

EVALUATION OF YOUTHS PARTICIPATION IN DEVELOPMENT

A CASE OF ODIDI – FORCARDOS GASLINK PIPELINE PROJECT OF SHELL PETROLEUM DEVELOPMENT COMPANY NIGERIA LIMITED

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Abstract: The Shell Petroleum Development Company is a multinational corporation operating in Nigeria. The volume of its activities is directly related to the number of communities and its exposures in the Niger Delta. Its operational bases are Warri (Delta State) and Port Harcourt (Rivers State). SPDC was expanding her gas production activities through Odidi-Forcados gaslink pipeline project. The Front End Engineering Design (FEED) of the gaslink project had a corresponding Proactive Stakeholders' Participation strategy designed and anchored by the Head, Sustainable Community Development unit of the project. The project execution strategy was modeled to encourage community participation, especially the youths in order to curtail restiveness that was high during the period and ensured timely delivery of the project according to schedule. The community development objectives were to develop a model that ensured full community participation, reduction of incidences of down time especially due to youths' activities and to encourage sustainable local governance structure. Strategies adopted focused on ensuring youths participation in capacity building, trainings, enlightenments, workshops, employments, projects execution, monitoring and close supervision. It was targeted to curtailing the restiveness of the Niger Delta youths thereby affecting project execution plan. Results showed timely completion of gaslink pipeline and CD projects, community based organizations empowerment, cost effectiveness, joint M & E and appreciations by affected communities. A newly developed model of Sustainability, "AFOD" was tested and proven. Average income increased. *Above all youths' restiveness was curtailed.* It was recommended that the model should be replicated to address the issue of restiveness in the Niger Delta. Community participation (especially the youths)

should be made a key deliverable of all oil and gas projects. It was concluded that government should develop *local content policy* for youths' participation in projects that affect means of livelihood of communities.

Keywords: Odidi – Forcados gaslink pipeline project, high level of unemployment among youths, Most of the youths were engaged working directly or indirectly, Security sensitivities and youth restiveness

Acronyms:

FEED: Front End Engineering Design

CD: Community Development

AFOD: Acceptability, Functionality, Operability & Durability

M & E: Monitoring and Evaluation

SPDC: Shell Petroleum Development Company

PMC: Project Management Committee

RACI: Responsibility, Accountability, Consultation and Information

MOU: Memorandum of Understanding

FGD: Focused Group Discussion

SSI: Semi Structured Interview

EMP: Environmental Management Plan

EIA: Environmental Impact Assessment

CSR: Corporate Social Responsibility

SCD: Sustainable Community Development

NGO: Non Governmental Organization

I. INTRODUCTION

The Odidi-Forcados gaslink project was a 16" pipeline project with an approximated length of 38km. It started from Odidi end and terminated at Forcados thus impacting on several riverine communities and settlements. The Shell Petroleum Development Company (SPDC), the executor of the project on behalf of the joint venture

partners identified 7 main communities that were proactively engaged before the commencement of the project. These were Odidi, Obotobo-1, Obotobo-2, Yeye, Kantu, Ofuo and Funkoro. Another major stakeholder, the media was also engaged to demonstrate transparency based on SPDC sustainable community development thrust.

Before the advent of the Odidi-Forcados gaslink project, most communities in the SPDC operated Western district was inaccessible as a result of youth disturbances of the oil and gas operations. The youths had formed organizations in communities and among groups apparently to address acclaimed injustice by the Federal government of Nigeria and the multinational oil and gas industries. The multinational organizations operating in Nigeria are more exposed to the rural people due to operational exigencies and delineation of government presence that had affected the development of Niger Delta communities.

This paper therefore x-rays the features of a new strategy of sustainable community development that timely delivered Odidi – Forcados gaslink pipeline project in the midst of youth restiveness in the Niger Delta region of Nigeria. *It is hoped that this strategy can be adopted in the delivery of major oil and gas projects in different parts of the world.*

It is noteworthy that it operates not only in a poverty stricken and harsh environment, but also in an affluent and blossoming economy as it is based on mutual trust and confidence building, key elements of conflict management.

The general objective of this study was to appraise the participation of youths as key stakeholders in Odidi-Forcados Gaslink pipeline project execution thereby x-raying the benefits (if any) of youths participation in the oil and gas activities of the Niger Delta.

However, the specific objectives were (a) To evaluate employment opportunities provided in Odidi – Forcados Gaslink Project and its effect on youths attitude to oil and gas industries (b) To determine total financial benefits from the project team, contractors and sub-contractors to the communities (c) To determine the sustainability of communities' development projects / programmes in line with the principles of Acceptability, Functionality, Operability and Durability (AFOD) (d) To determine the participation level of beneficiaries based on AFOD (Responsibility, Accountability, Consultation and Information) model. (e) To determine the contributions of Odidi – Forcados gaslink project to quality of life in the project host communities. (f) To determine the effect of project activities on the

communities based on social indices like leadership, families, norms and values

To lay credence on this study, professional experiences and write ups were reviewed. According to Adhikarya (published) [1] sustainability was viewed as programme planning using participatory approach to increase acceptability of development programmes. Singh and Strickland (published) [2] opined that progress is made in sustainable development when there are mutually reinforcing advances in the social, economic and ecological spheres of human interactions with nature. Therefore progress in any other sphere without consideration of its impacts on others could be self-defeating.

Elliott (published)[3] noted that appreciative inquiry was a concept of organizational change based on strengths rather than weaknesses, on a vision of what is possible rather than analysis of what is not. Thus, communities in the Nigerian Niger Delta should appreciate the powers of inquiry as a sustainability concept to better understand and correctly too the elements that make up sustainability in their quest for development programmes.

Hulme (published) [4] opined that financing rural development to improve the living standards of the poor, poorer and poorest should be the target of organizations supporting rural development.

Asiabaka and Bamisile (published) [5] noted that sustainable development provides a framework under which communities can use resources efficiently, create efficient infrastructures, protect and enhance quality of life and create healthy communities that can sustain generation and those that will follow.

Sotomayor (published) [6], Umali and Schwartz (published) [7] and ODI (published) [8] had postulated that the shrinking budgets of many developing countries had signaled the private sectors to be involved in the execution of development programmes if sustainability is to be achieved. However, Rivera (published) [8] threw a cautionary note warning that the private sector systems cannot substitute for the public agencies.

In conclusion, Ogueri (unpublished) [9] revealed the key indices of sustainability of rural development in a harsh environment like the Niger Delta region of Nigeria. In a development model he christened "spider model", he reiterated that participation of local people and capacity development through employment in the oil and gas sector will enhance sustainable energy. *This study therefore was a litmus test and demonstration of the spider model of development.*

There were two hypotheses that guided the study namely; (a) There was no significant contribution of

associated community development projects of Odidi - Forcados gaslink pipeline project to the socio-economic development of impacted communities (Odidi, Obotobo-1, Obotobo-2, Yeye, Kantu, Ofuo and Funkoro) especially the youths. (b) The Odidi-Forcados gaslink pipeline project did not attract improved relationship between youths of impacted communities and SPDC.

The scope of the study was limited to evaluation of associated CSR programmes to the impacted communities. It was also limited to development activities of the project excluding the environmental sensitivities and other bio-physical issues. It is pertinent to point out that prioritized needs from participatory rural appraisal was synergized with social mitigation measures suggested in the Environmental Management Plan (EMP) of the Environmental Impact Assessment (EIA) to reduce non conformity to felt needs of the impacted communities. Fig 1 below showed a conceptual model of the study.

II. RESEARCH METHODOLOGY

2.1 Scope and sampling

Scope

The scope of the study was Shell Petroleum Development Company (SPDC) identified communities of Odidi – Forcados gaslink pipeline project communities in the Niger Delta region of Nigeria. They were; Odidi, Obotobo -1, Obotobo – 2, Ofuo, Kantu, Yeye and Funkoro. These communities were in the Delta State of Nigeria and preliminary baseline study showed gross underdevelopment. The communities typified known rural characteristics such as high level of poverty, lack of basic necessities of life (potable water, poor feeding due to absence of income, no recreational facilities except local gin joints), high level of unemployment among youths, absence of medical facilities except traditionalists, no safe means of transportation, high immorality (unprotected sex), increased number of teenage pregnancies and unwanted pregnancies, and a lot more. The environments incubated a lot of criminalities, extortions, hostage taking, kidnappings, vandalization, molestations, winner takes it all, intimidations and all forms of vices. Communal conflict was at the increase and some communities were over-powered and sent on exile. Security sensitivities and issues would have stopped the project. It was in this environment that the Odidi-Forcados gaslink pipeline project was executed. Thus, there were high levels of insecurity and uncertainty.

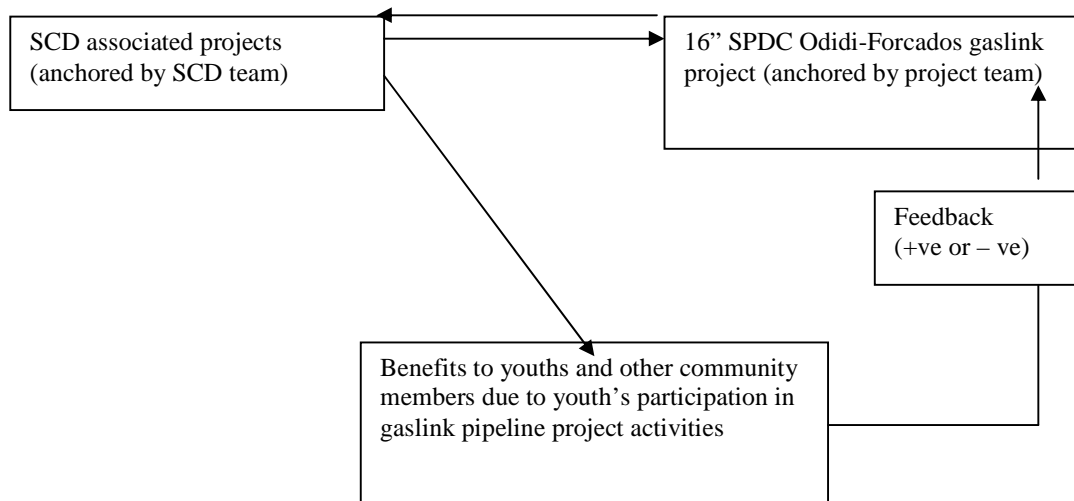


Fig.1: The study model

Sampling techniques

The sampling strategy was a combination of probability and purposive. The Odidi –Forcados gaslink pipeline project communities were purposely selected as identified impacted communities.

Secondly, clustered sampling was used. Each community was clustered along existing community based organization arrangements in the area namely; chiefs/elders, community development committee, women and youth groups. A total of 5 persons were randomly selected from each group. Therefore, 20 persons were selected from each impacted project community. A grand total of 140 respondents were randomly selected and questionnaire administered. A total of 136 (97%) of the questionnaire were retrieved upon which analysis, results and conclusion were drawn. The project team of SPDC was also interviewed.

2.2 Data Collection and Instrument

The following instruments were used for data collection; Questionnaire, Semi Structured Interview (SSI), Focused Group Discussion (FGD), Available / relevant literature and, Researchers' personal experience in the oil and gas industries and the Niger Delta operating environment were of great assistance to check possible bias.

The study used mostly quantitative techniques in analyzing data collected. These included rating scale, likert type scale and simple descriptive statistics where percentages, mean, pie charts, figures and tables were used to present results.

III. ANALYSIS AND RESULTS

Table 1. Major occupation of impacted communities of pipeline project

S/No	Category	No. of respondents	Percentage
1	Farming	6	4.4
2	Fishing	50	36.8
3	Petty trading	15	11.0
4	Civil service	6	4.4
5	Company worker	36	26.5
6	Contractor	12	8.8
7	Business man / woman	9	6.6
8	Others	2	1.4
	Total	136	100

Source: Field survey 2006

3.1 Major occupation in odidi-forcados gaslink project communities

The major economic occupation of the project communities was fishing (37%) as shown in Table 1. However, because of the level of employment provided by the project, 27% of the respondents agreed that the project provided employment mostly to the youths. The youths were so occupied that they had little or no time with criminalities.

It was due to the capacity development provided by the project that the time frame for the project was not exceeded due to disturbances, from the communities' youths. This conforms with the spider model of development by Ogueri (unpublished) [10] that participatory selection and capacity development through employment provide the greatest chances of sustainability of rural development in the Niger Delta region and indeed in all harsh environments of the world where oil and gas production activities take place.

3.2 employment (community hires)

Odidi – Forcados Gaslink Pipeline project provided employment under community hire to about 120 youths (an average of 17 hires per project community). The people confessed that no SPDC project had exhibited such organized labour hire system. The labours embraced all categories of skilled, semi skilled and unskilled workers. The majority of the labours were unskilled which points to high level of illiteracy in the area. Some community hires learnt on the job.

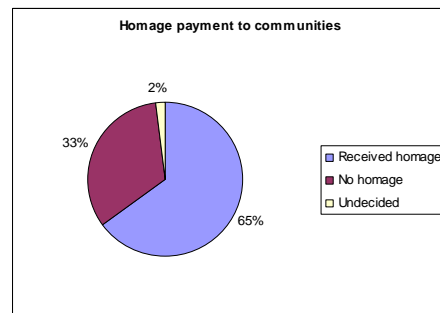


Fig.2. Homage payments to project communities

3.3 Financial benefits from the project

The survey showed both direct and indirect boost on the rural economy. There was an increase in the average annual income in the impacted project communities. Socio-economic activities (drinking spots, restaurants, housing, and cost of fish / other common needs) received a boom. Before the inception of the Odidi-Forcados gaslink pipeline project, average income in the project communities was N192, 000 per annum (about \$1,280 per annum) or \$107 / month. However, the Federal government had recommended a minimum wage of N84, 000/annum (\$560/annum). The project increased the average income to N232, 000 (\$1,547/annum). It showed a 21% increase and contribution of the project to rise in average income in the communities, ceteris paribus. Stipulated amounts were paid to the leadership of the communities as homage. This was not made public to avoid crisis, hence 33% (Fig 2) claimed that no homage was paid. A total of 65% agreed that they received gratification as homage and PR. The homage was paid to communities' leadership. However, they were other forms of payment for those not directly employed on the project. It ranged from supply of consumables, sub-contracting and hospitality adventures.

The total income of youths employed by the project was N1.4million as against N1.2 million for other people who were not employed by the project. It means positive interaction and free flow of funds hence every segment was happy and there was no unrest even during demobilization.

3.4 Participation and sustainability

There were pre-project engagements in the form of sensitization and enlightenments. Community youths were nominated for various workshops and trainings, capacity buildings and pre-demobilization engagements which prepared the minds of the workers to be less extravagant in expenditure rather to increase marginal propensity to save. Secondly, the youths were seriously involved in selection of development programmes through participatory

approach and also execution. More than 85% of respondents agreed that the communities were consulted on the selection and execution of development programmes. What were doubtful were the method, professionalism and quality of consultations as rapid rural appraisal approach was adopted. It was quick due to security challenges not in the impacted communities but other neighbouring communities of the Niger Delta. All these affected the quality of life exhibited by the youths. The youths were not interested in the homage paid to community leadership because they were gainfully employed. The media was brought in to be part of the participatory network that resulted to some youths denouncing militancy activities.

The involvement of the communities especially youths not only in selection but also in execution of CSR programmes of Odidi-Forcados gaslink pipeline projects enhanced sustainability. The youths were proud to be part of the process through Project Management Committee (PMC) formation. The composition was Chiefs/Elders-3, Community Development Committee – 2, Women group – 2 and Youth group – 2. Thus, there was high sense of youths participation in the Odidi-Forcados gaslink pipeline project using the RACI model-Responsibility, Accountability, Consultation and Information as shown in Fig.3.

The PMC which included the youths delivered above projects. They were however supervised by professionals like civil engineers in the case of constructions. Drivers of the buses and boats and their conductors / crew men respectively were selected among the community youths. Technical and business management skills training were provided for them. The youths who were not employed directly were engaged indirectly to make a living on the gaslink pipeline project. *Tension was removed as youths were so engaged and energy channeled to useful ventures than criminalities. It was an application of the spider model of development that actually delivered the Odidi – Forcados gaslink pipeline project according to spec and on schedule.*

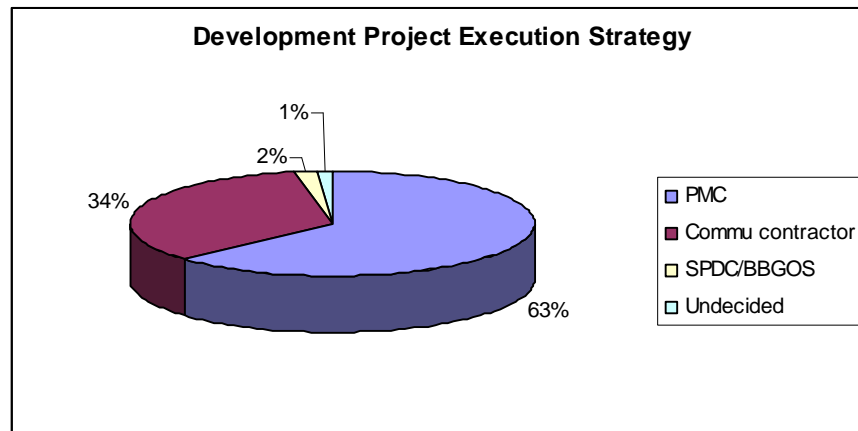


Fig.3. Methods of CSR programmes execution

Table 2: Community Development Assisted Project delivery of Odidi-Forcados Gaslink pipeline project

S/No	Community	SCD Projects	Delivery record
1	Odidi	10 Rms guesthouse	Delivered in Oct '05
2	Obotobo -1	5 Rms guesthouse	Delivered on Mar 2008
3	Obotobo – 2	Town hall	due to Niger Delta crisis
4	Yeye	Civic centre	Delivered on Mar 2008
5	Kantu	a. 3No Hiace buses for land transport b. 1No boat for water transport c. 5No motor bikes	Delivered on Mar 2008 due to Niger Delta crisis
6	Ofuo	a. 3No Hiace buses for land transport b. 2No boat for water transport c. 7No motor bikes	Delivered on Mar 2008 due to Niger Delta crisis
7	Funkoro	a. 1No Hiace buses for land transport b. 1No boat for water transport	Completed and delivered in Dec 2004 & Mar 2006

3.5 Sources of project related information

Participation of youths on the Odidi-Forcados gaslink pipeline project was as a result of sources of disseminating information to the impacted communities. In the project diverse means and sources of communication and information were used. The information was not hierarchical where the chiefs and elders will be briefed to debrief the entire

community. Town hall meetings (open forum / peoples parliament), MOU meetings for selected representatives, project staff one-on-one and local medium using town criers were adopted to ensure transparency and enhanced trust between communities and SPDC through the major project team as shown in Fig 4 below.

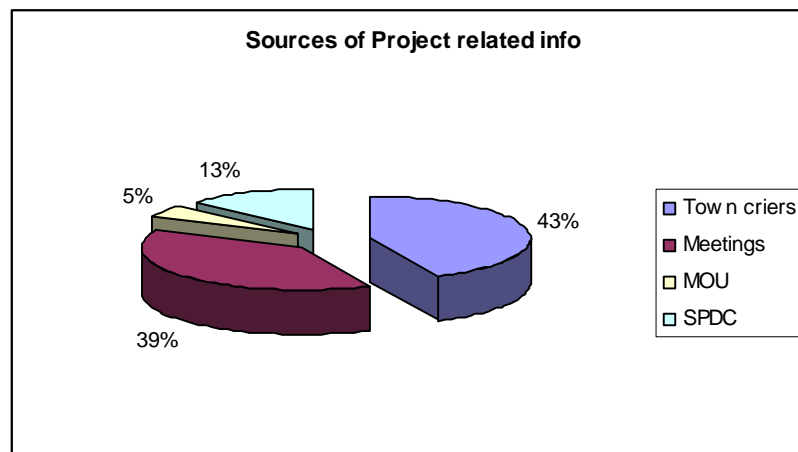


Fig 4: Diverse information sources on Odidi-Forcados gaslink pipeline project

3.6 Quality of life for youths of project impacted communities

Interaction among visitors attracted by the Odidi-Forcados gaslink pipeline project affected the cultural perspective and behaviour of the youths of impacted project communities. Some people felt that the project introduced high cost of living due to influx of strangers. About 50% of respondents agreed that poverty rate was reduced while 48% felt otherwise. In general socio-economic status of the Youths was enhanced namely; (a) Average of 5 new houses and 3 personal guesthouses per community emerged. (b) Cultural lives like the mode of dressing was re-generated, new cars bought, personalities profiles improved. (c) 3 community youths nursed the ambition of vying for a Local government chairmanship election. (d) Water transport businesses were established as passengers were readily available and income flowing (e) New relationships that ended up in marriages were celebrated.

However, the economic activities started to nose-dive towards de-mobilization of the project. This would have had serious effect on SPDC as most equipment would have been ceased.

The integrated team of the Major pipeline project organized demobilization workshops and capacity development on business management, enhanced skills training, increased propensity to save rather than consume to cushion effects of end project.

IV. DISCUSSION AND RECOMMENDATIONS

4.1 Results

Mean scores (rank ratings) were used to make deductions from the results of the study. An average mean score of 2.5 was standardized and deductions were as follows; (a) The Odidi-Forcados Gaslink

pipeline project positively affected social lives in the project communities especially among youths as attested through a mean of 2.6 against average rating of 2.5 (b) The project neither brought about leadership tussle nor stimulated marriage of many wives. (c) The influx of company workers did not negatively influence the life-style of community women and youths (mean score of 2.0 against average of 2.5) but slightly tithed towards affecting customs and traditions (mean score 2.3 against average of 2.5) of the project communities. For instance, holding the wrist of married women which was regarded as taboo was gradually been overlooked due to assumed ignorance by visitors. (d) *The project had no relationship with youth restiveness as none was experienced because most of the youths were engaged working directly on the project sites or associated activities. This phenomenon agreed with Ogueri (unpublished) [11] spider model of development in the oil and gas production activities in the Niger Delta.* (e) SPDC project team and contractor staff never violated the norms of the communities (mean score of 1.9 against average score of 2.5) and the project never ushered decline in respect and honour in the communities as shown by a mean score of 1.8 against average of 2.5 (f) The youths concluded that they were happy on how Odidi-Forcados gaslink pipeline project was managed as all technical, socio-economic and environmental activities aimed at *sustainability. Letters of appreciations were written from the communities to SPDC and project team in particular.*

4.2 Critical Success Factors

Certain factors were critical to the success of Odidi-Forcados gaslink pipeline project and therefore of note. These were; (a) *There was an integrated team that had all disciplines together. The technical team therefore saw stakeholder issues as major show-*

stopper that could affect project schedule and time; hence every team member was committed to delivery schedule. In this regard, community youths' issues were given quick attention. (b) The youths were fully represented in the SCD projects selection and execution through a project management committee (PMC). (c) A communication plan (internal and external) were developed and transparently executed. There were no exclusions hence various channels were used including local town crier. (d) Sensitisations, enlightenments, capacity development training and workshops started early enough from project inception to demobilization. It was used as a channel of communication to douse tensions through mis-information. (e) Incentives in form of cash was paid to PMCs on achievement of major milestones. Therefore anything that will obstruct such incentives will be dealt with by the youths themselves. (f) There were project supervision weekly visits by external professional (NGO staff) and the PMC and youths in particular saw it as serious monitoring technique. (g) Openness, trust and transparency guided the Odidi-Forcados gaslink pipeline project execution and there were less room for peddling rumors.

There was good governance in the communities. Chiefs / Elders never interfered with employment opportunities for the youths. Economic empowerments were provided for youths (directly or indirectly) and they were too busy to ferment troubles with the Chiefs and Elders on the amounts that were paid as homage.

4.3 Conclusion

In conclusion, there are certain basic principles of stakeholders' management that must be followed if major energy industries are willing to stabilize world energy price. Stakeholders' identification, mapping and prioritizing are necessary in the choice of methods of dealing with those that have greater potentials on oil and gas project delivery.

Project teams will therefore engage professionals that can blend stakeholder issues and core project issues.

It is of necessity that CSR issues (soft issues) run in tandem with core project activities (hard issues) to enhance mutual understanding and professional respect.

Pipeline projects are dynamic and gas pipeline projects are of higher volatility upon completion. Thus, every project team member (soft and hard) will exhibit full understanding of project characteristics and sense of urgency towards meeting commitments.

It is this sense of urgency that will drive the project execution including identified stakeholder issues. These were the properties that guided the delivery of Oxide – Forcados gaslink pipeline project in the

midst of high sensitivity in the Nigerian Niger Delta. There was need to meet domestic gas supplies and supplies to the West African coastal region.

The youths were and should remain important icon in the delivery of oil and gas projects. Hopefully, this paper had shared with us the Corporate Social Responsibility strategy (the Spider model) that facilitated the delivery of Odidi – Forcados gaslink pipeline project on schedule. Re-channeling the energy and vibrancy of the youths towards productive venture performed the magic.

It is therefore highly recommended that policy framework should be developed along this strategy so that youths will be reassured of their participation as stakeholders in the oil and gas activities. This is a better approach to win the war against crimes instead of taking arms against "our Leaders of tomorrow".

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