

An Investigation of the Petroleum Industry Act 2021 in the Management of Social Security in Nigeria

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ABSTRACT

Management of Social security in Nigeria has consistently been marred with errors, corruption, and fraud, hence exacerbating the already severe poverty level of the citizens of Nigeria. Analysis of the implementation of the petroleum industry act 2021 as a Strategic framework was conducted for possible means of improving social security administration in Nigeria. Despite these, there are many questions waiting to be answered. What is the level of public awareness on PIA? Which aspects or areas of PIA can improve social security? How successful have past social security been? This study looks at the key aspects of social security in relation with PIA. It also recommends the necessary measures with respects to PIA. In order to achieve the aim, the following procedures were considered; Data collection, Desktop research, review of PIA document, questionnaires across the area councils, stakeholders were interviewed and data were analyzed. Social security can be improved so long as legal framework is strengthen, there is transparency in found allocation and welfare programs are looked into. The research showed that about 40% Nigerians are living below the poverty line, low awareness of PIA, majority rated past social security programs as unsuccessful and rising crimes linked to economic disparity in Nigeria. Strict recommendations should be considered in order to achieve the aims. The religious leaders and traditional rulers should be seriously involved because they are closer institutions to the masses. Adequate public sensitization and orientation should be undertaken through a body such as National Orientation Agency on any proposed social security programs or measures. The study revealed that there are correlations between legislative provisions as exemplified in relevant sections of the Petroleum Industry Act (PIA, 2021) with respect to enhancement of social security for economic growth. Responses and feelers from respondents in this research revealed that most of the previous social security measures undertaken by different administrations fell short of expectations, and thus failed to achieve the desired aims due majorly to corruption, lack of relevant/applicable national data, inadequate information/orientation to public/citizens and hence poor management.

Keywords: Petroleum Industry Act (PIA) 2021; Social Security; Poverty; Governance; Nigeria; Social Protection.

INTRODUCTION

Background of the study

The Nigeria's Petroleum Industry Act, 2021 (PIA or "the Act") which was signed into law by President Muhammadu Buhari, on the 16th of August 2021 with a commencement or effective date of the same day (the "Effective Date") is one of the most audacious attempts to overhaul the petroleum sector in Nigeria. The Act seeks to provide legal, governance, regulatory and fiscal framework for the Nigerian petroleum industry. Nigeria's economy and budget have been largely supported from income and revenues generated from the petroleum industry since 1960. Considering that the petroleum sector is the mainstay of Nigeria's economy, contributing 36% to annual GDP, 75% to government revenues and accounting for virtually all foreign

exchange earnings, thus appropriate management and prudent allocation of proceeds from the petroleum industry cannot be undermined for the attainment of sustainable development in Nigeria. Despite the petroleum sector accounting for 36% [Intel point and NBS 2024] of GDP contribution, the government still not give attention to the demand parting that sector, being the major sector generating the highest revenue [Intel point and National Bureau of Statistics, NBS 2024], the government should look into the need and the demand of it. Thus, if prudently and diligently implemented, the PIA will help facilitate Nigeria's economic development by attracting and creating investment opportunities for local and international investors by reduce poverty in the country. Based on the current updates the level of poverty in Nigeria is very high [World Bank 2023,2024 and 2025]. Hence, there is for government to take the issues of the sector very serious.

Global poverty is defined as the number of people worldwide who live on less than \$2.15 per day, according to World Bank, (2024). But in Nigeria the poverty rate is very high to the extent that a poor person lives on average of \$1.08 per day [World Bank 2025]. Experts have opined that, in order to gradually reduce, sustainably ameliorate, and perhaps finally eradicate poverty, a prudent implementation and management of social security is inevitable for any nation. Therefore, to significantly reduce poverty in our society and enhance the socio-economic development of our nation, it is pertinent to guarantee everyone the right to social security.

Social security is defined as the social protection, organized collective protection of the individual against want, poverty, destitution, disease and idleness, which may be thrust upon him by the varied hazards and vicissitudes of social life, notably loss or suspension of income or means of sustenance resulting from sickness, maternity, accident injury, invalidity, old age, death of breadwinner or unemployment, (Nwabueze, 1989). From the definition of social security, it is a constitutional responsibility of any government to protect its citizen as it is practiced worldwide. However, the approach by any nation to social security varies. For instance, in South Africa, constitutional provisions exist to guarantee the right to access basic income and healthcare for all citizens (Liebenberg, 2001). 1999 Constitution of the Federal Republic of Nigeria (as amended) under the Fundamental Objectives and Directive Principles of State Policy, provides the basis for the provision of social protection in the country. For instance, in South Africa, constitutional provisions exist to guarantee the right to access basic income and healthcare for all citizens (Liebenberg, 2001).

From the foregoing, it is evident that the concept of social security is rooted in welfarism, which is generally thought of as an application of social justice which entails that all persons, apart from their conduct or choice, have a claim to an equal share in all the things (advantages) which are generally desired and are in fact conducive to their wellbeing, (Honore, 1968). This principle is not identical to the demand for equal treatment of all persons; it rather requires preferential treatment for the underprivileged who lack advantages possessed by others, (Honore, 1968) Thus, in view of its enormous benefits, the relevance of social security in modern societies cannot be under-estimated. In communities where there exists a viable and functional social security scheme, it has served as goal-oriented programmes, such as the alleviation of want and sub-standard living. Also, on a general note, social security has served as a fixed, firm and effective programme which is not only viable, but whose impact is deeply felt by all. Furthermore, in all communities, though to a larger extent in more developed communities, social security has served as a socioeconomic programme with positive cyclical effects, such as the enhancement of a high standard of living and, ultimately, life expectancy, the promotion of good life and the eradication of squalor and other social menaces, such as corruption and other criminal activities.

Moreover, social security is now universally recognized as a human right. This is attested to by the number of international instruments that have affirmed the right as one of the socio-economic rights to which every human being is entitled. Social security was first established as a basic human right in 1944 in the Declaration of Philadelphia of the International Labour Organization (ILO), wherein the International Labour Conference recognized the ILO's obligation concerning 'the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care'. This Declaration was pivotal to the ILO Income Security Recommendation 67 of 1944, and the subsequent drafting of the ILO Social Security (Minimum Standards) Convention 102 of 1952, (Anifalaje, 2017). The right to social security is also given

recognition in the Universal Declaration of Human Rights, 1948 (Universal Declaration); the International Covenant on Economic, Social and Cultural Rights (ICESCR); the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW); and the Convention on the Rights of the Child (CRC) Anifalaje, (2017).

At the regional level, particularly in Africa, there is the African Charter on Human and Peoples' Rights (African Charter). While not directly providing for the right to social security or to an adequate standard of living as contained in the ICESCR, the African Charter contains specific provisions that have a bearing on social security. A number of policy activities, statements and recommendations have also been developed to enhance the right to social security in the region. These include the Principles and Guidelines on the Implementation of Economic, Social and Cultural Rights in the African Charter on Human and Peoples' Rights; the African Common Position on Human and Social Development in Africa 1994; (Anifalaje, 2017), the Ouagadougou Declaration and Plan of Action on Employment Promotion and Poverty Alleviation 2004; the Social Policy Framework for Africa 2008; the Yaoundé Tripartite Declaration on the Implementation of the Social Protection Floors 2010; the Intergovernmental Regional Conference of the African Union on Social Protection 2006 (Livingstone Call for Action 2006); (Anifalaje, 2017) and the Report of the Follow-up on the Ouagadougou 2004 Extraordinary Summit of the African Union on Employment, Poverty Eradication and Inclusive Development in Africa 2014. At the micro level, the right to social security has been entrenched in the constitutions of several nations, either directly as an explicit justiciable right in the Bill of Rights, or indirectly as part of the Directive Principles of State Policy.

Unfortunately, in Nigeria context, the increasing incidence of unemployment, abysmal infrastructural facilities, poor health care delivery system, low life expectancy, high level of illiteracy, etc. points to the crisis of social insecurity in Nigeria, (Deloitte 2014). Thus, for social security to become an objective of policy in any country, it must meet the collective remedies against adversity and deficiencies, ranging from pensions to disability compensations, death benefits as well as free/quasi healthcare and education (Nwabueze, 1975). Nigeria has, over the years, tried various social security schemes or systems which underpin the policy towards its people. However, the rights to social security, according to Anifalaje (2017), remain illusory to the majority of the citizenry as social security laws target mostly workers in the formal sector of the economy. The social security policy measures initiated by the Federal Government in 2016 and formally introduced to Nigerians in 2017 are classified into 8 categories as follows: (1) education and health services, (2) Social Welfare and Child Protection (3) social housing, (4) livelihood enhancement and employment, (5) social insurance schemes, (6) social assistance, (7) traditional family and community support and (8) legislation and regulation

Problem Statements

Social Security has played vital roles in many advanced democratic Nations like America, South Africa, Sweden etc. There are many studies on social security but they could not relate it to PIA 2021. Currently, the management of social security is very poor in Nigeria [World Bank, 2025]. This shows that revenue allocation, host community development fund, funding for social program and regulating framework as enshrine in Petroleum Act 2021, are not diligently and prudently implemented. Hence, Nigeria Government can leverage the PIA Provisions to tackle the problem of its citizens by providing social security adequately. Consequently, Ifenacho (2018) contends that social security policies in Nigeria are an umbrella policy framework that incorporates related social agenda paradigms intended to reduce poverty and provide a life of dignity for all citizens. These policies provide basic income security through social transfers such as pensions for the elderly and persons with disabilities, child benefits, income support benefits and/or employment guarantees and services for the unemployed and working poor. The social Security and how effective management of Petroleum Industry Act PIA can be leveraged in improving the social security programs. High poverty index manifesting in diverse forms which include malnutrition and low life expectancy index, increasing maternal mortality, increasing number of out of school children, poor and inadequate provision of social amenities, etc. are prevalent. Addressing these requires implementation of laws and other edicts that either directly provides succor to the underprivileged or enhances economic growth to mitigate the number of the indigent or unprivileged. However, the effectiveness of these legislative provisions must be ascertained and this is what this research set out to investigate.

Research Questions

An intensive evaluation of the problem requires appropriate responses to the following questions: What is your perception of the poverty index in Nigeria as a reflection of the level of poverty in the country? To what extent has the dimensions of crime and criminality as a reflection of the poor-rich dichotomy prevalent in Nigeria impacted development of the nation?

What is the extent of knowledge or awareness of the Nigerian citizens regarding the existence of the petroleum industry act (PIA)?

Which aspect or areas in the implementation of the petroleum industry act as a strategic framework can be leveraged upon to achieve prudent and better management and implementation of social security administration in Nigeria?

What is/are the impact(s) attributable to prudent implementation of the PIA amongst:

Aim and Objectives

Aim

This research is aimed at making a correlation between legislative provision and enhancement of social security for national and economic growth.

Objectives

To review previous social security programs and map out their impact if any. Identify the relationships between key aspects/forms of social security and relevant sections of the PIA. Ascertain the significance/impact/success of previous social security measure. Recommend possible measure/amendment to be implemented with respect to provisions in the PIA, to consolidate on the anticipated gains on social security.

Scope

This study is geared towards the following:

Retrospect of Social security measures embarked on by successive government administrations in Nigeria. Analyze the implementation of the petroleum industry act as a strategic framework towards a better social security management, and examine of the PIA provisions relevant to accountability and transparency. Interviews with stakeholders and experts in the oil and gas sectors in petroleum industry as well as questionnaires, Data collection, review of published from the relevant bodies and PIA document, 2021. The research study focuses on the three areas councils of FCT, Gwagwalada Council, Bwari area Council and Kwali area Council

Research Gap

In Nigeria, there exist enormous gap in understanding the effectiveness of the PIA 2021 in managing social security. While the Act introduces mechanisms and mandates for social responsibility, there is lack of comprehensive research examining how these provisions translate into tangible social security benefit for the underprivileged. Even experiences and observation have shown that the different form of social security have had their respective inefficiencies or shortcomings due to one factor or the other. The high level of poverty in different dimensions and prevailing crime, criminality and insecurity in various forms such as arm robbery, kidnapping, political thuggery and act of terrorism have continued unabated.

Although research studies like that of Anifalaje (2017), Nwabueze, (1989) touched on issues concerning social security, these studies did not address the impact of statutory provision such as that of the PIA on social

security and other enabling legislation. This is because previous research works scarcely take into consideration the impact of statutory provisions on social wellbeing of citizens.

Justification

The various social security measures have fallen short of the objectives or effectiveness, and hence proven to be inadequate to achieve the desired social security needs of the citizen as cases of insecurity, crime and criminality continues to rise and change in dimension unabatedly in the country. Therefore, the need to incorporate and adopt more viable options/recommendation is pertinent and thus inevitable.

METHODOLOGY

Methodology of Research

The procedures employed in the conduct of this study are as follow; study area, population of the study, research design, sources of data, method of data collection, validity and reliability of the research instrument and method of data analysis.

1. Literature review via:

Desktop Research.

Review of PIA 2021 document

Review of publications from relevant bodies;

(i) NNPC limited.

(ii) Midstream and Downstream Petroleum Regulatory Authority.

(iii) Nigerian Upstream Petroleum commission.

2. Study Area

The research looks into the relationship between social security and the PIA in the three area councils in FCT, Nigeria. The areas are Gwagwalada area Council, Bwari area Council and Kwali area Council. The particular places where the research taken place are given below;

Gwagwalada area Council:

Uni-Abuja mini campus, Uni-Abuja main Campus and Zuba Axis/areas.

Bwari area Council:

Guida Axis, Biazin across, and Village market axis.

Kwali area Council:

Pai fulani axis, Pai gwari axis, and Bako village.

Population of the Study

The population for this study comprised of individuals from the three aforementioned area councils in the Federal Capital Territory (FCT) Abuja. who have attained some certain level of qualifications In their endeavours. A field survey carried out shows that the large population of individuals from the three area councils were enlightened. So far, the research were carried 300 questionnaires and about 9 interviewees.

Research Design

A descriptive survey research design was adopted for this research study. Nworgu (2016) opined that a descriptive survey research design is one which a group of people or items are studied by collecting and analyzing data from only a few people or items considered being representative of the entire group. There are sources of data as pertaining to any research. In carrying out this research, primary source of data collection was measuredly used.

Primary Sources of Data

Primary data for this research were collected through the use of structured questionnaire to be administered to selected individuals from various walks of life in the three area councils in Federal Capital Territory (FCT) Abuja. The questionnaires for this study was administered by the researcher and nine research assistants, three from each area council, to the targeted respondents. Interviews of respondents were carried out majorly stakeholders and the experts in the oil and gas sectors

Method of Data Collection

The method of data collection was a self-structure questionnaire. The questionnaire for this study were divided into two parts, A and B. Part A was purely based on questionnaires while part B was purely based on oral interviews. Methods of Data Analysis The data collected from respondents were analyzed used Quantitative method (percentage)

Validity and Reliability of Research Instrument The instrument used for this research was scrutinized in all its entirety by the supervisors of this research, the instrument, after passed through necessary test, was confirmed to be free from errors. Hence, this validated and acquitted. the instrument and made it viable to be used as pertaining to the study.

The study was conducted from the areas outside FCT one was conducted in kogi about 20 enlighten individuals and another was conducted in kaduna with about 43 enlighten respondents. All were answers which were about 90 percent similar to each other.

Based on the information stated in the aforementioned paragraphs, the study and its results are valid and reliable in Nigeria context presently

APPENDIX

Implementation Of The PIA 2021 with Respect To Management And Enhancement Of Social Security, And Addressing Factors Militating Against The Establishment, Implementation And Sustenance Of Social Security And Related Schemes In Nigeria.

The Petroleum Industry Act, 2021 (PIA or "the Act") which was signed into law on the 16th of August 2021 is a 252 paged statutory document titled "An Act to provide legal governance, regulatory and fiscal framework for the Nigerian petroleum Industry, the development of host communities; and for related matters". The document contained a total of 319 sections from five separate chapters each containing a number of sub-parts as follows:

Chapter One containing 65 sections (1-65) in five parts (parts 1-5).

Chapter Two containing 168 sections (66-233) in seven parts (parts 1-7).

Chapter Three containing 24 sections (234-257) in a stretch.

RESULTS

Presentation, Analysis And Interpretation Of Results

The responses given by respondents with respect to the nine research questions (R. Qs) contained in the questionnaires are collated, tallied and the final numerical value (n) recorded as presented in the following table.

Table 4.1a: Number of respondents' response/tick amongst options a-e.

Note:

- (1). RQ means research questions (1 to 9) as contained in questionnaires distributed, and in chapter One of this research.
- (2). Options (a=i); (b=ii); (c=iii); (d=iv); (e=v) anywhere in the research questions.
- (3). Percentage is computed thus; $(n/300) \times 100\%$, where n = number of responses or ticks amongst options (a-e).

Table 4.1b: Percentage represented by responses/tick to each question.

Note:

- (1). RQ means research questions (1 to 9) as contained in questionnaires distributed, and in chapter One of this research.
- (2). Options (a=i); (b=ii); (c=iii); (d=iv); (e=v) anywhere in the research questions.
- (3). Percentage is computed thus; $(n/300) \times 100\%$, where n = number of responses or ticks amongst options (a-e).

Table 4.1c: Number and (%) of respondents' response/tick amongst options a-e.

Note:

- (1). RQ means research questions (1 to 9) as contained in questionnaires distributed, and in chapter One of this research.
- (2). Options (a=i); (b=ii); (c=iii); (d=iv); (e=v) anywhere in the research questions.
- (3). Percentage is computed thus; $(n/300) \times 100\%$, where n = number of responses or ticks amongst options (a-e).

Responses To Research Questions In Questionnaires

1). Ranked from (i) to (v), with v being the highest as in:

i). Very low ii). Low iii). Average iv). High v). Very high.

What is your perception of the poverty index in Nigeria as a reflection of the level of poverty in the country? To this research question, the responses provided by respondents as collated, tallied and numerically recorded as presented in table 4.1a showed that there is "biting" poverty in Nigeria as attested to by 147 respondents representing the highest percentage being 49% among 300 respondents. The poverty level in Nigeria is also buttressed by the assertion according to World Bank (2018) that Nigerians are living in extreme poverty and remain the global largest population. Thus, to mitigate poverty in Nigeria steps should be expedited towards actualizing certain provision such as Prohibiting of wastage of resources, and financial

imprudence/recklessness, Social security for citizens and persons/entities/groups; Accountability, probity and transparency; Job security for persons (as a form of social security), Enforcement of compliance to regulation and statutory provisions, and punishment for offenders of the law, etc as provided in various sections of the PIA 2021, mentioned in chapter two of this research, and other relevant statutory documents.

2). Ranked from (i) to (v), with v being the highest as in:

i). Not impacted ii). Insignificantly impacted iii). Relatively impacted iv). Highly impacted v). Severely impacted.

To what extent has the dimensions of crime and criminality as a reflection of the poor-rich dichotomy prevalent in Nigeria impacted development of the nation? To mention that prevalence of crime and criminality represent severe setback for any nation would mean merely stating the obvious. This assertion is re-echoed by 159 respondents representing the highest percentage being 53% among 300 respondents to the research question 2 of this research. Thus, measures such as productive engagement and empowerment of citizens, as well as implementation of necessary social security schemes is imperative. Thus, measures towards economic protection and promotion of national interest as suggested in relevant provisions; e.g. section 2 (d) of the PIA, etc. should be expedited and upheld.

3). Ranked from (i) to (v), with v being the highest as in:

i). Not impacted ii). Insignificantly impacted iii). Relatively impacted iv). Highly impacted v). Severely impacted.

What is your opinion concerning the impact of the poor-rich dichotomy on the dimensions of crime and criminality prevalent in Nigeria? Crime and criminality in Nigeria are multidimensional and multifaceted as evident in its various manifestations. In the past, notable analysts and socio-economic as well as sociopolitical pundits have traced the prevalence and multidimensionality of crime to the wide poor-rich margin amongst individuals. This assertion is re-echoed by 138 respondents representing the highest percentage being 46% among 300 respondents to the research question 3 of this research. Thus, measures such as productive engagement and empowerment of citizens, as well as implementation of necessary social security schemes is imperative. An application of social justice which entails that all persons, apart from their conduct or choice, have a claim to an equal share in all the things (advantages) which are generally desired and are in fact conducive to their wellbeing, (Honore, 1968) should be upheld. Probity and Accountability on the part of government, government officials, agencies of government and all relevant stakeholders especially persons saddled with the responsibility of managing the nation's sovereign wealth and resources as provided in sections like section 2(c) of the PIA should be sacrosanct.

4). Ranked from (i) to (v), with v being the highest as in:

i). Very unsuccessful ii). Unsuccessful iii). Fair/Average iv). Successful v). Very successful How successful (on a general note) are the previous social security measures undertaken by successive Nigerian government? Amongst 300 respondents, majority, i.e. 96 of them which represents 32% of the 300 respondents opined that the previous social security measures undertaken by successive Nigerian government was on a general note unsuccessful. Next to that, 87 persons (29 %) among the respondents opined that the security measures were very unsuccessful. According to Stolk and Tesliuc (2010) EFC present significant challenges to the integrity of social security systems across countries. Thus, the failure of the previous social security schemes to meet expectation could be traceable to EFC as well as financial imprudence. Therefore, handlers and managers of social security schemes should be prevailed on to eschew EFC, and adequately punished where they fail to imbibe professionalism and uphold the principle of probity and accountability in the discharge of services.

5). Ranked from (i) to (v), with v being the highest as in:

i). Very poorly managed ii). Poorly managed iii). Fair/Average iv). Well managed v). Very well managed.

How well has the previous social security measure undertaken by successive Nigerian government been managed?

This research question can be considered as a prelude to research question four. From the table of results, 45% of the respondents representing 135 majorities from among the 300 respondents opined that the previous social security measure undertaken by successive Nigerian government are poorly managed. Thus, the poor management is precursory to the failure of the schemes as also opined by majority of the respondents to research question four.

6). Ranging from (a) to (e) as in:

a). Not aware b). Heard recently c). Aware but not read d). Read summary e). Read detail.

What is the extent of knowledge or awareness of the Nigerian citizens regarding the existence of the petroleum industry act (PIA)?

Having no awareness of the existence of PIA places an individual at a disadvantaged position regarding the possibility of leveraging on the statutory provision in the PIA to press for his/her benefit, e.g. benefit due to communities which play host to oil and gas producing and refining companies. Unfortunately, from the result table, only 9% of the respondents answered affirmatively as having read the detail of the PIA; 7% said they read summary. Among the 300 respondents, 117 persons (39%) said they are aware but have not read the content, while 78 persons (26%) said they are not aware. The implication of the responses regarding the awareness of the existence of the PIA by the public is that enough publicity is necessary in order for potential beneficiaries to be able to take advantage of the relevant provisions e.g. Sec. 52 (1), (7) (d); Sec. 234 (1)(a—d); Sec. 239 (1) (3)(a—i), and other benefits related to social security as contained in the PIA to press for their benefit where such is/are denied them.

7). Ranging from (a) to (e) as in:

a). Fiscal Terms b). Governance Framework c). Technical and Commercial enablement d). All of the above e). None of the above.

Which aspect or areas in the implementation of the petroleum industry act as a strategic framework can be leveraged upon to achieve prudent and better management and implementation of social security administration in Nigeria?

Among 300 respondents, a total of 255 persons representing 85% gave different opinions ranging from fiscal terms, governance framework including technical and commercial enablement as possible areas that can be leveraged upon in the implementation of the PIA as a strategic framework to achieve prudent and better management and implementation of social security administration in Nigeria. Majority, i.e. 35% of the respondents however ticked the technical and commercial enablement as possible area to leverage upon in order to achieve prudent and better management and implementation of social security administration in the nation.

8). What is/are the impact(s) attributable to prudent implementation of the PIA amongst:

a). Higher revenue for social welfare programs

b). Higher profits from business to support new jobs and more government revenue

c). Technical and Commercial enablement d). All of the above.

e). None of the above.

From table 4.1a, among the 300 respondents, majority, i.e. 138 persons (46% of the respondents) agreed that prudent implementation of the PIA will engender higher profits from business to support new jobs and more

government revenue while 93 persons representing 31% of the respondents opined that it will engender technical and commercial enablement.

9). Ranging from (a) to (e) as in _____ :

a). Highly beneficial b). Significantly beneficial c). Beneficial d). Not beneficial e). Highly not beneficial.

What is your opinion concerning the social security schemes implemented within the last decade in Nigeria? Feedback from responders revealed that the social security schemes implemented within the last decade in Nigeria is not beneficial. However, few of the respondents representing 32% opined that the schemes were beneficial.

Responses from Interview Sessions

The interview featured the following eminent stake holders:

His Royal Highness, Ambassador Ahmed Nuhu Bamalli— (The Emir of Zazzau)

Sheikh Ahmad Makari Sa'id — (Chairman Islamiyya and Almajiri, Kaduna State).

The following experts were also interviewed:

Engr. Dr. Hussein Aminu Basaka— (Deputy Director and Acting Director Projects, Midstream and Downstream Petroleum Regulatory Authority).

Engr. Williams Osahon Imasuen — (Manager, Nigerian Upstream Petroleum Regulatory Commission).

Alh. Jamilu Aliyu — (Acting Director Funds and Administration, Midstream and Downstream Petroleum regulatory Authority); Fellow-ICAN, Fellow-chartered institute of accountant, USA, Member-Certified Institute of Taxation of Nigeria, CITN.

Alh. Abdulaziz Abdullahi— (Chief Technical officer, Mambila Processing T-Limited).

Dr. Udoh Imeh Sylvester — (Fmr Chairman Nigeria Medical Association, Akwa-Ibom State Chapter)

Mr. Oyebanji Afeez, (Nigerian Upstream petroleum Regulatory Commission).

Anomimous respondents.

1). World Bank in 2023 asserted that the poverty rate in Nigeria has reached 38.9% with an estimated 87 million Nigeria living below poverty line; how can this trend be drastically ameliorated? Poverty is largely linked to the ability of people to earn money to take care of their basics need and other extra expenditures, i.e. ability to have jobs and also opportunities to engage in business or trade, hence, to reduce Poverty level is to make jobs more available for Nigerians by exploring the untapped sectors of the economy to create jobs opportunities and also attract investments in the untapped sectors. Thus, poverty can be alleviated when government put the right policy in place to attract investment, give the right incentives and in some cases even participate in giving the equity contribution that can create jobs opportunities. Establishment of factories and industries for the value addition of farm produce like tomatoes, yams, rice, etc. from indigenous farmers can reduce the unemployment and poverty level in Nigeria. This will in turn enhance generation of taxes and revenue for government to build more infrastructure, roads and other social amenities in the rural areas especially, and also enhance the creation of more jobs for Nigerians. In summary, respondents generally gave the following submissions regarding modalities to ameliorate poverty in Nigeria. There is dire need for:

Identification of the untapped sectors like agriculture, hence putting policies and right incentives to encourage mechanized farming and modern animal husbandry. Proper planning with respect to actual population figure, hence the need to ascertain the actual population figure of the country.

Sustenance of programs like the Anchor borrows scheme for farmers. Sanitization of the “rot” in the education sector, and deliberate investment and funding of education to sustain program like Universal primary education and Universal basic education UBE so as to raise quality, knowledgeable and competent graduate with capacity to graduate deliver productively across board. Equity funding and support by government to attract investment can sustain economic growth so that the masses generally will be gainfully employed and dependency on government will be drastically reduced. Elimination of corruption amongst individuals in the discharge of their statutory responsibilities, and punishment for flagrant and deliberate offenders as it seems to have become a way of life for most persons. The responses given by the eminent stake holders and the experts are in agreement with the majority of opinions of respondents with regard to research question 1 and question 2 in the questioners distributed.

2). Could the various dimensions of crime and criminality prevalent in Nigeria be described as a reflection of the high poverty rate in the country? The following assertion is credited to Engr. Hussein Aminu Basaka: “Lack of investments reduces production, reduction in production lead to unemployment, unemployment lead to higher crimes, and crime lead to poverty, I agreed fully that increase in poverty contribute to increase in crime and criminality and its various dimensions”. The likelihood that people may get them involve in one form of criminal activities or other when are unemployed, i.e. when they have no jobs and they have needs is very high.

Generally, respondents agree that crime, criminality and its various dimension goes in tandem and that poverty amplifies crime and criminality. Thus, the various dimensions of crime and criminality prevalent in Nigeria is a reflection of the high poverty rate in the country. Experience showed that physically fit and able-bodied unemployed individuals often become vulnerable and available tools for crime and criminality. The responses given by the eminent stake holders and the experts all tallied with the majority of opinions of respondents with regard to research question 2 and question 3 in the questioners distributed.

3). Government has in the past considered different social security programs/measures like SEED, NEEDS, N-POWER, HOME GROWN FEEDING PROGRAMS, PALLIATIVES FOR SUBSIDY REMOVAL, etc, how successful can we describe these various measures to have been? One of the experts gave the following response:

“These measures have in one way or other contributed to temporarily taking some Nigerians out of poverty by enabling them to take care of their need while the program lasted thus, the mindset or the implementation approach is not sustainable as it only increase dependency, for instance, when a beneficiary of monthly stipend scheme is given 10,000 naira every month for 6 months he gets used to spending ₦10,000 without actually adding value to the society but if that money was given to a company/business organization to increase production or partake in business/economic activities you will still give that same man/beneficiary ₦10,000 or more because this man will render service to the company, the company will make profit and the company will not lose because the money will retain the revenue of the company. It does not make sense to give people free money to spend, and then to come for another money in the following month”. If the money given to beneficiaries of monthly stipend by government was instead given to a company with conditions that such company must employ staff and keep them gainfully employ, the company will be creating value for that money, and the staff/stipend beneficiaries will be paid from the value accrued from service rendered to the company/business venture, not from the principal. By gainfully engaging a beneficiary/worker:

i). you give confidence to the worker for having a job that adds value to the society.

ii). you contribute toward sustenance of production activities or economic activities to continuously generate revenue and profit that can help the worker/persons concerned to retain his job, because in the process the worker will pay back a portion of his salary as taxes to the government. On a general note, the respondents agreed that the social security measures considered by government in the past have not been successful as they only lasted for a short period. Theses submissions are also in tandem with the opinions of 96 persons (32%) of 300 respondents with respect to research question 4 in the questioners distributed.

4). How can one describe the management of the previous social security measure like the ones mentioned in question 3 above, i.e. how well have these measures been managed? Respondents in their respective opinion agreed that “the persistent and increasing poverty level amidst implementation of different social security measures suggests that the adopted measures have not worked and where they even recorded any success, i.e. where they had worked, it can simply be described as a case of moving three steps forward and three steps backwards, don't pay money to people”. Hence generally, the previous measures have not been well managed. The factors that militated against the proper management of the previous social security measures include: The absence of appropriate national data to serve as guide for proper implementation and channeling of funds/resources.

Corruption which seemed to have become a way of life amongst individuals, for instance, most farmers are not aware of the fertilizer subsidy and anchor borrowers scheme implemented by past government, however, book/record always reflected that the fund appropriated for the schemes have been spent/disbursed. Summarily, the above submissions also reflect the opinions of majority of the respondents to research question 5 in the questioners distributed.

5). What is the extent of knowledge or awareness of the Nigerian citizens regarding the existence of the petroleum industry act (PIA)?

Nigerians are very social people, so a lot of Nigerians have present in the social media, thus, they have access to information. Owing to the fact the social media space has often been a-washed with information about the state of the country more especially information related to oil and gas which usually attract a lot of attention, including the Petroleum industry act passed in 2021 by the former president Mohammadu Buhari. At the onset, the awareness level of Nigerians regarding the existence of the PIA is low, however, over the past 2-3 years more people are getting to know about the existence of this document according to the level of education of the citizen in different regions. For instance, knowledge of Nigerians concerning the oil and gas related sectors (especially upstream sectors and certain segments of midstream and downstream sectors) being largely in the southern part of the country, more people from the oil bearing and producing states like Lagos which host a lot of oil companies know about the Petroleum industry act. In the northern part of the country however, only few people know about the Petroleum industry act. Generally, it is believed that the people that know about the existence of the PIA are likely to be less than 20% of the nation's population. This 20% include major stake holders in the oil and gas sector.

Generally, opinions gathered from respondents agreed significantly with opinions of respondents as to research question 6 as 26% among 300 respondents to research question 6 said they are not aware of the existence of the PIA, even as 39 % of the respondents said claimed that they are aware but have not read the document. Respondents are of the opinion that amongst the vast majority of the persons who are unaware of the existence of this document are surprisingly some of the elites and even the educated as most persons still refer to old DPR and NNPC both of which has been repealed/abrogated status-wise. One vital opinion credited to Alh. Abdulaziz Abdullahi Babangida is that there is need for government to: pilot an awareness campaign in conjunction with relevant body like the National orientation agency, NOA, and ministry of information and communication to enhance peoples' understanding and enlightenment of the provisions of the PIA and its benefits in place of the former DPR and NNPC as this will encourage foreign direct investment, FDI as well as engender transparency in the oil and gas industries.

6). Which aspect or areas in the implementation of the Petroleum Industry Act PIA, can be leveraged upon to achieve prudent and better Administration and management/implementation of the social security in Nigeria?

Once again, quoting one of the experts/respondents- Engr. Hussein Aminu Basaka: “The PIA provided an economic opportunity to attract and sustain investments regarding oil and gas and its related product and services by trying to reduce the cost of access or supply of petroleum liquid and natural gas; for instance, there is a provision that allows open access and third party access meaning that if Mr. A has a pipe running from Kogi to Kaduna for transporting natural gas, another company does not need to do/lay another pipe between Kogi and Kaduna. All that is needed is to pay tariff to the initial owner of the pipe to transport their natural gas

by so doing the unit cost of delivery natural gas will be reduced because of the higher capacity utilization which is referred to as third party access in the PIA". Hence aspects such as this can be leveraged upon to achieve a better Administration and management/implementation of the social security in Nigeria as this represent energy security thus ensuring availability of energy for domestic consumption. Another notable expert- Engr. Williams Osahon opined that areas of the PIA that can be leveraged upon include sections of the PIA related to: Management of the host community fund to ensure and guarantee provision of social amenities and other dividends to communities which play hosts to oil and gas company operator and related service providers. Decommissioning and abandonment fund to protect the environmental integrity, health and safety of host communities. Midstream and Downstream Infrastructure development fund to encourage investment in LPG and CNG processing and marketing, and thus ensure energy security for the citizens.

The above opinion was buttressed by experts like Alh. Jamilu Aliyu and Alh. Abdulaziz Abdullahi. While Alh. Jamilu Aliyu opined that important sections in the PIA that can be leveraged upon include section that provided for prudent management of host community fund to cater for social security measures for youth and individuals in relevant areas like the Niger delta communities, Alh. Abdulaziz Abdullahi opined that one of the sections to leverage upon is the aspect that provide for the enhancement energy security by encouraging investment in gas processing to enhance local availability and consumption in order save government the cost of kerosene importation.

DISCUSSION

This section interprets the quantitative and qualitative findings in relation to the Petroleum Industry Act (PIA, 2021) and the social security context in Nigeria, highlighting key implementation gaps, accountability concerns, and implications for welfare outcomes.

FINDINGS, SUMMARY, CONCLUSION AND RECOMMENDATION

Findings

The findings show that there is link between criminality and social security in Nigeria. From the research, about 40% Nigerians are living below poverty lines, there are low awareness on the PIA 2021, majority rated past social security programs as unsuccessful and rising crimes was linked to large gap between the poor and the rich in the society. The research/findings show that difficult levels of government in Nigeria pay little or no attention in ameliorating poverty and the past Nigeria governments pay lip services to the social welfare of the citizenry.

Summary

The study investigated the petroleum industry Act, 2021, and the management of social security in Nigeria. The study used selected area councils of the FCT, Abuja. This study was divided into five chapters. The first chapter focused on the background of the study, the research problem statement, Objectives of the study, research scope of the study. Chapter two presents the literature review on the investigation of PIA. Chapter three looked at the method used in carrying the research, the design of the research, population of the study, method of the data collection, and method of data analysis. Chapter four is on data presentation, analysis and interpretation of the data collected using primary source through questionnaires, interviews and discussion of result. The data collected from the field was analyzed using quantitative method. The calculation was done by used the formular $[\frac{n}{300} \times 100\%]$ About 50% respondents agreed that there is a biting poverty in Nigeria. This buttressed the world bank assertion.

Conclusion

There are correlations between legislative provisions as exemplified in relevant sections of the Petroleum Industry Act (PIA, 2021) with respect to enhancement of social security for economic growth; which include but not limited to the followings:

Statutory Provisions for pension and other retirement benefits to citizens like employees of the Commission, i.e. (Nigerian Upstream Regulatory commission) and the Authority, i.e. (Nigerian Midstream and Downstream Regulatory Authority) as respectively exemplified in section 24 (3)(c), and section 43 (3)(c) of the PIA 2021. Statutory provisions for protection of interest of customers/public/consumers of gas and other petroleum product as exemplified in section 164 (1)(e)(viii) of the PIA 2021. Statutory provisions for the welfare and prosperity enhancement measures for host communities to oil and gas processing/operation/service companies as exemplified in section 243 (1) (a-d). Statutory provision for financing and execution of projects, undertaking of infrastructural development, facilitation of economic empowerment opportunities, advancement and propagation of educational development, support of healthcare development, etc. for the benefit and sustainable development of communities which host oil and gas processing/service companies as exemplified in section 239 (1), (3) (a-i). Statutory provision for regulation, and enforcement of the technical, health, environmental and safety measures relating to midstream and downstream petroleum operations, and promotion of the exploration and exploitation of petroleum resources in Nigeria for the benefit of the Nigerian people as exemplified in sections 31 (c); 32 (bb); 66 (1) (a, m) for the benefit of the Nigerian citizens. etc.

All the previous social security measures undertaken by different administrations fell short of expectations, and thus failed to achieve the desired aims due majorly to corruption, lack of relevant/applicable national data, inadequate information/orientation to public/citizens and hence poor management.

Recommendation and suggestions

Stringent punishment/penalty should be stipulated for public servants whose conduct typifies or encourages corruption, and undermine the success of social security programs of government and relevant bodies or organization to the citizens of the Nation. Adequate public sensitization and orientation should be undertaken through relevant bodies/agency like NOA and ministry of communication on any proposed social security scheme in order for citizens to take advantage of the awareness to key in for their benefit. Traditional rulers and religious leader through the relevant channels should be statutorily empowered to be part of social security programs coordinators as they are the closest institutions to the masses. The word “may” as used in section 43 (1), (2)(c) of the PIA 2021 with respect to the grant of pensions, gratuities and other retirement benefits to employees of the Nigerian Midstream and Downstream Petroleum Regulatory Authority should be replaced with the word “shall” as matters relating to pension of employees are statutory obligation of employers to their employees. Further findings on means of social security enhancement.

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