Oil Theft, Illegal Bunkering and Pipeline Vandalism: It’s Impact on Nigeria Economy, 2015 - 2016

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Abstract
This paper examines the rising cases of oil thefts, illegal bunkering, pipeline vandalism in Nigeria from 2015-2016. The aim of this work is to critically examine the causes, actors, methods, impacts of oil thefts, illegal bunkering, pipeline vandalism and the measures adopted by the Nigerian government to combat it. The location of the study is the Niger Delta region and the study was timed within the period of 2015-2016. Secondary data were generated for the study, while content analysis was used for data interpretation and analysis. The study revealed that different individuals and groups were involved in these oil thefts, vandals and illegal activities. The study further proved that persistence vandals in the Niger Delta region is due to the enthroned corruption by Nigerian elites, governments inappropriate policies, high level of youth unemployment, ineffective and corrupt law enforcement agencies and international crime collaborations. The study also revealed that Nigerian government have made attempts to curb the problem by the establishment of a special security outfit, militarization of the Niger Delta region and reviewing of amnesty programs, but the oil thefts, vandals in recent times clearly indicates that success has not been achieved, hence some recommendations were proffered to put an end to oil thefts, pipeline vandals in order to make Nigeria economic robust and business destination by international bodies.

Key words: Oil Thefts, Illegal Bunkering, Pipeline Vandalism, Niger Delta Region, Economic Implication, Nigeria National Security, Period under Review 2015-2016.

INTRODUCTION
It is agreed in some quarters that Crude Oil is the life wire of modern economy and it has now become the paramount commodity in the world that one derived millions of other derivative products from Crude oil is considered the "mother of all commodities" because of its use in the manufacturing of numerous products, including gasoline, synthetic fabrics, plastics and pharmaceuticals (Investinganswers, 2011).

Mostly, Countries today cannot survive without crude oil products that is why Smil (2008) describes it as the “lifeblood of modern world”, adding that, “without oil, there would be no globalization, no plastic, little transport, and a worldwide landscape that few would recognize”. Yergin (2008) also calls it “the world’s most important resource”. In recognition of the importance of crude oil, Feyide (1986) aptly stated that: “Oil is raw material as well as a convenient and effective source of energy. In the form of energy it increases man’s capacity to get work done. As a raw material it provides the feedback for the fasts expanding industry in the
world-the petrochemical industry... All over the world lives of people are affected and the destinies of nations are probably determined by the results of oil industry operations. Oil keeps the factories of the industrialized countries working and provides the revenues which enable oil exporters to execute ambitious national and economic development plans.

Those developing countries that have no oil are faced with a grim struggle for survival: if they lose they are relegated to the “fourth world” the march of progress would be retarded and life itself would become unbearable if the world was deprived of oil. That is why oil has become the concern of governments, a vital ingredient of their policies and a crucial factor in their political and diplomatic strategies” (Feyide, 1986).

Though Nigeria is trying to diversify from being a mono-economy by developing other mineral resources but is still recognized as a mono-economic nation that largely dependent on the oil sector for its economic survival. The Nigerian economy is dependent on the exploitation of crude oil and the nation’s future is very much tied to the commodity (Okere, 2013). Indeed, oil and gas resources from Niger Delta region accounts for over 90% of Nigeria’s export and foreign exchange earnings, and over 70% of total Nigerian revenue (Ekuerhare, 2002). This informs Wilson (2012) to state that the increase in crude oil production affects directly the revenue base and development programmes of Nigerian state. Crude Oil is now the mainstay of Nigeria’s economy. It is the country’s major export, fetching millions of petrodollars to the country each day. Sadly, that same resource is being waste by oil thefts, vandals and criminals in copious quantities on daily basis (Adeboboye, 2013). Vandalization of oil pipeline in the Niger Delta region of Nigeria in recent times is alarming to the extent that Nigeria may lose its economic may stay. Presently, Nigeria is losing over 800,000 barrels of crude oil per day to pipeline vandalism and related criminal vices in the country’s oil sector. Vangardngr (2016) “opined that Nigeria oil production declined from 2.2 million barrels which was the focus of the 2016 budget to 1.4 million barrels as of today”.

Despite the efforts of the Federal government to curtail the illegal diversion of oil in the Niger Delta by increasing its security spending in recent years and devoting millions of naira annually to hire private security firms as well as equipping men and officers of the Nigeria Security sector saddled with the responsibility of protecting government facilities, incessant destruction of pipelines and other oil facilities across the country as well as trade in stolen oil by criminal cartels with international connections have continued unabated (Akpan, 2013; Olusola, 2013; Odemwingie and Nda-Isaiah, 2013; Okere, 2013; Ugwuanyi, 2013; Mernyi, 2014). This shows that, the huge investments of public funds on the safety of oil facilities have not yielded the required results because as opined by Omawumi (2016) that certain delusions of grandeur nursed by some die-hard young individuals who see this avenue as a get-rich-quick scheme. This normally occurs when wealthy criminals prey on these young minds by empowering them with instruments for pipeline vandalism for their own selfish interests and rewards them with cash compensations (Olusolu, 2013).

Consequently, the Nigerian economy is in a recession, a situation that portends danger if not nip at the board. The Nation is facing an economic emergency unprecedented among the oil producers of the world and something urgent needs to be done to reverse the ugly trend. For instance, Nigeria has been tagged the most country plagued by oil vandals and thefts among her contemporaries of Indonesia, Russia, Iraq, Venezuela and Mexico. Statistics among these major oil-producing countries has shown that Nigeria is losing as much as 800,000 barrels of oil per day (Okere, 2013).
Thus, oil theft facilities vandals and illegal bunkering activities in the Niger Delta pose a challenge that threatens the very foundation of the oil industry, and by extension, the Nigerian economy (Garuba, 2012). Why has there be persistent increase of oil thefts, pipeline vandalism in the Niger Delta in recent times? Who are the perpetrators of those ugly scenarios? What are the implications of oil theft in the Niger Delta? What has the government done to put an end to these menace? These are parts of questions that need to be explored or peep into in order to proffer solution to these ugly scenarios.

Objective of the Study
The purpose of this paper is to critically examine the phenomenon of oil thefts, pipelines vandalism, its nature and operational mechanism of criminals, vandals, economic and environmental impacts on Niger Delta, International Oil Companies (IOCs) as well as the Nigerian State. Specifically this study sought to unravel:

- Oil thefts, pipeline vandalism and illegal bunkering in the Niger Delta of Nigeria
- Factors engendering oil facilities vandalism in the Niger Delta
- The identifiable issues and consequences of oil pipeline vandalism in Niger Delta Region in Nigeria.
- The efforts and measures to combat oil thefts, vandalism and illegal bunkering in Nigeria.

Scope and Methodology
This study focused on the activities of oil thefts, illegal bunkering and pipeline vandalism in the Niger Delta region of Nigeria from 2015 - 2016. This study is qualitative and exploratory in approach. To achieve the objectives of this study, secondary data formed the basis of data collection, interpretation and analysis. Data was collected through a comprehensive review of relevant literature on the subject and period under review. The thrust of analysis was systematically prosecuted under selected themes and sub-themes designed to address the salient aspects of the paper’s said objectives.

Theoretical Review
In our attempt to situate this study within a specific theoretical framework that will be appropriate in explaining the relationship as regard the topic on oil thefts, illegal bunkering and pipeline vandalism; its impact on Nigeria economy; the general strain theory is adopted. Strain theorist believes that most people share similar values and goals. They want to earn money, have a nice home, drive a great car, and wear stylish clothes. They also want to care for their families and educate their children.

Unfortunately, the ability to achieve these personal goals are stratified by social economic class, while the affluent may live a big life, the poor are shut out from achieving their goals, because they cannot always get what they want, they begin to feel frustrated and angry towards governmental policies, organization and individual who they feel as the ones that are thwarting their goal directed behaviour – a condition referred to as strain (Adishi, 2016).

Generally, strain is related to criminal motivation of people who feel economically and socially humiliated, annihilated and may perceived that they have the right to humiliate the aggrieved.
Psychologists warn that under these circumstances those who consider themselves losers begin to fear and envy the winners who are doing very well at their expense. If they fail to take risky, aggressive, tactics, they are surely going to lose out in social competition and have little chance of future success. These generalized feelings are precursors to high oil thefts, illegal bunkering and pipe-line vandalism in Niger Delta, which is related to anomic theory by Merton. According to Adishi (2016), he posited that Merton’s first line of argument is that everybody in a system cannot be expected to achieve the success goals of the society. And since this is the case, it is imperative that the culture must do two things. It must place a very strong emphasis on the institutionalized means which it has created for use by its members. But more importantly, the society must drive home into the social psyche of its members the equally emphatic necessity of following institutionalized means for their own independent value (Igbo, 2008). Igbo, (2008) went further to posit that members of a society must come somehow to perceive rule adherence and conformity to institutionalized structures as something which provides intrinsic satisfaction of its own.

Sociologist Robert Agnew substantially revised Merton’s theory in order to make it more broadly explanatory of criminal behaviour and insecurity in modern day. Agnew (1992) argued that failure to achieve material goals (the focal point of Merton’s theory) is not the only reason for committing crime and criminality. Crime and criminality may be related to anger and frustration as the case of the Niger Delta militants towards oil facilities. Merton argued that it created not just sudden social change and structure but holds out the goals to all its members without giving them equal means to achieve them.

This lack of integration between what the system calls for and what the structure permits trigger over strain that may lead to aggression. It can cause norms to break down and no longer effectively guide or it becomes a paradoxical relation.

In Nigeria today, after long years of injustices melted on the Niger Delta people and bottled emotion as a result of suppression by the military, the advent of democracy which allow people to express themselves as a result of democratic windows of self-expression and urge for fundamental human rights against the working of the state and security sector generally stressed the working relationship between security sector, government and the people of Niger Delta, hence high risk factors (strain) and new security challenges.

**Empirical Review**

**Niger Delta Region of Nigeria**

Conceptualizing the Niger Delta region has brought up several viewpoints from researcher. The debate over the definition of the region has led to several terminologies such as the “Oil Rivers Protectorate”, “Core Niger Delta”, “Political Niger Delta”, “South-South Geo-Political Zone” and “Oil Producing Areas” to describe the Niger Delta (Isoun, 2001; Nwachukwu, 2008; Akpabio and Akpan, 2010). Historically and cartographically, The Core Niger Delta region consists of present day Bayelsa, Delta and Rivers states. In 2000, Obasanjo’s regime expanded its definition to include: Abia State, Akwa Ibom State, Cross River State, Edo State, Imo State and Ondo State. Thus, the Niger Delta region consists of nine oil producing states. Arguably, Okoli (2013) noted that the core Niger Delta states are Bayelsa, Delta and Rivers States while the peripheral Niger Delta states are Abia, Akwa-Ibom, Cross Rivers, Edo, Imo and Ondo States. This collaborate with the view of Obi and Rustad (2011) that three states namely, Rivers, Bayelsa and Delta states, make up the Niger Delta in-terms of the quantity of oil production, petro-violence and vegetation.
As it stands today, Niger Delta is a home of over 31 million people, made up of multi-ethnic nationalities, such as Ikwerre, Ogoni, Ijaw, Ogba, Ahoada, Urhobo, Aniocha, Itsekiri, Efik, Ibibio, Ika, Oshimili, Annang, Oron, Isoko, Ukwuani, Kalabari, Ekwere, Edo, Ilaje, Esan, Ibo, etc., speaking about 250 different dialects (Wikipedia, 2016; Okurebia & Daniel, 2014). The region occupies a total area of about 70,000 km and makes up 7.5% of Nigeria’s land mass which cut across over 800 oil producing communities with an extension network of over 900 oil producing wells and several petroleum production related facilities (Young, 2012; Osuji and Onojake, 2013; Wikipedia, 2016; Okurebia and Daniel, 2014). The region holds 95% of Nigerian oil reserves which account for 90% of Nigerian government revenue and 95% of its export receipts (Ikelegbe, 2005; Ikein, 2009).

Despite these impressive figures, the region is one of the poorest and undeveloped areas in Nigeria. Most of its inhabitants lack basic amenities such as the provision of electricity, potable water, and health facilities, good road. Besides, the people suffer enormous negative impact externally engendered by oil extraction and production including oil spills and gas flaring which destroy the local livelihoods (Ojo, 2010). This environmental degradation and food insecurity which strained have pushed the local people to militancy and agitation for equitable oil revenue allocation from the lopsided Nigerian federation and insistence on Corporate Social Responsibility from the oil companies (Tonwe & Aghedo, 2013).

Oil Thefts, Illegal Bunkering and Pipeline Vandalism

Intentional acts of destroying pipelines, platforms, loading bay and other facilities for selfish reasons are the likes of the day-to-day activities. Oil theft is the illegal taking away of oil by whatever means and diverting if for personal gain. While Illegal bunkering is the act of hacking into pipelines to steal crude oil which is later refined or sold abroad (Ugwuanyi, 2013). Then, pipeline vandalism is the intentional acts of destroying pipelines, platforms loading barge and other facilities for selfish reasons or vendetta purposes. It is an illicit trade that involves the theft of crude oil and its derivative products through a variety of mechanisms (Odalonu Happy Boris 2015). Asuni (2009) refers to illegal bunkering as oil taken from pipelines or flow stations, as well as extra crude oil added to legitimate cargo that is not accounted for. In support of the above positions, Obasi (2011) asserts that “illegal oil bunkering” as used in Nigeria is a generic term encompassing not only unauthorized loading of ships but also all acts involving the theft, diversion and smuggling of oil”. The three words oil theft, illegal bunkering and pipeline vandalism can be used interchangeably as one may lead to others.

Ikelegbe (2005) noted that: “There is a large scale illegal local and international trading on crude oil. This has grown from a few amateurs in the 1980s who utilized crude methods to extract crude from pipelines to a very sophisticated industry which uses advanced technologies to tap crude and sophisticated communications equipment to navigate through the maze of hundreds of creeks, rivers and rivulets. The oil theft syndicates have also graduated from boats and barges to ships and large oil tankers in the high seas. The stealing and smuggling of crude has become very extensive and large scale since the late 1990s”.

Illegal bunkering is any activity relating to the theft or sabotage of crude oil, facilities or installations in form of pipeline vandalism, fuel scooping, illegal refining, etc. Illegal bunkering is the most commonly known form of oil theft and it involves direct tapping of oil. Though oil bunkering is a necessity for shipping business within the maritime sector, it becomes an illegal
oil bunkering when it is carried out without required approvals, permits, licenses or valid documents, or in violation of the Federal government guidelines.

The Operational Mechanisms of Oil Thefts, Illegal Bunkering and Pipeline Vandalism in the Niger Delta

Oil thefts, illegal bunkering and pipeline vandalism act carried out at different levels and quantities; hence there are various methods in which the operations are carried out in the Niger Delta. The most popular method for stealing the crude oil is to puncture the pipeline conveying the product from one point to the other and tap it at the point where it had been punctured or ruptured (Adegbite, 2013).

According to Asuni (2009); Katsouris and Sayne (2013) there are three operational methods of illegal operation in the Niger Delta. They are:

- A minor and small-scale pilfering of condensate and petroleum product destined local market;
- Direct hacking into pipelines or tapping with a hose from wellhead through practical removal of the ‘Christmas tree’; and
- Excess lifting of crude oil beyond the licensed amount, using forged bills of lading.
- The fourth to add is the act of blasting the Crude oil pipeline with explosives like (dynamite or bomb) to interrupt supply process to refineries or loading stations.

The first is less significant in that it is conducted by local people who hide under the cover of violence in the Niger Delta region, the second category brings more technical sophistication into the business with the stolen product placed in small barges and taken straight into the sea where it is loaded into larger barges (mother ships) in return for money and weapons used to fuel violence, while the third category speaks solely about a spoilt system facilitated by official corruption in that it involves the use of forged bills of lading, “issued by a carrier to a shipper, listing and acknowledging receipt of goods for transport and specifying terms of delivery.” And the last category which is the fourth is a combination of category one and two with political influence. This category causes most of the oil spills and environmental degradation as a result of blasting and bombing of the oil installations without the intent to steal but to destroy productions.

The Actors of Oil Thefts, Illegal Bunkering and Pipeline Vandalism in the Niger Delta

These illegal oil explorations in the Niger Delta is now on an industrial scale and involves commodity traders, international criminals and a whole network of people (Olateju, 2013; Vidal, 2013; Ogunmade & Uwaezuoke, 2013). This activities is at industrial scale and are clearly of a sophisticated organization. There are large international syndicates involved in this operation, which also handle the money laundering for the international players (Asuni, 2009; Katsouris & Sayne, 2013). 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 illegal oil operations. One money trail followed a path from Senegal and Cote d’Ivoire through French banks and French credit agencies to Syria and Lebanon (Coventry Cathedral, 2009).

Presently these illegal acts in the Niger Delta involve a convoluted and complex web of relationship spanning all levels of the society- involving diverse interest. These interests are alleged to include highly connected people in and outside government (members of the executive
and legislative arms of government), oil companies including (Nigeria National Petroleum Corporation, NNPC) businessmen, retired and serving military officers, and militants among others (Ayanruoh, 2013). Similarly, Asuni (2009) identified the main players involved in these illegal businesses at its various levels: -He asserts that “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 companies’ employees, top politicians and retired military officers predominate.

At an international level, countries from Eastern Europe, Russia, Australia, Lebanon, Netherlands, France, Senegal, Cote d’Ivoire etc., 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”

In support of this position, Olateju (2013) stressed that: - “let no one be deceived for the rich, powerful and connected are Nigeria’s oil Mafiosi (member of Mafia). Oil theft is a big criminal ring with sophisticated organization and international network. Where will poor people get the millions to buy or rent vessels, bribe customs and get military cover for their operations? Oil theft is not for the poor, it is an extensive racket involving military, security apparatchiks (an official in a large political organization), politicians, dubious industrial moguls and oil companies---You don’t have to snoop around the communities to find tell-tale signs of oil theft. They are all too impossible to miss; everything is flung out in the open. The communities themselves are complicit in the trade as it provided employment for them”.

Arguably, there has been alleged complicity of these illegal businesses in the Niger Delta by the security forces. Signs of alleged participation by security forces include; Brigadier General, then, a commander in the Joint Task Force (JTF) that patrol parts of the delta was relieved of his post in March, 2006, owing to alleged involvement with illegal bunkering, over a dozen retired military officers including a rear admiral were arrested on suspicion of oil theft during the 2000s, all were later freed without charged, claims to have observed rank-and-file JTF officers standing guard at illegal tap points and providing armed escort to ships loaded with stolen crude (Katsouris & Sayne, 2013). Multinational Oil Company personnel have been alleged to be involved in oil theft. For instance, two suspected surveillance workers of one of the oil companies were arrested on November 19, 2012, for breaking and tapping crude oil from Shell Petroleum Development Company (SPDC) pipeline located at Kporgho in Gokana Local Government Area of Rivers State by soldiers of the Joint Task Force (JTF) (Izeze, 2013). Vandalism and illegal bunkering activities in the Niger Delta region of Nigeria are clearly complicated issues which involved personalities both in and out of the country.

Identifiable Issues and Factors Engendering Oil Thefts, Illegal Bunkering and Pipeline Vandalism in the Niger Delta Region of Nigeria.

There are various factors engendering the persistent thriving these illegal activities in the Niger Delta. According to Adegbite (2013) and Victor et. al., (2016), the reasons vary from the mundane to the absurd. They include: -

(a) poverty; (b) ignorance; (c) greed; (d) lack of respect for national economic survival; (e) get rich syndrome; (f) lack of gainful employment among the youths in the region; (g) exploiting the loopholes in the criminal justice system to circumvent the law; (h) evolving culture of impunity from the wrong perception that some people are above the law; (i) weak institutional structure to checkmate criminals; (j) malice; and (k) bad governance (corruption, incompetency), (l) Criminal impunity in the country; (m) Neglect of the region by government and multinational
companies; (n) Quest in sharing and taking part in national cake; and (o) Collaboration between the security agents and the bunkers.

Igbuku (2014) also identified some of the underlying causes of this scourge to include poverty, community-industry expectation mismatch, corruption, unemployment, ineffective law enforcement and poor governance. He added that high unemployment, for instance has created a huge population of idle young people who are easily lured to related crimes and criminality.

These crimes in turn are reinforced in the absence of clear deterrent measures, arising from the non-prosecution of alleged perpetrator. In the same vein, Mernyi (2014) stated that: “Some experts in the oil sector are in consensus that the persistence upsurge of these illegal oil operations in the Niger Delta is due to high levels of youth unemployment, armed ethnic militia, ineffective and corrupt law enforcement agencies and other state actors who are often part of an international syndicate. He argued that oil theft and pipeline vandalism continued to thrive in Nigeria in spite of government’s efforts because of some vested interest of powerful persons involved in the business and the lack of political will to deal with it. They believed that the Nigerian leaders especially the political class and oil personnel are benefiting from illegal oil bunkering hence lack political will to confront it. They further argued that if the leaders are not benefiting directly or indirectly, they must have come up with measures or legislation to stop the menace.”

As noted by Brock (2012), due to years of neglect, marginalization and underdevelopment of the Niger Delta by the Federal Government and the Multinational Oil Companies (MNCs) operating in the region, rings of organized criminal groups, called “oil bunkers” in our local parlance, has evolved in the creeks and along our territorial waters, who specializes in stealing, illegal refining and transporting of Nigeria’s crude oil to the international black market. Similarly, Vidal (2013) stated that some Niger Delta communities freely admit their role in the theft of oil but blame continuing poverty and pollution for their actions. “The government and oil companies are collecting our oil and we don’t have jobs or money so we have to collect the oil and refine our own”, says a man in the village of Bolo near where an illegal refinery was set up. Apparently, due to joblessness and poverty, the Niger Delta youth see illegal oil bunkering as a legitimate business.

The Socio-Economic and Environmental Impacts of Oil Thefts, Illegal Bunkering and Pipeline Vandalism

In recent time vandalism, illegal bunkering and oil theft activities leads to loss of revenues to the Nigerian Government and the oil firms that own the assets from which oil is stolen, pipeline vandalism, river and land pollution, environmental degradation, increased criminality and insecurity in the Niger Delta region. The impact of these illegal activities includes:

- **Socio-Economic Losses to the Nigerian State:** These illegal activities have posed a big threat to Nigeria’s economy. Its socio-economic impacts include environmental degradation, loss of economic activities for the communities, loss of revenues to the government resulting in inadequate funding for development initiatives, increased criminality in Niger Delta region, lack of security due to illegal activities and infiltration of international collaborator and bad image for the country (Duru, 2013; Okere, 2013). As a result of vandalism, maintenance of oil terminals and declaration of force majeure,
the militants nearly destroyed the oil industry and, by extension, the national economy which depends heavily on oil revenue (Tamuno, 2011 and Njoku, 2015).

Oil thefts, illegal bunkering and pipeline vandalism have resulted in increasing loss of the nation’s revenue which could have accrued from the sale of crude oil on international market. Yusuf (2016) has recently reported that Nigeria was at the risk of N1.458 billion ($7.29 million) daily revenue loss on its crude exports as Shell declared force majeure on 162,000 barrels per day, Bonny light crude export (force majeure is a legal declaration which a party uses to state that it may not be able to meet its contractual obligations in a deal) (Yusuf, 2016). In February, 2016 the NNPC was reported to have incurred N24.23 billion operational deficits, while in March 2016, the report indicated that it has declared N18.89 billion loss.

The financial losses by NNPC were reported to be due to “a major slump in export sales due largely to shut-in of about 300,000 barrels of crude oil at Forcados Terminal following force majeure declared by Shell in February 15, 2016”. The report noted that production shut-in occasionally by vandalism at Forcados Export line has continued to drag NNPC’s performance (Daily Sun News, 2016). It was perhaps in view of these colossal financial losses suffered by Nigerian state as a result of pipeline vandalism and oil theft that President Muhammadu Buhari called on international community “to designate oil theft as an international crime similar to the trade in blood diamonds” (The Guardian News, 2016). On the whole, Nigeria was reported to have lost N12.566 billion in one month, that is, March 2016, due to petroleum products theft and vandalization of the facilities of the NNPC (Eboh, 2016). According to Organization of Petroleum Exporting Countries, OPEC, source, Nigeria’s oil production has dropped to 1.637 million bpd in April and further slide to 1.1 million bpd in May 2016 (Salau, 2016).

Also, due to the loss of revenue to illegal bunkering, Nigeria is no longer selling enough crude oil to meet her budgetary provisions. The government is failing to meet some of its obligation and domestic debt is rising rapidly. Noted that the negative impacts of vandalism and crude oil theft include the destruction of aquatic and farmlands, economic sabotage which explains the shortfall of Nigeria’s budget and divestments by some International Oil Companies, IOCs, with attendant job losses thereby compounds the unemployment situation in Nigeria and economic recession ravaging the country today (Gaskia, 2013).

- **Environmental Pollution and Degradation in the Niger Delta Region**: The process of breaking, vandalising and tapping oil from oil installations may lead to the damage of oil pipelines; it causes many leaks that cause immense environmental degradation (Odalomu, 2015). Crude oil theft involves breaking of pipelines and siphoning of crude oil products. This act invariably leads to oil facilities damage and oil spillage. Oil spillage causes degradation of the environment; it destroys farms, lands and forests thereby reducing arable land for farming, Spills into water ways, destroy marine and aquatic life, flora, fauna, resort centers and result in the pollution of potable water (Badejo & Nwilo 2007). Oil theft activities and pipeline vandalism in the Niger Delta compounds oil spillages from other sources and exacerbates the problem of environmental degradation and pollution of water-ways (Ogbuefin, 2007). Vandalism is responsible for a large percentage of oil spills. Oil spills result in ground water poisoning, destruction of agricultural land, fishery and livestock and fast disappearing mangrove forests. There are complaints of oil contamination of boreholes which makes the water undrinkable in the region. This makes the water undrinkable even after some treatment. Also, some native have been known to use or drink polluted water out of frustration and the negative effects cannot be over emphasized (Ufford, 2013; Alawode &
Ogunleye, 2013). In fact, farmland, fish ponds, rivers, etc., have been destroyed and rendered unviable for agriculture, fisheries and aquaculture. Thus, thousands of household and families of the Niger Delta have been impoverished, or have become securely locked into poverty as a result of this scale of environmental devastation (Gaskia, 2013). This problem has left many Niger Delta communities further impoverished since their means of livelihood, fishing and farming, have been ruined by constant spills and leakages.

- **Economic losses to the International Oil Companies:** Attacks on oil production facilities have led to several shutdowns and declaration of force majeure by the International Oil Companies (IOCs), ultimately resulting in loss of revenue to the oil companies as well as the government (Alohan, 2013). The activities of vandals in Niger Delta has led to several shut-ins and shut-downs of operation by international oil companies and thus resulted in decline in production capacity as well as loses of revenues to the companies and government. International oil companies (IOCs) operating in Nigeria are counting heavy losses as surge in illegal bunkering and supply disruption have impacted on their earnings (Asu, 2013). However, there will be urgent need by the oil companies and Federal Government to repair the pipelines and clean-up of oil spills in the environment and this involve huge capital expenditure and it invariably leads to lose of revenues to the oil companies and government. And According to the Minister of Power, Works and Housing, Babatunde Raji Fashola, (Adedoyin, 2016) the attack on the Nigeria gas company’s pipeline connected to Chevron Nigeria Limited’s facility at Escravos, “is costing the country a whopping sum of N470 million daily”. The attack has impacted negatively on the Olorunsogo Nigerian National Integrated Power Project (NIPP) plant with 600 megawatts capacity, as well as other power plants.

“The sabotaged gas pipeline which contributes to the Escravos Lagos Pipeline System (ELPS) has led to a loss of 160 Million standard cubic feet of gas per day (MMSFCD – Million Standard Cubic Feet per Day) of gas daily, at a cost of $2.50 per thousand standard cubic feet. This loss means about $400,000 loss to the country on a daily basis in gas volume. This is in addition to losses to be incurred daily from affected Power generation ($1,988,223 daily). The total daily loss to the country is therefore estimated at N470, 479,931. Repairs of the damaged pipeline are estimated as costing ($609,137).” Raji Fasholu (Adedoyin, 2010), continuing, he said: “For instance, available records show that six incidences of vandalism from December 2014 to February 2015 which affected the Trans Forcados Pipeline (at Oben, Sapele, Oredo) and Escravos Lagos Pipeline System (CNL) led to a loss of 1,100 mmscfd. According to industry experts, a loss of 200 mmscfd is equivalent to a Power reduction of 700MW.” Added that while the industry “is currently generating about 4120Mwh/h on average (as at 17/01/2016), it is without doubt that performance would have been better without the additional setback caused by the vandals.”

The money that could have been spent on other areas of oil exploration and production are (now) used for pipeline repair, maintenance and cleaning oil spills (Alawode & Ogunleye, 2013).

**Insecurity in the Niger Delta Region-A Threat to Nigeria National Security:** The gravitation of damage caused by vandalism and illegal bunkering often force oil companies to shut pipelines down. As a result of this, Nigeria is producing oil at minimal volume of 1.4million barrels per day or less. This post a serious threat to national security particularly as Nigeria depends heavily on oil exports for survival (Mono-economy). Apart from its economic loss, negation of investment
onshore exploration and production, security risks and damage to equipment, illegal oil bunkering fuels conflict and militancy through increased armed proliferations and drug abuse which have destabilized the Niger Delta region (Garuba, 2010). Katsouris and Sayne (2013) noted that oil theft has been the major cause of violent conflict in the Niger Delta. Most of the illegal bunkering actors exchange the crude oil for heavy arms at the high sea, while others use the proceeds to import arms into the region, with the principal aim of using the arms to secure their illegal activities in the region. The arms are used for attacks and counter attacks from different gang groups and security agents, as every group is bound to have adequate arms and be gun-battle ready to enable them remain in the business. This has resulted in proliferation of small heavy arms, small arms and light weapons in the region, leading to constant attacks and counter attacks by different groups, and insecurity of lives and properties in the region (Wilson, 2014). In same vein, Onwuemenyi (2012) positioned that: “Many of the arms in circulation in the Niger Delta, including a variety of sophisticated weapons, have been purchased with money derived directly or indirectly from illegal bunkering. Adding that insecurity in some parts of the country results in part, from accessibility of oil-purchased arms with oil theft and illegal bunkering serving as a major contributor to Nigeria’s violent crime, armed robbery, piracy and kidnapping”.

The illegal practice help other transitional criminal networks to spread across the Gulf of Guinea, creating global links between bunker’s, pirates and traffickers in arms and drugs. Wilson (2014) noted that the violence and crisis is caused by illegal bunkering and vandals activities in Niger Delta region is spreading rapidly to other parts of Nigeria and beyond. The heavy arms in the possession of the youths and the constant attacks on oil and non-oil facilities for Economic and political benefits of the actors, youths from other geo-political regions see the illegal activities as very lucrative and are recruited into the business activities as a means of economic empowerment. The same youths irrespective of geo-political region of origin are empowered with arms and they use same to cause violence in different parts of the country, they are also sometimes used by the politicians to either attack political opponents or rig elections, thereby increasing the insecurity challenge of the nation (Odalonu, 2015).

Oil theft and illegal bunkering activities are carried out in the high seas and oil export terminals, thereby increasing the activities of the sea pirates in the sub-region (Wilson, 2014).

The pirates attack oil investors and their investments, while the state security agents give counter attack to the pirates, thereby leading to constant violence and attacks in the Gulf of Guinea. As a result of violence perpetrated by these acts actors and sea pirates, its post threat on the peace and security of the West African States, particularly those along the coastal areas, where the oil vessels pass through to Europe, America and Asia (Wilson, 2014). Crude Oil is the major catalyst that derives the Nigerian economy and by implication the determinant of its entire socio-political configuration. Consequently, anything that covertly or overtly affects oil production in Nigeria poses a direct threat to her national economy, political stability, territorial integrity and national security (Odalonu, 2015).

**The Efforts of Nigerian Government to Curb Oil Thefts, Illegal Bunkering and Pipeline Vandalism**

Nigerian governments have undertaken some policy measures in responses to minimized even not eradicate the menace of vandals over the years. The Government has sought to address escalating vandalism and illegal bunkering through the establishment of a task force on national
strategic infrastructure intended to monitor and respond to their activities, the establishment of a special security outfit and militarization of the Niger Delta region, increased enforcement measures against the maritime trade which involved the Nigerian Navy being tasked with the responsibility for the activities of registered vessels in Nigerian waters, introduction of surveillances, introduction of the Nigerian Extractive Industries Transparency Initiative, enforcement and public education efforts against local refining and granting of amnesty to Niger Delta militants. Illegal bunkering flourished during the military administration in Nigeria till 1999 when the civilian government took over the administration of the country. Worried about the rising incidents of illegal bunkering in Nigeria, Obasanjo administration particularly in the second tenure that began in 2003 took drastic measures to address the menace of illegal bunkering. A number of ships involved in the illegal trade in crude oil in Nigeria were seized and the perpetrators were arrested.

However, the seizure of ships and arrests of oil thieves did not lead to successful prosecutions due to the disappearance of seized ships and those involved in the acts. In order to put a stop to oil theft and illegal bunkering, the Nigerian government increased its military presence in the Niger Delta in 2003; this culminated in the deployment of a Joint Task Force (JTF) in 2008 (Tomas, 2010). The Joint Task Force comprises the Army, Navy, and paramilitary agencies. The JTF is mandated to curb and possible put an end to illegal bunkering in the oil-rich Niger Delta region. Since its establishment, the Joint Task Force has on several occasions launched offensive operations on these criminals. The outfit has paraded several suspected illegal bunkerers and operators of illegal refineries in the creeks of Niger Delta leading to the destruction or recovery of several barges, canoes, speed and large wooden boats (Ogodo, 2012). Despite the JTF activities in the region, illegal bunkering remains the act of the day. This shows that establishment of the JTF had not achieved the desired results of curtailing the upsurge of oil theft and illegal bunkering in the Niger Delta.

The Nigeria Government during the Obasanjo’s administration, made attempts to close off the Ivory Coast refining of crude oil stolen from Nigeria, by putting in place a contract for supply of oil to the state owned refinery. It issued a warning to Cote D’Ivore in 2003 and offered the government contracts for the supply of legal oil to the state owned refinery. The Nigerian government also warned governments known to receive stolen oil from Nigeria to stop accepting it. However, this measure could have been effective if it has been applied to other nations known to be receiving Nigerian stolen oil.

During the president Yar Adua administration (2007-2009), the attacks on oil installations, kidnapping of oil workers by the militants and illegal oil bunkering became more than expected. In a bid to curb oil theft and other vices in the Niger Delta, former late President Yar Adua initiated the Amnesty programme to the Niger Delta militant. However, the demise of Yar ‘Adua in 2009, his deputy Dr. Goodluck Jonathan took over the leadership. President Goodluck Jonathan has also responded in different ways to quell the menace of oil theft. He authorized the Nigeria Security and Civil Defence Corps (NSCDC) to carry arms and assigned greater roles, including protection of pipelines across the country. The president has also reached out to some of his counterparts in various countries where government feels some of Nigeria’s crude are being refined in, and where these entities are laundering the funds made as a result of illegal bunkering (Nwanosike, 2013; Udo, 2013). President Goodluck Jonathan earlier in the 2014 approached the European Union and the United States for support by not buying stolen crude oil from Nigeria (Dodondawa, 2014).
The Federal Government had also engaged the services of some ex-militant leaders in the Niger Delta to patrol the country’s vast coastline and protect her strategic oil installations but all these measures have not yielded any remarkable positive result. There are fears among stakeholders and security experts in the industry that oil thefts and illegal bunkering in Nigeria may persist for long time to come due to level of sophistication the illicit trade has assumed in recent times and the calibre of persons involved in it even from within and outside the country (Uwotu, 2013).

The ad hoc Committee on Crude Oil Theft Prevention and Control of the National Economic Council (NEC) has revealed that government does not have adequate operational vessels to patrol and secure the network of pipelines in the Niger Delta (Tobi and Paul, 2016)

Measures to Curb Oil Thefts, Illegal Bunkering and Pipeline Vandalism

It requires great efforts to address these illegal activities. Stakeholders in the oil industry (Government, IOC’s, LOC’s, E.t.c), the oil communities, and security forces should be involved in resolving the problems. In support of the above, the chief of Naval Staff, Nigerian Navy stressed that” the fight against crude oil theft and pipeline vandalism is a collective responsibility and no security agency can do it alone, as a way forward, oil majors should adopt the use of technology to secure the integrity of their pipelines and should also establish Rights of Way (RoW) for their pipelines to enable security officials to easily identify areas where there are breaches.” He further advocated for constant review of corporate social responsibilities of oil major to host communities and improve opportunities for the restive youths as well as massive environmental resuscitation and crude oil products availability to the people of Niger Delta in order to give them a sense of belonging (Adeboboye, (2013); Duru, (2013); Ogodo, (2013)).

Intelligence gathering is required at local, national, regional and international tiers to address the activities of the vandals and illegal bunkering. Therefore, Nigeria government should collaborate with other intelligence communities, neighbouring countries and other international communities to formulate a new international law to regulate the oil transaction.

The financial flows and networks which profit from these activities need to be traced, understood and targeted both local and international. Federal Government should allow the rule of law to take effect of those hiding under the arms of Government and championing these illegal activities. The Federal Government should demonstrate the political will to unmask the big fish in the business of oil theft and illegal bunkering, as well as prosecute and secure conviction to serve as deterrent to others.

Moreover, Joint Task Force, Navy, Nigerian Security and Civil Defence Corp, Nigeria Maritime Administration and Safety Agency and other security operatives working in this region need to be equipped with latest devices and funds available for intelligence operation by the Federal Government to enable them defeat vandalism and illegal bunkering. The government should also facilitate socio-economic development of the Niger Delta people as well as carry out intensive and extensive concerted campaign to curtail criminality and oil theft in the region. The federal government must proceed towards a speedy development of the Niger Delta region to pacify its inhabitants for the marginalization done them over the years. This can help to gradually ‘heal their wounds’ and move them to support the security agents in their quest to tackle illegal oil bunkering (Omoyibo and Osunde, 2014).
Several reports indicate that many of the local people could not find legitimate work and therefore turned to these illegal acts as their only alternative. Thus, to curb oil theft government and oil companies operating in the Niger Delta should endeavour to provide employment opportunities for the Niger Delta youths. The government should address the socio-economic foundation of illegal bunkering, through the attack on poverty and job creation targeted at the youths, who must be made to come out of the creeks (Sun, 2013). The Federal Government should promptly engage with multinational oil companies to work out and agree on modalities for installing meters at the wellheads, flow stations and export terminals with a view to ascertaining the quantity of oil the country produces to enable it appreciate a near accurate measure of what is lost to thieves and illegal bunkers (Garuba, 2013). International Oil Companies needs intelligence measures to boast their existing security which will help more in securing their facilities. They should install Jackets Barge that has the capacity to monitor crude flow through pipelines.

There is also need for improved corporate social responsibility in their areas of operations in terms of human capacity development in their host communities. In addition, the oil companies should establish anti-vandals in a minimum depth to protect against vandalism and they should stop the degradation of farmlands and waters in order not to deprive region of their source of livelihood.

Government should establish Free Trade Zone (FTZ) and allow mini-refineries participation with giving them allocation of crude to refine for domestic consumption. Also immediate cleansing affected polluted area in Niger Delta region. Stiffer punishment should be given to any security agent who conspired or aid and abet illegal bunkering. Adequate usage of security vote will make a great impact in the region.

**Conclusion**

Attempt has been made to examine the phenomenon of oil thefts, illegal bunkering and pipeline vandalism in the Niger Delta region with a view to situating its causes, impacts and implications vis-a-vis Nigeria’s economy, regional and National Security. The increase of oil theft, vandalism and illegal bunkering in the Niger Delta region is an act of economic threat against Nigerian state; it undermines development strategies and springs social disorder. These cause serious economic, security and environmental challenges to the Nigerian state. The work observed that vandalism and illegal bunkering has resulted in economic recession by the Nigerian state and oil companies, environmental degradation, insecurity in the Niger Delta region and threat to national and regional security. The work also explored the efforts of successive Nigerian governments to curb the problems and posited that success has not been achieved due to the enthroned corruption by Nigerian elites, high level of youth unemployment, institutional decay and dysfunctions, poor governance, ineffective and corrupt law enforcement agencies, international crime collaborations and lack of political wills by those in authority and affluence etc. Ending of oil theft, vandalism and illegal bunkering, the work observed some findings and recommends measures and posits that serious approach and drastical efforts are needed to stops this pest called oil theft, illegal bunkering and pipeline vandalisation.

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