

SPACES FOR CHANGE



ENGAGING
COMMUNITIES
IN OIL POLICY
DEVELOPMENT

Mission Report

Supported by:

Open Society Initiative for West Africa
(OSIWA)

Spaces for Change (S4C) is a non-profit organization working to infuse human rights into social and economic governance processes in Nigeria. Through research, policy analysis, advocacy, youth engagement, public interest litigation and community action, the organization aims to increase the participation of Nigerian youth, women and marginalized constituencies in social and economic development, and also help public authorities and corporate entities to put a human rights approach at the heart of their decision-making.

© August 2013

Spaces for Youth Development and Social Change (Spaces for Change-S4C)

All rights reserved. This book is copyrighted and so no part of it may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, electrostatic, magnetic tape, photocopying, recording or otherwise, without the prior written permission of the copyright owner. Nevertheless, short excerpts may be reproduced without authorization, on the condition that the source is clearly indicated. For rights of reproduction or translation, applications should be made to the copyright contacts given below:

Headquarters:

3 Oduyemi Street, 1st Floor
Opposite Ikeja Local Government Secretariat
Anifowoshe, Ikeja
Lagos, Nigeria

Email: spacesforchange.s4c@gmail.com
info@spacesforchange.org
Website: www.spacesforchange.org
Blog: www.spacesforchange.blogspot.com
E:Library: <http://issuu.com/spaces.for.change/docs/>
Twitter: @spaces4change
Phone: +234-1-8921097; Mobile: + 234 (0) 8184339158

PREFACE

This document is a synthesis report of the field missions to oil producing communities in the Niger-Delta undertaken by Spaces for Change and the PIB Advocacy Working Group (the project team) during the period of February – July 2013. More than five decades of commercial oil extraction in the oil-rich Niger Delta has brought impoverishment, recurrent conflict and massive human rights abuses to the millions of people living in the region. Pollution and environmental damage caused by oil industry activities have resulted in violations of the rights to health and a healthy environment, the right to an adequate standard of living, including the right to food and water, and the right to livelihood.

Traditional leaders, youth and women leaders play important roles as spokespersons and advocates of environmental justice and sustainable development in the Niger Delta region generally, especially in oil producing communities. Helping them to understand how Nigeria's latest oil sector reform bill, the Petroleum Industry Bill (PIB), responds to their environmental concerns and socio-economic priorities is a necessary step towards empowering communities and mobilizing the participation of local voices and actors in policy processes that bear direct impact on their wellbeing and livelihood. For this reason, Spaces for Change (S4C) and the PIB Advocacy Working Group (WG) embarked on an advocacy tour of the Niger Delta region, consulting extensively with local leaders and sensitizing communities across 5 major states in the Niger Delta: Edo, Delta, Rivers, Bayelsa and Cross River states.

Armed with its recently-released *PIB Resource Handbook*, S4C convened series of community sensitization meetings, shoring up awareness of the PIB provisions on the environment and community participation in the oil and gas industry. Released in April 2013, the *PIB Resource Handbook* contains a detailed analysis of the PIB provisions on community participation and the environment. The meetings brought together a broad range of local stakeholders, including community leaders, fishing associations, youth groups, provincial government officials, and local civil society organizations.

The advocacy team undertook assessment missions to several oil producing communities hosting major oil installations and flow stations - operated by Shell (SPDC), Chevron Nigeria Limited, AGIP, NNPC - in order to gain an updated knowledge of the living and environmental conditions in those areas. They took testimonies from different individuals and interest groups deeply aggrieved by the extreme levels of environmental devastation in the region, with spiraling effects on public health, drinking and food sources. Obtaining feedback from these constituencies makes it possible to channel the realities lived by local populations into the formulation of policies and programs that dictate the rules for social and economic interaction in the oil and gas sector. Direct involvement in the legislative process also makes it easier for communities to anticipate and prepare for the economic and environmental impacts of potential investments after the Bill is passed into law.

Our assessment of the living and environmental human rights situation in these communities is not exhaustive. Across all the communities visited, lack of information, exclusion from oil industry activities and environmental pollution are recurrent refrains. One thing is clear: communities need help especially from civil society and non-governmental interveners in drawing reliable scientific linkages between petroleum operations and their direct effects on the environment, water, food and health of local populations. Empowerment of local actors and citizens is necessary to enable them make informed, timely, and meaningful input and influence decisions on general policies, strategies, and programs at various levels that have environmental impacts.

Evidence of enthusiasm and deep interest in the issues discussed are seen in the flood of questions asked during the plenary session in Ijaw, Efik pidgin and English languages. Across the local communities visited such as Ogoni (Rivers State), Ekpan, Kenyamgbene, Batam (in Delta State), Benin (Edo State), Yenagoa (Bayelsa), Ikot Nakanda, Akpabuyo (Cross Rivers State), concerns were raised about the administrative structure of the HCF, the out-of-date oil compensation regime and access to effective remedies for oil pollution. The least desirable was a continuation of the present, where government takes a top-down approach to issues affecting oil producing areas, and communities' land and environmental rights remain ignored.

The Open Society Initiative for West Africa supported the Oil Sector Legislative Engagement and Accountability Project (OSLEAP) under which the missions were carried out.

Victoria Ibezim Ohaeri
Executive Director
Spaces for Youth Development and Social Change
(SPACES FOR CHANGE-S4C)

LIST OF ABBREVIATIONS

- Community participation and the environment (CPE)
- Downstream Petroleum Regulatory Agency (DPRA)
- Egbema-Gbaramatu Central Development Foundation (EGCDF)
- Ekpan Graduate Association (EGA)
- Environmental Rights Action (ERA)
- Organization of Petroleum Exporting Countries (OPEC)
- Petroleum Equalization Fund (PEF)
- Petroleum Host Community Fund (PHC) Fund
- Petroleum Industry Bill (PIB)
- Petroleum Trust Development Fund (PTDF),
- National Oil Spill Detection and Remediation Agency (NOSDRA)
- National Youth Service Corps (NYSC)
- National Oil Company (NOC)
- Nigerian National Petroleum Corporation (NNPC)
- Non-governmental (NGOs)
- Upstream Petroleum Inspectorate (UPI)
- Spaces for Change (S4C)
- Movement for the Survival of Ogoni People (MOSOP)
- Warri Refinery Petroleum Company (WRPC)

INTRODUCTION AND CONTEXT

The Niger Delta is home to Nigeria's mineral oil resources, which account for about 90 percent of the country's foreign earnings, rendering the country the fifth largest oil producer in the Organization of Petroleum Exporting Countries (OPEC). Despite the region's wealth of natural resources, the Delta exemplifies the resource curse as it remains one of the poorest and least-developed parts of the country. Local communities suffer from oppressive levels of poverty, infrastructural decay, and environmental degradation, which have in turn precipitated rising ethnic tensions and escalating violence among competing militia groups.

Responding to the decades of environmental degradation and violence ravaging oil-bearing communities¹,



the new oil reform regime, the Petroleum Industry Bill (PIB) lays out basic provisions to check unsafe operations, ensure land remediation and compensation to oil producing communities affected by oil industry operations. If passed into law, the PIB could improve governance of the environment and strengthen the structure for community participation.

Spaces for Change (S4C) recognizes that community and stakeholder engagement on the PIB has been ineffective partly due to the paucity of analytical and reliable data, as well as the inability to use the available data optimally to enhance the quality of legislative deliberations. Community participation has increasingly become important in planning sustainable development for a number of reasons. One critical reason is that it allows for the formulation of developmental solutions and plans that have greater buy-in and as such, increased prospects of both formal and informal implementation.

¹ Picture credit: Celestine Akpobari, Port Harcourt, Rivers State

CONSULTATIVE MEETINGS WITH CIVIL SOCIETY GROUPS AND COMMUNITY ORGANIZATIONS

On February 25 & 26, 2013, S4C presented to civil society groups, including oil producing communities, the draft report of its analytical study of the Petroleum Industry Bill (PIB) provisions relating to community participation and the environment (CPE). The presentation of the draft report titled, **PIB Resource Handbook** was made at a civil society consultative meeting held in Port Harcourt, and a community sensitization workshop held the following day at Bori, Ogoni which benefitted 8 oil producing communities in Rivers State on February 26, 2013.



Written in considerable detail, the Handbook lays the foundation for effective engagement between different tiers of government, advocates, legislators, oil and gas industry executives, regulators, nongovernmental organizations, oil producing communities and other stakeholders as would enable them contribute to making the Bill's legislative processes more robust and effective.

Spaces for Change's draft Handbook provoked group discussions, critical reflections and questions centered mainly around the Bill's participatory processes, the administrative structure of the Petroleum Host Community Fund (PHC) Fund, the Bill's interplay with other national legislations, the duplication of roles among existing regulatory agencies and some core environmental provisions. Some of the questions include:

- At what stage is the PIB at the National Assembly? How can ordinary citizens, particularly representatives of oil producing communities get directly involved in the Bill's passage processes?
- Does the PIB protect the rights and interests of oil producing communities, including the women and the youth?
- What is a host community? What administrative structure is most suitable for the Petroleum Host Community Fund (PHC) Fund? What needs to be done to prevent the PHC Fund from causing social tension within and among communities? Would non-oil producing communities impacted by petroleum operations benefit from the PHC Fund?



- How will the unbundling of the NNPC promote business efficiency, public participation and economic sustainability? Would the PIB allow poor oil producing communities to convert their lands used for oil production as equity shares in the National Oil Company?
- How would compensation sums for oil pollution and property damage be determined? Who would benefit from gas flaring penalties: the government or the impacted communities? What happens to oil companies that fail to pay adequate compensation? What roles would oil producing communities play during environmental remediation exercises?
- Where equipment damage or oil pollution results from sabotage, who bears the cost of remediation? Is it possible for local communities to protect pipelines and other petroleum facilities located in their province considering the sophisticated arms used for bunkering and oil theft?
- If the PIB conflicts with another national legislation, which of the laws should take preeminence?
- Does the PIB guarantee the independence of the new regulatory agencies: the Upstream Petroleum Inspectorate (UPI) and the Downstream Petroleum Regulatory Agency (DPRA)? What are the mechanisms put in place to guarantee the accessibility of these agencies to oil-impacted communities? What are the grievance procedures under the PIB for making a complaint to the regulatory agencies, or for objecting to decisions made by regulatory agencies?
- What constitutes “best oil field practices”? How will members of oil producing communities know what constitutes “best oil field practices” and whether such standards have been met?

After two days of intense debate and consideration of the extensive analysis of the CPE provisions contained in the draft Handbook, participants made the following recommendations:

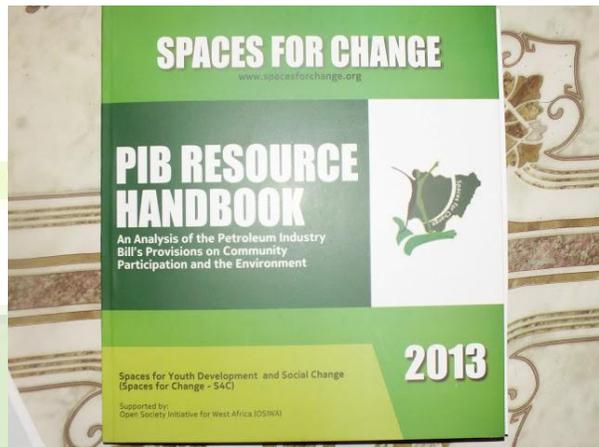
- The sustainable development of oil producing communities – which the PHC Fund seeks to achieve – is dependent on the extent of community participation in the design and execution of Fund’s projects and purposes. To this end, a community governance structure was widely preferred as most appropriate administrative model for the management of the PHC Fund. The Community Equity Fund, developed by Oxfam and adopted by African governments for the solid minerals sector is one model worthy of replication.
- To check multiplicity of duties, the PIB should recognize other agencies like the National Oil Spill Detection and Remediation Agency (NOSDRA), responsible for cleaning up of oil spills and environmental remediation. Accordingly, the management of the remediation fund created by section 203 of the PIB should be vested in NOSDRA, as opposed to the Upstream Petroleum Inspectorate (UPI). This will not only guarantee the UPI’s and NOSDRA’s independence and effectiveness, but also, inject more clarity in institutional obligations and regulatory functionality in the oil industry.
- Under S. 148, the Bill should confer oil producing communities “a right of participation” in recognition of their economic disadvantage and decades of environmental despoliation. Noting that the 30 percent shares of the National Oil Company (NOC) would be listed on the Nigerian Stock Exchange, demands by oil producing communities for an opportunity to convert their lands used for oil production as equity shares in the NOC should be considered as a strategy for promoting community participation in oil industry operations.
- As with all other Funds created under the PIB having well-defined administrative frameworks such as the Petroleum Equalization Fund (PEF) and the Petroleum Trust Development Fund (PTDF), creating a similar governance structure for the PHC Fund should not be left in the hands of the Petroleum Minister alone. The National Assembly is urged to consider the creation of a community-based fund management structure, called the Community Development Board, to manage the PHC Fund. The proposed Community Development Board will serve as an independent body, without prescriptive interference from government agencies, state governors and traditional institutions, whose members are appointed for a fixed tenure by different interest groups – women, youth, traditional rulers, elders council - within oil producing communities.
- Free, prior and informed consent of oil producing communities must be sought and obtained by oil companies and licensed operators before the commencement of oil production. Provisions requiring operators to hold due consultations to identify the needs of the community people is imperative, and should be recognized as part of the obligations of licensee, lessee and contractors set out in S. 292 of the PIB.

- The criteria for the location of development programs should be clearly spelt out before initiation of such projects. In line with the DPRAs mandate to review the impact of oil company development programmes and take stock of such development programmes in Sections 293 and 297, the reports of such reviews and stock-taking should be made public and accessible by oil producing communities.
- That the PIB should address key issues like land ownership, local refining, casual staffing and resource allocation to oil producing communities. In this connection, legislative intervention is required to abrogate the current practice whereby oil companies bring in foreign expatriates to render non-oil services e.g electrical and mechanical works, thereby limiting opportunities for employment, with adverse impacts on the local economy.
- Oil producing communities and civil society stakeholders should seek technical support and assistance from indigenes vastly experienced oil industry operations in order build capacity to effectively monitor the decommissioning and abandonment of offshore and onshore petroleum installations as laid down in S. 204 and 205 of the PIB.
- Regarding the 10 percent of net profit contributions by oil companies into the PHC Fund, technical and procedural uncertainties associated with the accurate determination of profit calculations may affect contribution rates. In the alternative, MOSOP² proposes that for every barrel of crude sold, \$2 (two USD) should be paid into the PHC Fund used for development of economic and social infrastructure in the region.
- That the process for the determination of compensation sums for trees and venerated objects destroyed during petroleum operations, including disturbances on the surface of the land outlined in S. 198, 199 and 296 of the Bill should be clearly outlines, recognizing landowners, female-headed households and communal landholdings.
- As practiced in Alaska, USA, Norway and other oil-rich countries, the ownership and control of mineral resources should be vested on communities and states in which they are found. Accordingly, the 1978 Land Use Act provisions which vest ownership of land and mineral resources in the Federal Government should be reviewed.

² MOSOP, Movement for the Survival of Ogoni People. Members of the organization participated in the February 25 and 26, 2013 meeting.

NETWORKING AND KNOWLEDGE-SHARING IN BENIN, EDO STATE

NGOs routinely engage in breaking down policy and technical documents to a level locals can understand. Using their knowledge of information disclosure laws, policies and procedures, they often demand for information on behalf of locals, or give legal advice, organize and mobilize local communities to initiate greater organized advocacy on issues that affect them. Along these lines, Spaces for Change (S4C) held one-on-one and group meetings with staff of leading non-governmental (NGOs) and community organizations campaigning against human rights violations associated with the exploitation of natural resources in the Niger Delta. These meetings availed Spaces for Change an opportunity to network and introduce the project to the largest possible number of community advocates and environmental professionals.



At a meeting with staff of Environmental Rights Action (ERA) in Benin-city, Edo State, discussions focused on the main community concerns³ raised at the April 23-24, 2013 conference⁴ and the recommendations outlined in *PIB Resource Handbook*⁵. Both organizations brainstormed on the prospects and strategies for scaling up community participation in the oil sector reforms. S4C also donated copies of the Handbook to support the environmental advocacy work of local groups working in the region. The Handbook offers a rich resource book for parliamentarians, non-governmental organizations, community associations, grassroots movements, youth groups, government agencies and persons involved in environmental justice campaigns, to equip them with the knowledge of community participation and environmental (CPE) provisions in the new reform bill, as well as bolster their capacity to contribute to making the Bill's legislative processes more robust and effective.

³ Topics that dominated discussions range from the Host Community Fund, gas flaring, the escalating crude oil theft, oil company-host community disputes, community surveillance of oil installations and the criminalization of oil producing communities.

⁴ Spaces for Change organized the conference, *PIB & Host Communities: Opportunities, Challenges and the Way Forward* was held in Port Harcourt, Rivers State. The conference which brought together 55 participants from various states in Nigeria's Niger Delta region, advocates and stakeholders in the oil and gas industry plus 12 speakers and panelists over the two days aimed to campaign for the improved governance of the environment and to strengthen the structure for community participation in the Petroleum Industry Bill (PIB),

⁵The *PIB RESOURCE HANDBOOK*, a recent publication of Spaces for Change contains a detailed analysis of the PIB provisions relating to community participation and the environment (CPE).

VISIT TO OIL PRODUCING COMMUNITIES

- Ekpan community

Ekpan, Uvwie Local Government Area of Delta State is the first community visited. It is the host community of the Warri Refinery Petroleum Company (WRPC). Meetings held



with local groups and organizations working in the area helped Spaces for Change to identify the prevailing social issues and environmental injustices besetting the community. Together with local leaders and advocates, S4C examined the extent the Petroleum Industry Bill addresses those issues or provides remedial measures for them.

A local advocate⁶ based in Warri, Delta State attributed the social and public health challenges facing the community to environmental pollution. For instance, an upsurge in the incidences of severe bronchitis has been observed, suspected to be caused by the incessant gas flares from the WRPC's oil installations. Due in large part to the high costs involved, no medical survey or public health analysis has been undertaken to establish the linkage between the ailment and the incessant gas flares. However, the damaging effects on residential areas, such as the corrosion it causes on the metallic frames of motor cars constitute sufficient evidence of the grave health risks gas flaring poses to humans.

The passing of the Nigerian Content Law in April 2010 heightened public expectation of robust indigenous participation in the oil and gas industry through massive job-creation for at least, 70% of local people. Citing examples of many indigenous oil companies operating in the area, Ekpan people insist the law has yet to bring any benefits to them. At the root of the pervasive conflict in the region is the exclusion and neglect of local people impacted by petroleum operations. Consulting local populations is traditionally

⁶Mr. Innocent Adjenughure is also a member of the PIB Advocacy Working Group. Spaces for Change (S4C) constituted the PIB Advocacy Working Group (WG) by on January 22, 2013. Comprised of civil society leaders, industry experts, researchers, community advocates, policy analysts and media representatives, the WG are working together to monitor, review and recommend advocacy actions throughout the PIB legislative process.

unattractive to the government and the oil companies because it may give the former the impetus to question the legitimacy of the oil activity, and its impact on the enjoyment of human rights. Beyond lamenting their exclusion from the oil and gas industry, the Ekpan Indigenous Contractors⁷ are now working to ensure that the multinational companies operating in their community take serious measures to heighten local participation in oil and gas projects.

- Ekpan Community Sensitization

Understanding the major challenges oil producing communities face is important, however, S4C believes that reversing the culture of deprivation and exclusion can best be achieved through constructive participation in local forums involving all social groups in the community. This belief informed the convening of sensitization meetings, community workshops and informal group discussions conducted across Niger Delta communities.

Present at the sensitization meeting held at the Ekpan Community Hall were the



Onuewuru of Ekpan, high chiefs, elders, a broad spectrum of community members comprising women and youth leaders, representatives of the Ekpan Graduate Association (EGA), and the National Youth Service Corps (NYSC) members posted to Ekpan.

Spaces for Change's 2-hour training helped target groups

understand the range of new provisions in the PIB that can be used to demand legal protection from human rights violations associated with oil and gas exploration and production. Emphasis was placed on the core areas in the PIB that potentially impact on oil producing communities, particularly those relating to community participation, environmental pollution and the Petroleum Host Community Fund (PHC). Also clarified were the range of newly-introduced initiatives in the PIB - such as the scope and nature of the PHC Fund, the remediation fund, the abandonment fund, the environmental management plan - geared towards increasing the participation of oil producing

⁷ A community-level structure for engaging and negotiating with oil companies on issues relating to employment, contract sourcing and labour issues.

communities in the oil and gas sector and also promoting environmental sustainability in the areas where oil exploration and production take place.

- Egbema-Gbaramatu

Following the routine meetings with local groups⁸, the project team's first port of call was the Egbema-Gbaramatu Central Development Foundation (EGCDF), an association of oil producing communities in Warri. The meeting with the EGCDF has three primary objectives: 1). To introduce Spaces for Change's PIB campaign to the council members; 2), solicit their support for, and participation in the campaign and advocacy activities, and 3); seek their collaboration in expanding the reach and scale of the advocacy to all communities within the district, including inaccessible settlements within the creeks. The meeting also brought together a broad range of local stakeholders, including community leaders, fishing associations, youth groups, provincial government officials, and local civil society organizations.

Using the PIB Handbook which was freely distributed among the meeting participants, S4C's instructive presentation explained why oil producing community members need to be aware of the array of petroleum legislations governing the industry operations, particularly how those legislations impact on their wellbeing, their environment and livelihoods. Why active participation of affected group in oil policy formulation is critical was also stressed. Legal standards and operational procedures put in place at the initial stages of oil discovery and production in the 60s and 70s – such as Petroleum Act (1969), the Associated Gas Re-injection Act, Nigerian National Petroleum Corporation (NNPC) Act (1977) – had become out-of-date, necessitating a comprehensive legislative overhaul. The new draft of the PIB under consideration by the National Assembly is an example of a major petroleum legislation that will not only repeal the obsolete legislations, but will also impact on oil producing communities when passed into law.

Participation in the policy legislative process entails different roles and responsibilities at different levels and requires creation of spaces and possibilities for people to be actively involved, both in the framing of the policies and in the actual processes of implementation. Direct involvement in the legislative process makes it easier for communities to anticipate and prepare for the economic and environmental impacts of potential investments after the Bill is passed into law.

One key ingredient of effective participation is access to information. Ill-informed stakeholders tend to be passive, unaware or unaccustomed to better alternatives and prone to complacent acceptance of tokenism. For example, at the House of Representatives' South-South Zonal public hearing on the PIB, held in Port Harcourt in April 2013, only the Rivers State government presented a comprehensive memorandum detailing what they expected to see in the new reform bill. Bayelsa State government only adopted the Rivers State's memorandum; while other states in the south-south

⁸ Meetings were held with local groups and a member of the PIB Advocacy Working Group based in the area, Mrs. Josephine Ogoba,

geo-political zone were not represented. Large numbers of oil producing communities present the public hearing blamed the low participation from other south-south states on inadequate notices and scant information about the bill.

Another issue that generated deep interest among the members of the EGCDF⁹ is the Host Community Fund (HCF) and how such a fund will go a long way in enhancing development within the oil producing areas. Although several funds given out for the development of the region have been mismanaged by corrupt leaders, the HCF holds strong prospects for elevating communities to an enviable status of critical partners and decision-makers in development. The opposition to the HCF from Northern leaders and lawmakers provides compelling proof that positive engagement is needed to make the goal of retaining the Fund within the PIB realizable.

On the issue of environmental challenges such as oil spills, gas flares and the negative effects on local people and rural livelihoods, holding operators accountable for the damage is imperative. Some of the measures the PIB introduced to reduce such inactions to the barest minimum, include; environmental quality management, penalty for gas flaring, an environmental remediation fund, a plan for abandonment, decommissioning and disposal, strict and enforceable compliance with health regulations by oil multinationals, conduct of operations in accordance with internationally acceptable principles of sustainable development, duty to restore the environment etc.

Evidence of enthusiasm and deep interest in the issues discussed are seen in the flood of questions asked during the plenary session in Ijaw, pidgin and English languages. As with many local communities S4C had visited such as Ogoni in Rivers State, concerns were raised about the administrative structure of the HCF, the out-of-date oil compensation regime and access to effective remedies for oil pollution. The team took testimonies from different individuals and interest groups deeply aggrieved by the extreme levels of environmental devastation in the region, with spiraling effects on public health, drinking and food sources. The least desirable was a continuation of the present, where government takes a top-down approach to issues affecting oil producing areas, and communities' land and environmental rights remain unclear or ignored.

- Batan I community

From that sensitization meeting with the EGCDF in Egbema-Gbaramatu, the team set out on a journey by boat to Batan, an island community in the creeks of the Niger Delta. The community is host to a Shell flow station that flares gas indiscriminately. Batan I and the neighbouring Batan II reveal some of the complex frictions that occur between oil companies and their host communities, especially when power relations and vested interests came into play.

⁹ The ECDGF was led by secretary of the association, Jude Inkoir,

Shell had in the past, attempted to forcefully evacuate the local people following persistent community complaints about the terrible effects the gas flare had on them. Shell went ahead to sandfill a portion of land some distance away from their aboriginal dwellings; built a house on the sand filled portion and a jetty and then asked the people to move there. The locals refused to move on the grounds that the entire community could not live together in a single house! In unison, the community members resisted all efforts to remove them from the land without the provision of alternative adequate houses for them. They have since continued to live on their land with the potential danger that surrounds them.



- Kenyamgbene, Warri South LGA

At the next stop in Kenyamgbene, a community in Gbaramatu Kingdom, Warri South LGA in Delta State, the community leader¹⁰ welcomed the team to the community. The first question the community leader asked after receiving the PIB Resource Handbook and listening to the strong representations S4C made is: *“How will the 10% of oil companies’ net profits payable into the Fund be ascertained? And how will monies paid into the Fund be paid to the community members? How will communities in the creeks be aware of the date and time of payment?”*

Payment of the fund to the local government was outrightly rejected! Instead, the money should be paid directly to the people. This was the same position Ogoni communities collectively adopted at the community forum held in Bori, Rivers State¹¹. When asked what financial mechanism or structure was in place to ensure that the money would be adequately shared, he replied that elders, youths, women from their community would be elected to oversee the disbursement of the money and to ensure that the money was used for the development of the community and its members. The community has been largely neglected by relevant authorities, and most policies affecting them are carried out without any consultations with them. In his words, *“Government does not know what we are facing because they don’t visit here. Government officials ought to go round the communities they govern, but they have not been doing that. Last year, we had a serious flooding problem, where people died and crops were destroyed. But our government is only interested in taking all our money and leaving us worse than it met us.”*

¹⁰ Chief Aaron Ifimi

¹¹ The Ogoni community forum was held on February 25, 2013

- Oppressive levels of poverty in Warri South LGA

Spaces for Change toured the community, which also hosts a major Chevron flow station. The squalor, filth, and under development evident in the community was distressing! Community members had to protest and riot before Chevron allowed them access to the portable water at its flow station. This means that prior to the agitations, only Chevron staff enjoyed clean drinkable water. Using protests and the same confrontational approach, the community was also connected to Chevron's electricity grid.

Totally deprived of both social and infrastructural amenities, sanitary conditions within the community are dire. There are no decent public toilets except makeshift wooden huts on stilts, covered with discarded plastic sacks which served as toilets and bathroom for community members. Most alarming is the very close proximity of the flow station to the community, no less than five meters! Little children could be seen playing near the flow station, leaving the team wondering what their fate would be if there was an explosion or oil spill in the area.

The community could only boast only of a public primary school and no more. Post-primary education, a fundamental prerequisite for full civic participation, is not available, and those who wanted to further their education had to travel to other communities. The absence of educational facilities in the area has grave impacts on the full realization of the right to education as guaranteed by the Nigerian 1999 Constitution and Article 17 of the African Charter. Not only that, there is no hospital or basic health center in the community, except one or two poorly-stocked drug stores.

"I used to catch a weekly average of 20000 fishes some 15 years ago, a figure that has reduced to about 1000 fishes in the past year...We used to catch plenty of fishes here before, but today, it's very few and it's getting more and more difficult for us to survive. We are supposed to be rich because of the oil but sadly, we are poor because our government does not look after us", says local resident and fish farmer, Mrs. Margaret Sunday. Even the 1000 fishes could not be caught in the water around the community, but farther away into the high seas.

- Yenagoa, Bayelsa State

In Yenagoa, the project team met with local chiefs, Chief (Major) A.O.Oputa and Capt. E.S. Adoba (rtd). Both leaders explained in great depth, how the mismanagement of the region's oil wealth has triggered poverty, exclusion and violent conflicts over rights and resources. Worse still, there is no policy or practice of participation, which has seen communities constantly locked in conflict with the elected public officers. The needs of socially, economically and politically marginalized groups should be addressed by the

participation of these groups themselves in the design and implementation of policies and programs that would impact of the people's lives. Several efforts to address the problems have suffered from political commitment leaving the region in permanent volatility that erupts into intermittent crises with huge blow to Nigeria's revenue earnings.



The HCF is one aspect of the PIB that generates very deep interest among oil producing communities. Same is true of the meeting with the local chiefs. But the views of the Yenagoa elders regarding the HCF somewhat differed from the position popularly adopted in other oil-rich communities. For instance, Chief Oputa advocates for a central body – at the federal level - to administer the funds, else the fund will go into the wrong hands. In addition, the ‘the fund should be tied to projects’. He opposed the idea of giving Fund's proceeds directly to the community members in the form of cash payments.

He had an advice for the governments of oil producing communities: 1) they should make sure community leaders are aware of the amount paid to them from the HCF and 2) they should first of all consult and ask community members what they want the money used for because they are the end-users. This advice draws from past experiences whereby lawmakers across the country, often forget they are representing the people once they get to Abuja. They do not consult their people and do not bother about community projects.

The Fund, as the Bill, prescribes, should strictly be used for developmental projects such as the construction of good roads networks and scholarships for gifted children etc.

- Ikot Nakanda, Akpabuyo LGA, Cross Rivers State

Although Ikot Nakanda is not an oil producing community, it is impacted by petroleum operations given the number of oil pipelines criss-crossing throughout the entire area. It shares a boundary with the oil-rich Bakassi peninsula and now hosts the displaced people from Bakassi following Nigeria's surrender of the peninsula to Cameroun. Complex issues arising from the Bakassi resettlement scheme and recurrent oil pollution dominated the discussions and questions at the community sensitization

meeting as well as the preceding informal group discussions with the community head¹², the community women leader¹³ and the community youth secretary.¹⁴

Oil spills and leakages have destroyed farmlands and crops, leading to food shortages as well as increasing food prices. As with most communities in the Delta, Ikot Nakanda lacks access to adequate healthcare, education and employment opportunities for its teeming youth populations. The community has no standard hospital, tertiary institution, nor industries for trained youth to work in. Being a community



severely impacted by leakages from obsolete, corrosive ruptured pipelines, they do not benefit from corporate social responsibility or development assistance initiatives that oil companies routinely offer to oil producing communities.

Another point of concern is the vague demarcation lines between Akpabuyo and Cameroun. A landmark lawsuit saw Akwa Ibom lose 76 oil wells to Akwa Ibom, while the remaining oil-rich peninsula was ceded to Cameroun. The loss of the oil wells to neighbouring Akwa-Ibom State and the lingering boundary disputes continue to fuel widespread skepticism about potential benefits of initiatives such as the Host Community Fund. Other community concerns include frequent incursion into communal lands accompanied by harassments from suspected Camerounian militants, the huge disparity in the financial allocations to the Niger Delta states and the unfinished infrastructural projects such as the Niger Delta Skill Acquisition Centre that had been abandoned by the Federal Government. Further compounding the situation, compensation for the twelve acres of land acquired for the skill acquisition centre remains unpaid. Similarly, artisans who had been employed to work in the centre and businessmen and women in the community who had supplied building materials were still owed money.

¹² Chief Effiong Otto

¹³ Chief Mrs. Asim Otto

¹⁴ Uba Nakanda

APPENDIX

List of Communities Consulted and Engaged

- Bori, Boi, Eleme, Lubara, Tai, Gokana, Sii, Bodo, Banga, Sogho (Ogoni) all in Rivers State
- Kenyangbene, Egbema-Gbaramatu in Warri South West Local Government Area of Delta State;
- Ekpan community in Uvwie Local Government Area, Delta State
- Yenagoa, Bayelsa State
- Batan and Egwan II, Warri South West Local Government Area, Delta
- Ikot Nakanda, Akpabuyo LGA, Cross Rivers State
- Yenagoa, Delta State
- Benin City, Edo State