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# SPECIAL REPORT

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## ABOUT THE REPORT

The recent resumption of attacks against the oil industry in the Niger Delta and the resultant increase in oil prices have reminded the world that the unrest there is not a problem for Nigeria alone. Indeed, the business of bunkering illegal oil, or blood oil, involves players far beyond the shores of Nigeria and will require an international effort to control it.

Additionally, the broader issues of underdevelopment and overmilitarization of the Niger Delta, as well as the region's lack of participation in the oil and gas industry, must be addressed before any lasting peace can be found.

This report is based on the author's extensive experience in the Niger Delta, where she has worked with Nigerian governments at the federal, state, and local levels; the oil and gas companies; the local communities; and members of the armed groups of the Niger Delta. It is also based on interviews with U.S., British, Dutch, and UN officials.

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*Judith Burdin Asuni*

## Blood Oil in the Niger Delta

### Summary

- The trade in stolen oil, or “blood oil,” poses an immense challenge to the Nigerian state, harming its economy and fueling a long-running insurgency in the Niger Delta. It also undermines security in the Gulf of Guinea and adds to instability on world energy markets.
- The exact amount of oil stolen per day in the Niger Delta is unknown, but it is somewhere between 30,000 and 300,000 barrels. The loss to the Nigerian economy from illegal oil bunkering between 2003 and 2008 totals approximately US\$100 billion.
- It is time for the international community to become more proactive in helping Nigeria address this complex issue. Efforts to control blood oil must be accompanied by actions against corruption, illegal arms importation, and money laundering.
- The enabling environment for illegal oil bunkering includes high levels of unemployed youth, armed ethnic militias, ineffective and corrupt law enforcement officials, protective government officials and politicians, corrupt oil company staff, established international markets for stolen oil, and the overall context of endemic corruption.
- The three types of illegal oil bunkering include small-scale pilfering for the local market, large-scale tapping of pipelines to fill large tankers for export, and excess lifting of crude oil beyond the licensed amount.
- The complexity of players in the illegal oil bunkering business, including local youth, members of the Nigerian military and political class, and foreign ship owners, makes it difficult to tackle the problem unilaterally.
- Previous attempts by the Nigerian government and international community to address illegal oil bunkering have had limited success in reducing the flow of blood oil.
- The problem of blood oil needs to be addressed multilaterally. Within the international community, the United States is uniquely positioned to take a leadership role in helping to dry up blood oil and address other issues in the Niger Delta.

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## Introduction

The trade in stolen oil, or “blood oil,” poses an immense challenge to the Nigerian state, harming its economy and fueling a long-running insurgency in the Niger Delta. So when the country’s president, Umaru Yar’Adua, asked the Group of Eight (G8) nations in July 2008 for help in tackling this hydra-headed problem, the international community was encouraged that perhaps Nigeria was finally ready to take the determined action it had put off for so long. Nigeria repeated its call at the United Nations in September and again in Washington in December 2008 and March 2009. Yet to date, no concrete action has been taken. It is time for the international community to become more proactive in helping Nigeria address this complex issue. It is in its own interests to do so. The negative effects of blood oil spread beyond the borders of Nigeria itself, undermining security in the Gulf of Guinea and adding to instability on world energy markets.

The term “blood oil” owes its origins to the “blood diamond” campaign, which raised awareness of the problem of diamond smuggling from African war zones and its role in funding conflict. The sale of stolen oil from the Niger Delta has had the same pernicious influence on that region’s conflict as diamonds did in the wars in Angola and Sierra Leone. The proceeds from oil theft are used to buy weapons and ammunition, helping to sustain the armed groups that are fighting the federal government. The armed groups are also invested in criminal enterprises such as drug trafficking. The act of stealing oil is known as “bunkering,” a term originally used to describe the process of filling a tanker with oil.

The bunkering business is widespread and very profitable. One analyst, close to former President Olusegun Obasanjo, told the BBC that it “makes £30 million [then \$60 million] a day; they’d kill you, me, anyone, in order to protect it.”<sup>1</sup> Its tentacles spread beyond borders. One of the governors in the Niger Delta, the governor of Delta State, Emmanuel Uduaghan, has claimed that “anything happening in the Niger Delta today is linked to oil, and sustained by it, therefore something like illegal bunkering has a large international dimension to it. . . . All are needed to assist us to reduce the funding of the crisis which is through the illegal oil trade.”<sup>2</sup> However, blood oil cannot be dealt with alone: efforts against it must be accompanied by actions against the other evils that go hand-in-hand with it—corruption, illegal arms importation, and money laundering. To mitigate the dangers to Nigerians and the Nigerian government in trying to tackle this issue, it is absolutely essential for them to have proper external support.

As an important source of high-quality oil, the twelfth largest producer in the world, there are important reasons why it is in the interests of the international community—and the United States in particular—to take action. The United States, seeking to wean itself off oil imports from the Middle East, has increasingly turned to Africa as a means of enhancing its energy security. Until recently Nigeria was its fourth largest supplier, providing approximately one million barrels a day. But due in large part to supply problems caused by the Niger Delta insurgency and the wholesale theft of oil, U.S. imports from Nigeria have fallen of late.<sup>3</sup> Insecurity in the Niger Delta is therefore not just a problem for the Nigerian government; it is also a problem for the United States and the wider world. At the moment, Nigeria’s oil industry is producing well under capacity. Nigeria’s maximum producing capacity is about 3.2 million barrels per day; however, current production is often half of that, even without OPEC quota limitations. Much of the country’s production is disrupted or shut-in—the oil stays in the ground because of security threats to oil facilities and their staff. Of the oil that is produced, a significant proportion is lost through pipeline vandalism, acts of sabotage, and theft. A well-known energy security analyst, David Goldwyn, told the Senate Foreign Relations Committee’s Subcommittee on African Affairs in September 2008

that if Nigeria was to produce oil at capacity, it would play a major role in helping to lower and stabilize world oil prices.<sup>4</sup>

## **An Enabling Environment**

Oil bunkering thrives in a climate of instability, conflict, and political chaos. Nigeria offers the perfect operating environment. A large, densely populated, and highly heterogeneous country of approximately 140 million people, Nigeria is a complex mixture of peoples and religions, all of whom have competing claims on an inefficient and corrupt government. There are approximately 350 ethnic groups and the population is divided evenly between Christians and Muslims. Since winning its independence from Britain in 1960, Nigeria has spent more time under military than civilian rule. Democracy has theoretically prevailed since 1999, under the stewardship of the Peoples Democratic Party (PDP). In reality, informal patronage networks define the political system. Elections have been marred by brazen vote rigging, intimidation, and violence. Although overall standards of governance have improved, Nigeria's economic development continues to be held back by corruption and political instability. Nigeria has traditionally been ranked among the most corrupt countries in the world, according to Transparency International's Corruption Perceptions Index.

The period since the restoration of democracy in 1999 has been characterized by unusually high levels of political violence centered on the Niger Delta, the heart of Nigeria's oil industry. The Niger Delta consists of six or nine oil producing states in southern Nigeria, depending on one's geopolitical definition. The core Niger Delta states are, from east to west, Rivers, Bayelsa, and Delta.

The Niger Delta is home to about 140 ethnic groups in the nine states included in a broader definition of the region. In common with other parts of Nigeria, this ethnic diversity has often led to competition for resources in the form of land, economic benefits, or political power. The presence of oil has only heightened these tensions. Perhaps due to the fact that 13 percent of the national oil revenue is paid back to oil-producing states, corruption is perceived as being more of a problem in the Niger Delta than in other parts of Nigeria.

While ethnic cleavages are intense in the Niger Delta, its inhabitants are united by a sense of grievance about the exploitation and neglect of their region. The people of the Niger Delta do not feel that the government of Nigeria has a contract with them. The federal government virtually ignored the Niger Delta during the 1990s, leaving development in the hands of the oil companies. The oil industry exploited and polluted the area, wiping out the traditional livelihoods of fishing and farming and providing few jobs or benefits in return. Despite its mineral wealth, the Niger Delta is one of the poorest regions in Nigeria. There is no infrastructure to speak of and the inhospitable geography of the region has added to the region's remoteness from the rest of the country. Roads in the Delta cost four times more to build than those on dry land, leaving the canoe or motor boat as the primary form of transport. The difficulty of moving goods and people means that essential supplies—including petroleum products—cost more in the Niger Delta than in other parts of Nigeria. Thus, a combination of geography, ethnic tension, economic underdevelopment, and the presence of an industry that yields many disadvantages but few direct benefits to the people of the region have created a situation ripe for conflict.

The Niger Delta has a long history of militant activity dating back to and beyond the discovery of oil in Bayelsa State in 1956. The Movement for the Survival of the Ogoni People (MOSOP) led by Ken Saro-Wiwa, which flourished for a short period in the early 1990s, was the most celebrated example. In the past ten years, the mantle of resistance against the federal government has been taken up by the Ijaw people, the region's largest ethnic group. Organizations such as the Ijaw National Congress and the Ijaw Youth Council sought to

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nurture a sense of Ijaw nationalism and have demanded from the government a fairer share of the wealth that their region produces and damages from the oil companies for the pollution done to the Niger Delta by them. They have also sought a greater say in political life. The Niger Delta has also spawned a confusing array of armed groups, many of which mix ideological aims with criminal enterprises such as drug dealing, the kidnapping of oil workers, and—most lucrative of all—oil bunkering. They often enjoy the protection of senior politicians and are armed and paid by their patrons to mete out violence on their opponents and deliver the desired results at elections. Once the groups are given weapons, it is virtually impossible to demobilize them, even after their patrons no longer require their services.

The most coherent and well-organized armed group is the Movement for the Emancipation of the Niger Delta (MEND), which emerged at the beginning of 2006. Well trained and equipped with a formidable arsenal, it boasts a fluctuating membership of between 5,000 and 10,000 and has claimed responsibility for a string of kidnappings and increasingly audacious attacks on oil facilities, some of them many miles off shore. It is also heavily involved in the oil-bunkering trade, which provides a steady stream of income to buy weapons. The direct link between bunkering, militancy, and conflict was demonstrated in the May 12–14, 2009, attacks on the camp of Tom Polo, a MEND leader and bunkering kingpin in Delta State. The militants and the military seemingly had a clash over the protection of Tom Polo's bunkering interests, which was a trigger for massive air and land attacks on the militants' stronghold. Unfortunately innocent women, children, and elderly people, as well as two hostages held by Tom Polo (the BBC quoted 1,000 casualties<sup>5</sup>), were killed in the cross fire. These attacks also endangered an amnesty for all militant groups in the Niger Delta, which President Yar'Adua had offered in April 2009. In addition, MEND has carried out its promised massive armed strikes against oil facilities. Even this most cursory glance at the recent history of the Niger Delta illustrates that there are many factors that help to create an environment in which oil bunkering can flourish. The Niger Delta Peace and Security Secretariat, a group set up by civil society, the government, and the oil companies in 2005 to discuss the problems of the region, outlined a series of additional problems that have helped create an enabling environment for oil bunkering:

1. the high number of unemployed youths in the Niger Delta
2. the presence of armed ethnic militias who are familiar with the dense network of rivers that connect the region and allow easy access to unprotected oil pipelines
3. the ineffective and corrupt law enforcement officials and low conviction rates for those suspected oil bunkerers who are prosecuted
4. the protection or patronage offered by senior government officials and politicians who often use oil theft as a funding source for political campaigns
5. the relative ease of threatening or corrupting oil industry staff to assist in bunkering
6. the presence of an established international market for stolen oil, which includes West African (São Tomé, Liberia, Senegal, Côte d'Ivoire, Gambia), Moroccan, Venezuelan, Lebanese, French, and Dutch partners
7. the overall context of endemic corruption—traffickers “settle” or bribe local communities where the oil is tapped, “passage” communities through which the bunkered oil travels on its way to off-shore tankers,<sup>6</sup> and navy officials along the route.<sup>7</sup>

## **The Blood Oil Business**

It should be made clear from the outset that oil bunkering by its very nature is a murky, opaque business. There are many gaps in analysts' knowledge of how the trade in blood oil operates. However, it is possible to make some general points. To begin, there are three

types of illegal bunkering. The first and least significant type involves the small-scale pilfering of condensate and petroleum product destined for the local market. In early 2009, the military Joint Task Force (JTF), which was brought into the Niger Delta following interethnic violence during the 2003 elections, closed down a number of small local refineries where the crude was being processed for local use. This kind of bunkering is minor and conducted by local people.

A second type of illegal bunkering involves stealing crude oil either by hacking into the pipeline directly or by tapping the wellhead. This process involves removing the structure at the top (called the Christmas tree) and attaching a hose to siphon off the oil. From there, the oil is placed on small barges and taken out to sea, where it is loaded onto large ships lurking out of sight of the authorities. In return for their oil, the bunkerers receive money and weapons. The large tankers (which generally carry between 30,000 and 500,000 barrels of crude, but can carry up to two million barrels) take their cargo either to spot markets such as in Rotterdam or to refineries in other countries, such as Côte d'Ivoire. This type of bunkering is much more significant—not just in terms of the money involved but because of what the crude oil is often exchanged for: illegal weapons and drugs. There are large international syndicates involved in this operation, which also handle the money laundering for the international players.

While Niger Delta youth may handle the local tapping and loading, international players from Eastern Europe, Russia, Australia, Lebanon, the Netherlands, and France all play roles in financing, transporting, and laundering the money associated with blood oil. One money trail followed a path from Senegal and Côte d'Ivoire through French banks and French credit agencies to Syria and Lebanon.<sup>8</sup> It also now appears that Nigerian Lebanese (those of Lebanese descent, born or naturalized in Nigeria) are heavily involved in the business, especially those with good political connections. Similarly, many top Nigerian politicians and military officers, both serving and retired, are said by internal sources, such as the army chief of staff, to be actively involved in the large-scale bunkering business.

The third type of illegal bunkering involves the excess lifting of crude oil beyond the licensed amount, using forged bills of lading, which are the documents issued by a carrier to a shipper, listing and acknowledging receipt of goods for transport and specifying terms of delivery. This type of bunkering often involves a number of oil company staff and Nigeria's state oil company, the Nigerian National Petroleum Corporation (NNPC), as well as top government officials who give the oil lifting contracts.

Thus it is possible to identify the main players involved in the oil bunkering business at its various levels. At the local level, Niger Delta youth and community leaders play the leading role. As one moves up the network to the senior echelons, members of the Nigerian military, oil company and NNPC employees, top politicians, and retired military officers predominate. At an international level, the countries mentioned previously are all involved. The crews of two bunkering ships—one Filipino, another Ghanaian—were recently arrested in Nigeria and shed some light on this shadowy network.

The sheer number of players illustrates the complexity of the blood oil business. It should also be noted that while Niger Delta youth often fight over bunkering turf, resulting in casualties not only to themselves but to the residents of the region, the real benefactors are safely out of harm's way, enjoying their profits.

The profits are not inconsiderable. The exact amount of oil stolen in Nigeria is unknown but it is significant. Estimates range between 30,000 and 300,000 barrels per day.<sup>9</sup> Stolen crude refers to oil taken from pipelines or flow stations, as well as extra crude added to legitimate cargos that is not accounted for. A recent study by the International Centre for Reconciliation (ICR) put the total value lost to the Nigerian economy from stolen crude and disrupted oil production between 2003 and 2008 at N14 trillion (approximately

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**Table 1. Estimated value of Nigeria's stolen and shut-in oil production, January 2000–September 2008**

Year	Average price of Bonny Light per barrel (in USD)	Volume of oil stolen per day (in barrels)	Value of oil stolen per annum (in USD)	Volume of oil shut-in per day (in barrels)	Value of oil shut-in per annum (in USD)	Total value of oil stolen or shut-in per annum (in USD)
2000	28.49	140,000	1.5 billion	250,000	2.6 billion	4.1 billion
2001	24.50	724,171	6.5 billion	200,000	1.8 billion	8.3 billion
2002	25.15	699,763	6.5 billion	370,000	3.4 billion	9.9 billion
2003	28.76	300,000	3.2 billion	350,000	3.7 billion	6.9 billion
2004	38.27	300,000	4.2 billion	230,000	3.2 billion	6.4 billion
2005	55.67	250,000	5.1 billion	180,000	3.7 billion	8.8 billion
2006	66.84	100,000	2.4 billion	600,000	14.6 billion	17.0 billion
2007	75.14	100,000	2.7 billion	600,000	16.5 billion	19.2 billion
2008	115.81	150,000	6.3 billion	650,000	27.5 billion	33.8 billion

Sources: Coventry Cathedral, *The Potential for Peace and Reconciliation in the Niger Delta* (Coventry, UK: ICR, February 8, 2009), 159; Peace and Security Secretariat, "Niger Delta Peace and Security Strategy Background Papers" (unpublished paper, Port Harcourt, 2006), 25; and author's estimates based on these two reports.

US \$100 billion).<sup>10</sup> This is a rough estimate at best because the Nigerian government does not keep statistics that distinguish between stolen crude and shut-in production, nor between losses through bunkering and losses through forged bills of lading.

The ICR report shows that although the actual volume of stolen crude went down between 2003 and September 2008, the total dollar loss to Nigeria steadily increased due to the rapid increase in the price of oil, which peaked at \$147 per barrel in the summer of 2008 (see table 1). Figures on current levels of oil bunkering are also difficult to come by and hard to evaluate. The picture appears to vary from company to company. While a security adviser with Chevron told this author that theft from its pipelines in the Western Delta has practically dropped to zero, a Shell Petroleum Development Corporation staff member confirmed that bunkering was still an issue and involved individuals from its host communities. An informant on the ground in Rivers State said that while bunkering by the Niger Delta youth had virtually stopped in that state, it was now being controlled by members of the Nigerian military. He explained that one of the most notorious bunkerers, Ateke Tom,<sup>11</sup> had been chased into the creeks from his home in Okrika and reported that an army captain had seized control of the pipeline that Ateke had diverted to his own compound for bunkering purposes. It appears that oil theft is continuing in Bayelsa State, with the protection of the Nigerian military. The involvement of the Nigerian military in criminal networks is supported by a number of sources, including the current chief of defense staff and the chief of army staff.<sup>12</sup>

## Nigerian Attempts to Tackle Blood Oil

The Nigerian government has made some efforts to control bunkering in the past. However, these efforts were usually not sustained or were executed in a half-hearted manner. They have included the following:

**Arresting bunkerers and traffickers.** The Nigerian government has made several attempts to crack down on oil bunkering, dating back more than twenty years. General Buhari, the military head of state from 1983 to 1985, jailed several people for contributing to the “economic adversity of Nigeria,” which perhaps was a factor in the overthrow of his government. Buhari’s successors, Generals Babangida and Abacha, took a more lenient approach toward bunkering. With the reintroduction of democracy in 1999, the level of bunkering increased, perhaps due to the decreased military presence in the region. Another credible theory is that bunkering increases during the run-up to elections, as its profits fund attempts by political leaders to manipulate the polls. In President Obasanjo’s second term, beginning in 2003, his government began to take more serious measures to address the problem, which had begun to get out of control. A number of ships involved in the trade of blood oil were seized. However, these actions seldom led to successful prosecutions. In spite of improved equipment for the Nigerian Navy, there was no marked improvement in the patrolling of coastal waters.

**Closing markets for illegal oil.** The Nigerian government has urged governments known to receive stolen oil to stop accepting it. It issued a warning to Côte d’Ivoire in 2003 and offered the government in Yamoussoukro contracts for the supply of legal oil to the state-owned refinery. This model might have proved effective had it been continued toward Côte d’Ivoire and other destinations for stolen oil.

**Increasing the military presence in the Niger Delta.** The introduction of the Joint Task Force (JTF) into Warri, Delta State, following the violence surrounding the 2003 elections between the Itsekiri and Urhobo and later the Itsekiri and Ijaw ethnic groups, has not had the desired effect of controlling the blood oil business. Indeed, it has had the opposite effect of not only alienating the people but of also providing military personnel with an opportunity to participate in the bunkering business, to extort money from local communities, to commit rapes, and to generally intimidate the local populace.

**Introducing the Nigerian Extractive Industries Transparency Initiative.** The Nigerian Extractive Industries Transparency Initiative (NEITI) was launched by the Obasanjo government and is the Nigerian version of the Extractive Industries Transparency Initiative (EITI), an international strategy launched by a coalition of nongovernmental organizations (NGOs) and supported by scores of governments and international oil companies. It aims to strengthen governance by improving transparency and accountability in the extractives sector. The EITI sets a global standard for companies to publish what they pay to governments in taxes, commissions, and royalties and for governments to disclose the revenues that they receive. The Obasanjo government led the way in implementing the EITI by publishing in 2006 fully audited accounts of all the payments it received from individual companies in a five-year period. Following the inauguration of a new NEITI board in January 2008, board members resolved to “cultivate a culture of transparency, accountability, due process and zero-tolerance of corruption in Nigeria’s extractive industries for the benefit of Nigerians.”<sup>13</sup> Unfortunately, the current Yar’Adua administration has not given NEITI the necessary support to move forward. Although NEITI produced recommendations for monitoring the amounts of oil stolen, it is not directly related to oil bunkering. However, it does aim to improve transparency in the oil industry and government, both of which would be conducive for addressing the issue of blood oil.

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## International Attempts to Tackle Blood Oil

The various international partners have made several attempts to help Nigeria address the issue of oil theft and violence and insecurity in the Niger Delta region. For the most part, these attempts have had limited success, perhaps due to the complexity of the problem and the actors involved. Although the author found it difficult to find detailed information about earlier attempts to assist Nigeria in its efforts, recent international attempts have included the following:

**Creating the Gulf of Guinea Energy Security Strategy (GGESS).** The GGESS was first conceived in a meeting attended by the author in August 2004 when she took Stephen Davis, then a consultant to Shell, to meet President Obasanjo at which it was suggested that Nigeria should develop its own plan for ensuring security in the Niger Delta and in the larger Gulf of Guinea. Obasanjo tasked the Group Managing Director (GMD) of NNPC with developing such a concept. After a lag of almost a year, the first meeting of the Gulf of Guinea Energy Security strategy was held in Washington in the spring of 2005. GGESS grew to include the United Kingdom and the Netherlands, and later Norway, Switzerland, Canada, and France. NNPC was the partner organization on the Nigerian side. After regular initial meetings, the forum has almost collapsed, with no meeting having been held since early 2008. The European partners are to reconstitute an international forum under a new minister who demonstrates more political will than the previous Nigerian focal point.

**Making public offers of military support and training.** The British government publicly offered military support to Nigeria during President Yar'Adua's meeting with Prime Minister Gordon Brown in July 2008, but it resulted in an uproar against "foreign military presence in the Niger Delta." Based on the author's research, this reaction appears to have been orchestrated by some Ijaw leaders to maintain their hold over the militants. Similar but less public offers by other countries of military training have also been rejected, with the Nigerian government requesting military equipment instead.

**Developing oil fingerprinting technology.** Oil fingerprinting is an analytical technique developed by chemists to identify the unique characteristics and composition of oil. Its proponents claim it is sensitive enough to identify oil emanating not only from Nigeria but also from particular fields or even specific wells. The former managing director of SPDC, Ron van den Berg, told journalists in 2003 that certification of Nigeria's crude through fingerprinting would enable the government to block the market for stolen crude, thereby serving as a disincentive to smuggling syndicates. NNPC, the oil companies, and the UK-based University of Plymouth have been in discussion for some time about using fingerprinting to identify and certify Nigeria's crude oil going into the international market. If the origins of a cargo of oil are identified, it is possible to determine if it is legal or stolen.

Among the oil majors, opinion is divided on whether or not fingerprinting at its current stage of development is reliable enough to tie a particular cargo, or part of a cargo, of oil to a precise location and therefore determine whether it is stolen. Author contacts at Chevron and Total were pessimistic; they said that once the oil was mixed in a tanker, it would no longer be possible to identify Nigerian oil from other types, even though the Bonny Light crude that comes from the Niger Delta is noted (and prized) for its unusually low sulfur content. By contrast, a Nigerian spokesman for ExxonMobil said that his company already possessed the technology to identify Nigerian crude, even if it was mixed with other types of oil. He said his company used the technology to determine the extent of its responsibility for an oil spill as far back as 1998. A senior Shell spokesperson told the Niger Delta Working Group in

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Washington, D.C., in December 2008 that Shell found the Plymouth technology inadequate and was developing its own more sophisticated method, which it would give to the Nigerian government to use. As of late February 2009, the technology was still being finalized.<sup>14</sup> The Nigerian government has sought international help in fingerprinting technology since at least 2005.<sup>15</sup> As soon as the Shell technology is ready, it should be given to the Nigerian government, with strong pressure to put it to immediate use.

One problem which must be overcome is that there is currently no standard system of analysis for fingerprinting. Therefore, one company may produce fingerprints that are consistent within its own system, but another company may come up with different classifications for the same samples. The ideal would be for companies to agree on a version of analysis or at least exchange samples to create a national database.

**Offering electronic bills of lading.** Paper versions of bills of lading can be easily forged by either increasing or decreasing the stated volume of oil carried or changing its place of origin. As a cargo moves from place to place, the bills of lading can be altered to disguise illegal additions. Currently most cargo companies (except Maersk) use manual bills of lading. However, electronic bills of lading are far better because they are virtually impossible to forge. Assistance with electronic bills of lading has been repeatedly offered by the U.S. government since 2006, with no concrete response from the Nigerian government. The Liberian Shipping Registry is based in the United States and monitors its flagged vessels, which carry 60–70 percent of crude into U.S. ports. It has been suggested to NNPC and the GGESS that the registry could work on behalf of NNPC in producing electronic bills of lading. Registering vessels electronically would give real-time information about tankers and their cargo and show that the companies are not complicit in oil theft. It would eliminate the triple-dipping system, where crude is exported from Nigeria, refined, and reimported, sometimes making several trips in and out of Nigeria before final consumption. It would also tackle the problem of “creative bookkeeping” by some ship captains. Under electronic bills of lading, a small percentage would be paid to the Shipping Registry, which imposes tax on all vessels flying the Liberian flag, with most of the profit going to the Nigerian government.

**Supplying coastal surveillance equipment.** Equipment was supplied and installed by the U.S. government in Nigeria in the summer of 2008. The equipment uses radar sonar infrared to monitor ships in Nigerian waters, but to date there appears to have been little or no feedback on what has been observed (although the agreement called for real-time information sharing between Nigeria and the United States). The United States also offered assistance in tracing small arms, stockpile management, and carrying out stop-and-search operations. However, these offers have not been accepted. The Nigerian government seldom gives an outright rejection or refusal, but rather simply states that it will consider the proposal without ever giving a firm answer.

**Discussing maritime safety and security.** Admiral Harry Ulrich of the U.S. Navy visited Nigeria in 2007 to discuss the issue of maritime security with the military and the minister of defense, but Nigerian officials were primarily interested in the provision of new equipment, such as boats and rocket launchers. When the next GGESS meeting was held in London, the Nigerian government presented the same wish list. Nigeria was also invited in 2007 to participate in the Africa Partnership Stations (APS), which started with Cameroon, Ghana, and São Tomé, but it initially declined to take part. About eighteen months later, Nigeria’s new chief of naval staff expressed interest in participating. The APS consists of a series of exercises in which different nationalities are trained in maritime patrols and search and rescue. Recent exercises were held in 2008 and March 2009 with Nigerian participation. Adm.

Ulrich started an international network, Maritime Safety and Security Information System, which includes sixty countries in the Mediterranean, Caribbean, West Africa, and Eastern Europe. Countries in the Persian Gulf and Western Pacific will be joining soon.

Since 2004, international law has required that any ship that weighs more than 300 tons must have transponders fitted that constantly transmit its location. Radio receivers pick up the signals within a range of 40 miles (80 miles if mounted on a hill). These receivers can be put along the coastline to track ships. These transponders can be useful in tracking illegal cargo by following the movement of ships and noting any irregularities, and receiving transactional information from companies to note if there are any unregistered vessels in the area. The radio receivers cost only \$1,000 each, and could be put on rigs in the Gulf of Guinea to cover naval movements in the entire region.

**Involving the United Nations.** The United Nations has repeatedly offered assistance to Nigeria in addressing the core problems of the Niger Delta. Four advisers were posted to the office of the vice president in early 2008 but left in frustration six months later when they were unable to gain access to the people and information they needed to fulfill their stated duties. The United Nations has also responded positively to President Yar'Adua's September 2008 call for help on blood oil and is only waiting for a written request from the Nigerian government, detailing exactly what help Nigeria would like. When questioned in December 2008 about whether Nigeria had written yet, Foreign Minister Ojo Maduekwe responded that the government had been waiting for the report of the Niger Delta Technical Committee, which had been established by the Nigerian government in late 2008 to study all of the previous reports on the Niger Delta and to detail prioritized recommendations. The technical committee submitted its report on December 1, 2008. However, as of July 2009, the committee's recommendations have not yet been implemented.

## **Recommendations for Tackling Blood Oil**

Putting an end to the trade in stolen oil can only be achieved through concerted, coordinated, and sustained action by Nigeria, the international community, and the United States, with technical support from multilateral organizations.

### ***Recommendations for Nigeria***

A solution will not be found unless the Nigerian government faces up to the scale of the blood oil problem and proves by its actions that it sincerely wishes to address it. As part of this action, Nigeria should take the following steps:

**Address the economic, social, and political problems of the Niger Delta.** The trade in stolen oil is at heart a purely criminal enterprise, but the Nigerian government must recognize that its disastrous neglect of the Niger Delta has helped it to flourish. The people of the Niger Delta have received few benefits from the oil that lies beneath them. Indeed, the fight for control over this precious resource has led to ethnic rivalry, endemic corruption, and a long-running insurgency. The Niger Delta remains pitifully underdeveloped, and its people have had to contend with the destruction of their environment and their traditional livelihoods. For all these reasons, they are unlikely to voice disapproval when a leading militant, Mujahid Dokubo-Asari, justifies his oil bunkering activities as an attempt to claim for the people of the Niger Delta what is rightfully theirs. The Nigerian government must work harder to address the socioeconomic grievances of the people of the Niger Delta, and by

***The Niger Delta remains pitifully underdeveloped, and its people have had to contend with the destruction of their environment and their traditional livelihoods.***

doing so, remove any justification they might have for turning a blind eye to the activities of the criminals in their midst.

**Provide legitimate employment opportunities.** The government could go a long way toward building confidence and harnessing goodwill in the Niger Delta by improving the local infrastructure through a road-building project. This would not only have the benefit of improving the transport network in the region but it would also provide jobs for unemployed youth whose current options are limited to criminal enterprises such as oil bunkering. A homegrown public works project using local youth to build infrastructure using labor-intensive techniques would also mean there would be no foreign companies in the region to harass. The International Labor Organization office in Abuja could help the Nigerian government devise the project.

Other employment initiatives could involve training young people in sustainable livelihoods suitable to the region, such as advanced welding, gas-to-power projects, and effective maritime transport systems. A limited number of people could be trained to become competent contractors to the oil and gas industry. By offering viable work opportunities, particularly in the oil industry, the government can help reduce the allure of entering into illegal activities. There is a genuine desire among the youth of the Niger Delta to pursue legitimate economic opportunities. As one youth leader stated to this author: “I am an illegal oil bunkerer. I want to be a legal oil bunkerer.”<sup>16</sup> Strategies should be drawn up to give partial ownership of oil facilities to the local communities themselves. The government should show faith in the people of the Niger Delta by awarding oil contracts and blocs to competent local communities and handing out scholarships to those youths who show promise, so that they might one day be able to run oil businesses themselves.

**Implement the key recommendations of the technical committee.** The report of the Niger Delta Technical Committee contains a number of important recommendations, notably an immediate increase in the percentage of oil revenue given back to states by the federal government from 13 percent to 25 percent. The committee calls for this percentage to rise still further over time, reaching 50 percent within several years. Increasing the amount of money oil-producing states receive for their own resource would be a powerful way of easing the sense of neglect felt by the people of the Niger Delta and would help to remove any rationalization for the trade in blood oil.

In addition, the technical committee report has made several specific recommendations to tackle blood oil, which the Nigerian government should implement without delay. These include clamping down on the illegal supply of small arms and light weapons to the Niger Delta, which both fuels the insurgency and gives those involved in oil bunkering formidable armories with which to fight their opponents, and identifying the highly placed people inside and outside of government who are engaged in sponsoring violence for economic and political gain.

**Provide financial and political support for the new Niger Delta Ministry.** There has long been a clamor for a special Ministry of the Niger Delta to address the issues of the region, similar to how the Ministry of the Federal Capital Territory focused on the development of Abuja. This ministry was finally created in late 2008, with two ministers appointed in December. However, the ministry, as part of the civil service, is subject to “federal character” regulations—meaning that people from all parts of Nigeria must be employed there, not just indigenes of the Niger Delta. This may lead to conflicting priorities. There is also a fear by some Niger Deltans that the ministry will not receive adequate funding, as evidenced by the low allocation given it in the current budget. Pressure and support

*The government should show faith in the people of the Niger Delta by awarding oil contracts and blocs to competent local communities and handing out scholarships to those youths who show promise.*

from Nigerian civil society should be kept on the ministers and directors to implement the goals of the ministry.

***Very few people arrested on suspicion of oil theft have been successfully tried and imprisoned.***

**Arrest and prosecute those involved in oil bunkering.** This is a vital first step for the Nigerian government to take in order to prove its desire to stamp out the blood oil business. So far, very few people arrested on suspicion of oil theft have been successfully tried and imprisoned. Mounting successful prosecutions is easier said than done, particularly given the high level of political and military involvement in the trade. But the government has no choice but to act. It must resist the temptation to ignore the main players—the elites and the foreign businessmen—in favor of easy targets such as the small-time crooks on the ground who make small profits by siphoning off oil and selling it to their communities. Making high-profile arrests of some of the key players and successfully prosecuting them would send out a powerful message that the government was serious about ending oil bunkering.

**Get serious about monitoring its coastline.** The coastal surveillance system that was piloted in the summer of 2008 should be expanded and the information it gathers shared more effectively with relevant parties. It appears that the system is operational, as President Yar'Adua demonstrated it to representatives of the oil companies in late 2008. However, to date, little use is being made of the intelligence it produces. The Nigerian government should be strongly encouraged to use the equipment it already possesses to monitor what is happening around its shores. In addition, Nigeria should follow through with its stated desire to set up a coast guard that can track and intercept unauthorized vessels in its coastal waters—something the foreign minister has repeatedly expressed an interest in establishing. Foreign Minister Maduekwe should enlist the help of the international community in making this a reality. One of the problems he will face is how to prevent any coast guard from being corrupted in the way that the present Nigerian Navy has become.

**Make better use of surveillance techniques.** Relatively cheap and unsophisticated surveillance equipment can be used to monitor attacks on oil pipelines and track the movements of suspicious cargo around the Gulf of Guinea. Remote sensors can be placed on pipelines, which are able to detect acts of vandalism. Unmanned aerial vehicles (UAVs), which are small surveillance aircraft remotely controlled, can also be used. The Nigerian government should use the intelligence gathered from surveillance equipment to publicly shame vandals, thereby exposing them to social stigma. In the same way, the government can publicize intelligence it gathers on suspicious cargo ships, and by doing so, shame the countries to which they are headed into refusing them entry. For such a surveillance system to work, it must be placed in the hands of an organization that can be fully trusted. In addition, after the information is gathered, there needs to be an intervention squad to arrest and prosecute the vandals and bunkering agents that is free from the interference of those with vested interests in the blood oil trade.

***Nigeria should make clear to its international partners that accepting stolen crude from the Niger Delta is unacceptable and will not be tolerated.***

**Persuade other countries to crack down on blood oil.** Nigeria can adopt the moral high ground by taking tough action domestically against oil bunkering, then encouraging other countries to do the same. It should make clear to its international partners that accepting stolen crude from the Niger Delta is unacceptable and will not be tolerated. The Nigerian government is well placed to offer carrots as well as sticks and can set up legitimate oil export contracts with countries such as Côte d'Ivoire that have previously benefited from the receipt of stolen crude.

**Mobilize civil society to push for action against blood oil.** The reality is that the Nigerian government is ill-equipped to deal with the problems posed by the trade in illegal oil, particularly in the light of the frail health of the president, which has created a virtual vacuum at the center of government. Civil society will therefore have to take a leading role in ensuring that the issues of the Niger Delta are kept on the political agenda. The technical committee's suggestion that a compact should be formed between the government and the stakeholders of the Niger Delta is a good one. It is likely that the responsibility for making this compact a reality and driving it forward will fall to civil society. This compact should place the problem of blood oil at the top of its agenda.

Moves are afoot among civil society groups to give the issue of blood oil the attention it deserves. One proposal is to continue the dialogue initiated on the Web site of the technical committee, in which civil society groups share information about oil bunkering and make it an advocacy topic. There is also an effort to include the religious institutions in praying for people involved in illegal activities, a "naming-and-praying" variation on the "naming-and-shaming" approach. Because of the power of religious institutions, it is thought that if identified sponsors of blood oil are named and prayed for weekly in churches and mosques around Nigeria, those individuals will have an incentive to stop their immoral activities and calls for their prosecution will gain popular support.

Although the role of the community in drying up blood oil is very important, the difficulty of their task should not be underestimated, nor should the risks involved. There have been several cases of people in the Niger Delta being killed for exposing individuals they suspected of being members of armed groups. Those who expose people involved in oil bunkering are likely to face similar risks. It has to be remembered that whole communities are often involved in oil bunkering activities, directly or indirectly, and stopping such economic activities may negatively impact these communities, particularly in the short term.

Nevertheless, people ultimately need to speak up against bunkering because of the devastating effects it has on communities. There is evidence that people are beginning to pluck up the courage to do just that. For example, a year ago the governor of Rivers State, Rotimi Amaechi, ordered the people of Okrika to give information on Ateke Tom, a leading militant and oil bunkerer who is one of their "sons." No one cooperated at the time. However, the author was told in February 2009 that the community was now thoroughly weary of Ateke and wanted him permanently out. This disenchantment, combined with anger from two major militant groups—the Bush Boys and the Greenlanders—whose leaders Ateke had purportedly recently killed, could be harnessed to arrest or chase out the criminals. However, the whole community must back such an approach, not one or two people, who could be victimized.

In a similar way, the Delta State government in August 2006 called all of the local government chairmen and youth leaders to discuss how to stop hostage taking. The youth themselves suggested that anyone who rented a boat to hostage takers, or any chief who allowed hostages to be harbored in his community, should be arrested. As a result, hostage taking in Delta State was significantly reduced. This latter point demonstrates the important role state governors can play in tackling oil theft, if they have the political will to do so.

### ***Recommendations for the International Community***

Although the Nigerian government has repeatedly requested assistance in addressing the problem of blood oil, it has not always accepted such assistance. The international community must take this request literally and hold Nigeria to its stated commitment. Further, the international community should take the following specific steps:

***There have been several cases of people in the Niger Delta being killed for exposing individuals they suspected of being members of armed groups. Those who expose people involved in oil bunkering are likely to face similar risks.***



***Some of Nigeria's European partners are keen to revamp the inactive GGESS and elevate it from a talking shop to a body with political clout that takes concerted action.***

**Revamp the Gulf of Guinea Energy Security Strategy.** Some of Nigeria's European partners are keen to revamp the inactive GGESS and elevate it from a talking shop to a body with political clout that takes concerted action. The Dutch ambassador in Abuja has visited the two new ministers most likely to spearhead this process: the minister of petroleum, Rilwan Lukman, and the senior minister of the Niger Delta, Obong Ufot Ekaette. The GGESS can coordinate energy security initiatives not only in Nigeria but throughout the whole Gulf of Guinea region and has the potential to lend important technical support, with countries offering specific expertise—for example, the Netherlands on bunkering, Norway on fingerprinting, Canada on small arms, and Switzerland on money laundering. The Netherlands, which is particularly concerned about instability in the Niger Delta because of Royal Dutch Shell's involvement in the region, should be prepared to take a greater role in the GGESS. It is one of the few Western nations with staff on the ground in the Niger Delta, having recently opened a consulate in Port Harcourt, albeit in the Shell compound.

**Prioritize the search for a reliable method of fingerprinting oil.** The new minister of petroleum, being an old hand in the oil industry, should use his influence to bring the various oil companies together to develop a common national database and initiate a system for identifying and tracking Nigerian crude, similar to the one used for blood diamonds. This can be done with the help of the United Nations, which is willing to set up an expert committee similar to that established on blood diamonds. Although there is a cost to fingerprinting oil, it is insignificant compared to the cost of oil theft.

**Follow the money trail from blood oil.** Nigeria's international partners can share information and help trace the money trail from oil bunkering. Interpol or NGOs, such as Global Witness, can trace and expose these money trails. If possible, this money should be frozen and repatriated to the Nigerian government, as was done with the return by the Swiss government of money stolen by former Nigerian head of state Sani Abacha.

**Expand dialogue to include other international players.** China, Russia, and India should be included in dialogue with and about Nigeria. The more unified the international approach is to stopping blood oil, the more effective it will be.

**Strengthen the Nigerian military.** A solid security sector reform process should be undertaken to restore the competence of the Nigerian military.

### ***Recommendations for the United States***

Within the international community, the United States is uniquely positioned to take a leadership role in helping to dry up blood oil and address other issues in the Niger Delta. The Netherlands has too small a presence in Nigeria, and the United Kingdom is encumbered by a somewhat negative colonial history in the Niger Delta, and its government is not presently in a position to lead the international community's efforts—though it would support an effort coming from Washington. Also, the reality of an energetic young U.S. president with African roots should not be underestimated. The author was in Nigeria in November 2008 when President Obama's phone call to President Yar'Adua was a source of great pride and excitement. Everyone wants to be Obama's friend. The United States can capitalize on this, with continuous support and encouragement to President Yar'Adua and other key players in the Nigerian government to do exactly what they have already said they are going to do: (1) make the Niger Delta a priority and (2) reduce blood oil.

David Goldwyn, in reviewing U.S. energy security during the Bush administration, notes that U.S. engagement with Africa was greatly reduced during those eight years.<sup>17</sup> Yet testimonies before the Senate Foreign Relations Committee's Subcommittee on African Affairs in September 2008 emphasized the importance of the Niger Delta. In his submission for the record, Subcommittee Chairman Russ Feingold himself stated: "We must think creatively about how we can rally our international partners and muster the many resources at our disposal to push for a comprehensive solution [in the Niger Delta]. . . . In the months and years ahead, I believe there are few more pressing issues in terms of U.S. security and interests in Africa."<sup>18</sup>

In turn, the United States must take a more proactive approach to Nigeria and the Niger Delta and take the following steps:

**Restart U.S.-African energy partnerships and binational commissions.** Such partnerships and commissions were in place during the 1990s and should be resumed as platforms for dialogue.

**Develop a strategic energy security policy in Africa.** With a central locus of responsibility, it should draw in the Departments of State, Energy, Commerce, Defense and Treasury; the U.S. Trade and Development Agency; and the U.S. Agency for International Development.<sup>19</sup>

**Get the diplomatic corps into the region.** The diplomatic corps should identify the full scope of the area's problems and develop a sound plan for addressing them. Interviews with staff members at the U.S. embassy in Abuja demonstrated their frustration at their lack of real knowledge about the Niger Delta. This suggestion was emphasized by the three Niger Delta governors during the recent Chatham House meeting. Gov. Timipre Sylva of Bayelsa State stated, "There is no one who can administer the Niger Delta from the outside. Foreign embassies are in Lagos and Abuja, so any information that they give out about the Niger Delta can only be rumor."<sup>20</sup> Likewise, Gov. Rotimi Amaechi of Rivers State stated, "I don't attend any function concerning the Niger Delta which takes place in Lagos or Abuja. I do not even send my staff or a representative, as a policy. If you want to discuss with me, then come to the delta."<sup>21</sup>

**Offer greater support for work on governance.** Transparency and accountability, as well as meeting the needs of the people, continue to be problems in Nigeria, especially in the Niger Delta. During the Bush administration, there was an increased focus on military efforts, AFRICOM being a prime example, as well as a preoccupation with terrorism. However, research conducted for a recent conference in London showed that militancy of the type found in other parts of the world is not a major concern in Nigeria.<sup>22</sup> Rather, poor governance is a major factor in militancy. An earlier conference in Washington also identified the long-term needs for good governance, stability, economic development, and more equitable sharing in the benefits from oil proceeds.<sup>23</sup> Thus, work on good governance should be a top priority for the United States in Nigeria in general and the Niger Delta in particular.

**Promote a relationship with Nigeria based on mutual respect and partnership.** In January 2009, Ojo Maduekwe, the Nigerian foreign minister, told an audience at the Center for Strategic and International Studies that Nigeria wanted to be treated with respect and in return was ready to fulfill its international responsibilities. The United States should strongly encourage and support Nigeria in addressing its internal issues and those that affect other countries, such as security in the Gulf of Guinea. There should be a continued flow of high-level visitors between the United States and Nigeria, reinforcing the idea that Nigeria is

important to the United States and reiterating the messages of good governance, human rights protection, and the need for improved development and security. Such efforts might include the following:

- Appointing a special envoy to the Niger Delta or Gulf of Guinea region similar to the special envoy to the Great Lakes during the Clinton administration.
- Implementing the antikleptocracy provision of the Consolidated Appropriations Act that denies entry to the United States to all foreign government officials about whom the secretary of state believes there to be credible evidence that they were involved in corruption relating to natural resources. The head of Global Witness, an NGO which has exposed resource-related corruption and money laundering in many African countries, and has pointed out that corrupt African leaders do not want to spend their money in Kinshasa; they want to enjoy it in the United States.<sup>24</sup> The antikleptocracy provision can keep them from doing so.
- Enforcing visa bans, even for those not directly involved in resource-related corruption. The State Department has a standard measure of denying U.S. visas to people, particularly politicians. However, it is not common for those persons refused visas to the United States to be publicly named. Because most Nigerians would like to come freely to the United States and would not want the embarrassment of being publicly shamed with a visa ban, these bans should be made public.
- Introducing electronic bills of lading. The software for electronic bills of lading is currently available, and the U.S.-based Liberian Shipping Registry is willing to work with Nigeria. The U.S. government should encourage President Yar'Adua and the minister of petroleum, Rilwan Lukman, to make use of it.
- Developing a certification scheme to track the theft and sale of blood oil. American oil companies can take the lead in tracking illegal oil out of Nigeria and preventing it from entering the United States.
- Prosecuting companies and individuals found guilty of bribing foreign officials. The United States should enforce good ethical practices among its companies and encourage its European partners to do likewise. This will close off some of the opportunities for corruption in countries such as Nigeria.

## Conclusions

Two years after the incoming Yar'Adua administration declared the Niger Delta to be one of its top priorities and ten months after the Nigerian government first publicly asked for help in addressing the problem of blood oil, very little has happened. In those two years, much money has been lost to bunkering that could have been better used for the development of the Niger Delta. Violence has been perpetrated against the people of the region, both by the militants-bunkerers and by the government that is meant to protect its nationals, as in the May 2009 Delta State attacks. The government's inactivity demonstrates both a lack of political will and a lack of competence.

To date, the United States has been very preoccupied with conflicts on other continents, and the problems in Sudan, Somalia, and Zimbabwe have overshadowed the Niger Delta. However, the militant attacks and soaring gas prices of summer 2008 show that all countries are vulnerable to problems in the Niger Delta. Blood oil, a complex and lucrative business with high stakes and high-level involvement of people both within and outside of Nigeria, is beyond the capacity of the Nigerian government to address. Therefore, it can only be approached in a multilateral way. The United States and its international partners have a

responsibility to follow a foreign policy that addresses not only energy security but also the protection of innocent people, such as those who died in Delta State on May 15, 2009. The United States will need to take the lead and bring fresh energy to an international effort to strongly support the Nigerian government and keep it to its stated promise of addressing the problem of blood oil. The solutions will not be easy or quick, but they should be initiated before more people die needlessly in the Niger Delta.





## Notes

1. Andrew Walker, "Blood Oil' Dripping from Nigeria," BBC, July 27, 2008.
2. Gov. Emmanuel Uduaghan, as quoted in "State Government Solutions to the Niger Delta Troubles: Key Challenges, Needs and Strategies" (meeting summary, Chatham House, London, UK, February 26, 2009), 12, 14.
3. According to the Energy Information Administration, the United States imported 13.9 million barrels of oil from Nigeria in February 2009, making Nigeria the seventh largest supplier to the United States. This compared with the importation of 29.7 million barrels in February 2008.
4. David L. Goldwyn, testimony before the Senate Committee on Foreign Relations' Subcommittee on African Affairs, Washington, D.C., September 24, 2008.
5. "Nigeria fighting 'killed 1,000,'" BBC, May 18, 2009.
6. After a pipeline or facility is tapped and the crude siphoned off, the barge carrying it has to pass through creeks and to the coast to meet the tanker that will carry it abroad. The "passage communities" are along this route. The community to which oil is taken and those through which it passes on its way out of Nigeria will demand to be paid off or "settled." The Nigerian military is also paid to protect this process.
7. Peace and Security Secretariat, "Niger Delta Peace and Security Strategy Background Papers" (unpublished paper, Port Harcourt, 2006), 43.
8. Coventry Cathedral, *The Potential for Peace and Reconciliation in the Niger Delta* (Coventry, UK: ICR, February 8, 2009).
9. Nnamdi Obasi, International Crisis Group, presentation at SAIS, February 25, 2009.
10. Coventry Cathedral, *The Potential for Peace and Reconciliation in the Niger Delta*.
11. Ateke Tom is the leader of an armed group, the Niger Delta Vigilante, based in Okrika Local Government Area of Rivers State. He has been a major player in bunkering and political violence since the late 1990s. More recently, he has been a sponsor of piracy and bank robberies.
12. Maj. Gen. Abdurahman Dambazau, quoted in *Vanguard* (Niger Delta), August 28, 2008.
13. "New Neiti Board," *Dredging and Exploration* no. 1 (2008), URL=[www.dredgingandexploration.com/stories.php?id=122](http://www.dredgingandexploration.com/stories.php?id=122) (accessed July 9, 2009).
14. Shell Nigeria executive, in conversation with the author, February 2009.
15. Atiku Abubakar, as quoted in Coventry Cathedral, *The Potential for Peace and Reconciliation in the Niger Delta* (Coventry, UK: ICR, February 8, 2009), 161.
16. Niger Delta youth leader, in conversation with the author, January 2006.
17. David Goldwyn, "US Energy Security in Africa," in *US Africa Policy Beyond the Bush Years*, eds. Jennifer G. Cooke and J. Stephen Morrison (Washington, D.C.: CSIS, April 2009).
18. Sen. Russ Feingold, "Remarks of U.S. Senator Russ Feingold on the 'Resource Curse' in Nigeria's Delta Region," September 29, 2008, URL=[feingold.senate.gov/statements/08/09/20080929a.htm](http://feingold.senate.gov/statements/08/09/20080929a.htm) (accessed July 9, 2009).
19. Goldwyn, testimony.
20. Gov. Timipre Sylva, as quoted in "State Government Solutions to the Niger Delta Troubles: Key Challenges, Needs and Strategies" (meeting summary, Chatham House, London, February 26, 2009), 12.
21. Gov. Rotimi Amaechi, as quoted in "State Government Solutions to the Niger Delta Troubles: Key Challenges, Needs and Strategies" (meeting summary, Chatham House, London, February 26, 2009), 13.
22. "Radicalization and Militancy in West Africa" (conference, King's College London, April 2009).
23. "The Politics of Development and Security in Africa's Oil States" (conference, African Studies Program, Johns Hopkins' School of Advanced International Studies, Washington, D.C., April 2009).
24. Simon Taylor, testimony before the Senate Committee on Foreign Relations' Subcommittee on African Affairs, Washington, D.C., September 24, 2008.

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