



Center for Social Studies and Development

Multi-Stakeholder Conference on Oil Company Divestments in the Niger Delta

23rd November, 2022.

Concept Note

Since 1956 when crude oil was said to have been discovered in commercial quantities in Nigeria's Niger Delta, the over 30 million people who live in the region have not received significant benefits from the resources pumped from beneath their lands, rivers and creeks. Rather, the extraction of oil and gas has engendered poverty, conflict, repression and underdevelopment. The Nigerian government and its subnational affiliates have mostly failed to lift the people out of poverty and underdevelopment with hydrocarbon revenues. Mismanagement, corruption, elite capture, oil company complicity and pollution have made communities in the Niger Delta among the least developed in the country.

Pollution from crude oil and gas extraction has mainly rendered the traditional sources of livelihood of the Niger Delta people unproductive without providing any alternatives. For example, companies operating in the region have opted to routinely flare gas as standard practice since the 1950s. The flaring of associated gas continues not because there are no alternative practices for managing gas from extraction in a less dangerous way, but because oil companies and the Nigerian government allow it continue. Flared gas is known to cause various illnesses including heart diseases, distortions to the epidermis, lung complications, and other illnesses of the respiratory system. It also poisons rivers and creeks, causes acid rain, and reduces crop yields.

The people of the region also suffer severe deprivation on account of oil spills. Crude oil extraction has meant that over 7 thousand kilometers of pipes are buried under or placed openly on the lands, creeks and rivers of the Niger Delta. Some of these pipes have been there for 6 decades. Routinely they rupture, releasing oil that contaminate farms and rivers, leaving a trail of destroyed ecosystems, wildlife, aquatic life and livelihoods. When spills occur, aquatic life species die off. Mangroves that are the breeding spots of aquatic life wither and die and the rivers no longer sustain life. The same devastating losses occur when the spill happens on farmlands. Conservative estimates reckon that more than 2 billion litres of crude oil have been spilled in the Niger Delta over the last 50 years.

After over 6 decades of oil extraction with these devastating environmental, health and livelihood impacts, the major oil companies operating in the Niger Delta and those most complicit in abuses are divesting from onshore oil fields. Shell, ExxonMobil and Total are leading the divestment charge without any attempt to remediate the years of contamination. Divestment is planned in the absence of any official

assessment of the level of ecological devastation and losses occasioned by the decades of extraction activities in the Niger Delta. For oil producing and impacted communities, divestment represents a strategy for oil companies to abandon their responsibility for ecological damages. Divestment eliminates any real possibility of holding corporations accountable for pollution, damages and abuses.

The United Nations Environment Programme Report on Ogoniland provides an important reference in this regard. After determining that oil companies had seriously contaminated soil and water in Ogoniland, UNEP recommended that the cost of cleaning up polluted sites be borne by Nigerian owned NNPC and Shell, the two operators in the area. The recommendation of UNEP clearly recognizes the principle of the polluter paying for ecological damages. Ogoniland is only a small part of the larger Niger Delta region which comprises of 9 states. Unfortunately, no hydrocarbon impact assessment has been conducted anywhere else. Such assessment will certainly show similar levels of hydrocarbon contamination, and following the established principle, each responsible company will be demanded to carry out remediation and restoration activities before they divest. A recent Nigerian study found that cleaning up the entire Niger Delta region would cost more than \$50 billion and take at least 50 years. This is one responsibility transnational oil companies do not want to bear.

Unfortunately, these divestment moves are happening in the shadows and without the knowledge of oil producing communities. Nigerian authorities have also failed to establish any framework for a just divestment which protects communities by restoring their environment, livelihoods and dignity. As companies divest and run away, communities are left with the mess created with almost no chance of restoring their existence. This Conference seeks to address this challenge.

The Conference

This Multi-Stakeholder Conference on Oil Company Divestments in the Niger Delta is broadly aimed at highlighting the gaps and challenges associated with the hurried divestment of oil companies and the threat it poses to the existence of oil producing communities. It will also explore frameworks for insisting on accountability from oil companies, and collaboratively producing a draft guide for divestment. It is expected that the Conference will increase the awareness of community members on divestment, and increase their agency for holding oil companies accountable for the mess they have created before they run off.

Details

Date: 23rd November, 2022.

Venue: Autograph Event Centre, GRA (same street with Aldgate Congress Hotel and NextTime Supermarket), Port Harcourt, Rivers State.

Time: 10:30am

Virtual Participation: [Link](#)