

Combating Oil Theft and Pipeline Vandalism in Nigeria: Legal Instruments for Sustainable Sector Reform

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Abstract

Oil theft and pipeline vandalism represent critical threats to Nigeria's economic stability, environmental integrity and national security. These criminal activities undermine the productivity of the oil and gas sector, the sector which remains the backbone of the country's revenue base. Despite numerous interventions and judicial remedies, persistent weaknesses in legal enforcement and regulatory oversight continue to impede meaningful progress. This article critically examines the legal instruments available for combating oil theft and pipeline sabotage in Nigeria, highlighting the roles of statutory frameworks, institutional mandates and the justice system in enforcing accountability and safeguarding national resources. Through primary research methods, consulting academic texts, judicial decisions, policy documents and authoritative verified online sources, this work critically assesses the adequacy of current laws such as the Petroleum Industry Act, Criminal Code, Environmental Impact Assessment Act amongst others. It identifies institutional shortcomings and enforcement lapses that contribute to systemic inefficiency, while interrogating the interface between legal mechanisms and the broader reform agenda. It further considers the wider implications of unchecked oil theft and incidences of vandalism, particularly their impact on energy security, environmental degradation and foreign investment. In doing so, it underscores the urgent need for comprehensive legal and institutional innovation to ensure effective deterrence, community engagement and inter-agency collaboration. By placing justice at the heart of reform, this study advances a rights-driven and development-oriented framework for restoring transparency, accountability and sustainability in Nigeria's oil sector.

Keywords: Accountability, Energy security, Legal instruments, Oil and gas, Oil theft, Pipeline vandalism, Regulatory enforcement.

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1. INTRODUCTION

Nigeria's continued economic dependence on petroleum resources remains both significant and precarious. The oil and gas sector accounts for approximately 9% of Nigeria's Gross Domestic Product (GDP), over 60% of government revenue and nearly 90% of foreign exchange earnings¹. Despite governmental projections to raise crude oil production to 3 million barrels per day by 2025, actual output has stagnated between 1.5 and 1.8 million barrels daily, this is largely attributed to endemic oil theft and sabotage of critical energy infrastructure. The term 'Oil Theft' although not expressly defined by legislations in Nigeria criminalising the act, having been described by these laws, can be inferred to mean the unlawful appropriation, diversion or siphoning of crude oil or refined petroleum products from official production, transportation and storage systems. This includes illegal bunkering, unauthorised tapping of pipelines and fraudulent manipulation of metering devices, all of such acts that contribute to economic sabotage. 'Pipelines' have been expressed to mean 'all parts of any tubular infrastructure through which petroleum is conveyed, including pipes, valves, pumping and compressor stations and other equipment appurtenant to pipes'². 'Pipeline Vandalism' is also not expressly defined, however, a joint reading of the legislations that described the act suffices to show that it means the intentional, unauthorised tampering with or destruction of petroleum pipeline infrastructure, the acts include drilling, rupturing, burning or otherwise damaging pipelines for the purpose of theft or sabotage. 'Sabotage' has expressly been defined as any wilful act intended to obstruct or prevent the production, procurement, distribution of petroleum products in Nigeria³.

Oil theft and pipeline vandalism have evolved into systematic threats to Nigeria's fiscal integrity, national security and energy sustainability. According to official data, over 7,000 pipeline breaches were recorded between 2017 and 2021⁴, resulting in extensive financial losses and widespread environmental degradation. Recent findings by the Nigerian National Petroleum Company Limited (NNPCL) revealed numerous illegal refineries and clandestine tapping points across the Niger Delta, in states such as Rivers, Bayelsa, Delta and Abia. These crimes, often facilitated by organised networks and gaps in enforcement, significantly undermine the constitutional duty of the state to safeguard its national assets and ensure equitable resource distribution⁵.

This article adopts a legal and institutional lens to analyse the dynamics of oil theft and pipeline sabotage in Nigeria. It evaluates the adequacy of existing legal instruments as aforementioned while carefully exploring the challenges of enforcement, judicial redress and institutional reform. The primary focus of this

¹Feyisayo Ajayi, The Nigerian Patriot, 'Oil Theft and Pipeline Vandalism: The Hidden Cost of Nigeria's Petroleum Industry' published on 9 January 2025 <https://patriot.ng/2025/01/09/oil-theft-and-pipeline-vandalism-the-hidden-cost-of-nigerias-petroleum-industry> accessed 10 July 2025

²Petroleum Industry Act 2021 s 318

³Petroleum Production and Distribution (Anti-Sabotage) Act 1975 s 1

⁴Daniel Onyango, Pipeline Technology Journal, 'Nigeria Loses \$13 Million in Crude Oil Due to Rampant Pipeline Vandalism, NEITI Reports' published on 11 October 2023 <https://www.pipeline-journal.net/news/nigeria-loses-13-million-crude-oil-due-rampant-pipeline-vandalism-neiti-reports> accessed 10 July 2025

⁵Constitution of the Federal Republic of Nigeria 1999 (As amended) s 16 (1) (2)

article is aimed at emphasizing the imperative of legal innovation and the rule of law in advancing justice in the oil sector.

2. LEGAL FRAMEWORKS GOVERNING OIL OPERATIONS AND THEFT IN NIGERIA

The legal architecture governing oil operations and the criminalisation of oil theft in Nigeria is anchored on the principle of state ownership and control over natural resources. Section 44(3) of the Constitution of the Federal Republic of Nigeria 1999 (as amended) read in conjunction with the Land Use Act 1978 vests all petroleum resources in the Federal Government, reinforcing a centralised legal mandate for exploration, production and distribution. This foundational principle underpins the broader regulatory regime aimed at ensuring national accountability and sustainable exploitation. At the heart of this regime is the Petroleum Industry Act 2021, which provides a comprehensive framework for governance, fiscal management and host community engagement within the oil and gas sector.

In addition to these core legislations are several statutes specifically tailored to prevent and punish acts of sabotage in the petroleum industry. The Oil Pipelines Act 1956 governs the licensing, construction and protection of pipeline infrastructure, while the Petroleum Production and Distribution (Anti-Sabotage) Act 1975 and the Miscellaneous Offences Act 2004 impose stringent criminal liabilities including life imprisonment for wilful acts of vandalism and theft. There are also environmental laws that provide regulatory backing to activities in the petroleum industry such as the National Environmental Standards and Regulations Enforcement Agency (Establishment) Act 2007, the Environmental Impact Assessment Act 1992 and the National Oil Spill Detection and Response Agency (Establishment) Act 2006, these laws address ecological consequences of oil-related activities.

Furthermore, these legal instruments not only establish state control over petroleum assets but also offer juridical basis for prosecuting offenders, safeguarding national infrastructure and reinforcing reform imperatives. By evaluating the effectiveness and enforcement of these laws, this article highlights how legal mechanisms can be recalibrated to enhance deterrence, accountability and a sustainable sectoral governance.

In order to understand the legal terrain surrounding all oil theft and pipeline sabotage in Nigeria, it is necessary to go beyond a mere catalogue of statutes, it is pertinent to understand the structural roles these legislations play within the wider resource governance ecosystem. Accordingly, this section undertakes a thematic analysis of the principal legal instruments underpinning petroleum operations, state control and criminal accountability in Nigeria. The frameworks will be grouped and examined under the core legal functions namely; the ownership and control of petroleum resources, the criminalisation of oil-related sabotage, the governance and institutional architecture of the petroleum sector and lastly, the environmental safeguards that intersect with energy infrastructure. This method of organisation ensures a purposive engagement with each law's operative value, its enforcement limitation and its relevance to the broader objective of securing justice in the embattled oil sector.

2.1 Ownership and Control of Petroleum Resources

One of the legal frameworks that lays the foundation for land ownership and control in Nigeria is the Land Use Act 1978. It shapes the legal understanding of ownership and access to land where petroleum resources are located. Firstly, it vests all lands in each state of the federation in the Governor to be held in trust for the common use and benefit of Nigerians⁶. This provision establishes that land is not privately owned in the absolute sense and access to land for petroleum operation is subject to the overriding authority of the state. Extensively, the Act further delegates control and management of land to State Governors and the Local Governments in urban and rural areas respectively⁷. These provisions strongly indicate that the legislation creates a layered authority structure in which oil operators must navigate, this structure can possibly lead to coordination challenges between Federal oil agencies and local land administrators often resulting in weak oversight and enforcement in host communities. These legal and administrative gaps are usually exploited by vandals and oil thieves. A noteworthy legislation that cannot be left uncovered is the ownership provisions of the principal petroleum legislation, the Petroleum Industry Act, it clearly vests all resources in Nigeria including those located offshore, on the Federal Government to be controlled. This same centralised ownership gives the Government constitutional backing to address issues like oil theft and pipeline vandalism, since it is the custodian of the resources, the government is therefore, responsible for protection and sustainable exploitation. A different perspective of ownership can also be seen in the Oil Pipelines Act 2004, a comprehensive framework regulating the lifecycle of pipelines from route survey and licensing to construction, compensation and penalties for non-compliance, it ensures adequate licensees have legal control over land access and supports enforcement through criminal sanctions, most importantly, the Oil Pipelines Act defined 'Oil Pipeline' to be a means of conveyance of mineral oils, natural gas and any of their derivatives and components or any substance used or intended to be used in the production, refining or conveyance of mineral oil⁸, a broad definition which would be relevant to the theme of this work.

Criminalisation of Oil-Related Sabotage

While the state ownership establishes the legal foundation for Nigeria's claim over petroleum resources, it is the criminal law that defines and enforces the boundaries of permissible conduct. Activities such as oil theft, pipeline tampering and the unauthorized refining operations are not merely regulatory breaches, they constitute serious criminal offences with national economic and security implications. This section explores the statutory instruments that criminalizes oil-related sabotage emphasizing how these laws define the offences, assign culpability and prescribe sanctions. The laws relevant to this conversation to wit;

i. Petroleum Production and Distribution (Anti-Sabotage) Act:

In addressing legislative measures that criminalise sabotage in the petroleum industry, a key statute creating the offence of sabotage is the Petroleum

⁶ Land Use Act 1978 s 1

⁷Ibid s 2

⁸Oil Pipelines Act 2004 s 11 (2),

Production and Distribution (Anti-Sabotage) Act broadly describing the offence of sabotage to include wilful acts intended to obstruct or prevent the production, procurement or the distribution of petroleum products, including acts that interfere with the use of vehicles and public highways essential for distribution⁹. The law generally criminalises aiding, inciting or counselling others to commit such act notwithstanding that no direct act of sabotage was ultimately carried out. It imposes severe penalties for the offence such as death upon conviction and imprisonment for up to 21 years¹⁰.

ii. **Miscellaneous Offences Act**

Another key legislation although often overlooked in the fight against oil theft is the Miscellaneous Offences Act originally enacted to cover a wide range of criminal activities. In relation to this work, it specifically targets tampering with petroleum infrastructure (oil pipeline)¹¹ and the illegal dealing in crude oil and its by-products. It contains penalties that include life imprisonment for offenders.

iii. **Criminal Code and Penal Code:**

The Criminal Code and the Penal Code contain no specific provision dedicated to the offences of oil theft and vandalism, the offences can be interpreted alongside other offences in the act such as the offence of damaging public property¹² or the offence of stealing literally.

iv. **Terrorism (Prevention and Prohibition) Act 2022:**

This legislation inclusively covers activities that could be described as acts of terrorism and one of such is the destruction of government or public facility, a transport system or infrastructural facility likely to endanger human life or result in economic loss, it covers pipeline as a transportation facility by interpretation¹³.

3. **GOVERNANCE AND INSTITUTIONAL ARCHITECTURES**

There are several institutional frameworks in Nigeria mandated directly and indirectly to combat oil theft and vandalism in the petroleum industry. These institutions function across regulatory, law enforcement, environmental and prosecutorial domains. A structured overview of these institutions will be outline however, group by their functions while highlighting their roles in relevance with the issue being tackled by this piece;

a) **Regulatory and Oversight Institutions**

- **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)**

⁹Petroleum Production and Distribution (Anti-Sabotage) Act 1975 s 1

¹⁰Ibid s 2

¹¹Miscellaneous Offences Act 2004 s 7

¹²Criminal Code Act Cap C38 Laws of the Federal Republic of Nigeria 2004, s 451; Penal Code Act, Cap P3 LFN 2004, s 326

¹³Terrorism (Prevention and Prohibition) Act2022 s 2(3) (g) (iii)

This body was established by the Petroleum Industry Act 2021, it regulates the technical and commercial operations in the Upstream segment of the Petroleum Sector. It is generally responsible for issuing licenses, monitoring production and enforcing standards, it plays a major role in detecting irregularities such as underreporting or illegal tapping¹⁴.

- Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA):
This authority equally plays a technical and commercial role but it is restricted to the Midstream and Downstream Sector. It oversees pipeline transport, storage, refining and distribution. It is also responsible for enforcing pipeline integrity regulations and the reporting of unauthorized connections or vandalism¹⁵.
- The Nigerian National Petroleum Company Limited (NNPCL):
It is an independent body by virtue of the Petroleum Industry Act, it is now a commercial entity playing a central role in surveillance and field operations, it is a national oil company, it collaborates with security agencies to uncover illegal refineries and pipeline breaches¹⁶.

b) Security and Law Enforcement Bodies:

- Nigeria Security and Civil Defence Corps (NSCDC):
This body is statutorily mandated to protect critical national infrastructure including oil pipelines. It operates field patrols; it works closely with the NNPCL and other regulators.
- Nigerian Police Force:
It is responsible for primarily investigating and prosecuting offences under the criminal code and other applicable laws, the body usually engages in joint security operations against pipeline vandals.
- Armed Forces (Nigerian Navy and Joint Task Force)
The Nigerian Military was deployed to protect offshore and onshore assets in the Niger Delta areas, it is the Operation Delta Safe. They are involved in intercepting illegal bunkering and in dismantling militant operations.

c) Environmental and Remediation Agencies

- National Oil Spill Detection and Response Agency (NOSDRA):
This agency established by the National Oil Spill Detection and Response Agency (Establishment) Act¹⁷ and it is charged with the

¹⁴Petroleum Industry Act 2021 Part III

¹⁵Ibid Part IV

¹⁶Ibid Part V

¹⁷ National Oil Spill Detection and Response Agency (Establishment) Act 2006 s 1

general responsibilities of monitoring, investigating and responding to oil spills often resulting from sabotage. It plays a technical role in recommending remediation also.

- National Environmental Standards and Regulations Enforcement Agency (NESREA):

This agency was duly established under the National Environmental Standards and Regulation Enforcement Agency (Establishment) Act¹⁸ to enforce environmental compliance standards particularly concerning refinery operations and pollution control. Their investigative powers cover public investigation on pollution and the degradation of natural resources, it does not include oil spillage however¹⁹.

d) Prosecutorial and Judicial Institutions

- Federal and State Ministry of Justice

The ministry including the Department of Public Prosecutions has the power to prosecute oil theft cases under laws that penalize the offence.

- Federal and State High Court of Nigeria:

The Federal High court possesses exclusive jurisdiction over matters involving the federal government for oil-related offences including those under the Petroleum Industry Act that has implications of economic sabotage²⁰, however, the State High courts can hear matters relating to state-level offences.

The Intelligence and Monitoring units like the Nigerian Financial Intelligence Unit, may also be included because they are responsible for the tracking of illicit financial flows and money laundering connected to oil theft.

4. THE NATIONAL IMPACT ASSESSMENT: ECONOMIC, ENVIRONMENTAL AND SOCIAL DIMENSIONS

It is no exaggeration to state that oil theft and pipeline vandalism have become some of Nigeria's most corrosive national challenges, undermining not just the petroleum industry but the country's broader economic, environmental and social foundations. While these acts are popularly framed as criminal offences, their consequences stretch far beyond statutory violations. They threaten the fiscal stability, compromise environmental justice and fracture community progress. In real terms, the costs are staggering, billions of dollars in oil revenue vanish each year, fragile ecosystems in the Nigeria Delta are pushed to the brink and livelihoods are rendered vulnerable with every spill and explosion.

¹⁸ National Environmental Standards and Regulation Enforcement Agency (Establishment) Act 2007 s 1

¹⁹ Ibid s 8(h)

²⁰ Constitution of the Federal Republic of Nigeria (as amended) 1999 s 251 (1) (n)

This section provides a structured impact assessment, carefully examining the economic, environmental and social toll of petroleum-related sabotage. With the use of recent developments and verified data, it highlights the deepening consequences for public finance, debt sustainability, ecological degradation, investor confidence and national cohesion. These realities are versed in providing a sharp relief through robust legal intervention not merely limited by punitive measure, but as a platform for institutional reform, environmental restoration and economic recovery. The following are multidimensional impacts necessary to weigh in on the gravity of the crisis being discussed and the legal urgency it demands;

a) Economic Erosion

It cannot be argued that incidences of oil theft and pipeline vandalism have not led to revenue losses. According to NNPC, theft deprives the nation of an estimated sum of \$3-5 billion annually, while the Nigeria Extractive Industries Transparency Initiative (NEITI) reports aggregate losses of \$46 billion between 2009 and 2020 for 619.7 million barrels²¹, the reports have shown that oil theft has become a national emergency as it largely contributes to divestments by International Oil Companies (IOCs)²². Pipeline vandalism and oil thefts are major contributors to the reduction of Nigeria's oil output by 27.4% calculated to have declined from 1.9 million barrels per day in 2014 to 1.4 million barrels per day as at July 2024²³. Another given perspective of how deep these criminal activities have pervaded the industry can be seen in the budgetary strain, with oil contributing about 70% of Federal revenues and 90% of foreign exchange earnings²⁴, these losses erode fiscal capacity. Notably, in 2024, while the budget anticipated oil sales at \$78 per barrel and a production level of at least 1.78 million barrels per day, oil theft was a perceived as a threat to achieving the targets and at the end of the year, the production level was averaged at 1.55 million barrels per day, falling short of the target²⁵. Lastly, the declining foreign exchange inflows impact exchange-rate instability, consequently, compelling borrowing which undermines monetary policy and debt sustainability.

b) Environmental Degradation

In addition to its economic implications, oil-related sabotage significantly disrupts Nigeria's environmental legal order, it dilutes regulatory protections

²¹Cynthia Egboboh, Business Day, 'Nigeria Lost Over N16trn to Crude Oil Theft, Pipeline Vandalism in 11 Years-NEITI' published on 7 November 2023

<https://businessday.ng/energy/oilandgas/article/Nigeria-lost-over-n16trn-to-crude-oil-theft-pipeline-vandalism-in-11yrs-neiti> accessed on 11 July 2025

²²Bunmi Aduloju, TheCable, 'NEITI: Oil Theft, Pipeline Vandalism Have Become National Emergency' published on 10 November 2023 <https://www.thecable.ng/neiti-oil-theft-pipeline-vandalism-have-become-national-emergency> accessed 11 July 2025

²³Udeme Akpan, Vanguard, 'Pipeline Vandalism, Oil Theft, Others reduce Nigeria's Output by 27.4% to 1.4m Bpd in 10 yrs' published on 31 August 2024 <https://www.vanguardngr.com/2024/08/pipeline-vandalism-oil-theft-others-reduce-nigeria-output-by-27-4-to-1-4m-bpd-in-10yrs> accessed on 11 July 2025

²⁴Moses Tule and Danladi Osude, 'Oil Price Shocks and Real exchange Rate Movement in Nigeria' (2014) 52(1) *CBN Economic and Financial Review* <https://dc.cbn.gov.ng/efr/vol52/iss1/3> accessed 11 July 2025

²⁵CSL Research, Proshare, 'Nigeria's Crude Oil Production Averaged 1.55 Mbpd in 2024' published on 21 January 2025 <https://proshare.co/articles/nigerias-crude-oil-production-averaged-1.55-mbpd-in-2024> accessed 11 July 2025

and exacerbating ecological decline across impacted areas. In 2024, more than 589 oil spills were predominantly linked to oil theft and vandalism, devastating water bodies and fertile soils. The environmental fallout from oil theft and pipeline vandalism is not only severe but also legally entangled. A recent judicial decision on preliminary issues relevant to environmental protection was passed²⁶, it underscored how acts of third-party interference such as illegal tapping and refining of stolen crude generate pollution that often escapes clear legal accountability. While the court recognized that Shell Petroleum Development Company Ltd (SPDC) could, in principle be liable for failing to secure its pipelines from third-party interference, it held that pollution resulting from illegal refining of stolen crude fell outside the operator's scope of legal duty of care. The implication of this judgment in the legal sense is that pollution may go legally unpunished when it stems from criminal third-party activity. The affected communities bear the brunt of the environmental harm without remedy while the broader system struggles to assign liability. It reinforces the urgent need for legal reform expanding the scope of environmental responsibility and to hold all parties involved, including those profiting from oil theft.

Furthermore, activities like oil theft and pipeline vandalism compounds chronic pollution, leading to the collapse of the ecosystem where there are little to no clean-up funding initiatives.

c) Social Dislocation and Insecurity

A major impact triggered by the oil theft and pipeline vandalism is the disruption of livelihood. Fishers and farmers report decimated fisheries and infertile farmland ultimately leading to rural joblessness, displacement and food insecurity. Numerous reports largely indicates that oil theft and pipeline vandalism impose significant negative consequences for both the agricultural and fishing communities²⁷. Illegal bunkering and pipeline destruction frequently spark clashes involving militia groups, security agents and civilians, this gives the communities a violent outlook because it deepens insecurity in the Niger Delta.

d) Investment Deterioration

This flows from the general impacts that has been outlined in this work. The petroleum industry despite being an economic backbone, cannot be labelled as independent, it still depends on international forces such as investments from IOCs to thrive, a combined effect of these impacts undeniably results in the trend of investor retreat being witnessed recently. The persistent insecurity and infrastructure risk caused by these implications have prompted the withdrawal of major corporations like Shell, ExxonMobil and Eni from onshore operations. These companies have been divesting their onshore

²⁶Alame and others v Shell Plc [2025] EWHC 1539 (KB)

²⁷Tensaba Andes Akafa and others, Research Gate 'From Perception to Effect of Oil Spillage Among Fishermen in the Niger Delta Region of Bayelsa State, Nigeria' Published June 2025 2(2) 35-36 <https://www.researchgate.net/publication/392319865> accessed 12 July 2025

assets in Nigeria, as aforementioned, a major cause of this move is the increase in operational loss effected by oil theft and pipeline vandalism, they are now prioritizing investments in deepwater and offshore oil and gas fields²⁸.

In summary, the impact of oil theft and pipeline vandalism is deeply unsettling, it covers a wide range from fiscal losses to reduction in investor confidence. These outcomes emphasize the need for a more enforceable actions as legal response to the tragedy. It has become increasingly clear at this point that without strengthening institutional and regulatory frameworks, any attempt to reverse this trajectory would remain blatantly vain.

5. ENFORCEMENT CHALLENGES AND SYSTEMIC WEAKNESSES

Nigeria has an extensive legal framework against oil theft and vandalism but these legislation have been argued to only exist in theory, the implementation is marked by a web of institutional failings. This segment will expose the core challenges beclouding effective enforcement, each of which represent a fracture in the system that allows oil sabotage to persist. They are;

a) Weak Inter-agency Collaboration

In December 2024, it was reported that the petroleum ministry and Navy launched the Operation Delta Sanity (OPDS) to recover lost production, following this launch were several aids to further the objective of the group, the operation by the group has been quite successful in recovering stolen products, arresting suspects and dismantling illegal refining sites²⁹, the group has however been met with the major challenges of how vast these oil thieves and pipeline destroyers operate. They have also been met with the challenges of limited resources and inter-agency collaboration to ensure seamless coordination and information sharing, the progress made by the group could be greater if other agencies fostered a shared need to collaborate to evenly curtail the widespread issue of oil theft and pipeline vandalism.

b) Political Protection and High-Level Complicity

Illegal oil bunkering and pipeline vandalism involve a network of individuals from various sectors including members of local communities, politicians, security forces and international actors, it creates a multi-layered system of complicity where these individuals protect themselves by impeding investigation.

²⁸Faruk Shuaibu, Daily Trust 'After Onshore Divestment, ExxonMobil to Invest \$1.5bn In Deepwater Exploration' Published 8 May 2025 <https://dailytrust.com/after-onshore-divetsment-exxonmobil-to-invest-1-5bn-in-deepwater-exploration/> accessed 12 July 2025

²⁹Ships & Ports, 'Nigeria Navy Launches Operation Delta Sanity 2 to Combat Marine Crimes, Boost Oil Production' Published on 31 December 2024 <https://shipsandports.com.ng/nigerian-navy-launches-operation-delta-sanity-2-to-combat-maritime-crimes-boost-oil-production> accessed 12 July 2025

c) Under-Resourced Security and Surveillance Infrastructure

A significant obstacle to curbing oil theft and pipeline vandalism in Nigeria lies in the chronic under-resourcing of the nation's security and surveillance infrastructure. Notwithstanding, the legal obligations imposed by the legislative frameworks requiring the protection and integrity of petroleum infrastructure installations, enforcement agencies lack manpower, technology and logistical support necessary to monitor and secure Nigeria's vast network of pipelines. Pipeline infrastructure in different conflict-prone areas remain highly vulnerable to sabotage. The gap between adequately protecting these transportation structures is hugely caused by inadequate funding, insufficient training and outdated monitoring systems. While initiatives like Operation Delta Safe and the deployment of real-time pipeline surveillance technologies have been introduced, these efforts remain fragmented, underfunded and unevenly implemented. Without substantial investment in surveillance capacity, existing laws will continue to falter at the point of enforcement rendering legal frameworks largely symbolic in the face of systemic vulnerability.

d) Delays in Prosecution and Low Conviction Rate

Prosecutorial delays and thin convictions have frustrated enforcement. Oil theft and pipeline vandalism are offences that undermine national security and result in economic loss, for crimes of such nature, it is expected that the harsh penalties imposed by legal frameworks are duly prosecuted to secure penalties on the offenders, what these offenders are being met with are low rates of convictions instead, it does not set an exemplary tone of deterrence, this is why the offence seems as though it heightens each year, it has become repetitive, the people who engage in such act have not faced the full wrath of the law, they perceive the laws as being weak and tolerant towards them. A major factor that contributes to this challenge is how the courts are overwhelmed, evidence gathering is weak due to poor monitoring infrastructure and it ends up stalling these cases. These gaps and other bureaucratic bottlenecks leave perpetrators unpunished, reinforcing a cycle of impunity.

e) Lack of Data-Sharing and Community Trust

A persistent barrier to the effective enforcement of anti-sabotage laws is the erosion of trust between host communities and regulatory authorities, a divide rooted in decades of exclusion, secrecy and environmental neglect. Many oil-producing communities, particularly in the Niger Delta remain marginalised in decision-making processes concerning surveillance, response to spills and benefit-sharing. Institutions such as the NOSDRA and NEITI have made some strides in data collection, yet, there is limited public dissemination of real-time spill data, enforcement outcomes or pipeline incidents, these unreported data increase local scepticism and disengagement.

Limited data-sharing continues to weaken environmental transparency and alienate host communities. Civil society groups like Nextier SPD (Security, Peace and Development) have advocated for community-based surveillance, such efforts remain poorly institutionalized. This neglect fuels local

disillusionment, it silences valuable intelligence, in some cases, enabling complicity driven by hardship.

It is commendable that in order to remedy this systemic trust deficit, the Petroleum Industry Act 2021 introduced the Host Communities Development Trust (HCDT); a mechanism intended to foster inclusion and balance, however, for the HCDT to fulfil its statutory promise, it must be backed by genuine implementation, transparent fund management and deliberate inclusion of grassroot actors in oversight processes. Without these, the trust it seeks to build may be further eroded, subsequently compounding the challenges it was designed to resolve.

6. LEGAL TOOLS TO COMBAT OIL THEFT AND INFRASTRUCTURE SABOTAGE

Despite the alarming scale of oil theft and pipeline sabotage in Nigeria, the legal system is not without recourse. A range of statutory instruments and reforms exist to deter, prosecute and remedy these offences. This section takes into detail these provisions while exploring feasible legal responses to curb incidences of oil theft and pipeline vandalism. The scope of these legal tools will cut across legislative reforms, judicial and prosecutorial enhancements, host-community legal empowerment and tech-supported legal surveillance.

6.1 Legislative Reforms

a) Oil Pipelines Act

This Act criminalizes unauthorised pipeline operations often associated with illegal oil tapping or bunkering. It gives the government the legal authority to dismantle illegal infrastructure used for theft, it ensures that only vetted and licensed operators can legally handle pipeline infrastructure serving as a regulatory safeguard against sabotage³⁰. The act contains other stern provisions to prevent activities that could lead to vandalism or theft³¹, it defines legitimate ownership and compensation rights to reduce local disputes that may incite sabotage³² in providing legal tools to remove obstructors, the enabling of revocation of licences prevents the misuse or negligent operations that can possibly expose pipelines to vandalism³³.

Enforcement under this Act remains largely reactive, it lacks detailed deterrent sentencing. A noteworthy reform to remedy this, would be the introduction of strict liability offences for operators failing to secure pipelines and provisions that empower communities with legal status to report and sanction vandalism under this Act.

³⁰Oil Pipelines Act 2004 s 7

³¹Ibid s 6

³²Oil Pipelines Act 2004 s 25

³³Oil Pipelines Act 2004 s 27

b) Miscellaneous Offences Act

The Miscellaneous Offences Act 2004 as aforementioned addresses and criminalises acts of pipeline vandalism and oil theft by reinforcing zero tolerance for sabotage of petroleum infrastructure, leaving strong deterrent measures with life imprisonment as the maximum penalty, ultimately aimed at protecting national energy assets, ensuring pipeline security and the prosecution of offenders³⁴. Notwithstanding that this legislation offers strong punitive foundation for prosecuting oil theft networks, convictions remain rare resulting in inconsistent judicial outcomes.

An inclusive reform this piece proposes is the embedment of a mandatory minimum sentence for major theft operations, while preserving judicial discretion for mitigating circumstances.

c) Petroleum Production and Distribution (Anti-Sabotage) Act

This legislation is no different from previously highlighted frameworks, it is limited by prosecutorial success, it is hindered by jurisdictional overlap and poorly defined enforcement powers. A suggested reform is the assignment of prosecutorial authority to a designated agency, to streamline procedure codes to fast-track anti-sabotage trials thereby, reducing scope for political interference.

d) Terrorism (Prevention and Prohibition) Act

This Act is selectively used to classify organised bunkering activities and sabotage as terrorist acts. The concerns raised as regards this Act in this context is that it may invite national security overreach into largely financial crimes (oil theft), therefore, the reform proposed is the need to clarify circumstances in which sabotage qualifies for terrorism designation, for example, instances where it is linked to violence against civilians or critical infrastructure.

6.2 Recommendations on Legislative Reforms

Having dissected these major frameworks on oil theft and pipeline vandalism, a summary of these reforms to be recommended are as follows;

Firstly, the establishment of an independent statute or a special court division for petroleum-related offences harmonising it with existing legislation. This is relevant to this discourse as it provides and ensures consistent legal interpretation, it would foster hastened resolutions and legal clarity across oil sector offences.

Secondly, a mandatory sentencing guideline is necessary to tackle oil theft and pipeline vandalism as it will embed clear minimum penalties for oil theft, pipeline vandalism and associated crimes. This reform would totally enhance deterrence and prevent political or judicial leniency.

³⁴Miscellaneous Offences Act 2007 s 7

Lastly, a strengthened asset forfeiture framework is needed, this largely hints on enhancing the provisions of the Petroleum Production and Distribution (Anti-Sabotage) Act and the Miscellaneous Offences Act with civil forfeiture powers targeting proceeds of oil-related crimes, it further improves inter-agency asset recovery cooperation. This reform becomes relevant in tackling the challenges stated in this work because it strikes at financial incentives behind oil theft syndicates and it recycles costs for environmental remediation.

The suggested reforms collectively aim to unify oil crime definitions and empower prosecutorial entities to ensure that penalties and asset recovery mechanisms align with the gravity of these offences, it redresses their effects.

6.3 Judicial and Prosecutorial Enhancements

Addressing oil theft and pipeline vandalism in Nigeria demands strategic improvements within the judiciary and prosecutors. The effectiveness of any legal framework rests not only on laws themselves but on how swiftly, fairly and decisively they are enforced. Certain legal tools must be employed and strengthened to close the enforcement gap and increase the credibility of the justice system in petroleum-related offences. To this end. The following mechanisms are relevant;

i. Fast-Track Court Processes

Delays in prosecuting oil-related crimes have consistently undermined deterrence, the prevailing attributes are the lengthy adjournments and jurisdictional conflicts leading to abandoned or overstretched cases. Establishing fast-track court procedures for oil theft and sabotage cases through designated judges would ensure timely adjudication, it will preserve evidence integrity and restore public confidence in justice delivery. It aligns with the provision of the Constitution³⁵ on fair hearing within a reasonable time and could be operationalised via the various court practice directions.

ii. Creation of Specialised Prosecution Teams

To remedy the issue of enforcement of oil crimes in Nigeria, the Federal and State Ministries of Justice should establish dedicated oil and environmental crimes department. These teams would be staffed by prosecutors trained in environmental law, petroleum legislation, forensic investigation and asset tracing. Where responsibilities are centralised, such departments would enhance prosecutorial efficiency particularly when cases cut across Federal and State jurisdictions. Both departments will collaborate with NOSDRA for effective prosecution.

iii. Witness Protection and Whistleblower Frameworks

Community members and insiders often possess firsthand knowledge of illegal bunkering routes, storage facilities or official complicity yet, the fear of reprisal discourages many from coming forward to give information. Strengthening Nigeria's existing whistleblower protection laws alongside practical implementation of witness protection mechanisms would help break

³⁵Constitution of the Federal Republic of Nigeria (as amended) 1999 s 36

the silence surrounding oil theft. The provision of the Witness Protection Act³⁶ on applicability does not expressly include witnesses in vases relating to the investigation and prosecution of oil crimes such as pipeline vandalism. Where the law provides legal assurance or guaranty for anonymity, relocation or non-disclosure, it would positively encourage public participation in enforcement especially in host communities.

Together, these judicial and prosecutorial tools offer a pragmatic path towards overcoming procedural stagnation and enforcement deficits.

6.4 Host Community and Legal Empowerment

The Petroleum Industry Act introduced the Host Communities Development³⁷ introducing a landmark mechanism to promote peace, inclusion and environmental responsibility, to promote its objectives, it provides for the incorporation of the the Host Communities Development Trust (HCDDT)³⁸ mandating host communities to establish a trust fund³⁹ in which operators must contribute 3% of their annual operating expenditure for upstream projects that affect the host communities⁴⁰.

The Act expressly provides an allocation formula for the trust funds where 75% of the capital fund is stated to be for projects determined by the management committee, 20% goes to reserve funds to be invested for future use and 5% of the funds is to be used for administrative cost and special projects. Interestingly, the Act provides for deduction of payment for petroleum host communities development stating that for taxation purposes, particularly hydrocarbon and income tax, for any year there are acts of vandalism and sabotage (other acts of civil unrest included), resulting in damage to designated petroleum facilities or where such act consequently disrupts production within the host communities, the community could possibly forfeit its entitlement to the extent of cost of repairs for the damage (except the damage was occasioned by technical or natural cause)⁴¹.

Although these provisions have been placed to safeguard pipelines and deter sabotage, it is faced with some practical hurdles and community resistance, despite the regulatory backing, host communities have reported issues on non-remittance by oil companies of the mandatory 3% contribution up to two years post-enactment with debts summing up to ₦800 billion⁴², the debts were as a result of non-implementation. The provision on deductions has also been met with several criticisms on the grounds that it disincentivises community cooperation because it places an unfairly burden on communities with cost of industrial sabotage.

The necessary legal tool to be employed to address these concerns must be such that sees communities not merely as beneficiaries but as legal stakeholders in the

³⁶Witness Protection and Management Act 2022 s 2

³⁷Petroleum Industry Act 2021 Chapter 3

³⁸Ibid s 235 (1)

³⁹Ibid s 240 (1)

⁴⁰Ibid s 240 (2)

⁴¹Ibid s 257 (1) (2)

⁴²Vanguard, 'Oil Companies Owe Communities N800bn-HOSCON' published on 22 June 2023 <https://www.vanguardngr.com/2023/06/pia-oil-companies-owe-communities-n800bn-hoscon-2/> accessed 13 July 2025

protection of petroleum infrastructure. It must involve the strengthening of their rights under the law to monitor, report and seek redress for unlawful activities affecting their community, equally, there is a dire need to enforce remittance to build confidence of the host communities. There is a need to also train local groups and community representatives on legal reporting procedures, enabling them to interface effectively with enforcement agencies and regulatory institutions. By enhancing legal literacy and participatory implementation, the state can tap into community intelligence and reduce local complicity, it will ultimately transform host communities from passive observers into active custodians of national energy assets. Lastly, in order to fully address liability and to boost community involvement in tackling oil theft and vandalism, it is necessary to potentially revise section 257 of the Petroleum Industry Act 2021 to differentiate acts of sabotage from unavoidable incidents while maintaining local accountability.

6.5 Tech Supported Legal Surveillance

To effectively tackle oil theft and pipeline vandalism in Nigeria, Nigeria must supplement traditional enforcement with technologically enabled legal surveillance. This should begin by providing regulatory clarity for drone deployment, surveillance tools and block-chain based monitoring systems, ensuring that operators and authorities can use cutting-edge solutions without overstepping legal boundaries. It requires legal safeguards that balance privacy rights and public interest reflecting accountability into every technological advance. Recently, there have been practical key developments suggested and employed in curbing oil theft and pipeline vandalism, the Operation Delta Sanity expanded its tool by using armed drones and helicopters, more recently, the senate adopted AI-powered aerial monitoring and predictive analytics in its anti-oil theft strategy, advocating for formal protocols that govern drone use and management. Private sector innovation has also weighed in on surveillance, a tech firm White Waters Sentinel System⁴³ claims to soon deploy a live-reporting drone and water-based sensor network to tackle similar issue.

Although these steps are commendable, it is necessary to consider the legal implications in order to fully implement them as legal instruments, firstly, the legislators must specify licensing regimes, the no-fly zones and data retention rules to ensure that surveillance tools would not infringe on the privacy of individuals, this is relevant because the existing aviation and telecommunication laws do not adequately cover for drone use for oil-sector surveillance. There is need for legal frameworks to cover data ownership, cross-border jurisdiction and cybersecurity in employing real-time cargo tracking and supply-chain validation as introduced by the Upstream Regulation⁴⁴. As technological surveillance expands, there is an urgent need to enshrine legal safeguards to prevent misuse of data, it will require judicial authorisations for drone deployment, mandatory data encryption, clear protocols that define data-sharing and establishing penalties for abuse. Such protections act as the fulcrum in ensuring that surveillance remains targeted, lawful and respectful of the citizens' rights.

⁴³Emem Idio, Vanguard, 'Oil Theft: Tech Firm Set to Launch Masterpiece Oil and Gas Monitoring System' published on 27 June 2025 <https://www.vanguardngr.com/2025/06/oil-theft-tech-firm-set-to-launch-masterpiece-oil-and-gas-monitoring-system> accessed 13 July 2025

⁴⁴Nigerian Upstream Petroleum Advance Cargo Declaration Regulation 2024

By considering regulatory clarity and privacy consciousness, Nigeria would be able to elevate its legal response to sabotage in the oil sector.

6.6 The Role of Ministries of Justice in Reform and Prosecution

The Ministry of Justice at Federal and State level serve as crucial engines for legal reform in the oil sector. These ministries are statutory custodians of the justice system, they are well positioned to review outdated sabotage laws, draft responsive legislation and promote harmonised prosecution strategies across jurisdictions. Through policy coordination with security agencies and legislators, they can ensure legal frameworks are aligned with evolving threats. Additionally, these ministries in collaboration with the petroleum and environmental ministries can drive impact through strategic litigation including amicus briefs in oil theft cases in order to clarify legal standards and expand prosecutorial reach. Their proactive engagement is essential in transforming policy intent into enforceable legal action.

7. CONCLUSION AND POLICY RECOMMENDATIONS

This piece has heavily emphasized that Nigeria's struggle with oil theft and pipeline vandalism is not merely an operational setback, it is a national emergency that continues to undercut economic sovereignty, environmental stability and the credibility of the legal system. With reported annual losses estimated between \$3billion and \$5billion, it reveals heinous forfeiture of revenue, critical infrastructure, public trust and investor confidence. A detailed analysis of these crimes suggests that they are entrenched, organised and often shielded by high-level complicity. To properly address these, it requires nothing short of a cohesive justice-led reform agenda. The legal instruments currently in place provide the necessary legislative framework but they are fragmented, unevenly enforced and in some respects, outdated. It has become imperative for Nigeria to adopt harmonised enforcement model that bridges the gap between federal and state justice systems. A dedicated Petroleum Crimes Act or judicial division would bring much needed coherence to prosecutions, to streamline jurisdiction and insulate oil-related offences from political interference.

Equally crucial is the strategic integration of technology-enabled legal surveillance backed by clear legal standards that balance national security with civil liberties, in the absence of this, there is a likelihood of enforcement risks resulting in inefficient prosecution.

Furthermore, legislation and surveillance tactics are not sufficient, Host communities must no longer be treated as fringe observers to crimes that devastate their environment. The implementation of the Host Community Development Trusts should be deepened with legal education, stakeholder training and guaranteed community inclusion in reporting and monitoring processes as aforementioned. The relevant sections of the Petroleum Industry Act while encouraging local accountability must not be misapplied in ways that criminalise vulnerable populations for state and corporate failures. The enforcement agencies particularly the Ministries of Justice at Federal and State levels must take lead in this reform process, not only as prosecutors but as policy hubs that crafts strategic legislation, coordinate with security agencies and champion judicial innovation. Tools such as strategic litigation,

amicus briefs and public-interest enforcement must be deployed proactively to establish cogent legal precedents that deter future sabotage.

In conclusion, if Nigeria is to preserve its natural wealth and energy future, the legal system must be fully equipped, structurally, institutionally and morally to confront oil theft as an offence and an existential threat. Anything less will perpetuate impunity and deepen national vulnerability.