



SDI Review Form 1.6

Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	Ms_BJEMT_28175
Title of the Manuscript:	EFFECT OF OIL PRICE VOLATILITY ON MARGINAL FIELD PRODUCTION IN NIGERIA
Type of the Article	Original Research Article

General guideline for Peer Review process:

This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound.

To know the complete guideline for Peer Review process, reviewers are requested to visit this link:

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PART 1: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
Compulsory REVISION comments	<u>Repetitions</u> 1. Idigbe and Bello (2013): In the first par. was repeated verbatim in the second par. on page 2. ".... 30 marginal fields of the available 116" turned to ".... 24 marginal fields of the available 116." 3. The whole of the 3rd par. in page 2 had earlier been written in the 1st par. of the same page. 4. Repetition of last par. on page 4 in the middle par. on page 5. <u>Page 2</u> First table was neither labelled nor referred to in the text. <u>Page 3</u> Last par. referred to a table as pie chart ("..... tables below show the pie chart of"). <u>Page 5</u> 1. Last par. in the Intro talked about asking questions but ended up asking only one question. 2. Similarly, "specific objectives" has just one objective.	<u>Repetitions</u> 1. One of the paragraphs has been deleted 2. 30 has replaced 24 3. The whole of the 3rd par. written in the 1st par. of the same page has been deleted. 4. Last paragraph on page 4 repeated in the middle par. on page 5 has been deleted. <u>Page 2</u> First table was now labelled and referred to in the text. <u>Page 3</u> Last par. is now referred to as figures ("..... Figures below show the pie chart of"). <u>Page 5</u> 1. Last par. in the Intro: one question has now been asked. 2. Similarly, one objective is stated All the Figures have been moved to and discussed in the Literature Review. Literature Review has been beefed up.



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	All the Figures are best moved to and discussed in the Literature Review. Literature Review is too scanty.	
Minor REVISION comments	The reporting of the statistical method or approach and presentation of results were too complicated. They do not allow for an interesting reading and assimilation of the paper.	The verbose content has been removed.
<u>General</u> comments	1. The theoretical framework in this paper, which holds that global fuel price volatility negatively affects investment in marginal oil field production, does not apply under the Nigerian situation. Historically, in Nigeria, increase or decrease in the global oil price does not lead to increase or decrease in the local oil price. For example, since the current dip in the global price of oil barrel, the local oil price has increased in Nigeria more than when the price per barrel was high. So, head or tail, the socio-political situation in Nigeria always makes investment in the oil sector very lucrative. 2. It is not clear what the findings from this work will significantly contribute to knowledge.	Oil is an international commodity sold at the global oil market. The current dip in global crude oil price does not affect the prices of derived products from crude oil because the crude oil produced in Nigeria is usually exported to the global market while the derived products are imported since the refineries are not operating optimally. The increase in the price of derived products is mainly as a result of the hike in Exchange rate against dollar and the deregulation of the downstream sector in Nigeria. The findings of this study show that the decrease in the global oil price negatively affects production from the marginal fields in Nigeria because major market where the crude is traded is global. This will impact on the investment climate. RECOMMENDATION Majority of the marginal oil fields still flare gas due to inadequate infrastructure and government regulations. As a result, Nigeria lost a total of 31.8billion naira to gas flaring in the month of February, 2014 (Social Development Integrated centre)¹. Many Countries around the world have taken into consideration the benefits of utilizing the gas instead of gas flaring. These include; conversion into domestic cooking gas, liquefied natural gas, plastic production and many more. So revenue can still be generated from sales of gas which makes investment in the sector worthwhile. Therefore, marginal fields' operators should diversify.

¹ <http://thenationonlineng.net/nigeria-loses-n31-8b-to-gas-flaring/>