



SPDC GLOBAL MEMORANDUM OF UNDERSTANDING (GMOU) AND SUSTAINABLE COMMUNITY DEVELOPMENT IN RIVERS AND BAYELSA STATES

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Abstract

The work examined the Global Memorandum of Understanding (GMOU) of Shell Petroleum Development Company (SPDC) and Sustainable Community Development in Rivers and Bayelsa States. The social incompatibility theory and stakeholder theory constituted the theoretical underpinnings of this research. The study derived its data from Primary and Secondary sources. The study found that the GMOU has not significantly enhanced human capital development in host communities in Rivers and Bayelsa States, the GMOU model has not also enhanced economic empowerment of host communities in Rivers and Bayelsa States, the endeavor of the GMOU model to infrastructural development is mostly uncompleted and abandoned projects, the GMOU model did not significantly contribute to community development in host communities of Rivers and Bayelsa States. The study recommended that SPDC should recognize their responsibilities, their host communities' expectations and to develop partnership as a preferred model for their community development activities for peaceful co-existence.

KEYWORDS: Development, Empowerment, GMOU, oil Exploitation, Host communities.

1.0 Introduction

The Niger Delta region which is SPDC's operating area has been restive, embroiled in resistance against the Nigerian state and the multinational oil companies. Decades of oil exploitation, environmental degradation and state neglect created impoverished, marginalized and aggrieved citizenry and communities embarking on youth led resistance movements. This position has been collaborated by SPDC when it noted that although the majority of the 30 million people living in the Niger Delta are poor and

unemployment is high. Frustrated by the lack of aftermaths from oil exploitation, communities have targeted the operations of SPDC demanding better social utilities and a greater share of oil revenues. (SPDC, 2010).

The operations of the SPDC in Nigeria have had an essential impact on the economy. As far as possible, SPDC in Nigeria makes use of indigenous contractors and workers from their host communities. In 2013, 15% of Nigeria's domestic gas (mostly used for power generation) was supplied by the SPDC. In addition to generating revenue,

SPDC actively supported the development of communities through projects, small businesses, agriculture, training, education, health care and peace building in the Niger Delta. (SPDC, 2014). Much of this is done in partnership with the state and the Niger Delta Development Commission (NDDC).

The extraction and production of oil and gas by multi-national oil companies in collaboration with the Nigerian government has engendered not just neglect but denied access of local communities to farmlands and fishing grounds as long stretches of thriving forest and arable lands are cut open to allow for laying of pipelines for transportation of crude from flow stations and rigs to export terminals, refineries and reservoirs. Oil expedition and utilization activities have brought mixed feelings on oil bearing communities. For some, it is a curse that has caused poverty and venality, but for others it is an essential source of untold wealth and power. It had become a device sounding the death-knell of such key principles of good governance as democracy, federalism, transparency, responsibility and natural growth (Ejibunu, 2008).

SPDC has undergone three major paradigm shifts between 1960 and 2004, namely; Community Assistance Model (CA); Community Development (CD) and now Sustainable Community Development (SCD) which embraces the Global Memorandum of Understanding, (GMOU). Despite its efforts to implement these models to enhance development in the areas of social amenities, employment generation, betterment in living conditions, restiveness

and agitations against SPDC are still being experienced in host communities in Rivers and Bayelsa States arising from perceived low level of development.

With the existence of restiveness and agitations among residents of host communities against SPDC despite the operation of the GMOU model for over ten years, this study seeks to evaluate the model to find out the extent to which the GMOU has met the expectations of SPDC and its host communities in Rivers and Bayelsa States.

It is against this backdrop that the study investigates SPDC's GMOU as a tool for Sustainable Community Development of Rivers and Bayelsa States. It seeks to investigate the level of implementation of existing GMOUs in host communities, economic empowerment of residents of host communities of SPDC, level of the efficiency in infrastructural development and whether the GMOU model has enhanced SPDC-Host community relations in Rivers and Bayelsa States.

2.0 Literature Review

Community Development

From the earliest period of human history, communities have sought to better their lot through self-help effort, otherwise known as community development activities; as such, it represents a piece of the general plan for advancement. Hence, community development is derivable from general theories of development. One of the enduring and flourishing heritages of traditional African social group is their

participation in community development efforts. It has been an indigenous mechanism and technique employed by the people to identify their felt needs, choose what they want and take cooperative action to satisfy their needs. Thus, Oguji cited in Ezimah (2006:283) said that before the start of colonial rule, many communities in Nigeria:

“Were in the habit of undertaking various continuous community co-operative activities to better their livelihood. They were in the habit of joining together for ennoblement activities ranging from collective planting of crops, harvesting of communal palm fruits, building of log bridges and houses to the fabrication and maintenance of foot paths, markets and village squares”.

The above view is shared by Adekola cited in Oyebamiji and Adekola (2008) when they maintained that community development has always been part and parcel of African culture. They based their position on the view of Fafunwa cited in Oyebamiji and Adekola (2008) who identified the objectives of African traditional education to include the encouragement of active participation in family and community affairs. He also noted that before the advent of imperialism, Nigerian traditional societies had learnt to meet their social and economic needs. He argued for instance, that age groups usually engage in communal work. They may help other members of the group in clearing, planting or harvesting or helping the community at large in road building or

the traditional ruler to enforce compliance to orders and other assignments.

An Evaluation of SPDC GMOU

In 2006, SPDC introduced the GMOU which is a sub-set of her sustainable community development model. It represented an important shift in approach placing emphasis on more clear and responsible process, regular communication with the grassroots, sustainability and incompatibility prevention. The GMOU is a comprehensive agreement amongst SPDC and any group of communities (cluster) within a geographical area. The agreement shall specify SPDC's activities, and their impacts on communities in terms of development and other basis for association amongst the two parties over a 5-year period (GMOU projects@Shell.com, 2010).

Under the agreement, a cluster is a group of communities that are united either on historical (clan) or local government basis as approved by the relevant state legislature. According to SPDC (2010), the key objectives of GMOU to communities are:

1. Promote a well-planned model for development and relating with communities.
2. Secure source of funds for community development projects on an annual basis for 5 years.
3. Enable communities to take charge of their own development, which includes identifying, planning and enforcement of projects.

4. Create the opportunity to complete outstanding or stalled projects.
5. Provide business opportunities for communities in terms of employment, contracts and sub-contracts in SPDC activities within the area.
6. Enable community based organizations (CBOs and (IS) to relate with SPDC on issues of oil spills and surveillance.

Procedures for Establishing and Operating GMOU

The procedure for establishing and operating GMOU is as follows:

1. Sensitization and awareness creation within communities
2. Negotiation and signing of GMOU
3. Funding
4. Setting up of governing structures
5. Potency and peace building programmes and activities
6. Project enforcement and audit review

A GMOU is an association's document or tool of community engagement that stipulates agreement amongst parties with one of the parties (usually the resulting communities) clustered in a geographically located area operating at a given period. The objective of GMOU is for the communities to partake and drive their development. However, the vision that GMOU's part of the sustainable community development effort that specifies how SPDC interact with communities to achieve the vision of a safe, healthy and self-reliant Niger Delta has

failed despite the cosmetic packaging of more than 80% GMOU teams (Wosu, 2013).

According to Wosu (2013) communities where the GMOU have fully been deployed are characterized by crisis. First, distribution of the funding to have led to communal conflicts. More so, the activities of the company have destroyed the people's means of livelihood. Oil spills have destroyed the ecosystem. Companies have acquired vast portion of community land without adequate compensation. They have also not taken provided employment for the community members and the few employed people in the company work force are mostly drivers, cleaners and other casual workers. The dispersion or alienation of the key stakeholders from their means of fabrication gave rise to untold hardship, poverty, malnutrition, communal incompatibility, etc. Therefore, GMOU as a new tool of community interface may not stand the test of time given- the peculiar contradiction underlining it (Wosu, 2013).

Indices for Measuring the SPDC GMOU as a Tool for Sustainable Community Development

The impact of SPDC GMoU as a tool for the sustainable development of the host communities is determined by the extent to which the community development programmes have positively affected the life of the residents of the host communities as indicated in the GMOU key areas of focus:

- a) Betterment in human capital development

- b) Betterment in economic empowerment
- c) Betterment in infrastructural development
- d) Betterment in community health
- e) Betterment in youth/women empowerment
- f) Deduction in instances of incompatibility within the communities (intra-communal incompatibility) and amongst SPDC and the host communities, etc
- g) Harmonious host community-company relations.

Indicators of the Success of Community Development

Omoruyi (2008) opined that the following are clear indications that development is actually taking place in a community:

- a) Increase in per capital income
- b) Decrease in death rates
- c) Lowering of birth rates
- d) Increase in the literacy rate of people
- e) Increased progression of people through the institution of formal education
- f) Increased participation of people in political activities
- g) Increase in the amount and rate of voluntary participation/participation of people in community or national affairs or matters
- h) Increase in rational or reasonable decision by individuals or community members.

SPDC Human Capital Development Strategy

Human capital is the recognition that people in organization are an important and essential asset who contribute to development and growth, in a similar way, as physical assets such as machines and money

(<http://en.m.wikipedia.org/humancapitalassibilateemnt>). It is the stock of knowledge, habits, social and personality attributes, including creativity, embodied in the capability to render work so as to fabricate economic value. Alternatively, human capital is a collection of resources- all the knowledge, talents, crafts, abilities, experience, intelligence, training, judgments, and wisdom possessed individually and collectively by individuals in a population (Human-capital Wikipedia, the free encyclopedia).

Human capital development theory concludes that investment in human capital will lead to greater economic outputs. According to Shell (2008) in the Niger Delta, there is a dearth of local crafted manpower which is required for participation in the technology driven oil and gas industry. In addition, investment in education and crafts restitution is relatively low and, as in most parts of Nigeria the educational amenities is decaying (SPDC, 2008). To help address this, SPDC claims to have established a human capital development programme which contributed to capacity development in areas relevant to the local economy. To encourage learning, SPDC also claims that it awards about 2,700 new secondary school and 850 new

university scholarships every year. (SPDC, 2011). Furthermore, as part of its efforts to motivate teachers and to provide a strong foundation to students in critical subject areas, SPDC regularly supports capacity building activities for teachers in subjects like English Language, Mathematics, Physics, Chemistry, Biology and Agricultural Science. (SPDC, 2008). For a number of Niger Delta communities, unsatisfactory classrooms in their primary and secondary schools remains a major challenge. Where they do exist, many of the classroom blocks are in various stages of decay due to age and lack of maintenance. To better the situation, SPDC supports communities to build modern classroom block and laboratories, each fitted with water supply modules, and sanitary utilities (SPDC, 2008).

SPDC Economic Empowerment Strategy

Economic empowerment programmes contribute to growth and community development would be enhanced if the intended participants and beneficiaries increase their capacity to effectively deal with issues that may arise in the routine of programme, planning, enforcement and examination. This underlines the essence of empowerment in the community development process.

World Bank (2012) defined empowerment as the routine of enhancing the potential of individuals or groups to make choices and convert those choices to desired actions and outcomes. It is the expansion of assets and capabilities of poor people to partake in, influence and control efforts aimed at

improving their living criterions. According to Wikipedia (2014), empowerment refers to increasing the economic, political, social, educational, gender, or spiritual strength of individual or groups. It also includes encouraging and developing crafts for self-sufficiency, with a focus on eliminating the future need for charity or welfare in the individuals of the group.

SPDC and Host Community Relations

Development in the Niger Delta has over the years been strangulated because of the seeming unhealthy relationships between Multinationals and host communities. Onyeozu (2007) observed that since the inception of oil business operations in Nigeria in the early fifties, the association amongst business and communities, which was built on trust, had continued to be friendly and cordial with the communities reposing confidence in the goodwill of their guests. In supporting this view, Frynas (2001) observed that corporate-community relations within the Delta have not always been characterised by incompatibility. Frynas (2001) asserted that evidence abounds suggesting that the association amongst oil companies and local communities was more peaceful and cooperative in the 1960s than in the 1990s. However, the host communities, having waited in vain for expected reciprocal action of the companies have become impatient and are now demanding positive action. Oil multinationals and host communities have been unconsciously engaged in a zero sum game where the gain of oil companies translates as the loss of host communities and vice-verse. (Jike, 2010). This is the

outcome of the shared expectation of locals that has been repetitively dashed.

Host Communities Perceived Grievances Against Oil Companies in the Niger Delta.

1. **Unfulfilled Promises:** Kelvin (2001) noted that the focus of the anger and frustration of community people is due to the perceived inability of the multinational corporations and the Nigerian government to carry out agreed reforms and measures to alleviate the deprivation experienced in their areas.
2. **Spillage Issues:** Okonta and Douglas (2001) had describe SPDC as a major polluter of the surrounding on the one hand and a busy propagator and purveyor of technical fixes for its transgressions on the other hand. Accidents arise from human error and equipment failure. In addition, the oil industry creates wastes and other bye-products potentially harmful to the surrounding in its routine operations.
3. **Unsatisfactory Compensation:** Although oil spillages were sometimes followed by compensations from the oil companies, people's sources of livelihood were being destroyed on a permanent basis. The struggle to survive in the Delta is becoming more intensive. According to Anikpo (2001), outside the Delta region, especially in Lagos and Abuja, multi-billion naira projects were being executed with oil money. Such

contradictions are bound to awaken the consciousness of the victims.

4. **Utilization and Neglect:** According to Onyeozu (2007), one of the causes of the grievances of the host communities is the perceived injustice of lack of concern for ecological rehabilitation even as people have now realized that oil and gas are not inexhaustible. Repeated calls by communities for surrounding impact assessment have not been fully responded to. Often, these calls are completely ignored.
5. **No Empowerment:** Instances abound where qualified members of the host communities are not offered employment as most of the vacancies have been filled up by staff deployed from head offices of the company. Thus, community members are sometimes offered casual employment which according to Onyeozu (2007) leads to casual association.
6. **Slow Response to Community Complaint:** According to Environmental Rights Action/Friends of the Earth Nigeria (2009), Shells response to community complaints including spillage reports is generally slow. A case in point was the crude oil spillage from Shell pipeline in Mgbuodo, a small rural community in Rumuekpe clan, in the Emohua local government area of Rivers State on August 28, 2002. According to the ERA/FOEN report (2009), Shell never showed any genuine

intention to either stop the spill or clean the heavily impacted area despite its up-shot on the rural economy, ecology and people.

7. Oil Company Staff Venality:

According to Achebe, cited in Environmental Rights Action and Friends of the Earth Nigeria (2009), the trouble with Nigeria is leadership. His analysis is as blunt and accurate now as it was then. African's main issue after the end of colonialism is that its leaders are selfish, corrupt, shortsighted and greedy. As stated by Hoyle (2005) oil companies make sure they cover their tracks, creating fake companies to receive sub-contracts.

8. Desecration of Community Sacred Sites:

In the course of oil company-host community contact, the host communities also complain of their totems and taboos having been violated and in some cases shrines and sacred sites are reported to have been desecrated. Onyeozu (2007) noted that the over-riding drive for profit motives in business, often blocks the views of business corporations to the extent that it is difficult for them to notice the damages they cause or even listen to the helpless cry of unfair treatment by members of the community. Oil companies are accused of wanton desecration of surrounding and impoverishment of communities. In Owaza (Abia State) for instance, SPDC flow station is located inside the sacred forest and all the sacred

symbols have been destroyed. Similarly, some community shrines and sacred sites line have been traversed by seismic line and oil pipelines, etc.

9. Divide and Rule Political Tactics:

One of the schemes used by oil companies has been to incite the traditional rulers against the youths or other members of the community. As a result, traditional rulers have lost their authority and respect because of allegations of embezzlement or being sell-outs.

10. Expatriate Insult and Non-Recognition of Traditional Rulers/Institutions:

Most communities have deep respect for their cultural heritage, tradition and institutions. Therefore, when these communities accept guests and friends, including staff of business enterprises into their midst, they expect them to respect the things that are of deep significance to the life of the host communities. Onyeozu (2007), noted that most business enterprises that come to the communities often see such considerations as unnecessary obstacle that distract their pursuit of profit and which should not be given.

It is noteworthy that empirical studies about the Niger Delta are only beginning to emerge (Ogula, 2012). The emerging literature is often framed through the world view of outsiders who may not grasp the fundamental experience of living in the Niger Delta region. Nevertheless, some empirical studies were reviewed in order to

establish the need and gap for the present survey.

Amadi, Tamuno and Jaja (1999) carried out a research on oil expedition in Nigeria: its socio-economic impact on the oil-bearing communities. The main focus was on the host communities' conceptuality of the socio-economic responsibilities of the oil companies to them in the light of the attendant hazards arising from their activities. The research also examined how far the oil companies appreciate the need to be "good corporate citizens".

Nine (9) major oil companies operating in the Niger Delta and nine (9) oil bearing communities formed the population of the survey. Ten (10) equivocators were randomly chosen from among the management staff of each of the nine oil companies. Ten (10) equivocators were also randomly selected from each of the oil-bearing communities. The device used to obtain data was a structured questionnaire. The researchers also relied on NNPC published data, the Central Bank of Nigeria (CBN) statistical bulletins and individual oil company annual report of their operation for their secondary information.

A non-parametric statistical method, the Spearman's Rank Correlation, was used to analyze data. Observation disclosed that, the host communities have a wrong conceptuality of the socio-economic responsibilities and development initiatives of the multinational oil companies operating in their areas. There was also a negative association amongst the scale of fabrication/utilization activities and the level

of development of the oil bearing communities.

The survey of Amadi, Tamuno and Jaja (1999) is similar to the present survey because its main focus is on the use of GMOU as a tool for sustainable development of host communities in Rivers and Bayelsa States. Also, the present survey will use structured questionnaire to obtain relevant data.

3.0 Results and Discussion

The results are discussed on the following theme

Results of Focus Group Discussions (FGD)

Theme One: Level of Implementation of Existing GMOUs

Responses: The main responses from the two focus groups in the Yenagoa and Kolokuma/Opokuma clusters were unanimous on this issue. Participants stated that they usually enter into agreements with SPDC before the commencement of their oil exploration/exploitation activities in the area. They agreed that in most cases the implementation process is affected by delays occasioned by environmental challenges, youth demands, contract award problems, interest groups and other internal factors. These according to them affect full implementation of the existing GMOUs/Projects. Again, they revealed that sometimes SPDC delay the release of milestone payments and the activities of local contractors affect project implementation process.

Theme Two: Human Capital Development

Responses: Again, the discussants views were unanimous except for the fact that the number of scholarship awards to indigenes differs across the clusters. Opinions were also united to the effect that SPDC assists in the award of scholarships (primary, post-primary and university) to local people, builds classrooms, provides equipment, etc. For some communities, training in basic skills-craftmanship, joinery, mechanics, tailoring/designing, etc is provided sponsored by SPDC. However, they maintained that the company effort in this area is not enough, participants are unhappy that SPDC do not employ their sons and daughters into management positions except as casuals, drivers, tea girls and gardeners.

Theme Three: Economic Empowerment

Responses: The participants identified the following areas of SPDC efforts towards their economic empowerment; construction of roads, building of jetties, donation of speed-boats, agriculture, micro-credit schemes for farmers, donation of farming equipment, training of farmers, provision of electricity/power plants, etc. It was observed that some of these provisions differed across community clusters due to varying community felt needs.

Theme Four: Infrastructural Development

Responses: Responses from the participants suggest that the major infrastructural contributions of SPDC were in the areas of water boreholes, construction of water

pipelines, community halls, access roads, land reclamation, shore protection, etc (see SPDC GMOU Agreements in Appendix 6. However, it is the general view of the participants that these infrastructural facilities are inadequate considering the amount of wealth derived from their land.

Theme Five: SPDC Community Health Programmes

Responses: The participant's views on SPDC community Health efforts were divergent. While some discussants agreed that the company had built health centres, supplied medical equipment and drugs, etc, others said that such facilities were non-existent in their clusters. Some participants also agree that the company occasionally carry out health campaigns/warnings, free vaccination exercises, free medical services and training of Traditional Birth Attendants (TBAs).

Theme Six: SPDC-Host Community Relationship

Responses: Participants agreed that the activities of multinational oil companies in the area has culminated in the proliferation of youth movements/organizations who engage in various activities (including militancy) against SPDC and other multinational oil companies. They have helped to increase pressure on SPDC and other MNOC for a better deal. Thus, the invasion of oil facilities, vandalization of oil pipelines, bunkering and abduction of oil workers for a ransom are not uncommon. However, despite this scenario, discussants

to a large extent accepted that their relationship with SPDC is fairly cordial.

Summary of Focus Group Discussion with Participants in Bayelsa State Clusters

Consensus agreements of the focus group discussion sessions are summarized as follows:

The implementation process of SPDC existing GMOUs with host communities has been affected by environmental challenges due largely to difficult terrain, youth demands, delays in the release of milestone payment by SPDC and the activities of local contractors. It was noted that SPDC awards scholarships, builds classrooms, provides equipment, training in vocational skills, builds jetties, donates speedboats, donate farming equipment, provision of electricity/power plants, etc. Furthermore, the company constructs water boreholes, community halls, access roads, land reclamation, shore protection, civic centre, etc. SPDC has also minimally contributed to community health programmes and has reasonably maintained a cordial host-community relationship.

Results on Focus Group Discussion with Participants in Rivers State Clusters

Three Focus Group Discussion (sessions) were variously held with some members of the SPDC host community clusters. One in Emohua, Etche and Ikwerre clusters in order to complement and

strengthen the opinions of the respondents in the study.

Theme One: FGD on Level of Implementation of Existing GMOUs in Emohua, Etche and Ikwerre clusters

Responses: On the level of implementation of existing GMOUs in the clusters, opinions of the participants were united to the effect that SPDC GMOUs have been characterized by many challenges over the past years. From 2006, the programme focused on high impact, visible and generally large infrastructure projects achieved through the negotiation of Memorandum of understanding with host communities. Participants agreed that these projects were mostly controlled from within SPDC, with project contracts generally awarded to individuals/companies as part of a patronage network. In certain cases the emphasis was on the payment of funds to the contractor rather than on projects implementation and service delivery. As a result many projects were abandoned or not initiated. Most of the MOUs, due to logistical problems were difficult to administer and project management was time and resource intensive. In some cases, SPDC commitment to communities exceeded their capacity for execution, and it was difficult to hold contractors to account for poor delivery. This resulted in proliferation of abandoned/uncompleted projects and widespread discontent. Poor/clumsy project implementation created feeling of marginalization, exploitation and resentment. This is more so, when many communities had experienced environmental degradation as a result of SPDC's oil

exploration and extraction activities. Given the above scenario, the host communities are not impressed with the style and pattern of the implementation of existing GMOUs with SPDC.

This was aggravated by the fact that sometimes, contracts were awarded to local elites, or through their agents, who find ways to enrich themselves and disempower their fellow community members. Contracts are awarded with minimal supervision and SPDC has no way of ensuring that local contractors fulfill their obligations.

Theme Two: Human Capital Development

Responses: The majority of the participants agreed that SPDC contributes to the development of education through awards of scholarships (primary, post-primary and university) to local people, builds classrooms, provides equipment and sometimes the allowances of post-primary school teachers. For some communities, training in basic skills-craftmanship, joinery, auto-electricians, mechanics, tailoring etc. for indigenes are provided by SPDC. But generally, the discussants maintained that SPDC effort has not significantly changed the lives of the people whose problems cannot be handled alone by SPDC.

Theme Three: Economic Empowerment

Responses: On economic empowerment, discussants were united in opinion that SPDC has played a minimal role in the area of transportation, donation of buses, agriculture, micro-credit schemes for farmers, donation of farming equipment,

training of farmers, electricity/donation of power plants, supply of diesel, etc. SPDC also offers casual jobs to community youths instead of permanent/graduate employment opportunities

Theme Four: Infrastructural Development

Responses: Reports from the participants indicated that majority of the projects executed under the GMOUs are infrastructural projects as the communities recognize the role infrastructure plays in economic development. This ranges from the construction of civic centre, town hall, guest house, access roads, school block, etc. (See appendix 8 for details).

Theme Five: SPDC Community Health Programmes

Responses: Although, some of the participants agreed that the GMOUs have also contributed to the construction of health centres and supply of medical equipments, the general impression is that SPDC have not fared well in the area of community health programmes. However, SPDC programmes generally include; vaccination, medical checkups, provision of insect-treated nets and occasional free medical services, etc.

Theme Six: SPDC-Host Community Relationship

Responses: Some participants were of the view that their relationship with SPDC via its operations and community development programmes have resulted in commercialized conflicts where individuals

and groups are persistently fighting over the benefits or patronage from SPDC. Community funds for development are mismanaged, misappropriated and embezzled by community leaders or shared among some community leaders or clique to the exclusion of the rest of the community; community governance destroyed by the emergence of youth groups that usurped the powers and functions of the chieftaincy institutions and exacerbated several forms of social disorder such as the proliferation of arms, increasing illiteracy, criminality, lawlessness and the disintegration of tradition and culture. The reports are similar across the clusters. Thus, it is a story of development and counter development working with and against one another in complex and contradictory ways. But in all, the participants agreed to a large extent that their relationship with SPDC is harmonious.

4.0 Summary

From the data analysis, the following major observations were discovered;

1. the GMOU has not significantly enhanced human capital development in host communities in Rivers and Bayelsa States.
2. the GMOU model has not also enhanced economic empowerment of host communities in Rivers and Bayelsa States.
3. the endeavor of the GMOU model to infrastructural development mostly uncompleted and abandoned projects
4. the GMOU model did not significantly ennoble community health programmes in host

communities of Rivers and Bayelsa States.

5. the level at which the GMOU model enhanced SPDC host community association is fairly high.

5.0 Conclusion

This research evaluated the SPDC Global Memorandum of Understanding (GMOU) for the ennoblement of sustainable community development in Rivers States. The largest economic endeavor by Shell companies in Nigeria is through the taxes and royalties they pay and the energy they fabricate. The extraction and fabrication of oil and gas by multi-national oil companies in collaboration with the Nigerian government has engendered not just neglect but denied access of local communities to farmlands and fishing grounds as long stretches of thriving forest and arable lands are cut open to allow for laying of pipelines for transportation of crude from flow stations and rigs to export terminals, refineries and reservoirs. Oil expedition and utilization activities have brought mixed feelings on oil bearing communities. For some, it is a curse and blessing to others.

6.0 Recommendations

In view of the observation of this survey and the conclusion drawn, the following recommendations are put forward;

1. Negative community conceptuality by host community members of SPDC as a consequence of their past experiences must be addressed. This is because communities perceive the federal government and oil

- companies “as antagonists to be confronted”. Thus, any attempt to foster long lasting harmonious (corporate-community relations) cannot take place without attempts to convert community conceptuality.
2. SPDC should recognize their responsibilities, their host communities expectations and assibilate partnership as a preferred model for their community development activities for peaceful co-existence.
 3. SPDC should re-strategize its community development approach to make for increase wealth creation opportunities, efficiency of the wealth opportunities and sustainability of same. This way, there will be effective impact on the livelihood activities of the people and SPDC’s objective of poverty deduction will be achieved.

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