

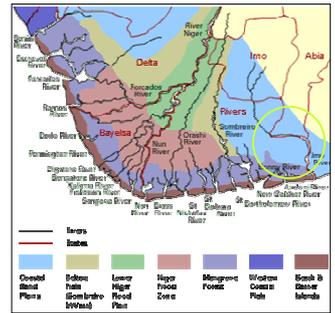
## Distortion of Land Value Trends and Growth Patterns in Rural Communities in the Niger Delta Region of Nigeria.

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The Niger Delta is the largest wetlands in the world, covering an area of 70,000 square kilometres and spreading over a number of ecological zones: sandy coastal ridge barriers, brackish and saline mangroves, freshwater; permanent and seasonal swamp forests, and lowland rain forests.

It is situated in the southern part of Nigeria and occupies about 112,110 square kilometres of land mass which is about 12% of Nigeria's total surface area.

### The Niger Delta Region

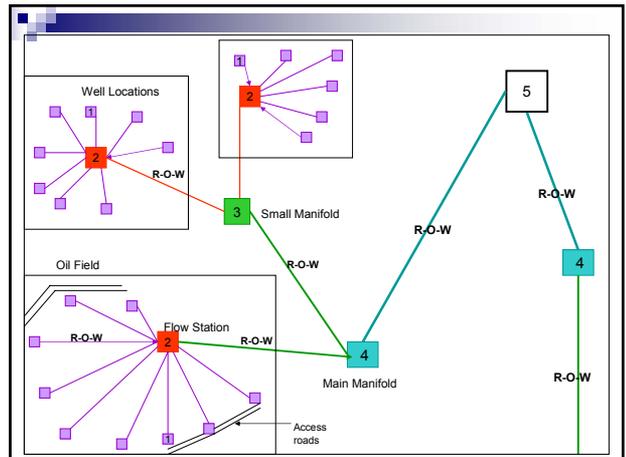
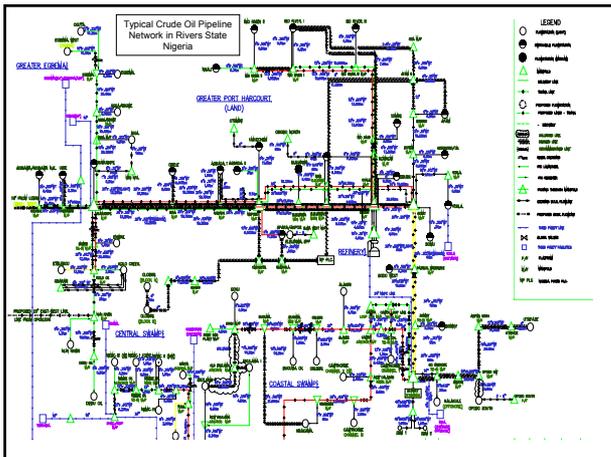
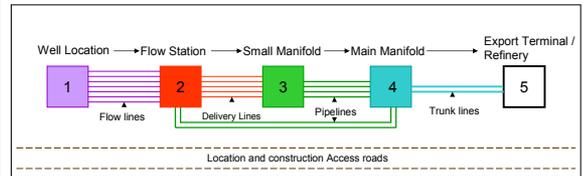


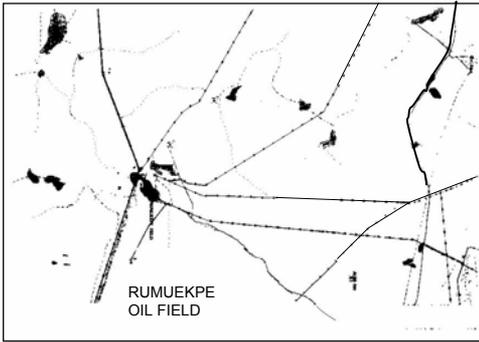
### Oil and Gas Production in Nigeria

- According to World Bank statistics Nigeria has a population of about 144.7 million (2006) and an area of 923,800 sq km, making it both the most populous and one of the largest countries in Africa. Despite being rich in natural resources, principally petroleum, the country faces numerous problems hampering development.
- Petroleum production and export plays a dominant role in Nigeria's economy and accounts for about 90% of her gross earnings and virtually all current oil and gas production activities take place within the Niger Delta region of the country.
- A number of multinational are involved in the oil and gas production process in Nigeria. These include companies such as Shell, Exxon-Mobil, Total, Chevron-Texaco and ENI who operate primarily through Joint Venture partnerships with the Nigerian Government represented by the Nigerian National Petroleum Corporation – NNPC.
- Current development strategies in the oil industry in Nigeria are aimed at increasing production to 4 million barrels per day by the year 2010.

### Land Use Requirements for Oil and Gas Production

- On-shore and off-shore exploration and production; oil refining; transportation and marketing processes are facilitated by a maze of pipelines criss-crossing oil producing communities.
- This figure below is a simple illustration of the oil production process in the Niger Delta. All the stages of the process have land administration and management implications.





## Land Acquisition for Oil and Gas Production

- Rights-Of-Way over land is usually acquired compulsorily by the Nigerian National Petroleum Refining Corporation (NNPC) who grants mining leases and oil pipeline licences to their joint venture partners.
- In Nigeria today, the Pipelines and Products Marketing Company (a subsidiary of NNPC) currently manages over 5,100 kilometres of oil pipelines in Nigeria most of which traverse rural communities.
- What are the land administration issues and the implications for property development and land values?

## Land Management Issues in Oil and Gas Production

### ■ Scope of EIA's

Environmental Impact Assessment EIA's are usually conducted prior to the citing major projects within the oil and gas industry. However, such studies concentrate more on environmental issues; health and safety; socio-economic and other factors and little attention is given to the long-term effect on of pipelines rights of way on future land use patterns.

### ■ Distortion of Land use patterns and Land Values

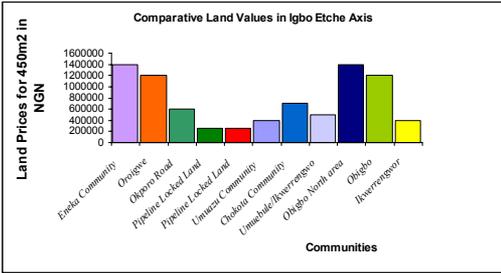
The result is that the positioning of the oil and gas pipelines is done without careful appraisal of the future land use requirements or long term development potentials rural agrarian land. Little attention is given to the possibility that rural communities could become semi-urban or urban areas over time. The restrictions of vehicular access over buried or surface pipelines Rights-Of-Way has resulted in slow; uncoordinated and haphazard development patterns within rural and semi-urban communities in the Niger Delta region of Nigeria

## Case Study on Igbo-Etche Community in Rivers State



### Key

- |                    |                           |                         |
|--------------------|---------------------------|-------------------------|
| 1. Eneka Community | 6. Pipeline Locked Land   | 11. Umuebule/Ikwerengwo |
| 2. Oroiawe         | 7. Pipeline Locked Land   | 12. Obigbo North area   |
| 3. Okporo Road     | 8. Umuazu Community       | 13. Obigbo              |
| 4. Shell RA        | 9. High Class residential | 14. Ikwerengwo          |
| 5. Eleme Junction  | 10. Chokota Community     |                         |
- Pipeline ROW



VIEW SHOWING R-O-W 2



VIEW SHOWING R-O-W 1



**CONCLUSION**

- Accessibility is a key factor which fosters property development and influences land value patterns and trends.
- The scope of baseline studies and EIA's should be expanded to include an appraisal of the future development potentials of an area and growth potentials in land values occasioned by the presence of the project.

