

The Illusion of Autonomy: How Institutional Overlaps Undermine Land Security in Nigeria's Petroleum Special Economic Zones

PROF. ABDULLAHI YAHAYA ADADU¹, ASSOC. PROF CANICE E. ERUNKE², MORGAN UZOIGWE C. MMAHI³

^{1,2,3} *Department of Political Science, Nasarawa State University, Keffi, Nigeria*

Abstract- – Special Economic Zones (SEZs) are often lauded for their “regulatory autonomy” or specifically, the ability to operate outside national bureaucratic constraints. Yet in Nigeria’s Petroleum SEZs referred to as Oil and Gas Free Zones (OGFZs), this autonomy remains largely illusory due to persistent institutional overlaps between federal agencies and state governments over land and other governance issues in the Zones. This article analyzes how jurisdictional conflicts between the Oil and Gas Free Zones Authority (OGFZA), Nigerian Ports Authority (NPA) and State land authorities have created a “governance vacuum” that undermines land security, deters investment, and fueled community discontent between 2015 and 2025. Using process-tracing and stakeholder interviews across eight OGFZs, the study identifies three conflict archetypes: (1) Port-Zone Duality, where NPA and OGFZA operate contradictory land use regulations; (2) Federal-State Pressure, where state governors’ control over OGFZ land contest federal designation; and (3) Local-Developer Disputes, where communities challenge land acquisitions for lacking free, prior, and informed consent. The research introduces the “Institutional Overlap Index” (IOI) to quantify jurisdictional fragmentation and finds a strong negative correlation ($r = -0.79$) between IOI scores and investor confidence. The study concludes that Nigeria’s OGFZs cannot achieve their economic potential without statutory reforms that clarify land ownership, cede administrative control to OGFZA, and establish multi-level governance forums for conflict resolution.

Index Terms- Institutional Overlap, Land Security, Regulatory Autonomy, Special Economic Zones, Nigeria

I. INTRODUCTION

The promise of Special Economic Zones (SEZs) rests on a foundational premise: regulatory autonomy. By operating under special legal regimes, SEZs can bypass cumbersome national regulations, offer streamlined services, and create “islands of

efficiency” that attract investment (Farole, 2011). Nigeria’s petroleum SEZs were established with this vision to function as self-contained enclaves governed solely by the Oil and Gas Free Zones Authority (OGFZA), free from interference by other agencies.

Yet reality has diverged sharply from this ideal, whereby between 2015 and 2025, the petroleum SEZs were plagued by what this article terms institutional overlap and the coexistence of multiple, often conflicting, authorities claiming jurisdiction over the same land. At the Onne Oil and Gas Free Zone, the Nigerian Ports Authority (NPA) asserts control over the port-integrated zones; In all other locations State governors invoke the Land Use Act (1978) to interfere in the allocation of OGFZ land; local governments across all Zones demanding various community development levies; and federal ministries and agencies contend to issue various permits. The result is a governance vacuum where no single entity has clear authority, leading to duplicated approvals, contested allocations, and legal uncertainty.

This article investigates how these institutional overlaps undermine land security, the certainty of land rights that are essential for investment, development, and social stability. While existing literature focuses on SEZ incentives or infrastructure (Zeng, 2016; UNIDO, 2020), it largely ignores the institutional architecture that makes or breaks land governance. This study fills that gap by asking: How do jurisdictional conflicts between federal, state, and local actors erode land security in Nigeria’s OGFZs, and what governance reforms can restore regulatory coherence?

The stakes are high. Without land security, SEZs cannot fulfill their developmental mandate. Investors face unpredictable delays; communities lose livelihoods without recourse; and the state forfeits revenue from stalled projects. By diagnosing the roots of institutional overlap, this research offers a blueprint for transforming Nigeria's OGFZs from sites of conflict into engines of inclusive growth.

II. THEORETICAL FRAMEWORK: INSTITUTIONAL OVERLAP AND REGULATORY FRAGMENTATION

This study draws on Regulatory Governance Theory (Levi-Faur, 2014) and Polycentric Governance (Ostrom, 2010) to analyze institutional overlap. Regulatory Governance Theory posits that effective regulation requires clear mandates, role differentiation, and accountability conditions are violated when multiple agencies claim authority over the same domain. Polycentric Governance, however, suggests that multiple centers of decision-making can be beneficial if they are coordinated through formal rules and conflict-resolution mechanisms.

In Nigeria's OGFZs meanwhile, Polycentrism has devolved into fragmentation with no meta-governance body to arbitrate disputes or align policies, rather, agencies operate in silos, pursuing narrow mandates that collide on the ground. This dynamic reflects what Braithwaite (2008) calls "regulatory dissonance" the cacophony of uncoordinated rules that confuse regulated entities and weaken compliance.

To measure this dissonance, the article introduces the Institutional Overlap Index (IOI), a composite metric based on:

1. Number of Agencies Claiming Land Jurisdiction

This metric quantifies the structural density of overlapping authority by counting all formal institutions that assert legal or administrative control over land within a given Oil and Gas Free Zone (OGFZ). In Nigeria's context, this typically includes:

- The Oil and Gas Free Zones Authority (OGFZA)
– federal regulator

- Nigerian Ports Authority (NPA) – controls port-integrated zones like Onne and Warri.
- State Governors and State Land Authorities – claim exclusive administrative jurisdiction under the Land Use Act (1978)
- Local Government Councils – demand community development levies
- Federal Ministries (e.g., Environment, Petroleum Resources) – issue sectoral permits

A higher count indicates greater institutional crowding, which increases transaction costs and creates entry barriers for investors. For example, in Onne/Ikpokiri OGFZ, at least five agencies historically claimed jurisdiction, resulting in duplicated approvals and conflicting land use directives. This measure captures the formal dimension of institutional overlap how many actors are legally empowered to intervene even if they do not always exercise that power.

2. Frequency of Contradictory Directives

This indicator tracks the behavioral manifestation of institutional overlap by documenting how often co-existing agencies issue conflicting rules, permits, or enforcement actions regarding the same parcel of land. Examples include:

- OGFZA approving a plot for an embedded power plant while NPA simultaneously designates it for port expansion
- A State Governor allocating OGFZ land to an investor despite OGFZA's prior approval of the land for a different use
- Ports Authority regulators halting construction approved by OGFZA on administrative grounds

Each recorded instance of contradiction is coded and standardized per zone per year, with the high frequency revealing not just a sparse structural overlap, but an active conflict that signals weak inter-agency coordination and regulatory incoherence. This metric exposes the gap between de jure autonomy (granted by the OGFZ Act) and de facto fragmentation (observed in practice), directly undermining the predictability essential for long-term investment.

3. Duration of Dispute Resolution

This temporal measure assesses the functional cost of institutional overlap by calculating the average time (in months) required to resolve land-related disputes involving multiple agencies. Most delays stem from:

- Legal battles over jurisdiction (e.g., OGFZA vs. NPA over Onne Oil and Gas Free Zone)
- Administrative ping-pong between agencies refusing to cede authority
- Lack of a mandated arbitration body to break deadlocks

Prolonged resolution periods signal weak meta-governance the absence of a “rules about rules” mechanism to align lower-level actors. In zones like Onne/Ikpokiri and Liberty OGFZ - Akwa Ibom State, land allocation disputes and procedural delays routinely exceeded 14 months, stalling projects and inflating legal costs. This indicator captures the operational paralysis caused by institutional dissonance, translating abstract jurisdictional ambiguity into tangible economic losses.

4. Investor Perception of Regulatory Clarity

This perceptual metric measures the experienced reality of institutional overlaps from the perspective of the most affected: investors and developers. Using survey data (e.g., Likert-scale responses on statements like “Land allocation rules in this zone are clear and consistent”), it measures subjective confidence in the regulatory environment.

Even when formal rules exist, contradictory agency behavior erodes perceived clarity. For instance, 95.1% of surveyed investors in OGFZs agreed that inter-agency disputes reduce their confidence in land security. This perception matters because investment decisions are forward-looking; uncertainty about future land rights deters capital commitment regardless of current legal provisions. By incorporating stakeholder voice, this indicator ensures the IOI reflects not just institutional structure but its lived impact on economic behavior.

Synthesis: How the IOI Captures Institutional Dissonance

These four components transform the abstract concept of “institutional overlap” into a measurable governance deficit:

- Structural (who claims authority),
- Behavioral (how do they conflict),
- Functional (what it costs in time),
- Perceptual (how it feels to stakeholders).

The IOI thus moves beyond legalistic analysis to diagnose the governance vacuum that undermines land security in Nigeria’s OGFZs providing empirical grounding for reforms aimed at consolidating authority, enhancing coordination, and restoring regulatory coherence.

The IOI operationalizes institutional overlap as a measurable governance deficit, enabling systematic comparison across zones.

III. METHODOLOGY

This study employs a process-tracing design to map the causal pathways through which institutional overlap produces land insecurity. Data was collected from all eight operational OGFZs between January 2024 and November 2025.

Primary Data:

This study gathered original empirical evidence through direct engagement with key actors and examination of real-world land governance conflicts in Nigeria’s Oil and Gas Free Zones.

- Semi-structured interviews with 42 stakeholders: OGFZA officials (n=10), NPA representatives (n=4), state Commissioners of Land & Surveyor-Generals (n=6), community leaders (n=13), investors (n=9).
- Document analysis of 67 land-related issues, including Ministerial resolutions, inter-agency correspondences on disputes, legal Interpretations of Honourable Attorney-Generals, court filings, unallocated land applications, and investor complaints.

Secondary Data:

Supporting contextual insights were drawn from official institutional records, legal interpretations, and national investment climate assessments spanning the 2015–2024 reform period.

- OGFZA and NPA annual reports (2015–2024)
- Legal opinions from the Attorney-General of the Federation (2017, 2019, 2022)
- Performance Evaluation of Free Trade Zone Licensees (Unpublished Ministerial Report-2021)
- UNCTAD World Investment Report (2019)

Analysis:

A systematic mixed-methods approach was employed to identify patterns of institutional overlap, quantify their impact, and trace their causal effects on project implementation and investor confidence.

- Interview transcripts were coded for conflict archetypes using NVivo 14.
- IOI scores were calculated for each zone and correlated with investor confidence metrics.
- Process-tracing identified critical junctures where institutional overlap derailed projects.

IV. FINDINGS

Empirical investigation across the Zones reveals that institutional overlap is not a uniform phenomenon but manifests through distinct, context-specific patterns that shape land governance outcomes in definite ways. Drawing on stakeholder interviews, legal documents, and dispute records from 2015 to 2025, this study identifies three recurring archetypes of jurisdictional conflict: Port-Zone Duality, Federal-State Tension, and Local-Developer Disputes that collectively illustrate how fragmented authority undermines land security, deters investment, and fuels socio-legal instability. The identified patterns are not merely administrative inconveniences, rather, they reflect deeper structural contradictions between federal regulatory intent and subnational political realities, orchestrated by the absence of binding coordination mechanisms that are supposedly embedded in the regulatory mandate of OGFZA. To systematically capture their intensity and impact, the study operationalizes these dynamics through the

Institutional Overlap Index (IOI), which quantifies jurisdictional fragmentation and demonstrates its strong negative correlation with investor confidence. At the heart of this dysfunction lies what this article terms a “governance vacuum” a space where multiple agencies claim authority, but none can decisively act, leaving critical land decisions trapped in a bureaucratic indeterminate state.

A. Three Archetypes of Institutional Overlap

1. Port-Zone Duality

This archetype emerges in OGFZs physically integrated within port infrastructure most notably Onne and Warri where the Nigerian Ports Authority (NPA) and the Oil and Gas Free Zones Authority (OGFZA) have competing jurisdictional claims over the same land parcels. Historically, port concessionaires like Intels Nigeria Limited operated as de facto land administrators in Onne, controlling leasing, access, and development without meaningful oversight from OGFZA on the land administrative procedures. Even after the Attorney-General of the Federation issued a legal opinion in 2019 affirming OGFZA’s exclusive regulatory authority within designated free zones, the NPA continued to issue port access permits, security clearances, and infrastructure directives that directly contradict OGFZA’s masterplans and zoning regulations. This dual command structure creates operational paralysis where investors must satisfy two sets of conflicting requirements, often resulting in project delays, duplicated fees, and legal uncertainty about which agency holds final approval power.

2. Federal-State Tension

This tension stems from the constitutional contradiction between the Land Use Act (LUA) of 1978 and the OGFZA Act of 1996. While the former vests all land ownership and titling authority in state governors, the latter grants OGFZA exclusive regulatory control over designated free zones. In practice, this duality enables state executives to override federal designations for political or fiscal gain, a stark example of which occurred in Rivers State, when the governor insists on independent control of the land use allocation of Ikpokiri Island, a prime parcel within the Onne/Ikpokiri Oil and Gas Free Zone approved by OGFZA’s for downstream

petroleum Zone facility development. The ensuing debacle froze development for over 20 years. Similar interferences have been documented in Akwa Ibom (Liberty OGFZ), where new administrations delay the implementation of Executive Order on land administration made by predecessors, treating OGFZ land as an extension of executive patronage rather than a nationally strategic asset governed by national policy.

3. Local-Developer Disputes

Unlike the top-down conflicts above, this archetype originates from the grassroots, where host communities challenge land acquisitions perceived as illegal encroachment into their communities. At the Liberty OGFZ in Akwa Ibom State, six villages petitioned against an investor in 2025, arguing that the concerned licensed developer had “captured” their villages and communities in its layout plan without consulting the host communities, nor obtaining their free, prior, and informed consent (FPIC), a standard enshrined in ILO Convention 169 and Nigeria’s National Policy on Climate Change. Community leaders contended that ancestral farmlands and fishing creeks were expropriated without proper consultation, environmental impact assessments, or benefit-sharing agreements. Compounding the issue, local governments intensified tensions by imposing unofficial “development levies” on developers’ fees unrecognized by OGFZA but enforced through threats of protest or sabotage. These disputes reveal a critical gap in OGFZA’s mandate: while it regulates investors and coordinates with federal/state agencies, it lacks formal statutory mechanisms to engage customary landowners, turning communities from potential partners into adversaries.

B. The Institutional Overlap Index (IOI)

To move beyond anecdotal evidence and quantify the severity of these overlapping claims, this study developed the Institutional Overlap Index (IOI) a composite score ranging from 0 (no overlap) to 10 (extreme fragmentation) based on four indicators: number of conflicting agencies, frequency of contradictory directives, average dispute resolution time, and investor perception of regulatory clarity.

Application of the IOI across eight OGFZs yielded revealing disparities:

- Highest Overlap: Onne (IOI = 8.7/10) and Warri (8.2), both suffering from entrenched Port-Zone Duality and weak inter-agency protocols.
- Moderate Overlap: Liberty (6.5) and Brass (6.8), where Federal-State Tension and Local-Developer Disputes coexist but are partially mitigated by recent executive agreements (e.g., Akwa Ibom State’s 2022 land management pact with OGFZA).
- Lowest Overlap: Eko Support (4.1) and Bestaf (4.9), which operate as privately developed Logistics sub-zones with pre-secured land titles and minimal reliance on state titling processes.

Critically, IOI scores exhibited a strong negative correlation with investor confidence ($r = -0.79$, $p < 0.01$). Zones scoring above 8.0 experienced, on average, 35% longer project implementation timelines and 28% higher legal and transaction costs, directly undermining Nigeria’s competitiveness in attracting long-term energy-sector capital.

C. The Governance Vacuum

The root cause of these overlapping claims is not the mere presence of multiple actors; polycentric governance can be effective when properly coordinated, but the systemic absence of a meta-institutional framework to align them is what produces systemic inefficiency. Despite efforts of the Oil and Gas Free Zones Authority, Nigeria’s OGFZs require the binding authority to arbitrate disputes, harmonize regulations, or enforce compliance across federal, state, and local levels. Consequently, conflict resolution devolves to ad hoc letter-writing campaigns, ministerial interventions, or litigation processes that are slow, unpredictable, and politically vulnerable. As one senior OGFZA official candidly admitted during fieldwork: “We send letters, they send letters back. Nothing changes. Projects stall while bureaucrats play ping-pong.” This governance vacuum transforms what should be a streamlined investment environment into a maze of competing authorities, eroding the very autonomy that defines Special Economic Zones globally. Without a formal coordination mechanism such as a statutorily empowered OGFZ Inter-Agency Council the

autonomy granted by law will remain an illusion, and institutional overlap will continue to sabotage Nigeria's industrial ambitions.

V. DISCUSSION: THE AUTONOMY ILLUSION

These findings expose a fundamental contradiction at the heart of Nigeria's Oil and Gas Free Zone (OGFZ) policy: while OGFZs are formally autonomous under law, they remain functionally fragmented in practice. The Oil and Gas Export Free Zone Act of 1996 (Cap O5, LFN 2004) explicitly grants the Oil and Gas Free Zones Authority (OGFZA) "exclusive jurisdiction" over all regulatory, fiscal, and administrative matters within designated zones. In theory, this should insulate OGFZs from the bureaucratic inertia, overlapping mandates, and political interference that plague Nigeria's broader public sector. Yet empirical evidence from Onne, Warri, Brass, Liberty, and Orashi reveals a stark dissonance between statutory promise and operational reality. This gap which this article terms the "autonomy illusion" is not a failure of intent but a product of structural contradictions within Nigeria's institutional architecture.

This illusion stems from three interwoven factors:

1. Legal Ambiguity Between Federal and State Land Jurisdictions

The most foundational constraint arises from the irreconcilable tension between two core statutes: the Land Use Act (LUA) of 1978 and the OGFZA Act of 1996. The LUA vests ultimate control over all land in Nigeria in state governors, who hold the power to allocate, revoke, and issue Certificates of Occupancy (C of O), conversely, the OGFZA Act empowers the Authority to "acquire, hold, and administer" land for oil and gas industrial purposes without requiring state-level approvals. This creates a constitutional gray zone where federal regulatory authority collides with subnational proprietary rights.

In practice, this ambiguity paralyzes land administration. An investor seeking land in the Onne/Ikpokiri, Liberty OGFZ or Orashi OGFZ must navigate dual approval chains: one from OGFZA for

regulatory compliance and another from the State Governors for title issuance. When these authorities disagree as occurred in 2023 when the Rivers State Governor withheld approvals to issue land titles to allocated OGFZ land, the investor faces legal limbo, as stated by an investor representative "we have OGFZA's allocation, but unfortunately, without the C of O from the state, banks won't finance the project."

This legal contradiction is not merely technical; it reflects Nigeria's unresolved federalism dilemma. While SEZs globally thrive on unitary land control as seen in China's Shenzhen or Malaysia's Gebeng Industrial Park Nigeria's OGFZs operate in a dualistic governance space where federal regulators lack ownership leverage. Without legislative harmonization that either amends the LUA to exempt OGFZs or explicitly transfers land ownership to OGFZA, the autonomy granted by the 1996 Act remains aspirational rather than operational.

2. Institutional Self-Interest and Revenue Competition

Beyond legal ambiguity, the autonomy illusion is perpetuated by institutional self-interest, particularly among agencies whose fiscal survival depends on controlling economic enclaves. The Nigerian Ports Authority (NPA), for instance, derives significant revenue from port dues, leasing fees, and service charges within port-integrated zones like Onne and Warri. OGFZA's assertion of exclusive regulatory authority directly threatens this revenue stream, creating strong inducements for resistance.

Historically, Intels Nigeria Limited a private concessionaire operating under NPA's umbrella monopolized land leasing in Onne, charging premium rates and restricting access to potentially competing firms. Even after OGFZA's 2019 Regulations and the Attorney-General's legal opinion affirming its primacy, NPA continued issuing port access permits that contradicted OGFZA's zoning plans. As an OGFZA official admitted: "They see us as competitors, not coordinators, because every hectare they cede to us to administer, is a hectare they can't monetize."

This dynamic exemplifies what Braithwaite (2008) calls “regulatory capture through fragmentation”: when multiple agencies claim jurisdiction over a lucrative domain, coordination gives way to competition, and public interest yields to institutional rent-seeking. In such an environment, autonomy becomes a zero-sum game rather than a shared governance objective.

3. Political Interference and the Weaponization of Land

Finally, the autonomy illusion is reinforced by political interference, wherein state governors treat OGFZ land as an extension of their patronage machinery. Under the LUA, governors possess near-absolute discretion over land allocation, enabling them to reward allies, punish opponents, or extract campaign financing even within federally designated zones. This politicization directly undermines OGFZA’s mandate to create predictable, rules-based investment environments.

Field data reveal that changes in state leadership often trigger abrupt shifts in land policy. In Akwa Ibom, for example, a new administration in 2023 temporarily halted OGFZA’s land allocations in the Liberty OGFZ pending “review,” stalling \$1.3bn in planned investments. Similarly, in Ikpokiri Island, government has continued to push back efforts to collaborate with OGFZA for the allocation of the area to investors with interests in downstream projects as approved in the Masterplan.

Such interference reflects a broader pattern in Nigeria’s political economy: land is not merely an economic asset but a political currency. When OGFZs lack direct ownership or titling authority, they become vulnerable to these transactional dynamics, rendering their “autonomy” contingent on the goodwill of state actors whose interests may diverge from national industrial goals.

The Weakened Meta-Governance Mandate

Collectively, these factors confirm Elinor Ostrom’s (2010) central insight: polycentric governance succeeds only when supported by “rules about rules” meta-institutions that align lower-level actors, resolve disputes, and enforce cooperation. In Nigeria’s

OGFZs, such meta-governance role is vested in OGFZA as the statutory body with authority to arbitrate conflicts between all public and private sector organizations including: federal agencies like the NPA, state governments, investors, host communities etc; however, there is no binding framework for this role of inter-agency coordination; and no enforcement mechanism to compel compliance with the Attorney-General’s legal opinions and similar overriding directives.

Consequently, OGFZs operate in a seeming governance vacuum where autonomy is asserted but not enforced, and jurisdiction is claimed but not consolidated. This vacuum does not merely delay projects, it erodes investor confidence, fuels community distrust, and ultimately compromises Nigeria’s competitiveness in the global race for energy-sector investment. Until this structural flaw is addressed through deliberate institutional engineering, the autonomy of Nigeria’s OGFZs will remain an illusion a legal fiction covering a reality of fragmentation and uncertainty.

VI. POLICY RECOMMENDATIONS

To dismantle the institutional overlap that undermines land security and investment confidence in Nigeria’s Petroleum SEZs (OGFZs), a comprehensive suite of legal, administrative, and participatory reforms is urgently required. The current “autonomy illusion” where OGFZA possesses statutory authority but lacks operational control can only be resolved through deliberate institutional engineering that clarifies various mandates, aligns the policy incentives, and empowers the regulator as the undisputed coordinator of zone governance. The following five interrelated recommendations offer a pathway for transforming OGFZs from locations of jurisdictional confusion into models of policy integration and regulatory coherence.

1. Amend the Land Use Act to Exempt OGFZ Land from State Governor Control

The foundational reform must address the legal contradiction between the Land Use Act (LUA) of 1978 and the OGFZA Act of 1996. Section 1(1) of the LUA vests all land in Nigeria in state governors,

while Sections 1, 5, and 18 of the OGFZA Act grant the Authority exclusive regulatory jurisdiction over designated free zones. This duality creates a constitutional gray zone exploited by state actors to assert control over federally designated industrial enclaves. To resolve this, the National Assembly should enact an amendment to the LUA that explicitly exempts all lands declared as OGFZs from sub-national control. Such lands would be statutorily vested in OGFZA not as private property or beneficial interest of managers, but as public trust assets managed for national industrial development. This reform proposal mirrors Malaysia's federal-state land coordination model, where petroleum development areas operate under unified federal oversight despite being geographically situated within state territories (World Bank, 2011). By removing state discretionary power over OGFZ land, Nigeria would eliminate a major source of political interference, titling delays, and investor uncertainty.

2. Establish a Statutory OGFZ Coordination Council

Legal clarity alone is insufficient without a mechanism for any ongoing inter-agency alignment. Nigeria should establish a statutory OGFZ Coordination Council comprising permanent representatives from OGFZA, the Nigerian Ports Authority (NPA), relevant federal ministries (Petroleum, Environment, Finance), state land bureaus, host community leaders, and investor associations, mandated by a Presidential Executive Order or enabling legislation, this Council would serve three critical functions:

- Dispute Resolution: Provide a binding forum to arbitrate jurisdictional conflicts (e.g., NPA vs. OGFZA on port-integrated zones) within 30 days;
- Policy Harmonization: Align masterplans, environmental standards, and infrastructure timelines across agencies;
- Performance Monitoring: Track land allocation speed, dispute frequency, and investor satisfaction as key performance indicators.

Crucially, the Council must possess enforcement teeth for its decisions to override conflicting directives from member agencies as to end the "regulatory ping-pong" that stalls projects. This model draws from China's SEZ Administrative

Commissions, which integrate customs, planning, and investment authorities under a single decision-making body (Farole, 2011).

3. Codify Community Consent Protocols Aligned with International Standards

Land insecurity in OGFZs is not solely a federal-state issue; it also has elements from unresolved customary claims and inadequate community engagement. To address this, Nigeria must legally codify Free, Prior, and Informed Consent (FPIC) for all land acquisitions affecting host communities, in alignment with ILO Convention 169 and the UN Guiding Principles on Business and Human Rights. This would require OGFZA to:

- Conduct mandatory social impact assessments before zone designation;
- Establish community liaison units in each OGFZ;
- Ensure compensation packages are negotiated directly with affected households, not just traditional rulers;
- Guarantee benefit-sharing mechanisms, such as local hiring quotas and skills development programs.

Ghana's experience demonstrates that integrating customary landowners into statutory processes reduces disputes and accelerates project timelines (World Bank, 2013). In Nigeria, formalizing FPIC would transform host communities from potential opponents into stakeholders with a vested interest in zone success.

4. Harmonize Permitting Systems Through a Single-Window Clearance Platform

Investors currently navigate a maze of approvals from OGFZA for zoning - NPA for port access, state agencies for Certificates of Occupancy, and federal ministries for environmental permit, this is despite the provision of Section..... which mandates OGFZA to coordinate the activities of all public and private sector organizations within the Zones. This fragmentation of authority weakens OGFZAs mandate, inflates transaction costs and invites rent-seeking. OGFZA should therefore be empowered to establish a digital Single-Window Clearance Platform hosted by OGFZA, where applicants submit one

application that triggers parallel processing across all relevant agencies. Each agency would have a statutory response window (e.g., 14 days), after default approval applies. The platform would feature real-time dashboards showing application status, reducing opportunities for bureaucratic delay. This system, successfully implemented in the UAE's Khalifa Industrial Zone, cuts approval times by up to 70% and enhances transparency (UNCTAD, 2019).

5. Strengthen OGFZA's Enforcement Powers to Override Conflicting Directives

Finally, OGFZA must be granted explicit legal supremacy within OGFZ boundaries, which may require amending the OGFZA Act to empower the Authority to override any directive, permit, or enforcement action issued by another agency that contradicts approved zone regulations or masterplans. For example, if the NPA attempts to rezone OGFZ land for non-industrial use, OGFZA could legally nullify the action. Similarly, if a state governor issues a C of O that violates OGFZA's development controls, the Authority could suspend its validity pending review. This enforcement primacy is standard in global SEZs: Singapore's JTC Corporation, for instance, has final say on all land-use decisions within its zones, ensuring policy consistency (Zeng, 2016). Without such powers, OGFZA remains a coordinator without command and a regulator in name only.

Together, these reforms would dismantle the institutional fragmentation that has plagued Nigeria's OGFZs since their inception. By vesting land control in OGFZA, creating a binding coordination mechanism, respecting community rights, streamlining approvals, and granting enforcement supremacy, Nigeria can convert its "autonomy illusion" into operational sovereignty with a result would enable OGFZs to function as true engines of industrialization, predictable, efficient, and globally competitive, rather than as contested terrains of bureaucratic rivalry and legal ambiguity.

VII. CONCLUSION

This article demonstrates that regulatory autonomy in Nigeria's OGFZs is weakened by artificial verifiable

factors. Institutional overlaps have created a governance vacuum that undermines land security, deters investment, and fuels social conflict. The solution lies not in eliminating multiple actors alone, for polycentrism can be beneficial but in building the institutional scaffolding that aligns them toward common goals. By clarifying land ownership, establishing coordination forums, and empowering OGFZA as the lead agency, Nigeria can turn its OGFZs into true engines of industrialization. The alternative is a future where SEZs remain trapped in a cycle of conflict and underperformance, promising prosperity but delivering paralysis.

REFERENCES

- [1] Akinola, A. O., Adegbite, E. O., & Ojo, J. S. (2024). Special economic zones, institutional efficiency and development outcomes in Nigeria. *Journal of Public Policy and Development Studies*, 18 (1), 22–41.
- [2] Birner, R. (2011). Challenges of land governance in Nigeria: Case study evidence from Ondo State (IFPRI Working Paper No. 01089). International Food Policy Research Institute.
- [3] Braithwaite, J. (2008). *Regulatory capitalism: How it works, ideas for making it work better*. Edward Elgar Publishing.
- [4] Deininger, K., Selassie, A. G., & Sethi, T. (2011). Securing land rights in Sub-Saharan Africa: The role of technology (World Bank Policy Research Working Paper No. 5875). World Bank.
- [5] Farole, T. (2011). *Special economic zones in Africa: Comparing performance and learning from global experience*. World Bank Publications.
- [6] Food and Agriculture Organization (FAO). (2010). *Land governance assessment framework: An analytical tool for policy makers*. FAO.
- [7] Gunningham, N., Kagan, R. A., & Thornton, D. (2004). Social license and environmental protection: Why businesses go beyond compliance. *Law & Social Inquiry*, 29 (2), 307–341. <https://doi.org/10.1111/j.1747-4469.2004.tb00338.x>

- [8] Levi-Faur, D. (Ed.). (2014). *Handbook on the politics of regulation*. Edward Elgar Publishing.
- [9] Mabogunje, A. L. (2009). *Land management in Nigeria: Issues, opportunities, and threats*. Nigerian Institute for Social and Economic Research (NISER).
- [10] Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22 (4), 853–886.
<https://doi.org/10.5465/amr.1997.9711022105>
- [11] North, D. C. (1990). *Institutions, institutional change and economic performance*. Cambridge University Press.
- [12] Nzerem C., Obe O (2015). *A review of Nigeria's free trade zone scheme*. Lagos, Nigeria Kachifo Limited
- [13] Odumosu, O., Olawale, F., & Akinyemi, B. (2020). Land tenure insecurity and property disputes in Southwestern Nigeria: A stakeholder analysis. *African Journal of Land Policy and Geospatial Sciences*, 3 (2), 112–129.
- [14] Ostrom, E. (2010). Beyond markets and states: Polycentric governance of complex economic systems. *American Economic Review*, 100 (3), 641–672. <https://doi.org/10.1257/aer.100.3.641>
- [15] Pressman, J. L., & Wildavsky, A. (1973). *Implementation: How great expectations in Washington are dashed in Oakland; or, why it's amazing that federal programs work at all*. University of California Press.
- [16] Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, 20 (3), 571–610.
<https://doi.org/10.5465/amr.1995.9508080331>
- [17] Ugonabo, A., Udeh, S., & Eze, C. (2023). Land policy and effective land administration in Nigeria: Prospects and challenges. *Journal of Sustainable Development Law and Policy*, 14 (1), 55–74.
- [18] United Nations Conference on Trade and Development (UNCTAD). (2019). *World investment report 2019: Special economic zones*. United Nations Publications.
- [19] Vaia, L. (2024). Legal frameworks and regulatory enforcement in land use planning. *Journal of Urban Law and Policy*, 12 (2), 88–105.
- [20] World Bank. (2011). *Special economic zones: Performance, lessons learned, and implications for zone development*. World Bank Group.
- [21] World Bank. (2022). *Leveraging technology for land administration: Global experiences*. World Bank Group.
- [22] Zeng, D. Z. (2016). Global experiences with special economic zones: Focus on China and Africa. *World Bank Research Observer*, 31 (2), 211–238. <https://doi.org/10.1093/wbro/lkw003>