

**TEXT OF A WORLD PRESS CONFERENCE  
ORGANISED BY DELEGATES FROM THE  
SOUTH-SOUTH GEO-POLITICAL ZONE OF  
THE NATIONAL POLITICAL REFORM  
CONFERENCE HELD AT ABUJA ON  
THURSDAY, 28TH APRIL, 2005.**

**INTRODUCTION:**

**Gentlemen of the Press and Fellow Nigerians,**

We hereby express our sincere thanks and gratitude to the Press, both electronic and print, for honouring our invitation even within such a short period. This Press Conference has become necessary, indeed imperative, in order to reenforce for the co-operation of fellow delegates to the National Political Reform Conference (NPRC) and the understanding of all Nigerians over the plight of the Niger Delta peoples to correct the deliberate distortion of facts about our cause.

The delegates from the South-South geo-political zone of the country note with dismay and extreme

concern, the ongoing politics of isolation and injustice being meted to the Niger Delta Region of Nigeria, and the refusal of some delegates of other geo-political zones to appreciate the enormity of the consequences of continued deprivation of the Niger Delta people and serious environmental degradation that attend them.

It is most regrettable that after four and half decades of our living together with our brothers and sisters under one flag, searching for, and learning how best to relate with one another, some Nigerians are yet to imbibe the lessons of mutual tolerance, justice and fair play. Such basic lessons like truth and honesty in our interaction with one another, fairness and justice in the allocation and distribution of resources and opportunities have been thrown overboard, and in their place, hard hearted, uncompromising, take-it-or-leave-it stance implanted. This unwholesome attitude has been exhibited in more ways than one during the first plenary session as well as during the committee meetings. In the event, the very fundamentals, on the basis of which this conference was convened, are being violated. The South-South delegation is therefore calling for

better understanding and co-operation from our compatriots during the rest of the conference.

## REDEFINING AND REDESIGNING NIGERIA

When President Olusegun Obasanjo inaugurated this Conference on the 21st of February, 2005, he envisioned a Conference where all the issues that have held the Nigerian State down for decades will be treated dispassionately with a view to righting the wrongs of the past. Said he:

*"We are once again at the threshold of history. History has presented us with the opportunity to reassess, refocus, redefine and redesign our political landscape in a direction that would strengthen the bonds of unity, enhance the process of democratic consolidation, solidify those values that promote democracy, good governance and good neighbourliness; and open boundless opportunities for all Nigerians to be, and so feel that they are part of the evolving political process and socio-economic advancement."*

Based on the above patriotic pronouncements, by Mr. President himself, we had expected all delegates to move away from their fixations and stereotypes by seizing the unique opportunity offered by this Conference to "reassess, refocus, redefine and redesign our political landscape" in a way and manner that the injustices of the past are righted, and the peculiar problems of the Niger Delta solved for the harmonious co-existence of all Nigerians.

So far, the signals coming through from the committees portend an "ill-wind" against the much needed spirit of co-operation and understanding. Unguarded utterances by some delegates have touched on the raw nerves of the people of the Niger Delta. Two examples will suffice.

- (1) The call for the relocation of all the inhabitants of the Niger Delta ostensibly in view of the "much complained-of-environmental despoliation".**
- (2) The threat to reduce the 13% which "we have already given to you, unless you explain**

**satisfactorily what you have done with it".**

Needless to say, that call for relocation, conjures up eerie memories of that most infamous of events-the-holocaust the practicalization of Hitler's bid to eliminate an entire race from the face of the earth. When we think of the going plight of the inhabitants of Dafur Region in next-door Sudan, our blood runs cold.

For reasons of patriotism and political maturity, the Niger Delta people shall not make the corresponding call for the forceful relocation of the victims of desert encroachment to other parts of the country!

Although this is not the forum to ask the contrary question "what has Nigeria done with the 87% which has been forcibly wrested from the Niger Delta over the years", suffice it to say that statements such as the above quotes are not only infuriating, they smack of crass insensitivity on the part of persons who are supposed to be our own compatriots. Statements such as these, make us wonder whether we are indeed equal partners in this enterprise called Nigeria. It must be said that

so far, our membership of this project has not been beneficial.

Specifically, may we ask:

- **Has the 87% been used to check the ill effects of desertification, especially in view of scientific reality that it is preventable?**
- **Has the 87% been used to develop alternatives to Oil and gas such as solid minerals which are known to abound in commercial quantities in other parts of the country, so that the pressure on the Niger Delta people will be reduced?**
- **Has the 87% been used to create the enabling environment for agriculture so that the groundnut pyramids, cocoa, palm produce, timber and rubber will reappear in Nigeria?**
- **What is the basis of comparison between the astronomical cost of**

### **development in the Niger Delta and that in other parts of the Federation?**

From all indications, the unpatriotic thinking encapsulated in the two examples above, pervades some of the critical committees of the Conference that deal with these issues, having regard to the preponderance of some of our uncharitable compatriots in every one of those committees. Time is running out; this is why it has become imperative and indeed urgent to "urge the rain doctor to withhold the rain."

The idea of a reform conference was borne out of the desperate need to correct the structural imbalances in the Nigerian polity—imbalances, deliberately or inadvertently inflicted on some sections of this country including the Niger Delta, and in the process, set a new nation-building agenda for a reborn Nigeria. Such patriotic ideals could be realized only if each delegate came to the conference with an open mind, not to negotiate away their freedom and the right to the good life, but to act in concert in order to realize greater, sustainable freedom and collectively facilitate the right to the common good of **ALL** Nigerians. We call on our

brothers and sisters from other parts of the Federation to give peace a chance by dispensing real justice based on the principles of fairness and brotherhood.

## **RESOURCE CONTROL: A LEGITIMATE DEMAND BY THE SOUTH-SOUTH PEOPLES**

The right of a Community or State to a measure of control over its natural resources is basic and recognised by all Laws and International instruments. Resource Control simply means the right of the States and Communities most directly concerned with oil and gas as well as other minerals to manage resources within their respective territories, including the right for the exploitation and disposal of "harvested" resources. The communities insist on a planned and controlled production to ensure the progressive replacement of the non-renewable resource by a reasonable product that is free of pollution and other environmental hazards. Mere increase in revenue without control and management is shortsighted and deadly as it condemns the host communities to perpetual servitude and "a present without a future".

Resource control means that the present must not eliminate the future; that "Absentee Landlordism" where the supposed owner is in

Abuja, 700 miles away from the resources it claims to own has done incalculable damage to the people of the South-South.

This view of resource control as the ultimate aim of fiscal federalism has been recognised globally as correct. Article 1803 of the United Nations affirms the principle of permanent sovereignty over national resources, as it provides that:

**"The right of peoples and Nations to permanent Sovereignty over their Natural resources must be exercised in the interest of their national development and the well-being of the people of the State concerned"**

Back home in Nigeria, section 44(3) of the Constitution of the Federal Republic of Nigeria, 1999, provides as follows:

***"Notwithstanding the foregoing provisions of this section, the entire property in and control of all minerals, mineral oils and***

***natural gas in, under or upon the territorial waters and the Exclusive Economic Zone shall vest in the Government of the Federation and shall be managed in such manner as may be prescribed by the National Assembly."***

During the First Republic, the 1963 Republican Constitution had provided that:

***"There shall be paid by the Federation to each region a sum equal to 50% of (a) the proceeds of any royalty received by the Federation in respect of any minerals extracted in that region; and (b) any mining rent derived by the Federation from within that region"***

It is clear therefore that up to January 1966, when the military illegally seized power, resources belonged to the regions which were then the Federating Units. Where minerals were extracted from any region, the Federal

Government paid a sum equal to 50% of the proceeds of any royalty it received on minerals and 50% on mining rent. The simple interpretation is that resources belonged to the regions.

### **WHAT RESOURCE CONTROL DOES NOT MEAN**

- (i) Resource Control does not mean the appropriation of all the proceeds of the Oil Resources by Producing Communities or States.
- (ii) It does not mean the deprivation of non-oil producing sister communities or states of a share of oil and gas proceeds. It is good to share and the Niger Delta is glad to share the proceeds of its resources with the whole country. But it must be a system that is based on justice and fairplay, which recognizes the peculiar problems and dilemma of the Niger Delta people and their right to a future.

### **THE NEGATIVE IMPACT OF THE LACK OF RESOURCE CONTROL ON THE PEOPLES OF THE NIGER DELTA**

#### **(i) Lack of Infrastructures:**

However, in spite of these clear provisions in our National Constitution and International Laws, the reverse is the case in Nigeria. The Niger Delta, a virgin community, rich in oil deposits, trusting and believing in its compatriots in the euphoria of the prospects of independence has been sapped, sucked, mocked, subdued, despoiled, repressed, oppressed, desecrated and deserted. They have no potable water, though like in the Ancient Mariner, there is water, water every where, there is none fit enough to drink.

They do not have good roads, or equipped hospitals, no good schools, electricity, in fact, *"no nothing from the Federal Government"*. Its resources have been siphoned and squandered to build palatial edifices, and other State Capitals; to build bridges even across dry vallies, to sustain the lavish lifestyle of our compatriots, leaving the Niger Delta to wallow in squalor, abject penury and utter hopelessness.

## (ii) Consequences of Environmental Pollution and Degradations:

The South-South geo-political zone suffers from unimaginable environmental degradation and pollution. Arable and grazing lands have been lost to oil spillages. Fishery stock and other aquatic life have been destroyed. Flora and fauna have become scarce commodities. Leisure is expensive to attain. Human and animal health are impaired.

## (iii) Gas Flaring And Acid Rain:

Gas is flared at close proximities to the host communities, an act that has raised the heat level, leading to constant sweating and dehydration. The inhabitants, especially the youth, discard their tops and go about bare-bodied to mitigate the impact of the unbearable heat.

Acid rain from gas flaring is common place, leaving the land and landscape withered and parched. The divine order which decrees that after day comes night and vice versa has been reversed by man-driven activities which inflict

upon them unsolicited blinding luminescence, against the law of nature. For most of the oil and gas communities, the precept "*let your day be your day and your night your night*" is observed in permanent breach rather than in the natural scheme of things. The absence of electric light cannot be made up for by sustained gas flaring.

## (iv) Oil Spillages:

Oil spillages are a common occurrence. A report from the Federal Ministry of Petroleum Resources shows that between 1976 and 1990, there were 2,676 reported cases of oil spillages in the Niger Delta; many more were not reported. Another independent report by **Green Peace** indicates that 3000 separate cases of oil spills, averaging 700 barrels each, were reported between 1976 and 1991.

The situation could be worse today. The people of the Niger Delta live in dirty, ravaged creeks, drinking from polluted waters in to which they also defecate. How long can this human tragedy be allowed to go on?

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## THE NIGERIAN PROJECT: FROM FISCAL TO PHYSICAL FEDERALISM

The Nigerian project, though never conceptualised or agreed upon at a round table conference had undoubtedly operated on the basis of true "**Fiscal Federalism**". This has lamentably been turned into "**Physical Federalism**" where the might of the majority has been taken to be their right. We are simply living in an era of tyranny of the majority.

Federalism which we operate is nothing but a system which connotes the sharing of the Supreme Legislative authority between the federal or central government on the one hand, and the regional or state governments on the other hand. These two entities are co-ordinate and autonomous of each other in regard to the powers and functions which are vested in them by the Constitution. Federalism differs from unitary system of government in that in the latter, the supreme legislative authority is vested in the Central Legislature.

Being co-ordinate and independent presupposes that neither is superior to the other in the scheme of things vested in us by the constitution. This means that the central Government cannot arrogate to itself, the individual powers of those component States or federating Units.

Fiscal Federalism is a basic ingredient of true federalism. It simply means that States, the component units of the federating entity which are directly endowed with the resources hosted within their territories should have a fair share of the benefits, revenues, royalties, taxes, etc. derivable from such endowments, while also contributing equitably to the upkeep of the Central Government. This is what is encapsulated in the phraseology of "**Resource Control**", a phrase that unfortunately draws the ire of some of our brothers and sisters from some other zones of the country. True fiscal federalism has been successfully operated in many countries across the world. Examples are the United States of American, Canada, Australia, New Zealand, India, Switzerland, Spain, Germany, and so on.

## AS WE WERE IN THE BEGINNING

As far back as 1953, the move towards fiscal federalism had begun, with the appointment of Sir Louis Chick Commission of Enquiry whose report emphasised the principle of derivation as the basis of Revenue allocation. Under this report, 100% of the Revenue derived from mining, rent and royalties went to the region of origin. This formula was systematically assaulted by successive governments, especially the Military Governments in Nigeria in spite of its potential for fairness and equity. The following table shows the harrowing experience to which the principle of derivation has been subjected.

See the Revenue Mobilization Allocation and Fiscal Commission (Review of the Revenue Allocation Formula) main report (December 2002) at page 8-19.

Years	Producing State	Federal Government	Distributable Pool
1960-1967	50	20	30
1967-1969	50	50	-
1970	-	100	-
1970-1971	45	55	-
1971-1975	45 minus Offshore proceeds	55 plus offshore proceeds	-
1975-1979	20 minus Offshore proceeds	60 plus offshore proceeds	20
1979-1981	-	100	-
1979-1981	-	100	-
1982-1992	1 and half	98 and half	-
1992-1999	3%	97	-
1999-	13 %	87	-

\* See Prof. Itse Sagay, SAN The Guardian Newspaper of 24/3/2002 at page 8.

It is not as if this principle of derivation has been a strange phenomenon to our brothers and sisters from other States of Nigeria. Prior and post to the discovery of oil in commercial quantity at Oloibiri in the present day Bayelsa State in 1956, ground nuts were available in the North for the sole benefit of the North. The Western Region, the wealthiest, had the cocoa boom, the Eastern region, Coal and Palm produce while the Midwest Region, the youngest of the four regions, created on 17th of August, 1963, held unto her Timber and Rubber produce.

No region had its resources expropriated for the benefit of other regions. Why now?

Under section 140 of the 1963 Constitution, derivation was 50% of the resources to the regions, 20% to the Federal Government whilst the remaining 30% was paid into the distributable account from which each region again shared.

## EXPROPRIATORY LAWS

### Laws against Resource Control

The following laws effectively deprive the Niger Delta Peoples of their land and resources:

- Territorial Waters Act, Cap 428 Laws of the Federation of Nigeria, 1990, as amended by Act No.1 of 1998.
- Exclusive Economic Zone Act. Cap. 116 Laws of the Federation of Nigeria, 1990, as amended by Act No. 42 of 1998.
- Land Use Act, Cap. 202 Laws of the Federation of Nigeria, 1990.
- Interpretation Act, 1964 Cap. 192 Laws of the Federation of Nigeria, 1990.
- Oil Pipelines Act, 338 Laws of the Federation of Nigeria, 1990.
- Petroleum Act, Cap. 350 Laws of the Federation of Nigeria, 1990, as amended by Act No. 22 of 1998.
- Minerals and Mining Act No. 34 of 1999.
- National Inland Waterways Authority Act No. 13 of 1997.
- Section 44(3) of the 1999 Constitution.
- Item 39 on the Exclusive Legislative List of the 1999 Constitution.

The above Laws have been repealed in the 2004 Laws of the Federation of Nigeria.

## BENEFITS OF OPERATING THE PRINCIPLE OF TRUE FEDERALISM

The operation of true Federalism will in the long run be beneficial to all states of the Federation. Our suggestion that the derivation principle be given prominence in the proposed revenue allocation hinges on the following factors:

- (i) Basically, the principle is just and equitable because it derives from the undeniable logic that a people should be able to derive substantial benefit from the resource which nature has endowed them with. The principle holds equal validity for all forms of natural or mineral resources whatever these may be and in whatever part of the country they may be found.
- (ii) The Principle serves as a positive impetus for all parts of the federation to develop and harness their own resource endowments. It has been said repeatedly, and it is indeed true, that there is no single part of the country that does not have its own resource endowment. Derivation will challenge every

part of the federation, every community, every hamlet, even every individual, to look inwards and harness its own resource endowment to the optimum. With this impetus the country will inevitably be better off for it. Thus derivation is seen as a 'win-win' formula.

- (iii) The principle will foster healthy competition among States. In the nature of things, competition works to bring out the best in the human being. The phenomenal growth which took place in the country in the prewar years is clear evidence of the potency of looking inwards.
- (iv) The principle would foster greater accountability. The logic of this is that if government comes closer to the people, people will be in a better position to demand greater accountability from it.
- (v) It will empower the communities to take greater interest in the repair or any environmental/ecological damage that may be caused by mining operations.

(vi) Given that mineral resources are by nature wasting assets, resource control will confer on the affected communities the responsibility and also the means to plan for the eventual replacement of their asset after it would have become exhausted or ceased to be valuable.

(vii) It will give the host communities greater say in determining the manner in which their resources should be exploited. One even envisages a situation where local communities will insist on co-ownership relationship with the operating companies for their mutual advantage. This will be a master-stroke in the sense that it will at once help to eliminate or reduce the menace of the disruptive effect of youth restiveness.

Other associated benefits which this principle will engender include the following:

(viii) The whittling down of the powers of the centre will make the centre less attractive to unscrupulous politicians. The awesome powers now invested in the centre

(particularly the Presidency) is a major factor in the unbridled competition to gain political power, by whatever means possible; this will consequently induce political instability. The combined principles of 'true federalism' and 'devolution' will drastically reduce the attraction which the centre holds for the political class. This is bound to have a salutary effect on the culture of politics generally. Over time, a saner political culture may come to prevail in the country.

The country will be compelled to devote more attention to the development of the human capital. In a world economy that is increasingly knowledge-based, the human capital becomes the main fulcrum for prosecuting development. Human capital is fast replacing natural resources as the key determinant of wealth and prosperity. The success of the Asian Tigers recently replicated in India and China as well as the experience of Japan, Hong Kong, etc., have shown that economic development is eminently possible without mineral endowment.

## OWNERSHIP OF OFFSHORE RESOURCES

The coastal states of Nigeria by nature, law and history, are the owners of their continental shelves. Nigeria can boast of a continental shelf today ONLY BECAUSE the 9 coastal states are part of Nigeria. When Southern Cameroon left Nigeria in 1961, it left with its continental shelf and territorial sea. Without the 9 coastal or littoral states, the rest of Nigeria, including Abuja, would be a land-locked country. This country is a Federation and it is the states which bring their territories to federate and constitute the Federal Republic called Nigeria. Without the respective states, federating Nigeria cannot be the wholesome country it is today. Therefore, one cannot recognise Nigeria without accepting the existence of its component entities, the states.

So there can be no question or argument about the full ownership of their individual continental shelves by the 9 coastal states of Nigeria. This physical, legal, historical and natural truth must be expressly recognized and declared in the Nigerian constitution as it was done in the 1960 and 1963 constitutions, establishing the contractual and political basis for the association

of the different and formerly autonomous communities and nations of Nigeria into an independent sovereign state.

Therefore unquestionably, all the natural resources in the continental shelf of each coastal state, stretching 200 miles into the Atlantic Ocean, belong to the relevant coastal state. ANY ATTEMPT TO DEPRIVE THESE LITTORAL COMMUNITIES OF THEIR CENTURIES-OLD PHYSICAL, MENTAL AND SPIRITUAL RELATIONSHIP WITH THE SEA ADJOINING THEIR LAND IS EFFECTIVELY A DENIAL OF THEIR FUNDAMENTAL RIGHTS.

## OUR RECOMMENDATIONS

We commend for consideration to all our brothers and sisters in the Conference that they accept the following recommendations:

1. Every State in the Federal Republic of Nigeria shall own and control resources located within its territory.
2. The principle of true federalism, with its concomitant feature, FISCAL FEDERALISM must be upheld and implemented. There is abundant evidence that each of the federating units has sufficient natural resources in its constituent state to sustain its government and people. We recommend that each state government should identify, collect and be directly responsible for all the revenues from its resources. An appropriate tax of 20% shall be paid by each state to the federal government for its own use, 15% to a distributive pool and 5% shall be paid to the relevant zone. Each state will retain the balance of 60% of the proceeds of its resources.

As has already been mentioned earlier, Nigeria has abundant natural resources that are yet to be tapped and developed apart from oil and gas. Indeed, the ordinary meaning of "natural resources" ought to apply to such things as forest, waterways, solid minerals, vegetation, cash crops in the wild, etc. These potential sources of huge revenue are spread across all states of the federation.

3. Abrogation and repeal of all laws that expropriate the rights of the people to control their resources, such as:
  - Territorial Waters Act, Cap 428 Laws of the Federation of Nigeria, 1990, as amended by Act No. 1 of 1998.
  - Exclusive Economic Zone Act, Cap. 116 Laws of the Federation of Nigeria, 1990, as amended by Act No. 42 of 1998.
  - Land Use Act, Cap. 202 Laws of the Federation of Nigeria, 1990.
  - Interpretation Act, 1964 Cap. 192 Laws of the Federation, 1990.
  - Oil Pipelines Act, 338 Laws of the