

# THE SDGS AND THE EXTRACTIVE SECTOR: ALIGNING GOVERNANCE, POLICIES AND PRACTICES

(The SITEI 2023 Communique)



On Tuesday, 31 October 2023, CSR-in-Action Advocacy, the nonprofit expression of the CSR-in-Action Group, in collaboration with key partners, including the Ministries of Petroleum Resources, Mines and Steel Development and Environment, Nigeria Extractive Industries Transparency Initiative (NEITI), and with funding in grant and kind from Ford Foundation, Access Bank and Zenera Consulting, organised the 12th Sustainability in the Extractive Industries (SITEI) Conference, themed: 'The SDGs and the Extractive Sector: Aligning Governance, Policies and Practices', at Four Points Hotel, Victoria Island, Lagos. This theme primarily seeks to highlight the importance of aligning governance structures, policies, and practices within the extractive industries with the goals and principles outlined in the Sustainable Development Goals (SDGs) which is crucial for ensuring that the extraction of natural resources is done in a sustainable and responsible manner, minimising negative social and environmental impacts while promoting positive contributions to development.

The intersection between the SDGs and the extractive sector is a pivotal point of discussion in global sustainable development efforts. The SDGs, established by the United Nations, provide a comprehensive framework for addressing pressing social, economic, and environmental challenges cohesively by the entire world, or at least member states. The SDGs are a set of 17 global goals adopted by all United Nations Member States in 2015, which aim to eradicate poverty, protect the planet, and ensure peace and prosperity for all by 2030, and to provide a framework for ensuring that all sectors, including the extractive sector, contribute to sustainable development.

To ensure that the extractive sector contributes to achieving the SDGs, it is important to align governance, policies, and practices with the SDGs. This approach involves creating and implementing national and subnational policies and regulations aligned with the SDGs, informed by scientific evidence and developed through

stakeholder consultations. It emphasises the need to enhance institutional capacity across government agencies, civil society organisations, and the private sector for effective policy implementation and enforcement. Transparency and accountability in the extractive sector are promoted through the disclosure of environmental and social impacts. Additionally, this strategy supports stakeholder participation in decision-making, offering opportunities for local communities, civil society organisations, and the private sector to contribute to the development and implementation of policies and regulations.

While highlighting the theme of the Conference, Founder of CSR-in-Action and Convener of SITEI, Bekeme Masade-Olowola, in her welcome address, stressed that communities are important as they are the bedrock of civilisation and also highlighted the need to foster harmonious relationships between communities in the extractive industries and corporations through social justice and accountability. She also stressed the importance of the UN SDGs being actioned by individuals, corporate entities, government

agencies and mediating companies such as CSR-in-action. In her words, "We do need to understand the expectation to embed the UN SDGs in everything we do as they are not just abstract policies out there for us to look at every now and then, they need to be actioned on".

While delivering the keynote address, Dr. Ogbonnaya Orji, the Executive Secretary of the Nigeria Extractive Industries Transparency Initiative (NEITI), emphasised the importance of giving voice to the sustainable development challenges embedded in the SDGs, progressing to effective validation and, ultimately, transformation of Nigeria's extractive sector.

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The Conference featured notable industry experts including Murjanatu Gamawa, Head of Business Ethics, NNPC; Beatrice Eyong, Country Representative (Nigeria), UN Women and ECOWAS; Dr. Uwem Ite, Head of Community and Government Relations at Oriental Energy Resources Limited; Dr. Mina Ogbanga, CEO, Center for Development Support Initiative (CEDSI), and Current CSO Lead, Nigeria Extractive Industries Transparency Initiative





(NEITI); Dayo Okusami, Partner and Co-head of the Energy and Natural Resources practice of TEMPLARS; Adamu Garba, Chief Operations Officer, Nigeria Climate Innovation Center (NCIC); Oluwakemi Ajakaiye, Executive Director of Ampak Nigeria Limited; Dapo Omolade, CEO of Hybrid Group; Adewole Lawal, Senior Manager of Sustainability at Mazars; Tengi George-Ikoli, Senior Officer, Natural Resource Governance Institute (NRGI), Daniel Oladoja, Strategic Communications Expert, all of whom spoke across two panel sessions. The first panel session was themed: 'The Importance of the Energy Transition for a Cleaner and More Sustainable World' while the second was themed: 'The Importance of Strong Institutions to Economic Growth'.

At the 2023 SITEI Conference, a research report, which navigates the complex landscape where the Petroleum Industry Act (PIA) converges with the integration of women in Nigeria's dynamic oil-producing communities, was launched. This report, authored by CSR-in-Action, delves deep into the pivotal facets of the PIA's execution by oil corporations, its gender equity dimensions, ramifications for women in oil-rich regions, and the dynamic landscape of women's participation in decision-making processes.

The 5th annual Community and Human Rights (CAHR) Awards was held during the 2023 SITEI Conference, with awards presented to deserving individuals and organisations that have made significant contributions to community development, human rights, environmental protection and responsible leadership in Nigeria. More about the awards and winners can be found at [www.sitei.org/cahr](http://www.sitei.org/cahr).

### The Challenges

Several critical issues raised for immediate attention during deliberations at the Conference are highlighted below:

- Accelerated pace of environmental degradation
- The impending threat of resource depletion in the extractive industries.

- Rapidly intensifying impact of climate change.
- Energy security and affordability concerns in the extractive sector.
- Challenges in creating resilient institutions to support and promote economic growth.
- Absence of social justice for host communities within the extractive industries.
- Lack of disaggregated data to promote gender inclusion and address social environment wins or otherwise.
- Insufficient accountability in managing social expenditures impacting women within host communities under the Petroleum Industry Act.
- Exclusion of gender inclusion, transparency, and representation of vulnerable/minority groups in decisions affecting host communities.
- Indifferent approach to societal perceptions of women in extractive industries that perpetuate social norms hindering their full potential.
- Ongoing perpetuation of gender-based violence in social and public institutions.
- Disparities in compensation, remuneration, and resource accessibility prevailing within the industry.
- Lack of awareness about health, safety, and sustainability protocols in the extractive industry

### SITEI 2023 Recommendations

Here are important learnings from SITEI 2023 for community persons, business and government:

- Transitioning from fossil-based energy sources to renewables.
- Implementing the Electricity Act that encourages the adoption of renewable energy.
- Strengthening energy security and diminishing reliance on fossil energy imports to mitigate geopolitical and economic vulnerabilities.
- Diminishing dependence on fossil fuel consumption as a measure to enhance

- public health.
- Embracing energy efficiency by establishing realistic long-term targets for achieving net-zero energy by 2060.
- Adhering to existing frameworks while continuously improving upon them.
- Exploring innovative funding solutions, such as leveraging public-private partnerships, to amplify the impact of renewable energy projects.
- Incorporating social licensing in energy transactions and drawing on success stories.
- Emphasising political will and leadership to construct robust institutions fostering economic growth.
- Actively integrating corruption risk policies into economic programs to ensure transparency and accountability.
- Recognising the significance of data generation and validation in tracking revenue generation and expenditure within the extractive industries.
- Proposing homegrown solutions based on data and research to address the specific challenges faced by public and social institutions in Nigeria.

The discussions concluded with expressions of appreciation for the organiser, CSR-in-Action. Panellists and speakers extended commendations while advising individuals, organisations, and stakeholders to actively champion the alignment of governance structures, policies, and practices within the extractive sector with the overarching principles of the SDGs. This advocacy is seen as a pivotal step towards fostering sustainable development, emphasising the need to establish harmonious relationships between host communities and corporations engaged in the extractive industries. Such relationships should be underpinned by a steadfast commitment to social justice and accountability, reflecting shared responsibility for the well-being of both communities and the environment.

Signed:

For: SITEI Steering Committee



Meka Olowola  
Chairman, SITEI Organising Committee