



## Research And Training For Real Empowerment

■ **Head Office:**  
No. 54, Ahmadu Ahidjo  
Narayi High Cost, Barnawa,  
Kaduna.  
Mobile/Tel: 234 (0) 8034534318  
Land Line: 062 230363  
E-Mail: restoreinitiatives@yahoo.com

■ **Abuja Office:**  
Plot 121/122 Kenkol Estate,  
Gado Nasko Farm Gate Road,  
Phase 2 Site 1 New Ext. Kubwa, FCT.

### MEMORANDUM PRESENTED BY RESEARCH AND TRAINING FOR REAL EMPOWERMENT ON THE OCCASION OF THE PUBLIC HEARING ON THE PETROLEUM INDUSTRY BILL 2009 ORGANISED BY THE NATIONAL ASSEMBLY

#### Protocols

#### **INTRODUCTION.**

We appreciate immensely the opportunity given us as a Research and a Training Body to make this presentation to this committee duly constituted by the National Assembly to afford the Nigerian people the opportunity to make an input into the above proposed bill.

As a civil society organization our consideration and commentary on this proposed bill is anchored on research findings on the general provisions of the bill viz-a-viz the acceptability of the same amongst firstly the indigenous communities of the oil producing regions and the generality of the Nigerian populace

The co-relation of research and this presentation is to ensure that we base our submissions strictly on pertinent issues pertaining to provisions directly affecting the modes of interaction between oil producing companies and the communities where exploration takes place. In line with this, this presentation will discuss:

**Part VI: indigenous oil companies and Nigerian content**, looking closely at the commitments

It will also be looking at **Part VII: health, safety and environment** and finally make brief comments on the issue of royalties, taxes and the development plan.

in addition we are concerned about abandonment, restoration and conservation provisions.

#### **Corporate social responsibility**

Mr. Chairman under Part VI: Nigerian content and local social responsibility, section B (413) specific provisions are made in sub section 2 for purchase of Nigerian goods and services; Employment of Nigerian citizens and Research and training among others.

Under section B (413), subsection 5, the bill states that any petroleum prospecting license and petroleum mining lease shall contain social responsibility provisions with respect to economic spin-offs to the local communities situated near the petroleum operations of a licensee, or lessee, the section goes further to enumerate such provisions to include contributions to or payments for, community water and power, local schools, hospitals and community centers.

In subsection 5f (413), it provides for assistance with the creation, development and support to small scale local enterprises.

We call to mind that proceeding **Part 6**; In **Part 1: Fundamental Objectives** of the bill, **Section 7** provides on community development, that the federal government with the state and local governments, and communities, shall encourage and ensure the peace and development of the petroleum producing areas through the implementations of specific projects .....

The provisions contained above are ambiguous non Justice able and show little commitment to ensuring implementation by the usage of the underlined words. It is our considered opinion that the bill should be strengthened and utilized maximally for ensuring sustainable development in the region.

**Sub sections 414; 415 and 416**, address the issues of Procurement; Nigerian goods and services; as well as the employment of project personnel, provisions for Training and Research are laid out in **Subsections 417 and 418**.

In **Subsection 419**, **guidelines for reporting and monitoring of the Nigerian Content Plan** are based on annual report and work programs.

We urge this committee to review the provisions of the **Subsections under 419** to ensure that it does not leave loopholes for avoiding implementation. Provisions for ensuring Compliance should be strengthened with language the makes the act Justice able and makes room for bodies in contravention to be taken to court to ensure compliance.

We take this Opportunity to recommend that the controversies over the payment of 5% royalties to the communities, can be handled by the establishment of a Trust Fund with modalities for operation specified to ensure the overall provision of sustainable projects; research into environmental hazards; mitigation of same and Training Funds for the indigenous peoples that is not subject to diversion.

#### **Health Safety and Environment.**

We note that under the **Fundamental Objectives** of the Bill, as stated in **Part 1 Subsection 6 (2)** States that Shall introduce and enforce integrated health, safety and environmental quality management systems.....

We acknowledge that the word enforce shows a will to ensure compliance however, building on this, the environmental issues are key to securing the health of future generations. Giving the history of pollution; un-researched un-documented varied diseases presenting in the regions, provision should be made to ensure a chunk of exploration resources is devoted to research into Health issues and investment in the protection of the peoples from early death due to pollutions.

Investigations on best practices in managing wet lands and new breakthroughs in organic restoration devices which are Niger Delta friendly have been reported in other parts of the world.

Investment should be made in research to adopt the best and latest approaches to solving Degradation and achieving Land reclamations. Specific clauses can be inserted to make provision for these afore mentioned Points.

### ***Abandonment, Decommissioning and Disposal (303)***

We note all the provisions specified in the bill to handle Abandonment, however we call to mind the attitude of people taking advantage of loop-holes in our law enforcement system to take off after exploration, leaving the Nigerian People to their fate.

A common re-occurring question from the people in the petroleum producing area is what happens if this oil dries up? In Jos as a University Student we went to a picnic site which we assumed was clean swimming waters after a hectic term for post production get-together. We saw our classmate plunge to his death. Believing himself to be enjoying reclaimed swimming pools, we found out that we were picnicking in abandoned mining wells! No signs, no caution; and no cordoning off.

Mr. Chairman, this house must send clear signals that Nigeria is no longer a place where anything goes. We must see to it that this is not done in the petroleum industry.

Mr. Chairman, you are our elected representatives and you can write your names in the gold books if you can ensure that best practices as adhered to all over the world, are adhered to here in Nigeria.

This bill gives you the Chance to do that for Nigerians, and you can only do so by reviewing the provisions as pointed out by the people.

As a member of other civil society coalitions both globally and locally, Research and Training for Real Empowerment Ltd/Gte is also concerned on the issues of transparency and accountability, royalties and taxes as paid and as utilized. For the purposes of this hearing however we limit our comments to the aforementioned issues bordering on development and leave the issues on the above to the presentations made on our collective behalf by civil society coalitions.

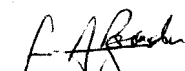
The controversy about the various versions of this bill should be addressed by this house to lay to rest which version we are considering and the issues surrounding the expunging; non inclusion of or otherwise of provisions on the Host Communities. There are also issues on the issuance of licenses, and assess of same for the indigenous peoples. This in no small way will create a sense of collective responsibility and check the issues of Bunkering when legal participation is encouraged.

#### **The PIB Bill and Responsive Governance.**

**Mr Chairman,** This bill is an arguably the bill of the year, all eyes are on this esteemed house to represent the issues that ultimately nose-dive into the key to ensuring Peace and Security for the Federation as it can be made a document that lays to rest the issues that are of global concern and placed Nigeria under the searchlight of the comity of Nations.

We appreciate the need to speed up the process for passage, but caution on the need to review provisions before passage to for-stall clamoring for amendment soon after passage, as witnessed with other bills. I thank you for listening.

**For: Restore Initiatives**



**Gloria Okolugbo**

*Centre Coordinator/CEO.*