EIA) Act (1992), and the NESREA Act (2007). Sector-specific regulations have also been introduced by agencies such as the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and the National Environmental Standards and Regulations Enforcement Agency (NESREA). Notably, the PIA introduced reforms such as the Host Community

Development Trust (HCDT) framework, environmental remediation funds, and clearer fiscal and governance structures, all of which align with ESG priorities (PIA, 2021; NUPRC, 2022). Similarly, the mining sector mandates Community Development Agreements (CDAs) and Environmental Protection and Rehabilitation Plans (EPRPs) as part of licensing requirements (Nigerian Minerals and Mining Act, 2007; MMSD, 2020).

Despite these regulatory advancements, the effectiveness of ESG integration in Nigeria's extractive sector remains limited. Studies have identified a number of persistent challenges including policy fragmentation, weak enforcement mechanisms, poor institutional coordination, and limited community engagement (Akanni, 2021; Ebeku, 2019; Okonta & Orji, 2021). Many firms especially indigenous companies continue to view ESG compliance as a peripheral obligation rather than a core operational philosophy. Furthermore, regulatory agencies often lack the technical and financial capacity to monitor ESG performance or enforce compliance, leading to a culture of minimal accountability (Adewuyi & Ola-David, 2020). The prevalence of corruption and political interference further weakens institutional efforts to uphold ESG standards, with environmental and social safeguards often subordinated to rent-seeking and patronage politics (Iledare, 2022; Onuoha, 2021).

Empirical research on ESG in Nigeria reveals significant gaps in implementation and monitoring. Scholars such as Nwapi (2020), Aghalino (2020), and Ebeku (2019) have documented widespread failures in environmental remediation, social responsibility practices, and corporate transparency. While some multinational corporations have adopted structured ESG frameworks aligned with international standards, many domestic operators rely on box-ticking exercises or generic reports with little practical impact on sustainability outcomes. Environmental and Social Impact Assessments (ESIAs), which should serve as entry points for ESG integration, are often reduced to procedural formalities with inadequate stakeholder input and weak follow-up mechanisms (Echendu, 2022). Furthermore, the absence of a centralized ESG performance database in Nigeria makes it difficult to evaluate corporate compliance or compare ESG outcomes across sectors.

The literature therefore points to a growing recognition of ESG's importance, but also highlights critical gaps in how policies are designed, implemented, and enforced. While several studies have focused on sector-specific issues or individual corporate behavior, there remains a need for a comprehensive analysis of Nigeria's ESG policy environment across extractive industries. Understanding how existing regulations align with global ESG standards and where they fall short can provide a foundation for more effective governance reforms and corporate accountability. This study aims to address this gap by conducting a systematic review and analysis of ESG-related policies in Nigeria's oil, gas, and mining sectors, with a view to assessing their adequacy, coherence, and implementation effectiveness.

III. STUDY AREA

This study focuses on Nigeria, with particular attention to its extractive industries oil and gas, and solid minerals which are major contributors to the national economy but also significant drivers of environmental and social impacts. Nigeria is located in West Africa between latitudes 4°N and 14°N, and longitudes 3°E and 15°E, bordered by Benin Republic to the west, Niger to the north, Chad to the northeast, Cameroon to the east, and the Atlantic Ocean to the south.

The extractive industries are geographically concentrated in specific regions. The oil and gas sector is predominantly located in the Niger Delta, which includes Akwa Ibom, Rivers, Delta, Bayelsa, and parts of Imo, Abia, and Ondo States. This region is characterized by extensive wetlands, creeks, and mangrove forests, and has experienced long-standing environmental degradation due to oil spills, gas flaring, and poor remediation practices (Aghalino, 2020). The Niger Delta is also marked by host community grievances, underdevelopment, and social unrest, making it a critical area for ESG analysis in oil governance.

On the other hand, solid mineral extraction is prevalent in the North-Central and North-Western regions, particularly in Kogi, Nasarawa, Kaduna, Zamfara, and

Plateau States. These areas are rich in resources such as limestone, gold, iron ore, coal, and tin. However, mining activities in these zones have raised concerns over deforestation, water pollution, land degradation, unsafe working conditions, and the proliferation of unregulated artisanal mining (Akanni, 2021; MMSD, 2020).

Figure 1: Nigeria Map showing Extractive States in the Niger Delta Region and North Central

Source: UniAbuja GIS

IV. METHODOLOGY

This study adopts a qualitative research design with an emphasis on policy analysis and institutional review to assess ESG integration in Nigeria's extractive sectors. The research method is grounded in document analysis and supported by expert interviews, allowing for an in-depth understanding of both the formal regulatory landscape and the practical realities of implementation.

The primary method of data collection involved systematic document review of national policy instruments, laws, and regulatory guidelines relevant to ESG. Key documents analyzed include the Petroleum Industry Act (PIA, 2021), Nigerian Minerals and Mining Act (2007), NEITI Act (2007), Environmental Impact Assessment (EIA) Act (1992), NESREA Act (2007), and sector-specific ESG reporting frameworks issued by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC, 2022). Supplementary materials such as NEITI industry audit reports, corporate ESG disclosures from companies like Seplat Energy, Dangote Cement, and Shell Nigeria, and global ESG frameworks including the Global Reporting Initiative (GRI, 2022), Sustainability Accounting Standards Board (SASB, 2020), and UN Guiding Principles on Business and Human Rights (UNGP, 2011) were also included in the dataset.

To enhance the credibility of the policy analysis, semi-structured interviews were conducted with 12 key informants selected through purposive sampling. These included regulators, ESG consultants, civil society advocates, and extractive industry stakeholders. Interviews were held between February and April 2025, either virtually or in person, and each session lasted approximately 45–60 minutes. Participants were asked about their experiences, observations, and perceptions on ESG integration, regulatory effectiveness, and policy coherence. Their responses were transcribed and thematically analyzed using NVivo software, applying Braun and Clarke's (2006) six-step framework for thematic coding.

The data analysis followed a three-pronged approach. First, a document coding matrix was developed to extract ESG-relevant provisions under the categories of environmental management, social performance, and governance mechanisms. Second, a benchmarking exercise compared Nigeria's policy provisions with selected international ESG standards. Third, a gap analysis identified regulatory weaknesses, enforcement deficits, and inconsistencies that hinder effective ESG integration.

V. RESULTS AND DISCUSSION

The results from this study present a multi-dimensional analysis of ESG integration in Nigeria's extractive industries, exposing both the regulatory progress made and the deep structural and institutional gaps that continue to undermine effective implementation. The findings draw on triangulated evidence from statutory policy documents, comparative benchmarking against international ESG frameworks, and qualitative insights from stakeholders within government, civil society, and industry.

The regulatory analysis confirms that Nigeria has established a range of ESG-relevant policy instruments. These include the Petroleum Industry Act (PIA, 2021), Nigerian Minerals and Mining Act (2007), NEITI Act (2007), Environmental Impact Assessment Act (1992), and the NESREA Act (2007). Within these, specific clauses align with global ESG components. For instance, Section 240 of the PIA establishes Host Community Development Trusts (HCDTs), promoting social inclusion and benefit-sharing, while Section 104 empowers the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) to issue environmental regulations. Similarly, the Mining Act mandates Environmental Protection and Rehabilitation Plans (EPRPs) and Community Development Agreements (CDAs). However, while these provisions suggest formal alignment with ESG ideals, technical weaknesses emerge in operationalization, performance monitoring, and enforcement regimes.

When benchmarked against international ESG frameworks such as the Global Reporting Initiative (GRI, 2022), UN Guiding Principles on Business and Human Rights (UNGPs, 2011), and Sustainability Accounting Standards Board (SASB, 2020), Nigeria's ESG laws demonstrate only partial convergence. Most laws are procedural and compliance-oriented, lacking clear quantitative performance indicators, independent audit systems, and grievance resolution mechanisms. ESG-related reporting is largely voluntary for domestic operators, and third-party verification of ESG disclosures is rarely practiced, especially in the mining sector.

This finding is further illustrated in Table 5.1, which summarizes Nigeria's ESG integration status across the environmental, social, governance, and monitoring dimensions in comparison with global benchmarks.

Table 5.1: ESG Policy Integration and Gap Matrix for Nigeria's Extractive Sector

ESG Dimension	Nigerian Policy/Provision	International Benchmark	Identified Gap	Implication
Environmental	EIA Act (1992); NESREA Act (2007); PIA Sec. 104	GRI 302 (Energy), SASB EM0101-01	Weak post-EIA audits; no real-time emission or flaring data	Inadequate control of pollution, poor emissions tracking
Social	PIA HCDTs (Sec. 240); Mining Act CDAs; EIA stakeholder engagement	UNGPs, GRI 413, FPIC standards	Tokenistic consultations, elite capture, weak community monitoring	Erodes trust, increases risk of conflict in host communities
Governance	NEITI Act (2007); NUPRC ESG Reporting Guidelines (2022)	EITI Standards, UNGP Pillar III	Limited audit transparency, weak sanction mechanisms, poor accountability	Corruption risks, lack of investor confidence
Monitoring & Data	NESREA EER Guidelines, NUPRC Templates	GRI 102-48, SDG 17.18	No national ESG dashboard or open data portal; low digital tracking	Inhibits enforcement, climate reporting, and ESG benchmarking

Source: Research Survey, 2025

This matrix reveals that Nigeria's policies are not sufficiently outcome-based, and that integration is hindered by regulatory fragmentation, technical deficits, and low ESG literacy across public and private institutions. The environmental framework, though existing on paper, lack enforcement infrastructure such as satellite-based flaring detection, GHG accounting systems, or biodiversity offset protocols. For instance, while Nigeria is a signatory to the Paris Agreement, its extractive sector operators are not legally required to submit carbon intensity reports or climate risk disclosures unlike in jurisdictions guided by the Task Force on Climate-Related Financial Disclosures (TCFD).

In the social dimension, mechanisms like HCDTs and CDAs are often implemented without gender-disaggregated data, conflict sensitivity analysis, or local content benchmarks. Interviews conducted with host community representatives in Delta, Nasarawa, and Zamfara States reveal perceptions of exclusion, lack of access to benefit-sharing committees, and distrust of ESG reports submitted by companies. Moreover, most community members are unaware of grievance mechanisms, and complaints are often handled informally without documentation.

Governance-wise, the existence of multiple regulators with overlapping mandates leads to gaps in enforcement and industry manipulation. Agencies like NUPRC and MMSD often lack the technical manpower to verify ESG submissions or conduct quarterly audits. In several cases, ESG reporting templates provided to companies are not aligned with international KPIs, resulting in inconsistent disclosures.

Lastly, monitoring and data systems are virtually absent. There is no centralized ESG compliance platform, no harmonized set of extractive sectors ESG indicators, and no public database for community-level ESG performance. This limits transparency and disables effective performance tracking against Sustainable Development Goals (SDGs) such as SDG 13 (Climate Action), SDG 12 (Responsible Production), and SDG 16 (Peace, Justice, and Strong Institutions).

As shown in Table 5.2, several regulatory bodies in Nigeria operate in parallel with overlapping or poorly coordinated ESG mandates. This results in policy duplication, inconsistent compliance inspections, and blurred accountability frameworks.

Table 5.2: ESG Institutional Roles and Coordination Matrix in Nigeria's Extractive Sector

Agency/Institution	Mandate Area	Relevant ESG Role	Observed Gaps	Overlap With
NUPRC	Oil & Gas Regulation	ESG compliance, GHG inventory, HCDT supervision	Weak enforcement, no real-time emission tracking	NESREA, NEITI
NESREA	Environmental Regulation	Pollution control, environmental auditing	Poor monitoring of oil/gas/mining impacts	FMEnv, NUPRC
MMSD	Solid Minerals Governance	CDA review, Mining EIAs, Environmental Rehabilitation	Poor post-mining audit and community engagement	NESREA, FMEnv
NEITI	Transparency & Accountability	Financial disclosure, HCDT tracking	Excludes environmental/social indicators in audits	NUPRC, MMSD
FMEnv	National Environmental Policy	EIA oversight, strategic ESG framework	Weak inter-agency alignment, low digital data flow	NESREA, MMSD, NUPRC

Source: Research Survey, 2025

This lack of coordination weakens ESG implementation and creates multiple compliance gaps. Interviews revealed that operators often face conflicting ESG documentation demands, while enforcement agencies lack harmonized ESG scorecards or digital inspection systems.

In addition to institutional weaknesses, ESG risks remain high and unmitigated across Nigeria's extractive industries. As shown in Table 5.3, real-world cases demonstrate persistent environmental degradation, community disempowerment, and governance failures particularly in oil-producing areas like Ogoni and artisanal mining zones in Zamfara and Nasarawa.

Table 5.3: Key ESG Risk Categories in Nigeria's Extractive Sector

ESG Dimension	Common Risks	Example Cases	Impact Level	Monitoring Challenge
Environmental	Gas flaring, oil spills, deforestation	Ogoni (Rivers), Bayelsa creeks	High	No real-time tracking, poor post-EIA enforcement
Social	GBV, elite capture, exclusion of women/ youth	HCDT disputes in Delta, Kogi CDA complaints	High	No gender metrics or grievance audit
Governance	Regulatory capture, lack of penalties	Non-enforcement of mining EPRPs in Nasarawa	Critical	No blacklists, audit inconsistencies

Source: Research Survey, 2025

These risks are exacerbated by the fact that ESG readiness varies widely among operators. As Table 5.4 illustrates, while multinational corporations (IOCs) tend to have formal ESG systems in place driven by international investor expectations local firms, especially indigenous oil firms and artisanal miners, lack both capacity and incentives to adopt meaningful ESG practices.

Table 5.4: ESG Compliance Readiness by Operator Type in Nigeria

Operator Type	Typical ESG Tools	Third-party Audit?	Reporting Frequency	Weaknesses Identified
Multinational Oil Companies (IOCs)	ESG Reports, GHG Inventory, HSE Systems	Yes	Annual	Limited host community transparency
Indigenous Oil Firms	CSR statements, HCDT records	Rare	Irregular	Weak compliance with social safeguards
Large-scale Miners	CDA, EPRP, basic EIA	No	Ad hoc	Minimal monitoring, no gender integration
Artisanal Miners	None	None	None	No ESG frameworks or oversight

Source: Research Survey, 2025

This uneven ESG landscape highlights the urgent need for differentiated regulatory approaches, capacity building for local operators, and sector-specific ESG toolkits. Without these interventions, Nigeria risks deepening the divide between regulatory ambition and operational sustainability.

VI. RECOMMENDATIONS

6.1. Develop a Unified National ESG Policy Framework
A top priority is the establishment of a consolidated national ESG framework tailored specifically for the extractive sector. This framework should harmonize all ESG-related policies across oil, gas, and mining sectors, and clearly define institutional responsibilities, reporting timelines, sectoral KPIs, and enforcement protocols. It should be developed collaboratively by the Federal Ministry of Environment, NUPRC, MMSD, NESREA, and NEITI, with strong stakeholder input from industry, civil society, and host communities.

6.2. Establish a Centralized ESG Compliance and Monitoring Portal
A digital, publicly accessible ESG compliance platform should be developed to centralize data collection, disclosure, and analysis. This platform should include real-time reporting dashboards for:

- Emissions (CO_2, CH_4, flaring)
- EIA post-implementation audits
- HCDT disbursements and project tracking
- Gender and social inclusion indicators
- Community grievances and resolution timelines

This would not only improve transparency but also allow for benchmarking of company ESG performance and inform policy adjustments.

6.3. Institutionalize ESG Performance-Based Audits and Scorecards
Beyond regulatory paperwork, ESG monitoring should be anchored on third-party, performance-based audits. Regulators should publish annual ESG scorecards ranking operators based on verified metrics such as GHG reductions, host community engagement, environmental remediation efforts, and compliance history. These scorecards should inform incentives (e.g., access to green financing, tax waivers) or penalties (e.g., blacklisting, license suspension).

6.4. Build ESG Capacity within Regulatory Institutions and Local Operators
To address the human capital gap, the federal government should launch a nationwide ESG capacity-building program targeting:

- Regulatory staff (NESREA, MMSD, NUPRC field officers)
- Local extractive companies (especially indigenous operators and miners)
- Host communities and CSOs (for participatory monitoring)

Training should focus on ESG reporting standards (GRI, SASB), environmental technologies (e.g., flaring meters, GIS-based audits), and stakeholder engagement best practices. In parallel, a register of certified ESG consultants and auditors should be established and regulated.

6.5. Mandate Disaggregated ESG Reporting with Gender and Conflict Sensitivity
All extractive firms whether upstream oil, midstream gas, or solid mineral operators—should be mandated to submit ESG reports that include disaggregated data on:

- Gender employment ratios
- Youth engagement
- Indigenous group inclusion
- Community grievance cases
- GBV prevention programs

Reports must also reflect conflict-sensitive metrics and align with the UN Guiding Principles on Business and Human Rights (UNGPs), ensuring FPIC, equitable benefit-sharing, and human rights safeguards.

6.6. Strengthen Legal Enforcement and Sanction Mechanisms
Current enforcement mechanisms are weak, allowing ESG violations to go unpunished. The federal government should:

- Amend existing laws to include ESG non-compliance penalties (e.g., revocation of licenses, environmental fines)
- Mandate quarterly compliance inspections, with digital submission of reports
- Enable whistleblower protections for ESG violations
- In addition, NEITI should expand its audit scope to include ESG-specific indicators in its fiscal and operational reviews.

6.7. Promote ESG-Aligned Green Financing and Incentive Structures

To attract sustainable investment and encourage ESG leadership, Nigeria should create ESG-linked financing tools. This could include:

- Tax incentives for verified ESG-compliant firms
- ESG-linked bonds for companies implementing emission reductions and biodiversity projects
- Carbon credit schemes tied to methane abatement or reforestation in mining areas

Government financing and public-private partnerships should be conditioned on demonstrable ESG compliance and third-party verification.

6.8. Institutionalize Multi-Stakeholder ESG Governance Councils

Each resource-rich state (e.g., Rivers, Delta, Zamfara, Kogi) should establish an ESG Oversight Council comprising:

- Community representatives
- State regulators
- Company ESG managers
- Independent experts and NGOs

These councils would monitor HCDT/CDAs, resolve local grievances, review ESG disclosures, and ensure alignment with community development priorities.

6.9. Leverage International ESG Standards and Partnerships

Nigeria must actively align its domestic ESG mechanisms with international frameworks such as:

- GRI (Global Reporting Initiative)
- SASB (Sustainability Accounting Standards Board)
- UNGPs
- TCFD (Task Force on Climate-related Financial Disclosures)

Technical partnerships with institutions like the IFC, UNDP, and UNEP can support ESG systems strengthening, technology transfer, and policy harmonization.

6.10. Encourage ESG Integration in Academic and Research Institutions

Universities and research centers should be supported to develop ESG-focused curricula, applied research programs, and policy advisory units. ESG education must go beyond environmental science to include governance, social justice, and regulatory economics, ensuring a new generation of ESG-savvy professionals and policymakers.

CONCLUSION

This study assessed ESG integration in Nigeria's extractive industries and found that, despite having a relatively robust legal framework, implementation remains weak, fragmented, and uneven. Key ESG laws such as the Petroleum Industry Act, Mining Act, and NEITI guidelines show partial alignment with international standards but suffer from poor enforcement, inadequate data systems, and institutional overlap.

The analysis highlights critical gaps in environmental monitoring, social inclusion, and governance transparency particularly among indigenous and artisanal operators. Tables 5.1 to 5.4 demonstrate that ESG risks remain high, and regulatory agencies lack the tools and coordination required for effective oversight.
For ESG to drive sustainable development in Nigeria's extractive sector, it must evolve from a procedural obligation to a measurable, performance-based system. A unified ESG policy, centralized data portal, and stronger institutional collaboration are essential. Without these reforms, ESG will remain underutilized as a tool for accountability, equity, and environmental resilience.

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