

**Livelihoods Empowerment for Women for  
Transparency and Accountability in Oil Extractives:  
Financing for Gender Mainstreaming In the  
Extractive Sector.**

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## **EXTRACTIVE INDUSTRIES**

These are enterprises involved in the extraction of minerals in commercial quantities from the earth (land). The focus of this paper is on the oil and gas sector, financing for gender mainstreaming in the Extractive sector, identification of salient ways to improve economic opportunities for women to benefit from the extractive sector and therefore, catalyze in the communities with their unique endowments and strategic positions.

### **WHAT IS OIL AND GAS**

It is an organic matter, also referred to as hydrocarbon, formed over several millions of years from the fossil remains of small plants and animals. It is the most efficient natural resource for rapid economic growth and development with the highest propensity to attract abundant foreign investment. Oil and gas is even more important in our environment where we have no ready-made alternatives as in advanced nations like coal, solar and or nuclear energy.

Oil exploration in Nigeria started in 1908 at Araromi. Drilling was unsuccessful at this attempt. The first oil exploration Licence was granted to SHELL D'ARCHY in 1938. Mobil exploration activities started in 1955 while Shell drilled the first successful well in Oloibiri in 1956. The first shipment of crude oil was in February 1958 when production was about 5000 barrels per day (bpd). Today, Nigeria's OPEC quota is about 2.092 millions barrels per day (mbpd) and current production capacity is estimated at 3.0 mbpd. This accounts for over 90% of the country's total revenue, 83% of government revenue and places the country as the world's sixth largest producer of crude oil.

### **THE THREE KEY SECTORS ARE:**

#### **The Upstream Sector:**

Upstream activities focus on mining, exploration, exploitation, production and exportation. The sector plays a dominant role in the nation's revenue drive of crude oil and liquefied natural gas. It is the nation's major source of foreign exchange earnings and the most vibrant in the extractive sector.

#### **The Downstream Sector**

The downstream sector concentrates on the refining of crude oil into usable products through distillation, conversion, extraction, and other special treatments to produce petroleum products and petroleum gas. It also covers the operations of the petrochemical plants, which rely on the byproducts from the refineries to produce compound products like linear alkyl benzene (LAB), solvents, polypropylene, carbon

black and other major plastic based materials. The sector is further responsible for the marketing and distribution of petroleum products and petroleum gas.

### **The Service Sector:**

The service sector provides technical, engineering and consultancy services mainly to aid the upstream in the drilling, exploration and production activity. Among the major activities of the service sector are seismic and geophysical, drilling, logging, wire line and testing services, pipeline servicing and constructions, drilling chemicals, marine services and material transportations, support services.

Oil and gas can be predominantly found in commercial quantities in the Niger Delta region namely: Akwa-Ibom, Bayelsa, Cross River, Delta, Edo and Rivers. The oil and gas deposits in this region is huge and accounts currently for more than 80% of our crude extraction, and generates more than 70% of our revenue that drives the nation's economy.

Before the discovery of oil in this region, the indigenous communities were majorly involved in fish farming. The women were active participants in the rural economy and often times bore the responsibilities of feeding the households. Oil activity reached its crescendo in the seventies, which we usually refer to as the oil boom era.

With the increased activities of oil exploration and exploitation, oil communities began to witness spates of spillages. This led to severe degradation of the environment, destruction of farmlands, pollution of waterways, fires caused by vandalism of products' pipelines, loss of lives and communities to inferno and increased unemployment. With these, the communities that relied on subsistence farming had the jugular of livelihood severed.

Some of the unemployed youths soon found alternatives in both legal and illegal means of making ends meet. Restiveness of the youths became accentuated and the oil companies in other to stem the tide started putting them on their pay rolls even when services were not rendered. Others that could not be so employed took to illegal oil bunkering, vandalism of oil pipelines to steal crude, vandalized flow stations and started the trade of hostage taking in exchange for ransom. While the men got themselves busy, the women who were hitherto peasant farmers were left in the cold. They became victims of a society that has not given to them their rightful pride of place as the carriers of the seed of life.

The women became seemingly helpless and their predicament could best be described by the following: Omorodion in 2004 opines that "The unavailability of

jobs for women in oil multinationals, confines women to the home, promotes female sexuality for men's good, promotes early and on-set of sexual intercourse, marriage and childbearing, and fosters dependency of women on men. Destruction of women's economic livelihoods is for many grassroots women, means staying at home, domestic service, prostitution, or unemployment, to which they were tabooed. Oil multinationals through their discriminatory practices have failed to liberate women from the confines and dictates of patriarchy. Politicization of development process shields investors in a globalized economy and thereby perpetuating the gains of capitalists and their investment among oil-sector investors. Public and private interests become inseparable, as both emphasize male interest, gains and economic advancement over women".

In the oil and gas corporate environment, more than 98% of the Chief Executives and Directors are males and more than 85% of the plum contract jobs are executed by males. Females are reduced to the provision of catering and other ancillary services for the oil and gas support systems.

The pauperization of the women folk by the seemingly harsh and male dominated economic sphere coupled with the maximization of profits by the corporate world without the consideration for the basic and the welfare needs of the masses especially women (Rao and Pathak, 1996, Elson and Pearson, 1997, Mies, 1998 have further reduced the ability and capacity of the women folk to equal opportunities to wealth creation and decent living standards and perpetual subordination of majority of women to the economic dictates of their male folks. To worsen the already bad situation the 2006 Human Development Index - beyond income; ranked Nigeria 165 out of 189 countries in combined primary, secondary and tertiary gross enrolment. Combined primary, secondary and tertiary gross enrolment ratio 2004-Female as % male was put at 82.2%.

## **CONSTRAINTS**

### **Economy: Access to the Factors of Production**

#### **Land**

The oil and gas operation is very complex, capital intensive and depends largely on some very critical factors of production, which are land and money (Capital). In Nigeria and before the Land Use decree Act of 1978, which vested the ownership of all lands on the Government, the man as the symbol of the family inherited the landed properties of his forebears. As we speak, the woman is said to belong to her husbands' family and she hardly has any inheritance in the husband's family except

she bears a son. Therefore, the average Nigerian woman by our culture and societal biases begins her race against inequality at an early age

### **Finance**

Access to finances from financial institutions is dependent on collateral, which is usually in the form of landed properties. Therefore, the woman especially the rural poor has very serious constraints in having access to funds to get involved in a huge capital investment layout as the oil gas sector

### **Politics**

In the political turf, only few women can withstand the males who are the dominant players because of the huge investment needed for campaigns and logistics. In the sphere of rulership, the best we have had are Deputy Governors. The only woman Governor, Dame V. Etiaba of Anambra State was a 100 day governor, courtesy of the impeachment of her boss by the State's House of Assembly. As soon as the court ruled in favour of the latter, she reverted to her former position.

Suggested solutions for livelihoods empowerment of women

- ❖ Formation of women movements for extensive grassroots advocacy to challenge gender inequality
- ❖ Capacity building for Civil society Organizations in oil and gas policy issues and operations
- ❖ Appointment of more women into the National Stakeholders' Working Group (NSWG) of the Nigerian Extractive Industry Transparency Initiative (NEITI)
- ❖ Economic empowerments that will deliberately target women in Micro-Credit financing with minimum bottlenecks. This will enable them take advantage of the end products of the petrochemical plants.
- ❖ Coalition of women entrepreneurs with the assistance of foreign technical partners to enable women delve into Refining and ownership of oil blocs
- ❖ More emphasis on science education for the girl child especially in oil and gas related fields.
- ❖ Political empowerment through improved political representation. Political representation of women must be tangible (though the representation has improved since 1999). This requirement is vital in order to sustain the enthusiasm, vigour and resilience that is characteristic of an all inclusive male dominated governance and entrepreneurship especially in the oil and gas sector. This condition is even more critical for growth and poverty alleviation

in Nigeria because the likes of Professor Dora Akinyuli, Dr. Ngozi Okonjo-Iwealla (World Bank) and Oby Ezekwesili (World Bank) have proved that women if given the opportunity have the propensity to be good managers of financial resources. This is a natural endowment, which if utilized would bring about prudence, transparency and accountability in governance.

- ❖ More women should be appointed into directorship of oil and gas companies especially on the Boards of government owned parastatals.
- ❖ Deliberate educational policy that will improve the intake of the women folks into all levels of our educational systems
- ❖ Rebuilding of devastated and destroyed farm lands and water ways due to the negative impact of oil exploration, exploitation and production for a gradual return to the pre boom era.
- ❖ Vocational training for women who might not benefit from formal education. They should be assisted with grants/loans to start their own business concerns
- ❖ Resolution of Niger Delta crises through the use of constructive dialogue by the stakeholders

## **Conclusion**

The ability of the women folks to escape poverty, become dominant players and be involved at the top echelon of the oil and gas policy formulation and implementation depends critically on the availability and type of opportunities that are accessible to them: available social services, including educational policies that make easy access to high-technology jobs, high skill economic sectors, safety nets and other forms of social insurance and access to credit for micro-entrepreneurs.

It is our hope that a shift in paradigm in the girl child education, easy access to micro credits, vocational training for the rural women of the oil communities, political empowerment and increased advocacy in addressing the issues of inequality among other things will gradually bring the woman to have the necessary leverage to take advantage of the abounding opportunities in the oil and gas sector.

For the above to be achieved, women must take the initiative to drive their points home to the highest level of governance in Nigeria. In addition, I suggest the adaptation of the use of the entrepreneurial destructive model of the old order as postulated by Schumpeter and Christensen's theories that, entrepreneurs promote economic growth through what he called "creative destruction". This entails evolving innovative ways of building a new economy through a process of destroying the old economy by creative use of new knowledge. In this regards, we must begin to put things in place to reduce the dominance of patriarchal structures, which tend to have destroyed the fabric of transparency and accountability in governance in our

country thereby reducing us to the toga of a developing nation in midst of the rich heritage in human and material resources.

While this remains at the back of our minds, women must strive to show that they are the carriers of the seeds of life. They should do everything possible to protect both the material and human assets under their custody for the development of mankind when they are opportuned to ascend to positions of authority.

This becomes necessary against the back drop of the unfortunate situation of the first female Speaker in Nigeria's lower legislative chamber who held the ace, but squandered the opportunity to use it for the good of all. She was punished by losing her seat to the integrity group.

It is our belief that involving women at the highest level of policy formulation in oil and gas matters just as it was done in the due process unit, the Ministry of Finance, the Federal Inland Revenue Service (FIRS) will bring about the desired results in transparency and accountability as being currently driven by the NEITI.

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### **Louis Brown Ogbeifun's passport**

Louis Brown Ogbeifun joined the services of the Nigerian National Petroleum Corporation in 1982. He holds the Registered Nurses' certificate, Diploma in Nursing anaesthesia, Bachelor of Public Administration and Master of Health Planning and Management degrees; both of the University of Benin.

He was the President of the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), the white collar employees Association in the oil and gas industry from 2003-2005

He has served in several Committees among which are: Committee on Socio-Economic Impact of Downstream Deregulation in Nigeria, 2003; Committee on the Privatization of NNPC Downstream Sector, 2003/2004; Nigeria Stakeholders Work Group (NSWG) of the Nigerian Extractive Industry Transparency Initiative (NEITI) 2004/2005; Independent Consolidated and Cushioning Measures Committee, 2004/200, Member, Steering Committee of the Civil society Organization of NEITI, 2005 - 2008.

In recognition of his effective mediation and sterling leadership skills, he was honoured with several awards. These include: Ivory Top Consult Limited Eagle Award for Achievements and Contributions to Local Content development in Nigeria (2005); Honorary Doctor of Philosophy in Leadership, Social and Community Development (HONORIS CAUSA), Evangel Christian University, African campus, Lagos (2003).

The Board of Governors of the Abuja Multi-Door Courthouse (AMDC), High Court of the Federal Territory, Abuja enlisted him on the Panel of Neutrals on March 5, 2007. He is a Certified Professional in Managing Workplace Conflicts (MTI), U.S.A; and an Accredited Mediator, Centre for Effective Disputes' Resolution (CEDR); UK.