



**SOCIAL IMPACT ASSESSMENT OF
UBIMA AND ELELE ESTATES AT IKWERRE AND
EMUOHA LOCAL GOVERNMENT AREAS,
RIVERS STATE, NIGERIA**



FINAL REPORT

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Social Impact Assessment (SIA) of Ubima and Elele Estates of Siat Nigeria Limited at Ikwerre and Emuoha Local Government Areas, Rivers State, Nigeria

Final Report

Prepared by

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EXECUTIVE SUMMARY

In 2011, Siat Nigeria Limited (SNL) acquired from the Rivers State Government, assets of the River State Oil Palms (RISOPALM), located in Ubima and Elele estates. These comprise 16,000 hectares of old oil palm plantations, and the social and industrial infrastructure of industrial oil palm complex. As part of SNL commitment to sustainable development, it commissioned Foremost Development Services (FDS) to conduct a required social impact assessment, just as it has commenced the rehabilitation and operations at both the Ubima and Elele Estates. The Socio-Economic survey and Social Impact Assessment (SIA) was carried out to provide a baseline socio-economic data required by the company to plan and take the necessary actions in relation to the host communities that are affected by the existing oil palm plantation rehabilitation and operations.

There are twenty (20) affected (host) communities within the project area. These are ten (10) in **Ubima Estate** namely: Apani, Egbwu, Ihie, Izu, Ogida, Omadenma, Omerelu, Ozuaha, Ozuzu and Ubima communities. In **Elele Estate** there are also (ten) 10 communities, namely: Akpabu, Egbeda, Elele, Elele Alimini, Eligbo, Itu, Odiemudie, Odisama, Okporomini and Omudioga.

The assessment involved delineation of the study areas and categorization of stakeholders. A desktop review of related literature was undertaken prior to actual fieldwork. Consultations were held in twenty communities and a total of twenty (20) focus groups discussions (FGD) and sixty (60) key informant interviews were conducted. The socio-economic survey respondents were a total of 8,481 involving 1,129 households. Furthermore community survey of the host communities was conducted to gather information on communal assets.

The host communities all have similar culture in the way of greetings, marriage, tradition, norms and values. They tend to be more bonded by the common interests they share as farmers. Most of the communities have cultural traditions that if violated attract strict penalties. The communities reflected a measure of government neglect as they lack many of basic infrastructures. Safety and security of most of the communities are being threatened by activities of cultists and militants youths. The threat to life and property has affected the educational and health status of the communities as some healthcare workers and school teachers do not feel comfortable living in these communities with security risk.

Potential socio-economic benefits of the project include; employment opportunities; performance of appropriate corporate social responsibilities (CSR) to host communities by company; introduction of high yielding varieties of oil palm and sustainable management of palm plantation practices; training and capacity building for employees and smallholders and outgrowers; revenue to local communities through royalties payment to landlord communities; tax revenue for the Rivers State government and commercial opportunities for small and medium scale enterprises including petty trading.

Potential negative impacts envisaged by community stakeholders include: limited farmlands, community conservation and forest products collection areas, impacts on food insecurity and prices

of food products, influx of plantation workers and potential impacts on family structures, health and social networks (exposure to health risks (e.g. HIV), adulteration/destruction of indigenous cultural values), water pollution due to agro-chemicals and Palm Oil Mill Effluent (POME), pollution from hazardous substances, impacts of operations on infrastructure (roads, water) and potential conflicts with farmers who experience lack of available land to farm.

The communities appeared to have distorted some facts and overstated some claims in their responses to the experienced and perceived social impacts just as SNL could not show convincing evidences of their engagement and interface with the communities at their point of entry, thus allowing for the wrong perception and misgivings expressed by the communities.

Overall, the SIA study has revealed the former operators (RISOPALM) as grossly lacking in international best practices in its operations. SNL therefore needs to start on a clean slate by initiating and establishing the desirable corrective social actions:

Management and mitigation measures have been recommended for adoption and implementation to address the significant potential social impacts in order to make the plantation rehabilitation and operation socially acceptable and beneficial. These include: Proper community engagement; implementation of Free Prior Informed Consent (FPIC) agreement; Stakeholders Engagement Programme; ensuring proper participatory disengagement and payment of compensation, if outstanding to communities; prevention of pollution of water resources; corporate social services to communities and diligent implementation of the projects' social impact management plan.

To minimise the negative and enhance the positive impacts that are likely have been identified as a result of the rehabilitation of the plantations, it is recommended that the proposed enhancement and mitigation measures be implemented, as well as the Community Development Plan (CDP) and Stakeholder Engagement Plan (SEP).

CHAPTER FIVE

5.0 SUMMARY AND CONCLUSION

5.1 Summary of SIA

Based upon the findings, the Oil Palm Plantation Rehabilitation and Operation of SNL showed generally positive social consequences in the affected communities. However, there are considerable adverse social impacts enumerated by community stakeholders and observed by the study team, which require urgent attention and mitigation measures in order for SNL to achieve social security in the project area.

5.2 Recommendations

The following management and mitigation measures are proposed for adoption and implementation to address the significant potential social impacts in order to make the operations of SNL socially acceptable and beneficial:

- Implement FPIC or develop and implement a robust community engagement plan
- Avoidance of displacement of communities and people.
- Identification, demarcation and appropriate management of traditional conservation areas and other high conservation values in the landscape.
- Design and implement alternative livelihood projects for the communities to improve their livelihoods and reduce their dependence and expectations from SNL.
- Prevention of all forms of pollution to avoid social tensions and agitation in the communities.
- Engage with the communities with a view to amicably resolving and agreeing on the contentious issues of compensation, land rent and royalties.
- Provide assistance to the communities on healthcare services and HIV prevention.
- Support to improve the standard of education in the communities
- Improve and implement a more robust CSR to communities.
- Diligently implement the social impact management plan.

5.3 Conclusion

From the vantage position of SNL as a member of RSPO, the Oil Palm Plantation operation should serve as a reference point in the oil palm industry. It should be the benchmark for international standards and best practices for producing sustainable palm oil in Nigeria. The SIA has been conducted to fulfil the specific requirements of the RSPO Principles and Criteria for Sustainable Palm Oil 2013. It has also fulfilled the specific requirement of the IFC Performance Standards 4, 7 and 8.

The SNL Oil Palm Plantation Rehabilitation and Operation represents one of the most effective avenues for poverty alleviation in all the affected communities provided adequate and prompt

mitigation measures against envisaged adverse social impacts are implemented. It has the prospects of providing employment for thousands of unskilled and semi-skilled people but this can only be achieved when SNL has gained social security to operate in the affected communities. To achieve this, SNL needs to urgently engage the communities directly, rather than through government or self-acclaimed community leaders who seemed to have misinformed the communities about the concept, objectives and the good intention of SNL.

EXTRACT

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