

International Politics of Oil Production in the Niger Delta and Environmental Challenges

Lukpata Victor Ikong Ph.D
Department of Political Science
Federal University Wukari, Taraba State, Nigeria
Email: victolu123@gmail.com

Abstract

One of the top priorities of Nigerian government is the creation of conducive environment for local and foreign investment as a developmental strategy. In line with this strategy is the assumption that the developmental needs of the Niger Delta will become a reality with the injection of more foreign capital. Therefore, the focus of this research is on “The International Politics of Oil Production in the Niger Delta and Environmental Challenges”. The origin of developmental dilemma in the Niger Delta Region was the incorporation of the region into the global capitalist economy. The result of this incorporation was the conversion of the Niger Delta Region and the Rest of Africa into economic satellite of the core economies of Western Europe and North America. Resources and wealth flow from the satellite to the core simultaneously thereby, rendering the satellite poorer and the core economies riches. Oil multinational corporations are the main agents for the transfer of resources from the Niger Delta Region to Europe and America. Qualitative technique was adopted in data collection and analysis and the findings indicate that multinational oil companies are guilty of posing developmental and environmental challenges in the Niger Delta Region. Arising from the findings, the study recommends strict introduction of government policies to regulate the activities of multinational companies in Nigeria, a return to fiscal federation in line with the yearnings and aspirations of the Niger Delta people and the introduction of welfare programs to calm down the tempo of militancy in the Niger Delta Region.

Keywords: Nigeria, Niger Delta, Oil Production, Environment, Pollution, International Politics.

DOI [URL:https://doi.org/10.36758/jirses/v1n1.2021/4](https://doi.org/10.36758/jirses/v1n1.2021/4)

Introduction

Oil exploitation activities commenced in the Deltaic region of Nigeria in the early 1900's by a Germany entity referred to as the “Nigeria Bitumen Corporation” which started her exploratory activities in the Araromi area of the then Western Nigeria but their activities were truncated by the outbreak of the World War I in 1914 (NNPC: 2005; 1-2). Oil exploration activities thereafter started with Shell D' Arcy (the forerunner of Shell Petroleum Development Company, SPDC of Nigeria) in 1937 when Shell was awarded the sole concessionary rights covering the whole territory of Nigeria. Their activities were also interrupted by the World War II, but they resumed in 1947 and with concerted efforts, after several years and investment of over ₦30 million, the first commercial oil well was discovered in 1956 at Oloibiri in present Ogba Local Government of Bayelsa State in the Niger Delta region. This discovery opened up the oil industry in Nigeria in 1961, bringing more oil firms like the Agip, Mobil, Safrap (now Elf), Texaco and Chevron to petroleum prospecting both in on shore/ offshore areas of Nigeria (Nigeria National Petroleum Corporation, NNPC; 2005:1-2).

From then, “oil production rose from initial figures of 5, 100 barrels per day (bpd) from the first well in Oloibiri to today's production of over 25 million bpd, even though our OPEC quota specification is based on 2.15 million bpd” (Okaba, 2008:8). Between 1956 and 1958, more oil fields

were discovered at Afam, Bonu, Ebubu and later Ugheli and Kokori, and production capacity steadily rose. By this time, oil had become so prominent that the search for more of it had intensified in various communities in the region.

Niger Delta Region

Ironically, this was the genesis of the series of problems which have bedeviled the region in recent times. According to Premo (2005:16):

World attention shifted to the Niger Delta as oil rigs, wells and exploration activities eroded the territory, the initial excitement that greeted the discovery of oil in commercial quantity in the modest community of Oloibiri, soon died down. Exploration came with exploitation and like early colonialists into Africa; the Western oil companies noticed the euphoria of the rural populace. For a little carrot of a ferry terminal or jetty, millions of dollars worth of oil was taken from their land. And then one day, the people woke-up to the reality that rather than peace and joy, the black gold had brought sorrows and tears to their land.... Their dreams died in their strides. There could be more poor people in the region than there are in the remotest part of Koma, a primitive society in Adamawa State.

The emergence of oil industry did not only undermine the agricultural sector, which was the mainstay of the local economy, but created serious environmental hazards for the people through exploration, exploitation and transportation of oil and gas; it equally created serious value problems as the hitherto cherished traditional value- system was weakened by the emergence of the petro-dollar related behavior.

The Niger Delta region of Nigeria is richly endowed with both renewable and non-renewable natural resources. It contains 20 billion of Africa's proven 66 billion barrels of oil reserves and more than 3 trillion cubic meters of gas reserves. Oil and gas resources account for over 85% of Nigeria's Gross Domestic Product (GDP), over 95% of the national budget and over 80% of the nation's wealth. (Akinbuwa, 2008). Paradoxically, the Niger Delta remains the poorest region as earlier stated, due to the ecologically unfriendly exploitation of oil and gas, and state policies that expropriate the indigenous people of the Niger Delta, of their rights to these natural resources.

Ecological devastation, which is occasioned by the activities of Multinational oil companies (MNOCs) have rendered useless farm lands and fishing spots, which were previously the mainstay of the Niger Delta rural populace. The Niger Delta environment is not developed to further sustain the people after destruction of the ecosystem that had kept the people together. The height of it is that environmental degradation continuously occur through oil exploration activities such as gas flaring, oil spills, canalization to oil fields, seismic explosives detonation, etc, thereby creating artificial challenges to development. The region is not considered for holistic development, rather the concepts of wider, national and internal power struggles to control meager funds for the development of the Niger Delta, are always been politicized. Hence, the areas remain in dire need of development. It is the dynamics of international and internal politics, and probable solutions to the challenges of development, despite the huge oil revenue from the area, that we intend to explore in the course of this research.

However, for practical purposes, the Niger Delta area is defined as an embodiment of the area enveloped by the natural Delta of the River Niger and the areas to the East and West that also produce oil. The natural boundaries of the region can be defined by its hydrology and geology. Its approximate Northern limits are located close to the divide into two of the River Niger at Aboh, while the West and Eastern bounds are located at the Benin River and Imo River, respectively (UNDP, 2006:19).

In terms of component states, there is always a problem about which states actually constitute the delta region referred to as the Niger Delta. As a result, reference is made of periphery and core states. A trace of the region thoroughly obviously indicates that states along the deltaic region are Bayelsa, Delta and Rivers States where Ogoni land is located, hence, these three constitute the core Niger Delta states, while considering the introduction of certain political and administrative motives in the definition of the Niger Delta, have resulted in the inclusion of six (6) more states namely; Abia, Akwa Ibom, Cross River, Edo, Imo and Ondo States.

Looking at the map of the Niger Delta, following the nine (9) states structure, it appears situated in the Southern part of Nigeria with a boundary to the south by the Atlantic Ocean and to the east by Cameroun. The region covers a land mass of about 75, 000 square kilometers and it accommodates about 30 million Nigerians belonging to about 40 different ethnic groups with almost 250 languages and dialects(Udeme 2004:9)

International Politics of Oil Production.

Treaties Signed Between Multinational Oil Companies and Nigeria

The treaties signed by multinational oil companies to create enabling environment for their smooth operation in Nigeria had the Federal Government of Nigeria and the multinational oil companies as principal actors. A select number of the treaties are treated here as part of the international politics of oil production in the Niger Delta ,Nigeria.

Shell-B.P. and the Government of Nigeria

In June 1959, Shell-B.P. management and the Federal Government of Nigeria and the Eastern Regional Government of Nigeria signed agreement in respect of the development of the petroleum resources discovered in the region (Udeke-O 1981:157). In this agreement, Shell-B.P. undertook to build a refinery in the Eastern region as soon as the production level of oil reached 50,000 barrels per day. This agreement sought to create an economical avenue of refining crude oil and to prevent the hitherto expensive approach of exporting crude oil to Netherlands or Britain to be refined and exported back to Nigeria (Udeke-O 1981:157).

The Minister of Mines and Power, Alhaji Maitama Sule signed the refinery agreement with Shell-B.P. in July 1962. This agreement provided for the Federal and Eastern Regional Governments to take 40 percent share, Shell-B.P. 40 percent while 70 percent was left for the private sector participation (Udeke-O1981:157).

Another agreement was equally concluded in 1962 between Shell-B.P's technical manager, Mr. J.C. Reynierse and Dr. G.C. Mbanugo, Chairman of the Eastern Nigerian Development Corporation. This agreement spelt out guidelines for the supply of natural gas to Trans-Amadi Industrial Layout in Port-Harcourt (Udeke-O 1981:157). Thus, the agreement created enabling environment for Shell-B.P. to successfully supply natural gas to the Eastern Nigerian Development Corporation. At subsequent times, Shell-B.P. extended its distribution to the Electricity Corporation of Nigeria's Thermal Station located at Afam (Udeke-O1981:157).

Nigeria AGIP Oil Company Limited and the Federal Government of Nigeria

AGIP Oil Company Limited signed oil prospecting agreement with the Nigerian Government in 1962. The agreement was in tandem with AGIP's World Wide Policy of encouraging the host government to participate in its exploration and production programmes. The agreement among other things provided for 33.33 percent participation by Nigerian Government on condition of discovering oil commercial quantity (Udeke-O 1981:167). Within the same year, 1962, Nigeria AGIP oil company obtained oil prospecting license covering geographical spread of 5,313.5 square kilometers

in the Delta State. Soon after the granting of prospecting license, the company commenced survey activities that culminated in exploration with the drilling of two oil wells, Sangakubu1 and Obama1 (Udeke-O 1981:171).

In 1979 AGIP, Nigus petroleum and ELF Aquitaine of France and Nigerian Government signed Risk Service contracts with Nigerian National Petroleum Corporation representing Nigeria in the partnership. This contract covers Off-shore and On-shore areas. In this agreement, AGIP Energy and Natural Resources company made provision for the up-front capital and technical services needed for the operation. The agreement provided that in the event of failure to discover oil in commercial quantity, the company will not be compelled to reimburse the partners in the venture but if successfully the company was to be allowed an option of converting the agreement to production sharing contract (Udeke-O 1981:171). By 1985 AGIP was the only company that recorded success with the discovery of the oil fields at Agbara. This oil fields are recorded to be the Nigeria's petroleum industry. The other two partners, companies that entered to the energy and natural resources contract with the Nigerian National Petroleum Corporation in 1979 did not have much success stories to tell (Udeke-O 1981:171).

The Nigerian AGIP Oil Company also signed agreement with the Government of Nigeria in 1985 for a Joint Venture for the purpose of promoting Nigeria's Liquefied National Gas project. In this agreement, AGIP, Shell, ELF, and Nigerian National Corporation Company agreed to jointly promote the marketing of Nigeria's Liquefied-natural gas in the containment of Europe (Udeke-O 1981:171). The agreement provided for 10 percent interest for AGIP while the remaining percentage was to be shared by Nigerian National Petroleum Corporation, ELF and Shell (the technical leader) (Udeke-O 1981:172).

It was also provided in the agreement that AGIP would supply the gas plant at Bonny with 175,000 MSLF/D of gas from its fields located at Idu and Oshi (Udeke-O 1981:1712). This responsibility was given to AGIP Oil Company in recognition of its strategic position of being the leading association natural gas producers in Nigeria for domestic and international markets (Udeke-O 1981:172).

ELF Petroleum Nigeria Limited and the Federal Government in Nigeria

ELF Nigeria Limited, GIP Energy and Nigus Oil signed Risk Service Contract with Nigeria National Petroleum Corporation in 1979. In line with the provisions of the agreement, ELF made provision for fund and technical leadership needed for the exploration activities in three of the Off-shore oil prospecting areas allocated to ELF Nigeria Limited. The agreement equally provided for 60 percent share interest in the Joint Venture. The main purpose of this contract was to provide enabling environment for ELF Nigeria Limited to provide alternative crude reserve. However, the company efforts at exploration programmes did not yield positive results. When it became clear that the company was face to face with wounding up if new oil fields were not found it went into negotiations that culminated into acquisition of four Off-shore concessions in 1980 (Udeke-O 1981:180).

Ashland Oil Nigeria Company and the Federal Government of Nigeria

Ashland signed a series of contracts with the Nigeria Government to create a conducive atmosphere for oil exploration and production. The first of such contracts signed in 1973 between Ashland oil Nigeria company and the definite Nigeria National Oil Corporation. The provisions of the contractual agreement covers the exploration and exploitation cohesions of oil prospecting license numbering 118 and 98 of On-shore located at Izombe, Imo State and Off-shore located between Cross River State and Akwa Ibom State belonging to Nigerian Oil Corporation (Udeke-O 1981:185). The main content of the agreement has to do with sharing the petroleum produced from the cohesion covered by the contract between the Nigerian Oil Corporation and Ashland Oil Nigerian Company. The

contractual provisions were made to cover the percentage of production accrued to each party in the contract and the produced for determining such percentage allocated to each party (Udeke-O 1981:185).

Furthermore, the principle content of the contractual agreement between Ashland Oil Nigerian Company and the Federal Government of Nigeria included the provision of Joint Ventures Funds by Ashland and the reimbursement of the cost of oil exploration and production incurred by Ashland. In line with the terms of contract, Ashland was expected to provide technical leadership and also up-front capital to cater for the financial expenses required for exploration, drilling production and the tuition operation in Joint Venture. The condition of reimbursement is depended on the company's ability to discover and produce sufficient quantity of oil to compensate for the cost of production it incurred on behalf of the Joint Ventures activities and payment of the company's services was to be made using crude oil (Udeke-O 1981:186).

In this contract, Ashland Oil Nigerian Company became the risk-bearer as it solely bore all the pre-production risk. This is because the company was not to be reimbursed the expenditure incurred in the process of oil exploration and production in the event of failure to discover oil in commercial quantity. However, in the event of discovering oil in commercial quantity, the profit will be shared by setting aside 40 percent to carter for the recovery of exploration, development, and operational cost and royalty, 55 percent was to be used to offset petroleum profit tax, and the balanced tagged profit oil was to be shared in the ratio of 65/35 percent between Ashland Oil and Federal Government after four (4) years duration beginning from 1968. It was equally provided in the contract that the shared interest of Nigerian National Petroleum Corporation, a representative of the Nigerian Government was to be raised to 70 percent whenever the daily production of the Joint Venture reached 50,000 barrels on the maximum (Udeke-O 1981:187).

Provisions for the Control of Oil Production

There exist extant legal provisions in Nigeria to regulate the pollution of water, air, and land form the production activities from the oil industry. The prevalent statutory provisions are the oil pipelines Act of 1956, Oil in Navigable Waters Act of 1968, Petroleum Act 1969, Petroleum Regulations 1969, Petroleum Refining Regulations and Associated Gas-injection at 1969. These statutory provisions are meant to control the operation of oil production activities in the oil industry for purpose of instilling sanity in the industry in conjunction with the international treaties discussed above. A select statutory provisions are briefly discussed below to expand our understanding of the level of environmental pollution caused by the oil companies in Nigeria.

The Oil Pipe-line Act 1956

The provisions of oil pipeline of 1956 is that "any person who damage as a consequence of any breakage of or leakage from the oil pipeline or any of its ancillary installations" has to be compensated mandatorily by the oil company that is the licensed holder. It is worthy to note that the provision of this Act does not include incident of damage that occurred because of act of sabotage or from person or persons that is not under the direct control of the license holder and also from the malicious action of the third party or parties whom the licensed holder does not have direct control (Udeke-O 1981:342).

Oil in Navigable Water Act/Regulation 1968

The oil in Navigable Waters Act and also the regulation both passed 1968 were intended to ameliorate the plight of petroleum production at high seas that falls within 80 kilometers of Nigeria's Territorial Waters. The provision of this Act and Regulation covers the Western Canadian zone in the Pacific Ocean, North Atlantic Ocean, the North Sea and the Baltic Sea, the Mediterranean Sea

and Adriatic Seas, the Black Sea and the sea of 4200, the Red Sea, the Persian Gulf, the Arabian, the Malagasy and Australian seas. The source of this Act is Nigerian's adoption of international convention for the prevention of pollution of the sea by oil in 1954, amended in 1969. Section 3(1) of the act made provision for the keeping of oil record book for purpose of recording information that has to do with discharge of oil by operators of all Nigerian ships with the capacity of 80 tons gross tonnage or above which uses fuel. The purpose of this section is to control or monitor petroleum production pollution arising from shipping operations within the ambit of 80 kilometers of Nigeria's territorial waters. The passage of Oil in Navigable Waters Act and Regulation in 1968 was part of the Nigerian Government effort intended to implement the ban on oil pollution and laid down the legal techniques for detection, identification and punishing of offenders (Udeke-O 1981:343).

The Petroleum Act and Petroleum Drilling and Production Regulation 1969

The provisions against environmental pollution are provided in section 8(III) of the petroleum Act 1969. On the other hand, the petroleum Drilling and Production Regulation 1969 provided for the responsibilities and functions of the managers of oil fields in the process of drilling and production with a view to preventing environmental pollution. Therefore, section 25 of the petroleum Drilling and production made the following provisions:

The license or Lessee shall adopt all practicable precautions including the provision of up-to-date equipment approved by the Chief Petroleum Engineer, to prevent the pollution of inland waters rivers, water courses, the territorial waters of Nigeria or the high seas by oil, mud or other fluids or substances which might contaminate the water, bank or shore line or limit, cause harm or destruction to fresh water or marine life and where any such pollution or has occurred, shall take prompt steps to control and if possible end it (Udeke-O1981:344)

Section 36 of the same Petroleum Drilling and Production Regulation made mandatory conditions for the licensee or lessee to keep in good conditions all production equipment and wells. The licensee is expected by the provisions of this regulations to carry out all operations in line with acceptable standards to the evolution of the Head of Petroleum Inspectorate Division in addition to carrying out operations in line with the following conditions:

- To control the flow to prevent the escape or avoidable waster of petroleum discovered in or obtained from the relevant areas
- To prevent damage to the adjoining petroleum bearing strata
- Except for the purpose of secondary recovery authorized by the Head of the Petroleum Inspectorate to prevent the entrance of water through boreholes and wells to petroleum bearing strata
- To prevent the escape of petroleum into any water, well, spring, stream, river, lake, reservoir, estuary or labour, and
- To cause as little damage as possible to the surface of the relevant area and to the trees, crops, buildings, structures and other property thereon (Udeke-O 1981:345).

Also, Section 40 of the same Petroleum Drilling and Production Regulation provides for proper drainage and storage of waste oil, brine, sludge or refuse from every storage vessels, boreholes and wells. Such wastes according to Section 45 Of the regulations should be disposed off by the licensee in a manner that is authorized by the Head of the Petroleum Inspectorate Division (Udeke-O 1981:346).

Petroleum Refining Regulations 1974

The focus of the Petroleum Refining Regulations of 1974 was to ensure that the physical quality and capacity of storage tanks for petroleum and related products meet the acceptable standard to avoid leakage from any of the tanks. Therefore, Section 27 of the regulations provides that residues,

sludges, rusts and other related matters from the tanks involved are to be deposited at such containers approved by the Petroleum Inspectorate Division. Similarly, Section 29 of this regulation provides for prompt reportage of cases of oil spillage to the Petroleum Inspectorate Division. After a week of verbal report, a written report is to be submitted stating the cause, nature of the spillage, the quantity and strategy of determining the quantity of oil spill to the Petroleum Inspectorate Division. The content of the written report is expected to cover the quantity of oil spilled record steps taken for forstal re-occurrence and to prevent damage. Furthermore, disposal of refinery sewage are expected to be carried out in line with best practices (Udeke-O 1981:346).

The Associated Gas Re-Injection Act 1979:

This Act was designed primarily as an economic strategy to regulate conservation of gasses and also as a regulatory measure against the pollution of the environment because of gas flaring among other activities relating to petroleum production. The provided for enforcement of compliance by oil companies to prepare clear programmes and plans for re-injection of all produced of associated natural gas or for profitable use of all produced of associated natural gas. January 1 1985 was stipulated as deadline which flaring of associated natural gas was to stop. A penalty of forfeiture of the violators concession was decided to be the cost of failure to comply within the time frame stipulated. This provision and other preceding ones that are embedded in the Nigerian statutes for purpose of regulating environmental pollution are inadequate in terms of impact. The case of the associated Gas Re-injection Act of 1979 is assessed to be a confirmation of the lack of sincerity of purpose or political will in dealing with cases of environmental pollution by oil companies in the Niger Delta Region of Nigeria.

The Associated Gas Re-injection Act 1979 prohibited the flaring of associated natural gas with effect from January 1 1984. Nigerian applauded act as a bold action by government to solve the problem of environmental pollution perpetuated by multinational oil companies. The hope of Nigerians in this respect was soon dashed as impact of gas flaring such as acid rain, high temperature, low agricultural yield among others persisted. And paradoxically, on January 1 1985 that was stipulated for government to stop oil field associated natural gas flaring, the Federal Government of Nigeria rather modified the provisions of the Associated Gas Re-injection Act of 1979 to accommodate the issuance of certificates to oil companies the continue the flaring of gases (Gas Re-injection) as was the practice. The reality on ground was that as at the end of 1985 only the Nigerian AGIP Oil Company complied with the provisions of the 1979 Associated Gas Re-Injection Act by its ability to successfully established and eventually commissioned its Obiafu-Obrikom Gas Recycling plant located in Rivers State (Udeke-O 1981:351).

Environmental Hazard in the Niger Delta

Oil Spillage

Oil spill is the accidental, natural or deliberate discharge of crude oil product on land, lakes, ponds, creeks, streams, rivers and sea during drilling and transportation of crude oil by multinational oil companies. The problem of oil spill is another major devastating environmental hazard associated with the oil industry in Niger Delta. The US department of energy estimates that 4, 000 oil spills discharging more than two million barrels of crude oil have occurred in the Niger since 1960. (Nwilo and Badejo). In specific records, there were 1600 cases of spills resulting in the release of over 1.678 million barrels of oil into the environment in 1970- 88 periods. Also there were 45 cases of oil spills in 1993. Oil spill do occur both onshore and offshore as a result of:

1. Environment failure: this has been the most common cause of oil spills in the Niger and is linked to overloading, manufacturing defects, age of equipment and machinery permissive

- corrosion of oil pipelines among others. Sometimes, pipeline and holding tanks leak oil into which may not be easily detected.
2. Accidents: at various stages of oil production accidents do occur resulting in intermittent discharge of oil into the environment. Oil well blow-outs which are associated with uncontrollable drilling into over pressured zones far down in one borehole may lead to escape of crude oil onto the land and water (rivers, ponds, lakes, sea, etc).
 3. Deliberate human action: this is the most publicized cause of oil spills in the Niger and is commonly called vandalization. Vandalization is the deliberate tampering by inhabitants of oil bearing communities and intruders with oil field facilities especially pipelines, for the purpose of causing oil spills due to anger, frustration, disillusionment or inadequate decomposition to oil bearing communities.
 4. Natural hazard: natural hazards that could cause oil spills include, flood, lightening, soil erosion and rupture.
 5. Others: other causes of oil spills includes; the loading and unloading of petroleum products and cleaning of storage tanks.

Oil spills has over the years created the following negative effects on the Niger Delta environment:

- a. Biological effects
- b. Pathological/ecological effects
- c. Specific marine habitats
- d. Open water and seabed effects
- e. Shorelines effects
- f. Wetlands effects
- g. Mangrove/corals effects and
- h. Air pollution effects (Susu, A. A., Abowei M. F. N. & J.O. Onyeme, 1997:25-31).

The bad aspect of oil spill is that whatever natural habitat that comes to contact with the spilled oil particles will receive a negative effect. Hence, oil spill had exterminated a lot of the natural endowments in the Niger region of Nigeria. This was why Steven Tombofa (2005) opined that the negative externalities of crude oil production are associated with primary sources such as oil spills, oil blow-out and gas flaring.

Oil spill input data is below presented in a table for the years 1976-1986, then a looming oil spills projection and predication were also put in place as extrapolate from the available data 1976-1986 using he moving average for another table for the years 1987-2000, see tables below.

Of oil and gas products within and beyond the Niger region has led to the clearing of forests to construct pipelines, flow stations, and other oil facilities.

The further devastates the already delicate ecosystem of the region. The destruction of forest and coral relief in the region contribute both to the vulnerability of the region too natural disasters and global climate change. As these forest ecosystems are being depleted, the rate at which CO₂ is withdraw is further reduced, hence adding to the poor environmental conditions of the people of oil host communities (OHCs) in the Niger Delta.

Gas Flaring

For many years after the discovery of oil in commercial quantities in Nigeria, most of the associated gas is flared, with its attendant environmental consequences on the health of the people. Nigeria flares 17.2 billion m of natural gas per year in conjunction with the exploration of crude oil in the Niger Delta. This high level of gas flaring is equal to approximately one quarter of the current power consumption of the African continent. It has been stated that more than 400 million tones of carbon

dioxide are injected into the world's atmosphere yearly from gas flares in Nigeria. Nigeria is struggling to overcome its severe electricity generation and distribution deficiencies, yet the country does not have a functional climate or energy policy that aspires towards generating a significant percentage of its electricity from renewable energy sources. However, several efforts have been made recently to curtail gas flaring, including the establishment of a liquefied natural gas plant, a pipeline to transport gas to some neighbouring countries, and legislative measures to regulate the oil and gas industry. This sub-theme examines those legislative measures put in place to curtail the harmful environmental consequences of gas flaring. It will also consider the environmental, health, and social problems associated with the flaring of gas in Nigeria and make recommendations to ameliorate the effects of gas flaring in the region(Ibitoye 2014:7).

Conclusion

The Niger delta region, Nigeria is an oil rich region bedeviled with developmental challenges and environmental hazards arising from oil production activities. The neglects of the region in the face of international and local politics of oil production has compelled the Niger Delta people to request for fiscal federalism in Nigeria. The neglect has equally given vent to militancy and crises in the Niger Delta. The region's problem of developmental challenges and environmental hazards is made worse by oil multinational companies which operate without recourse to international best practices. The oil companies are expected to adhere strictly to international best practices to ensure environmental sustainability, be committed to the principle of Corporate Social Responsibility and give adequate compensation where necessary. The federal government of Nigeria is expected on the other hand to take the bull by the horn by introducing fiscal federalism to enable the region come out of the current developmental challenges and environmental hazards.

References

- B. Krause (ed.) (1975). *World Politics and International Economics*. The Brookings Institution, Washington D.C.
- A.M.A. Imevbore, S.A. Adeyemi, *Environmental Monitoring in Relation to prevention and Control of Oil Pollution* "Proceedings of an International Seminar on the Petroleum Industry and the Nigerian Environment (Lagos: Thomopulos Environmental Consultants in Cooperation with the Petroleum Inspectorate, NNPC, 1981) p. 139.
- Akeredodu- Ale, E.O. (1975). *The Underdevelopment of Indigenous Entrepreneurship in Nigeria*, Ibadan University press.
- Akinsanya A.A. (1984). *Multinationals in a Changing Environment: A Study of Business-Government Relation in the Third World*. New York: Praeger Publisher
- Alkasum, Abba et al (1985). *The Nigerian Economic Crises: Causes and Solutions*, Asun of Nigeria
- Almond G.A., Coleman, J.S. (1960). *The Politics of the Developing Area* New Jersey: Princeton University Press
- Aluko, M.A. (2001). Sustainable Development, Environmental Degradation and the Instrument of Poverty in the Niger Delta of Nigeria. *Journal of Human Ecology*, 15(1): 63-68.
- Amin, S. (1973) *Imperialism and Unequal Development*. New York; monthly review press.
- Amin, S., Windesrand C. (eds.) (1975). *Multinational Firms in Africa*. Uppsala; Scandinavian institute for African Studies.
- Amsden, A. (1972). *International Firm and Labour in Kenya 1065-1070*. London; Frank and Co.
- Anthony Brewer, (1990). *Marxist theories of Imperialism a Critical Survey*. Ruotlodgy, London.

- Arrighi, G. (1975). International Corporation, Labour Aristocracies and Economic Development in Tropical Africa in Berg. M. Hudson and Sonescher M. (eds.) (1983). *Manufacture in Town and Country before the factory*. Cambridge; Cambridge University.
- Udeke-Onwusiri Jideofor Zeribe(1995), *Petroleum Exploration, Exploitation and Socio-Economic Changes in the Oil Producing Communities of Nigeria 1908-1985*, Ph.D Thesis Submitted to the Department of History, University of Calabar, Unpublished.