

Forum:	Security Council
Issue:	Reformation of resource control laws
Student Officer:	Demos Caldis
Position:	Deputy Chair

INTRODUCTION

Dear Delegates.

My name is Demos Caldis, and I will be your expert chair on the issue of reforming resource control laws. Specifically, we will be looking at the areas of Nigeria and the Niger Delta, and how oil production in a federalized system of governance has caused marginalization of the local indigenous populace. This is my 4th MUN experience, and my 1st one chairing. Using this Study Guide, you shall get a basic understanding of the topic, whilst simultaneously it will provide a prompt for further research as well as articles and papers that could potentially assist you. It is advised that before you start any research on the topic, especially for newcomers, that you familiarize yourselves with the general rules of MUN, as well as the idiosyncrasies the Security Council presents. If you have any questions about the topic, you are welcome to email me at d.Kaldis@acg.edu. Moreover, I hope after extensive research you propose intuitive and productive solutions to the problem at hand, and that a praiseworthy resolution is drafted.

DEFINITION OF KEY TERMS

Niger Delta

The Niger Delta is the delta of the Niger River at the Gulf of Guinea on the Atlantic Ocean in Nigeria. It is an oil rich region, and has led to Nigeria being the 6th largest oil producing country in the world, with a maximum output of 2.5 million barrels per day. It is plagued by poverty and



is underdeveloped, which has led to disputes between the indigenous populace and the federal government over how the proceeds from the oil should be split up.

Federalism

Federalism refers to a system of government in the sovereignty of the area is constitutionally split between a central governing authority and surrounding entities; states or provinces. A typical example is the US, but it is also applied in Nigeria.

Self Determination

Self Determination is a fundamental principle in modern International Law, and states that nations have the right to freely choose without external interference to choose their sovereignty and international political status.

Ijaw

The Ijaw people are a collection of people estimated to be over 10 million that are indigenous to the Niger Delta region. Traditional occupations include fishing and agriculture, both which have been degraded since oil was discovered in the area and the land and sea was polluted due to numerous oil spills.

Ogoni

The Ogoni people, are another group of indigenous people in the region of south Nigeria. They have faced similar oil related environmental and social problems with the Ijaw people in the Niger Delta, and rose to international prominence with their public protest campaign against Shell Oil.

Kaiama Declaration

The [Kaiama Declaration](#) is a resolution passed by the Ijaw Youth Council, which represents over 40 Ijaw clans in the Niger Delta area. It was drafted in December 1998, and asserted that all land and natural resources belong to the indigenous communities and that all decrees concerning the exploitation of resources in the region that were enacted without their participation and consent were no longer recognized

Constitution of the Federal Republic of Nigeria

The [Constitution of the Federal Republic of Nigeria](#), as well as the [Petroleum Act](#) affirm that all resources located in any state is to belong to the Government of the Federation, as will all proceeds from its exploitation

Section 44(3): “Notwithstanding the foregoing provisions of this section, the entire property in and control of all minerals, mineral oils and natural gas in, under or upon

any land in Nigeria or in, under or upon the territorial waters and the Exclusive Economic Zone of Nigeria shall vest in the Government of the Federation and shall be managed in such manner as may be prescribed by the National Assembly.”

TIMELINE OF EVENTS

1907	The first exploratory work was done in Nigeria
1951	Drilling activities were initiated in the Owerri area
1957	Mass production of crude oil starts. A total of 847.000 tons are produced
December 11, 1998	Kaiama Declaration
May 1999	Establishment of democratic governance
April 5, 2002	The Nigerian supreme court affirms the position of the federal government, which asserts that all offshore oil rigs belong exclusively to them, arguing that no state can stake claim to an offshore territory.
2004	Shell stated a total of 314 criminal incidents had occurred
February 2005	National Political Reforms Conference
April 2015	<ul style="list-style-type: none"> • Unrest begins again. • Two attacks in the region caused 9 deaths after setting fire to a local politician’s house. • A major pipeline was blown up in a separate attack.

BACKGROUND INFORMATION

The first exploratory work done in Nigeria was in 1907, while it was still a British Protectorate; however the firm in charge left the project due to the onset of WW1. More unsuccessful attempts of commercial quantities of oil occurred until 1951, where drilling activities were initiated in the Owerri area. Mass production of crude oil started in 1957, and a total of 847.000 tons were exported. Previous to the discovery of crude oil and gas in the area, Nigeria was primarily based on agriculture, and not only exported significant amounts of palm oil, but was at some point the largest exporter of cocoa globally. The core area in which oil was found, was the Niger Delta, which during the colonial



era was part of the eastern region of Nigeria. It included many indigenous populations, such as the Ijaw, Ogoja, Annang, Ibibio, Oron and Efik people.

Even though it was expected that after the discovery of oil the economy would boom, it is currently among the fifteen poorest countries in the world, while over 70% of the population live under the poverty line. This can be attributed to both corruption, and an unfair distribution of wealth, according to the populace of the Niger Delta. Due to the federalist system of governance in place, all proceeds from the oil exportation, which in today is a vital part of Nigeria's sustenance, is in control of the central government, which then decides how to allocate it. Citizens of the Niger Delta complain that even though over 90% of oil comes from their region, they only enjoy 13% of the profits, compared to 50% they used to get when oil wasn't the primary driver of Nigeria's economy. Not only do they not gain their fair share of the wealth, but due to numerous oil spills and environmental hazards associated with oil drilling, their other method of income and traditional work, agriculture and fishing, is unsustainable. The water is polluted, and the soil quality is degraded.

The demand from the Niger Delta for a higher share in profits has always been prevalent, but is assumed a higher dimension with the Kaiama Declaration on December 11, 1998, and was followed by the establishment of democratic governance in May of 1999, whilst it was also vigorously discussed during the National Political Reforms Conference in February 2005. Oil producing states demanded that they receive a minimum of 50% of all revenue from oil and gas operations, which would be achieved in a timely manner, initially with 25% profits immediately with the end of the conference, and a slow increase over the next 5 years until the 50% threshold was reached.

Yet at the end of the conference, a consensus was still not reached, and the rate remained at the status quo of 13%.

Another underlying issue is that of offshore oil and gas production. The Federal Government has asserted that all offshore oil rigs belong exclusively to them, arguing that no state can stake claim to an offshore territory. This position was affirmed by the Nigerian Supreme Court. Another main concern of the Oil Producing

States is the environmental issues, which will be analyzed later in the study guide. Due to intense dissatisfaction with the status quo, disruptions and sabotage of oil and gas operations have become quite commonplace, leading to even more



problems. In 2004, for example, Shell stated a total of 314 criminal incidents had occurred, ranging from crude oil theft to armed robberies.

Another issue is that in the Constitution, it is not stated that the percentage of revenue, whether that is 13% or 50%, should go to the State in which the oil was extracted, but immediately to the communities directly affected and devastated from the process. So we see that either due to corruption or mismanagement, even the percentage that they get at the moment isn't exclusively used for the actual communities affected, as it should be.

Moreover, it is vital that when debating this issue we also take into consideration the position of the non-oil producing states, and how any possible changes in the law could affect them. Due to the fact that agriculture, the main source of revenue for other states, have gradually receded to the background, these states now depend exclusively on the monthly paychecks they receive from the Federation Account. Without those, they wouldn't be able to pay salaries and fund community projects, education and the building of infrastructure. Thus, even though they empathize with the Oil Producing States, it would be potentially catastrophic for them if their percentage was raised, as that would lower their monthly income which they depend on. They believe that the oil belongs not to the Niger Delta alone but to the whole of Nigeria, and thus all Nigerians should benefit from it equally.

Category	High Priority	Moderate Priority	Lower Priority
Land Resource Degradation	Agricultural land degradation, Flooding (moderate-high)	Coastal erosion, Riverbank erosion	Sea level rise
Renewable Resource Degradation	Fisheries depletion, Deforestation, Biodiversity loss, water hyacinth expansion	Fisheries habitat degradation	Mangrove degradation, Nypa palm expansion
Environmental Pollution	Sewage, Vehicular emissions, Municipal solid wastes, Toxic and hazardous substances	Oil pollution, Industrial effluents, Industrial air emission, Industrial solid wastes	Gas flaring

Another central issue in the debate is the massive environmental problems that have occurred due to the oil extraction, and that have deeply affected daily life for the Delta Niger populace. There are several environmental problems that are directly associated with the exploitation of crude oil and natural gas in the Niger Delta area. Due to the necessary infrastructure, such as flow stations, massive parts of vegetation, flora and fauna have been destroyed.

There have been massive oil spillages in the area. During January 1998 to February 2001 alone, 536.858 barrels of crude oil were spilled alone, from 2.252 incidents. Out of those, only 4% were recovered which means that the other 96% was incorporated in the natural environment. Due to these spillages, epidemics of gastroenteritis have occurred, due to the polluted coastal water, whilst almost all drinking water in the area is polluted. Oil companies have claimed that the spills are due to sabotage from local communities, who could demand compensation for the spills, or a prompt for protest. Shell has claimed that 28% of the oil that was spilled between 1989 and 1994 was due to sabotage, yet it still stands that the majority of spillage has been caused by carelessness on the part of the companies themselves.

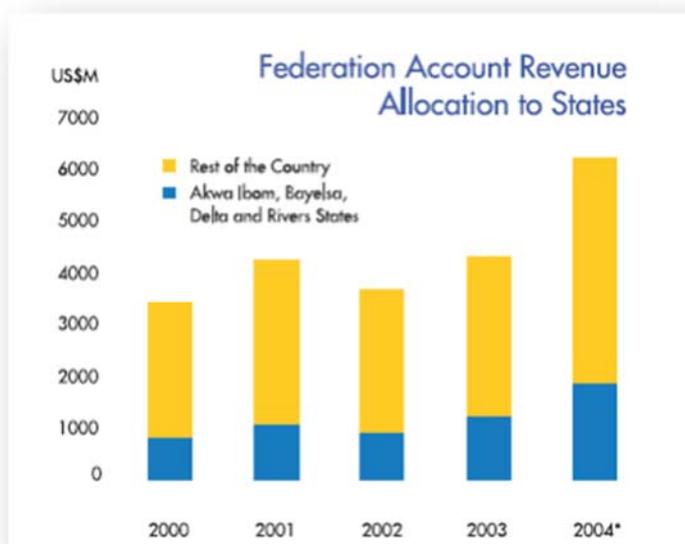
Furthermore, air pollution from the spills has caused the phenomena of acid rain, which leads to extensive damage to aluminum and corrugated roofs. Both water and air pollution has led to the degradation of the soil, thus adding even more to the economic problems of the area.

Due to all of the above, there has been violence and civil unrest in the area. In April 2015, two attacks in the region caused 9 deaths after setting fire to a local politician's house, whilst simultaneously a major oil pipeline was blown up in a separate attack.

PREVIOUS ATTEMPTS TO SOLVE THE PROBLEM:

The government has tried a myriad of ways to deal with the problem. During military rule, it enforced more totalitarian methods, such as the execution of Mr. Ken Saro

Wiwa, an Ogoni Rights Activist in 1995. After democratic rule was established, other methods were tried to deal with the problem, such as setting up of the Oil Minerals Producing Areas Development Commission (OMPADEC), and recently the Niger Delta Development Commission (NDDC). They were charged with using funds from both the government and the oil companies to bring tangible benefits to living standards in the oil producing areas. Yet



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POSSIBLE SOLUTIONS

Even though an increase in revenue has been seen the past few years, inhabitants complain that there haven't been any noticeable improvements in the standard of living. Thus other states have argued that simply increasing revenue to the areas isn't enough, and there should be stricter control on how the resources are to be used.

Moving forward, it is imperative that delegates find responsible solutions that will alleviate the burden on the Delta Niger people, whilst still keeping in mind the economic stability of the overall area. It is also important that the issue of military unrest is dealt with because conflict and instability can have massive impacts on the global economy, due to Nigeria's significant output of oil. It is also important to remember that simply creating a new committee or council will not solve the problem, as has been shown in the past, due to corruption and ineffective solutions.

Definitely take into account the impact on the environment from phenomena such as oil spillages and acid rain, and how this can be tackled to improve the situation.

Food for thought can be the way Brazil has dealt with similar issues, which is outlined in one of the articles I have suggested to you for further reading. Some other countries, which have had problems with resource control laws in the past, include Senegal, Ghana, Kenya and Cameroon, so you could always look into how they have handled the problem (to varying degrees of success).

I hope this study guide has sufficiently introduced you to the topic at hand, and that through fruitful debate a solution is proposed, drafted and implemented.

ADDITIONAL RESOURCES:

- <http://www.e-ir.info/2012/05/25/resource-control-in-the-niger-delta-conceptual-issues-and-legal-realities/>
- <http://www.waado.org/nigerdelta/essays/resourcecontrol/Dafinone.html>
- <http://www.gamji.com/article4000/NEWS4767.htm>
- https://www.researchgate.net/publication/228322248_Nigeria's_Federalism_and_the_Agitation_for_Resource_Control_in_the_Niger-Delta_Region
- <http://www.iycworldwide.org/Kaiama%20Declaration.pdf>

- [https://www.academia.edu/7697377/Governance Environment and Development in the Niger Delta Region of Nigeria#add/close](https://www.academia.edu/7697377/Governance_Environment_and_Development_in_the_Niger_Delta_Region_of_Nigeria#add/close)
- <http://www.nnpcgroup.com/nnpcbusiness/upstreamventures/oilproduction.aspx>
- <http://siu.no/eng/Global-knowledge/Issues/No-2-2007/Resource-Control-in-Nigeria-s-Niger-Delta>
- <http://pubs.iied.org/pdfs/12542IIED.pdf>
- https://www.google.gr/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&ved=0ahUKEwi37J3QnrjKAhWLTBQKHANmBQQQFgg2MAQ&url=http%3A%2F%2Fwww.ajol.info%2Findex.php%2Fnaujilj%2Farticle%2Fdownload%2F82387%2F72542&usg=AFQjCNGkMtQln2hour_w5J9_QcZO1zZnPw&sig2=tS3DV8MSQss2jimsNkfC5w&bvm=bv.112064104,d.d2s
- <http://www.crisisgroup.org/en/regions/africa/west-africa/nigeria/231-curbing-violence-in-nigeria-III-re-visiting-the-niger-delta.aspx>