



Meeting Summary

State Government Solutions to the Niger Delta Troubles: Key Challenges, Needs and Strategies

Speakers:

HE Dr. Emmanuel Uduaghan, Executive Governor, Delta State

HE Timipre Sylva, Executive Governor, Bayelsa State

HE Chibuike Rotimi Amaechi, Executive Governor, Rivers State

Chair: Alex Vines, Director of Regional and Security Studies, Chatham House

26 February 2009

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Summary of Presentations

HE Dr. Emmanuel Uduaghan, Executive Governor, Delta State

The crisis in Delta State arose from interethnic problems between three ethnic groups. In 1997, these ethnic problems were resolved but the situation allowed for other issues to come in.

Without peace and security, there can be no infrastructure. This is why we have three interwoven strategies for dealing with crime. When I refer to insecurity, I mean those problems which have to do with the people there on the ground and the events that actually occur. Instability refers to the conditions which lead up to these events.

The pattern of oil in the Niger Delta is the same with crude oil as it was for palm oil in 1898. Agriculture was originally the mainstay of the economy, but it has been driven to the background.

Since oil companies have come into Delta State, ethnic communities are now fighting over ownership of the land where oil is drilled. Criminals are also active because of the oil. Oil company workers looking to use their technical knowledge for a greater profit sometimes also partake in criminal activity..

Of the players in crime, the Godfathers are active both within and outside the state structure.

The co-operative framework which we will put into practice in Delta State has development on one side and law and order on the other. At the federal level, law and order is maintained by an armed forces Joint Task Force and at the state level, by the police and local security measures.

My concern about the communities that host oil companies is that workers do not live with the community, they are flown in from Lagos or Abuja, and live within the company compound. This is why the hostility of the host community grows. If more people from the local community could be engaged in unskilled work within oil companies, the companies would have less trouble from their host communities. This will mean added

security for the oil companies. Most of the small arms used in criminality in Delta State are not produced in Nigeria.

HE Timipre Sylva, Executive Governor, Bayelsa State

Bayelsa is relatively peaceful in comparison to the other states in the Niger Delta. Militancy is a type of crime, and is fuelled by poverty. We have a triple E strategy for combating crime: Engagement, Empowerment and Enforcement. I visited militant camps soon after my election, against the advice of my officials. By engaging with the militants, I secured the release of all hostages held in those camps.

We have created a DDR framework to deal with the militants in Bayelsa. DDR stands for Disarmament, Demobilisation and Rehabilitation. The plans for this framework were sent to the federal government, but we are still awaiting a response from Abuja.

Militants are sometimes called criminals, sometimes freedom fighters, but in fact militancy is a business. Militant activity guarantees immediate profit, and as long as it remains lucrative, it should not be expected to stop.

We currently have an understanding with militant camps, which has helped to keep Bayelsa calm. But because of militancy, some schools have closed, which leads to the teachers leaving because young people do not see the point of education; they see illiterates making money, and so they do not see any reason to go to school.

There is a problem with proliferation. Criminals will even try to get sponsors and sell their activities as a business. Money is made from kidnapping, ransoms, and the direct theft of crude oil. Currently, various Niger Delta states are just managing the criminal situation, but eradicating crime needs more work. I believe that the current problems in the Niger Delta emerged from the Kaiama Declaration in 1998.

Some problems were bound to happen in Nigeria after oil was discovered, and oil companies neglecting community development has been a major part in these problems. For a peace plan to succeed in the Delta, we need strong wills and resources from the

international community, the local community and the oil companies. Funding of development must also come from everywhere.

By the end of the year, I will commission a new hospital which will be the biggest in Nigeria. Importantly, I intend to improve the power output, and by mid-year we are hoping to celebrate one year of uninterrupted power supply.

Bayelsa state is 80 percent water, and we plan to become the biggest fish producer in Nigeria, providing 2.5million tonnes of fish. A set of 60 Indian-trained ICT professionals have come to Bayelsa, and they will get involved in the outsourcing business.

My state is mostly 4 percent below sea level which means that no one can build without planning permission. Any plan must include an increase in the amount of oil revenue going back to the Niger Delta.

HE Chibuike Rotimi Amaechi, Executive Governor, Rivers State

I have been governor of Rivers State since 2007. We produce 40% of Niger Delta oil, and 60% of its gas. Rivers State now produces 150 megawatts of electricity, and by the end of June there will be an additional 100 MW. As the biggest state in the Niger Delta, Rivers has a higher power requirement than other states – it needs an extra 260 MW.

The capital of Rivers State, Port Harcourt, is at the centre of Nigeria's oil economy. The state governors are beginning to converge on ideas, but I will focus on two factors: injustice and poverty which are linked to unemployment and crime.

There is no struggle in the Niger Delta. There was a group of young men who were intellectuals protesting against injustice, and they were overrun by armed boys. 95 percent of criminals are masquerading as protestors for liberation. Everyone seems to agree with this. The issues are in the international domain.

Since 2008, N23 billion has been spent in Rivers State on combatting crime. N2 billion was put into a microfinance agency intended to provide small-scale loans, but no-one has taken up any of the money. Kidnapping and other criminal activity is more appealing

to people, because there is an immediate profit and the amount of money that you can make is also higher.

I wanted to get the greenery back to Port Harcourt, and so commissioned a project for this. I wanted the people employed for the project to all be from Rivers State. We waited to start the project, in the end work did not start until I said workers from outside Rivers State could be brought in.

There has been a value change; people do not see small amounts of money as valuable at all. The illegal economy is funded by criminality. Criminals will promise that if they are given a ministerial position, for example, then they will tell the boys to stop shooting. If they are given the position, violence does not stop. There is also a problem with people claiming to work for NGOs and prayer ministries. These criminals will collect money and then pocket it.

I believe that the penalty for kidnapping should be death. The death penalty is in place for armed robbery, and I see kidnapping as the theft of a human being.

The federal government needs to solve criminality first, before injustice. People need to know that there is a consequence for their actions. They also need to know that there are alternatives to crime, for example getting a microfinance loan can also be a way of supporting yourself.

Law enforcement, physical development and the development of human capital are needed. Development and law enforcement are the two key issues which, if worked on, will be good for governments too. People should be able to rely on the authorities to provide all they need. Now many Nigerians have private security, private healthcare and supply their own electricity through generators. The government does not play a big enough role at the moment, and it needs to build itself up so that it is trusted and seen by the people as reliable.

Schools need to be accessible and more affordable. Healthcare also needs to be more affordable. It is the expense of education which is making people turn to crime. If people were given better schooling, there would be less crime.

Rivers State is the biggest in the Niger Delta, and it receives the most money from the Federal Account. Still, when I came into office the education sector had collapsed and there were no teachers. I declared an emergency in education.

I believe that the richest group should fund the foundations of a community, and so the state government took over control of primary education from the local government councils. There are now 250 primary schools in Rivers State. My target is to build 750 in total. There are also 2000 teachers, but we need to hire more.

It is not enough to build schools though, we also have to think about their sustainability. It is best to make laws to support teacher training and feed new teachers into the system. For 20 or 30 years, teachers have not been trained, but a new curriculum has been made in partnership with the British Council and Cambridge University.

I aim to have 1000 students per school. New hostels are being built, which will have 2 children per room. There will be 25 students per class, in keeping with the U.N.'s standards.

153 health centres are being built because hospitals in Rivers State are becoming overburdened with minor cases. Each centre will have one doctor (because we cannot afford to have two) with 8 additional personnel. By June, 80 of these centres will be running and all will be operational before the end of October. CNN and the BBC recently made reports on these health centres. Rivers State needs to become competitive with other parts of Nigeria in terms of education.

The Rivers State Sustainable Development Agency (RSSDA) is involved in a scheme to send 300 students to study ICT, medicine, engineering, oil and gas or law in the UK and Canada on full scholarships. The process has to be transparent and based not on politics but on merit.

Port Harcourt is too congested at the moment. In order to compete with other cities in Nigeria, I expect N100 billion will be spent on the Rivers State capital over the next 50

years. There are really two governments in Rivers State, the state government led by me and the Port Harcourt authority.

Development takes time, and we need to have a master plan. Rivers State University of Science and Technology has capacity for 60,000 students and it is due to open in March. The new hospital will have 1000 beds, and although I was advised by the Commissioner to build a new road connection first, work has gone ahead on the building.

Until people begin to value the naira, kidnapping will continue to take place. Punishment for kidnapping also needs to be harsher. At the moment, a kidnapper will get arrested for two weeks or a month, it is not enough as they will have made N1 million to N1.5 million instantly.

Since December 2007, there has been no shooting in Port Harcourt. But kidnapping is the real problem, as it is carried out like urban guerrilla warfare. There was an upsurge in kidnappings in January and February of this year. One possible solution could be using CCTV to observe the city 24/7, so that we can track the movement of people and groups.

There is no militancy in Port Harcourt. There is also no ethnic tension. Violence flares up after politicians fund groups in order to win elections, because once the elections are over, these groups continue to use their arms.

We have a huge budget at N435 billion, but we managed to save N104 billion last year. N100 million was to be saved each month. In terms of tax revenue, Rivers State collected N4 billion. Although the target was N6 billion, it was still the highest amount a state government has ever collected.

When I first took office, 80 percent of government staff were being paid in cash. After the salary payment system was automated, N300 million was saved in the first month.

The military is poorly equipped, and we need more soldiers. There are three thousand creeks, officially, in Rivers State, and these are difficult to protect.

Q&A Session

Q: (Question for HE Rotimi Amaechi): What kind of political change will you bring to Rivers State as governor? You were no stranger to violence during the 2007 elections and were a part of the previous administration, which has been accused of misdeeds. It has been rumoured that now you are trying to raise popular support in order to clear your name, because you need the people's support against your political opponents. Is this true?

A: HE Chibuike Rotimi Amaechi, Rivers State - Did you see the development taking place in Port Harcourt? Port Harcourt will have a self-sustaining power supply by June. Some of the new roads you can see in the capital are federal government roads. I have also promised night security.

I am a Christian and I say before God that I have never belonged to any organisations outside of the Catholic Church. I am a Knight of St John. At university I was a member of Youth Solidarity with South Africa, a Marxist organisation. I have not and never will belong to any secret cult. It is against my religious belief, never mind the crime involved. If you had studied my history, you would see that I am a product of the Supreme Court. I am the first and only Nigerian to emerge in a democratically elected government without having to mount a soapbox. It is the party which contests in an election, and the President removed my name from ballots without following the due legal process.

I have no Godfather. I used to, and he was a very generous and nice man. When development was taking place in Port Harcourt and we needed to demolish some houses, this so-called Godfather had his house demolished alongside the others – there was no special treatment.

In Nigeria, you can be tagged corrupt when you are not. If they want you to do something for them and you do not do it, they will call you corrupt. I am a product of God and the people.

Q: The lack of development at local level is striking in the Niger Delta. Militant camps are only found in the poor communities. What is your commitment to local government

transparency? What will you offer to international bodies in order to help them track any advances you make?

A: HE Dr Emmanuel Uduaghan, Delta State - The first issue is corruption. As Amaechi said, you can be tagged corrupt without the courts proving it. It shows there was something they were doing without people knowing. All states now have a Fiscal Responsibility Bill and a Procurement Bill. The Fiscal Responsibility Bill means that now most things we do are more transparent and there is a reduced possibility of corruption.

In Delta State, 9 of 25 local governments are oil-producing, and they are now all held accountable by a special commission.

On the issue of local government councils - for many, 60% to 65% of what the council receives monthly goes to the payment of teachers' salaries, with another 15% to 20% to paying council workers. This means that sometimes there is only 10% left for development. This is a big constraint and means the councils do not really have the capacity to perform in terms of development. The budgets of Bayelsa and Delta states combined do not match Rivers State budget. Two years back, most facilities in Delta state were damaged. Each state has its own peculiarity, but development must start from the grass roots in order to let the community determine what is needed.

Local government councils should be agents of development at the grassroots, but to do this they must be better funded. If teachers' salaries can be removed from local councils, and the state or federal government took responsibility for them, this would help.

A: HE Timipre Sylva, Bayelsa State - As a set of governors, we each came into office with a lot of baggage - reputational baggage. Poverty in the Niger Delta is not a result of our bad governance, nor is the issue of corruption, but they are baggage we have to bear. Governors are cautious because of this. We have launched the Bayelsa Expenditure and Income Transparency Initiative (BEITI) and passed laws to support transparency. The BEITI will give full disclosure of the expenditure of state government.

Poverty was created through inaction, sometimes by stakeholders, state government or the oil companies. Providing a lot of training for young men is empowering, and so we are working with the United Nations Development Programme (UNDP) to create a new curriculum for training, and funding is being provided from a Millennium Development Goal (MDG) fund by the state government.

There are lots of young men who are unemployable and have no skills. Training will make these young men employable, but the problem of poverty will always be there. It is not just a problem for the Niger Delta, but for all of Africa – you cannot single out states and say they are not tackling the issue well enough.

Bayelsa now has a micro-credit agency which is making some progress in providing small-scale loans through the banks.

We have also gone far to make the infrastructure work in Bayelsa state. For the first time in some areas public water is flowing. Stabilising the electricity supply will fortunately be achieved quickly, as Bayelsa is a small state.

Structures at local government level are weak. At first, they had no budgets. When I first came into office, local government officials were dealing with money as if it were their personal business. There was lots of mismanagement. For example, one local government council had an allocation of N100 million at the end of the month, with N58 million left after all the salaries were paid. The council spent more time managing this left over money than it did on money spent throughout that month.

As you know, there are a lot of ghost workers in local government. E-payment will save Bayelsa money, but until a system is set up we are encouraging local government to use income transparency initiatives, which will mean that their budgets have to pass through State House Assemblies. If these guidelines are followed, we will be able to know exactly where things are going wrong.

Q: (Question for HE Rotimi Amaechi): You mentioned the need to eradicate criminality. If crime is so far-reaching in Rivers State, is it possible to de-link militants from those in positions of authority?

Q: (Question for HE Sylva and HE Uduaghan): You both mentioned the need for increased investment in the Niger Delta. Are the problems of the region not due to foreign direct investment (FDI) from oil companies that has already taken place? How is it possible to ensure that the problems created by past FDI do not reoccur?

Q: Both of the other governors [of Bayelsa and Delta states] have made clear the need for FDI. The Assistant Secretary-General of the UN said it is vital for the Niger Delta to attract FDI, and that the perception of a risk factor is false. My question is for Alex Vines you have said that a meeting on the Niger Delta will be held in Nigeria. Where in Nigeria will this meeting be held?

A: Alex Vines, Director of Regional and Security Studies and Head of Africa Programme, Chatham House - There are two possible places, Lagos is one. Lots of preparation for the programme is going on.

Q: If I wanted to examine transparency and accountability, I could look at Westminster. The UN's Environment Programme for Ogoniland has used \$1million of Shell's money – and all of its people are still in their hotels, just because of the perceived threat from Ogoniland.

A: Alex Vines, Chair - That comment does tie into the perception of risk and the travel advice still being given by the Foreign and Commonwealth Office (FCO).

Q: FCO - I would like to comment on the issue of travel advice. We realise your frustrations, but the FCO must also answer to the British public. 42 Britons have been kidnapped in the Niger Delta in the past two years, with two still being held by militants, and so we cannot advise that it is safe to go the Delta.

This question is for all three state governors. The last time I saw you all together was eighteen months ago in the Hague. The issues that were discussed there were exactly the same as are being discussed today. All of you speak of individual development programs, but is there not more that you can do – perhaps collectively or in an

interaction with the federal government? How do you intend to interact with the Niger Delta Ministry?

A: HE Dr. Uduaghan, Delta State - On the issue of perception, the bad image of the Niger Delta is caused by the media and the embassies which only sit in Abuja and Lagos. The embassies conduct their business from far away, and so how can they identify whether their information about Delta state has come from my political enemy or not? The Home Office has advised people not to take contracts anywhere in the Niger Delta, but a German company has got around this by simply changing its name, and it is now doing well.

Collectively, we are putting a commission together to look at chronic economic issue across the Delta. The whole thing is pushed back to the governors. It requires a lot of collaboration between governors and the international community. Anything happening on the Niger Delta today is linked to oil, and sustained by it, therefore something like illegal bunkering has a large international dimension to it. Yes, I agree that there is a lot to be done on the issue of development, but we can only achieve success if we first deal with the funding of illegal oil bunkering.

A: HE Sylva, Bayelsa State - The issue of perception is very important. Journalists have contributed mostly, because they will go and speak to anyone willing to say something contrary. If you go to Bayelsa and only talk to militants, you are giving over all of your knowledge to them. The media never try to show the other side of development.

There is no one who can administer the Niger Delta from the outside. Foreign embassies are in Lagos and Abuja and so any information that they give out about the Niger Delta can only be rumour. Nigerians can be kidnapped in Britain too. Crime is not located in one spot. Essentially, we must promote interaction before we can expect the truth to come out. Investment must be part of any solution. If investors are kept out then there can be no solution. In every Niger Delta state, incidences of kidnapping have reduced. Where is the incentive to fight militants if investors are advised not to come? The British government is positively contributing to the Niger Delta problem. Part of the international community's contribution must be providing favourable travel advice for the

Niger Delta. The Niger Delta problem is not just the Niger Delta's problem. You must begin to see it as an international issue. If we were just brought here so that you can hear us say the same things again, I do not want to continue with this meeting. Since the last time the British government has not changed its travel advice, there has been no change. Do not make us come and talk to you and then go, otherwise do not invite me here again.

On the issue of dealing with community development collectively, the way oil production was started in the Niger Delta differs from other places in the oil-producing world. Everywhere else, companies knew that they had a responsibility to communities who lived where there was oil. In 1956, no community development programme was set up because the community was completely ignorant and this was exploited.

Even a few years ago, Shell would refuse to share electricity with a local community because it would claim the people were not its responsibility. The time of peace was longer than the period of violence. We are now in a phase of violence which we are working hard on. This outcome was inevitable. When the first Shell community project was introduced, problems started. The projects were one borehole here, one classroom there – and this would be in a dilapidated school. Instead of this, why not partner with the government and revamp the whole school?

A: HE Rotimi Amaechi, Rivers State - In addition to what has already been said, I don't attend any function concerning the Niger Delta which take place in Lagos or Abuja. I do not even send my staff or a representative, as a policy. If you want to discuss with me, then come to the Delta. A company called Bayelsa Offshore operates in the Delta from Lagos. The people who organise meetings want to move the oil economy from the Niger Delta to Abuja and Lagos. Do not intellectualise this crime. We cannot fight all crimes at the same time. Before, violence was the most important. It is the weakness in the political structure which encourages corruption. This is why power is now with the Public Procurement Agency so that funds are not under the government's discretion anymore. It is vital to strengthen the institutions and infrastructure. If the law has stipulated how the process should be handled, this makes the work of the governors more difficult

Why is there no FDI in Port Harcourt? Because investors say they will not come because of the current economic crisis. My method of governance is that I imagine there is no one existing outside of me. So the local government councils have had primary healthcare and education taken out of their responsibility. I know that no one bothers talking to you unless you are beautiful, so I am making Port Harcourt more attractive to get the FDI in.

On the Niger Delta Ministry - anything which is going to develop the area, I will support.

Q: A lot of people know about the issues touched on today. What are your plans toward a coercive, integrated approach? Inclusive of federal and state government, what would be a composite and integrated solution?

Q: The bottom line is that industry is needed to bring in FDI. There is probably a blurred area between militants and criminals. There will be those militants who can be retrained and rehabilitated, and those who refuse to cooperate and will have to be arrested and punished. This is obviously easier said than done, because foreign elements are needed to make it work. What is the timetable for retraining militants and what percentage of them will not be rehabilitated? I have heard an estimate here today that about 30% will have to be arrested and punished.

Q: This is a submission, not a question. A few months ago, tribal leaders made a presentation to say that we are peaceful people. If you are working for oil companies, then there is security for you. Please advise the British government to change the travel advice.

A: HE Dr. Uduaghan, Delta State - For us in Delta, dealing with crime requires the participation of everyone: the federal, state and local governments as well as the international community. All are needed to assist us to reduce the funding of the crisis, which is through the illegal oil trade. For the governments, I agree that we need to step up on infrastructure and human capital development. Please do not discourage investors. Once in a while there will be challenges, but there is a \$5.9 billion investment in the Delta State now.

A: HE Sylva, Bayelsa State - To the FCO, you are our friends even if we get a little bit animated; we just want to spur you into action. After this meeting, hopefully we will see something different from you.

The Niger Delta Ministry is one of the best things to happen for us. The Niger Delta River Basin Authority was the first attempt at such a body, and there were many more but all failed. Since then we have had the Oil and Mineral-Producing Areas Development Commission (OMPADEC), but that has also failed. This is the first time that there has been a Cabinet position devoted to the Niger Delta. Before now, all agencies concerned with the Niger Delta reported through different Ministers. It is too early to assess the Niger Delta Ministry but all in the Niger Delta are watching with hope.

My views on our efforts to integrate our strategies are as I already said in my presentation. It is natural to have different strategies for different states. The UK, as head of the Commonwealth and a big brother to other countries should help all of the stakeholders to reach an agreement. That convening power and responsibility should not be abdicated. The British should help to decide whether to marry different strategies together or take one suggested solution and go with it.

On the question of what percentage of militants will have to be detained, I cannot answer that question here. Firstly, because I would give a time period for anyone who is willing to abandon their weapons to come out of hiding. As part of the Disarmament, Demobilisation and Rehabilitation (DDR) Plan, any group which is unwilling to be part of the DDR should be arrested.

Hopefully this meeting has not just been about talking. We want clear action points from this end, but you also have the capacity to tell us where we are going wrong.

A: HE Rotimi Amaechi, Rivers State - You asked about collectivity, for some time we three state governors have been coming together. Ex-pats from different states have been talking about how to evolve the regional economy of the Niger Delta. For a long time, Bayelsa was not given part of the national electricity supply. Going to Delta encouraged me to see the need for streetlights in Rivers State, although I now have to go through the due process to get them installed. We are interacting better than our

predecessors, the former governors, and we maintain a good relationship even if we disagree on some issues.

I said earlier that I have a Marxist background, which has led me to think that the poor do not realise they have been exploited and so they kill each other. They need to be better educated to stop crime. We need to get in a security apparatus as well, to compel the poor to stop crime.

I do not have any predictions for the percentage of militants who will be arrested, because whoever has committed a crime should be held accountable. The penalty for armed robbery in Nigeria is death, so the penalty for theft of a human being should also be death. If the death penalty is not included in the Bill, I will not sign the law. These other governors are working harder than I am. The oil economy is one of the largest economies in Nigeria, and that cannot be taken away from us.