

NEWS AGENCY OF NIGERIA - OIL & GAS (NIGERIA) · NIGERIA

NMDPRA portal monitors Nigeria HCDT compliance

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Nigeria's midstream and downstream petroleum regulator, the NMDPRA, has deployed a digital portal to track Host Community Development Trust (HCDT) contributions and associated projects, the News Agency of Nigeria reports. The system monitors the mandatory 3% contribution that petroleum operators are required to direct toward host community development under Nigeria's Petroleum Industry Act framework.

The portal represents a regulatory transparency measure aimed at ensuring that funds earmarked for community development in oil-producing areas are both collected and deployed as required. By digitising the tracking of HCDT contributions and projects, the NMDPRA signals an intent to enforce compliance more rigorously across midstream and downstream operators active in Nigeria.

For international oil and gas service companies operating in Nigeria, this development has practical implications. Host community compliance is increasingly a prerequisite for maintaining operating licences, and any disruption to HCDT contributions — whether through disputes, delays, or non-payment — can translate into project stoppages, community-level access restrictions, or regulatory sanctions that affect the broader project schedule. Companies bidding for service work in the Niger Delta and other producing areas need to factor this compliance layer into project risk assessments and contractual arrangements with clients.

The broader context is that the Petroleum Industry Act, enacted in 2021, introduced the HCDT mechanism as a structured alternative to the historically informal and

often contested community benefit arrangements that had long complicated operations in Nigeria's oil-producing regions. A functioning digital compliance portal suggests the regulatory architecture is maturing, even if full enforcement consistency remains a work in progress. For Norwegian service firms whose clients include IOCs and independents active in Nigeria, understanding where HCDDT obligations sit in the project approval chain is increasingly relevant due-diligence territory.

The article does not specify which operators are being tracked, what total contribution values are involved, or whether any enforcement actions have been taken against non-compliant parties. The NMDPRA's midstream and downstream mandate means the portal covers pipeline, storage, processing, and distribution operators rather than upstream exploration and production licencees, who fall under a separate regulatory body, the NUPRC. Norwegian companies with exposure to both segments should note this jurisdictional distinction when mapping compliance obligations for their Nigerian project footprints.

Why this matters to partners and clients of Saga

This is a regulatory monitoring development, not a contract or procurement event — Norwegian service companies should treat it as background intelligence rather than an action trigger. Firms active in Nigeria's midstream and downstream segment should review their clients' HCDDT compliance status as part of project risk due diligence, since portal-driven enforcement could accelerate regulatory friction for non-compliant operators. Monitor NMDPRA portal announcements for any enforcement actions that signal tightening of the compliance environment.

PARTNER ANGLES

- **Service:** Well-services and oilfield-service firms embedded with Nigerian operators should verify their clients' HCDDT compliance standing, as regulatory sanctions could delay mobilisation or site access.
- **Pipeline:** Midstream pipeline operators in Nigeria fall directly under NMDPRA jurisdiction; Norwegian pipeline-segment companies should confirm that Nigerian partners have active HCDDT trust structures in place before entering joint arrangements.

- **FPSO:** FPSO contractors interfacing with downstream offtake infrastructure in Nigeria should note that NMDPRA's digital tracking increases the visibility of compliance gaps that could affect project continuity.
- **Subsea/FPSO:** Companies preparing bids for Nigerian projects should include HCDT compliance verification as a standard item in client and partner qualification checklists.

[Original source: News Agency of Nigeria - Oil & Gas \(Nigeria\) →](#)

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