QUALITCERT NIGERIA LIMITED
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Nigeria's CNG Opportunity

Infrastructure, Investment & Market Intelligence

EXECUTIVE INTELLIGENCE BRIEF
2026 EDITION

INDUSTRY INTELLIGENCE SERIES

Qualitcert Nigeria Limited

This Executive Intelligence Digest is the inaugural publication in Qualitcert Nigeria Limited's Industry Intelligence Series — a body of work intended to bring the rigour of structured market analysis to sectors of the Nigerian economy that are evolving faster than the information available about them.

We choose Nigeria's compressed natural gas sector as the subject of this first volume because it sits at an unusually interesting point in its development. The fundamentals are not in question — the reserves are substantial, the policy direction is supportive, and the commercial logic for fleet operators is increasingly difficult to ignore. What is less understood, and what this Digest attempts to illuminate, is where the structural advantage in this market actually sits.

Our analysis draws on publicly available licensing records, infrastructure deployment data, regulatory publications, programme documentation, and industry intelligence sources. We have been deliberate about distinguishing between what the evidence supports and what remains, for now, a reasoned inference. We would rather understate a finding than overstate one.

The pages that follow are necessarily selective. They are drawn from a substantially larger body of analysis — Nigeria's CNG Opportunity: Infrastructure, Investment & Market Intelligence Report (2026 Edition) — which examines the market in considerably greater depth. Our hope is that this Digest gives you enough to act on, and enough confidence in the analysis to want the fuller picture.

We are grateful for your attention, and we welcome the conversations this publication is likely to start.

Qualitcert Nigeria Limited

Energy Intelligence & Market Research Division

Nigeria's CNG Opportunity — at a Glance

Nigeria's compressed natural gas sector occupies a rare position: a market where the fundamentals are not in dispute, but where the structural source of value is still being determined. Five findings define that opportunity.

01

Infrastructure, Not Gas, Is The Constraint

Nigeria holds ~210 TCF of proven gas reserves — among the largest globally. The binding constraint is the availability and distribution of infrastructure, particularly compression and pipeline-connected capacity.

02

Compression Occupies A Strategic Position

Mother stations control supply, set downstream economics, and anchor clusters of 20–30 daughter stations. Pipeline access and GSA tenure create durable, difficult-to-replicate competitive advantages.

03

Market Development Remains Uneven

Activity is concentrated in a few corridors and major cities. Large parts of the country remain underserved, even as demand indicators point to rapid nationwide expansion.

04

Value Extends Beyond Fuel Retailing

Strong opportunities exist across the value chain — compression, EPC, equipment, maintenance, logistics, digital systems, and financing — creating multiple entry and value-capture points.

05

Early Positions Create Long-Term Advantages

The infrastructure build-out is still at an early stage. Securing strategic sites, partnerships, and capabilities now is the clearest path to compounding advantage as the market scales.

Where the Next Wave of Investment Sits

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Public discussion of this market still centres on vehicle conversion numbers. Our analysis points elsewhere: the next wave of investment activity is more likely to concentrate in compression infrastructure and the logistics layer that connects it to retail — the segments of the value chain currently receiving the least attention relative to their structural importance.

Nigeria's CNG Opportunity Equation

210 TCF
PROVEN GAS RESERVES

1 MILLION
VEHICLE CONVERSION TARGET

EXPANDING
PIPELINE NETWORK (ELPS • OB3 • AKK)

=

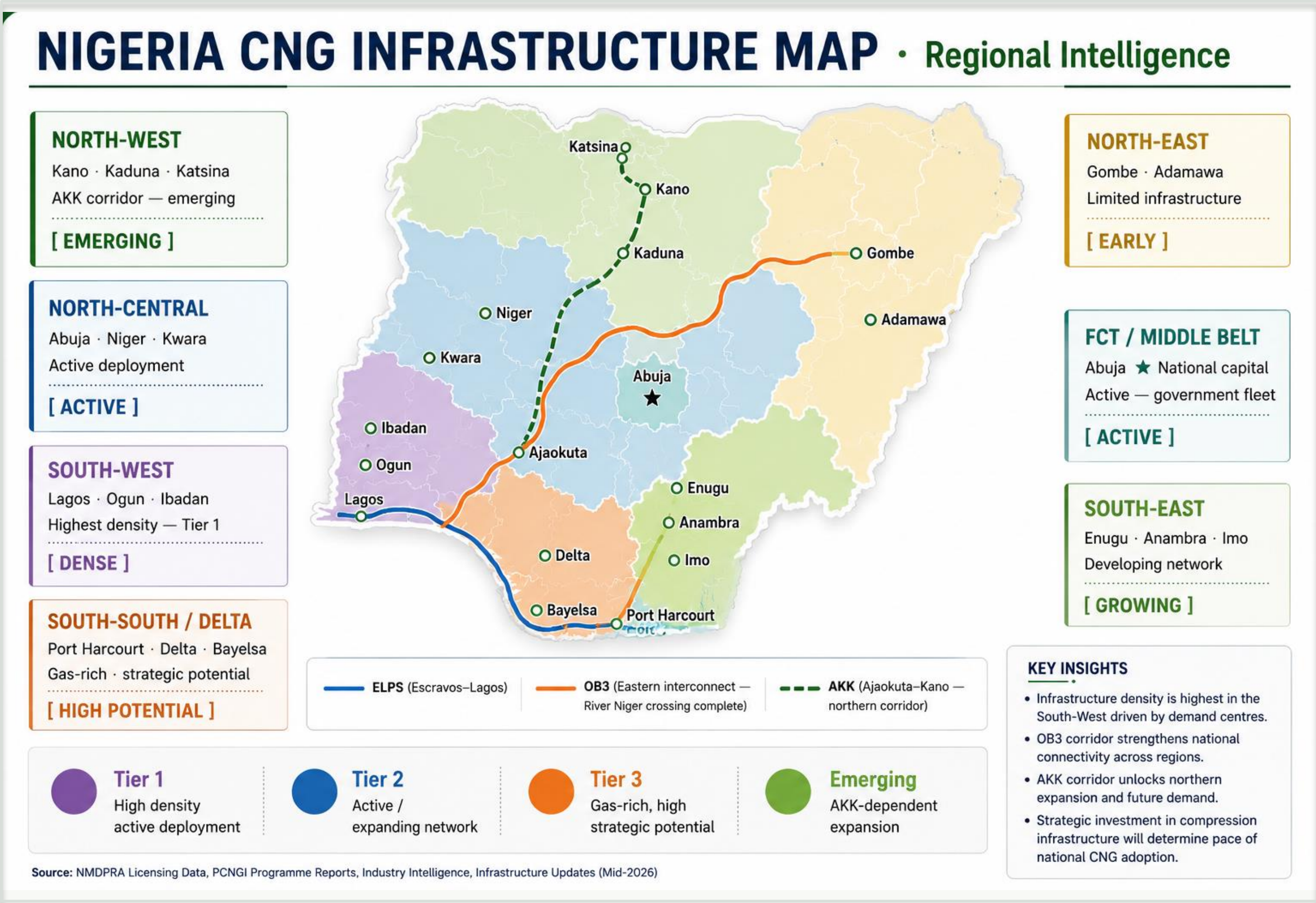
INFRASTRUCTURE
DEPLOYMENT OPPORTUNITY

Nigeria's primary challenge is not gas availability.

It is converting gas resources into accessible transport fuel infrastructure.

Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

Regional Infrastructure Intelligence



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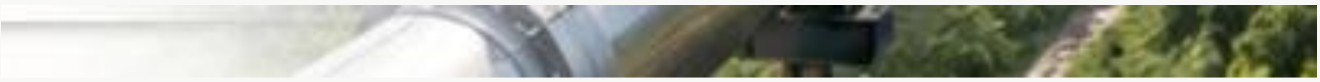
Infrastructure density is highest in the South-West, driven by demand concentration. The OB3 corridor strengthens national connectivity; the AKK corridor is the structural enabler of northern market development as it comes online.

SOUTH-WEST	Highest density — Tier 1	[DENSE]
NORTH-CENTRAL	Active deployment	[ACTIVE]
SOUTH-SOUTH / DELTA	Gas-rich · strategic potential	[HIGH POTENTIAL]
NORTH-WEST	AKK corridor — emerging	[EMERGING]



Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

The Market in Six Numbers

210 TCF — Proven gas reserves

~21 — Operational mother stations (2026)

~75 — Operational daughter stations (2026)

1 Million — Pi-CNG vehicle conversion target

₦380 — CNG price per SCM (observed, 2026)

₦1,300 — Petrol price per litre (observed, 2026)

THE FUEL ECONOMICS

₦920 estimated fuel cost gap per unit between petrol and CNG, observed across major Nigerian markets in 2026 — a structural repricing of road transport economics, not a temporary policy effect.

MARKET EVOLUTION TIMELINE

2023–25
POLICY EMERGENCE
Subsidy removal, Pi-CNG launch

2026–28
COMMERCIAL EXPANSION
We are here — infrastructure deficit phase

2029–31
NETWORK MATURATION
AKK-enabled northern development

2032–35
CONSOLIDATION
Scaled operators, secondary market activity

Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

What Is Changing — and Why It Matters

01

Subsidy Removal

Petrol subsidy removal permanently repriced road transport fuel economics nationwide.

02

Naira Float

Currency liberalisation widened the cost gap between imported petrol and domestically sourced gas.

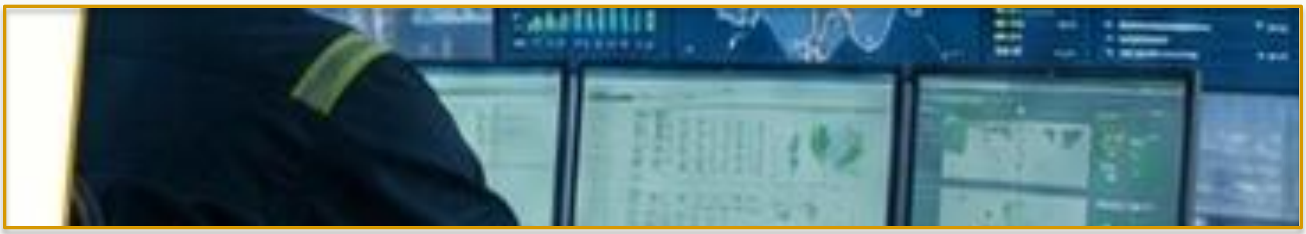
03

Anchor Fleet Demand

Large-fleet conversion commitments have begun validating commercial-scale CNG demand.

EXECUTIVE READ

The commercial case is being shaped by pricing, currency, and fleet-demand signals before the infrastructure layer has fully matured.



Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

Nigeria CNG Value Chain — Signature Infrastructure Map

GAS SOURCE
Upstream production — 210 TCF proven

PROCESSING & CONDITIONING
Removal of impurities to pipeline specification

PIPELINE TRANSMISSION
ELPS · OB3 · AKK national corridors

COMPRESSION
~21 mother stations · 2% of demand met · THE OPPORTUNITY

← BOTTLENECK

MOTHER STATION DISTRIBUTION
Wholesale supply to downstream network

CASCADE TRANSPORTATION
Virtual pipeline — truck-based distribution

DAUGHTER STATION DISPENSING
~75 retail stations operational — mid 2026

VEHICLE END USER
100,000+ converted · Commercial fleets · Logistics

Compression is the gateway between gas availability and actual vehicle use.

Sources: NMDPRA · Presidential CNG Initiative (PCNGi) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

Who Is Positioned — Where the Opportunities and Risks Sit

WHO ARE THE KEY PLAYERS

The Nigerian CNG ecosystem is organised around four operational categories rather than a small number of dominant firms. Positioning within these categories — not brand recognition — determines competitive advantage.

Compression & Mother Stations

Pipeline-connected operators controlling the gas-to-vehicle entry point

Retail & Daughter Networks

Petroleum marketers and station operators serving end-user demand

Logistics & Cascade Transport

Virtual pipeline operators extending reach beyond fixed pipeline infrastructure

Equipment & Conversion

Cylinder manufacturers, kit suppliers, and vehicle conversion centres

Competitive advantage follows the point of control in the value chain.

CNG Market Entry — Readiness Funnel

Analysis of publicly available information, documented development timelines, and market entry patterns suggests that the most resilient CNG infrastructure projects share a common sequencing discipline: prerequisites confirmed in strict order before capital is committed.

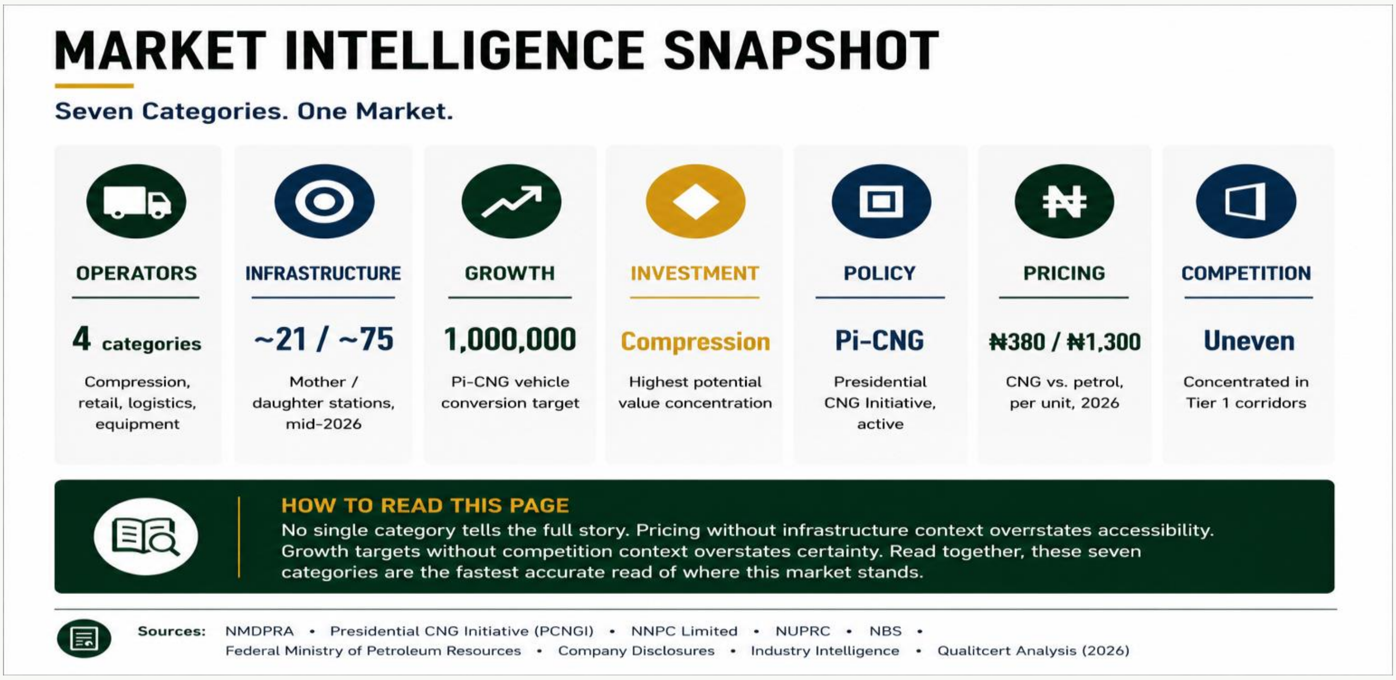
1. **MARKET OPPORTUNITY IDENTIFIED**
   Fuel economics, conversion targets, infrastructure gap
2. **SITE / ASSET QUALIFICATION**
   NMDPRA setback compliance — binary gate, not variable
3. **REGULATORY PRE-QUALIFICATION**
   LTE pre-consultation — fee risk mitigation
4. **FEEDSTOCK ARRANGEMENT**
   GSA negotiation — MVG, curtailment priority, pass-through
5. **TECHNICAL & COMMERCIAL REVIEW**
   Equipment spec, N+1 configuration, financing structure
6. **CAPITAL COMMITMENT**
   Only after all five prerequisites are confirmed

CAPITAL COMMITMENT SHOULD BE THE LAST STEP — NOT THE FIRST.

Projects that commit capital before confirming site qualification, regulatory readiness, feedstock security, and technical feasibility typically experience higher execution risk and weaker investment outcomes.

Seven Categories. One Market.

OPERATORS	INFRASTRUCTURE	GROWTH	INVESTMENT	POLICY	PRICING	COMPETITION
4 categories	**~21 / ~75**	**1,000,000**	**Compression**	**Pi-CNG**	**₦380 / ₦1,300**	**Uneven**
Compression, retail, logistics, equipment	Mother / daughter stations, mid–2026	Pi-CNG vehicle conversion target	Highest potential value concentration	Presidential CNG Initiative, active	CNG vs. petrol, per unit, 2026	Concentrated in Tier 1 corridors



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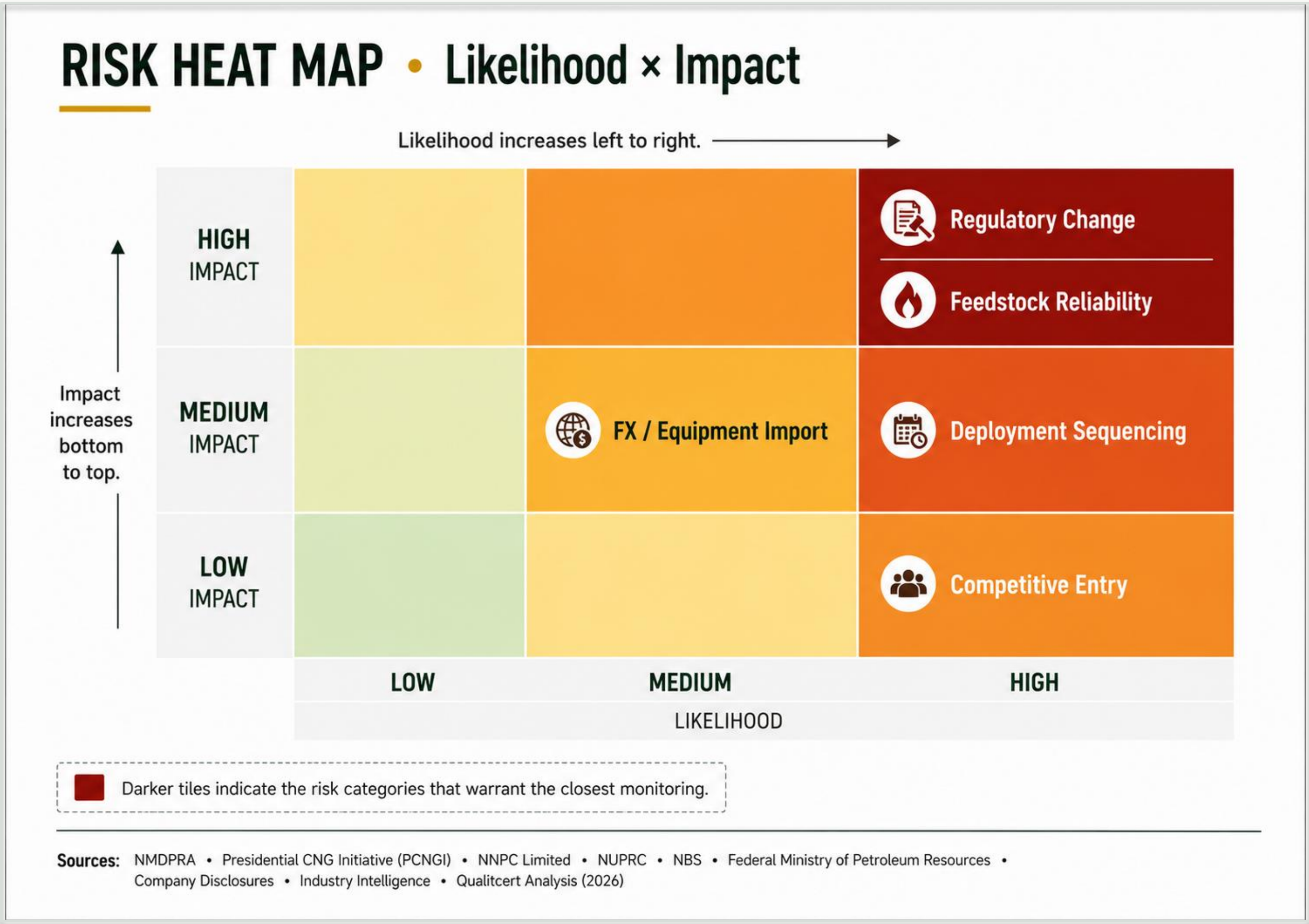
Risk Heat Map — Likelihood × Impact



Regulatory Change
High impact / high likelihood

Feedstock Reliability
High impact / high likelihood

Deployment Sequencing
Medium impact / high likelihood

FX / Equipment Import
Medium impact / medium likelihood

Competitive Entry
Low impact / high likelihood

Darker tiles indicate the risk categories that warrant the closest monitoring.

Asset Class Relative Attractiveness

Assessment based on structural market position, supply chain control, capital intensity profile, and competitive durability — not financial projections. Rankings reflect Qualitcert's interpretation of publicly available evidence.

01	**Existing Conversion**	Highest efficiency	★★★★★
02	**Mother Station (pipeline)**	Strategic position	★★★★☆
03	**Hub-and-Spoke**	Best scalability	★★★★☆
04	**Secondary City Daughter**	Accessible entry	★★★☆☆
05	**Prime Standalone Daughter**	Elevated caution	★★☆☆☆

KEY SUCCESS FACTORS

Operational quality

Asset attractiveness is driven by control of supply, durability of position, and quality of execution — not by visibility alone.
Compression-layer assets create the structural advantage that downstream retail-only assets cannot replicate.

Eleven Dimensions of Analysis in the Complete Intelligence Report

01 **Infrastructure Intelligence**

Compression, pipeline, and station-level deployment analysis

02 **Company Profiles**

Operator positioning across the value chain

03 **Investment Outlook**

Where capital is likely to concentrate next

04 **Market Forecast**

Demand trajectory through 2030

05 **Regional Analysis**

Corridor-by-corridor deployment intelligence

The full report moves from market orientation into detailed deployment, company, financial, and corridor intelligence.

Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

Eleven Dimensions of Analysis in the Complete Intelligence Report

06 **Competitive Landscape**

Operator categories and positioning dynamics

07 **Regulatory Intelligence**

Licensing, pricing, and policy trajectory

08 **Project Pipeline**

Announced and in-development infrastructure

09 **Risk Assessment**

Feedstock, regulatory, and execution risk in depth

10 **Commercial Opportunities**

Entry points across logistics, equipment, and retail

11 **Executive Recommendations**

Specific guidance by participant type

This Digest is a starting point.

The full report is where the analysis behind every finding in these pages is examined in depth.

Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

Six Audiences.
Six Distinct Reasons to Read Further.

01

INVESTORS

Compression-layer assets occupy the most structurally durable position in this value chain. Where you enter the market matters more than how much capital you deploy.

04

FINANCIAL INSTITUTIONS

Standardised underwriting frameworks for CNG infrastructure do not yet exist in this market. Institutions that build this capability early have a structural advantage over later entrants.

02

ENERGY COMPANIES

Existing gas supply relationships and pipeline access are transferable advantages in CNG infrastructure — assess whether your current footprint already qualifies.

05

FLEET OPERATORS

The fuel cost differential is now large enough that supply reliability — not conversion cost — is the binding constraint on your transition timeline.

03

EQUIPMENT MANUFACTURERS

Cascade transport and conversion equipment demand will scale ahead of retail infrastructure. The logistics layer is currently underserved relative to its growth trajectory.

06

GOVERNMENT AGENCIES

Infrastructure deployment, not demand creation, is the rate-limiting factor on policy targets. Programme design should weight compression capacity accordingly.

Sources: NMDPRA · Presidential CNG Initiative (PCNGI) · NNPC Limited · NUPRC · NBS · Federal Ministry of Petroleum Resources · Company Disclosures · Industry Intelligence · Qualitcert Analysis (2026)

QUALITCERT NIGERIA LIMITED

Qualitcert Nigeria Limited is an independent publisher of Executive Industry Intelligence that transforms fragmented public information into clear, objective and decision-ready intelligence. Our publications help executives, investors, business leaders and institutions understand industries quickly, identify opportunities and risks, and make better-informed strategic decisions.

ABOUT THIS EXECUTIVE INTELLIGENCE BRIEF

This brief provides a concise and independent analysis of Nigeria’s emerging Compressed Natural Gas (CNG) infrastructure market, covering industry structure, investment opportunities, infrastructure development trends and strategic considerations for decision-makers.

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