

Travelling down through the Niger Delta region; from Edo to Delta states and down to Rivers and Akwa Ibom states, one sees a region dotted with stern-faced soldiers and weary mobile police officers every two to three-kilometre interval, wielding automatic rifles, on standby, ready to quench any hint of smoldering unrest. The militarisation of the region today is purported to be more than it was during the Nigerian civil war between 1967 and 1970.

The story, sadly, is not any different in our mines, as the Federal Government of Nigeria has launched the Solid Mineral Defenders Department under the command of the Nigeria Security and Civil Defence Corps (NSCDC) to protect all solid mineral sites across Nigeria. The heavy presence of armed forces in extractive communities tells only one story; that conflict, violence and security breaches are an uneasy part of our extractive reality

The history of conflict in the extractive industries dates back to 1903 when organised mining began in Nigeria. The proclivity, however, surged in 1956 when the first drop of oil was extracted from the deep wells of Oloibiri in present day Bayelsa State. Conflict and security breaches in Nigeria's extractive sector is so plethoric that tracing the history of each incident is almost impossible.

Claims of environmental degradation is, according to research, the major reason for conflict between host communities, governments and extractive companies. Exclusion from important decision-making processes and the conviction held by extractive host communities that a share of the immense wealth extracted from under their feet neither reaches their pockets nor translates to tangible development for their communities also stoke the embers of conflict.

As the extractive industries happen to be Nigeria's primary source of income, the entire nation bears the brunt whenever the sector experiences setback. Nigeria Extractive Industries Transparency Initiative (NEITI) data shows that between 2011 and 2014, Nigeria lost \$15.9 billion owing to crude oil theft, pipeline vandalism and deferred production. In 2016 as well, the twin attack by militants on oil facilities in Escravos, Delta State, dragged Nigeria's crude oil production to a 20-year low and also cut our power generation by about 1,000 megawatts - from 3,600 megawatts to 2,500 megawatts.

However, the effect of conflict in the extractive sector on our economy is not as grievous as the effect on people. A valid case in point is the massive military clampdown on Odi Town, Bayelsa State in November 1999, which claimed the lives of about 2,500 civilians. Sadly, those who suffer the most humiliation in conflict situations like the one in Odi are the vulnerable women, young children and the elderly, who are not strong enough to protect themselves. Many women and young girls in times like this suffer rape and undeserved molestation. The vibrant young men who often are at the forefront of these protests and agitations gain nothing; instead they become supposed martyrs when their lives are cut short in the face of superior firepower.

Extractive communities that are embroiled or have experienced violent conflicts are more so prone to experiencing breakdown in social cohesion as many relationships become fractured and numerous families breakup.

Companies that have at one time or the other found themselves in the middle of conflict will not wish the same for even their enemies. Saying that any extractive company that experiences conflict cannot totally recover is not an overstatement owing to the colossal loss in human and financial resources that they experience. Extractive companies lose billions in revenue when they are embroiled in conflict with host communities. Senior management staff time is spent on conflict management rather than on business engagements that yield profit, economic and production pursuits are shut down and infrastructure damaged. The emotional stress of litigation and arbitration dampens staff morale while the loss of investor confidence leads to great financial hemorrhage. The greatest loss, however, is the

loss of reputation capital. I need not say more on this as I believe that we all are familiar with the aphorism, “A good name is worth more than gold and silver.”

Dwelling retrospectively and talking extensively about lost past for potential for human and community development and the humongous revenue which we have lost to selfish and rash decisions that have led us to violence will lead to nothing but more heartache for us.

As a believer in the benefit of hindsight, or others’ experiences, I believe you would agree that the most important thing at this juncture - which is the major reason why we are converged here today for another groundbreaking edition of the Sustainability in the Extractive Industries (SITEI) Conference – is to put our good heads together as delegates and speakers to proffer actionable solutions on how conflict and security should be properly managed so that Nigeria and Nigerians, most especially the vulnerable women and youth who are often sidelined, can have an equitable share of the commonwealth.

Before I go on, let me state categorically that conflict is a normal phenomenon that we as human beings cannot totally avoid in our relations with each other. It is axiomatic that it is in the very nature of human beings to seek redress against actual or perceived injustice and that when all civil actions fail, we resort to violence. However, if properly managed, conflict can stimulate discussions and facilitate mutual understanding that would help all parties involved reach agreeable outcomes.

Let’s take a look at one major cause of conflict in the extractive sector which is the failure to build a viable structure and procedure for host community engagement and benefit sharing. Research has proven that order is best kept when host communities are closely consulted and where agreements are properly documented, and all parties held accountable through a transparent process with adequate checks and balances.

The mandatory community development agreement (CDA) between mining companies and their host communities as contained in the Nigeria Minerals and Mining Act (NMMA) of 2007 holds a lot of promise for stemming violence as it clearly promotes equitable community governance and benefit sharing structure in the mining industry. However, when one looks more closely, there is room for work. An actual template, perhaps? A procedure for implementation, checking on progress, timelines?

Same can be said of the proposed passing of the Petroleum Host Communities Bill part of the Petroleum Industry Bill (PIB) which we hope will foster community engagement and the fair sharing of extractive wealth thereby engendering peace across the Niger Delta region. Or even environmental laws which are neither clearly defined nor strictly adhered to. Certain laws even differ and seemingly clash, like those relating to the Land Use Act of the nation and state laws.

Clearly, beyond these laws are needed processes; processes driven by sincere people with selfless motives who are willing to dialogue as necessary. It behoves on all stakeholders concerned to enact uniform and up-to-date environmental and extractive laws enforceable at the national and subnational levels.

As I speak today, host communities in the Niger Delta cannot institute legal action or enforce any of the provisions of a Memorandum of Understanding (MOU) signed in relation to any particular petroleum operation in the Niger Delta region. This implies that they are not empowered in any way to seek redress in law courts whenever they feel aggrieved. To effectively manage conflict and security, this situation has to change to a more binding agreement; for as long as host communities are unable to seek redress in the courts of law, purported to be the last resort of the common man, vengeance just may continue to be their only strategy if justice continues to elude them. As the great

philosopher Aristotle surmised, *“At his best, man is the noblest of all animals; separated from law and justice, he is the worst.”*

In another vein, implementing the recommendations of the Nigerian Extractive Industries Transparency Initiative to curb the fraud of secret ownership of extractive companies is pivotal to ending violence as it will expose all those who hide behind the opaque veils of secret extractive asset ownership to fund the economy of violence in extractive communities.

At CSR-in-Action, when we talk, we act. We do not only call on government and stakeholders while we fold our arms. As we make frantic calls on all concerned, we also get into the ring and work hard to ensure that we also contribute significantly to the development of the extractive industries. We have therefore recently rolled out a viable framework called the Sustainable Extractive and Energy Principles (SEEP). SEEP is a set of sustainable business principles developed voluntarily by CSR-in-Action and which if adopted by government and stakeholders is sure to drive ethical business practices that engender development in the extractive industries.

Moreover, in recognition of our efforts to place Nigeria’s extractive industries on the pedestal of expeditious growth, we are excited to announce our commissioning by the FOSTER II team to develop a community engagement framework that will engender mutual understanding and reduce conflict in the extractive industries. As pace-setters in Africa’s sustainability terrain, all of us at CSR-in-Action will continue to work assiduously to see that Nigeria joins the league of developed nations in the short term. I ask that the Ministers and senior government officials give their word that they will embrace this framework, its implementation, and attendant reporting on progress, expected of users.

On a final note, I use this medium to appeal to the Federal Government of Nigeria and other concerned parties to expedite action on the Ogoni clean-up project which is another potential trigger of violence if not attended to in earnest, whilst also not also leaving out the soot problem in the region.

As a social scientist, I step aside now as I am eager for the discussions amongst experts from the different sections of the industries on how we can end conflict and manage security in the extractive industries to start. I thank members of our Steering Committee, and our sponsors, particularly Ford Foundation and Access Bank, for dependably being a part of our success story through the years. I thank all of our friends at NEITI, Federal Ministry of Petroleum Resources, Federal Ministry of Mines and Steel Development, NNPC, Miners Association of Nigeria and Women in Extractives.

I welcome you to the 7th Sustainability in the Extractive Industries (SITEI) Conference as we work towards the expeditious achievement of sustainable development in the extractive sector; an outcome which will directly benefit not only the vulnerable women, youth or host communities alone, but businesses and collectively, the nation.