

Oil policy in Sudan's Jonglei State

Monday 9 April 2007.

What are the measures the oil Companies must put in place while working in Jonglei State

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March 10, 2007 — The Oil industry is always associated with a host of controversies and often and as a matter of experience, oil development projects rarely coexist harmoniously with local activities in emerging Countries. This is mainly because oil industry has tendency to displace people, livestock and wildlife from their own environments and also its negative impact on the environment due to gas emissions or oil spillages. The oil industry on the other hand with its expected huge flow of cash, has the potential of creating tension and temptation. When oil industry moves in, they arouse high expectations in local residents – for jobs, for potential markets for local products and for improved health care, education, basic physical infrastructure and access to water. Hopes are raised even higher when local communities are disadvantaged and government services fall far short of requirements just like in our case coming out of war and from years of underdevelopment prior to war.

The oil companies of course have their own priorities mainly the production of oil to generate huge financial benefits. However, they must take critical steps to avoid by all cost the destruction of the local environments, heritage and cultures and have to contribute to the social development, training, to create jobs and markets thereby helping to gradually diversify Local economies and paving way for poverty eradication and transition to post war era. On the other hand, the oil industry itself since it takes decades to invest in the areas of their operations, must successfully integrate into local communities by establishing wide variety of relationships at all levels. It is in their interest if residents perceive their presence as beneficial and their operations are seamlessly integrating into the local socio-economic fabric.

Indeed the oil companies which are operating or will come to operate in Jonglei State do obtain Concessecial agreements from the Government of Southern Sudan (GOSS) or Government of National Unity (GONU) and the State only gets directives from the GOSS to allow the Companies to operate, facilitate and provide necessary security protection. However, the State is the scene of oil operations and is a very important stake holder whose role is very crucial. It is in the state were the people and the environment are located and it is therefore the state's paramount responsibility to voice and to advocate that environment is conserved and people interests are ensured. We have been very clear to all companies that we found working here and those which wanted to come and operate here. We have been turning away those coming without green light from GOSS and will continue to do so if they by pass Juba. On the other hand it will always be of great benefits if the states are involved in the discussions so that they voice their own peculiar concerns in terms of environment ,social and security protection. This is because some oil companies tend to gloss over issues

that are the responsibility of the state and only contact the state when they enter into problems.

It is in this context therefore, we are raising what the oil companies should and should not do to ensure environmental and social harmony as summed up below:-

Environmental Protection

- ▶ The oil companies should /must conduct petroleum operations in accordance with International good oil field practice in terms of health, safety and environmental standards.
- ▶ Their operations should/must have very minimal impact upon natural environment including surface and sub surface water, Wildlife, fisheries, grazing, agricultural land and forestry.
- ▶ They have to make practicable commercial efforts to limit any excessive noise that may be associated with the petroleum works and to limit the production of harmful waste products and to collect and safely dispose of such harmful products associated with petroleum Industry.
- ▶ Companies should use methods that minimize adverse environmental impact during the seismic data collection and when using explosive seismic sources they have to make efforts to protect the local population, local housing, ground water and any other environmental aspects in the vicinity.
- ▶ The companies have to apply practicable methods to limit the risk of pollution or impact upon natural environment that may result from drilling exploration wells.
- ▶ With respects to drilling on land the companies have to take serious steps to protect the surface and ground water from contamination by toxic or saline products.
- ▶ Drilling water must not be discharged in to rivers, streams and on the ground and should be siphoned in to a plastic storage tanks or reinjected into deep ground least it contaminates the water and land.
- ▶ Upon abandonment of a well the operator should take all practicable steps to ensure wells are plugged and sealed so that they can in no way contaminate the surrounding land and ground water.
- ▶ All practicable commercial efforts should be made to prevent the discharge and if it does occur, then all efforts have to be made to limit its damage to the environment.
- ▶ Any flaring or re-injection of natural gas should be done in such a way as to reasonably minimize impact upon the environment and the health of the local population.
- ▶ Following the completion of seismic or drilling works the operator have to ensure that where reasonable to do so the sites of such works have to be cleared of evidence of such work having taken place and the environment returned to its state which pertained prior to such works having taken place.
- ▶ Incase of displacement of settlements, shrines or community lands, a fair and reasonable indemnity have to be agreed upon between the operator and relevant land owners for any proven damages not repaired by operator that may have occurred to property, crops including loss of harvest grazing lands fishing spots or obstruction of water supply to settlement, as a result of petroleum works.
- ▶ Prior to carrying out any seismic or drilling operations, the oil companies must provide an Environmental Impact Assessment (EIA) report that details the possible impact upon the environment of such seismic or drilling operations and contains recommendations as to how

such impact can reasonably be minimized.

- ▶ When constructing access roads or any earth moving works, operators have to ensure drainage patterns are not obstructed and bridges, sluices or culverts have to be provided to allow free flow of water.
- ▶ Oil companies will be held liable for any losses or damages resulting from either gross negligence or from willful misconduct and are obliged to provide insurance cover.

2. Training and Employment

- ▶ The oil companies are required to institute training programs for people of Jonglei State and Southern Sudan.
- ▶ These trainings which should be budgeted by the companies will include skilled technical administrative and managerial positions which are related to the works to be undertaken under companies' contracts.
- ▶ The training programs should also include scholarships to international education institutions to improve understanding of oil industry operations in the Southern Sudan.
- ▶ On the side of employment, the oil companies, should ensure that 70% of skilled labour such as managerial, accountings engineering and operators) should be national of Southern Sudan while 100% unskilled workforce comes from Jonglei State.
- ▶ This is why the companies are required to start training programs for nationals of Southern Sudan with immediate effect so that those who complete their trainings come back to replace none nationals who might have come with the companies at the initial stage of operations.

3. Social Development

- ▶ The oil companies programs should include social development programs covering provision of roads, potable water, water treatment plants, free medical treatment, and care and include dispensaries or hospitals headed by resident medical doctors.
- ▶ They should provide basic education and secondary, tertiary and vocational education facilities in areas of their operations. Sustainable development cannot be realized without strong system of education and training.
- ▶ The oil companies are also expected to assist in providing support to local administration in terms of basic physical infrastructure and human resource capacity building and institutional development.
- ▶ They are also required to support communities in their food security endeavors and water resource management not only as a catalyst in food production and other human needs, but its control as a source of disasters. (Flood protection).
- ▶ Support within the company's ability, to peace process, reconciliation and mitigation of any potentials for conflict where possible.
- ▶ Support in words and deeds for the voluntary return of all refugees and IDPs who so wish, to their places of origin in and around the concession area.

4. Conclusion

In conclusion, we want to avoid what had happened in Unity and Upper Nile States where oil Industry displaced hundreds of thousands of people, millions of trees were cut down, all

sorts of pits---flare pits, drilling pits, garbage pits, etc are left behind without treatment or care; thousands of kilometers of roads are raised without bridges hence distorting flow of water and cattle and wildlife movement routes and subsequently resulting in the degradation of the local environment and impoverishment of the local communities. Not only that, but whatever development, trainings and employments, only benefited people from northern Sudan. Even what little social development projects done so far in those oilfields, have been randomly, half heartedly and shortsightedly done. Indeed we do understand that these were being done during war time ,but since the war is over ,we want the oil companies to ensure that there should be a participatory approach to environmental and social development issues between them, the local authorities and communities. So that such partnership could deliver, we should have joint monitoring and evaluation mechanisms for the implementation of projects that have been prioritized by local communities and authorities.

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