

Iran-Russia Oil Sanctions and Implications for the Implementation of Nigeria's Petroleum Industry Act

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Abstract

The imposition of sanctions on Iran-Russia Oil is expected to have implications for the recipient economies, and by extension, Nigeria. However, there are claims that the Nigerian economy is not benefiting optimally from its oil resources, and this is attributable to outdated rules and regulations in the sector. Addressing the challenges informed the enactment of the Petroleum Industry Act. The study identified the contributions and failures of the PIA to oil sector reforms in Nigeria. Moves theory applies from the perspective that the outcome of the planned position is dependent on the choices made by the concerned players/stakeholders. Qualitative data were sourced using documentary analysis from a total of ten purposively selected materials, and based on their relevance to the study. The contributions of the PIA have included the consultation of stakeholders in its making, the provision of a legal, regulatory, and fiscal governance framework for upstream, midstream, downstream, and host communities, and security interest process simplification. The PIA has failed to protect the workers in the sector from work-stress-related issues, created multiple agencies and allotted power to those without major roles. Also, the allotted 3 per cent for the development of the host community is relatively small. The study concluded that stakeholders need to protect the interests of not only the investors, the host community, but also the workers, to propel oil production. The study recommended an amendment of the PIA to allow for the protection of workers in the oil sector and to allow for high output.

Keywords: Global energy crisis, Petroleum Industry Act, Iran-Russia Oil Sanctions, Nigerian Oil Industry

Introduction

The Iranian and Russian oil were been formally sanctioned in 2022, limiting the number of patrons receiving their oil, and also pressuring Nigeria into maximising the resulting opportunities. Nigeria enacted the Petroleum Industry Act (PIA) in 2021 to reform its oil sector; hence, the imposition of sanctions on oil of the duo states serves as an opportunity to analyse the prospects and challenges of the PIA.

Iran is the fourth-largest oil reserve globally, the second-largest producer in the Middle East, and contributes 20 per cent to the global oil market (Zhukov & Reznikova, 2020; Cildir, 2025). Russia, on the other hand, holds the seventh-largest oil reserve and contributes 13 per cent of the global oil market (Yang, Rizvi, Tan, Umar, & Koondhar, 2021). Since July 2022, crude oil importation from Iran has been prohibited around the world due to the deadlock on talks about its nuclear programme, and this has compelled its patrons to alternative suppliers owing to the sanctions

imposed on its oil by the US and the European Union [EU] (Zhukov & Reznikova, 2020; Balali, Farzanegan, Zamani, & Baniasadi, 2024; Cildir, 2025), which turned the product into a 'toxic asset' for the country (Zhukov & Reznikova, 2020). The same product is expected to become a 'financing asset' for Nigeria because of its political and economic significance for the country and global energy demand.

Concerning Russia, Spiro, Wachtmeister, and Gars (2025) explained that following its invasion of Ukraine in 2022, the oil sanctions imposed by the EU and the G7 formed the most significant hindrance to its oil patronage. The observable implications are that the reduction in the number of oil orders in the sanctioned countries is the reallocation of trade flows (Steinbach, 2023). The understudied aspect of oil sanctions for trade flow and financial assets is their implications for Nigeria. The sanction is expected to create scarcity in the global oil market, especially with the embargoes on two major suppliers, and create oil windfall profits for Nigeria. Canes (2007) has identified sanctions as a foreign policy tool of the US, which is usually aimed at a specific country but can also affect other nations. After all, the structure of the contemporary global system is such that distortion experienced in any unit allows for socio-political and economic effects on the other. Hence, the oil sanctions have created challenges for oil supply from Iran and Russia, and increased opportunities for Nigeria to maximise gains from the process.

The use of sanctions is traceable to Woodrow Wilson, who opined that it is a peaceful, economic, silent, and deadly measure that will replace the use of force in ensuring compliance in international politics (Drezner, 2022). The observed effect of sanctions on the recipient economy, such as Iraq and Iran, is the imposition of crippling costs on the state but with no observable concessions, and the aim of the imposition was not actualised in the observed cases (Drezner, 2022). Lenzen and Debiel (2025) have reported that sanctions among major powers result in economic disruption at the global level, and the Global South is the main loser. For instance, an embargo on goods from sanctioned countries will imply a higher cost, while the sanctioned country suffers the least effect (Lenzen & Debiel, 2025). Hence, the implications of oil sanctions will be felt globally, with some benefiting and others bearing costs.

Oil is one of the crucial commodities with political and economic consequences for price change (Colgan, 2014), and it is the acknowledged source of energy with vast use and bulk purchase (Wang, Liu, Li, & Oana-Ramona, 2022). It is recognised as the industrial cum economic livewire of a nation (Yang, Chen, Yang, & Chang, 2022). Despite the sanctions-induced challenges in the year 2022, there was a year-on-year increase in supply from 4.47 to 99.64 million barrels per day, and the OPEC was accountable for the 55 per cent increase witnessed in the period (Ren & Cai, 2024). It follows that while sanctions were imposed on Iranian oil following the nuclear talks' deadlock, Libya's crude oil supply routinely interrupted, Venezuela under sanctions, the US production of oil is rebounding slowly (Ren & Cai, 2024), and Russian oil been sanctioned; oil remains accessible in the global market but at a higher cost. Hence, Nigeria's oil is expected benefit.

Nigeria is the largest producer and exporter of oil in Africa, accounting for 2.2 per cent of the global oil supply, identified as the 10th largest reserve (estimated at 3.1 per cent of the global reserve), and listed among the first ten producers of the product globally (Rui *et al.*, 2018; Olayungbo, 2019). The country has a vast hydrocarbon deposit delta system of more than 300,000 km², and the preference for its oil is due to the characteristics of light crude oil with a gravity between 21 ° API and 45 ° API, and a low sulphur content (Rui *et al.*, 2018). The vast oil deposit,

characterised by high-quality light oil with low levels of sulphur, made the country a desirable location for a new oil and gas development project (Rui et al., 2018). Europe, Asia, and Africa are the destinations of Nigerian crude oil (Nnah, 2023). The established links across the continent and the quality of its oil are evident factors informing the demand and ascertaining a ready-made substitute status for those of the sanctioned countries. However, Nigeria's economy is not benefiting optimally from the oil resources, and this is owing to obsolete rules and regulations in the sector (Borha & Olujobi, 2023; Dokpesi & Godwin, 2024), which is manifesting as the absence of a functioning refinery, militancy/insecurity in the oil-producing regions, and addressing these issues accounts for the introduction of the PIA.

The PIA was enacted in the country to drive reforms in the oil sector, but the prospects and challenges of the policy have been understudied, hence this study. The goal of the study is to analyse the contributions and failures of the PIA to oil sector reforms in Nigeria. The study is significant because the PIA has remained understudied. The study is conducted to show how the PIA has contributed and failed in actualising the purpose of its ratification among stakeholders in the oil industry in Nigeria, especially when two major suppliers have been sanctioned and their oil supply restricted. To achieve the study's goal, it is divided into five sections. The study is introduced in Section One, a review of the literature was presented in Section Two, and the methodology was discussed in Section Three. Data presentation and analysis formed the content of section four, and a conclusion was drawn in section five.

Conceptual Clarification

Sanction

Sanction is one of the controversial concepts in social sciences, and the lack of agreement on what the term implies has affected its definition. Gibbs (1966) explained the challenges with the concept from the assumption that it is a primitive term that is generally understood, but the belief is not correct, and this is affecting the appropriate use of the term. Hence, explaining the term has encouraged the use of its two basic attributes, which are the hedonic or inducement (Gibbs, 1966). Sanction from the hedonic conception is the infliction of physical or psychological pain, while as an inducement, it is the granting of reward (Gibbs, 1966). Hence, the term has both positive and negative connotations, and this deepens its conceptual issues. To clarify the concept, the definition of Radcliffe-Brown and Lockwood is also purposefully considered.

The term sanction has been presented by Radcliffe-Brown as an approval or disapproval reaction by a society or a group of people on a mode of behaviour (Cited in Gibbs, 1966). The definition revealed that a mode of behaviour receives approval or disapproval from members of the society or the group concerned. Similarly, Lockwood's understanding of the term is explained as a measure for achieving behavioural conformity through the use of punishment and reward as expected by a social group (cited in Gibbs, 1966). Ghomi (2021) conceived the term as a political measure aimed at compelling countries' compliance with international laws and accords. It is deducible from the definition that the essence of a sanction is to facilitate behavioural conformity to the set precept by society's members. Hence, if the behaviour is accepted, it is (positively) sanctioned and rewarded. And if otherwise, it is negatively sanctioned with punishment such as embargo on goods and services from the affected country. Thus, Ghomi's (2021) definition is accepted for the study.

Regulations, Sanctions, and Oil Accessibility in the Global Market

The contemporary global oil market is controlled by both the Organisation of Petroleum Exporting Countries (OPEC) and non-OPEC members, and this arrangement is expected to influence oil politics. OPEC is a transnational organisation in the international energy sector that exercises regulatory oversight over oil production through its members (Roeben, 2024). Following its formation in 1960, OPEC has swayed the price of oil across the globe through its instrumentality of the quota system among members, and this is considered necessary for countries including Nigeria, Venezuela, Angola, and Saudi Arabia with oil as a major source of foreign exchange and government finance (Lin, Omojum, & Okonkwo, 2015). The effectiveness of the quota system in global oil price regulations has been called into question, especially as a regulating measure for price control and quantity availability. Lin et al. (2015) argued that the activities of countries like Nigeria, Kuwait, the UAE, Ecuador, and Saudi Arabia will not ensure the effectiveness of the quota system in price regulation. The challenges with OPEC measure established that it is not a cartel, but a flexible organisation (Graaf, 2016). The problem with OPEC highlights the importance of understanding the operations of non-OPEC countries, particularly in ensuring sustainable oil accessibility in the global market.

The activities of non-OPEC countries are expected to influence the pricing and quantity availability of oil through their unregulated products in the global market. Elsalih, Sertoglu, and Besim (2020) have interrogated and analysed the determinants of crude oil production in OPEC and non-OPEC countries, and reported that while all OPEC members studied demonstrated comparative advantage, only five of the non-OPEC countries show comparative advantages in the production of crude oil. It was revealed that natural resources are negative, and by implication, an increase in natural resources reduces their comparative advantages (Elsalih *et al.*, 2020). Al-Fattah (2020) reported an annual decline of 3.5 per cent in the conventional oil production by non-OPEC in 2017, and this implied a reduction of about 4.4 million barrels per day in 2023. Their unregulated activities in terms of oil supply have not ensured sustainable oil accessibility in the global market. Thus, to meet the oil requirement for the 2017 level by 2030, an additional 8.1 MMBD is required, and bridging the resulting gap in global oil accessibility is suggested to be led by Saudi Arabia and Russia, which are OPEC+ (Al-Fattah, 2020). However, Russian and Iranian oil, which are expected to bridge the oil shortage gap, are sanctioned, and this has implications for meeting the projected oil target. The sanctioning of Russian oil is expected to have implications for the local economy of the country and the global oil market.

Russia has reportedly attempted to reduce its export of oil, as a measure for actualising its economic warfare, but the implications of any restrictions on its oil are a fall in profit (Gars, Spiro, & Watchmeister, 2025). This will harm the interests of the elite and oligarchy in the country's oil industry, but the same will elevate local consumers because the price of the product will reduce (Gars *et al.*, 2025). Hence, mitigating the effects of sanctions imposed on its oil, since 2022, has compelled Russia's redirection of its products to other markets, including China, India, and Turkey (Babina, Hilgenstock, Itshoki, Mironov, & Ribakova, 2023). Assessing the global impact of Russian oil restriction or reduction has informed the classification of states from the perception of the country into foe, friend, and neutral. It was revealed that the major losers of the restriction on Russian oil are the foe countries, and the friend losses are relative to their GDP (Gars et al., 2025). It was noted that the decision of Russia to restrict its oil could inflict high costs on its international

friends (Gars *et al.*, 2025). This shows that the sanction on Russian oil has implications within and beyond its economy.

The Iranian oil, like Russian oil, is sanctioned. The country's economy is oil-dependent, and this accounts for more than 20 per cent of its gross domestic product (GDP) before the imposition of sanctions on the country by the EU and US (Ghomi, 2021). Since 2022, a new sanction has been imposed on Iranian oil, and this is capable of affecting its economy as well as the accessibility to oil in the global market. Wei, Cui, and Cui (2021) have reported that Asian countries depend on Iranian oil, and the imposition of sanctions on the country could imply a disturbance for supply, and this could result in relationship strain among countries in the region, resulting from their competition for oil. Also, sanctions imposed on Iran have been reported not to have altered the conduct of foreign policy in the country. The effect of the sanction is more observed on the ordinary people than the targeted leaders, but the effect is likely to push Iran more into the China-Russia alliance (Monshipouri & Boggio, 2022). This revealed the polarisation tendency and capability of sanctions imposed on Iran and other countries in this category.

Overview of Nigeria's Oil Industry

The economy of Nigeria is oil-dependent because the industry is responsible for the majority of the foreign exchange earnings, and it serves as energy to power transportation and alternative industrial and household energy in the country. Omotosho (2019) explained that oil generates about 93.1 per cent of the country's export and a total of 24.4 per cent of its import, especially during the 2010 and 2018 period. The importation of crude oil is due to the dilapidated nature of refineries, and these have not been functional to meet the demand of the country and contribute to GDP (Ogunlowo, Bristow, & Sohail, 2017; Omoregie, 2019). It shows that while the country exports, it also imports, and it is susceptible to the volatility in the global crude oil sector, especially the sanctions imposed by the US and the EU on Iran and Russia. The effect of unpredictable price changes may result from sanctions and other challenges.

Sanctions imposed on Iran, for instance, have compelled Nigeria to source its crude oil from other countries, including Saudi-Arabia and other African countries (Sehhat, Habibi, Fard, & Abdulmumin, 2023). The implication is that Nigeria has lost Iran as a trading partner, and this limits the import and export of oil to Iran from the country (Sehhat et al., 2023). Additionally, the Russian market became inaccessible to Nigeria due to the sanctions. This tends to imply that shocks to the country's oil industry will result in inadequate supply and drive price changes. Iyke (2022) has noted that unplanned crude oil price changes are a concern for both oil and non-oil producing countries. Evidence from an oil-producing country like Nigeria reveals that an increase in the price of oil is proportionate to a government's increase in attacks on rebel groups in oil regions (Nwokolo, 2021).

Again, insecurity challenges confronting the oil sector in the country are the oil theft in the sector. Akpomera (2015) explained that oil theft has been institutionalised in the country, and both the governing and non-governing elites are involved in vandalising the oil pipelines for personal gain. This constitutes a challenge to the sector's contribution to the economy. Evident from the above is that output and input in the Nigerian oil sector are attributable to positive and negative uncertainty experienced in the sector (Iyke, 2022). While the oil industry is the cash cow of the Nigerian economy, it is confronted with challenges, and little is known about how the sanctions imposed on

Iran and Russia are driving reforms in the oil sector in the country. The gap has left the desire to study the implications of the sanctions on oil sector reform in Nigeria.

Theoretical Framework

The theory of moves, as developed by Brams (1993), is the theoretical framework of analysis for this study. It is an offshoot of games theory, and it holds that the outcome of any autonomous planned situation is dependent on the choices made by players involved. The rule of playing allows players to look ahead before making a move or choice. This applies to this study, as the introduction of the Petroleum Industrial Act of 2021 in Nigeria is the choice of stakeholders aimed at addressing issues in the oil sector. The PIA, by its provisions, allows for further consultation to address emerging issues not captured, and this is intended to maximise interests.

Material and Method

The study adopted documentary analysis as a method of data collection and analysis. Its adoption follows its use as a research method, the capability to generate the required data, the reduction of ethical concerns associated with other research methods, and the facilitation of completion of the study through the reduction of cost challenges (Bowen, 2009; Morgan, 2021). While a document has been conceived as a social fact which are created, distributed, and used in socially organised ways (Bowen, 2009), documentary analysis is a document evaluation or reviewing method that follows a systematic procedure (Bowen, 2009; Morgan, 2021). Sources for obtaining information in documentary analysis are books, brochures, diaries, journals, letters, memoranda, newspapers, agendas, press releases, radio and television programmes, and other public records (Bowen, 2009). The procedure for the method is searching, selecting, evaluating, and synthesising documents (Bowen, 2009). This process of documentary analysis produces quotations, excerpts, and passages, and it's presented as themes in attaining the outlined goals of the study (Bowen, 2009).

The study followed the outlined procedure for obtaining information as detailed by Bowen (2009), and sought information from 'scholar.google.com'. Publications used in the study are purposively selected based on the relevance of their abstract to the goals of the study. Information obtained from the selected materials is presented as themes.

The underlisted published journal articles were purposively selected and analysed in the study based on relevance to the study.

List of Purposively Reviewed Literature and Documents

S/N	Author and year of publication	Major contribution
1	Borha and Olujobi (2023)	The reason for the replacement of the 1969 Petroleum Act in Nigeria was due to its obsolescence and inability to meet the emerging global practice in the sector, such as the aspirations dweller in oil-producing areas.
2	Dokpesi and Godwin (2024)	The study argued that between 2015 and 2019, about US\$2.8 billion in investment was attracted in the Nigerian oil sector out of the US\$70 billion that came to Africa. The reason for the poor investment attraction was owing to the obsolete law in operation in the country.
3.	Imoisi, Aidonojie, and Edetalehn (2023)	The study outlined the contribution of the PIA to include the provision of compensation and development of the host communities, the incorporation of the Nigerian National Petroleum Corporation, and the introduction of an effective tax plan.

- 4 Umukoro (2024) The study identified that the host community has a major stakeholder in the Nigerian oil industry, which is often overlooked despite its significance in ensuring unhindered oil production. They remain important to oil production because oil installations run through their surroundings, farms, lands, and streams. While oil is explored and exploited in the communities, there is no corresponding development in infrastructure, and this has prompted systematic unrest in these communities, with huge economic loss for the government. The PIA has addressed the challenges through the social and economic provisions.
- 5 Adebisi and Ezebuio (2023) Through the PIA, a legal, regulatory, and fiscal governance framework was established for upstream, midstream, downstream, and host communities.
- 6 Ezekwesiri and Ayo-Odewale (2025) The study discussed the challenges confronting the creation of security interests before and after the enactment of the PIA. It was noted that the procedure was complex and complicated before the enactment of the bill. The consent of the Minister of Petroleum Resources is a requirement before the act. Since the Act, the Nigerian Upstream Petroleum Regulatory Commission, NUPRC, consent is the only requirement.
- 7 Dike, Ehie, and Chukwuba (2023) The study observed that, despite the provisions of the PIA, there is a need for further changes to ensure the adequate resolution of the problem in the sector. It was reported that there are many regulatory agencies in the PIA. It was suggested that the power of the Commission and Authority created by the PIA should be amended to reduce their power, after all, they are not active players in the industry.
- 8 Freeman (nd.) The adoption of the PIA has undergone various stages and phases, involving different actors who hold different positions. The Labour Union (LU), Economic nationalists (EN), reformers, rent seekers, and producing companies are the identified actors involved in the making of the PIA as a policy of the government. The respective position held in relation to the PIA is Anti-reform and Pro-reform. The Reformers and Producing companies are in support of the PIA for reasons inclusive of investment attraction, economic performance enhancement through competition, accountability, and transparency. It also aimed at the reduction of cost burden on the government, and increasing return on investment through deregulations. On the other hand, the LU, rent seekers (RS), and economic nationalists (EN) are against the PIA. Job loss prevention and sustenance of subsidies on energy informed the anti-stance of the LU. The RS and the EN aspired for the retention of the centralised control over the sharing of revenue, safeguard access to lucrative contracts and patronage, and sustain political power, wealth and influence.
- 9 Esitikot, Umoh, Ekong, Obadimu, and Akadi (2024) The study identified the effect of work-related stress on the workers' productivity and the organisation in the petroleum industry in Nigeria, concluded that issues confronting the health and productivity of workers can reduce the profit of the affected organisation, and recommended the introduction of an appropriate framework to identify and address work-related stress among workers in the petroleum sector. Meanwhile, the study revealed the effects of work-related stress to include fatigue, psychological disorders, poor decision-making, and reduced efficiency, which implies health and safety issues for the industry.
- 10 Ekong (2023) The study reported a divestment in the Nigerian oil sector, and the act is attributed to the governance structure of the sector. Addressing the issue prompting divestment by the government has produced the Petroleum Industrial Act to allow for operation along international best practices.

Source: *Authors Compilation, 2025*

Result of the Findings

Data obtained through the use of documentary analysis and in support of the goals of the study, which are to identified the contributions and failures of the PIA to oil sector reforms in Nigeria, is presented in this section.

Contributions of the Petroleum Industry Act

The PIA is the outcome of deliberations of actors, such as the Labour Union (LU), Economic Nationalists (EN), Reformers, Rent Seekers, and Producing Companies (Freeman, nd). The PIA replaced the erstwhile 1969 Petroleum Act in the country, and made provision for compensation and development of the host communities, the incorporation of the Nigerian National Petroleum Corporation, and the introduction of an effective tax plan (Borha & Olujobi, 2023; Imoisi,

Aidonojie & Edetalehn, 2023). Through the PIA, a legal, regulatory, and fiscal governance framework was established for upstream, midstream, downstream, and host communities (Adebisi & Ezebuio, 2023).

The host community is a major stakeholder in the Nigerian oil industry, which is often overlooked despite its significant role in ensuring uninterrupted oil production (Umukoro, 2024). They remain important to oil production because oil installations run through their surroundings, including farms, land, and streams, and their actions or inactions can affect oil facilities. While oil is explored and exploited in the communities, there is no corresponding development in infrastructure, and this has prompted systematic unrest in these communities, with huge economic loss for the government (Umukoro, 2024). The claim explains the argument of Nwokolo (2021) that an increase in the price of oil is proportionate to a government's increase in attacks on rebel groups in oil regions. Before the PIA, the creation of a security interest followed a complex and frustrating procedure, and since the PIA, the procedure has been simplified such that in place of the requirement for the approval of the Minister of Petroleum, the Nigerian Upstream Petroleum Commission, NUPRC, is the sole requirement (Ezekwesiri & Ayo-Odewale, 2025).

The introduction of the PIA is expected to draw investments in the oil industry and this follows the report of Dokpesi and Godwin (2024) that between 2015 and 2019, about US\$2.8 billion in investment was attracted in the Nigerian oil sector out of the US\$70 billion that came to Africa, and the poor investment attracted was owing to the obsolete law in operation in the country. Ekong (2023) reported a divestment in the Nigerian oil sector, a development attributed to the governance structure of the sector, and addressing the issue prompting divestment by the government has produced the Petroleum Industrial Act to allow for operation along international best practices.

Failures of the Petroleum Industrial Act

The promises of the PIA to create the desire for improvement in other areas are not adequately covered. Esitikot et al. (2024) noted that the Act failed to protect workers from work-related stress. The failure has implications for petroleum organisations and workers. The effects of work-related stress on workers have been identified to include fatigue, psychological disorders, poor decision-making, and reduced efficiency, which in turn affect the profit of the concerned organisation (Esitikot *et al.*, 2024).

The interest of the host community is also of concern. While the effort to address the challenges of the people has been signified, there is a call for changes in the Act to further protect the interests of the oil host communities by allowing for a co-ownership of petroleum resources by the government at the state level (Borha and Olujobi, 2023). The allotted 3 per cent for the development of host communities has been considered relatively small, and there is a call for an increase to 30 per cent (Umukoro, 2024).

Dike *et al* (2025) observed that despite the provisions of the PIA, there is a need for further changes to ensure the adequate resolution of the problem in the sector, and this becomes possible through the reduction of the many regulatory agencies created by the PIA, and the power of the Commission and Authority created by the PIA should be amended to reduce their power because they are not active players in the industry.

Discussion of Findings

The imposition of sanctions on Iran and Russia's oil is expected to reduce the available and accessible quantity of crude oil in the international market, and Nigerian oil is expected to fill the gap. However, the petroleum industry in the country is confronted with challenges which the introduction of the PIA is expected to address for the stakeholders. The introduction of a legal, regulatory, and fiscal governance framework for upstream, midstream, downstream, and host communities serves as a major step towards the redefinition of the governance structure and addresses the security challenges confronting the petroleum sector, and attracts new investment in the sector (Nwokolo, 2021; Dokpesi & Godwin, 2024). It follows that without new rules and regulations in the sector; the petroleum sector will become a liability instead of an asset for the country. Despite the contributions of the PIA, it failed to make provision to protect oil-industry workers from work-related stress. The effect of stress on the worker is the reduction of productivity, and this affects the output from the industry. This can affect the aspired transformation in the oil industry in the country. Thus, findings established the positive and negative uncertainty experienced in the petroleum sector in the country (Iyke, 2022). Hence, the stakeholders need to protect the interests of not only the investors, the host community, but also the workers.

Conclusion

The study was motivated by the imposition of sanctions on Iran and Russia's oil and the possibility of Nigerian oil serving as an alternative in the global market. The oil sector in the country is confronted with challenges of insecurity and oil theft, and requires reform to maximise benefits. Thus, the PIA was introduced in the country to drive changes in the oil sector to maximise benefits. However, the contributions and failures of the PIA have been understudied. The study identifies the contributions and failures of the PIA to oil sector reform in Nigeria. Moves theory was applied to explain the study from the perspective that the outcome of planned position is the outcome of choices made by the concerned players/stakeholders, and the rule of playing allows players to look ahead before making a move or choice. The study noted that the PIA has provided for a legal, regulatory, and fiscal governance framework for upstream, midstream, downstream, and host communities, but has failed to protect the workers in the sector from work-stress related, which can reduce productivity in the sector. The study concluded that the stakeholders need to protect the interests of not only the investors, the host community, but also the workers.

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