

A Partnership Framework for Managing an Emerging Urban Region: The Bonny Experiment in Rivers State, Nigeria

1.0 Introduction

Nigeria is urbanizing at an astonishing pace. Compared to growth rate of around 3.0 per cent for the total population, the urban population in Nigeria over the last three decades has been growing close to 5.8 per cent per annum. This is among the highest urban growth rates in the world, due mainly to migration from rural to urban areas (Federal Government of Nigeria, 2003). However successive administrations have failed to manage its urban areas through proper planning and service provision. This has culminated in problems of well-known crisis proportions including severe housing shortages, lack of every type of urban infrastructure, poor urban quality of life. In the wake of the oil and gas based economy in the country, Bonny, a medium sized urban area in the Niger Delta region, with a rich historical and cultural past emerged as one of the nation's fastest growing urban centers. The most significant factor responsible for this growth is the location of oil and gas export facilities on the island. The community mobilized by the traditional ruler decided to initiate actions aimed at ensuring not only orderly physical development, but also promoting the economic interest of its citizens. This gave rise to the formation of a partnership between the community and the companies operating in the area and led to the signing of a Memorandum of Understanding in 1998, and one that was initiated by the community. This partnership constitutes the basis for managing growth in the Bonny urban region.

The preparation of a Master Plan for the fast growing Bonny city region was a very significant result of this relationship between the Bonny community and the industries located within its territory. As clearly identified in the Bonny Master Plan, the Bonny Local Government Area and in particular, greater Bonny Island area has experienced very rapid physical growth in the last decade as a result of continued industrial development. This growth is expected to continue in the future because of the many strategic advantages that Bonny possess, notably its ready access to deep water, its focal point on a number of oil and gas pipeline networks and its role as a established location for petrochemical facilities. Thus, the Master Plan was seen as necessary to guide development throughout the Bonny Local Government Area. The Master Plan itself is part of a wider programme of projects covering within the MOU, covering road development, provision of water and electricity, intended to encourage and support sustainable development in the kingdom through community participation. This case study examines details of the workings of this partnership.

1.1 The Bonny Experiment: A Historical Perspective

Bonny holds a position of historic and economic significance in the national context. From the earliest account when the Portuguese first arrived on the Nigerian coast in the late fifteenth century, Bonny was their main seat of operations in the eastern part of Nigeria. From being the capital of one of the "coastal city states" of the Niger Delta, it was in 1917 designated a township under the colonial township Ordinance of 1917. It was a strategic seaport for the Trans-Atlantic trade first in slaves and later in palm oil exports. As the first seat of British colonial administration, a consulate was built in 1897 with a district commissioner, a doctor, police officers, several offices of the Marine Department and the Nigerian Ports Authority. A secondary school was established as early as 1905. (Nickson and Borys, 1974).

As documented by Obinna and Emeruem (2003) and Dar al – Handasah (2001), Bonny Island is today emerging as perhaps the most important industrial enclave in the country,

considering the sheer volume of investment on the island, currently standing at about US \$30 billion. The background to this strategic significance is the location on the island of three major industrial establishments: the Shell Petroleum Development Company (SPDC) owned Bonny Crude Oil Terminal (BCOT) from where about 30% of the country's crude is exported; the Mobil Liquefied Petroleum Gas (LPG) plant; and the Nigeria Liquefied Natural Gas (NLNG) plant. Located approximately 40 kilometres south-east of Port-Harcourt (see fig 1) in the Rivers State of Nigeria, Bonny has emerged as perhaps the most important port city in



Nigeria today. The impact of these developments has been massive in migration of population. The 1991 national population census had put the total populations of Bonny town and the entire city region at 22, 989 and 76, 124 respectively.

Household demographic analysis for the NLNG's environmental impact assessment indicate that a 5% average annual growth rate of population is more realistic for the Bonny urban area than the 2.83% applied by the National Population Commission (NPC). Details of the population projections for the local government area up to year 2051 is given in table 1 using both the NPC's linear extrapolation model and the EIA consultants' application of the exponential growth model.

The present growth industry in the city region is the NLNG plant. One of the initial two trains (train 2) was completed in August 1999 and the other (train 1) in February 2000. Train 3

began production in late 2002. Presently, trains 4 and 5 are under construction. To accommodate NLNG, a New Finima town was built in the early nineties and the old settlement re-located. This has been followed by large-scale reclamation of land. In recent times, SPDC has also expanded its Bonny operations with the construction of the Bonny Terminal Integrated Development Plan. This has increased production from the initial 600,000 bpd to 2.3 million barrels. Exxon Mobil is presently studying the concept of a second LNG project and downstream petrochemicals. These developments together with the growth of service industries and the need for housing has led to intense pressure on available land.

Table 1: Projected Population of Bonny Local Government Area, 2001-2051

Years (Base Year, 1991 Population= 76,124)	Assumed Average Annual Growth Rates (%)	
	2.83	5.0
2001	97,667 (100,628)	114,186 (123,998)
2011	119,210 (133,020)	152,248 (201,980)
2021	140,753 (175,840)	190,310 (329,004)
2031	162,296 (232,442)	228,372 (535,912)
2041	183,840 (307,265)	266,434 (872,944)
2051	205,383 (406,174)	304,496 (1,421,934)

Note: Figures derived from the exponential growth model are given in parentheses
Source: Ecosphere, 2003

Recognizing the development pressure and its implications for urban growth, the traditional leadership of the Bonny kingdom, represented by the "Amayanabo" in – council, initiated the partnership arrangement for managing this growth. It set up the Bonny Kingdom Development Committee (BKDC); the Bonny Environment Consultants' Committee (BECC) and the Bonny Kingdom Employment Agency and got the oil and gas companies to recognize these bodies.

1.2 Goal and Objectives of the Study

The goal of the study is to demonstrate how a community- based partnership initiative with the organized private sector is being implemented in the physical development of the emerging Bonny city region and to explore the challenges and potentials of this approach as a learning point for urban and regional planning especially in Nigeria. The study has the following objectives:

- (i) to highlight the factors, both local and external, which gave rise to the community/ industry partnership in Bonny;
- (ii) to examine the functioning of the partnership using the specific examples of the preparation of the Master Plan for the Bonny city region; and in the establishment of the Bonny Utilities Company; and
- (iii) to highlight key learning points from this experiment for the broader context of urban growth management in Nigeria.

2.0 The Bonny Kingdom- Joint Industry Committee Partnership

The partnership between the Bonny Kingdom and the Joint Industry committee (JIC) was birth on November 5th 1998 in the signing of a memorandum of understanding (MOU) between them. Those who witnessed the signing of the MOU, included the Secretary to the Rivers State government, and the chairman of the Bonny Local Government Area. The MOU expressed both community and industrial commitments and specified the projects on which these commitments were made. The three key project areas were in roads development, electricity and water supply and a community development master plan. Whereas the contribution of the JIC was mainly financial and technical expertise, the community's contribution was mainly in making land available, taking ownership of the completed projects and maintaining them, and providing labour when required at reasonable rates. Thus, no compensation is paid on land acquired for community purposes.

There were benefits expected from the partnership. On the part of the community, the infrastructure projects were needed to improve the quality of life of the people especially as both the Rivers State government and the local government had failed to do so. The Master Plan was necessary to guide the physical development of Bonny particularly as it experienced rapid in – migration with attendant pressure on available housing, infrastructure and services. As the chairman of the Bonny Kingdom Development Committee expressed, “the objective of the MOU is to provide organized development for the Kingdom”. ⁽¹⁾ The Bonny Kingdom Development Committee, (BKDC), was established in 1996 by the Amayanabo in- council in order to provide a common voice for the community. Prior to the establishment of the BKDC, different groups in the community, women, men and youths had made incessant demands on the multi-national oil and gas companies operating in Bonny. This acts were considered unproductive by the Amayanabo. With the BKDC in place, all requests from any group within Bonny to the JIC is channeled through this body. To a large extent, this arrangement has reduced demands to the JIC by many different groups and youth restiveness in Bonny. The BKDC comprises of professional men and women (medical doctors, lawyers, architects, land surveyors, town planners etc) from the community. They are not paid for their services; neither do they collect money from any company. The role of the BKDC is to implement the MOU from the community's perspective, through dialogue. An offshoot of the BKDC is the Bonny Environmental Consultative Committee. This is now semi-autonomous because of the highly specialised nature of its job which is to serve as an environmental watchdog for the Bonny community. Every Environmental Impact Assessment carried out on projects in the area, is reviewed by BECC - a body made up of environmental lawyers, biologists and other relevant professionals - on behalf of the community.

Thus the three channels of communication between the community and the JIC are the BKDC, BECC, and the Amanayabo in- council. The local government is represented on the BKDC by its chairman. This structure has caused disagreement between the local government authority (LGA) and BKDC as the LGA sees itself as having the constitutional responsibility for the role now being played by BKDC. The BKDC has come to stay. The principal reasons for its existence include the recognition and support of the Amayanabo in-council, the absence of financial transactions between JIC, other companies and the BKDC and its success so far in negotiations on behalf of the people.

The JIC has also on its part recognized the BKDC and BECC as representing the Bonny community. This structure of community representation has reduced the number of “publics” which the companies have to deal with. It has also reduced significantly conflicts between multi-nationals and youths in the community. Major MOU projects are financed as follows: 50% by the NLNG, 30% by SPDC and 20% by Mobil. Other companies including wholly

indigenous ones are approached directly by BKDC to “invest” in the community by agreeing on projects for financing. In a personal interview with the BKDC Chairman, it was emphasized that the partnership has produced a stable, conducive environment for the oil and gas industries and their contractors to operate. This is a key factor considering the widespread incidences of violent conflict between oil and gas multi-national companies and community groups in the Niger Delta leading to loss of lives, hostage taking, shutdowns and loss of production.

The partnership is not without its problems. BKDC identified three such problem areas. The first is that it takes time for the partners to agree on which projects to embark on, which the JIC and other companies are expected to finance. This is resolved by dialogue. The second and third problems come in the area of implementation. BKDC complains that community projects do not progress as scheduled and experience delays. Also the contractors engaged in these projects are not as competent as those used by the JIC in their own projects. The result is often poor quality jobs. A case in point is the water supply scheme for the Bonny urban area. The JIC has its own problems with the community specifically in its expectations and demands. The JIC sees itself as providing the services, which rightly should be provided by government agencies. Although the Nigerian Federal Government is in a joint-venture with the oil and gas multi-nationals, the community does not regard the government as being significant in its own relationship with these companies. The government is increasingly isolated in industry/community relations (Kalango, 1998). For example, the chairman of Bonny local government authority, who though a member of BKDC, would rather have the JIC channel money for community projects through the local government than the current practice of using independent contractors jointly supervised by BKDC and the JIC.

In the next two sections, the examples of the Bonny Master Plan preparation and the establishment of the Bonny Utilities Company will be used to highlight in greater detail, the working of the JIC/Community partnership.

2.1 The Bonny Master Plan

The Joint Industry Committee (JIC) as part of its obligations in the MOU signed with the Bonny Kingdom accepted to finance the preparation of the Bonny Master Plan with the Shell Petroleum Development Company (SPDC), driving the process. To enable it carry out its functions, SPDC engaged the services of a qualified urban and regional planner as part of a team of professionals to prepare the detailed tender document and to assess and select the team of consultants who were to actually prepare the Master Plan and to monitor the process. This team became known as the Bonny Master Plan Management Team. Apart from the town planner and the SPDC focal point on the team, the other four members were from the Bonny community and included a qualified architect and land surveyor (both of whom were members of the BKDC), and a lawyer and an environmentalist, both of whom were members of BECC.

The initial task of the project management team was to consult with the community and define the key objectives of the Bonny Master Plan. This culminated in the constitution of a draft terms of reference for the Master Plan preparation process. The Amayanabo in-council, BKDC and BECC were all involved in the process of consultation and review of the TOR. The commission of the TOR as specified is as follows:

The planning team (hereafter referred to as the consultants) shall perform all field investigations and surveys and related work herein described and in required sections culminating in the development of a Master Plan for the Bonny city region projected to the year 2020. To this end, the services of the consultants shall include a comprehensive survey, making informed proposals on future developments, as well as proposals for the implementation and administration for the resulting Master Plan. In the conduct of this work,

the consultants shall co-operate fully with the Joint Industrial Committee (JIC), the Bonny Council of Chiefs, the Bonny Kingdom Development Committee, the Bonny Environmental Consultants Committee (BECC), the Bonny Local Government Authority, and the Rivers State Ministry of Lands and Survey. However, the consultants shall be solely responsible for the analysis and interpretation of all data, for the findings, conclusions and recommendations reached in their work. ⁽²⁾

The Bonny Master Plan is intended to guide development in the local government area over a period of twenty years, and seeks to ensure that there is compatibility and empathy in the development of human resources, economic resources and environmental resources. Three important objectives of the Master Plan are as follows:

- (i) To give a clear short and long term picture of the physical, economic, and social conditions of the city region focusing on the greater Bonny island as the core planning area and the rest of the Bonny Local Government Area as the outer planning area of the Master Plan.
 - (ii) To provide a framework for intervention by stakeholders in an orderly manner in order to achieve the objectives of increased incomes, increased productivity and ensure socio-economic welfare.
 - (iii) To have the community participate in all development of the Master Plan through well structured public forums including focus group discussions and public attitude surveys.
- (Bonny Master Plan 2001, Existing Conditions Report)

The geographic scope of the Master Plan comprises all of the Bonny Local Government Area, which was sub-divided into a core planning area and an outer planning zone. The core planning area consists about 250 square kilometres, and includes the Bonny town, New Finima town, and over twenty-five smaller settlements. The outer planning zone consists of another land mass located on the western flank of the local government area covering an area of over 200 square kilometres. Both land- masses are separated by the Bonny river and numerous creeks. (See fig. 2).

Two alternate development strategies were evaluated in order to determine their implications on the nature of future development in Bonny. The first strategy- "Accelerated Strategic Development"- was based more on growth that was dependent on external factors, specifically on the activities of the multi-national oil and gas companies; where Bonny continues to attract development projects of international importance, and remains a key feature of national economic policy. This had its limitations especially that of limited local employment generation, as the developments would continue to be highly capital intensive.



The second strategy was that of “Focused Local Development”. This describes a situation where major development projects of the existing types are not encouraged and the area does not depend on government and private sector funding but relies more on local resources and finances for development. This also has its limitations especially as present growth trends are likely to continue with the construction of the new regional road linking Bonny Island to the rest of Rivers state. The two strategies were considered not mutually exclusive, and following widespread consultations, were reconciled to provide a viable development future for the area ⁽³⁾.

A significant consideration is the reality of an emerging Port Harcourt – Bonny industrial axis (Ecosphere, 2003) as the most important one in Nigeria. This is currently being given a boost by the decision of the Federal Government of Nigeria to begin construction of the Bonny – Bomu – Chara road that will efficiently link Bonny to the mainland, thus ending its access by water and air transport only. At the time, the Bonny region had not become of such strategic importance to the national economy. Now the road has become imperative. The immediate impact of this road will be the rapid north – eastward expansion of the Bonny urban area and the reality of a Port Harcourt –Bonny Metropolitan Region. The Master Plan was completed in 2003 and has become a tool for plan implementation in the region

2.2 Bonny Utilities Company

The Bonny Utilities Company is another project of the partnership initiative, having been set up by the Bonny people, with the BKDC, in collaboration with the Joint Industrial Committee (JIC), with the Nigerian Liquefied Natural gas (NLNG) managing it. The project generates and supplies electricity to the Bonny urban area and New Finima which are the key urban settlements in the region. Electricity is generated by the SPDC from a gas turbine dedicated to the project. However, the distribution system is managed by an expatriate staff of the NLNG. The project kicked off in 2000. Initially, electricity supply to consumers in the area was free, but BKDC realizing that this was not sustainable, fashioned out a pay – as – you – go system of consumption, where the consumer buys in units his own consumption. Although the consumption is still 70% subsidized, it has removed the abuses in the consumption pattern of the previously completely free system.

However, in putting this system in place, the BKDC faced several challenges. One was in opposition from the state government in incorporation of the company. Government claimed that under the federal constitution only the federal or state government had powers to distribute electricity. The state government therefore refused to register the company. The

BKDC in negotiations with the state government, accepted that the Rivers state Ministry of joined the utilities company as directors. Presently, some technical staff have been forwarded to the project by the State Ministry of Power. It is interesting that this challenge occurred at a time when the commissioner in charge of the State Ministry of Power was a Bonny indigene, but who interpreted BUC as a challenge to his ministry's authority and more importantly as a political manipulation of the Bonny people by the BKDC whose chairman belonged to a rival political party to that of the state government. This is in spite of the fact that in its thirty- seven years of existence as a regional administration, the Rivers State Government has not succeeded in supplying power to any of its urban centers on a sustainable basis.

3. Key Learning Points for Urban Management In Nigeria

There are several lessons for urban planning from the Bonny experiment. Some of these lessons apply specifically to Niger Delta region while others have wider implications. Within the Niger Delta, Community/industry relations are generally characterized by conflict, some times violent confrontations (Owei, 2001). The response of government has more often accessioned the conflagration of such conflicts. This has been counter – productive. Communities have generally lost confidence in the role of government to mediate and would rather deal directly with the companies who operate in their areas. Most of these communities have not succeeded in evolving a structure as well defined and as viable as that in Bonny. Part of the success of the Bonny experiment derives from the strength of the traditional system of rulership based on the Amayanabo and his council of chiefs. There is no doubt that in Bonny this system is not only respected but has proved to be progressive. This is contrary to what obtains in most of the Niger Delta region. The second element of success is in the system of land ownership. All land in Bonny is owned by the Amayanabo or the various chieftaincy houses. Thus, most land transactions are based on allocation and lease, not outright sale. In an environment where land available for development is limited, the traditional consultation and participation processes associated with land management have significantly reduced conflicts arising from individuals claiming rights to land for development. Although the land use Act of 1978 provides the basis for all land use management in Nigeria and vested all interest land on the federal and state government, in reality, communities have resisted attempts by companies and even government to acquire their land for public purposes. As rightly noted by the Sustainable Community Development Manger of SPDC the security of the company's license to operate rest with thee communities, not government. The success of the Bonny experiment is by the proposal by other multinational oil and gas companies to adopt the framework in their own areas of operations.

In a wider context are the lessons for urban growth management in Nigeria. No single municipal authority or even state government in Nigeria has been able to manage the rapid increase in urban populations or to provided adequate services. The experience as accurately reflected in the National Urban Development Policy (NUDP) of 1997 has been rapid rate of uncontrolled and unplanned urban growth with its attendant inadequate housing, traffic jams, deteriorating infrastructure and services. The NUDP and the Presidential committee on Urban Development and Housing attribute this trend to institutional failures.⁽⁵⁾ Empirically, what studies have confirmed with regard to this include; poor urban governance (Falade, 2002) especially the lack of political will to make changes that are likely to facilitate the implementation process. Another highlight and are drawing from the first one is the failure by urban growth cannot be properly managed outside the boarder framework of urban and regional planning. In addition is the fact that the scale of investment needed to bring about improvement in the urban crisis in Nigeria is beyond the resources available to governments. Active participation of the private sector and communities is required. The usual Nigerian approach to planning where government led

and other followed is no longer tenable. It is therefore not surprising that the recent federal government's national urban development strategy policy document has recommended the partnership approach to urban management. The Bonny experiment should provide salient lessons for other cities and communities.

One such lesson is the recognition that the local communities are key players in this partnership and in their participation they exercise their inalienable rights to control their development process. This is the only way that urban development can be sustainable in Nigeria. The structure of the partnership is another lesson. In the Bonny case, the partnership itself was initiated by the community. This need not always be the case. However, key tenets of a partnership such as having clear, agreed objectives, time frame, roles and responsibilities are common to all successful partnership. The Bonny experiment has held together thus far despite associated problems. Commitment by all partners is important. Government agencies in Nigeria have demonstrated poor commitment in partnership situations. In this regard it is interesting to note the reluctance by communities and the private sector to partner with government (Irhuenabere, 2004)

Some of the factors that contributed to the failure of partnerships in which government is involved in Nigeria include apathy and unnecessary political interference (Owei, 2003). Some of the greatest challenges in adopting the Bonny experiment in other urban areas in Nigeria would come in this regard. Another significant lesson is that the partnership is enhanced on projects, not financial transactions. This minimizes frictions between the BKDC and the JIC.

4. Conclusions and Recommendations

As Nigerian cities continue to face urban management dilemmas, there is need to re-examine the administrative structures, which have been in existence for a long time. All across the globe but more significantly in developed countries, urban planners and city managers are embracing more participatory approaches. The Bonny experiment has shown that urban communities, can adequately take the initiative in managing their own development process. The case study has also shown that the partnership approach can work when all stakeholders who came together in such a relationship are committed to achieving the objective of the partnership. More than anything else, the study highlights some of the chronic problems of lack of good urban governance facing Nigerian urban centers and the inability of public institutions responsible for urban management to be open to innovative ideas. Experience has shown that government cannot go it alone in managing the rapid rate of urban growth in Nigeria in an era of dwindling resources. However, partnership building takes time and trust. It requires resources especially of personnel with the requisite capabilities and training. It requires political will and continuous dialogue. Partnership building is itself a learning process. Differing perspectives of projects by the partners need to be reconciled. In our case study, the memorandum of understanding was able to state clearly the objectives, commitments of the partners to realizing these. Thus the MOU was itself a framework for success. The often negative attitude and apathy demonstrated by the local government authority is symptomatic of the weaknesses of existing institutional frameworks for urban management in Nigeria.

Endnotes

1. Interview with Dr. Allison, Chairman, Bonny Kingdom Development Committee, June 3, 2004
2. Dar al – Handasah (Shair and Partners) Bonny Master Plan: Strategic Development Scenarios
3. Dar al – Handasah (Shair and Partners) Bonny Master Plan: Strategic Development Scenarios

4. Presentation by Mr. Emmanuel Etomi, Sustainable Community Development Manager Shell Petroleum Development Co. Nig. Ltd. at the 2004 Community Development Stakeholders' Workshop.
5. Federal Republic of Nigeria (2002) "Government White Paper on the Report of the Presidential Committee on Urban Development and Housing" Federal Government Printer, Apapa, Lagos

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