



GLOBAL MEMORANDUM OF UNDERSTANDING: AN ANALYSIS OF A SHELL PETROLEUM DEVELOPMENT COMPANY'S CURRENT COMMUNITY DEVELOPMENT MODEL IN THE NIGER DELTA

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ABSTRACT

The dynamisms of the present realities have propelled multinationals world-wide to engage in Cooperate Social Responsibility (CSR). This explains to a large extent why there are different models of community interface and development which serve as the means to dispense CSR to stakeholders. The Global Memorandum of Understanding (GMOU) is the Shell Petroleum Development Company (SPDC) existing major community interface model in Nigeria. And like all models of interaction and development, it has its own challenges. Therefore, the aim of this study was to x-ray the qualities and the maintenance of projects born-out of the model and the problems associated with the community-based managers of the model called the Cluster Development Boards' (CDBs) in the Niger Delta Communities. Explanatory Survey design was chosen for the study and primary and secondary data were collected from well-informed sources related to the variables from different stakeholders. The central conclusions of the study are that the projects sited in various communities through the model are not generally very high in quality and they are not adequately maintained by the communities where the projects are sited. And CDBs membership disagreements in the various communities are commonly propelled by greed and government officials' interference with the process of selection/appointment.

Keywords-Global, Memorandum, Shell, Community, Development, Niger- Delta

INTRODUCTION

Global Memorandum of Understanding (GMOU) is now one of the fastest growing instruments of Cooperate Social Responsibility (CSR) cum community development models at the moment. Available records confirmed that so far only crude oil related multinationals like Chevron Nigerian Limited (CNL) and Shell Petroleum Development Company (SPDC) alone have GMOUs arrangements with more than 500 communities of various kinds in the Niger Delta (Bede and Haslinda (2011). According to Chevron its eight GMOUs have signed-in, in its first attempt around 600,000 individuals (Olawari & Fidelis, 2011 and Tracey, 2010).

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SPDC in Rivers State, Nigeria, according to the October 2012 **Shell World** magazine has: *so far provided grants of over five billion Naira to 12 communities clusters that have completed 400 projects and ... additional 300 projects being implemented in the various communities using GMoU funding*. SPDC also alone in 2011 spent, \$79.5m about N11.9 billion in community development in the Niger Delta of Nigeria courtesy of the GMoU model (SPDC: GMoU, Progress so far 2012 Report).

Multilateral development agencies like the World Bank, African Development Bank, major development NGOs and government agencies are now interested in helping local communities through GMoU-like models. The European Commission (EC) and the federal government partially sponsored, Micro Projects Programmes (MPP 1 to 9) is an example of an engagement model that shared the principles and philosophies of the GMoU model.

The GMoU model of SPDC is the one largely under focus in this study. SPDC is the largest oil and (now) gas company in Nigeria. SPDC is basically an administrator of a sort to a joint venture agreement for other two multinationals (Agip, 5%, and Total, 10%), and the Nigerian crude oil behemoth called Nigerian National Petroleum Company (NNPC) which have a 55% stake in the joint venture. SPDC has a commanding share of 30% in the joint venture, it is commanding because, the company is the sole manager of the venture. As at 2002, according to Tracey (2010), the joint venture accounted for over 40% of the Nigeria's oil production and approximately 55% of the nation's crude oil revenue base. SPDC operations are more concentrated in the Niger Delta (particularly, the *geographical* Niger Delta: Bayelsa, Rivers and Delta states). The company has over 6,000km of pipeline and flow lines, 87 flow stations, 8 gas plants, and more than 1,000 producing wells in Nigeria. In its employment, SPDC has over 5,000 permanent staffers who are Nigerians and about 15,000 impermanent (mostly through second or third parties labour contractors) labour force that fluctuate according to the now volatile vagaries of the oil industry which the Nigerian Labour Congress (NLC), the umbrella workers' union, is very scratchy with (Shell World, 2012:12 and Thisday, 24th July, 2012).

That the GMoU model is a success so far to a large extent is not in doubt, however, like every model, it has its own problems that are now becoming constant characteristics, which some major stakeholders described as: *peculiar challenges* (Shell World, 2012:7). Two of the major challenges now strongly associated with GMoU model in most of the communities are the quality and maintenance of the executed projects and secondly, the conflicts [now] connected with the membership of the Cluster Development Boards (CDBs) in the communities.

Therefore, the objectives of this study are to investigate and recommend ways to tackle the above-mentioned problems. Consequently, this study will be divided into various parts to enable us to do justice to all the variables under interrogation. The study will be broken down to:

- Literature Review: evaluation of key concepts [GMoU and CDBs];
- Problems of GMoU projects' quality and maintenance;
- CDBs' membership generated conflicts;
- Study design, population and data collection instruments.
- Key findings and;
- Recommendations/conclusions.

LITERATURE REVIEW

To attain clear clarifications and to focus on the whole study the major concepts of the topic under examination need concise explanations, and therefore the philosophies, principles and the characteristics of GMoU, CDB among others will be explained.

Global Memorandum of Understanding (GMoU)

GMoU according to a 2006 pamphlet published by SPDC entitled: **GMoU, What you Need to Know**, is *a comprehensive agreement between SPDC and any group of communities (clusters) within a*

geographical area. The agreement shall specify SPDC's activities, benefits to communities in terms of development and other basis for relationship between the two parties over a 5-year period.

By all summation GMoU is a baby of a sort or is one of the by-products of CSR. Multinationals all over the world now stalwartly get involved in CSR in countries that they operate. Bede and Haslinda (2011) postulation that countries where governments are negligent of their duties of raising the living standards of the people, multinationals must help to develop the local communities they operate is not only in order but it is also moral by all sane standards mostly in the so-called third world or developing countries. This may perhaps explain why the multinationals: Nestle and Unilever are helping through CSR to earnestly develop the Indian communities they are operating. Coca-Cola is doing same in Venezuela, Intel in Costa Rica and Land O' Lakes International in Albania (Bede and Haslinda, 2011).

However, development scholars like Kiikpoye (2011, and 2012) have robustly hypothesized that CSR models like GMoU are not and *cannot* be real instruments of development and progress in exceptionally underprivileged areas like the Niger Delta that is being governed by largely *absentee* governments and leaders. To Kiikpoye:

an aura of virtue is constructed around CSR as a strategy for the development of oil-bearing communities. This is misleading, as it does not bring out in bolder relief the structural constraints that confront corporations. In the Niger Delta, corporations are faced with the dilemma of maximising profits for shareholders, which is the reason for business, at the same time as filling a development gap created by an absentee state. Implicitly, therefore, corporations can only indulge in what Friedman would call 'hypocritical window-dressing', that is, pretending to be nice to communities through philanthropic gestures, in so far as it makes sense to do so from the perspective of profit. Hypocritical window-dressing cannot solve the development challenge anywhere in the world, let alone in the Niger Delta where the development challenge is especially acute (Kiikpoye, 2012:786)

Kiikpoye also cited a 2004 Christian Aid publication which opined that: CSR projects and programmes through contraptions like GMoU are all: *defensive efforts, a public relation (PR) game in which companies primarily react to deal with the critics and pressure from activists.*

Therefore, in the Niger Delta, where according to the UNDP (2006:2) is suffering from: *administrative neglect, crumbling social infrastructure and services, high unemployment, social deprivation, abject poverty, filth and squalor and endemic conflict*; any model of CSR that is open to amendments is welcomed.

GMoU model has a very rich and extended history at the moment based on its few years' of existence, without any fear of contradiction, it is very safe to conclude that GMoU is a child of past developmental mechanisms that were controversial and were not very successful that were fashioned to develop the crude oil producing communities. GMoU is the distilled products of all the past prototypes of development attempts that have been done in the Niger Delta. For instance, the debut community development model of SPDC was called: Community Assistance (CA) that was designed in the 1960s, like almost all its successors, CA was a company-focused and top-down oriented model of community development. However, when CA failed, Community Development (CD) strategy was crafted in the 1980s. By 2004, Sustainable Community Development (SCD) model succeeded CD to become the guardian angel of the company's activities in the communities because CD was not helping matters. GMoU actually emerged as a result of the flaws associated with the last largely inclusive model of community development strategy of the company (Bede & Haslinda, 2011:5 and Kiikpoye, 2012:265).

The philosophy of GMoU supports a pro-bottom-up, pro-poor and pro-wider-community involvement orientations (because it also includes communities that are not currently producing crude oil). It also encourages transparency, accountability and volunteerism in the oil producing communities and others because all the processes and arms associated with GMoU involve some forms of modern American-like

democratic practices. GMoU also reduces conflicts between host and non-host inter-communities' conflicts driven by "project-jealousy" because virtually all the communities that are close to the host communities that are non-crude oil producing ones are not excluded, they are included in the GMoU clusters' development boards.

Finally, GMoU is revolutionizing the local communities, through the training and the consulting services the top-rate NGOs the model attached to the communities are providing for the local people. Currently, the community members are becoming aware of the *social contract* that their traditional and political leaders have violated because of the training-services the model propelled the NGOs to do in the communities. The negotiation, leadership, anti-corruption, project monitoring and management and other sundry knowledge (through seminars and conferences for community members) the NGOs through the GMoU model is providing for the communities members through various training sessions are now helping them to also gradually call their political and traditional leaders who have been squandering their commonwealth to account (Tracey, 2011). Lastly, the model is a mechanism that is not cast on iron; it has inbuilt procedures that made it broadly open to modifications and reforms that are community-empowerment oriented.

Chevron Nigerian Limited and the Norwegian oil firm, StatoilHydro, are the originators of the GMoU model of development (Kiikpoye, 2012:266; Tracy, 2010:69; New Nigerian Foundation, 2012 and Chevron, 2008). According to Stephen (2011:1), *GMoU is a stakeholder engagement cum development framework that becomes popular in the mid-2000*.

Tracey (2010) elaborately explains the working mechanism of GMoU thus:

Each of Chevron and Shell's GMOUs is signed between the company and representatives of the several dozen communities which will benefit under it. The agreement calls for and creates a single central leadership board for each GMOU, called Regional Development Councils (RDCs) in Chevron's program and Cluster Development Boards (CDBs) under the Shell system. Leadership is drawn from the local elite and community representatives, the companies, state and local governments, the Niger Delta Development Commission (NDDC) and civil society. Member communities may also be represented by local governance bodies like community trusts (CTs). A variety of participatory mechanisms are used to involve locals in the development process. (Tracey, 2010:11)

Because, the model is quite new (the model is about a decade old now), stakeholders evaluation of the GMoU model of CSR is not still total. Some of the teething problems associated with GMoU induced relationships with some communities in Bayelsa and Rivers states according to Tracey (2010) are:

- Clan versus political boundaries preference: the way the communities are clustered together is one of the challenges of the GMoU process. In Chevron's RDCs communities are grouped according to regions while in SPDC's CDBs' communities are clustered on the bases of "*local government or clan/historical affinity*". These methods of grouping the communities to assess funds for development usually cause conflicts because the groupings are not done on the bases of purely a particular criterion such as political grouping like local governments, constituencies, wards and states;
- NGOs under-capacities: this simply means that most of the NGOs lack the capacities to facilitate the very sensitive GMoU processes they are assigned to play. (the NGOs are an integral part of the GMoU model, they help the sponsoring companies such as SPDC to train and nurture communities members);
- In most cases, the NGOs are treated like every other contractor, they are not regarded as partners in progress by the sponsoring firms and therefore, they cannot give their candid views on issues straight even when they know the modalities of the processes being taken are faulty. Because they fear to "lose their jobs";

- Communities' capacities: the roles (like generating programmes and projects, supervising, evaluating and monitoring of projects) GMoU model assigned to communities members are in most cases difficult for the members to fill. The functions of the boards that are the engine rooms of the GMoU process are too sophisticated for most of the selected communities' members even when they are given ad-hoc training. The functions (which are like those of the Senate, the House of Representative and the president combined) can only be carried out easily by experienced communities' members who are difficult to attract;
- Elite and gender dominance: the elites and the males in all communities still dominate the whole processes of the GMoU; and
- Firms Identities: projects and programmes that originated from the processes are believed to be from the communities alone accordingly to the philosophies of the model, however, firms like Chevron and SPDC always like to add or inscribed their logo, colour or names on the projects or programmes which create a kind of alienation.

Aaron and Jim (2010:35) also pointed out in a 2008 assessment of Chevron's GMoU that, the GMoU model is only very good at quick-impact projects, and not good at infrastructure and long-term projects. The following tables summarise the strength and weaknesses of the GMoU model in general and the marked differences between the GMoU models of Chevron and SPDC:

Table 1: GMoU strengths and weaknesses

Strengths	Weaknesses
COMMUNITY DEVELOPMENT AND IMPACT ON LIVELIHOODS	COMMUNITY DEVELOPMENT AND IMPACT ON LIVELIHOODS
Focuses on community development, not handouts. □ Designed to give communities greater ownership of development process. □ Starting to produce tangible results, particularly in basic community infrastructure	Coordination with government is minimal and inadequate. - o Many still expect the handouts and benefits of the previous system, causing tensions. - o Initial projects slow to implement, causing some to lose faith. - o Allocation of employment, scholarships and CNL contracts remain contentious issues.
FUNDING	FUNDING
Addresses previous bureaucratic funding problems that caused abandoned projects. □ Has prompted some Regional Development Councils (RDCs) to approach other funders.	- o Funding levels are inadequate to meet the extensive needs of communities. - o Funding criteria are not clear, causing tensions, confusion, and a sense of inequity. - o CNL/NNPC are the sole funders today
INCLUSIVENESS, PARTICIPATION AND REPRESENTATION	INCLUSIVENESS, PARTICIPATION AND REPRESENTATION

☐ Regional Development Councils have the potential to represent the full range of community voices. ☐ Youth and traditional leaders are playing an active role in some RDCs	Women are largely excluded from the process. - o Some youth feel they have inadequate representation and some expressed significant anger and frustration. - o Many traditional leaders expressed frustration over the loss of homage payments and direct contact with CNL.
TRANSPARENCY, COMMUNICATION AND INFORMATION SHARING	TRANSPARENCY, COMMUNICATION AND INFORMATION SHARING
Is significantly more transparent than anything preceding it. ☐ Calls for town hall meetings and other mechanisms to promote communication.	Many do not perceive the process to be transparent, leading to conflict and even violent conflict. o Communication between the RDCs and the communities they represent has been very poor. RDCs are not using the GMOUs' built-in communication mechanisms.
GOVERNANCE AND LEADERSHIP	GOVERNANCE AND LEADERSHIP
☐ GMOU governance mechanisms reduce the misuse of funds. ☐ RDCs are designed to represent the full range of community voices in decision- making. ☐ The process has strengthened the capacity of RDC leadership to become leaders in community development. is unclear and a cause for concern	Many feel RDC leaders put personal interests ahead of community interests. - o Work of the RDC leadership exceeds its "volunteer" status. - o Decision-making is often cumbersome in the GMOUs' management committees. - o CNL is perceived by many to dominate decision-making.
RELATIONSHIPS, PEACE BUILDING AND CONFLICT	RELATIONSHIPS, PEACE BUILDING AND CONFLICT
☐ CNL's relationship with communities has improved under the GMOUs for many stakeholders. ☐ No community-sponsored attacks on company facilities since the start of the GMOUs. ☐ The Peace Bonuses are promoting peace in several areas. ☐ Stronger ties between different communities and different ethnic groups in some areas.	Some youth said the CNL relationship has worsened under the GMOU and they threatened to take action against the company. - o Conflict Resolution Committees are not functioning or functioning poorly. - o Some said they are not benefitting sufficiently from Peace Bonus funds.

Source: 2008 Chevron GMOU Participatory Stakeholder Evaluation

Table 2: Similarities and Differences between Chevron Nigerian Limited and SPDC GMoUs Models

Chevron GMoU	SPDC GMoU
Decision-making and implementation of the GMoU projects and programmes are vested in the institutions called: the Regional Development Boards (RDBs)/ Regional Development Councils (RDCs). Each RDC consists of Management, Project, Accounting, and Conflict-resolution Committees composed of representatives from communities within each cluster.	Decision-making and implementation of projects and programmes are solely with the, Community Trusts (CTs) and Community Development Boards (CDBs). Membership of the CDB, which is the apex decision making body, is drawn from the chairman and secretary of each CT. The CT is akin to the House of Representatives while the CDB is like the senate.
Communities are clustered mostly only on the basis of ‘a common thread’ such as heritage and history,	Communities are clustered along the lines of local government areas, clan and proximity.
Each RDC also has three standing committees: project review, conflict resolution, audit and accounts.	Each Board has four standing committees for finance and resource management; partnering, communication and capacity building; peace; and technical matters.
The committees have representatives from the NDDC, donors, NGOs and State and Local Governments and they are under the umbrella of the Community Engagement Management Board (CEMB)	Each CDB also has an SPDC representative, a local government representative, a state government representative, a Niger Delta Development Commission representative, a National Petroleum Investment Management Service representative, and a representative from the donor community.
RDCs produce a three-year development plan based on Sustainable Livelihood Assessment conducted by a facilitating NGO.	GMoU is entered into for a five-year term with a cluster of communities. With the support of a NGO, Sustainable Livelihoods Assessment will be made and translated into a five-year Community/cluster Development Plans.
CNL provides annual seed money to the RDCs. The RDCs are also expected to seek for external sources of funding from the Government, NDDC and the donor community.	SPDC and the communities agreed that funding and capacity development will be provided by SPDC while the communities will ensure conflict free environment. CDBs are also encouraged to seek external funding from donors, some CDBs are making progress in this regard and they have metamorphosed to foundations (a sort of developmental NGOs).
CNL employed the services of NGOs to facilitate negotiations and training of RDB members	SPDC engaged the NGOs to expedite negotiations and training of CDB members.
	CDBs are entitled to 10%, of the annual negotiated amount; 5% goes to for administrative functions. Another 5% is used to monitor project implementation at community level.

Culled and modified from: (Kiikpoye, 2012; Chevron 2008 GMoU Participatory Stakeholder Evaluation; and Tracey, 2010)

Cluster Development Boards (CDBs)

In the Chevron model of GMoU, CDBs are called RDBs (Regional Development Boards). Community Trust (CT) is the producer of the members that constitute the governance structure called: CDB. Community Trusts are made up of 10 recognised, sometimes democratically elected and trustworthy members of, and residents in, the community, which must at least include three women. From the 10 CTs members, each community will provide three each (a woman to be included) to establish the CDB.

Cluster Development Board is responsible for managing the GMoU development activities across all the participating communities within a given cluster. CDBs are, as a rule, made up of all the chairpersons, and the secretaries and a member (which must be a woman, if the chairperson or the secretary is not a woman) of each Community Trust, a SPDC representative, a local government, a state government, a Niger Delta Development Commission, a National Petroleum Investment Management Service representatives, including a representative from the donor community. However, beside the representative from SPDC, all other representatives appear to be very uninterested.

Members of each CDB are required to swear an oath of office and adhere to a code of governance that removes conflict of interest and supports due process, equity, participation and commitment to community development. In most cases, CDBs are to oversee clusters of more than 10 communities that are very large, in such cases; a smaller management subcommittee are established to perform most functions. The Boards are entitled to a little percentage of the annual negotiated sum under the GMoU agreement to manage their administrative functions, including managing a secretariat and engagement of staff.

Each Board also has standing committee(s) for finance and resource management; partnering, communication and capacity building; peace and conflict; and technical matters. The Boards are mainly the recognised bodies to engage SPDC on communities' issues and to manage the relationship between SPDC and the cluster.

Immediately, all CT members are sworn-in and inaugurated, an NGO is contacted and contracted to do a baseline survey of the clusters' assets and priorities that will be analysed to support their livelihoods and to adopt new strategies and programmes to improve opportunities for economic, social and environmental development and wellbeing of the cluster. The strategy usually incorporates what is available to the community and what inputs are required for successful implementation. With the support of the NGO, the resultant sustainable livelihoods assessment recommendations will be translated into a five-year Community Development Plan and Cluster Development Plan (Tracey, 2010: 71 and Chevron: 2008 GMoU Participatory Stakeholders Evaluation).

The GMOUs have fostered and are still nurturing stronger ties between different communities and different ethnic groups in some areas because of the clustering mechanisms associated with it. One of the major issues that is however confronting the GMoU model is the conflicts associated with the membership of the CDBs. In fact, it will not be out of place to input that the membership of CDBs is now one of the major causes of intra-communal conflicts in the communities that have a GMoU or the ones that are about to have one.

To some stakeholders the GMOU prevent the RDC (and the CDBs) from getting involved in other important issues such as land disputes and the support for the culture of the people. Community stakeholders in one RDC according to Tracey (2010) alleged that funding for cultural events had stopped under the GMOU arrangement, which threaten the development of communities' cultures. Others noted that current funding levels do not allow for capital-intensive projects such as sand-filling of erosion sites, dredging of water fronts and large scale electrification of major towns and communities (Tracey, 2010 and Chevron: 2008 GMoU Participatory Stakeholders Evaluation).

Problems of GMoU Projects' Quality and Maintenance

One of the major by-products of the GMoU model is infrastructure (in forms of roads, health centres, town halls, footbridges, water schemes, etc) that is built in the communities. According to a Booklet published by SPDC entitled: *GMoU: Progress so Far*:

As at 31st December, 2011, GMoU agreements have been signed and funded in 27 clusters and 596 projects have been completed while 110 are on-going and over N11.9b (about \$79.5m) has been provided by SPDC. The model has also been useful for the management of community interface and social impact of SPDC's major projects. As at 31st December, 2011, 116 Project GMoU have been implemented a (sic) the cost of N6.4bn (\$42m) (SPDC, 2010:2, GMoU: *Progress so Far*)

As at 2010, Chevron's GMoUs with 24 clusters, encompassing 244 communities have also produced 490 projects (Bede and Haslinda, 2011:15). Therefore, GMoU model is really spreading projects across the host and non-host communities in the Niger Delta. However, as it has been stated based on empirical evidences, the communities are not maintaining these projects as they ought to be. The quality of these projects born-out of the GMoU model is also a thing of great concern.

The general assumption is that, communities do not maintain projects and programmes in their domain because of the top-down philosophy that underscores community development practices before now. Generally, project and programme maintenance is a bane all over the developing countries (Stancy 2008). Different defunct and still existing government agencies such as: Directorate of Food, Roads and Rural Infrastructure (DFFRI); Better Life for Rural Women Programme (BLP); National Directorate of Employment (NDE); Peoples Bank of Nigeria (PBN); Family Support Programme (FSP); Family Economic Advancement Programme (FEAP); Poverty Eradication Programme (PEP); National Poverty Eradication Programme (NPEP); National Economic Empowerment Development Strategy (NEEDS); Oil Minerals Producing Areas Development Commission (OMPADEC); Niger Delta Basin Development Authority (NDBDA); Niger Delta Development Authority (NDDC); and the Niger Delta Ministry (NDM) were/are established to develop the nation though the provision of projects and programmes in mostly the remote communities, however, hundreds of thousands of these projects and programmes that have been developed and executed with billions of dollars by these agencies have been allowed to rot in the communities they were located, in most cases there are no signs of these projects and programmes in most parts of the country because of total lack of maintenance from all the stakeholders.

In the Niger Delta, government and non-governmental agencies have also executed thousands of projects that have been reduced to nothing because of total lack of maintenance and extremely questionable quality. For instance, the World Bank/Federal Government sponsored sanitation and water projects through the MPP1 to 9 understanding that covered almost the whole region have been abandoned to decay because of lack of maintenance and highly questionable quality issues.

The multi-national oil firms have also executed thousands of projects in the region that have failed because of poor quality and lack of maintenance. A 2000/2001 SPDC sponsored projects review report indicated that, *less than a third of the company's community development projects had been successful* (The Ecumenical Council for Cooperate Responsibility, 2010:10 and USA Institute of Peace, 2010). According to Legborsi (2010:17), *even the projects the UNDP handled for the company recorded almost zero successes*.

Kiikpoye (2011) field survey of mostly new CSR projects in the Niger Delta revealed that: The region is replete with overhead water tanks of uncompleted or poorly completed and dysfunction water projects, shore protection projects fully paid for, but not completed, and redundant generating plants that worked for a few days after commissioning of electricity projects in communities where people are too poor to afford diesel, and so on (Kiikpoye, 2011:787).

For the past half a decade or more, Chevron, SPDC and others have spent more than half a billion dollars each year for community development in the Delta Region (Aaron and Jim 2010). However, most of these projects that were done in recent times mostly through the GMoU model are beginning to attain the usual descript conditions because of poor quality and lack of maintenance. Virtually, all the stakeholders are in a

fix, because they could not easily interpret and make sense of what is really wrong with our individual, communal and even corporate lack of maintenance culture toward community projects.

Harold (2001:16-19) postulation seems to explain this dilemma. According to him:

There appears to be a lack of consensus and appreciation among many NGOs about the level of on-going, post construction support required to ensure that project benefits are maintained over the long term. It is doubtful whether many organizations are in a position to provide systematic post project follow-up. The majority of agencies try to prepare communities to manage and administer their own systems during implementation, but they do not share common approaches and standards in terms of training and institutional strengthening within the communities.

He therefore recommended that:

Communities must be strengthened and empowered to meet their responsibilities through the formation and development of a recognized structure; and in addition to an increased role for the community, there is also a need for external institutional support in the long term to maintain project benefits over time.

Besides, the issue of maintenance of projects built through the help of the GMoU model, the technical and the perception quality of the projects appear to be deficient too. Most of the projects done so far through the model are below internationally recognized standards or quality.

Because, GMoU as a model is purely community driven, it is really difficult to place the poor quality of the projects done in the communities squarely on the sponsoring agencies, Chevron and SPDC. However, the insinuation of projects' poor quality is as controversial now as most other issues associated with the model, GMoU.

Cluster Development Boards' (CDBs) Membership Generated Conflicts

There are different sources of conflicts in the Niger Delta, and most of these sources of conflicts are generally known. CDBs membership is becoming one of the major sources of intra-communal conflict in the local communities of the Niger Delta (Vanguard, June 15th, 2011; National Point, July 07, 2012 and Aaron and Jim, 2010:24).

CDBs are a *sine-qua non* in the GMoU model, they are like the engine rooms of the whole process and because of this reason, the sponsoring agents, Chevron and SPDC left the whole processes of nominating/electing the members to the communities concern in principle and otherwise. However, most communities in recent times have not agreed on the membership lists of the CDBs.

There are criteria that prospective members of the CDB must meet to be qualified to be on the Board. There is also duration for each board and training are usually organise for stakeholders in the communities before the selection or election of the members of the CTs and the CDBs. All these measures, it seems are not helping because the CDB-related conflicts are geometrically increasing in the communities. and it is becoming a prodigious problem for almost all the other major stakeholders (Kiikpoye, 2011:786).

There are different reasons why communities members disagree on CDB issues, for instance in some Rivers State communities political interference is the main issue, while in Ezetu, Bayelsa State, some elites threaten to withdraw from the Koluama 1 and 2, Ekeni, Fishtown, Ezetu 1 and 2 and Sangana (KEFES) GMoU over complaints that the RDC (same as CDB in SPDC model) leadership has hijacked funds and decision-making powers that once were theirs, rendering them irrelevant; they also claimed, Chevron had forced on Ezetu its bunch of new leaders through the GMoU process (Aaron and Jim, 2010:24).

The re-election or re-nomination of CDBs members is also becoming a huge glitch. Most CDBs members always want to be on the board a second time (*second term syndrome*, when in most cases the GMoU agreement specified one non-renewable term/mandate for members) or they want to nominate their surrogates to replace them. Some clusters' CDBs could not be inaugurated or renewed because they are

bogged down with this virus. The selection or the election of the CTs members that will produce three executives that will become members of the CDB is now also a hot issue in most communities.

RESEARCH METHODOLOGY

Study Design, Population, the Study Area and Data Collection Instruments

Explanatory Survey design was chosen for the study. Survey generally deals with human behaviour, knowledge, attributes, beliefs and attitudes, while explanatory survey particularly seeks to explain relationship between variables—to explain why things are as they are (Jupp, 2006:284). Because of the nature, the focus and the diverse population of the study, both qualitative (interview and observation) and quantitative (questionnaire) methodologies (triangulation) of data collection were adopted. The target population of the study were:

- 1) SPDC personnel that are directly involve in the development, implementation and evaluation of GMoU projects and programmes in the department of Sustainable Development and Community Relations (SDCR);
- 2) NGOs officials that are coordinating GMoU for SPDC;
- 3) selected CDBs members;
- 4) State government officials in the ministries responsible for coordinating the GMoU; and
- 5) Purposefully selected communities' members and residents

The above target population are very appropriate because they include all informed major stakeholders that cut across all the segments that are remotely and otherwise connected to the foremost variable—GMoU under investigation. The first two sets of the target population were chosen because they have adequate industry cum community experiences and expertise; while the third, fourth and fifth sets of the target respondents (the CTs/CDBs members) are mostly well known communities' major stakeholders like chiefs, women leaders, religious heads, youth leaders, retired civil servants and politicians.

Because of the crucial nature of this study and the size of the target population, the about two dozen SPDC personnel who are of the department of SDCR that are directly involve with the GMoU model's matters; the nine chief field officers of the NGOs coordinating the GMoUs in the selected 16 clusters; and the six (three each from the two states) government officials who are deeply involved in GMoU issues in the states were all used for the study (census sampling).

Only the 32 communities' members (two each from each of the 16 clusters) who were non CTs/CDBs members and the 160 CDBs members (10 each from the 16 selected clusters) were purposively selected because only well-informed stakeholders were needed from these segments.

The total target population (clusters) were 27 clusters (made up of about 100 communities) that have signed-on to the GMoU model, however, the 16 well-established clusters that some are now *foundations* that can attract additional funds from donors are the ones purposively selected for this study. These clusters are:

Bayelsa State Clusters

Nember Bassambiri
Bassan West
Iduwini
Mein
Tarakiri
Oporomo
Gbarain /Ekpetiama
Nembe City
Kou

Rivers State Clusters

Adoni
Etche 1
Etche 2

Greater Port Harcourt
Ikwerre
RA (Shell Residential Area)
Emohua

A three parts questionnaire/interview schedule with open-ended questions was developed to elucidate the needed information from the target population. The questionnaires were given to the well-literate target population of the study while the not-too-learned segments of the population were interviewed. Participant and non-participant observations were used to also collect some of the data required and it was used too to authenticate the data gathered with the other instruments.

FINDINGS

The following are the findings of the study:

- GMoU as a model of community development and engagement is well-known in the communities where SPDC operates;
- Majority of the communities have projects that were done through the GMoU model;
- GMoU funds are mostly used in constructing roads, building health centres, providing sanitation facilities and water projects in the communities.
- About half of the projects sited in the communities are not of very high standards;
- The level of usage of the projects done through the GMoU in some of the communities is not very encouraging; this perhaps signifies that the projects are not really community-driven and the felt-needs of the communities were not properly measured;
- Comprehensive and frequent maintenance of projects is still a huge problem in most of the communities;
- The following are the major causes or misconceptions that are causing conflicts associated with CDBs membership in the communities;
 - The believe that becoming a member of the CDBs is an avenue to wealth and influence;
 - General ignorance of the Operating Principles and Procedures Guide (OPPG) of the GMoU models;
 - Local or state government officials influence/involvement in the selection/appointment of the CTs and CDBs members;
 - Most communities' members believe that the GMoU money can be shared among CDBs' members as usual; and
 - Most CDBs' members also belong to multiple organizations and groups in the communities, which usually influence the way they perform their functions (a huge case of conflict of interest).

RECOMMENDATIONS

These recommendations are made according to the main objectives of the study vis-à-vis the findings:

- Only reputable construction firms should be allowed to handle communities' development projects. In addition, communities leaders including CTs and CDBs members should be exposed to the knowledge of project management and quality control mechanisms;
- Every project should have a budget to maintain it for about a decade and the communities should be made to start to engage in social enterprise/investment so that they can generate money to maintain their projects;
- Well-resourced project maintenance committee should be set up on cluster or local governments' bases in the communities to over-see only project maintenance issues;

- The fact that the money provided through the GMoU model is almost fraud-proof should be circulated in the communities, therefore, the contents of the OPPG and other anti-fraud mechanisms of the GMoU model should be exposed to all groups in the communities.
- It is time to use only purely democratic means to select CTs and CDBs members. Mechanisms should also be developed to attract well educated, experienced and creditable members of the communities who are not residents to become CT and CDB members.

CONCLUSION

It is a truism that the GMoU model of community engagement and development is a reality in the Niger Delta. It is also a fact that billions of naira has been voted out to help develop both crude oil and non-crude oil producing communities in the region through this model. Therefore, this study's underlining foundations are in line with the present realities because like most of the models of community development and engagement, the GMoU model needed to be deeply studied in all its ramifications. Because of the peculiarities of the target population and their volatile environment, the major recommendations of the study should be implemented almost instantly by all relevant authorities to save the region in particular and the country in general from another round of conflagration, for the reason that, the huge sums of money being spent currently to develop the poor communities will amount to nothing if the issues raised are not tackled urgently.

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