

# Innovations

## **Deconstructing EITI/2020 NEITI Report: Validating Local Government as Better Galvanizer of “Community Participation” than Civil Society/NGOs in Nigerian Oil/Gas Sector (Advocacy Treatise)**

**Ikemefuna Taire Paul Okudolo (Ph. D.)**

Extraordinary Researcher

Afrocentric Governance of Public Affairs (AGoPA) Entity

North-West University, South Africa

[orcid.org/0000-0002-5910-5080](https://orcid.org/0000-0002-5910-5080)

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**Abstract:** *The thesis-of-thesis of this advocacy treatise is that the Extractive Transparency Initiative (EITI) formal recognition of civil society as demonstrative of “community participation” in the oil/gas business is somewhat impracticable in the Nigerian context. Inferentially, EITI Standards grasp civil society/non-governmental organizations (NGOs) as expressive of community participation vis-à-vis economic democratization. Whereas, from deductive reasoning from the Nigerian Extractive Industry Transparency Initiative (NEITI) context, local government is more suited to galvanize community participation in oil/gas commerce and not civil society/NGOs. Construing data from the NEITI 2020 Oil and Gas Report, this treatise decrypts local government(s) as an independent statutory structure for expediting oil/gas rents and proceeds. Nothing of civil society/NGO is said in the Report. The 2020 NEITI Report somewhat treats civil society/NGOs as dependent non-statutory appendages subjected to federal bureaus’ accommodation, thereby conflicting with the EITI’s notion of community participation. The practice whereby civil society/NGO engagements in Nigerian oil/gas business are not directed by local governments who by proximity best superintend oil-producing communities’ vagaries cum tenets of public/citizen participation will continually produce contradictory outcomes to community participation.*

**Keywords:** *EITI; NEITI; community participation; advocacy scholarship; civil society/non-governmental organizations (NGOs); economic democratization*

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### **Introducing the topic under review**

The causal objective of this paper is to underscore the best possible way to facilitate community participation in the oil and gas business sector of Nigeria. This objective requires serious intellectual interrogation the more when

considering community participation in a country like Nigeria with its unique domains of relationships revolving around government, oil multinationals, and oil-producing community relations, as well as the oil politics dynamics that happen. One school of thought holds that Nigeria's crude oil political economy comes under the classification of the dominant state-controlled economy (Onah, Asadu&Amujiri, 2022; Olujobi, Yebisi, Patrick & Ariremako, 2022). Therefore, Nigeria's oil politics is likely to resonate with the attendant associated problems relating to inter-governmental public management of oil and gas as well as government-oil producing areas activities. Such kind of dominant state-controlled paradigm usually approximates the supremacy of governmental structures - especially the federal government - in the oil/gas industry, thereby prompting the marginalization of optimal participation of oil-producing communities. It is helpful to state that political economy works of literature distinguish between state and market-controlled economies (Przeworski, 2003; Boyer, 1996; *et al*). Nonetheless, observed happenings in the Nigerian oil/gas business sector as defined by the Extractive Transparency Initiative (EITI) seems to throw up contestations *a la* community participation about the character of the economic classification personality most suitable for Nigeria's context.

If the Nigerian natural resources extraction business is fundamentally state-controlled, what then becomes the fate of community participation in the throes of civil society that *ab initio* signifies a market-controlled character? Or does the character of the Nigerian oil/gas business management and politics depict a mixed economy type where governmental tier-structures are supposedly pre-eminent in defining every other aspect of the oil and gas dealings except community participation which the EITI left to the direction of civil society? Again, it does evoke a sense of contradiction if community participation is similar to economic democratization bearing in mind oil-producing communities' citizens-centred participation, and therefore approximates civil society engagement in the interpretation of the EITI precept as against the actual true Nigerian experience (Ukiwo, 2012). Yet, why is it only the local governments, especially those that superintend oil-producing communities and hence oil producing communities-centred development receive recognizable mention regarding receipts of revenue accruals from oil and gas transactions as codified in the Nigerian Extractive Industry Transparency Initiative (NEITI) 2020 Oil and Gas Report than civil society? Debriefing these inquisitions is what the succeeding sections and the analysis therein embody.

Indeed, the observed empirical evaluation of community participation in the chemistry of Nigeria's oil and gas interactions and politico-business continues to resonate with a sense of hopelessness and pessimism over any potential for improvement. Hence, our recourse to advocacy scholarship on this crucial topic. The view about advocacy scholarship according to Earnest, Wong, and Federico

(2010, p.63), is that it echoes scholarly activities for the promotion of economic, social, pedagogical, and politico-policy governance vagaries to surmount threats to advances of human well-being. Therefore, our advocacy scholarship is indicative of scholarly activism aimed at advancing optimal structure-functional operations for the betterment of community participation in Nigeria's upstream and downstream oil and gas dealings. However, it is doubtless that not many advocacy scholarships exist on the oil and gas dynamics of Nigeria (see, Olujobi, Yebisi, Patrick & Ariremako (2022) on gas flaring; Ukiwo (2012) and Ekhatore & Iyiola-Omisore (2021) on corporate social responsibility; Ngoasong (2014) on local content application; among few others). The question of optimal means to galvanize community participation in the oil/gas business has unusually not received its required attention in global scholarships, also too by Nigerian scholars interrogating the oil politics of the country. It is against the backdrop of the abovementioned empirical reality that this paper's scholarly advocacy asserts relevancy as a potential contributor to the oil and gas policy reform.

### **Contextual delineation of civil society/NGOs**

Our endeavor to make non-governmental organizations (NGOs) a synonym of civil society in this treatise compels this clarification of the concept of civil society. Besides, conceptualizing civil society is essential given the likely problem of differentiating it from the other multi-stakeholders in oil/gas endeavors such as private corporate companies and government. Also, given that civil society operates under the rules of the state and is ultimately bound by procedures impacting governance and private sector business thus blurring their difference. Hence, Dunn (1996, p.27) sees civil society as the sphere of dealings in the private jurisdiction in one breath and that of the state in another gasp. However, in our bid to equate civil society and NGOs, we rely on the definition of The Concise Oxford Dictionary of Politics. It sees civil societies as conventional intermediary associations which are either the state or the extended family, and therefore, includes voluntary associations like NGOs in the main.

The advantage of The Concise Oxford Dictionary of Politics' definition to our context is that civil society can thus be operationalized and be practically represented cum empirically tested using NGOs activities as well as other kinds of associations for purposes of galvanizing inclusive governance and peoples'/communities' participation in oil/gas endeavors. Such associations aside from formally registered NGOs in our thinking include organized oil-producing-peoples/communities' protests/demonstrations/agitations against governmental marginalization of oil-producing peoples and communities in enjoying proceeds of oil/gas extraction and mining. Also, youth groups or community dwellers' picketing of oil companies, and groups like market women's, traditional institutions, and town unions' actions against unfavorable conditions like degradation of the environment by oil/gas multinational companies constitute civil society activism in the paper.

Therefore, this advocacy scholarship pinpoints NGOs as mainly the expression of formally organized civil society actions restricted to associational life in the oil/gas dealings of Nigeria. It, therefore, sees organized activities of groups like traditional institutions, community action against unfavorable conditions, and youth groups' advocacy as indicating informal NGO activities. These groups reflect Schmitter's (1995, p. 1) definition of civil society as "[a] set or system of self-organized intermediary groups". Tester's (1992) definition also captures the civil society-NGOs similarity here. Tester sees civil society as "the social relationships which involve the voluntary association and participation of individuals acting in their private capacities. Civil society can be said to equal the milieu of private contractual relationships"(Tester 1992, p. 8).

Invariably, the paper uses civil society and NGOs as interchangeable designs and also together to imply the same socially operating element within the legally defined confines of the oil/gas business. By implication of this, the oil/gas business environment typifies and aligns with the public sphere of the paper. Therefore, this advocacy treatise does not draw any distinction between public/citizen participation from community participation. It maintains a distinctive discord from Ukiwo's (2012) conceptualization of both notions. Ukiwo (2012, p. 91), conceives of public/citizen participation as participation of the generality of people constituted as citizens, while community participation refers to participation of only a segment of the universe of the public or citizens. In the context, therefore, Ukiwo sees participation in oil/gas dealings by oil-producing peoples and communities simply as community participation and not of the public/citizen kind.

For emphasis, the paper consents that community participation means the same as public/citizen participation as a way to reinforce the theoretic congruence of the civil society-NGO notions as interchangeable designs implying the same. To this extent, NGO activisms in the oil/gas business of Nigeria capture the public/citizen participation dimension in this conceptual similarity. Activismss such as community people picketing of oil multinationals over perceived grievances, youth/young persons from oil-producing areas' protests, demonstrations or agitationss over perceived marginalization by oil multinationals in getting employment, and demonstrations over alleged environmental degradation by operating oil companies in the Niger Delta areas represent civil society actions in the conceptual unison. Specific to the Nigerian context of oil/gas business, the study of Ayotunde (2016) concurs with our civil society/NGO conceptual parallel. He acknowledges that the legal and institutional frameworks for the promotion of inclusive oil/gas governance in Nigeria do not delineate any distinction between public/citizen participation from community participation. However, Ayotunde's(2016) study suggests that the language and letters of the governance and other public policies for optimum inclusive participation in

Nigeria's oil/gas enterprise seem to favor the other multi-stakeholders (i.e. oil companies and governmental agencies) than civil society/NGOs involvement.

### **Extenuating economic democratization as community participation**

Indeed, economic democratization in works of literature estimates the concept as a theory. It construes the theory as referring to civil society/NGOs driven people-centered development, through which incorporation cum stimulation of active participation of the people in their development administration is animated and activated (Levkoe&Sheedy, 2019; Francis, Dube, Mokganyetji&Chitapa, 2010; Egonmwan&Ibodje, 2001; *et al*). According to Obasanjo and Mabogunje (1992, p. 134), economic democratization is conceived as the process of qualitative and quantitative resource management within the framework of a mixed economy that possesses in-built and autonomous mechanisms for equity, empowerment, and capacity building in which access to the system is open, free and equal. In the main, the conceptualization of economic democratization underscores values such as freedom, openness, capacity, empowerment, equality, and equity preferably under an operating mixed economy stratagem to promote socio-economic betterment (Obasanjo&Mabogunje, *Ibid*).

What the above conceptual perception espouses is that economic democratization connotes less government involvement and more citizens' participation in economic development. It should be noted that citizens' participation can be interchangeable with the concept of community participation as relevant to our advocacy activism context. Again, much intellectual reasoning ascribes citizens' or community or public peoples' participation to the growing influence of NGOs and civil society activities in democratization and most especially developmental advances currently (Irrera, 2022; Madumo, 2014; Kingah 2014). That is, at present, civil society and NGO participation is the recognized international inclusive standard norm for both national governments and international organizations to conduct governance. However, this thinking seems to suffer from theoretical reductionism given that it ignores sensitive and important differences and peculiarities *state qua state* that constitute participation of civil society/NGOs in economic democratization (Panel of Eminent Persons on UN-Civil Society Relations 2004, p. 3).

This idea of people or community-centered participation in governance as a norm presently is not unconnected with the contemporary popularity and global push towards liberal democracy. As the philosophy of liberal democracy spreads, its one attendant ideal which is more and more expansion of participation opportunities for citizens and communities becomes more popular (Ukiwo, 2012, p. 90). Whereas, the core ethos of the liberal democratic thought is to galvanize greater direct participation of the people in governing. The EITI's choice to recognize civil society/NGOs are representative of community participation is

somewhat linked to the liberal democracy's basis of popular participation. By the way, currently, intellectual theorizations about liberal democracy have eclipsed into recognizing civil society/NGOs as the principal instrumentality for stimulating citizen or community participation in governance across various sectorial domains. Such thinking is not unconnected to the practice, posture and outlook of the Athenian, representative, and electoral democratic schemes for real popular participation are actually dwindling empirically currently, and these schemes in truth ultimately do result in shrinking people and community participation in governance presently (Mekoa& Okudolo, 2019).

However, the paper argues that the Nigerian experience is uniquely significant from other governance policies, especially in their oil/gas economic democratization conundrums (Okudolo, Amankpa&Ani, 2019). Therefore, our advocacy reasons to anchor EITI's notion of NGOs/civil society-economic democratization matrix for explaining community participation in Nigeria's oil/gas venture is to unintelligibly ignore important distinctive key variables that are frustrating actual community participation happening in the Nigerian environment. The Nigerian "uniqueness" lies in her oil/gas realpolitik which is highly state-controlled [i.e. government controlled] and absorbedly shaped by multinational oil companies' politics (Ekhatior, 2015). This realpolitik is what determines the eventual outcomes of community participation in the Nigerian oil/gas sector differently from other oil/gas producing climes. Thus, posited therefrom the observed outcomes of community participation in Nigerian oil/gas dealings that community participation is not animated by civil society/NGO operations to the smallest degree.

This advocacy scholarship argues that the unique variables in the Nigerian oil/gas business environment negate the EITI's notion of civil society as demonstrative of community participation. For instance, opaque visions for establishing cum promoting civil society/NGO advocacies for community participation in the oil/gas sector driven more by self-aggrandizement than the economic good of the oil-producing communities seem to be what obtains mostly in Nigeria. Such a foundational mindset, vision, and philosophy for galvanizing civil society/NGO activism will always produce contradictions in community participation. That is, the operational character, moral outlook, ulterior motive, and financial expectations of civil society/NGOs towards stimulating community participation in the oil/gas business is a fundamental determinant of the degree of economic democratization or community participation of any oil/gas business environment. Besides, in contexts such as Nigeria where the activities of NGOs/civil society in oil/gas ventures are tied more to the whimsies and caprices of the federal government's MDGs' politics, according to the 2020 NEITI Report, cannot yield positive for community participation. Also, we contend that where civil society/NGO dealings are not defined by the political undercurrents of the

closest level of government (i.e. local government councils), and therefore interfacing with the oil-producing communities' participation levels, will be farfetched to advancing community participation in oil/gas enterprise. In short, this advocacy scholarship intends to demonstrate that the proximity of NGOs/civil society operations in terms of interactions with the local governments under which oil-producing communities come under their jurisdictions is a *sine qua none* to galvanizing community participation more effectively.

### **Illuminating community participation according to EITI**

It is instructive to assert that the overriding mandate of EITI is to safeguard citizens' interests to enjoy optimal benefits from natural resources endowments. The EITI Standard documents in 2013, 2016, 2019 and culminating in 2023 all maintained similar thinking about community participation. In the Forward of the 2023 EITI Standard document, Chair of the EITI Board, Rt. Hon. Helen Clark, notes that as the body celebrates both its 20th and 10th anniversaries of its founding and inauguration of the EITI Standard respectively, revision of its standards in a rapidly evolving and transitioning energy sector cannot be overemphasized (2023 EITI Standard, 12 June 2023). According to Clark, an EITI Standard unravels the prospects for effective stakeholders' dialogue, communication, and promotion of the best possible cost-benefit output cum outcome to all stakeholders in a rapidly transiting natural resource extraction business sector.

The role played by the EITI in the natural resource extraction governance is particularly critical today given the undeniable precariousness of the oil/gas sector related to community participation. Some of the EITI Principles underscore the basis of the initiative *a la* community participation. For purposes of the paper, the first, second, fourth, eighth, and twelfth Principles speak to our contextual scholarly advocacy and thesis. The Principles as cited herein verbatim in the ascending order of 1<sup>st</sup>, 2<sup>nd</sup>, 4<sup>th</sup>, 8<sup>th</sup>, and 12<sup>th</sup> Principle:

- *We share a belief that the prudent use of natural resource wealth should be an important engine for sustainable economic growth that contributes to sustainable development and poverty reduction, but if not managed properly, can create negative economic and social impacts.*
  - *We affirm that the management of natural resource wealth for the benefit of a country's citizens is in the domain of sovereign governments to be exercised in the interest of their national development.*
  - *We recognize that a public understanding of government revenues and expenditures over time could help public debate and inform the choice of appropriate and realistic options for sustainable development.*
  - *We believe in the principle and practice of accountability by government to all citizens for the stewardship of revenue streams and public expenditure.*
- And,*

- *In seeking solutions, we believe that all stakeholders have important and relevant contributions to make – including governments and their agencies, extractive industry companies, service companies, multilateral organizations, financial organizations, investors, and non-governmental organizations.*

Particular notice should be given to the language of the twelfth aforementioned Principle that specifically listed non-governmental organizations and not the participation of oil-producing peoples and communities not as “all stakeholders”. Whereas, the likes of Ako and Ekhaton (2016), Elenwo and Akankali (2014), and Omeje (2006), accentuate community participation as a critical stakeholder in the anatomy of oil and gas production business everywhere in the world more than civil society engagements. Furthermore, following the EITI Protocol, its 2023 Standard Document provides with regards to Civil Society Engagement that:

*The objective of this requirement is to ensure that civil society is fully, actively and effectively engaged in the EITI process and that there is an enabling environment*

*for this. The active participation of civil society in the EITI process is key to ensuring that the transparency created by the EITI can lead to greater accountability and improved governance of oil, gas and mineral resources. The provisions related to civil society engagement seek to establish the conditions that permit this to occur over time.* (2023 EITI Standard Document, 2023, p.11)

In the wisdom of the 2023 EITI Standard Document, civil society is listed as one of the three critical stakeholders required to provide “effective multi-stakeholder oversight” in natural extractive industry engagements. The other two critical stakeholders are government and company engagements. To this extent, the 2023 EITI Standard Document notes that:

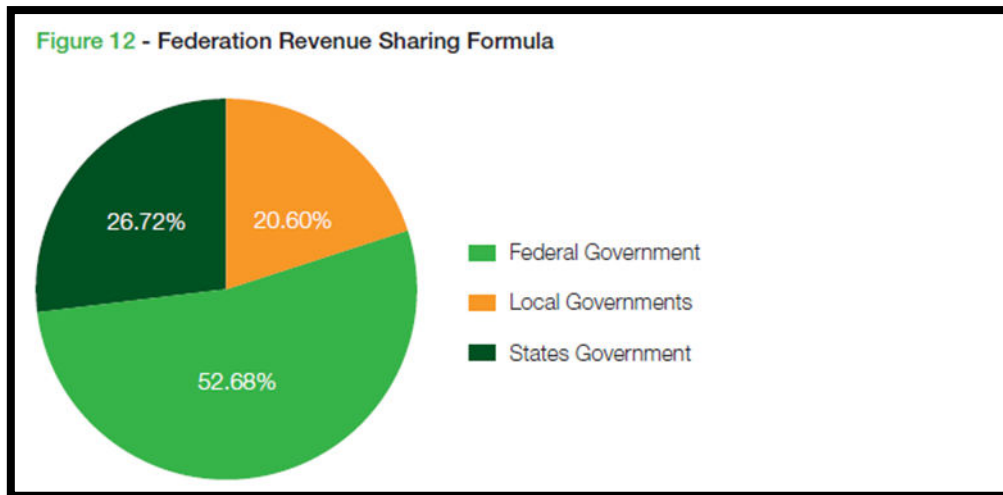
- a) The civil society/NGOs are expected to actively, fully and effectively engage in the EITI process of each member nation's natural resources extraction business.
- b) Governments are obligated to guarantee enabling environment for civil society/NGO participation by ensuring relevant laws, regulations, and administrative guidelines are in place and promote actual practice cum implementation of the enabling regulation in the EITI process.
- c) The fundamental rights of civil society/NGOs engaged in the EITI process must be respected.
- d) Governments at all levels of the EITI member-nations are required to ensure that obstacles to the participation of civil society/NGOs in the EITI process do not exist.
- e) EITI member-nation governments must refrain from activities that result in the restriction or narrowing of public debate (i.e. constricting of civil society/NGO engagements) with regard to the execution of the EITI Standards. (Ibid, 2023, p. 11).



### **Perspective of the NEITI 2020 Oil and Gas Report about community participation**

Incidentally, the NEITI 2020 Oil and Gas Report (2022) echoes the position of this advocacy scholarship concerning the improbability of civil society/NGO activities to galvanize community participation in Nigeria's oil/gas enterprise terrain. It is important to note that domestication of the EITI initiative is enshrined in the NEITI Act of 2007 which serves as a key constituent of Nigeria's National Economic Empowerment Development Strategy (NEEDS) political economy public policy (2020 NEITI Oil and Gas Report, 2022, p. iv). The NEITI Act of 2007 thus denotes the oil/gas business public economic policy of Nigeria and be extended to connote the country's prevalence or otherwise of economic democratization or community participation in the sector. That is, NEITI Reports over time have been revealing that multi-stakeholders "strive on protecting the overarching public interest, dialogue, coalition, and consensus" of government, company, and civil society (NEITI 2020 Report, 2022, *ibid*). It needs to be emphasized that the 2020 NEITI Oil and Gas Report aligns with complying with the EITI principles. And that it is "entirely the product of an independent assessment under the NSWG guidance and we affirm the reliability of the assessments, its findings, recommendations as well as the integrity of report (NEITI 2020 Report, 2022, *ibid*).

However, this advocacy scholarship is of the view that the affirmation in the Report that reflects the multi-stakeholder strives is not in order, especially as reflecting the place, role, and recognition of NGOs in the oil/gas schemes of Nigeria. The obvious lack of mention and attention to NGO activities, the revenue, or even disbursements related to civil society/NGOs actions with regards to community participation and also recommendations to improve community participation on the throes of civil society provokes this thinking as well as much doubt. This reasoning cannot be farfetched against the backdrop that revenue allocations, disbursements, and details of activities about civil society were not at all indicated in the Report. Instead details attached to local government were very much visible in the said Report. Take for instance, page 118 of the NEITI 2020 Report is indicates the oil revenue sharing formula for these tiers



From the above Figure 12 in the Report, it is clearly shown that local governments receive and partake in the receipt of revenues from Nigeria's Federation Account (i.e. 20.60%). Incidentally, the mainstay of Nigeria's economy and a major contributor to Nigeria's revenue facilitation into the Federation Account is crude oil earnings (Asagunla&Agbede, 2018). The argument that NGOs are practically ignored also is denoted on page 52 of the Report below. The referenced Table below speaks to the responsibilities of the governmental entities that are one out of the three-member multi-stakeholder organs according to the EITI precept. The aforesaid argument is depicted below in the Report's Table 14.

**Table 14 - Responsibilities of Key Government Entities in 2020**

Government Entity	Key Responsibilities
<b>Ministry of Petroleum Resources (MPR)</b>	The MPR has the overall mandate to formulate policies on the oil and gas sector and supervise their implementation. The key functions include; <ul style="list-style-type: none"> <li>– Coordination and supervision of bi-lateral and multilateral relations affecting the oil and gas sector</li> <li>– Policy matters relating to research and development in petroleum and gas sectors of the industry</li> <li>– Formulation of policies to stimulate private industry investment and participation in the oil and gas sector</li> </ul>
<b>Department of Petroleum Resources (DPR)</b>	The DPR was the technical arm of the Ministry of Petroleum Resources with broad responsibility of implementing government policies, ensuring regulatory compliance, licensing of petroleum operations and managing collection of oil and gas revenues. The key functions of DPR are highlighted below; <ul style="list-style-type: none"> <li>– Processing of Application fees and monitoring the operations along the entire oil and gas value chain</li> <li>– Advise government on policy matters affecting the management of Petroleum Resources</li> <li>– Conduct basal assessments and carry out lease administration</li> <li>– Ensure compliance with applicable laws and statutes</li> <li>– Regulate and monitor the activities of all licensees, lessees and permit holders in the oil and gas industry</li> </ul> <p>As at the date of the report, The DPR had been split into two; a part to form the Nigerian Upstream Regulatory Commission (NURPC) and the other part to join Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), as established by the Petroleum Industry Act, 2021.</p>
<b>Nigerian National Petroleum Corporation (NNPC)</b>	NNPC is the State-Owned Enterprise of Nigeria. NNPC Carries out Exploratory Activities and operational functions such as refining, transportation and marketing of crude oil. NNPC also manages the interests/assets of the government in the industry. NNPC has 12 Strategic Business Units (SBUs) through which it operates in the sector. Read more about NNPC and its SBUs <a href="#">here</a> <sup>21</sup> . <p>As prescribed by the PIA, NNPC is now known as NNPC Limited with the Federation having 100% share ownership at incorporation, held on its behalf by the Ministry of Finance Incorporated and the Ministry of Petroleum resources Incorporated.</p>

Note that the responsibilities of the enumerated government entities in above Table 14 do not comprise promoting civil society's facilitation of community

participation on the throes of NGOs crusading social actions cum politicking. If it were to be so, governmental entities' enhancement of community participation advances would have been listed, but such was not highlighted in Table 14. It is imperative to also observe that from pages 42 to 45 are Tables indicating these multi-stakeholders: government and company entities covered in the NEITI 2020 Report. No such table indicating activities/activism of civil society/NGOs was nowhere indicated or provided for in the said Report, not even a list of civil society/NGOs that operated during the period covered by the report.

The said NEITI Report even provided for the government and company entities covered in the Report. These are two of the three critical multi-stakeholders in the eyes of the EITI. Tables 13 and 12 below in the understudied and analyzed NEITI Report show the companies and government entities engaged in Nigeria's oil and gas business covered by the Report. Again, nowhere in the document is the list of civil society/NGO engagements and participation in line with community participation outlined in the Report. This omission is of momentous concern especially if community participation is not considered therefore a critical ingredient for calculating the oil/gas industry's gross national product (GNP) and gross domestic product (GDP) contribution to Nigeria's national economy. This lacuna also implies that the EITI's categorization of the place of civil society/NGOs as the third of the critical multi-stakeholder in the oil/gas industry's political economy business is dubious. The more realistic presupposition is that this omission sustains the belief that civil society is insignificant regarding concrete influence in Nigeria's oil and gas context (Okpanachi & Andrews, 2012; Nwapi, 2010).

**Table 13 - Government Entities Covered by the report**

State Owned Enterprise (SOE)	
	Nigerian National Petroleum Corporation
Receiving Government Entities	
1	Federal Inland Revenue Service
2	Department of Petroleum Resources
3	Niger Delta Development Commission
4	Federal Ministry of Finance, Budget, and National Planning
5	Nigerian Content Development and Monitoring Board
6	Nigeria Sao Tome Joint Development Authority
Other Government Entities	
7	Central Bank of Nigeria
8	Petroleum Products Pricing Regulatory Agency
9	Office of the Accountant General of the Federation
10	Federal Ministry of Environment
11	National Oil Spill Detection and Response Agency
12	Hydrocarbon Pollution Remediation Project
13	National Environmental Standards and Regulations Enforcement Agency

**Table 12 - Companies Covered in the Report**  
 While table 12 shows the companies covered in the report, those in the highlighted box are the material companies.

S/N	Entities	Payment by Companies (\$'000)	% Contribution to Total Payment
1	Nigeria Petroleum Development Company Ltd	3,480,252	32.69744%
2	Mobil Producing Nigeria Unlimited	782,790	7.35442%
3	Shell Nigeria Exploration and Production Company Limited	688,576	6.46926%
4	Star Deep Water Petroleum Limited	679,796	6.38677%
5	Shell Petroleum Development Company	648,907	6.09657%
6	Total Exploration and Production Nigeria Ltd	628,547	5.90529%
7	Chevron Nigeria Ltd	545,853	5.12836%
8	Total Upstream Nigeria Limited	514,462	4.83344%
9	Esso Exploration and Production Nigeria Ltd	451,356	4.24055%
10	Nigeria Agip Oil Company Ltd	270,802	2.54422%

18 Pre-shipment Inspection of Exports Act

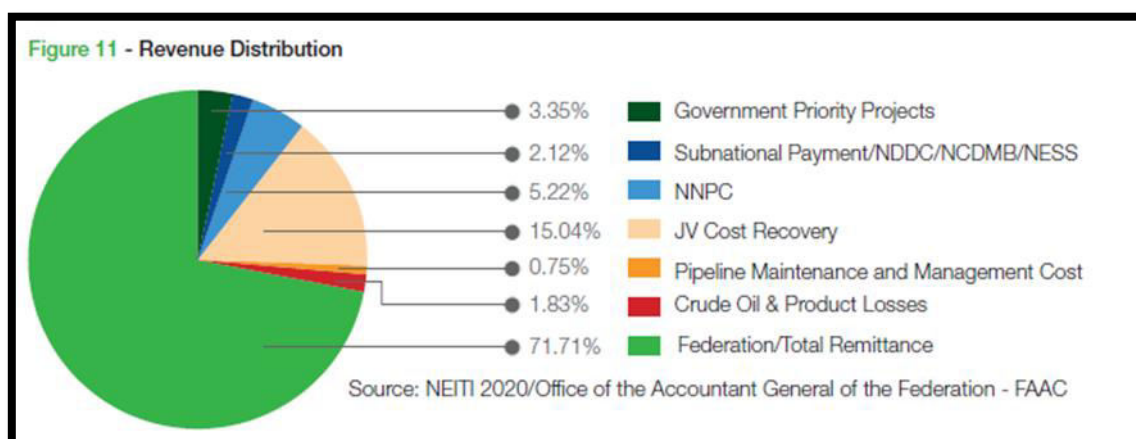
Table 18 below from the said NEITI Report being analyzed further provided information on the company-multi-stakeholder-agency that did not fully comply with the expected EITI requirement per the analysis of oil/gas business dealings in Nigeria. This seems to suggest, as deduced from the Report, that the company as well as government multi-stakeholders are relevant in the EITI process as far as the Nigerian context is concerned. It, therefore, is not out of place to close a debate on the goings-on in Nigeria’s oil/gas political economy business that civil

society is not a critical player or stakeholder in facilitating community participation a la the sector.

**Table 18 – List of Companies that did not provide required information on Beneficial Ownership information**

S/N	COMPANIES THAT DID NOT PROVIDE ANY INFORMATION ON BO
1	All Grace Energy Ltd.
2	Bilton Energy Ltd.
3	Conoil Producing Ltd.
4	Continental Oil and Gas Company Ltd.
5	Enageed Resources Ltd.
6	Energia Ltd.
7	Equinor Nigeria Energy Company Ltd.
8	Lekoil Oil Ltd
9	Orient Petroleum Ltd.
10	Suntrust Oil Company Nigeria Ltd.
11	Sterling Exploration Limited
S/N	COMPANIES THAT DID NOT PROVIDE INFORMATION REQUIRED ON NATURAL PERSONS
1	Addax Petroleum Development Nigeria Ltd.
2	Addax Petroleum Exploration Nigeria Ltd.
3	Agip Energy And Natural Resources (AENR)
4	Aiteo Eastern E&P Co Ltd.
5	Chevron Nigeria Ltd.
6	Chevron Petroleum Nigeria Ltd.
7	China National Offshore Oil Corporation Ltd
8	Chorus Energy Ltd.
9	Dubri Oil Ltd.

It is also worth the mention what the said NEITI Report chronicled as par revenue distribution that derives from interactions between the company and government multi-stakeholders from the oil/gas business economy of Nigeria. The interactions between the oil companies and government-owned agencies involved in the oil/gas sector are what enable operations of the nation's Federation Account, oil/gas political economy, and even somehow community participation from a cost-benefit rationalized perspective (Musa, Awolaja, Jerry, Okedina, Uduakobong. &Olayinka, 2022)



It is to be noted that the above Figure 11 was also accentuated in the said NEITI Report as Figure 1, on page 28 of the Report. Again, above Figure 11 does not indicate any forms of financial accrument appropriated to, apportioned from, or assigned for civil society/NGO role, contribution, or for any form of civil society/NGO action. Such an outcome, thereby, underscores a kind of insignificance outlook of civil society/NGOs in Nigeria's oil/gas dealings.

### **Discussing the 2020 NEITI Report's promotion or otherwise of community participation**

The influence of civil society/NGOs in supporting community participation generally is not a matter of disputation herein. Empirically, civil society/NGO activism is commanding in the adherence to community participation. However, scholars such as Keblusek (2010) take exception to the aforesaid notion given contexts like Nigeria's oil/gas environment. Hence, and reasonably so to this advocacy treatise is that the efficacy of community participation especially in Nigeria's oil/gas business environment cannot be galvanized and thereby optimized by civil society/NGOs without conscious direction via local government. We hold that local governments covering oil-producing communities are best suited to administer, report, and supervise regulatory frameworks, finance utilization, and activities in general of civil society/NGOs regarding community participation. To the extent of being the governmental structure closest to the sites from where the usual civil society/NGO queries emanate, therefore, local government has a huge role to play in defining the contours and dynamics of community participation.

The typical interrogations that spur civil society/NGO advocacies in Nigeria's oil/gas business relate mostly to upstream and downstream dealings. They include advocacies against oil spillage, environmental degradation, and neglect of oil-producing peoples' health, employment, and living conditions. Also, the issue of unwholesome activities by multinational oil companies, state and federal governments' non-catering for the wellbeing of the oil-producing communities, as well as the marginalization of all sorts meted to the oil-producing Nigerian states prompt civil society/NGO-community participation matrix. Whereas, from empirical valuations, there are hardly any serious NGO activisms geared towards advocacies in these aforesaid advocacy areas (Personal communication with Barr. Tegalshaka, a Warri in Delta State-based legal practitioner, Sept. 22, 2023).

Currently, poor levels of accountability on the part of the government and company stakeholders in the oil/gas sector have accentuated NGO activists more in Nigeria (Onditi, 2019). Incidentally, the issue of judicious, rigorous, and equitable accounting of oil resource wealth to citizens has resonated the most lately for NGO advocacies more than the civil society ones. This is because such advocacy perspectives enable NGOs to only deal with the federal government's related ministries and agencies and oil multinationals directly that dole out financial support to them without expecting concomitant accountability and also

for the NGOs to report favorably about their activities (Personal communication with an NGO scribe “Publish What You Pay (PWPY)” who preferred anonymity, Nov. 4, 2023). NGOs depend on financial support from the government and oil companies' multi-stakeholders already indicate they are compromised (Ite, 2007).

Financial and political accountability in a milieu of civil society/NGOs that serve parochial interests, and are highly politicized, value-laden, and having questionable intent, rationale, strategies, objectives, goals, and pursuits seem to be the case more in Nigeria. This kind of observation is what justifies our assumption that local government(s) and not civil society/NGOs are best able to galvanize community participation in Nigerian oil/gas dealings.

### **The concluding remarks on the foregoing analysis**

Interestingly, the NEITI's 2021, 2022, 2023 and 2024 Reports online versions similarly did not provide any concrete dealings related to the civil society/NGOs-community participation nexus. All of the above online Reports also emphasized that the other government and company multi-stakeholder groups carry out effective community outreach and communication to disseminate every deeds as required by EITI process. This implies that the government and company stakeholders also provide services that EITI Standard earmarked for the civil society/NGO stakeholder. It means that the general thrust for galvanizing community participation does not lie specifically with civil society/NGOs in oil/gas extraction. Consequently, this advocacy scholarship holds that the enthusiasm behind EITI's promotion of community participation is contrary to Nigeria's politico-business realpolitik. It is this assessment that commands the belief of the paper that civil society/NGO engagements cannot produce the needed magical wand to galvanize the ideal community participation in the Nigerian oil/gas extractive sector. Instead, civil society/NGO engagements in Nigeria's oil/gas business can become highly meaningful if their actions are channelled and superintended by the local governments.

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