**Title Page**

AN ASSESSMENT OF LIABILITIES OF OIL PRODUCING COMPANIES FOR OIL SPILLAGE IN NIGERIA

BY

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## M.A/LAW/24349/2012 – 2013

**BEING THE LONG ESSAY PROJECT SUBMITTED TO THE FACULTY OF LAW AHMADU BELLO UNIVERSITY ZARIA, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF MASTERS OF ARTS DEGREE IN LAW (M.A).**

DEPARTMENT OF COMMERCIAL LAW

FACULTY OF LAW

AHMADU BELLO UNIVERSITY, ZARIA

AUGUST, 2014.

# DECLARATION

I solemnly declare that this project is the product of my personal endeavor and it has not been presented, to the best of my knowledge, anywhere before. All ideas from previous writers have been duly acknowledged. I remain solely responsible for all views expressed and errors therein.

|  |  |  |
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| *M.A/LAW/24349/2012–2013* | **Signature** | **Date** |

# CERTIFICATION

This Project Report entitled: “An assessment of liabilities of oil producing companies for oil spillage in Nigeria” by ABDULMUMINI Muhammed Tahir meet the regulatory governing the award of MA in Commercial Law of the Ahmadu Bello University, and is approved for its contribution to knowledge and literary presentation.

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# DEDICATION

I dedicate this long essay to my parent **Alhaji Abdulmumini Musa**

# and Hajiya Salamat Abdulmumini.

**ACKNOWLEDGMENT**

First and foremost, I would like to thank the almighty Allah (S.W.T) for his infinite Blessing, Mercies and Bounty. I am certain achieving this and a lot more without His help and Mercy will be impossible.

I wish to thank my able supervisor Dr. D. C. JOHN for his tremendous help, guidance in writing this project. A man with a kind heart, may the Almighty continue to bless, guide and protect you Sir. Amen.

To my Brothers and Sisters, Hassan, Bilkisu, Ibrahim, Abdulmutalib, Aisha, to the Love of my Life, Zainab, my cousin Habib, my Nephew Abdullahi (Snr) Abubakar and Abdullahi, my brother in- law Abdulrahaman, my sister in-law Safiya and Ummi, my friend Din, to my typist Jude, my profound gratitude goes to all of you for your moral, spiritual and financial support throughout the duration of this program, this has in no small measure see to the successful completion of this program.

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# LIST OF ABBREVIATION

EMA - Environmental Management Act FEPA - Federal Environmental Protection Act FHC - Federal High Court

FRN - Federal Republic of Nigeria

HYPREP - Hydro Carbon Pollution Restoration Project ICESCR - International Covenant on Economic, Social,

and Cultural

JSC - Justice of the Supreme Court LFN - Laws of the Federation

MDGS - Millennium Development Goals

MOSOP - Movement for the Survival of Ogoni People NESREA - National Environmental Standards and

Regulations Agency

NGO - Non Governmental Organization NWLR - Nigerian weekly Law Report

PH - Port Harcourt

SCN - Supreme Court of Nigeria

UDHR - Universal Declaration of Human Right UN - United Nation

UNCED - United nations conference on Environment and

- Development

WCED - World Commission on Environment and Development

# ABSTRACT

*This project set out to examine the compensation of oil spill victims in the Nigerian oil industry. The compensation of these victims has become clumsy and dark in the wake of oil bunkering, pipeline vandalism, sabotage, since in the past, oil spill was as a result of the activities of the oil companies or operators. The object is to discuss who is responsible for payments of compensation to oil spill victims who are entangled in a political system that lacks legislative and administrative guidelines and framework that will effectively deal with the issue of petroleum compensations arising from sabotage, bunkering and even activities of multinational oil companies. Nigeria has become one of the most petroleum-polluted environments in the world. The impact of the oil spill include habitat degradation, pollution from gas flaring and these are cumulative and have acted synergistically with other environmental stresses to impair ecosystems and severely compromise human livelihoods and health. These unfortunate incidents make the victims individuals and host community, landowners, pond owners and other property owners to demand compensation. It is hereby recommended that the Nigerian government should set up oil pollution compensation funds that will make provision for compensation for oil pollution damage resulting from activities of not only multi-national oil companies but that of oil thieves, saboteurs and pipeline vandals. More so, legislations that will protect the environment of host communities and ensure timely adequate and fair compensation to them are to be urgently enacted.*

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**CHAPTER ONE**

# INTRODUCTION

Recently, it was announced amidst cheers and jeers that the Nigeria Economy has surpassed that of South Africa after the most populous nation in Africa overhauled its Gross Domestic Product (GDP) data for the first time in two decades. On paper, the size of the Economy expanded by more than three-quarters to an estimated 80 trillion Naira (8488 billion) for 2013. Yemi Kale1 also confirms that the revised figures make Nigeria the 26th biggest Economy in the world. According to the new data, Nigeria’s Economy grew at 12.7 percent between 2012 and 2013.

Much of Nigeria’s Gross Domestic Product (GDP) is driven by oil production, which accounts for 40 percent of its GDP; since oil was discovered in 1956 till the present time it has dominated the Economy. Shell B.P and other developers in the pursuit of commercially available petroleum found oil in Nigeria in 1956. Prior to the discovery of oil, Nigeria like many other African

1. Head Of The National Bureau Of Statistics, At A News Conference At The Headquarters Of NBS March 2014.

countries strongly relied on agricultural exports to other countries to supply their Economy.

Many Nigerians thought the developers were looking for palm oil2 but after nearly 50 years of searching for oil in the country, shell B.P discovered the oil at Oloibiri in the Niger-Delta. Wishing to utilize the new found oil opportunity, the first oil field began production in 19583 after that, the Economy of Nigeria would have seemingly experienced a strong increase and truthfully it has, but not without leaving behind some adverse environmental problem.

For nearly a century, petroleum production and consumption has probably brought out both the best and worst of Modern Civilization.

The industry has contributed enormously to the world Economy growth and higher standard of living in our time4 the mythos of oil and oil-wealth has been central to the history of Modern Industrial Capitalism, and annual oil revenue of over N50

1. <http://news/bbc.co.uk/2/l/africa/784030>retrieved 14th may, 2014
2. http//[www.lubconinternational.com/history](http://www.lubconinternational.com/history) of the oil industry retrieved 14th may 2014.
3. Adekunbi Imosemi Nzeribc Abangune, Compensation Of Oil Spill Victims In Nigeria; The More The Oil, The More The Blood Singaporean Journal Of Business Economics And Management Studies Vol: 2 No 3, 201 Pg. 30

Billion has ushered in a miserable, undisciplined, decrepit and corrupt form of petro-capitalism5 after over a half century of oil production from which over 400 Billion Dollar in oil revenue have flowed directly into the Federal exchequer, paradoxically oil producing states in the Federation, the Niger-Delta have benefitted the least from the oil-wealth having been devastated by the Ecological cost of oil spillage and the highest Gas Flaring rates in the world.

Oil spills in Nigeria are a common occurrence, it has been estimated that between nine million to 13 million barrels have spilled since oil drilling started in 19586. The Government estimates that about 7, 000 spills occurred between 1970 and 20047. Spills take out crops and aquaculture through contamination of the ground water and soil. Drinking water is also frequently contaminated, and sheen of oil is visible in many localized bodies of water. If the drinking water is contaminated,

even if no immediate health effects are apparent, the numerous hydrocarbons and chemicals present in oil represent a

1. Ibid
2. Bally J. dip shame in Africa 23, July 2010.
3. Ibid.

carcinogenic risk. While offshore spill which are usually much greater in scale, contaminate coastal Environment and cause a decline in local Fishing Production.

The people of Niger-Delta live in extreme poverty even in the face of great material wealth found in the waters by their homes. According to Amnesty international 70% of the six million people in the Niger-River Delta live off of less than 3 USD per day8 for many people this mean finding work in labour market, which is in many instances hostile to them.

The people of Niger-Delta have been greatly affected by oil spill but worthy of note is the fact that it is not only in the Niger- Delta region that oil spillage occurs. Oil spillage occurs from oil tankers across the states in Nigeria, due to breakdown of operations of refineries in the country, oil tankers transport petrol and kerosene from the Southern parts to the Northern parts of Nigeria.

1. Amnesty international (2006) Nigeria: oil, poverty and violence retrieved may 14 2014 from <http://www.ringsto.bci-fi/saro.html>

Thousands of lives have been lost when oil tankers spill the product they carry and properties worth billions of Naira lost, oil producing communities have continually live in poverty and serious health hazard resulting from Environmental degradation caused by oil spillages.

Over the years, many civil society have called on the Federal Government to come to the aid of these communities and to curtail the excesses of oil producing companies, to this moment little have been achieved by this call. The question then is asked, what are the liabilities of oil companies to producing communities who perpetually suffered from its activities? Who compensates them? It is an undisputable fact that Nigeria Legislations are weak and are rarely enforced thereby allowing oil companies in essence to self regulate and get away with all acts of environmental degradation as caused by their activities.

It is on this premise that this project is set out, to critically examine the activities of oil companies, to also examine various Nigeria Environmental Laws, Judicial stand on compensation

claims arising from spillage, the justifiability or otherwise of militancy and the campaigns of Environmental right activists.

# STATEMENT OF THE PROBLEM

Environmental degradation takes diverse forms, ranging from pollution and destruction of the Ecosystem to degraded fresh water supplies and arable land.

The constant Environmental damages as a direct result of oil spill in Nigeria and lack of reasonable measures of restoration to the victims is alarming. The international agenda often focuses on broad-based concerns of Environmental degradation such as desertification, climate change and Air Pollution. However, for the world’s most vulnerable and marginalized groups, issued of Environmental degradation tend to be more localized and immediate in their nature.

Environmental Degradation due to oil spillage being suffered across the country most especially in the Niger-Delta usually resulted more often than not in decreased Production, for example reduced Soil Fertility may produce lower yields and deteriorated water quality can impact on Fishing. These problems

are of great concern to the oil producing local communities and have direct impact on their livelihood, food security and health.

The cogent question to be asked at this juncture is who bears the responsibility of compensating the victims of oil spill, would it be the oil company or the Government? So many Nigerians have lost their lives in the struggle to ensure adequate compensation to oil spill victims. How long would the local communities endure this untold hardship? Are the oil companies and the Government literarily drilling dry these local communities with out giving any thing in return? Thus, this project would discuss, analyze and critically examine the urgent need for a legal frame work on compensation of oil spill victims in Nigeria and by judicial review examined on whose the liabilities lies for compensation; the oil companies or the Government.

# AIMS AND OBJECTIVES

The main objective of this project is to examine problems associated with compensation of oil spill victims in Nigeria, to analyze and evaluate natural oil resources extraction, its impact on the Environment and its effect on Development in the Niger-

Delta communities; this would be reviewed in the context of world system analysis and theories.

# SCOPE OF THE RESEARCH

This thesis will be focused primarily in analyzing the devastating effect of oil spillage on the Environment and its effect in the oil producing communities of Niger-Delta region and Nigeria as a whole.

We shall also examine Nigeria legislation on oil spillage, the judicial view on compensation claims of victims of oil spillage.

# RESERCH METHODOLOGY

This paper relies on both the primary and secondary sources. The primary sources that will be relied upon are the various petroleum Laws/Act, Environmental Laws/Act and case Laws as it bothers on oil spillage and compensation claims.

This thesis also relies on secondary data that are sourced from textbooks, journals, articles, periodicals, magazines, news items and internet.

# LITERATURE REVIEW

There are quite a number of articles and Journals that have been written on Environmental degradation caused by oil spillage, the suffering and neglect of the oil producing communities but only few make an exposition into the causes if oil spillage, Judicial attitude on compensation claims by the victims of oil spillage and the burden of proof before compensation is awarded.

***LADAN M.T.*** in his book Biodiversity, Environment litigation, Human Right and access to Environmental Justice9 dwelt basically on Environmental rights, sustainable development in Nigeria and inaccessibility to Justice when it comes to Environmental matters. Adekunbi Imoseni and Nzeribe Abangwu in their article; Compensation of Oil Spill Victims in Nigeria: The More The Oil, The More The Blood10 focuses more on the factors militating against compensation of oil spill victims in the Nigeria oil industry, they wrote extensively on corruption in the oil industry, oil bunkering, militancy, pipeline vandalism and sabotage. Again

1. LADAN M.T. Biodiversity, Environmental Litigation, Human Rights and Access to Environmental Justice Policy (2007) faith printers and Publishers.
2. Adekunbi Imoseni, Nzeribe Abangwu: compensation of oil spill victims in Nigeria: the more the oil, the more the Blood Singaporean Journal of Business Economics, and management studies vol 2, No 3, 2013: school of Law and securities studies, Babcock University, IIisan-Reno, Ogun state, Nigeria.

they did not discuss the judicial stand point on matters of oil spillage.

This study will therefore look at the adverse effect of oil spillage on producing communities, compensation claims of victims of oil spillage, who pay compensations to oil victims? the oil producing companies or the Government? The various program of Environmental and Human rights activist, its successes or otherwise.

# JUSTIFICATION

Oil spill is the leakage or discharge of petroleum onto the surface of inland or coastal water. It assumes disastrous dimension when an uncontrollable well blows out or pipeline ruptures11

The magnitude of crude oil pollution and damages occasioned by multi-national oil companies operating in Niger- Delta region of Nigeria is incredible. The growing trend of oil discovery in many countries of Africa and news of the discovery of oil and Gas deposits in the Anambra/Kogi basin is throwing

1. Udoudoh .F.P. oil spillage aid management problems in the Nigeria Delta, Nigeria: Department of Estate Management, University of Uyo, Akwa Ibom, Page 1-2011 cepa Journal

attention once more in the potential of many more states within the Nigeria Federation to join the league of oil producing states within the shortest possible time.

With this blessing comes with it an equal level of curse in the form of oil spillage, if and when oil is discovered in the lake - Chad then the issue of oil spillage and Environmental degradation would yet again be a frontline discussion.

It has become paramount to look at his new development and to critically examine how the Niger-Delta communities had feared, what remedy is there for victims of oil spillage, how viable is the Nigeria legislation as it relates to Environmental degradation occasioned by oil spill and provision of compensation to oil spills victims.

This study after its conclusion will be of great addition to literary work and be of immense assistance to Students, Lecturers, Legal Practitioners and Policy makers.

# CHAPTER TWO

* 1. **DEFINITION OF TERMS**

For a proper understanding of the subject in focus an attempt for proper definition of oil and oil related terms shall be made.

***Oil:*** oil is any of numerous unctuous combustible substances that are liquid or can be liquefied easily on warming, are soluble in either but not in water, and leaves a greasy stain on paper or cloth1

According to Hornby2 oil is defined as “a sorts of easily burning liquid which does not mix with water and is obtain from animals (whale oil), plants (coconut oil) or food in rock {mineral oil, petroleum}

Oil is any neutral, non polar chemical substance that is a viscous liquid at ambient temperature and is both hydrophobic (immiscible with water, literally “water fearing and lipophilic (miscible with other oils, literally “fat loving oil have a high

1. Meriam-webster inc. 2014
2. Hornby and Cowie, Oxford Advance Learners Dictionary, Oxford University Press.

carbon and hydrogen contact and are usually flammable and slippery.

***Crude Oil:*** on the other hand is defined as a naturally occurring, unrefined petroleum product composed of hydrocarbon deposits. Crude oil can be refined to produce usable product such as gasoline, diesel and various forms of petrochemicals3

1. ***Oil Spill:*** An oil spill is the release of a liquid petroleum hydrocarbon

into the environment, especially marine areas, due to human activity, and is a form of pollution4

It is also defined as an accidental release of oil into a body of water, as from a tanker, offshore drilling rig or underwater pipeline, often presenting a hazard to marine life and the environment.5

1. ***Environment:*** Environment can simply be define as the surroundings or

Conditions in which a person, animal or plant lives or operates.

1. investopia 2014. Retrieved on 20th August 2014
2. <http://en.wikipedia.org/wiki/oil-spill>retrieved 20th August 2014.
3. Dictionary. com unabridged. Based on the random house dictionary © random house. Inc. 2014.

Environment is the sum total of all surroundings of a living organism, including natural forces and other living things, which provide conditions for development and growth as well as of danger and damages.

Hornby6 defined environment to mean the “natural conditions (air, land and water) in which we live. The Federal Environmental Protection Agency Act7 define Environment as including water, air, land and all plants and human beings or animals living therein, and their inter-relationship which exist among them or any of them8

1. ***Pollution:*** It has been defined in the DECD9 as the introduction by man directly or indirectly of substance or energy into the environment resulting in deleterious effect of such as to endanger human health harms living resources and ecosystems and impairs or interferes with
2. Hornby and cowie oxford Advanced learner’s Dictionary, Oxford university press.
3. Cap F10 Laws of the Federation of Nigeria, 2004.
4. Section 41 Federal Environmental Protection Agency Act CAP F10, 2004.
5. DECD Economic Measurement of Environment Dangers. Page 5, 1960

amenities and other legitimate uses of the Environment.

The Federal Environment Protection Agency Act defines Pollution to mean “man – made or man – aided attention of chemical, or biological quality of the Environment to the extent that it is detrimental to that Environment or beyond acceptable limits and “pollution” shall be construed accordingly”.

1. ***Pollutant:*** Is a substance or energy introduced into the environment that has undesired effects or adversely affects the usefulness of a resource.

# CAUSES OF OIL SPILLAGE

Amnesty international in its recent report, said the hundreds of oil spills reported in Nigeria every year are ruining the Environment and putting human lives at risk. It said spills in Niger – Delta are the result of pipeline corrosion, maintenance issue, equipment failure, sabotage and theft.

For the last decade oil companies in Nigeria, in particular

shell, have defended the scale of pollution by claiming that the

vast majority of spills are by sabotage and theft of oil, the amnesty report said there is no basis for this claim.

Oil spillage could come up as a result of equipment failure, sabotage, human error, corrosion, blow guts, engineering errors, natural causes, acts of third parties, erosion and accidents. Data shows that most spills are attributable to technical reasons such as corrosion or equipment failure. This may occur as a result of some unexpected situation under very high pressure or where there is a failure in the normal working system of a rig or on the drilling unit. The acts of third parties can result to oil spillage as for instance, the drilling unit or pipeline is damage either negligently or maliciously.

An estimated 1.5 million tons of oil has spilled in the Niger – Delta ecosystem over the past 50 years. A report has it that between 1976 – 1980 there were about 2, 670 reported cases of oil spillage in the Niger – Delta region10. The report further say’s that between the same period i.e 1976 – 1990, 38% of the spills

1. Owobanjo: Analysis of Oil Spill Incidents in Nigeria: 1976 – 1980 in “The Proceedings of the 1981 International Seminar.

attributed to equipment failure, 21% to corrosion of the equipment and a meager of 3% to sabotage.

# EFFECTS OF OIL SPILLAGE ON THE PRODUCING COMMUNITIES

For nearly a century, petroleum production and consumption has probably brought out both the best and worst of modern civilization. The industry has contributed enormously to world economy growth and a higher standard of living in our time11. On the other hand the downside of petroleum development has left profound adverse effect on the global Environment. This is in the form of oil spill, in which the producing communities have had to painfully endure over the years.

Oil spills can result in serious Environment pollution affecting communities reliant on the ocean for food, the fishing industry and tourism.12 The most direct effects are felt by marine animal and plants, big and small, which live in the path of the oil spill.13

Once oil has entered the local Environment, Impacts will continue even after the visible oil has been removed or

1. Adekunbi Imosemi, Nzeribe Abangwu, Infra at page 8.
2. CSIRO Enquiries: Environmental Impact of oil spills, retrieved 22 October, 2014
3. Ibid.

dispersed.14 Water is perhaps the most important single resource in use,15 Oil spill on waters makes the quality of the water to be low when it is polluted, water is known to be polluted when it is altered in composition or condition so that it becomes less suitable for any or all of the functions and purpose for which it would be suitable in its natural state. It is a known fact that the people of the Niger – Delta are predominantly Fish Farmers; they have had their source of income disrupted as a result of water pollution as caused by oil spillage.

According to the U.S fish and wild life service,16 oil spills can be classified into five categories, very light oils, light oils, medium oils, heavy oils and very heavy oils.

Very light oils, such as gasoline and jet fuel, are extremely toxic to marine organisms, but evaporate rapidly in water so cleaning spill of this type is unnecessary.

Light oils, such as diesel, leave a residue in water and have long-term consequence on ocean life. Although light oils have

14 Ibid.

15 Akanle O.A Legal Perspective on water Resources and Environmental Development Policy: Nigeria Law Journal (1981), 12(1)

1. Oil spills: Severity And Consequences to Our Ecosystem; Dartmouth undergraduate Journal of science. March 11, 2012.

fewer toxins than very light oil, they are still damaging nevertheless, light oil spills can be effectively cleaned.

Medium oils, including crude oil like petroleum, do not evaporate quickly as such; these oils can devastate marine communities residing in intertidal areas or areas between high and low waters. Medium oils are especially threatening to birds and mammals as they can adhere to their feathers, hair, or fur, cleaning up medium oils is most successful if done immediately following the spill.

Heavy oils, on the other hand, are less likely to evaporate in water and can be exceptionally detrimental to aquatic life. Heavy oils are known to injure birds and mammals that come in contact with the contaminated site. Contaminating areas in which heavy oils have been spilt is also very challenging.

Very heavy oils, also known as Group V oils, are capable of hovering and diffusing into water, affecting animals like lobster, which subsist on ocean floors, while Group V oils are not as toxic

as the lighter oils, finding and pinpointing these oils is difficult task.17

Because oil does not dissolve in water, it undergoes a biological, physical and chemical process called weather ring.18 Weathering degrades oil through natural mechanism produced by sunlight, tidal waves, water temperature and bacteria. As a result, some oil spills have short-term consequences, persisting only for weeks. If oil contaminates shallow water, however, the results can be much direr. In these cases, the oil mixes with mud and other substances and accumulates on the bottom. As a result, the oil can last for decades causing a number of problems for marine life that comes in contact with the contaminated materials.

In the British Petroleum (BP) oil spills of 2010, 4-9 million barrels of crude oil were splits in the Gulf of Mexico19 according to Time, thousands of dead invertebrates like starfish and coral were

1. Oil and Nature (October 24, 1998). Retrieved at [www.fws.gov/contaminants/documents/oilandnature.pdf(22-August](http://www.fws.gov/contaminants/documents/oilandnature.pdf%2822-August) 2014)
2. J.W Farington, J.E. Macdowell; Mixing Oil And Water (2004) <http://www.who.edu/occeanus/view>Article retrieved on 23 August 2014
3. B. Walsh, The B.P Oil Spill, Once Year later: How Healthy Is The Gulf Now 2011 retrieved at [www.time.com/8th](http://www.time.com/8th) August, 2014

found. Unfortunately, these species play an essential role in the ecosystem to which they belong.

Humans can also be affected by oil spills. In Niger – Delta for example, the people have suffered for more than 50years environmental and water contamination. Many communities are faced with dangerous levels of carcinogens, cancer causing agents. In one such community, families are drinking water polluted with benzene, a type of carcinogen, at a concentration 900 times that considered to be safe. In other areas of ogoniland, nearly eight centimeters of oil were found on top of the water. This horrific spill has so far killed tens of thousands of people, as well as livestock and is predicted to take up to 30 years to reach its former clean state.20 Altogether, it will cost approximately $1 billion USD to rebuild the area. The shell oil company which was responsible for the spill, has neglected the impact this spill has had on the people of Niger – Delta in particular and Nigerians as a whole.

1. C. Koetti: Hell in the Niger – Delta Satellite images Documents Oil Spill 13 November 2011 at blog.amnestyusa.org retrieved 11 – August 2014.

# OIL COMPANIES PERPECTIVE ON SPILLAGE.

On the part of the oil producing companies, they allege that number of spills is attributable to sabotage. Sabotage is defined as a willful attempt to disrupt or interrupt the production or distribution of oil by third parties. Often members of the community where oil is being produced tamper with oil installations so that their property will be damaged and compensation will be paid to them21

Oil companies are spending millions of Dollars trying to explain their side of the story to the World. The world richest oil company, SHELL claims that most of the spills that occur in the Niger-Delta were as a result of oil bunkering, pipeline vandalism, and sabotage.

It further opined that it has detailed environmental program designed to bring all operations up to the internationally accepted level of performance, according to the Company, its policy is that all activities are planned and executed to minimize Environmental Impact, that it strives, for continuous Environment Improvement

1. Yinka, O: Oil and Gas Law, malthouse, 2003, pg- 134.

and like shell companies world wide operates within the Royal/Shell Group Statement of Business Principles and Policy Guidelines on Health/Safety and Environment.

# ENVIRONMENTAL & HUMAN RIGHT PERSPECTIVE ON OIL SPILLAGE.

## “I am a man of ideas in and

***out of prison my ideas will live”22***

These are words of Ken Saro Wiwa, Ken was a writer and political Activist who led a movement to demand greater revenues on the oil pumped from the land of his Ogoni people. His campaign against the Government and Royal/Dutch Shell for a greater share of oil wealth, political autonomy, and Environmental cleanup drew world wide attention and helped to spark what has effectively become a low-level guerilla war throughout the Niger-River Delta23

However small and insignificant their group appeared to be within the country’s immensely complex ethnic mosaic, the Ogonis constituted a threat to those who ran Nigeria. By targeting the oil industry, the fountain of more than 90 percent of Nigeria’s

1. Karl Maier: this House Has Fallen: Nigeria in Crisis, Penguin Books, 2000 page 75.
2. Ibid

export earnings, they had tweaked the vital artery that kept the heart of military rule beating. Their claims raised unsettling questions about final destination of the hundred of billions of dollars Nigeria earned in oil revenues since becoming a world class oil exporter.

For his troubles, Ken Saro Wiwa was executed in November 1995, along with eight other Ogoni activists, after being convicted on murder charges by what international Jurists described as a kangaroo court.

Before his death, Saro Wiwa wrote a column “The coming war in the Delta” this column was a scathing, prophetic broadside against the major oil companies, with shell at the top of the list. The minority people in the Delta, he wrote,” are face by a company – shell – whose management policies are racist and cruelly stupid, and which is out to exploit and encourage Nigeria ethnocentrism. The Government he said must pay royalty to the landlord for oil moved from their land and the revenue allocation formula must be reviewed to emphasize derivation. Citizens from the oil – bearing areas must be represented on the Boards of

Directors of oil companies prospecting for oil in particular areas and communities in the oil – bearing areas should have equity participation in the oil companies operating therein. Finally, the Delta people must be allowed to join in the lucrative sale of crude oil. Only in this way can the cataclysm that is building up in the Delta be avoided.

Since the return of the country into a civilian Regime and the subsequent election of Goodluck Jonathan “son of the Niger – Delta as the President of the Federal Republic, the people of the Niger – Delta are smiling again even though this smiles can not be seen on the faces of the locals, it appears only on the faces of the elite in the Niger – Delta.

# EXPERT WITNESS

Before compensation is paid, the damage is evaluated. By virtue of Cap E13 Laws of the Federation of Nigeria (2004) the Estate surveyors and the valuers (Appraisers) are the sole professionals statutorily recognized in Nigeria to provide advice

on value of pecuniary interests in Land or landed property for various purposes including compensation arising from oil spillage. The Estate surveyor and valuers, prepares the valuation upon to which the claimant/defendant seek redress and/or prepares his defense as the case may be.24 This Evaluation is most times, scientific and also a matter of Evidence. The Estate surveyor and valuer also prepares the brief or proof of evidence for the claimant or the defendant solicitor and may also appear as expert witness before a regular court or tribunal and any other

jury.

The need for expert witnesses in Environment cases Law been mentioned in the case of Seismograph service v – Ogbeni.25 The case was dismissed because there was no expert to prove damage. For example, if the spill occurs offshore, a marine surveyor is employed to give an estimate of the damage done. The amount of damage done may be proportional to the amount of oil lost during the oil spill but this is not conclusive as a lot of factors can affect the extent of damage.

1. Freidman, J.P. Defending An Oil Company Against Litigation For Environment Contamination (A Case Study ) Real Estate Issues (2000).

25 (1974) 4 S.C 85

If the claim is in respect of farmland, estate surveyors will quantify the damage. The soil expert will determine the length of time the soil will remain unproductive.26 This varies depending on the extent or degree of the damage. The crop or trees on the farm are then enumerated. Each crop is given a value. Although the value given to each crop is approved by the Government those values also depend on a number of factors like age and size of the crop.

The value of the product on the Farm is multiplied by the number of years that the farm will be unproductive, for instance, if the value of the product is N50, 000 and the soil will be unproductive for the next Five years, the victim will be paid N50, 000 x 5 =N250, 000. In addition to this, the victim is paid some amount for loss of Farming rights. The rates used by Oil Company are usually approved by the State Government. These rates are only used as a guide and in many cases, not strictly used. In

26 Omobolayi A. (1989). Oil Spill Compensation Claims In Nigeria: Principles, Guidelines And Criteria, Journal Of African Law, Vol. 33, No. 1

Ejanah – Ebube Community V-Royal Dutch/Shell,27 the learned Judge ruled inter alia.

*“I agree entirely with the expert finding of the valuer.*

*The evidence of this expert valuer was subjected to rigorous cross-examination and I find this valuer’s evidence credible. Accordingly, I hereby award in respect of continuing damage to plaintiff’s land and vegetation a sum of N540, 000.00 in damages”.*

# ONUS OF PROOF IN CASES OF ENVIRONMENTAL DEGRADATION IN OIL RELATED CASES

When an aggrieved person goes to court, he brings an action under the Nuisance, Negligence or the Rule in Rylands V. Fletcher.28 An Action in negligence requires the Company to prove that he has been negligent. This involves proving that the defendant owes him a duty of care and that the duty has been breached.

This is a heavy burden on the victim. The difficulty of proving negligence is even more complex in cases involving legal skill and technology because the burden of proof becomes higher on the plaintiff who finds it difficult to prove that the operator was negligent. This was the decision in the cases of J. Chinda & Ors V. Shell B.P,29 Umukoro Adhemore V. Shell BP30

Where the court held inter alia that the plaintiff encounters problems in view of the fact that the operations in the oil industry are legally specialized, and usually, only those in the oil industry have access to this knowledge.

In Seismograph Services V. Mark31 the plaintiff claimed compensation for damages from the defendant for destroying his fishing nets by a seismic boat. At the trial, it was impossible for the plaintiff, an ordinary fisherman to show that the company acted negligently even though his fishing nets was destroyed, and the court of Appeal dismissed the case.

29 (1974 2 R.S.2.R 1

Also in Atubin Gas V. Shell BP company of Nigeria.32 The plaintiffs claimed damages against the defendant company for negligently causing crude oil, gas and chemicals to escape from pipeline under their control and management which killed the fishes in their lakes and destroy their Farmlands the plaintiffs case failed upon their inability to prove the alleged negligence on the part of the defendant.

32 Suit No: UCH/48/93 High Court of Justice, Ughelli, Judgement delivered on 12th November, 1974.

# CHAPTER THREE

* 1. **LEGAL FRAMEWORK ON COMPENSATION**

Although Nigeria has a number of statutes that provide for compensation in matters relating to Land or landed property acquisition,1 only the oil pipelines Act Cap 145, LFN, 1990 contains provision that are directly related to compensation arising from oil spillage. Other Statutes such as the Land use Act (1978), minerals Act Cap 121 of 1946, and petroleum Act No: 51

of 1969 now cap 350 LFN 1990, mineral Act NO 24 of 1990, oil in Navigational water Act, Cap 337 LFN 1990 (all consolidated in the latest Laws of Nigeria LFN 2010) made only tangential reference to compensation for oil spillage as they deal primarily with acquisition rather than injurious affection.

# THE OIL PIPELINES ACT2

Section 1 (5) of the oil pipeline Act provides that the holder of a license shall pay compensation to any person whose land of interest in land is injuriously affected by the exercise of the right

conferred by the license, for any such injurious affection not

1. Adekunbi Imosemi, Nzeribe Abangwui, in Singaporean Journal of Business Economics and Management Studies, School of Law and Securities Studies, Babcock University, Ilesa Reno, Ogun State Nigeria.
2. Cap 145 Laws of the Federation of Nigeria LFN 1990

otherwise made good and any person suffering damage as a consequence of any breakage of or leakage from the pipeline or an ancillary installation, for such damage not otherwise made good. Damages arising from sabotage and malicious act of third parties are exempted.

Section 11 of the Act further provides that where the amount of such compensation cannot be agreed between any such person and the licensee, it shall be fixed by a court in accordance with the relevant section of the Act. Section 20 of the same Act further stipulates that the court may award such compensation as it considers just, having regard to:

* 1. Any damage done to any building, crops or profitable trees by the holder of the license.
	2. Any disturbance caused by the holder of the exercise of such right.
	3. Any damage suffered by any person as a consequence of any breakage of or leakage from the pipeline or an ancillary installation and,
	4. Loss (if any) in value of the land or interest by reason of the exercise as aforesaid.

Furthermore, section 20(3) provides that in determining the loss in value of land and or interest in land of a claimant, the court shall asses the value of the land or the interest injuriously affected, compensation shall not be awarded for unoccupied land as defined in the Land use Act, except to the extent and in the circumstances specified in the Act. Section 20(4) Section 20(5) stipulates that in determining compensation in accordance with the provisions of this section the court shall apply the provisions of the Land use Act so far as they are applicable and not in conflict with anything in the Act as if the land or interests concerned were land or interests acquired by the president for a public purpose.

From the foregoing, the Law relating to compensation for oil spillage in Nigeria, while providing specific items for compensation, leaves opened a number of crucial issues including the exact “heads of claim” as well as the basis and the method of

valuation applicable. It is no doubt that the discretion is left to the valuer, and of course, the court, which is the final arbiter.

# LAWS ON OIL SPILLAGE

* + 1. **PETROLEUM (DRILLING AND PRODUCTION) REGULATIONS3**

Section 25 of the above Regulation provided that the licensee or lessee shall adopt all practicable precautions, including the provision of up – to – date equipment approved by the Head of the Petroleum Inspectorate, to prevent the pollution of inland waters, rivers water courses, the territorial waters of Nigeria or the high seas by oil, mud or other fluids or substances which might cause harm or destruction to fresh water or marine life, and where any such pollution occurs or has occurred, shall take prompt steps to control and if possible ends it.

# OIL IN NAVIGABLE WATER ACT4

This Act is a local codification of an international convention5 it regulates the pollution of navigable waters. The primary

1. Regulation 25, Petroleum (Drilling and Production) Regulation in Petroleum Act (Cap P10) Laws of the Federation of Nigeria, 2004.
2. (CAP D6) Law of the Federation of Nigeria 2004
3. The International Convention For The Prevention Of The Seas By Oil: 1954 And 1962. (The More Recent Convention Was Ratified By The Legislature In 2003).

purpose of this requirement is to prevent oil spillage and other Environmental pollution through the use of modern drilling equipment as most oil spills have been attributed to obsolete equipments.

This Act makes it an offence for any discharge of oil into the navigable waters of Nigeria.

# OIL TERMINAL DUES ACT6

This Act provides for the discharge of oil at oil Terminals. Where such oil or a mixture is discharged into any part of the sea from a pipeline, vessel or as a result of evacuation of oil, the owner of the pipeline or vessel or the person in charge of the operation shall be guilty of an offence under section 3 of the oil in Navigable waters Act. Furthermore, he shall be subjected to the penalties provided under section 6 of the oil in Navigable waters Act and can also claim the special defenses provided under S. 4 of the same Act.

1. CAP 08, Laws of the Federation of Nigeria, 2004.

# NESREA ACT

Arising from the koko toxic waste episode, the Federal Government promulgated the Harmful Waste Decree 42 of 1988, which facilitated the establishment of the Federal Environmental Protection Agency (FEPA)

FEPA and other relevant Departments in other ministry were merged to form the Federal Ministry of Environment in 1999, but without appropriate enabling Law on Enforcement Issues. This situation created a vacuum in the effective enforcement of environmental laws, standards and regulations in the country.

To address this lapses, the Federal Government in line with section 20 of the 1999 constitution of the Federal Republic of Nigeria, established the National Environmental Standards and Regulations Enforcement Agency (NESREA) a parastatal of the Federal Ministry of Environment. By the NESREA establishment Act 2007, the Federal Environmental Protection Agency Act Cap F10 LFN 2004 has been repealed.

***NESREA*** has the responsibility for the protection and development of the environmental biodiversity conservation and

sustainable development and to liaison with relevant stakeholders within and outside Nigeria on matters of Enforcement of Environmental Standards, Regulations, Rules, Laws, Policies and guidelines.7

1. NESREA web page, [www.NESREA.com.](http://www.nesrea.com/) Retrieve on 20th July 2014.

# CHAPTER FOUR

# QUANTUM OF COMPENSATION ON SPILLAGE

Compensation for oil spills should be a straight forward matter, but it has the capacity to become extraordinarily complicated. To avoid the development of this extreme complexity, the global trend has been towards the avoidance of single or class actions in local courts through tort action. Instead, the consensus has increasingly been to regularize payments of compensation through government defined rules for loss paid for by funds created by the potential polluters.1

Local Civil, legal actions have been found to create uncertainly as to liability, Insurance needs and often create conflicts regarding Jurisdiction.2 Sometimes such cases get progressively more complex through the appeals system and occasionally go into the courts of the countries where the polluting companies are domiciled or have assets, rather than the countries where the pollution occurs.

1 Chris Cragg: Joseph Croft And Inemo Samiama, International Compensation System For Oil Spill In Relation To Reform In Nigeria: Journal Of The Stakeholder Democracy Network. Facilitating Community Empowerment, February 2013.

1. Ibid

Varied damages tend to be awarded without consistency by Judges and the cost of the cases reduces the compensation paid to the victims and delays its payment. The longer the process goes on, the more expensive the legal fees, with diminished compensation to the victims of the oil spill.

In Nigeria, the process of claiming compensation for damage caused by oil pollution is still dominated by the Civil Courts. Indeed, the system seems to push victims towards seeking redress in the courts, because the alternative appears inadequate.

The legal basis for entitlement to compensation and damages comes from section 11 and 20 of the oil pipeline Act.3 The parameters for compensation are wide, including damage done to buildings, crops, and trees. Its include disturbance to the user, damage suffered by neglect, leaking pipelines and loss in the value of the land.

The procedure requires that the claimant, be they individuals, families or communities, have to notify the company

1. Infra at page 25..

concerned, with as much detail as possible, there is the a Joint Investigation visit involving the claimants, their counsel, representative of the oil company and representative of the local Government. Such Investigations also include the Department of Petroleum Resources (DPR) and the National Oil Spills Detection and Response Agency (NOSDRA). The requirement is to reach unanimous agreement on where culpability lies, the places negatively affected and the terms for the beginning of settlement and negotiation for adequate compensation.

The claimants may then agree with the oil companies to seek arbitration from experts, like estate valuers, soil scientists and quantity surveyors and settle the matter with the compensation paid relatively quickly.

However, what happens frequently in practice, is that the offer made in compensation is according to the rates stipulated by the Oil Producer Trading Section (OPTS) of the Lagos State Chamber of commerce are usually refused by the claimant for being far too low, the alternative being to take the companies to court in Civil actions.

It must be noted, that even when the Oil Company consent to pay compensation there is always the procedure problem. Issues are raised as to the extent of the areas polluted categories of damage to be compensated and at what rate. There is also the problem of whom to pay. In most cases, the Oil Companies prefer paying directly to the victims of Oil Spillage.

The point should be made that the payment of compensation by Oil Firms is procedural. In an event of Oil resulting in damage of property, the first approach by the concerned department of the oil Firm is to initiate assessment or evaluation of the extent of damage.

It could be seen that victims are helpless in the process of pursuing claims. They are caught between disinterested state officials, greedy company agents and local elite who are shylocks. From this permutation claimants are between the devil and the deep blue sea. Faced with Hobson’s choice, they make do with the pittance that trickles down to them, in the final analysis, the point to note however is that rates for compensation have been evolving. For example in 1976 the baseline rate for cocoa was

N3.42, while revised rate for 1993 and 1997 were N50.00 and N100 respectively.4 The wave of anti-oil protest in Niger – Delta spearheaded by the movement for the survival of Ogoni People (MOSOP) must have added impetus to agitation for compensation.

In fairness to the oil firms, they pay higher rates than the officially established rates. For example, in 1997 the oil producers traders section of the Lagos Chambers of Commerce (OPTS) recommended N15,360 per Hectare of Land while the 1995 official rate was N1,3755

The World Bank has shown that, based on annual rent of N5,000 the Bank concluded that amount of compensation for land should at least be N50, 000 per hectare6. In comparison to other countries in terms of compensation payment, the Nigeria situation is appalling. In Tanzania, compensation for one hectare of Mangrove Ecosystem in 1991 ranged from $300 – 600, while in Trinidad and Tobago in 1974, it was $500.7

1. Oremade, T (1986) Petroleum Operations In Nigeria, Lagos, West African Book Publishers.
2. Frynas, J.G. (1993) Political Instability And Business: Focus On Shell In Nigeria, Third World Quarterly 17 (3). 457 – 478.
3. World Bank(1995) Defining an Environmental Development Strategy for the Niger – Delta, Industry and Operations Division.
4. Orubu, C.O (2 vol) compensation program for the use of Natural Resources by Oil Companies in Nigeria. Implication for Sustainable Development. in Nigeria Economic Society (NES)

Events have shown that there are various irregularities in the payment of compensation. This includes paltry sum forced down the throat of hapless victims who do not have the wherewithal to engage in litigation to challenge their oppressors. Furthermore, many victims go without any form of compensation.8 Available evidence shows that for a five year period, one oil company received 1081 claims for compensation it settled only 124 while 24 claims went to court.

# JUDICIAL ATTITUDE TOWARDS COMPENSATION CLAIMS

Environmental Litigation can take many Forms, Including Civil actions based on contract or property Law, Criminal Prosecutions, Public Interest Litigation or Enforcement of Fundamental Human rights. Particularity Complex Issues may arise when cases involve Trans-boundary Environmental harms.9

At common Law, an action in an Environmental Litigation may be based on either negligence, nuisance or under the rule

1. Akpezi O. (1996) Legal Sector Niger – Delta Environmental Survey, Phase 1, Socio – Economic Characteristics, Port – Harcourt: Anpez Environmental Law Centre, P. 62.
2. Ladan M.T A critical appraisal of Judicial Attitude Towards Environmental Litigation and Access to Environmental Justice in Nigeria: A paper presented at the 5th lucn Academy Global symposium: Rio De Janeiro Brazil. 31st May – 6th June 2007.

laid down by Ryland V. Fletcher each of these common Law action, have some essential requirements which, the plaintiff has the onus of proving.

More importantly, there has been more of non-realization of these legally protected rights in the various Environmental Law – suits. The rule of evidence and of course the disposition of the Judges, play an important role in the non-realization of the legally protected rights.

Another striking problem of Environmental litigation is the operation of the rules of Burden of proof; it means that if at the end of the case the plaintiff cannot proof his case, the court must decide against him. In Environmental Pollution it is difficult to prove that a particular defendant is responsible especially where there are others engaged in similar activities.

Nigeria Courts over the years have insisted particularly in deciding Oil Pollution related cases on high standard of proof by the plaintiff before their claims are upheld.10 Significantly, the defendants whose wrongful conducts are directly in issue

1. Thomas Ugbor Oshie: Liabilities of Oil Producing Companies Faculty or Law Benin Unpublished Page 82.

encounters o difficulty in procuring the services of experts to justify on their behalf in a manner indicating they are not liable.

The evidence, the expert invariably goes unchallenged or uncontradicted. In the case of seismograph service ltd V.

Kwarbiogbeni11 it was observed thus12

*“whatever may be achieved as a result of this great disorder, those who softer by Oil Pollution must be relieved of the extremely difficult task of establishing liability as a condition precedent to security redress. The Financial burden necessary to prove the services of such experts are seldom at the disposal of genuinely oppressed plaintiffs and these experts are easily at the disposal of the defendants. The battle between the forces of deterioration and the victims remain an uneven one”*

The Supreme Court decision in Seismograph Services ltd V. Akpruoyo13 where the learned trial Judge held the Oil Company

11 (197) 4 SC. 35

12 Keaton, G.W Lessons of the Tory English Law Aspects 21 C.L.R 1968, 94.

13 (1974) 6 S.C 119, 106.

liable, but was reversed on appeal by the Supreme Court sowemimo J.S.C (as he then was) said thus:

*“The evidence of the 4th defense witness is that of an experts. He knows the soil and therefore his opinion is relevant and deserved consideration. We think that, since such expert opinion has not been challenged, it could have been considered as the only evidence on the Issue of liabilities so far as the seismic operations are concerned.”*

The cases of Seismograph Services V. Mark14 Atubin Gas V. Shell BP15 Dumez Nigeria Ltd V. Ogboli16 points to the fact that the evidence by and expert is an Indispensable element. These cases expose the difficulties a plaintiff in an Oil related matter may encounter.

1. Ibid
2. Suit No Uch/48/73 High Court of Justice, Ughelli Judgment Delivered on 12 November, 1994.

16 (1972) All N.L.R. 241

# CHAPTER FIVE

* 1. **Summary**

The importance of oil deposit in any society or nation can never be overemphasized as it has over the years contributed enormously to would economy growth and a higher standard if living for every country that are so blessed, on the other hand the downside of petroleum development has left a profound adverse effect on the global environment. Nigeria is no exception.

The people of Niger-Delta live in extreme poverty and continuous environmental degradation.

Given the overwhelming role of oil in Nigeria national economy, the policies and practices of the oil companies are important factors in the decision making of the Nigeria government. Because the oil companies are operating joint ventures with the government they have constant opportunities to influence government policy, including with respect to the provision of security for the oil facilities and other issues in the oil producing region. All the oil companies operating in Nigeria share this responsibility to protect and preserve the environment.

In addition to these general responsibilities, the oil companies have specific responsibilities to protect the environment in connection with their operations, the responsibilities must be seen against the context of oil production in Nigeria and in fact that the environment needs to be sustained to keep the oil flowing benefits the Nigeria government, the oil companies and the communities.

# CONCLUSION

Spilled oil poses serious threats to fresh water and marine environments, its affects surface resources and a wider range of subsurface organism that are linked in a complex food clean that includes human food resources. Spilled oil can harm the environment in several ways, including the physical damages that directly impact wildlife and their habitats (such as coating birds or mammals with a layer of oil), and the toxity of the oil itself, which can poison human organism.

Nigerians, the Niger Delta people in particular has suffered and are still suffering from continuous incident of oil spill in their

environment, this has greathly affected their life style and pose a continuous health challenge on them.

Nigeria has become one of the most petroleum polluted environments in the worlds the impact of oil spill include but not limited to habitat degradation, pollution from gas flaring.

These unfortunate incidents make the victims individual and host community, land owners, pond owners and other property owners to demand compensation. A lot has been done by the Nigerian government in ameliorating the plight of victims of oil spillage but much more still needed to be done if we are to once and for all control the incidence oil spillage.

The Nigeria legislation at the moment are week in the provision for the protection of prevention of environmental degradation and compensation of victims of oil spillage

# RECOMMENDATIONS

Oil Pollution Compensation set up by the Federal Government that will make provision for Compensation for Oil Pollution damage resulting from activities of not only multinational Oil

Companies but that of Oil thieves, Saboteurs and Pipeline Vandals.

Legislations that will protect the Environment of host Communities and ensure timely, adequate and fair compensation are to be urgently enacted. The passage of Petroleum Industrial Bill (PIB) has been long overdue and no wonder Kingsley KuKu,1 special adviser to the President on Niger – Delta and Chairman of Amnesty Program said that:

*“people should not play politics with the PIB for it brings love for the future of the Oil Sector in Nigeria and accountability by all Stakeholders”.*

Furthermore relevant Government Ministries are to come up with administrative Policies that will ensure that Oil Spillage Victims are compensated on time, fairly and adequately. Immediate necessary Environmental efforts to be made by the Oil Company after any Oil Spill, the multi – national Oil Company must effectively attempt to rectify the harm caused to the victims of Oil Spill. Payment of compensation presents an opportunity for

1 The Washington post 20th July, 2013

the Oil Companies to address and repair some of the Environmental damages. Oil Companies should endeavor to have flexible attitude towards determining adequate Compensation values for Claimants. Opportunities for Information and Communication are to be increased so as to appease victims.

Oil companies are to secure their pipelines so as to prevent Oil theft, sabotage and vandalism by using helicopters for daily surveillance. This will ultimately prevent Oil Spillage by these activities and the issue of victims not being compensated due to these activities will not arise at all. NNPC pipelines are to be guarded by Government Security Forces to avoid Oil theft sabotage and Vandalism (though the NSCDC) are doing a great Job at the moment so as to avoid Oil Spillage.

Oil Companies in Nigeria do not operate according to the robust International, Social and Environmental Standard most of them still use obsolete equipment in operation and this also cause Oil Spillage. Multinational Oil Companies in Nigeria should change all the obsolete equipment of Operation to current and Modern

ones to avoid Oil Spillage since it is better to prevent Oil Spillage than to pay Compensation after degradation to the Environment. Eventually, high rise in case of severe Pollution of air, Land and Water with disastrous Impacts on health and livelihood will decrease.

Inadequate Inclusion of Communities in decision affecting their lives by both Government and Multinational Companies especially on Issues of Compensation should stop.

To avoid the heavy financial burdens and prolonged stress suffered by private citizens obliged to go to court to win Compensation, Government should take over the case on behalf of the claimants and stop taking sides with the multinational Oil Companies, to provide the victims with legal aid to pursue claims which in the opinion of an independent valuer, are reasonable and have a fair chance of success. Government should constantly relieve Pollution victims of the stress and Financial hardship that currently accompanies attempt to win fair Compensation through litigation or arbitration.

If all these recommendation is put to use, there will be a noticeable Improvement in Nigeria Oil Industries and incidents of Oil Spillage in Niger – Delta and Nigeria as a whole will be at its minimal.

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