

OIL EXPLORATION IN KENYA: SUCCESS REQUIRES CONSULTATION

ASSESSMENT OF COMMUNITY PERCEPTIONS OF OIL EXPLORATION IN TURKANA COUNTY, KENYA





Photo: Jeroen de Zeeuw

“ Our Camel is Being Milked While We Are Watching”¹

Community representative, Turkana South

FOREWORD

We are pleased to present this report of findings, based on four months of in-depth field research completed at the end of 2014 in Turkana County, north-western Kenya. The field work covered more than 20 villages and 5 of the 7 sub-counties of Turkana County; a design intended to provide up-to-date, in-depth, comprehensive and independent baseline information on the impact of oil exploration. We believe it provides a unique insight into the perceptions, concerns and aspirations of the Turkana communities that are host to ongoing oil exploration.

The research – designed and conducted together with a coalition of local, Turkana-based civil society organizations – in fact was targeted at identifying and documenting the concerns, fears and hopes of “the smaller voices”, as stated by one respondent in reference to villagers and pastoralists, whose views are not often heard in the policy debates regarding oil development in Kenya. It is the views of these local communities that this report aims to amplify and utilize as a basis for developing innovative dialogue programmes to improve the engagement between communities, companies and county and national government.

The report contains challenging language; there are perceptions and findings that remain to be tested. We look forward to helping local communities and civil society in Turkana and other resource-rich parts of Kenya to test these challenges, together with government and companies themselves. Working together, to identify common goals and engage in an open and respectful manner, not only will help Kenya improve the sharing of benefits of its oil, gas and mining resources, but is also important for preventing any further escalation of tensions and conflict.

Experience shows that without access to information and meaningful consultation, most local communities confronted with oil, gas and mining will eventually resist projects that have an impact on them. When negative impacts are not adequately redressed and benefits are unevenly distributed, trust is further undermined and the risk of communal and community-company tensions increases. The risk of tensions escalating into larger-scale violence is real in Turkana. Government at both national and county level holds the key to turn around the perceived lack of security and uneven benefit-sharing felt by local communities. This cannot be achieved overnight or by heavy-handed (costly) security operations, but instead requires a more serious commitment to meaningful consultation and negotiation with affected communities.

In our view, the exploitation of oil (and mineral) resources can bring significant social and economic benefits to the citizens of Kenya, especially Turkana. Apart from the required institutional and legal reforms for a transparent and accountable revenue management system, the recent drop in oil prices and the related lull in exploration activities has created a unique window of opportunity for companies, government and civil society to invest more seriously, and inexpensively, in community engagement.

Sincerely,

Matthew Bliss
Director Extractives, Cordaid

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PARTNERS

The research was carried out in collaboration with the following partner organizations, all members of the Turkana Natural Resources Governance Hub, a local civil society coalition that works for the sustainable utilization of environmental resources in Turkana County:

Turkana Disability Network (TDN)		St Peter Community Network (SAPCONE)	
Akide Elites Initiative (AKIDE'IN)		Turkana Development Organization Forum (TUDOF)	
Alemun Pastoralist Empowerment Initiative (APEI)		Turkana Pastoralist Development Organization (TUPADO)	
Diocese of Lodwar		Turkana Environment Resource Association (TERA)	
Friends of Lake Turkana (FoLT)		Turkana Women Advocacy and Development Organization (TWADO)	
Lokichoggio Oropio Kakuma Development Organization (LOKADO)		Agency for Pastoralist Development (APAD)	
Nakwalele Development Organization (NADO)		Loima Women Empowerment Initiative (LOWEI)	

EXECUTIVE SUMMARY

With the discovery of oil in 2012, Kenya is one of East Africa's newest frontiers in the search for oil. Oil exploration is currently concentrated in Turkana County, the largest, poorest and one of the most marginalized counties in Kenya.

At both the national and local level, oil exploration has engendered high expectations of new flows of revenue, employment and business opportunities. The discovery of oil has accelerated several large-scale infrastructural development plans – such as the Lamu Port – South Sudan – Ethiopia Transport corridor (LAPSSET) – as proposed by the Government of Kenya in its development plan, Vision 2030. For the marginalized northern parts of Kenya, in particular Turkana County, oil exploration is sometimes referred to as a potential 'game changer' that could bring in much-needed revenue for the delivery of basic services. At the same time, oil exploration has generated anxieties among local communities, about increased competition for (grazing) land and water, the distribution of jobs and resources, and the fact that there is a high risk of speculation and corruption.

Oil exploration is referred to as a potential 'game changer' bringing in much-needed revenues for delivery of basic services. At the same time, oil exploration has generated anxieties among local communities due to increased competition over (grazing) land and water, distribution of jobs and resources, and a high risk of speculation and corruption.

Between September and December 2014, Cordaid together with a coalition of Turkana-based civil society organizations (CSOs) carried out a qualitative baseline assessment in Turkana County to gain a better understanding of the perceived community impacts and benefits of oil exploration and related stakeholder dynamics. Through a participatory approach the baseline assessment marked the beginning of Cordaid's long-term engagement with stakeholders in the oil and gas sector in Turkana, including local communities, CSOs, Turkana County government, and oil companies. Cordaid and local partners in this assessment are convinced that a more systematic, constructive and inclusive dialogue between local communities, government and oil companies is possible and urgently needed to prevent further social tensions and rent-seeking, and to contribute to sustainable development in Turkana County.

It is important to emphasize that the findings in this report reflect local community perceptions. The social, economic and environmental impacts described and attributed to oil exploration are *not* scientifically proven. Nevertheless, such perceptions *are reality* for local communities, or at least they are how local communities see the world around them. Our research indicates that the perceptions of local communities in Turkana County are shaped by (unrealistically) high expectations, lack of information and false information, and bad experiences with various stakeholders in the past (e.g. broken promises), as well as frustration over not being engaged properly.

The report is organized into five sections: 1) introduction and methodology; 2) legal and policy framework of oil development in Kenya; 3) oil exploration in Turkana County; 4) main findings of the assessment; and 5) recommendations. The main findings are clustered around 12 key themes identified by respondents as important issues related to oil exploration in Turkana County: Economic Issues, Consultation, Insecurity, Land, Environment, Health and Safety, Education, Civil Society, Food and Water, Culture, Regulatory Issues, Vulnerable Groups, LAPSSET and Gender.

Economic concerns and expectations topped the list of issues most frequently mentioned. This covers a wide variety of issues, including employment, contracting and procurement, benefit expectations, regional economic development, infrastructure, social investment, compensation, corruption, cost of living, enabling business environment, and capacity. In general, residents of urban centres such as Lodwar, Lokichar and Lokori benefited from the job and business opportunities as well as the social investment projects provided by oil companies and their subcontractors. In contrast, rural villagers and pastoralists complained that local (low-skilled) job opportunities were not going to local people and were only short-term. Moreover, there is a general view among local communities that personnel recruitment, procurement and tendering processes, particularly by subcontracting companies, lack clarity and transparency, are often delayed and regularly characterized by nepotism and political interference.



Community representative expressing his views during a consultation meeting in Kangakipur.

The second most prevalent concern relates to **poor or non-existent community consultation**. This refers to problems in the consultation process, local leaders' involvement, limited technical and organizational capacity for consultation, the role of company representatives in consultation, information-sharing, low level of trust, inadequate grievance mechanism, the poor quality of engagement agreements, corruption, conflict related to consultation, and lack of clarity over roles and representation.

Our interactions with local community representatives during our research revealed a general consensus that the community engagement approach of the oil companies and government has not worked. **One of the key factors was the perceived 'too-close-for-comfort' relationship between oil companies, certain community leaders and politicians, in which short-term, 'transactional' deal-making is favoured, rather than systematic and inclusive community engagement. In addition, communities complain about the virtual absence of national and county government in community consultations.**

[There is a] perceived 'too close for comfort' relationship between oil companies, certain community leaders and politicians that favours short-term, 'transactional' deal-making over systematic and inclusive community engagement.

Thirdly, members of nearly all local communities (notably pastoralist communities) we spoke to expressed a sense of **increased insecurity and vulnerability**, which they did not have prior to oil exploration activities. This is consistently attributed to the fact that Kenya Police Reservists (KPRs) – a volunteer security force originally established to protect the communities – leave local communities on their own, and instead they are protecting oil company assets. This has allegedly left local communities, particularly in Turkana South and East, more vulnerable to attacks from the neighbouring Pokot tribe. The same is also reported in north-western Turkana, where communities are now more exposed to attacks from South Sudanese tribes crossing the porous border. Moreover, there is genuine confusion and deep frustration over why the national government seems unwilling to assist in addressing the insecurity problems of the region in a less heavy-handed, but more culturally sensitive and effective manner.

The **effect of oil exploration on grazing land and land access** in general is another key concern highlighted by local communities in Turkana County. There are fears that oil development will lead to both physical and economic displacement as a result of restrictions on land access and/or land use. Pastoralist communities in particular are concerned about how significant change in land access would disrupt their traditional pastoralist way of life, and how it could result in increased conflict between communities left to compete for limited land.

Linked to the concerns about land use and access are land ownership and compensation issues. There is an acute lack of information among communities about ownership of land where exploration takes place, what community rights are and how the land tenure process for oil exploration works.

Other key issues voiced by communities include the potential **environmental impacts of oil exploration and production on land and water** in this ecologically fragile part of Kenya. In addition, there are **concerns around health**, including the perception that 'flaring' (the burning of natural gas produced along with crude oil) causes health problems, as well as the feeling that the increase in prostitution – due to higher disposable incomes of oil workers – has contributed to the spread of sexually transmitted diseases such as HIV/AIDS. The oil companies' provision of **education in the form of scholarships and bursaries** is very popular, although there are persistent rumours that the selection and award process has at times been nepotistic. The watchdog and community development **role of civil society organizations** is not always understood, and many are seen as organizationally weak and unaccountable to local communities' interests. Communities recognize the support from local non-governmental organizations (NGOs) and, more recently, oil companies in improving **access to potable water**, but also indicate that the number and quality of water points are insufficient. The same applies to **food** (including meat), which in many rural parts of Turkana County is in short supply and under pressure due to population growth and higher demand from businesses and consumers.

Also, communities raised concerns that certain effects related to oil exploration (e.g. restricted land access, influx of 'outsiders', migration of youth to urban centres in search of work, could potentially have a negative **impact on local culture** and the traditional pastoralist way of life. In addition, it was highlighted that **vulnerable groups** (in particular those living with disabilities) are not benefiting from the opportunities emerging from the oil sector. Similarly, concerns were raised over **gender equality** in employment and business opportunities. A final significant concern relates the fact of not **understanding the current regulatory framework** and legislative policies on tenure and acquisition of community land. In the absence of effective information-sharing about community land rights, community members feel that oil companies did not properly obtain their rights to the land. In combination with a general lack of trust in government's capability to manage resources responsibly, there is the perception that oil exploration is land-grabbing without consultation or compensation.

On the basis of the assessment's main findings, the report concludes with important thematic and key stakeholder recommendations clustered around four topics:

1. Improve participation of communities in decision-making over extractives projects.
2. Manage expectations and be more transparent about employment, business opportunities, compensation and social investment related to oil exploration.
3. Make local communities feel safe and secure again.
4. Reduce tensions and build trust by investing in (well-prepared) multi-stakeholder dialogue.

1. INTRODUCTION AND METHODOLOGY

1.1 Oil in Kenya²

The exploration for oil and gas in Kenya dates back to the 1950s and is conducted in four sedimentary basins: Lamu (both onshore and offshore), Mandera, Anza, and Tertiary Rift (including Lokichar). However, most of the wells that were drilled in the past came up dry. To accelerate the search for oil, the government established the National Oil Corporation of Kenya (NOCK) in 1981. The first comprehensive law to govern the industry, the Petroleum (Exploration and Production) Act, was enacted in 1984 and revised in 1986, when royalties were replaced by Production Sharing Contracts (PSCs), and again in 2012. After decades of disappointing results, investment in Kenya's oil industry waned until 2010, when offshore gas finds in Mozambique and Tanzania and onshore oil finds in Uganda attracted investors back to Kenya.

In 2010, after signing agreements with Africa Oil and Centric Energy, the UK-based firm Tullow Oil acquired a 50% interest in the exploration licence blocks 10BA, 10BB, 10A, 12A and 13T covering Turkana, Marsabit and Baringo counties. Two years later Tullow Oil made the first discovery of crude oil in the South Lokichar Basin at the Ngamia-1 well. In 2012 Tullow also 'farmed in' to another exploration block (12B) covering Kisumu County and became the main operator in a joint venture with Swala Energy. Since 2012 Tullow has drilled more than 11 wells in Turkana County, with an estimated 600 million recoverable barrels of crude oil.

Other (seismic) exploration activities have taken place near the South Sudan and Ethiopian borders, including by companies such as CEPESA and Adamantine. Out of the 46 blocks gazetted, as of June 2014, 40 had been licensed to oil exploration and production companies and operated by 20 international oil companies and the National Oil Corporation of Kenya (NOCK) (see map 1.1 on the next page).

At both the national and local level, oil exploration has engendered high expectations of new flows of revenue, employment and business opportunities. At the same time it has also generated anxieties over grazing land and water access, the distribution of jobs and resources, and corruption. In addition, the exploration has accelerated several large-scale infrastructural development plans proposed in the Kenya Vision 2030 strategic plan. One of the most ambitious plans is the Lamu Port – South Sudan – Ethiopia Transport corridor (LAPSSET) project. Estimated to cost USD 28 billion, LAPSSET includes, among other things, a highway, a railway line, a resort city, a dam, an international airport, an oil refinery and, perhaps most importantly, an oil pipeline that links Kenya, South Sudan, Ethiopia (and even Uganda) to a new seaport and oil terminal in Lamu on the coast (see map 1.1). The project is expected to run mainly through the northern Kenyan counties of Isiolo, Garissa, Marsabit and Turkana. As with oil exploration, the LAPSSET project has the potential to be a source of transformational development or a major catalyst for communal and political conflict, or both, depending on how

effectively its many components are managed and how seriously the marginalized communities along the LAPSSET route are engaged.

The sharp drop in oil prices since late 2014 has had significant effects on exploration in Kenya, with most oil companies drastically reducing or completely halting exploration activities. This has also led to serious knock-on effects on oil exploration supply and services companies, many of which have had to lay off staff, both at national and local, county level.

1.2 Cordaid in Kenya

Cordaid has been active in Kenya since 1998 and currently works with local communities, CSOs, public utility companies and the national and county governments as strategic partners in the areas of disaster risk reduction and response, agriculture and food security, natural resource governance (including extractives), urban development, entrepreneurship and investments.

The extractives programme concentrates on the social aspects of oil, gas and mining. Its objectives are to ensure that the exploitation of oil, gas and minerals contributes positively to local community development, to increase the number of companies operating as responsible corporate citizens and to increase good national and transnational governance of the benefits of extractives. To achieve this, our activities focus on mapping of social risks and community perceptions; strengthening multi-stakeholder engagement, negotiation and other technical capacities of local communities and CSOs; developing a common agenda for constructive dialogue between local communities, CSOs, government and companies; facilitating community development agreements (CDAs), community development plans (CDPs) and community development foundations (CDFs) as well as participatory monitoring mechanisms; and influencing policies and standards on natural resource governance.

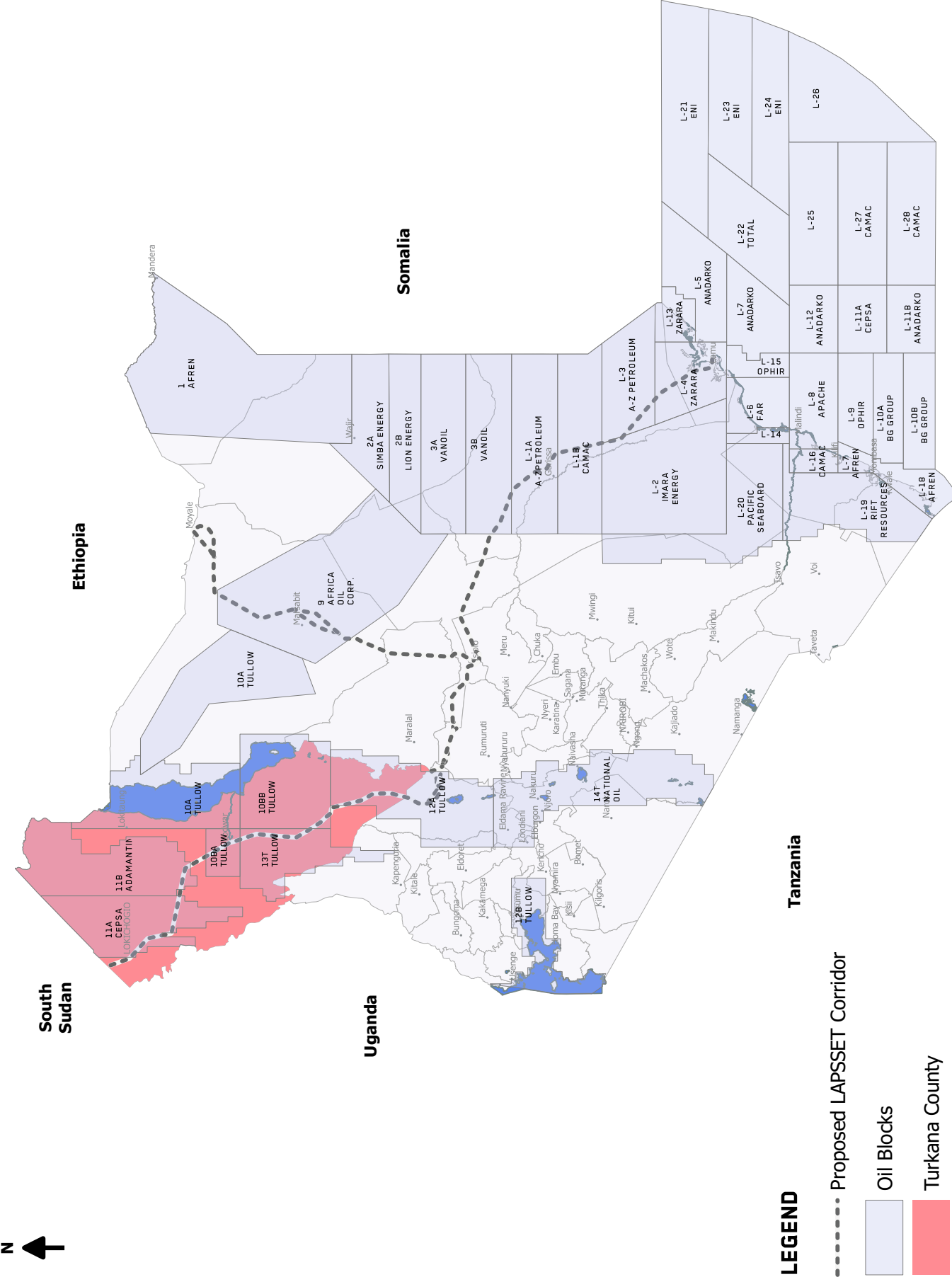
Cordaid's extractives programme is currently active in Turkana, but is seeking to expand its activities to other oil- and mineral-rich counties in Kenya.

1.3 Methodology of the Baseline Assessment

Objectives

The goal of the assessment is to gain a better understanding of the community perceptions of the impacts and benefits of oil operations and related stakeholder dynamics in Turkana County. More specifically, the assessment aims to: 1) generate information relating to community expectations, concerns and fears related to different types of impact of the oil and gas sector; and 2) develop recommendations for designing and implementing an inclusive and conflict-sensitive community-level multi-stakeholder dialogue process.

Map 1.1 Oil Exploration Blocks in Kenya



Research Preparation, Trainings and Team Composition

Between April and August 2014, Cordaid organized a number of meetings with Turkana-based CSOs to agree on the research focus and to design the assessment in a participatory manner. During a three-week period in September–October 2014 Cordaid partnered and collaborated with 15 local Turkana County-based CSOs to conduct key informant interviews, focus group discussions and community mappings in order to collect data.

On 15 and 16 September 2014, Cordaid organized and facilitated a training workshop on social issues in oil, gas and mining for CSOs participating in the Turkana baseline study in Lodwar. The workshop was designed to familiarize civil society representatives of the Turkana Natural Resource Governance Hub and others with key aspects of oil, gas and mining. After taking part in this workshop, each Hub member organization nominated individuals to participate in the fieldwork. These members of the field team then participated in an additional two-day research methods training workshop on 18 and 19 September 2014 that provided the background and specific skills necessary to carry out the baseline study.

The final baseline team consisted of three field teams of five members each, comprising one staff member from Cordaid and the remaining members from CSOs actively working in the specific part of Turkana County that their particular team was assigned to. The study area covered five of Turkana County's seven sub-counties, and included more than 20 villages most affected by oil exploration in blocks 10BA, 10BB, 13T (all operated by Tullow Oil) as well as block 11A (operated by CEPSA).

Table 1.1 Sub-Counties and Villages Covered in the Baseline Assessment

CENTRAL	WEST	EAST	SOUTH	NORTH
Lodwar	Kakuma	Lokori	Lokichar	Lokitaung
Kalokol	Lokichoggio	Kangatit	Kapese	
Eliye Springs	Nanam	Kangakipur	Karoge	
Lobolo	Songot		Katilia	
Kerio	Natir		Lomokamar	
			Loperot	
			Nakukulas	

Respondents and Research Tools

Generally, respondents were a mix of both ordinary members of the community and community members who held a leadership role such as community leader, school teacher, etc. There was an intentional focus on engaging members from communities closest to current or past oil exploration activities such as drill sites, seismic projects and residential camps. Respondents also included representatives from the county government, members of the county assembly (MCAs), oil companies, and local and international NGOs. In total, the baseline team interviewed 52 people, held focus group discussions with 294 people, interacted with another 182 people in larger community meetings and received feedback from 177



Research team members interviewing youth and women representatives in Lokitaung.

people (some of them interviewed earlier) during 3 validation workshops. For an overview see Annexe I.

A qualitative interview guide was developed in advance by the Cordaid project team and then tested for appropriateness with the baseline field teams during the research training workshop. The same guide was used as the tool for both the key informant (semi-structured) interviews and the focus group discussions. Finally, the field teams used a variety of Participatory Rural Appraisal (PRA) research tools, including transect walks, community mappings and case studies.

Validation of Findings

In November 2014 the preliminary findings were presented in three validation workshops in Lokichoggio, Lokichar and Lodwar. These workshops brought together representatives of all key stakeholder groups, i.e. local communities, civil society, county government and oil companies, to critique, add to and give their perspective on the preliminary findings. Moreover, the workshops served to provide recommendations for improvement of community engagement. In total, the validation workshops brought together 177 people.

Overview of Data Analysis

The field data collected from the three teams and all data collected during the validation workshops was organized into a standardized Excel table that coded the responses to the following variables:

- by type: field interviews and focus groups ('field') or validation workshop data ('validation');
- by theme: themes were coded to avoid exclusion and to best represent the data without bias. This resulted in 12 unique themes including responses related to Economic Issues, Consultation, Insecurity, Land, Environment, Health and Safety, Education, Civil Society, Food and Water, Culture, Regulatory Issues, and Vulnerable Groups. In addition, two pre-determined themes of interest were sorted from the responses: LAPSET and Gender;
- by sub-theme: each theme was determined to contain several sub-themes and then for data analysis purposes by category: Issue, Concern, Impact, and Recommendations.

Additional metadata that was captured for each response included:

- number of times the issue was raised;
- community to which the respondent was affiliated;
- field team that collected the response;
- additional notes of context to the response made by the field team at time of collection.

The field data and validation data were organized in separate Excel tables and then brought together for examining theme and sub-theme results.

Responses and Significance Level

The field and validation teams collected a total of 1,543 'responses' from Turkana County residents.³ The responses were sorted according to themes, which were then assigned a 'significance level'. For the purposes of this analysis, the *significance level* of a theme is determined by the number (frequency) of the responses related to a particular theme. Given the sample size, it was determined that themes with over 100 responses would be classified as High Priority Issues, themes with over 50 responses would be classified as Medium Priority, and themes with under 50 responses would be classified as Low Priority. See table 1.2 below.

Other Methodological Issues

Finally, the following aspects must be taken into account in order to understand and utilize this data:

1. *This is qualitative data.* The responses are not part of a standardized survey meant for quantitative analysis. The charts and graphs indicate the frequency distribution of responses (the number of answers to questions in the key informant interviews, focus group discussions and validation workshops) that can be identified and sorted into thematic groups and sub-fields but no further statistical analysis of this data was done.
2. *Frequency of responses does not necessarily represent importance.* It must be kept in mind that frequency does not necessarily relate to the importance of one theme over another theme. For example, while access to food and water generally presents a significant daily challenge for the majority of residents across Turkana County, the fact that the

problems encountered may be somewhat 'normalized' for respondents in comparison with the recent changes brought about by oil exploration activities and the expectation of economic gain, does not necessarily mean that economic issues are of greater fundamental importance to individuals than access to food and water, for example.

3. *Definition of 'community':* in this report, '(local) community or communities' refers to a geographical definition, i.e. a group of people who are living together at the lowest administrative level – a village, group of villages or a 'kraal' (fenced enclosure with animals and some thatched huts that in many cases are mobile). This is different from the cultural definition of an identity (ethnic) group that shares a common culture, including language, norms and values (e.g. the Turkana community). Despite the fact that the term '(local) community' has a connotation of being united and homogenous, in practice (including in Turkana County) it comprises different groups with diverse interests and characteristics.
4. It is important to emphasize that *the findings in this report reflect local community perceptions*. The social, economic and environmental impacts described and attributed to oil exploration are *not* scientifically proven. This does not mean, however, that the findings are invalid or not valuable; on the contrary. Perceptions are shaped by the kind of information people have access to as well as people's past experiences and interaction with other stakeholders. We accept that perceptions are subjective; nevertheless, they *are reality* for local communities, or at least they are the way local communities see the world around them. The teams asked questions in order to understand why people feel as they do. In our view, speculation, exaggeration of problems or misperceptions are indicators of inadequate information or information strategies of other stakeholders, or of insufficient consultation. We found that the perceptions of local communities in Turkana County were shaped by (unrealistically) high expectations, lack of information and false information, bad experiences with stakeholders in the past (e.g. broken promises) as well as frustration over not being engaged properly.

Table 1.2 Description of Significance Level

SIGNIFICANCE LEVEL	# OF RESPONSES REQUIRED	DESCRIPTION
High Priority	> 100	These themes are the most frequently raised across all or almost all communities and are indicated by the communities themselves (in the responses) that they are priority issues. They represent serious challenges to all stakeholders in sustainable oil and gas development in Turkana County.
Medium Priority	> 50 but < 100	These themes are raised in a majority of the communities. They represent important challenges to all stakeholders in sustainable oil and gas development in Turkana County.
Low Priority	> 0 but < 50	These are the least frequently raised themes in some communities but are not unique in either frequency or community. They may represent a challenge to sustainable oil and gas development in Turkana County.

2. LEGAL AND POLICY FRAMEWORK OF OIL DEVELOPMENT IN KENYA⁴

The current legal and policy framework for oil and gas in Kenya includes both existing and proposed law and policy, divided between what existed before the discovery of oil in 2012, and that which has been drafted after the discovery.

The main laws and policies in the oil and gas sector in Kenya include:

Existing Legislation and Policy

- The Constitution of Kenya, 2010
- The Petroleum (Exploration and Production) Act, 1986
- Subsidiary Legislation under the Petroleum Act
 - Petroleum (Exploration and Production) Regulations, 1984
 - Petroleum (Exploration and Production) (Training Fund) Regulations, 2006
- The Environment Management and Coordination Act, 1999

Proposed Legislation

- The Petroleum (Exploration, Development and Production) Bill, 2015
- Petroleum Exploration, Development and Production Local Content Regulations
- The National Sovereign Wealth Fund Bill, 2014
- Community Land Bill, 2014

Policy

- National Energy and Petroleum Policy, 2015.

Model Production Sharing Contract

- Model Production Sharing Contract (PSC), 2008
- Draft Model Production Sharing Contract (PSC), 2015

A comprehensive overview of these laws is beyond the scope of this report, but this chapter highlights the main legal provisions relevant to oil exploration, clustered in six key areas: 1) the ownership of oil and gas resources; 2) transparency and accountability; 3) revenue and benefit sharing; 4) environmental issues; 5) local content; and 6) community issues.

2.1 Ownership of Oil and Gas Resources

The legal ownership of oil and gas resources is important because it determines who has the right to exploit the resources. The 2010 Constitution, which is the supreme law of the Republic of Kenya,⁵ classifies oil and gas – fossil fuels – as natural resources,⁶ but falls short of a direct statement about their ownership. However, the ownership can be derived from the Constitution's definition of land.

Article 260 defines land as “the surface of the land and the subsurface rock; any body of land on or under the surface; marine waters in the territorial sea and exclusive economic zone; *natural resources completely contained on or under the surface*; and the air space above the surface”.⁷ By this definition, oil and gas resources – which the Constitution defines as natural resources – are also “land”. The Constitution recognizes three different types of land ownership: private, public and

community. As to the ownership of oil and gas resources, Article 62 of the Constitution clearly states that “all minerals and mineral oils as defined by law”⁸ are public land, which “shall vest in and be held by the national government in trust for the people of Kenya and shall be administered on their behalf by the National Land Commission”.⁹

It follows that oil and gas resources are vested in the national government in trust for the people of Kenya. This conclusion is reflected in Section 50(1) of the Petroleum Bill, which states: “All petroleum existing in its natural condition in strata lying within Kenya and its continental shelf is vested in the Government in trust for the people of Kenya.”¹⁰

2.2 Revenue and Benefit-sharing

The obligation to share benefits derived from natural resources is found in the Constitution, which stipulates that the State shall “ensure sustainable exploitation, utilization, management and conservation of the environment and natural resources, and *ensure the equitable sharing of the accruing benefits*”.¹¹ An additional obligation in Article 202 requires the equitable sharing of national revenue “[a]mong the national and county governments”.¹²

These obligations are embodied in the Petroleum Bill,¹³ which specifies the exact percentage of petroleum revenue that shall be shared between the national government, the county government and the local community in the following proportions:

- 75% of the revenue¹⁴ to the national government;
- 20% of the revenue to the county government – this amount should not be more than double the amount allocated to that County by the Commission on Revenue Allocation;¹⁵
- 5% to the local community¹⁶ – provided this amount does not exceed a quarter of the amount allocated to that County by the Commission on Revenue Allocation.

The draft further states that the local community share shall be “payable to a trust fund managed by a board of trustees established by the County Government in consultation with the local community”.¹⁷

The Petroleum Bill also establishes a sovereign wealth fund, which obliges the government to pay at least 5% of its revenue share into it.¹⁸

2.3 Transparency and Accountability

The Constitution, Petroleum Bill and draft energy and petroleum policy all contain provisions that promote transparency and accountability in the oil and gas sector. Article 71 of the Constitution states that “transactions are subject to ratification by Parliament if they involve the grant of a right or concession by or on behalf of any person, including the national government, to another person for the exploitation of any natural resource of Kenya”.¹⁹

The draft policy contains a commitment by the Kenyan government to “Undertake the requisite process of ensuring transparency and accountability in extractive industries taking into account best industry practices and existing legal framework.”²⁰ An earlier draft contained a commitment to sign up to the Extractive Industries Transparency Initiative (EITI), but this reference has been deleted in the current draft.

The Petroleum Bill has several obligations for the government regarding transparency and accountability, including an obligation on the cabinet secretary in the Ministry of Energy and Petroleum to disclose petroleum contracts and revenues received on a project-by-project basis.²¹

2.4 Environmental Issues

The legal provisions on environmental management that are relevant to the oil and gas sector are found in the Constitution, the Environment Management and Coordination Act (EMCA), 1999, the Petroleum Bill and the Model PSC.

The protection of the environment is enshrined in Article 42 of the Constitution, which states: “Every person has the right to a clean and healthy environment, which includes the right to have the environment protected for the benefit of present and future generations...”²² The pre-2010 Constitution did not have any provision for the right to a clean and healthy environment, but this right was embodied in the Environmental Management and Coordination Act (EMCA), 1999.²³

EMCA was enacted prior to discovery of oil in Kenya, and ought to be amended to include provisions that are specific to upstream and midstream oil and gas, such as flaring. In the meantime, we can find some of these sector-specific provisions in the draft Petroleum Bill and the Model Production Sharing Contract (PSC).²⁴

Notably, EMCA established the National Environment Management Authority (NEMA),²⁵ which is charged with implementing policy on the environment.²⁶ NEMA is also responsible for reviewing and approving environmental impact assessments (EIAs) in the oil and gas sector.

2.5 Local Content

Kenya does not have a stand-alone local content policy and law, but local content provisions are found in the draft energy and petroleum policy, the Petroleum Bill, draft Local Content Regulations and the draft Model PSC. Unfortunately, the drafting of the various legal instruments does not appear to have been coordinated, so we have three different definitions of “local content” in the bill, regulations and Model PSC.

The draft energy and petroleum policy obliges the government to “develop and implement a local content policy and regulations to facilitate participation of Kenyans in the energy and petroleum sector, including utilization of locally available goods, services and human resources”. The government has drafted the regulations, but as of 31 May 2015 there was still no local content policy.

As all these documents are in draft form, the current local content obligations for oil companies are found in their production sharing contracts (PSCs). Since nearly all the existing PSCs in Kenya are confidential, only the existing Model PSC provides guidance: Article 13 obliges the contractor to employ (where possible) and train Kenyans. The proposed Model PSC has more detailed provisions on local content than its predecessor.

A final point on local content is that Article 56 of the Constitution obliges the state to “put in place affirmative action programmes designed to ensure that minorities and marginalized groups are provided special opportunities for access to employment and opportunities in economic fields”. This provision could be interpreted so that it applies to local content provisions in petroleum contracts in historically marginalized areas like Turkana County.

2.6 Community Land

An important issue that is relevant to communities in the oil and gas exploration areas is the ownership of land. Where land is classified as private or public, the question of compensation for land that is used by the oil and gas companies seems to be fairly straightforward. But, where land is classified as community land – the predominant ownership structure in Turkana County – there is a significant lacuna in the legal and policy framework on land. The Community Land Bill, 2014 has been drafted to fill this gap, by specifying the process for adjudicating on, and for registering community land.

It is important to note that although the ‘footprint’ of specific oil exploration and production facilities (including well pads, camp sites) is generally small, there are all the associated facilities (residential, educational, market and recreational), as well as access roads for those working on the oil exploration/production sites, which take up much larger areas of land. Moreover, the land needed for pipelines (even if buried for safety purposes and kept to a minimum width) will be permanently taken over, through a way-leave that gives the company a ‘right of way’ over community land. According to international standards, compensation is compulsory for this type of land take.

3. OIL EXPLORATION IN TURKANA COUNTY

3.1 Introduction to Turkana County

With an estimate land size of almost 77,000km², Turkana County is the largest county in Kenya. Located in the north-western part of Kenya, Turkana County borders the counties of West Pokot and Baringo to the south, Samburu to the south-east, and Marsabit to the east. In addition, it shares international borders with South Sudan to the north, Uganda to the west and Ethiopia to the north-east. Turkana County is widely known for Lake Turkana, the world's largest permanent desert lake (6,405km²), fed by the Turkwel, Omo and Kerio rivers, home to hundreds of species of birds, fish, reptiles and mammals, and listed as a UNESCO World Heritage site. Because of its abundance of hominid fossils – some dating as far back as 3.5 million years – the Lake Turkana area is often referred to as ‘the cradle of mankind’. Turkana County is arid and semi-arid, characterized by a hot climate with temperatures ranging between 20°C and 41°C. The rainfall pattern and distribution is erratic and the landscape is dominated by sand, rocks, scattered (acacia) trees (used for cover as well as for firewood and charcoal), small shrubs and other desert vegetation.²⁷

Administratively and politically, Turkana County is divided into 7 sub-counties (Turkana South, East, North, West, Central, Loima and Kibish), 6 constituencies, 30 (electoral) wards and 56 locations, which are further sub-divided into 156 sub-locations. The main towns are Lodwar, Kakuma, Lokichoggio, Lokichar, Lokitaung, Katilu and Lokori. During the most recent Kenya Population and Housing Census of 2009, the county population stood at 855,399. With an average population growth rate of 6.4% per annum, the total county population in 2015 is estimated at 1.2 million.²⁸

3.2 Socio-economic Profile of Turkana County

Turkana is the poorest county in Kenya, with 94.3 % of the population living below the poverty line.²⁹ It is located far from the capital Nairobi, with limited access to basic services and very poor road infrastructure.³⁰ The difference in wealth and level of development between Turkana and the rest of the country (in particular Nairobi) is so big that the Turkana people talk of “those in Kenya” or making a distinction between “Kenya A and Kenya B”, as if Turkana were in another country.³¹

The people of Turkana County traditionally rely on pastoralism as a source of livelihood.³² However, because of more frequent droughts related to climate change, livestock disease and abnormal migration, livestock numbers have not been able to keep up with rapid population growth. As a result, although an estimated 80% of people in Turkana still survive on a purely pastoral livelihood, about 20% are now engaged in agro-pastoralism. Many these days are increasingly finding additional sources of income, from self-employment or other forms of casual labour (e.g. by selling firewood and charcoal, weaving mats and baskets, brewing and other small-scale businesses), employment with government and (I)NGOs in town centres, in addition to fishing and cash assistance.³³

As in other pastoralist areas of northern Kenya, land in Turkana is communally owned, albeit entrusted to the government for its management according to the 2010 Constitution. Communities' trust in political leadership and governance institutions depends heavily on how they are consulted and how well these institutions protect community assets against raids of livestock by neighbouring tribes as well as encroachment on traditional grazing land by alternative economic activities, such as oil exploration, town expansion, mining, tourism resorts and other large-scale infrastructural projects such as the Gibe III dam and the Lake Turkana Wind Power project. As elaborated in the next chapter on the main findings of our research, Turkana communities feel unheard, complain about lack of transparency, the failure to disclose information on contracts that have been signed, and are increasingly accusing businessmen, government officials and other politicians of not consulting them, corruption, and the ‘grabbing’ and selling of community land, particularly around the urban centres of Lodwar and Lokichar.³⁴

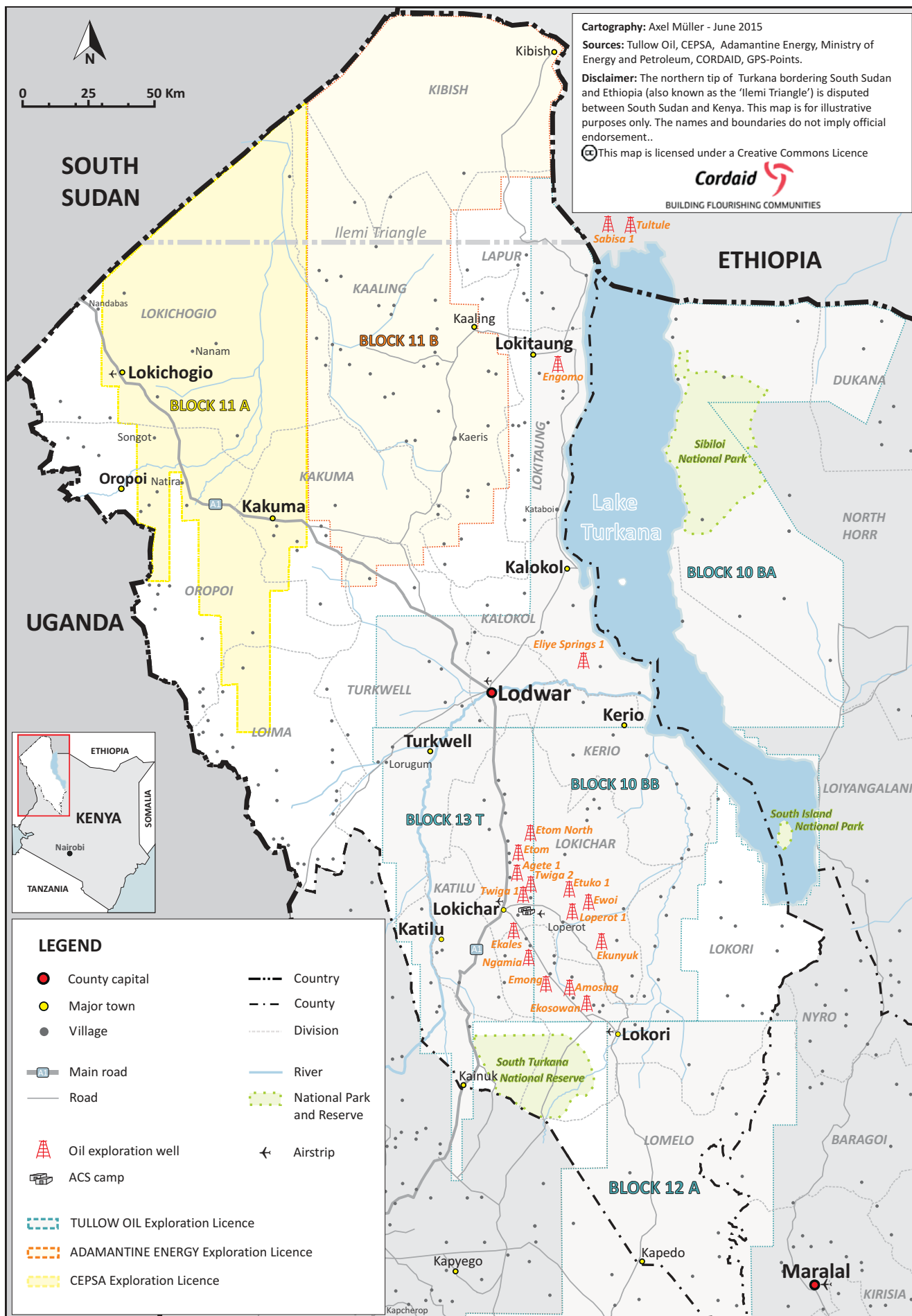
3.3 Conflict Analysis

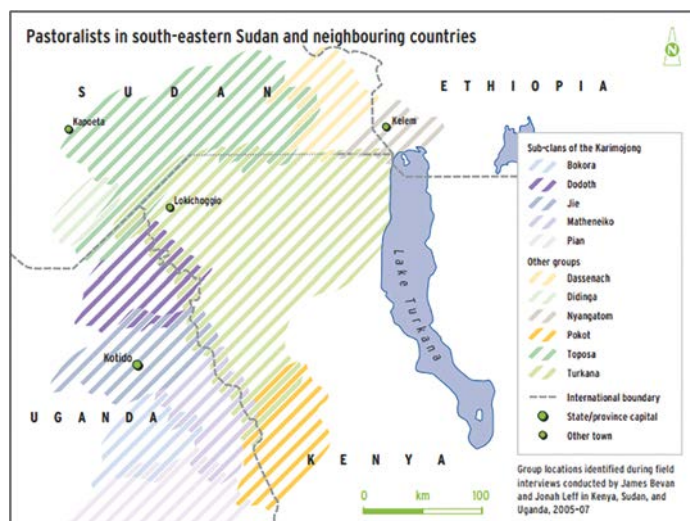
Turkana County falls within the ‘Karamoja Cluster’,³⁵ which refers to the area along the South Sudan, Ethiopia, Kenya and Uganda borders. It is home to one of the largest pastoralist populations in the world.³⁶ Since colonial times the region has received very limited attention from central government in Nairobi and has largely been neglected in terms of socio-economic development and service provision. However, with changes brought about by devolution, recent discoveries of oil, mineral and underground water resources as well as planned large-scale infrastructural projects such as LAPSET, the region has gained increased strategic importance. These developments may present the best opportunity yet for the people in Turkana to enjoy the benefits of development. At the same time, however, these developments also pose significant risks to their pastoralist livelihoods, unique culture and their security. Unless carefully managed, they could lead to further suffering for the local people and jeopardize stability and economic development ambitions in the region.

Inter-communal Conflicts

The different tribes inhabiting the Karamoja Cluster, including the Turkana, Pokot, Karamojong, Toposa, Nyangatom and Didinga, have historically been in regular conflict over water, pasture and livestock.³⁷ However, over the past few decades the traditional conflicts have become increasingly violent, not only resulting in more deaths, injury and property destruction, but also limiting the mobility of people and livestock that is crucial to the pastoral lifestyle.³⁸ Armed violence is a key factor underlying the chronic poverty, vulnerability and underdevelopment in all four countries of the Karamoja Cluster.³⁹ Reciprocal acts of violence are common in this setting, which in turn further deplete communal resources and undermine the communities' resilience to shocks, thus creating a hopeless vicious circle.

Map 3.1 Oil Exploration in Turkana County



Map 3.2 Pastoralist groups in the Karamoja Cluster

Proliferation of small arms and the evolution of traditional livestock raiding practices towards more commercially and politically driven raids have caused the levels of armed violence along Kenya's north-western borders to be among the highest in eastern Africa.⁴⁰ Illegal possession of small arms among adult males in the region is widespread.⁴¹ High local demand for small arms combined with their abundant availability due to past and present conflicts continues to feed the illegal small arms trade. The absence of proper border control and the weak management of government weapon stockpiles further contribute to a steady flow of small arms and ammunition into the region.⁴²

Culturally embedded gender roles still have some influence in fuelling armed violence in the Karamoja Cluster. Traditionally, young pastoralist men were expected to raid cattle to demonstrate their courage and obtain livestock to pay as dowry.⁴³ Women and girls were not spared from violence and were sometimes directly targeted for abductions and rape. However, women are not only victims of armed violence. In some cases, they are also promoters of violence by encouraging young men to go on raids. Thus the important role that women can play behind the scenes in peace negotiations must not be ignored.

Security

At the core of conflict and insecurity in the Karamoja Cluster is a weak or even minimal state presence. The limited provision of security and the lack of credible justice systems, or the existence of 'ungoverned spaces', have left the local communities little choice but to provide for their own protection and justice.⁴⁴ While the Ugandan government has increased its security presence in Karamoja in recent years, this heightened government presence has not been mirrored in Kenya. In Kenya, the Kenya (or, formally, National) Police Reserve (KPR/NPR) constitute the main legitimate security provider in more remote areas. Although generally looked upon favourably by local communities, KPRs and other armed defence groups can also have a negative effect on the overall security situation in the region as they receive little or no training, and no payment, and are often left without oversight and control. Yet they are mandated to carry and use small arms to protect local communities, e.g. against livestock theft. As members of the local

community, KPRs have a defensive role. However, in some cases they have been connected with offensive acts against other communities, and with some cases of armed robbery along main roads in the region.⁴⁵

Devolution and Conflict

The March 2013 general election marked the transition from a centralized to a devolved system of government. This entailed the creation of 47 counties, each with an elected county government and county assembly. These new counties are endowed with significant political power and budget allocations. While this is expected to lead to significant improvements in terms of development, poverty reduction and security, there are also challenges and risks associated with the new structure. Whereas the new county governments enjoy strong popular support, they also face many problems, including limited technical capacity and lack of clarity about the division of roles and authority between the county and national governments. The role of the county government in providing security, for example, is not clear. Furthermore, in areas where conflict with neighbouring communities has for long been a primary concern of the local population, as in Turkana and West Pokot, political leaders have typically mobilized electoral support on the basis of hardline militaristic positions.

Infrastructural Development and Conflict

The discovery of commercially viable oil deposits and large (albeit still unproven) water aquifers in Turkana, rapid expansion of mining of gold and other minerals in Karamoja⁴⁶ and large-scale energy and infrastructure projects, such as the construction of the GIBE III dam in Ethiopia and the USD 28 billion LAPSET transport and pipeline corridor project are expected to bring substantial socio-economic development to the Karamoja Cluster within the next decade. However, these changes also pose significant challenges for local communities and bring with them the potential for conflict. Issues of land access and ownership, displacement, compensation, environmental degradation, and the questions of who will benefit from new job and business opportunities, and how revenues will be distributed, are all potential conflict triggers.



Artisanal gold mining in Turkana County.

In Turkana, competition for jobs with exploration companies and subcontractors has led to multiple incidents of demonstrations and road blocks and even triggered armed violence against an investor in Lokichar in May 2013 as well as leading to the temporary suspension of oil exploration in the Lokichar basin by Tullow Oil in October/November 2013. Oil has become a source of division within the Turkana community that traditionally maintains strong unity and internal stability. According to local communities in Turkana South, the displacement of local communities to make way for oil exploration has already led to an escalation of conflict between the Turkana and the Pokot, as the Turkana had little choice but to move into insecure areas closer to the border with West Pokot. This is also fuelling hostility towards oil investors, especially among pastoralists, who constitute the vast majority of the local population, and who are not enjoying many of the employment benefits that the new investment has brought.⁴⁷ As we will see below in the main findings chapter, rumours and misinformation have been the cause of unrealistic expectations of instant wealth as well as fears of losing land, livelihood and culture.

Approaches to Conflict Reduction

There have been a number of initiatives to rid different areas within the Karamoja Cluster of arms and to pacify warring communities. Government responses to armed violence in Kenya, Uganda and South Sudan have largely focused on attempts to disarm local communities, both voluntarily and forcefully, but have been largely unsuccessful in significantly reducing the prevalence of small arms or armed violence.⁴⁸ Local communities continue to be unwilling, for various reasons, to give up their weapons. In the absence of formal security provision in the Karamoja Cluster, small arms are considered necessary for the protection of the community and its assets; guns are considered symbols of power and masculinity among many of the people. Moreover, as these small arms have a monetary value, people have been unwilling to simply hand them over without receiving compensation or other benefits in return. Forceful disarmament campaigns have been responsible for gross human rights violations in the past, which have worsened relations between the communities and the state and made talk of disarmament a very sensitive issue. Furthermore, these campaigns have often not been carried out impartially and simultaneously across the different peoples in the region and have left (partially) disarmed communities vulnerable to attacks from their neighbours.⁴⁹ Without sufficient engagement to reduce armed violence on both sides of the border, disarmament initiatives on either one side or the other will not be sustainable.

In some areas, local peace initiatives have been used as an alternative to the governments' top-down disarmament approaches. Bottom-up approaches, such as peace caravans and meetings between conflicting communities that rely on traditional conflict mitigation methods and restorative justice, have in some cases led to a sustained reduction in inter-tribal conflict.⁵⁰ While local peace accords sometimes have been short-lived and criticized for being poorly organized, NGO-driven, and with insufficient follow-up, it is also clear that to address the causes and drivers of current and potential future conflicts, local people and their institutions must play a central

role.⁵¹ Nevertheless, a difficulty with this bottom-up approach is that it *de facto* releases the state from its responsibility to provide safety and security for local communities and fails to put in place a system that will work for the local people in a sustainable manner. As part of existing efforts to reduce inter-communal conflict, local government officials from both sides of the Turkana–West Pokot border occasionally meet to collaborate on improving conflict management. However, these interactions tend to be not as effective as they could be and are often unable to prevent or adequately address violent clashes and raids. Underlying factors causing this include weak relations and lack of confidence between local government and communities, deep-rooted mistrust between the different communities in the region, lack of confidence in the possibility of sustainable peace, and vested economic and political interests in keeping the region insecure.

3.4 Stakeholder Analysis of the Turkana Oil Sector

Out of a total land mass of 77,000 km², the Government of Kenya has purportedly licensed 66,000 km² (86%) for oil exploration in blocks 10BB, 11A, 11B, 12A and 13T in Turkana County (see map 3.1). A broad range of private sector, government and civil society stakeholders are active in Turkana, involved in the oil sector at different levels and in different ways.

Private Sector: Oil Companies

The exploration activities are currently being led by three operating companies (Tullow Oil, CEPESA and Adamantine) in partnership with their joint venture (JV) partners (AfricaOil, ERHC and Bowleven, respectively), as part of a (financial) risk- and expertise-sharing approach in the high-cost oil sector.

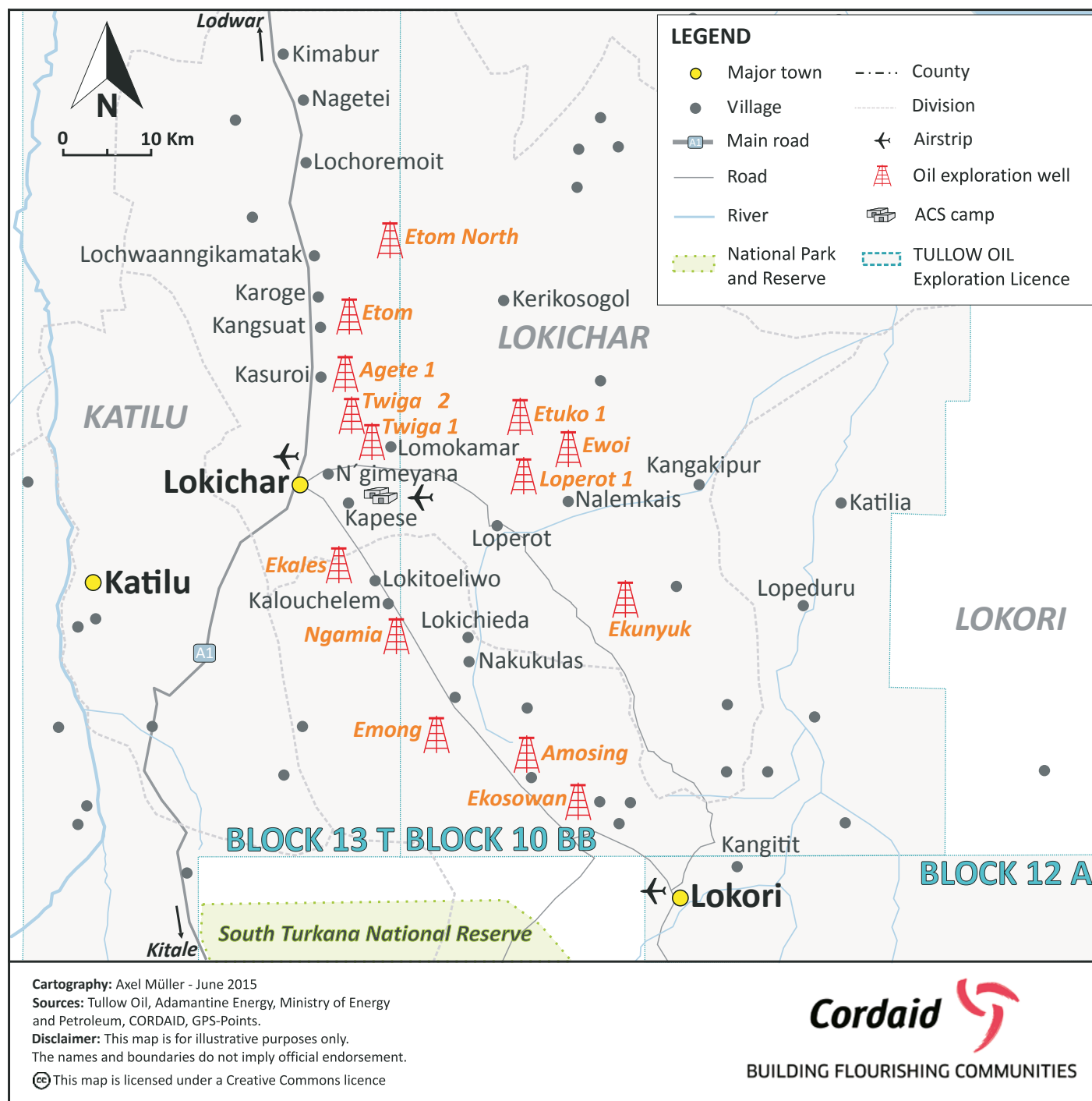
Tullow Oil⁵²

Tullow Oil is a London (UK)-based independent oil and gas exploration and production company, listed on the London, Irish and Ghanaian stock exchanges. The company started in 1985 in a small Irish town called Tullow and is now operating in 22 countries, 5 are of which in East and Southern Africa (i.e. Kenya, Uganda, Ethiopia, Namibia and Madagascar). Following the successful opening of the South Lokichar Basin in 2012, Kenya is a major focus country for the company. Tullow's Kenyan onshore acreage is jointly owned with Africa Oil in blocks 10BA, 10BB, and 13T in Turkana County as well as 12A in Baringo County. Block 12B in Kisumu County is jointly owned with Swala Energy, an Australian oil and gas company. Tullow is currently the largest oil operating company in Turkana County, having drilled more than 11 wells (primarily in the South Lokichar Basin, see map 3.3 below).

Africa Oil⁵³

Africa Oil Corporation is a Vancouver (Canada)-based independent oil and gas exploration company, listed on the Toronto and Stockholm stock exchanges and with assets in Kenya, Ethiopia and Puntland (Somalia). One of the main shareholders of Africa Oil is the Lundin Group, which also established the Lundin Foundation that is active in Turkana. Africa Oil acquired its large acreage in East Africa prior to the heightened activity of recent years and has enjoyed 'first-mover advantage', i.e. building a large and relatively unexplored acreage position and then attracting strong partners (such as Tullow Oil) to fund portions of the company's capital requirements.

Map 3.3 Oil Exploration Wells in South Lokichar Basin

**CEPSA⁵⁴**

Compañía Española de Petróleos (CEPSA, S.A.U., based in Madrid) is Spain's fourth-largest integrated energy company, operating for the last 80 years, with over 10,000 employees. It is engaged in petroleum and natural gas exploration and production, refining, the transport and sale of crude oil derivatives, petrochemicals, gas and electricity. CEPSA has business interests in Algeria, Brazil, Canada, Colombia, Panama, Peru and Portugal and sells its products all over the world. Since August 2011, CEPSA is owned by a single shareholder, International Petroleum Investment Company (IPIC), a company formed by the Abu Dhabi Government. In 2014, CEPSA acquired a 55% stake in Block 11A in Turkana County. The block is operated by CEPSA, with the National Oil Corporation of

Kenya (NOCK) and the US-based ERHC sharing the remaining stake of 10% and 35% respectively. After the completion of a 2D seismic survey in 2014, CEPSA indicated that exploration drilling would start in 2016.

ERHC Energy⁵⁵

ERHC is a Houston (US)-based oil and gas company listed on the OTC Pink financial market place in the US; it focuses on sub-Saharan Africa, with interests in Kenya, Chad and the Nigeria/São Tomé and Príncipe Joint Development Zone in the Gulf of Guinea. In 2012 ERHC signed a production-sharing contract (PSC) with the Kenyan government for Block 11A in Turkana County. In 2014, ERHC 'farmed out' a 55% stake to CEPSA, which is currently the operating partner in block 11A.

Adamantine Energy⁵⁶

Adamantine is a small, privately owned Nairobi-based oil and gas exploration company focused on East Africa, which was awarded Block 11B in Turkana County in May 2012. Block 11B borders South Sudan and Ethiopia. Adamantine operates the block in a 50:50 partnership with Bowleven.

Bowleven⁵⁷

Bowleven Plc is a UK-based independent exploration and development company, listed on the London Stock Exchange with interests in Cameroon, Kenya and Zambia. With the backing of UK-based oil company First Oil's holding interest, in 2012 Bowleven acquired a 50% equity interest in block 11B, north-west Kenya, and in return funded the work programme for the initial two-year exploration period as well as providing technical support to Adamantine.

Private Sector: Other Companies

There are many private companies opening up shop in Turkana urban centres, with activities ranging from general retail to wholesale. In the oil sector alone, there are dozens of subcontracting firms that deliver specialized services to the above-mentioned oil companies (see table 3.1).

Table 3.1 Overview of Oil Subcontractors

SERVICES	NAME OF COMPANY
Logistics	Ardan, Alpha Logistics, Transeast
Security	KK Security
Camp and catering services	AFEX, ACS
Human resource management	ROLSS
Drilling and well construction	M-I SWACO, OML, BakerHughes, Schlumberger, Weatherford, Saxon
Seismic surveying	Global (3D), BGP (2D)
Impact assessments	Earthview, Kurrent Technologies, Cardno

Apart from oil, Turkana County is also said to be rich in other natural resources, such as minerals (particularly gold), geo-thermal and wind. Companies that are active in these areas include Mayfox Mining and KP&P BV Africa, and Aldwych International and Vestas Wind Systems as key consortium members of the Lake Turkana Wind Power (LTWP) project. Finally, there are many smaller companies that deliver and/or transport, for example, sand, stones, water for construction and building materials.

National Government**The Ministry of Energy and Petroleum (MoEP)⁵⁸**

MoEP is responsible for licensing as well as other negotiations related to oil and gas operations, as guided by the National Fossil Fuels Advisory Committee (NAFFAC). MoEP is equally in charge of general energy and specific petroleum policies. It is also the key coordinating player in petroleum development in Kenya at decision-making (cabinet) level, implementation (ministerial) level, and technical (state agency) level. Created only after the 2013 general elections, the new ministry's current regulatory structures and technical and personnel capacity remain limited.

Albeit not part of MoEP, the National Oil Corporation of Kenya (NOCK) has both regulatory and commercial responsibilities, which significantly affect the playing field. The parastatal Kenya Pipeline Company (KPC) is responsible for petroleum distribution through pipeline infrastructure.

The Ministry of Environment, Water and Natural Resources (MEWNR)⁵⁹

MEWNR's mission is to facilitate good governance in the protection, restoration, conservation, development and management of the environment, water and natural resources for equitable and sustainable development. The ministry has policy, legislative and integrated planning functions including in the petroleum sector as far as environmental issues are concerned. The main state agency is the National Environment Management Authority (NEMA), constituted under the Environmental Management and Coordination Act (EMCA) of 1999. The EMCA is currently under review and will be updated with relevant provisions from the new Constitution, the Petroleum Exploration, Development and Production Bill and Mining Bill. This review includes the process and products around Environmental and Social Impact Assessments (ESIAs) and Environmental Audits (EAs) related to petroleum development plans.

Energy and Extractives Legislative Committees

Both the Senate and the National Assembly have specialized committees associated with energy and minerals, which have legislative and oversight roles. In principle the general public should be able to engage with, participate in and petition against resource contracts through these committees; respondents in our field research complain, however, that in practice access to lawmakers on these specialized committees remains limited and oil-related contracts are not publicly available.

Turkana County Government⁶⁰

At the time of this study, the Turkana County government, led by H.E. Governor Josphat Nanok, received the second-largest allocation of all 47 counties in Kenya, after Nairobi. In 2014 it had an annual budget of Kshs 9 billion (approx. EUR 87.7 million) for implementation of projects guided by a five-year County Integrated Development Plan (CIDP), 2013–17. Based on the 2010 Constitution, the devolution process offers significant governance- and revenue-sharing opportunities (as well as challenges) related to natural resources management, including oil.

The main Turkana County government institutions relevant to oil exploration include the Ministry of Environment, Energy and Natural Resources, the Ministry of Land, Physical Planning and Urban Areas (land access and land use) and the Ministry of Finance and Economic Planning (revenue collection and distribution). Another relevant institution is the Turkana County Assembly, which has a specialized committee on energy and natural resources.

Civil Society

Social mobilization around oil and gas issues in Turkana is still in its infancy. There are few CSOs with specific technical expertise on environmental and social issues related to the oil and gas sector.

The Turkana Natural Resource Governance Hub (a coalition of 15 local community-based organizations [CBOs]) and the Turkana Civil Society Platform (a coalition of 12 local CBOs) are the two main local civil society networks dealing with issues related to the oil and gas sector. Both networks are relatively young, have varying organizational capacity, and relatively limited policy influence. However, there is growing interest among local, Turkana-based CSOs to (constructively) engage the government and companies on issues relating to natural resource governance. This civic interest is expected to grow, particularly when oil (and mining) companies move from exploration to development and production.

One notable faith-based CSO is the Diocese of Lodwar, the local branch of the Catholic Church. With Turkana County being historically isolated and marginalized by successive central governments, for more than 50 years the Catholic Church has been the most consistent in providing development assistance, ranging from education and water to health projects to remote (rural) communities throughout Turkana County. In addition, there are dozens of international NGOs and other international organizations, as well as several United Nations bodies active in Turkana County. The vast majority of these organizations also focus on the delivery of basic services.

3.5 Community Engagement

International best practice on community engagement requires “meaningful interaction and good faith dialogue, with interested parties having a real ability to influence the management of social issues”.⁶¹ Despite the arguably challenging operating environment in Turkana County (characterized by fragmented, impoverished communities living in remote and often insecure locations), our research shows that the way in which government and companies have engaged with local communities does not meet these international standards (see chapter 4).

Since the new wave of oil exploration started in 2010, the Government of Kenya has become more interested in oil-rich areas such as Turkana County. At the national government level, most of the attention has focused on the technical and legal aspects of licensing of the oil blocks, the restructuring of the National Oil Corporation of Kenya, the development of a new institutional and legal framework, including a revenue management system, and the formulation of a so-called ‘master plan’ for oil development. All of these important topics have implications for local communities, yet these implications are at best only briefly referred to, and in most cases not taken into account in the planning process, let alone mitigated. Moreover, when community engagement or social aspects of oil exploration are discussed in conferences or meetings with key stakeholders, the government is often conspicuously absent or only present briefly. Similarly, there has been limited consideration in the new Exploration and Production Bill of public participation or local community priorities such as access to land, security and benefit-sharing mechanisms.

The Turkana County government has focused mainly on the establishment of county government structures, hiring of staff and the development of a multi-annual County Integrated Development Plan (CIDP). Similarly, within the Turkana

County Assembly, most of the attention has been on the establishment of various committees. Despite the fact that public participation is enshrined in the 2010 Constitution, it is not yet common practice to consult local communities in the decision-making of county government development projects or the county government’s role in oil exploration. Apart from occasional visits by national Members of Parliament (MPs) and other county-level politicians, most local communities in Turkana have not yet had meaningful interaction with national and county level decision-makers.

Within the private sector, it is the oil companies and their subcontractors that have engaged with the local communities throughout Turkana County. However, depending on the nature of their business, the specific phase in the oil and gas life cycle, and size of their operations, the various companies differ in their approach to community engagement.

Tullow Oil

Over the years, Tullow Oil has used different mechanisms to engage with local communities in its areas of operation. When Tullow took over operations from Africa Oil in 2010 there was an association comprising 11 representatives from local communities, national government and Tullow to manage the social investment relationship with all communities in Block 10BB, the so-called Lokichar Basin Development Committee. However, for reasons that are unclear to the community and civil society representatives we talked to, this ostensibly more



Tullow poster, part of the company's revamped grievance mechanism. The text in Kiswahili reads: “We value your opinion. Call us on this number”.

community-oriented committee was soon replaced by a District Advisory Committee (DAC), with the District Commissioner in charge of the election process. When devolution came into effect after the March 2013 elections, the old DAC was disbanded and a new one formed. Now with the area MP in charge of appointing the members and presiding over discussions on, for example, the distribution of local employment and vehicle hire opportunities, the DAC was soon perceived as a politically oriented patronage mechanism. During our interviews and focus group discussions, the DACs were consistently being accused of non-transparent deal-making, allegedly fuelling nepotism and corruption. Since late 2013, Tullow has distanced itself from the DAC by transparently publicizing tender and other contracting opportunities through its communication offices in Lodwar, Lokichar and Lokori as well as through advertisements in local and national media. Nevertheless, in the eyes of local communities the process of tenders and contracting remains unclear and is considered to benefit only a few local and national businessmen and politicians.

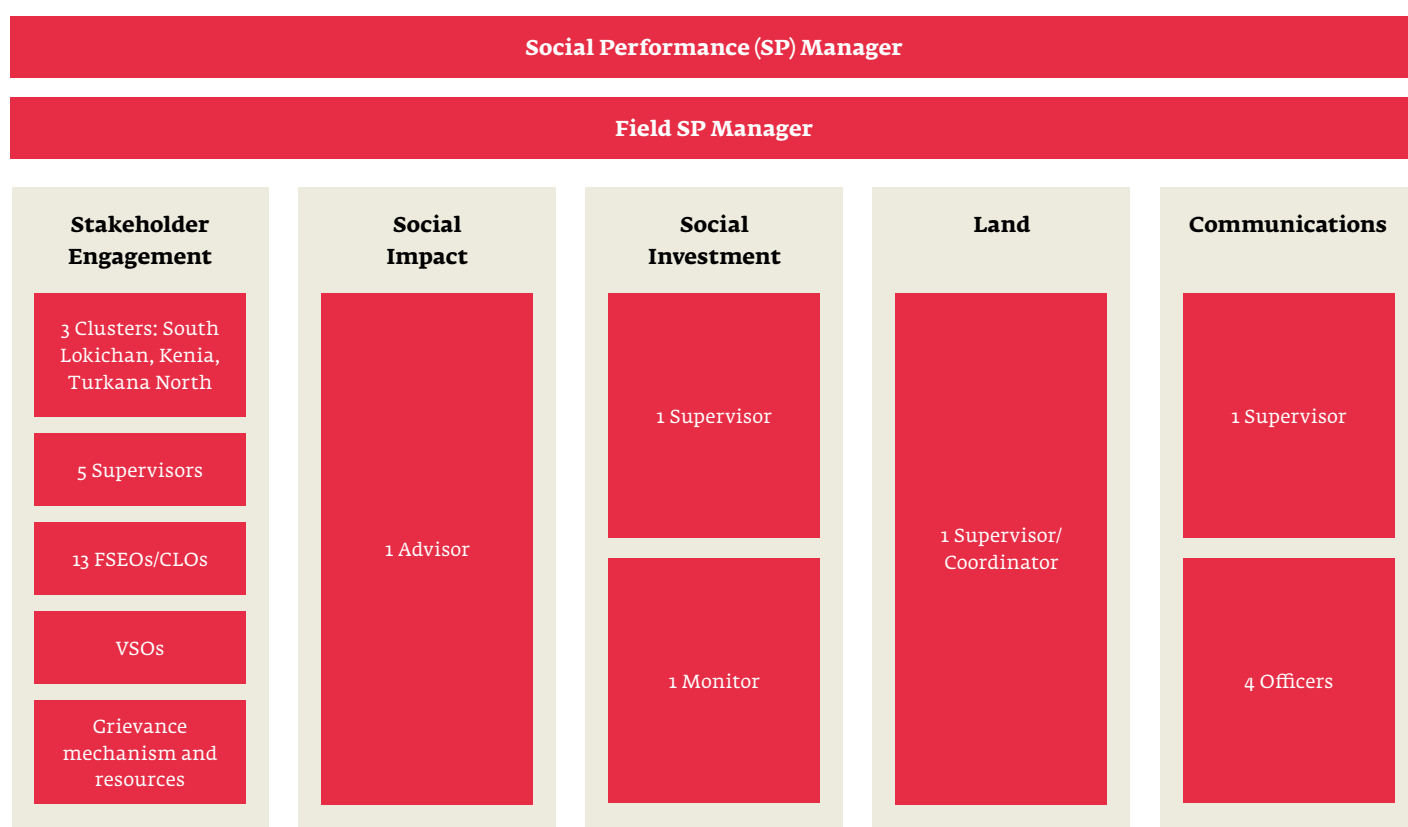
The other mechanism used by Tullow to work with local communities in Turkana was through a team of about 30 community liaison officers (CLOs) covering the three oil exploration blocks (10BA, 10BB and 13T) in Turkana North, East and South respectively. Local community representatives interviewed in these areas indicated to us that they did not trust the CLOs and disliked the methods employed to make contact with and engage with local communities. In particular they complained about the use of local politicians (MPs and MCAs) as community interlocutors, the fact that when people expressed grievances either they were not listened to, or

anyway the follow-up was very limited, and the expectation of appeasement in return for 'traditional' gifts such as sugar and tobacco. For a more detailed assessment, see section 3.6.

In discussions with the research team between October 2014 and February 2015, Tullow representatives acknowledged that during the initial phase of oil exploration (2010–13) the main focus was on drilling operations, with little attention paid to 'social performance'. As a result, many mistakes were made with community engagement. With community grievances not being seriously addressed by CLOs and community expectations (over jobs, benefits and compensation) not being appropriately managed by the national and county government, Tullow was regularly confronted with protests and road blocks set up by angry community representatives. Community engagement resembled a 'fire-fighting approach', with CLOs moving from one crisis to another with little time for systematic community understanding and serious engagement. Moreover, in an effort to stop protests and let the work continue (and avoid costly delays), quick deals were made with the instigators. In practice, however, this had the unintended consequence of roadblocks becoming the tool of choice of some community representatives (in some cases allegedly instigated by local politicians) to demand attention (and favours) from the oil company.

More recently (since the beginning of 2015), Tullow has suggested that it has changed its community engagement approach and is now developing a new, more systematic 'field stakeholder engagement strategy'. This includes a changed composition and better training of CLOs (now re-branded as Field Stakeholder Engagement Officers, FSEOs), Community

Graph 3.1 Social Performance Structure, Tullow Oil Kenya



Communications Officers, Government and Public Affairs Officers, Village Socialization Officers (VSOs) and other members of the so-called ‘social performance’ team (see figure 3.1). In addition, the changed strategy comprises an improved grievance mechanism with a more proactive group of data collectors and a commitment to resolve complaints within 30 days, a rural and urban outreach programme that is not only focused on collecting and sending information but also on listening and understanding. The key difference between the old and new approach is an intended shift from a ‘transactional’ community engagement approach of deal-making with politicians as key interlocutors towards one focused more on relationship-building with local communities.⁶² At the time of writing (April–May 2015) it is too early to tell whether the new approach is working and/or sufficiently understood by other stakeholders, including local communities.

CEPSA

In contrast to Tullow, the Spanish exploration company CEPSA does not have an in-house social performance (SP) team. For its community relations work, it relies on a small ‘stakeholder engagement team’ of consultants from Align Environment and Risk Management, a small consultancy firm based in Nairobi. Covering a much smaller exploration area in what is, however, an equally volatile part of north-western Turkana with fewer and ostensibly smaller local communities, CEPSA’s community engagement reputation seems somewhat more positive than Tullow’s, albeit not without problems. The relatively small (three-person) community relations team seems to be one of the factors contributing to an apparently quicker and more effective communication and grievance handling system. Nevertheless, CEPSA has also not been able to escape the impression among local communities of being influenced by local political and business interests. According to our respondents, members of the Community Liaison Committee (CLC, the Turkana West equivalent of the above-mentioned DAC) were directly appointed by local politicians, thereby controlling business and employment opportunities for their supporters.⁶³

3.6 Benefit-sharing

Apart from negative impacts, oil, gas and mining projects can also have a broad range of positive impacts – often referred to as ‘benefits’ – at both national and sub-national level. Benefits are usually divided into: 1) ‘local content’, including

employment and business opportunities; 2) corporate social responsibility (CSR) or social investment (SI) projects; and 3) government payments (including taxes, royalties, licence fees, etc).

It is important to emphasize here that ‘compensation’ is a payment – either in cash or in kind – that an affected person is legally entitled to as mitigation of a negative impact, such as loss of land, damage to a structure, or harm to a person or animal. Compensation is a legal right, and should therefore not be considered a benefit.

Firstly, one type of benefit in the extractives sector, **local content** (sometimes also referred to as ‘national content’) is meant to allow local businesses to be given an advantage in the procurement process. In practice, this means that preference will be given to the use of products, equipment and services that are available in the country itself as opposed to having to import them from abroad. In Turkana County, the term ‘local content’ (or ‘local local content’) has been interpreted as referring to services and people originating from Turkana County, or even from a specific Turkana sub-county (‘local local content’).

Our research shows that, in contrast to popular perception, both Tullow Oil and CEPSA as well as their subcontractors source the majority of their employees from the local (Turkana-based) population, primarily for semi- and unskilled jobs (see table 3.2 with data for Tullow Oil in August 2014). In 2014, Tullow Oil had just over 100 permanent staff in Kenya, 70% of them Kenyan nationals.⁶⁴

When it comes to supplies and services, Tullow Oil uses a large number of local (i.e. Turkana-based), national and international subcontracting companies (see also table 3.1 above). National and international companies are used for highly specialized services such as drilling, well construction and seismic surveying. Local companies are mainly hired for transport and vehicle maintenance, food and accommodation. A second type of benefit from oil exploration comes in the form of **corporate social responsibility (CSR) and/or social investment (SI) projects**. According to international best practice, social investment means more than “just providing a few jobs and providing funding for a new school building (...); it requires

Table 3.2 Tullow Oil Subcontractors Employment Summary

CONTRACTOR	JOB LEVEL	EXPATS	KENYANS		SUB-TOTALS	TOTALS	EXPATS IN TOTAL WORK-FORCE	% OF KENYANS IN TOTAL WORK-FORCE	TURKANAS IN TOTAL WORK-FORCE
			OTHER COUNTIES	TURKANA COUNTY					
All contractors	Director	5	7	0	7	12	42%	58%	0%
	Management	78	52	4	56	134	58%	42%	3%
	Skilled	329	789	177	966	1295	25%	75%	14%
	Semi-skilled	6	146	449	595	601	1%	99%	75%
	Unskilled	0	20	1557	1577	1577	0%	100%	99%
	Totals	418	1014	2187	3201	3619	12%	88%	60%

that the project partners with the local communities in being a force for positive social change and beneficial social development. (...). This implies that there should be an assessment process used to select and prioritize social investment options”.⁶⁵ In Turkana County, there has been a mixed experience with CSR or SI projects, with many communities appreciating the provision of water points, scholarships and the construction and/or refurbishment of classrooms and dispensaries, while some complain that the decision-making over such projects was often not sufficiently participatory or inclusive. As is common in exploration operations worldwide, most social investment projects by CEPESA and Tullow Oil have been limited to the area of exploration operations, except for the national-level scholarship scheme sponsored by Tullow Oil.

Tullow Oil’s SI project activities focus mainly on education (university bursaries and scholarships), social infrastructure (construction and refurbishment of schools and health clinics) and water (drilling of boreholes, construction of water points and provision of water tanks). Between 2012 and 2014, the company spent KSh 584,235,475 (approx. EUR 5,457,679) on such projects.⁶⁶

CEPSA’s CSR programme includes the construction of a water pan, the repair of two boreholes and drilling of new boreholes, short-term provision of water by trucks, and a medical screening and surgery campaign.⁶⁷

Regardless of the structure, approach and amount of community engagement and social investment, the challenge that remains for all oil (and mining) companies in Turkana is that, because of the long history of marginalization, local communities expect very little in terms of service delivery from government while they expect everything from companies. It is fair to say that to date the oil companies, despite the problems and criticisms they face, are among the few actors (together with NGOs, churches and international organizations) delivering some basic services among local communities in Turkana County.

Finally, there are **benefits related to oil exploration in the form of payments to government**, including value-added tax (VAT), withholding tax on imported services, pay-as-you-earn on workers’ salaries, and customs duties, as well as licence fees, training allowances and infrastructure improvement payments.

In 2013 Tullow Oil paid KSh 1.9 billion (approx. EUR 17 million) in taxes to the national government, and in 2014, this increased to a total of KSh 3.8 billion (approx. EUR 34 million). In 2014 Tullow also paid KSh 29.3 million (approx. EUR 213,648) in training allowances to government staff and national oil firms, KSh 14.5 million (approx. EUR 129,619) in licence fees and KSh 67 million (approx. EUR 598,932) in infrastructure improvement payments.⁶⁸ No such figures are (publicly) available for CEPESA.

4. MAIN FINDINGS OF THE PERCEPTIONS ASSESSMENT

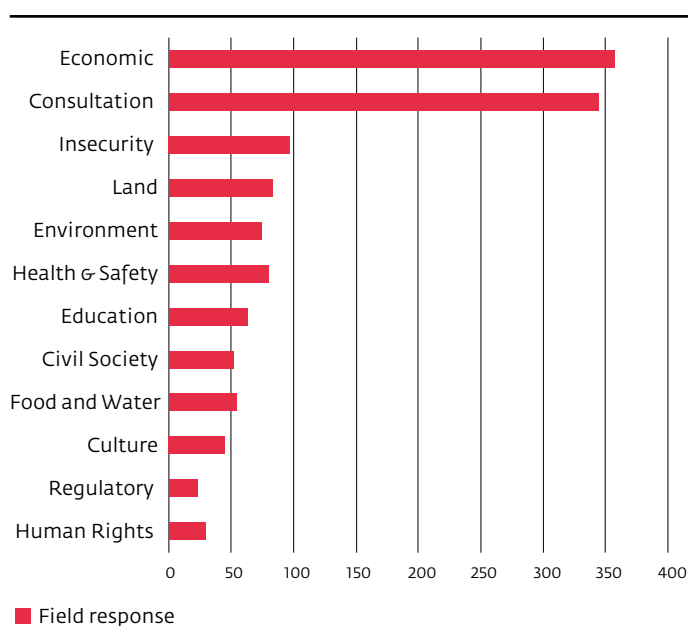
4.1 Introduction

The 1,543 responses collected from Turkana County residents by the Field and Validation teams were clustered into 12 themes:

Table 4.1 Frequency of Responses by Theme

THEME	FIELD RESPONSES	VALIDATION RESPONSES	FIELD + VALIDATION TOTALS	PRIORITY LEVEL
Economic issues	357	67	424	High
Consultation	344	63	407	High
Insecurity	97	24	121	High
Land	83	10	93	Medium
Environment	74	12	86	Medium
Health and Safety	80	4	84	Medium
Education	63	6	69	Medium
Civil society	52	7	59	Medium
Food and Water	54	0	54	Medium
Culture	45	5	50	Low
Regulatory issues	23	16	39	Low
Vulnerable groups	29	3	32	Low
Lapsset	24	1	25	Low
Totals	1,325	218	1,543	

Graph 4.1 Total Responses for Each Theme



Graph 4.1 illustrates how responses on Economic Issues and Consultation dominated the responses. Insecurity was also regarded as a high priority issue. Land, Environment, Health, Education, Civil Society, Food and Water, Culture, Regulatory, and Vulnerable Groups are all also mentioned a lot, but are not given the same level of significance.

Geographical Distribution of Themes

The data tables supporting this report provide a response-by-community sorting of the data. The table below provides a summary by community and theme, and shows which communities raised which thematic issues during the field interviews, focus group discussions and validation workshops.

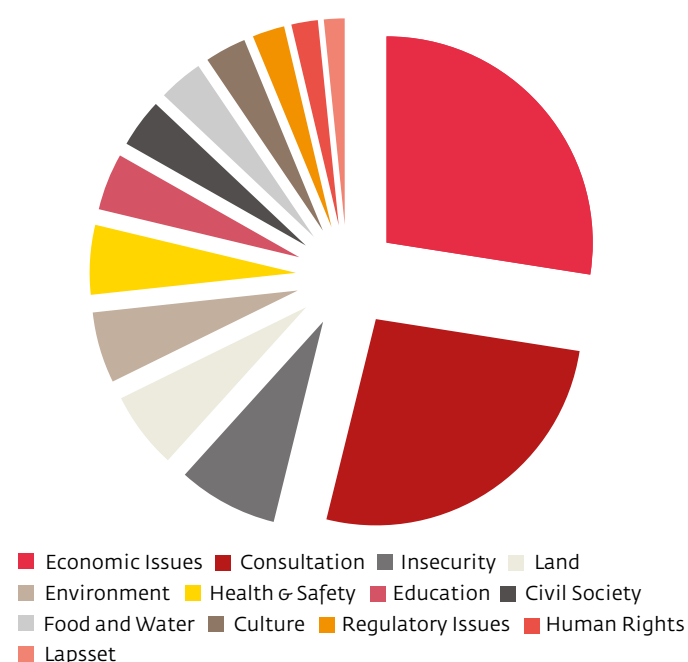
Table 4.2 Themes Mentioned by Communities

COMMUNITY	ECONOMIC ISSUES	CONSULTATION	INSECURITY	LAND	ENVIRONMENT	HEALTH & SAFETY	CIVIL SOCIETY	FOOD & WATER	EDUCATION	CULTURE	REGULATORY ISSUES	HUMAN RIGHTS
Eliye Springs	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	
Kalokol	✓	✓	✓	✓	✓		✓	✓				
Kangakipur b	✓	✓	✓	✓				✓	✓			
Kangatit	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Karoge	✓	✓	✓	✓	✓	✓	✓	✓				
Katilia	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Kekerisogol	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Kerio	✓	✓		✓	✓							
Lobolo	✓	✓	✓	✓	✓			✓	✓			✓
Lodwar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lokichar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lokichoggio	✓	✓	✓	✓	✓		✓			✓	✓	✓
Lokitaung	✓	✓	✓	✓	✓		✓	✓				
Lokori	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Lomokamar	✓	✓	✓		✓	✓		✓				
Loperot	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Nakukulas	✓	✓	✓	✓	✓	✓	✓	✓		✓		✓
Nanam	✓	✓	✓					✓		✓		
Natira		✓				✓						
Songot	✓	✓										

The themes related to Economic issues and Consultation were the only universally discussed themes across all communities. This aligns with their classification as priority issues for Turkana County. Analysis of the perceptions assessment responses indicates that the three high priority themes of

Economic, Consultation and Insecurity by themselves account for almost 62% of the total 1,543 responses in the data set as indicated in the chart below:

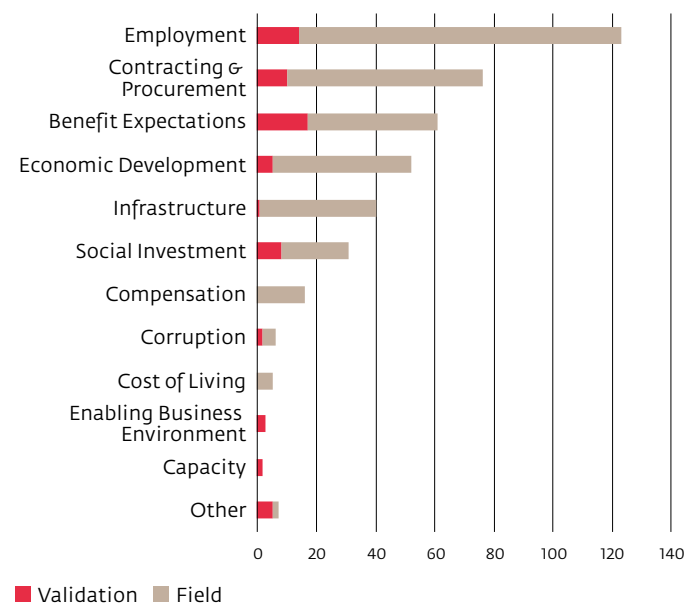
Graph 4.1 Frequency of Responses by Theme



4.2 Economic Issues

Economic concerns and expectations topped the list of issues mentioned the most by the respondents in our assessment. This covers a wide variety of issues, including (in order of frequency) employment, contracting and procurement, benefit expectations, regional economic development, infrastructure, social investment, compensation, corruption, cost of living, enabling business environment, and capacity.

Graph 4.2 Economic Sub-theme Response Frequency



Employment

Key concerns around employment involved the opportunity to work. Respondents felt this was complicated by the recruiting and hiring processes used by the oil companies and their subcontractors. From the more urban community members, perceptions regarding employment were generally more positive and full of expectation. As an interviewee in Lodwar stated, “Employment is on a short-term basis but is improving livelihood – [it seems] at least one person in every family is employed by Tullow Oil.” By contrast, rural residents of Turkana expressed deep concern about both the number and the quality of opportunities available to local residents of the region.

The concerns of rural villagers and pastoralists alike include perceptions that local job opportunities are not going to local people, that employment is available only on a short-term basis and for low-skilled positions, and that the oil company’s and subcontractors’ job-tendering processes lack both clarity and transparency. Additionally, women are seen to be denied work opportunities on the basis of their gender.

Corruption in hiring local employees was a common theme across almost all communities. In Turkana South in particular, community members closer to camp and well-site operations expressed concern that nepotism and bribes were a key feature of what many referred to as “a biased hiring process”.

Contracting and Procurement

Similar to concerns about individual employment, there were strong expressions of discontent about oil companies and their contractors not contracting services or procuring goods locally but instead importing them from outside the region.

Respondents from Lodwar provided specific examples of oil companies not renting local vehicles and they criticized the way ‘local’ was defined; they also stressed the need for communities to be engaged if they are to be involved. For example, several smaller communities stated emphatically that when oil companies require anything, they should engage local communities at the outset and make an effort to procure the services or goods through them first. It is important to note that many respondents did not usually distinguish between oil companies such as Tullow, CEPSA and Adamantine and the various subcontractors, indicating a limited overall understanding of the responsibilities and division of labour between operating and supply companies (see table 3.1).

For those community members and small businesses working with the oil companies and/or their contractors there were mixed experiences regarding payments, often related to whether the contract was with the oil company itself or with a subcontractor. For example, a women’s group in Lokichar contracted directly by Tullow expressed satisfaction about its experience so far with Tullow regarding payment for goods and services, while other small businesses in the same community complained that Tullow’s subcontractors “sometimes delay payments” or take an uncomfortably long time to make payments.

As with employment, there is significant expectation among communities and small businesses that contract and goods procurement opportunities will increase locally in the near future and contribute significantly to the local economy. Respondents were particularly disquieted by what they

perceived to be a corrupt and nepotistic business environment around contracting and procurements. This highlights the specific concern of many respondents that contracts were regularly awarded to those who allegedly bribe oil company procurement representatives or politicians, or those who have an existing relationship with them.

Expectation of Benefits

As is common with most communities hoping to benefit from the development of the oil and gas sector, high expectations about social and personal benefit are not being met. The level and number of responses related to expectation of benefits demonstrates that even if attempts to manage expectations have been made by the oil companies and government, such efforts have had little if any impact. As experienced in other contexts, not doing anything to manage such high expectations is a risky approach. Although it may encourage the acceptance of oil development and its related impacts for the short term, it almost always sets up the local communities for eventual disappointment, which often quickly turns to resentment with the realization that many of their expectations may never be fulfilled. Associated with this is the already unfortunate misperception that non-host communities have of host communities.⁶⁹ It is clear that non-host see host communities as being both rich and having the resources (food and water especially) that they need, and this has already created some tension and conflict between communities. It appears that little or nothing is being done to counter the mistaken sense of Turkana County now having ‘have’ and ‘have-not’ communities, depending on their proximity to oil exploration.

“We want to know: who owns the oil?”

Community Resident of Kerio Village, Turkana Central

Some respondents indicated that they expect individual economic benefit either directly through employment with the oil companies or through oil companies paying monthly ‘social security’ to all members of affected communities (working or not) as part benefit/part compensation. In general, Turkana residents expect poverty reduction across the county, and a lower cost for oil products and fuel is commonly thought to be a key factor in reducing the cost of living. The expectation that benefits will extend down to the individual members of each community is very high. Against this background it is not surprising that in some areas where specific benefits have been promised – but not been given – tensions between communities, companies and government have run very high (see box 1).

Community members of Turkana East and North (including in Eliye Springs, Kalokol and Lowarengak) stated that they had been watching what was going on in both Lodwar and Lokichar and that they had not seen or heard about any significant benefits for those communities. Although they indicate that this is helping them to manage their own expectations, they feel frustrated and share the view of several respondents from Lodwar that the oil companies and the county government still need to provide communities with clear information about the actual economic and other benefits they are to receive, to avoid unrealistic hopes being raised.

Box 1: Broken Promises: the Case of Murram in Kochodin⁷⁰

For the construction of base camps and (improvement of) roads a lot of gravel is needed. This laterite gravel – called *murram* in East Africa – was mainly excavated from three sites around Kochodin community: Katamanak, Naaselem and Naukot Areng’an. During a Turkana leadership meeting in early 2013, the Governor made a commitment to share the benefits of oil exploration, including gravel extraction. According to local community representatives we spoke to in Nakukulas, this meant that for each truckload of *murram* (worth Ksh 5,000, or EUR 49), the community was supposed to receive 40% (i.e. Ksh 2,000, or EUR 19), while the county government would receive 60% (i.e. Ksh 3,000, or EUR 29). A member of Kochodin community was subsequently tasked by the county government with keeping a daily record of the number of truckloads of *murram*.

However, at the point when it had been agreed that payment would be made, in June 2013, the community was informed by county government officials that it would not be possible to make the payment in cash. Food (maize) was provided instead. However, even though it was then agreed that the community would receive monthly food deliveries, the food never materialized. The community subsequently asked three of its leaders to take this matter up with the county government, but they disappeared without reporting back. Two of them now allegedly work in the county government.

According to the person keeping a record of truckloads, and as confirmed by several youths during a focus group discussion in Nakukulas, by September 2014 more than 6,000 truckloads had been recorded with a total value of Ksh 30 million (approx. EUR 293,328).⁷¹ Under the terms of the above-mentioned agreement, the community is entitled to Ksh 12 million (approx. EUR 117,331), but as of September 2014 it had not received anything, despite several complaints. According to an official, who requested anonymity, the money had been received by the county government but deposited in an account controlled by the (national) Ministry of Finance. The county government now claims that the communities will be paid, but in development projects, not in cash. Eighteen months after the ‘agreement’, *murram* extraction has left three large holes in the Kochodin area, and a community that feels betrayed by its own government.

Economic Development (including Cost of Living, Infrastructure, Capacity and Enabling Business Environment)

In general, anxiety about what many say is the “sky-rocketing cost of living in Turkana” is allayed to a certain extent by the sense that the region is seeing a stronger private sector with more job opportunities. However, many of the hopes for the economic development of Turkana County remain no more than dreams; as one international NGO worker in Lodwar put it: “It’s a romantic idea that we all hope for but that is all it is.” The significant population growth in many local communities

is due to the influx of people from other parts of Turkana and Kenya hoping to benefit from the opportunities. Several respondents noted that the youth appeared to be the most affected – both by the potential for a new and different future and by the new challenges of the present.

Most community leaders supportive of oil development are clearly hoping that revenues will help the region ‘grow up’ – meaning that the region will start being able to provide for and take better care of itself and its communities. Associated with this is the expectation that by improving the ‘connectedness’ of the county to the rest of Kenya and also internationally to Uganda, South Sudan and Ethiopia with the planned construction of improved roads and mobile networks, Turkana will be able to boost its economy on several fronts and develop even more opportunities and benefits.

Many community members and leaders we interviewed strongly equated development with construction and/or improvement of infrastructure. Expectations are high in nearly all communities that there will be extensive public infrastructure development. Some hope that after the oil companies leave, the roads and buildings that once serviced the companies will be handed over to the communities for their own use. Community members in Lodwar are expecting the Karnuk bridge to be built, those in Loperot are hoping a bank will be set up in their community so that they have a place to save their money from oil benefits, and community leaders of Askim, Loperot, Kalapata and Lokichar are hoping for schools, universities or hospitals – or, in the case of Loperot, all three – to be built in their communities.

Social Investment

At the time of the baseline study, social investment by the oil companies was said to be focused on school and post-secondary scholarship programmes, with some access to water and healthcare programmes (see also section 3.6 above). Feedback from community members indicates that they are very supportive of the social investment initiatives and their focus – especially regarding scholarships. However, several respondents were unhappy about the numbers of scholarships and the lack of transparency in the way students are selected for the scholarship programmes, while others thought that programmes related to water and health might be better initiated and managed by the government. Generally, there is a concern in several communities that the social investment approach is similar in design and result to that adopted by the major development NGOs that many locals criticize for unintentionally making community members more dependent on hand-outs as opposed to finding other, more sustainable livelihoods.

Compensation

Most respondents indicated that to date it seems that no compensation has been paid to community members – notably pastoralists – for impacts on livelihood as a result of oil exploration activities. Some communities that did receive compensation for seismic activities in their area complain that the system used was not clear (see box 2).

Box 2: Compensation for Seismic Surveys⁷²

To compensate communities for the impact of 4x4 vehicles and larger vibroseis trucks passing through their villages and grazing land, the company responsible for 3D seismic surveys paid money to the county government. When the latter asked the community what kind of development projects they wanted, the community indicated a strong preference for cash compensation. Subsequently, calculations were made for each village, based on the number of households affected by the seismic lines. However, in some villages (e.g. Kapese) more than 200 households were registered, while in others (e.g. Karoge) significantly fewer households were registered. This led to large variations in the level of compensation: in Kapese each household would have been entitled to Ksh 94 (EUR 0.91), while in Karoge, each household would have received Ksh 1,500–2,000 (EUR 14.66–19.55). Since this would probably have led to tensions between the various communities, it was eventually decided to apply an ‘equalization’ measure. This eventually resulted in every household affected by 3–6 months of seismic surveys receiving a one-off payment of on average Ksh 1,200 (EUR 11.70).

Concerns have been raised by pastoralists about compensation for loss of access to land, displacement, and loss of livestock injured or killed by traffic. Respondents are unclear as to whether there are compensation programmes and how they work/can be accessed. Respondents also stated that the lack of compensation for loss and damage is also contributing to communities’ low level of trust in the oil companies.



Geophones and cables for seismic surveying.

Other

'Other' topics represent groupings of responses that don't fit the above themes and don't warrant their own unique theme because they were mentioned in a total of three or fewer responses. For the Economic issues theme, 'other' topics included the need for balance between the traditional (pastoralist) and the formal economy, opportunity for public-private partnerships, vulnerability due to poverty, risk of conflict due to high competition for resources, and vocational training initiatives.

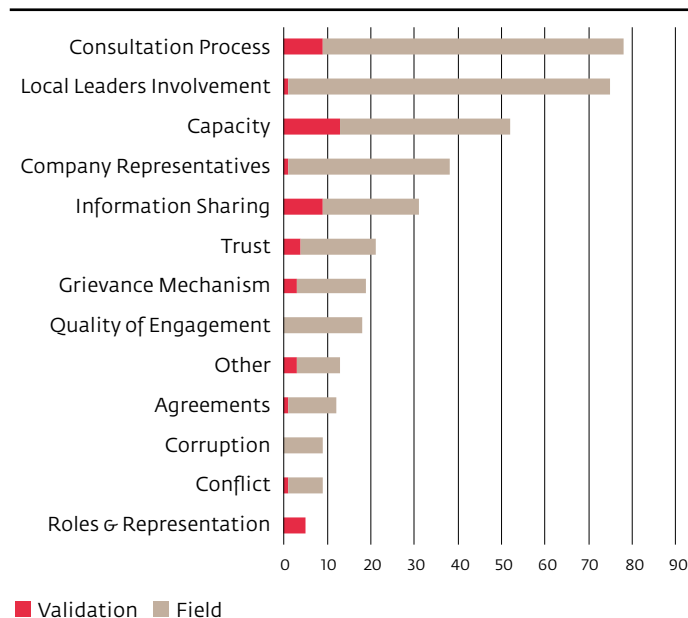
4.3 Consultation

The second-most prevalent concern raised by respondents was inadequate consultation of local communities. This included concerns (in order of frequency) related to the consultation process, local leaders' involvement, limited technical and organizational capacity for consultation, the role of company representatives in consultation, information-sharing, low level of trust, grievance mechanism, the poor quality of engagement agreements, corruption, conflict related to consultation, and lack of clarity over roles and representation.

"Community expectations are not met through the current engagement structures."

Community Resident of Turkana West

Graph 4.3 Consultation Sub-Theme Response Frequency



Engagement Approach and Process

Responses concerning community engagement give a clear message that the consultation processes used by the oil companies are not working for the communities. Although some community members and leaders did express satisfaction with the oil companies' engagement with them, the majority of community members opined that the approach, methods and processes used by the oil companies leave much room for improvement. There are serious worries about the quality,

frequency and cultural appropriateness of the engagement strategy being employed. Even those communities that indicate they are being engaged still feel that there is no information-sharing: members of Lobolo community said, "They met with us about the seismic operations but the coming and going of the activity and the machines was conducted without any notice". Community members in Lokichar and Lodwar have a similar perception: "Tullow's engagement and documentation only provides information relevant to Tullow and not the community."

Based on past experiences with the oil company BGP, communities such as Kangakipur that were now being affected by Tullow's seismic operations stated: "We had a better engagement experience with BGP over Tullow because BGP held consultative forums and responds to requests from the community... Tullow should create a 'consultative forum' to support the sharing of information and to build transparency and accountability."

Many communities felt there was limited engagement with the oil companies: "Despite living so close to the camp, there is very limited engagement with Tullow" (Askim community member). Pastoralist communities in particular complained that they felt ignored, forgotten, and even alienated by the oil company engagement process, with many pastoralist communities saying that they didn't know how to engage the company or raise issues with it: "[It is a] big process to actually engage Tullow on an issue or even understand how to speak to the right person... we have no access to the engagement process, it is just always initiated by the oil company."

Involvement of Local Leaders and Local Government

The second-most frequent responses related to consultation focused on the connections between local community leaders, government representatives and the oil companies. For local communities, these connections have a negative effect on the level of trust they place in their leaders to do their jobs without undue influence. In our interviews a strikingly similar picture emerges from across Turkana County:

"Tullow is strategically hiring community leaders and elders to be its Community Liaison Officers (CLOs) and Village Socialization Officers (VSOs). Elders and elites of the community that they do not hire do not often get invited to important meetings. The CLOs and VSOs often meet only with the community leaders who then brief the community on what Tullow is doing. This results in the community only getting second-hand information and impacts the trust the members have for their leaders. As a result, leaders also often get the blame for not representing the community properly to the company. The communities are very sceptical about the leaders being bribed, and question if it is just that the leaders are not getting the information they need from the company, or if the leaders are not sharing what they are getting from the company. As a result, we question if they are speaking for our community or 'for those who pay them'."⁷³

The communities recognize that Tullow employs a strong engagement strategy with government and meets regularly with county and (national) government representatives,

including the Ministry of Energy and Petroleum. In contrast, “Tullow takes a traditional consultation approach” and a much more simplified, ‘top-down’ engagement strategy with the communities: “Tullow company tends to give sugar and tobacco to seek community approval for carrying out their exploration process... the community have now refused the issue of being bribed with tobacco and now want to be properly consulted”, explained a council member in Lokichar.

Community members also believe that Tullow utilizes the backing of the District Commissioner’s office to organize community events such as *barazas* (large public meetings) to support its corporate agenda. The outcome is that the communities often feel that, “Tullow only hears the Government. It works closely with the politicians but not with the communities... information is passed through *barazas*.”⁷⁴

Several community leaders complained that neither the Turkana County government nor the Kenyan national government took a proactive role in the engagement process. Moreover, they felt that government should be responsible for consultation, should only implement projects that meet community expectations, and should start listening to the needs of local communities.

Consultation Capacity

There is inadequate technical and organizational capacity on two key sides of the consultation table, i.e. community and government. The lack of capacity relates to knowledge about the industry as a whole, exploration activities, and what constitutes good practice in extractive company–community consultation to a level consistent with international standards. Training for all stakeholders is recommended by all respondents.

The Roles of CLOs and VSOs in Consultation

Tullow in particular has been singled out by many communities (both positively and negatively) for employing numerous Community Liaison Officers (CLOs) and Village Socialization Officers (VSOs) who either have strong connections to, or are from, the local communities near to the company’s operations. Interestingly, one international NGO, which requested anonymity, reported losing up to 30 members of its staff to Tullow. The hiring of both CLOs and VSOs and the opening of offices in several communities in general has served as a method for the company to disseminate information about its activities to the communities and to make it possible for community members to request information and submit grievances. Unfortunately, however, many community members and leaders raised several serious concerns regarding the CLOs and VSOs operating in their communities. The primary concern was that the CLOs and VSOs were a barrier to meaningful consultation because they were poorly informed middle-men instead of being facilitators of a meaningful consultative process. Community members were discontent that VSOs were “being brought in to engage the communities when there were grievances, but the community would rather speak to the company directly as the VSOs don’t ever seem to have enough information or the level of authority to do anything about anything”. Additional concerns focus on how “VSOs [are often] biased, illiterate, and limited in education and information from



Community mobilization near Kangakipur.

the company – they work to promote their own interests and side-line those community members who are not part of their own clan”.

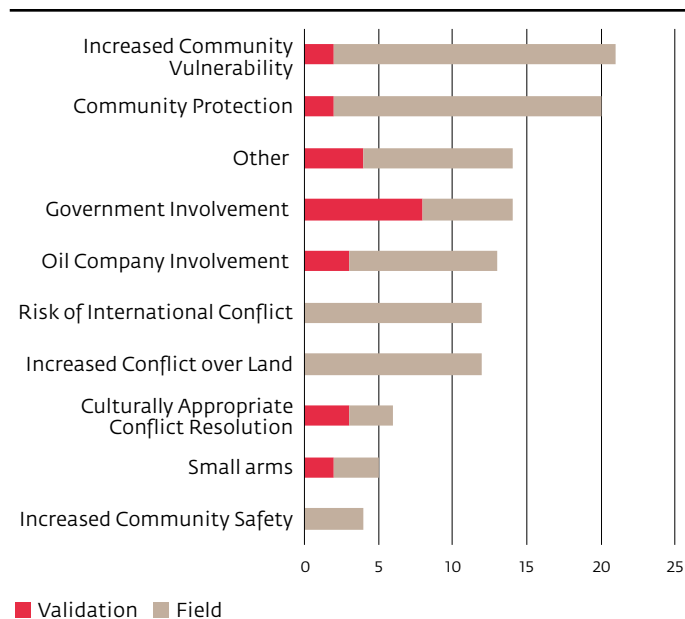
Trust

There is an extremely low level of trust between communities and oil companies. Communities expressed fears that CLOs and VSOs were being used as monitors for the oil companies – effectively ‘spying’ on the communities and then reporting back to Tullow. Several community members reported being threatened with arrest by CLOs if they tried to bring grievances to them. It is suggested that this may be a defensive strategy on the part of those CLOs, who do not understand that grievances should be permitted and are not necessarily a reflection of their personal inability to ‘manage their own communities for the company’ and do their jobs well.

The lack of information and transparency over both the consultation and grievance processes have left communities feeling that “oil company employees are liars with empty promises” who may listen to concerns but never take action on them. There exists a general mistrust of the oil industry as a whole, which is typically viewed by community members and local leaders as a sector full of secrecy.

4.4 Insecurity

Insecurity sub-issues raised by respondents included: an increased sense of community vulnerability, reduced capacity for community protection, government and oil company involvement (the extent to which each party accepts or rejects responsibilities related to security matters in communities), the risk of international conflict, increased conflict over land, the need for culturally appropriate conflict resolution, and small arms proliferation. A small number of respondents did report a sense of increased community safety as a result of oil industry activities in the county.

Graph 4.4 Insecurity Sub-Theme Response Frequency

Increased Community Vulnerability and Reduced Community Protection

One of the factors contributing the most to stress and fear in local communities is that members of nearly all of them, and notably pastoralist communities, feel more vulnerable since the start of oil exploration activities. This is consistently attributed to Kenya Police Reservists (KPRs) – a volunteer security force established to protect the communities – having in fact left communities to their own devices, in order to protect oil company assets. The absence of KPRs leaves communities in Turkana South and East more vulnerable to attack from the neighbouring Pokot tribe that has traditionally exchanged cattle raids with the Turkana and nowadays also allegedly have powerful (political) interests behind them. The same is also reported in the north-western part of Turkana, where communities are now more exposed to South Sudanese tribes crossing what is a porous border. Turkana residents feel that groups from outside see a greater opportunity, given the lower level of community protection, to reap benefits from these communities, whom they assume are already benefiting themselves from oil exploration activities in the county.

Government and Oil Company Involvement in Community Protection

Communities have government and oil companies to assist in alleviating the insecurity they are facing, by deploying armed guards with a dual role of protecting not only oil company assets but also the communities. They also feel that companies and government should put greater resources and effort into funding the Lokirima Peace Accord. Moreover, there is genuine confusion and deep frustration over why the national government in particular seems unwilling to assist in addressing the insecurity issues of the region. When it comes to conflict resolution strategies, however, several community leaders commented that approaches to conflict resolution and peace accords in the region need to be more culturally appropriate and should include proper consultation of communities. Some feel that this is an issue that is being neglected in international NGO efforts.

Increase in Conflict

There is a strong perception that insecurity in the region will increase over time as a result of: loss of land access and use, disputes over boundary demarcation inter-community tensions caused by limited job and business opportunities, community displacement, an influx of outsiders, and the proliferation of small arms throughout the population.

“Oil is the mother of all conflicts within the community.”

Sub-County Chief, Turkana East

In several cases community members revealed that communities were increasing the number of illegal small arms they owned as a protective measure against raids from neighbouring tribes and attacks by bandits. Additionally, some community leaders worried about how further oil discoveries and development might again draw conflict back to the region through either civil war or perhaps even international conflict with South Sudan (particularly over the contested Ilemi Triangle), Ethiopia, and even Somalia.



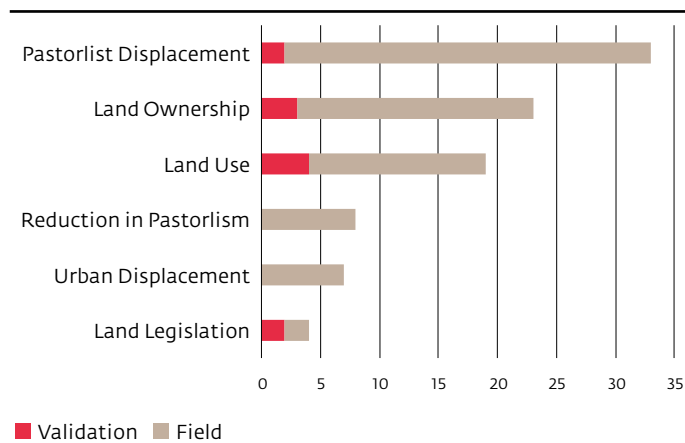
Armed pastoralists near Kangakipur.

Photo: Jordon Kuschminder

4.5 Land

Land-related responses included the following sub-themes: pastoralist displacement, land ownership, land use, reduction in pastoralism, urban displacement, and land legislation. This theme does not include environmental aspects, which are included in the Environment section below.

Graph 4.5 Land Sub-Theme Response Frequency



Pastoralist Displacement

Significant anxiety exists within and outside the pastoralist communities that oil development will lead to physical and economic displacement as a result of restrictions on land access and/or land use. Pastoralist communities fear and strongly oppose traditional communal grazing lands being affected to the point of being unusable, or taken from them. Several community leaders echoed a call for the national government to establish a pastoralist land conservancy to protect not just the land itself but the very culture and traditional economic livelihood of the pastoralists, who are so dependent on the land. Others, on the other hand, object to such an idea, fearing it would restrict movement of people and livestock, a critical coping mechanism in the driest parts of Turkana County. Pastoralist communities themselves are worried about how any significant restriction on access to land would disrupt their own traditional pastoralist settlement patterns and about whether it would result in increased conflict between communities having to compete for land.

Land Use and Ownership

Linked to the concerns around land use and access are land ownership and compensation issues. Several of the pastoralist communities expressed concern regarding questions about who actually owns the land, what are their rights and what is the process by which the oil companies obtain land tenure.

“Our community is concerned that the land we use has already been sold to oil companies, and that is why our leadership is not engaging the community on the issue of land.”

Focus Group Discussion Participant, Eliye Springs

There is a strong agreement that pastoralist communities should be compensated for land they can no longer use or access. However, there also seems to be recognition that this would require a mapping of all the grazing fields in Turkana before any oil or other large-scale infrastructural projects could start. This would be necessary in order to determine exactly what land is affected, and who is to be compensated and which community they are from.

Reduction in Pastoralism

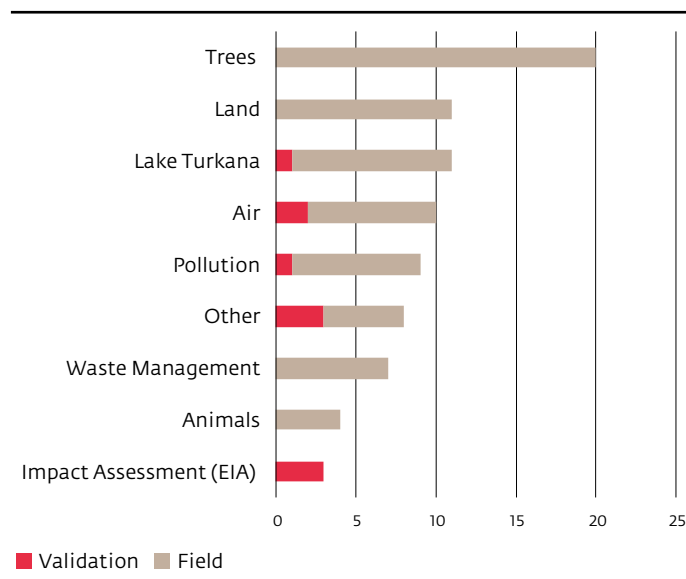
Concerns regarding the loss of pastoralism as a livelihood were raised in the context of both the influx of outsiders to the county and the growing tendency for young people to be attracted to, and move towards, an urban lifestyle and livelihood in the towns and cities. Pastoralist communities were also worried that a rapidly expanding county population might increase the demand for goat meat to a level beyond what could be sustained by the local environment. There are fears it could result in a collapse of the intricate balance between pastoralists, their herds and the land and water that sustains them.

At present, many respondents (including from government and civil society) explained, land in Turkana is classified as community land. It is unregistered but held in trust by the county government, while the national government grants oil companies temporary licences to conduct exploration activities such as seismic surveys and drilling. It is acknowledged that it may not be feasible to continue with this system of temporary licences and so several community members are awaiting the drafting and completion of the Community Land Bill.

4.6 Environment

Environmental sub-themes include the felling of trees, impacts on land, Lake Turkana, air, pollution, waste management, animals, and environmental impact assessment.

Graph 4.6 Environment Sub-Theme Response Frequency



Impacts on Trees and Land

Communities were concerned about the environmental impacts of the oil industry. The land is the main source of livelihood for local communities, the place they call home, and extremely fragile in this very dry part of Kenya. The Lokipiti plains in north-west Turkana are said to be home to a large variety of wildlife as well as, allegedly, one of four large underground aquifers. Of highest concern regarding the impacts on the land is the destruction and felling of trees during oil companies’ seismic surveys and road construction. Many community members we spoke to equate this with destruction of the land. The cutting-down of trees – an important source of shade, protection, food for animals, and of firewood and charcoal – is seen as harming the environment and widely regarded as disrespectful if the trees are not replanted. Environmental conservation is generally linked to the sole expectation that more trees should be planted in the region. One community leader proposed a sort of ‘no-net-loss’ policy on tree-cutting, meaning that for every tree felled as a result of oil exploration activity, another should be planted in its place.

Associated with the call for the establishment of a pastoralist land conservancy is the call for pastoralist land to be designated an environmental conservation area. There is hope among several communities we spoke to that by having this environmental designation, conservation efforts will be increased and lead to the establishment of enhanced environmental legislation supporting the development of policies to better protect the environment – notably from oil spills. However, other respondents indicated they had not received enough information on the scope of the conservancy plans and the implications for land access.

Impacts on Lake Turkana

Lake Turkana is already facing multiple threats (including its main tributaries being dammed in Ethiopia), with further oil exploration and the potential for lakeshore and offshore drilling adding to these threats. Lakeshore community members and fishermen are worried that oil exploration in Lake Turkana will affect water quality, and harm fish. Communities have requested that prior to any further oil exploration in the lake, there should be a fish stock assessment to determine the state (specifically in terms of health and numbers) of fish populations in the lake.

There is significant concern about oil companies using the water for industrial purposes which, it is feared, could result in pollution or even a concentration of the already high brine/salt level beyond potable use if water is removed in large volumes. Any or all of these impacts are seen as likely to increase the level of insecurity and vulnerability of the lakeshore communities themselves – particularly if the water level is significantly reduced: “The lake is like a fence, attacks will come from the other side... if we can’t live off the lake any more, lake communities will become refugees.”

Air

Concerns about the effects on air quality were strongly related to flaring which was not understood by communities. Health issues perceived to be related to flaring are discussed under Health and Safety.

Waste Management

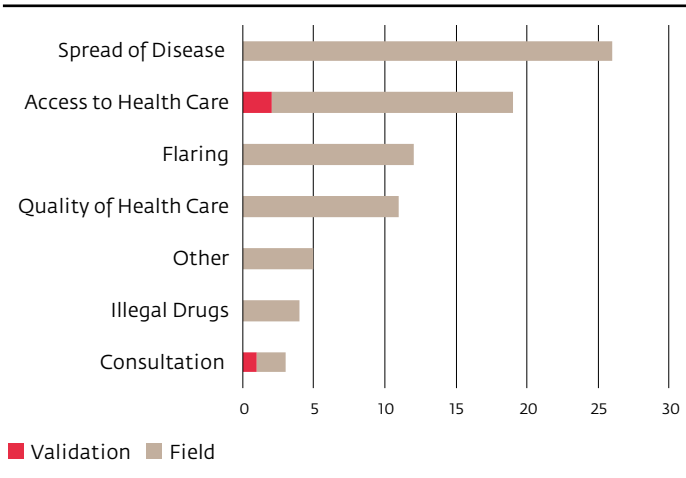
Several community members and leaders were worried about the proliferation of solid waste throughout the county. This included everything from the litter of cables and plastics left by company employees conducting seismic operations, the burning and burying of camp waste, community general household waste, and concerns over how industrial toxic waste is managed – if at all. There was no sense or understanding of how the region might respond to any major oil spill either in the lake or on land.

It is significant to note that several communities had a positive view of how increased development of the region could potentially result in the environment being better protected, because of greater attention and concern for the land and animals. It was also pointed out that environmental conservation initiatives could have a more positive effect on environmental protection than government regulatory oversight of the oil sector.

4.7 Health and Safety

Health and safety sub-issues included worries about the spread of disease (notably sexually transmitted disease), access to healthcare, the possible harm to health caused by flaring, the quality of available healthcare, illegal drugs, and industry consultation on public health planning and infrastructure.

Graph 4.7 Health Sub-Theme Response Frequency



Spread of Disease

With regard to health, the greatest cause of anxiety is the potential spread of disease. Responses were generally vague, but specific concerns were raised about malaria and airborne diseases caused by oil exploration activities that produce dust, gas release and flaring. The most frequent responses regarding the spread of disease were linked to the perception that increased prostitution is contributing to the spread of sexually transmitted diseases such as HIV/AIDS.

Access to and Quality of Healthcare

In general, Turkana County has extremely limited and/or poor medical services in all communities. There is a shortage of healthcare practitioners, a lack of capacity among health workers, not enough space in existing clinics to address the needs of patients and no strategic plans or capacity to deal with

any significant health emergency event (for which there is considerable reliance on the mobilization of international NGOs). The hope is that oil companies will both build and staff clinics in smaller communities such as Kasaroi and Loperot and also build and staff referral hospitals in larger towns such as Lokichar.

Flaring

Health workers and communities interviewed raised concerns about 'flaring' – the burning of natural gas produced along with crude oil – predominantly in the context of harmful effects on health that they believe they are experiencing. They are connecting incidents of a wide range of problems – skin rashes, eye problems, coughs, chest pain, nose bleeds influenza, livestock stillbirths and dying trees – to flaring events at well sites in Turkana South. There is also confusion in one particular community about a perceived connection between flaring and malaria infections.



View from hilltop in Lokichar town, of flaring at Twiga 2.

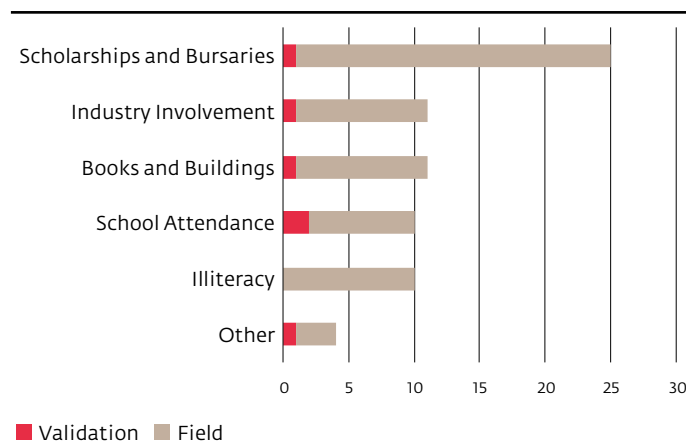
It is understood that up to the time of the baseline study, Tullow had not engaged either the Lokichar Health Clinic or local communities on the topic of flaring, and appears to flare without warning and without the communities' knowledge. It is unclear whether gases flared include H_2S or other common but potentially toxic sour gases.

The 'other' responses related to the health theme included dust from traffic, concern that vibration from seismic equipment was causing miscarriages in both women and livestock, and the safety of women and girls (which is discussed further in the section on gender below).

4.8 Education

Education sub-issues include the scholarship/bursary programmes offered by the oil companies, company involvement in the education curriculum and skills development, the expectation for oil companies to build schools and provide learning materials, school attendance, and illiteracy.

Graph 4.8 Education Sub-Theme Response Frequency



Scholarships and Bursaries

It is clear that the scholarship and bursary programmes offered by oil companies are strongly supported by the respondents. However, the limited number of bursary and scholarship opportunities is a concern for both community respondents and civil society. There is also much speculation that the scholarship award process is being taken advantage of and that committee members who are part of the decision-making are exerting influence so that allocations are made to their own family members first, and accepting bribes from other families who want their young people to benefit. Quite apart from this, there is a general desire for a larger number of bursaries and scholarships at all levels of education. Several respondents believe that all children at all grades should have access to free education.

Company Involvement in Education

Teachers have noticed positive effects of the oil exploration and the oil companies' involvement in the schools. Motivational talks provided to students in the classroom by Tullow employees and the potential for field trips to active exploration sites (although as yet these trips have not taken place, despite requests to the companies) seem to have enhanced motivation among students, and increased their interest in previously less popular subjects such as physics and chemistry. The scholarship programmes have even enabled some students to attend sponsored petroleum courses at post-secondary level. Educators are urging the oil companies to increase their support for youth education and specifically target marginalized/vulnerable young people and those living in marginalized communities.

School Attendance

The deteriorating quality of education available in the county was a cause for concern. In addition, respondents said that since the start of oil exploration in the region, the rate of school drop-outs had grown by about 1%. This is significant if you consider that 70% of young people are not in school anyway. Teachers reported that most of the students were leaving school to search for work opportunities in the oil sector. They complained that many of these young people end up being exploited as poorly paid labourers, or even as child prostitutes.

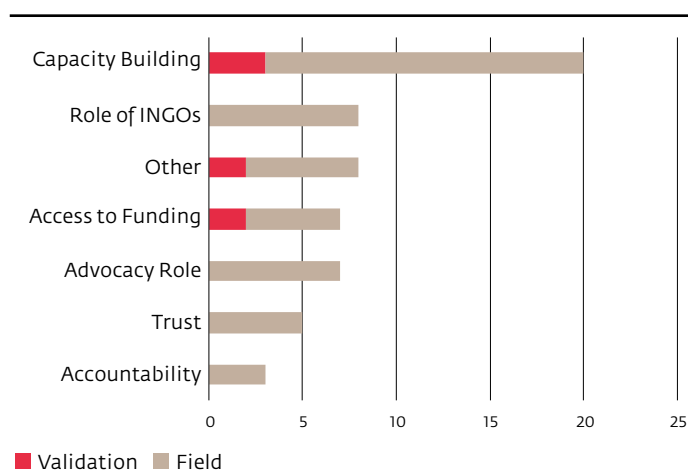
Illiteracy

Communities acknowledged the high illiteracy rate across Turkana County. Moreover, there is a strong belief that if nothing is done to improve literacy levels, local people will not be employed by oil companies and will find it difficult to benefit from the resources of their land. Communities feel that, so far, very little is being done to address the problem of adult illiteracy in the county and they believe that as part of the 'local content' hiring strategy, oil companies should contribute to efforts to increase literacy levels among the local people.

4.9 Civil Society

Sub-issues related to Civil Society include capacity-building of local CSOs, the role of international non-governmental organizations (INGOs), access to funding, CSOs taking on a community advocacy role, trust, and accountability.

Graph 4.9 Civil Society Sub-Theme Response Frequency



Capacity-building

At the time of the baseline study, no local CSO in Turkana County had a primary focus on petroleum or mining resource development in the county. So it is not a surprise that the efforts of INGOs are focused on local CSO capacity-building and funding – specifically on understanding issues and challenges connected with the extractive industries.

Advocacy Role

Requests for capacity-building also included requests for advocacy training. This would include teaching CSOs to be more proactive as advocates for local communities (including pastoralists), to be better coordinated and to plan for the future. Some CSOs in Lodwar felt that civil society needed to focus on selected issues rather than try to work too wide a range. This was linked to the idea that if local CSOs were to target specific themes rather than being generalist in nature, they would then be able to build up a satisfactory level of competence. In Askim, a community close to the ACS camp, respondents felt it was only faith-based organizations (notably the Diocese of Lodwar) that “provided information without fear” and that this was appreciated by the community and increased their trust in this specific type of CSO.

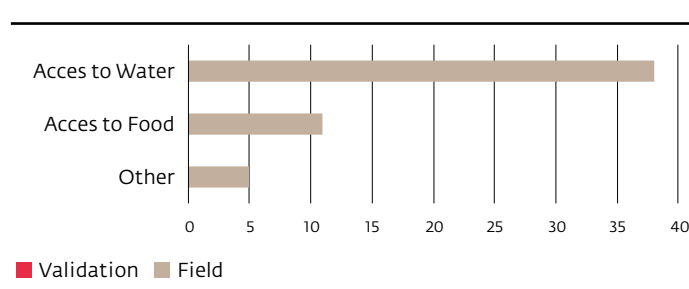
Trust and Accountability of Civil Society

While the need for increased access to funding for local CSOs was raised, so too were issues around trust and accountability. Some CSOs in Turkana South were particularly singled out for having poor accountability and “being only motivated by money... CSOs get funding but are then using it inappropriately.” This perception among some community members, along with a sense that a number of CSOs are interested in getting benefits from the oil companies for themselves, is affecting communities’ trust in civil society. Consequently, communities are generally more open to INGOs, which they perceive as more independent and operating with higher levels of accountability and trust.

4.10 Food and Water

Despite not being raised during validation workshops, the issue of access to Food and Water had a response frequency that gives it a high priority significance level.

Graph 4.10 Access to Food and Water Sub-Theme Response Frequency



Access to Water

All communities in Turkana County face serious problems in accessing water. This is acutely felt by pastoralist communities living more than a one- or two-day walk from Lake Turkana. Pastoralist communities explained that drought conditions have persisted for the past three years or so – a period that coincides with the first years of oil exploration activities, which leads to speculation about the connection between the two. Currently it is recognized that government, CSOs, and more recently oil companies are all playing a role in helping to increase access to potable water across the county by drilling water wells and constructing water pans in key locations. However, communities are adamant that what has been done to date is not adequate and regulation regarding the use of these facilities is too strict. There is also some concern about the quality of the water storage tanks provided by the oil companies: community members say it is only a matter of time before the strong sunlight degrades the plastic and the tanks crack.

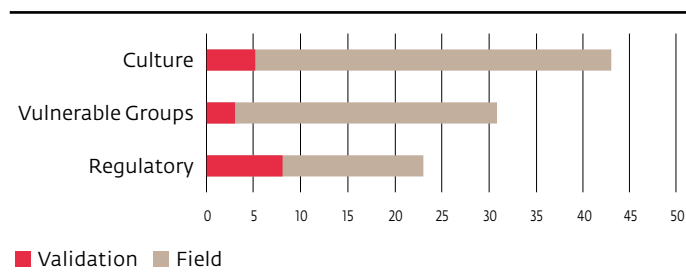
Access to Food

The issue of food security focused on the disparity in food availability: the communities see that the oil companies appear to have plenty of food and water while they themselves suffer despite living alongside them: “People are suffering for hunger and we have to watch the Tullow camp bury and burn leftover food.”; “CLOs chase the children away, who are looking for food near the camp – these are mostly orphans as a result of the raids.”

In addition, community members are worried about population growth as a result of an influx of people into the region, creating additional strain on already scarce water and food resources. Responses included concerns about the numbers of livestock being slaughtered to feed the influx of people and the fear that the demand for meat will result in over-culling and the extinction of the pastoralist herds.

4.11 Culture, Vulnerable Groups and Regulatory Process

Graph 4.11 Culture, Vulnerable Groups and Regulatory Process Theme Response Frequency



Culture

Responses related to culture were almost entirely focused on issues that could potentially damage the traditional pastoralist way of life. Turkana residents feel that their displacement from certain land, restricted access to grazing lands, the influx of outsiders, and the temptation to leave traditional occupations for the opportunity to work for the oil company, are all potential issues that could have a negative impact on the traditional nomadic pastoralist life. There was also anxiety about the possibility of people abandoning their rural lifestyle for an increasingly popular urban lifestyle. Contributing to this are an increased sense of community vulnerability in the rural villages, the influence of different values coming from outside, and the marginalization of pastoralists as the county develops around them without proper consultation. The responses reveal two contrasting perspectives: some people feel the loss of the pastoralist lifestyle is inevitable, while others feel there is still the opportunity to protect this traditional way of life. An element common to these two perspectives, however, is that the oil industry's influence and impact on the pastoralist lifestyle has already started.

Vulnerable Groups

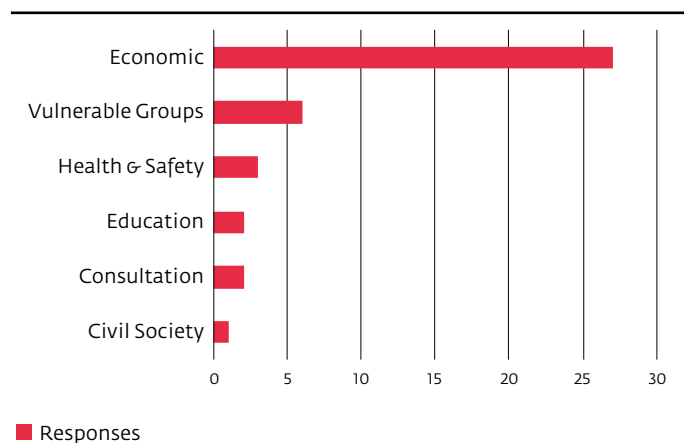
Respondents' concerns around vulnerable groups focused on two central sub-themes: people living with disabilities, and the safety of women and girls – the latter issue is discussed in the gender section below. The predominant concern relating to people with disabilities was the fact that they have little chance of taking up any of the opportunities offered by the oil and gas sector, particularly if they are not properly consulted and if they were not given special consideration. This group of Turkana residents are in need of everything, from basic training in life skills to access to transport. As one respondent from Lokichoggio said, “the vulnerable really have no help socially or economically.

Regulatory Process

The most significant concern regarding the regulatory process in Turkana County is the use of land by the oil companies. Communities are very worried that no regulatory or legislative process is being followed when permits are given for exploration activities and land tenure is granted. This concern arises from the belief held by a number of community members that the passing of much-needed new legislation on land and mining has been delayed at the level of national government. Across Turkana County, there is a serious lack of understanding of the current regulatory framework and legislative policies on land tenure and the land acquisition process, and of the status of the relevant legislation. Given this situation, many community members and leaders believe that the oil companies did not obtain rights to the land in a proper manner, i.e. they see the companies' activities as land-grabbing without consultation or compensation. A general lack of trust in government also contributes to the idea that the oil companies, through their relations with government officials, are able to influence regulations regarding land. This also leads to the notion that the government will be unable to effectively and meaningfully manage the resources responsibly. A member of the Eliye Springs community best summarizes the overall sentiment: “Communities want mutual cooperation between the national government and the oil companies. They need to speak the same language to us – to come with clear policies and legislation regarding the oil, the land and the water – so that there can either be shared success or shared failure.”

4.12 Gender

Graph 4.12 Themes Where Gender-Related Responses Were Raised



Equality of Opportunity

Some respondents were concerned about whether women have equal access to economic benefits from the oil sector. Issues raised include equal opportunity for employment, business development through the winning of contracting and services tenders, and ‘affirmative action’ type initiatives that give women opportunities to train for jobs or for becoming entrepreneurs.

Social Immorality and the Safety of Women and Girls

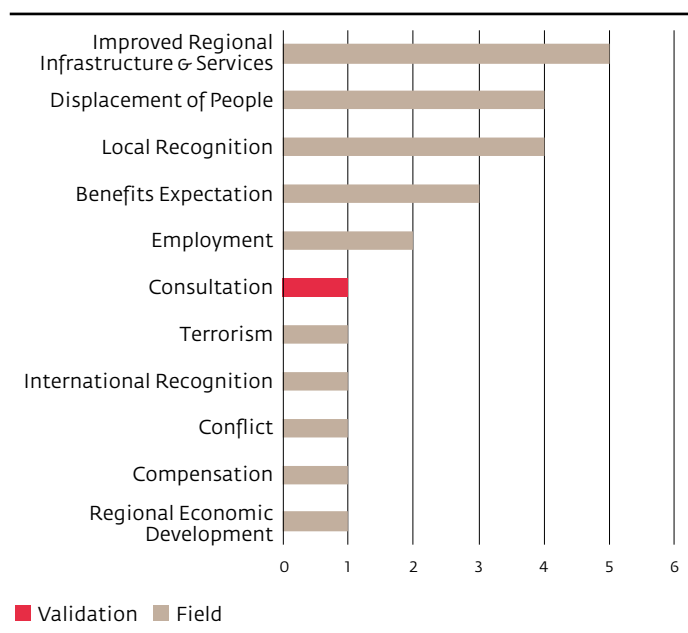
Community members and leaders expressed grave concern over the perceived increase in socially immoral activities and behaviour. Social immorality, it was determined through interviews, is understood to specifically include prostitution, drug use (both alcohol and other drugs), child labour, divorce and corruption. Respondents reported the worrying fact that, increasingly, these various social phenomena are having a harmful effect on young people and children – notably with regard to younger girls getting involved in prostitution and the general growth in child labour.

A women's group representative in Lokichar suggested that employees (particularly male employees) should be given more frequent leave so that they could return home from camp, because this might curb the growth of the prostitution industry as well as limiting the number of divorces. Moreover, women working at the camp should be permitted to return home each evening so as to be in a safer environment. Linked to the perception that prostitution is a growing problem is the fact that both community members and health workers are worried about the increasing spread of sexually transmitted diseases such as HIV/AIDS.

The average resident in Turkana has a very limited understanding of the Lamu Port–South Sudan–Ethiopia Transport corridor (LAPSSET) project – if indeed they have heard about it at all. The majority of respondents on this theme are community leaders or those working in civil society. Those who had some knowledge of this project had acquired it mostly through newspapers and television news. Given that LAPSSET is a mega-infrastructure project, it is not surprising that there are high expectations for its potential to improve regional infrastructure, boost economic growth, attract investors, create employment and help the flow of goods and people across the region. Concerns were expressed about a number of issues, including the displacement of people and destruction of properties, the risk of possible terrorism from extremist groups, and an increase in regional and international conflict, or even outright war with neighbouring countries. Some feared that crude oil leakage from buried pipelines could lead to land and water pollution. The communities expressed an interest in knowing more about this project and stressed the need to be consulted before the project was initiated.

4.13 LAPSSET

Graph 4.13 LAPSSET Response Frequency

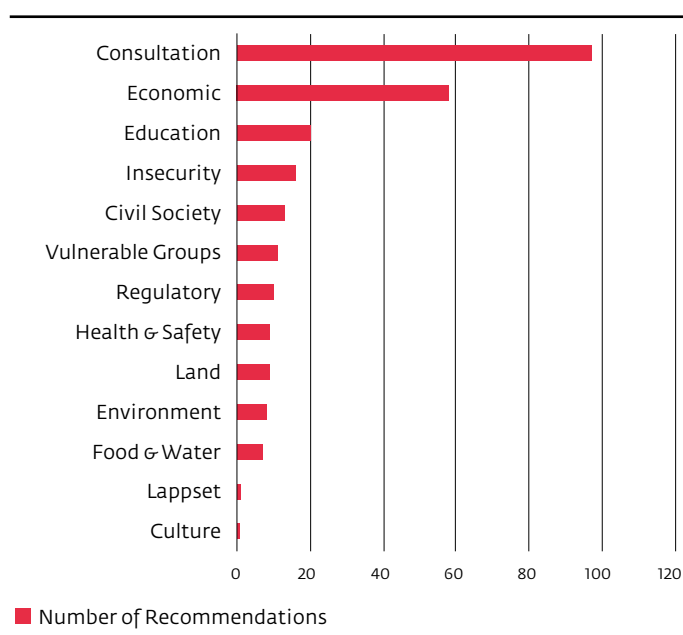


5. RECOMMENDATIONS

5.1 Recommendations Identified in the Data Set

During the field research and validation workshops the assessment team collected 259 recommendations across 13 themes:

Graph 5.1 Recommendations Identified by Respondents



Recommendations related to consultation were highest in both frequency (97) and in repetition (several recommendations were similar in nature/not unique). Economic issues followed as a notable second theme with a frequency of over 50. All other themes registered less than 25 recommendations each.

5.2 Key Thematic and Stakeholder Recommendations

Making the oil and mining sector in Kenya more transparent, accountable and ultimately more beneficial to all citizens, including in Turkana County, requires the implementation of a whole raft of laws, policies, regulations and recommendations already outlined in several recent reports.⁷⁵ Here we focus on those issues that local Turkana communities care about most. Based on the main findings described in the previous chapter as well as the three high priority issues identified by the respondents, the following are our thematic and related key stakeholder recommendations:

1. Improve Communities' Participation in Decision-Making on Extractives Projects

A formal consultation process should be agreed on by all stakeholders in order to clarify responsibilities and manage expectations. This process needs to be based on engagement strategies that are culturally appropriate and sensitive. Associated with this is the need to help local communities become more knowledgeable about not just the activities of the extractive industry, but also the impacts that these activities can have. This will help mitigate stress in the communities and reduce the spreading of incorrect information.

The national government and Turkana County government are strongly advised to step up its efforts in community engagement if it wants to manage expectations and growing tensions among local communities around oil exploration and other related infrastructure development, and deliver on its Vision 2030 and constitutional mandate. There are various ways in which the national and Turkana County governments could do this; for example, they should:

- listen better to local communities, be more proactive and take responsibility for the community entry and consultation process, and/or accompany company representatives during community meetings;
- develop, on the basis of the existing Public Participation Guidelines issued by the Ministry of Devolution and Planning, more specific guidelines for community consultation around oil, gas (and mining) projects, in line with the principles of free, prior and informed consent (FPIC);
- facilitate the establishment of an independent grievance mechanism (for example by opening up a local office of the Commission on Administrative Justice or 'Ombudsman') that complements existing company grievance mechanisms;
- harness the practical knowledge and experience of Turkana-based professionals, local and international (civil society) organizations in working with local communities, to increase the understanding of those communities about oil, gas and mining projects and their various impacts;
- adopt legislation on community land that facilitates the award of title for communal land, regulates land access to communal land by third parties (including oil companies) and spells out how local communities should be compensated for loss of land or related resources.

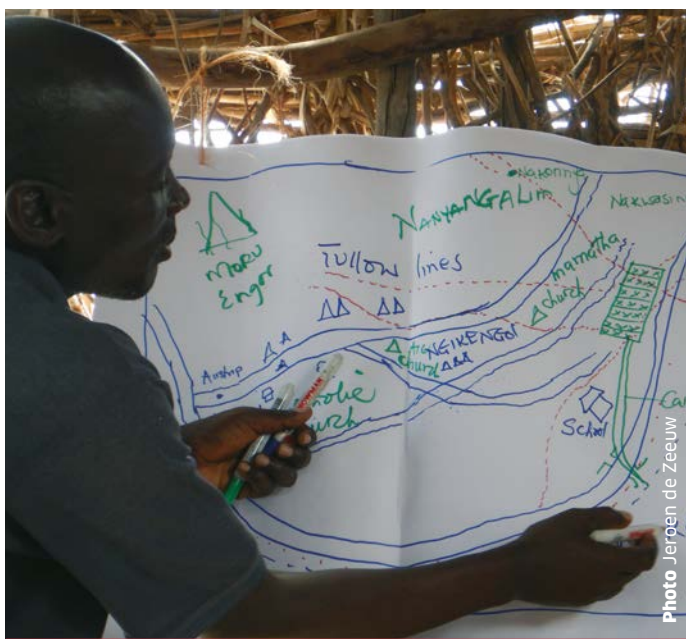
The private sector, in particular oil companies and their subcontractors, are advised to develop a more systematic community engagement strategy that improves the quality and frequency of community consultations. Dealing with a legacy of problematic and in some cases hostile company-community relations requires putting in place new structures and people to allow for a 're-set' of the currently fraught relations between companies and communities. This implies that they should (among other things):

- replace the DACs, CLCs and other non-transparent and exclusive mechanisms with non-partisan community consultation forums that are more representative of different community stakeholder groups;
- complement regular meetings with local CLOs with occasional visits by more senior management staff (including company directors) to give the opportunity for consultation with (representative) community leaders at a higher level;
- improve the current (company) grievance mechanism to make it more understandable, accessible and efficient for local communities;
- work together with local government and local CBOs to increase local communities' understanding of oil, gas and mining projects and their various impacts;

- professionalize the FSEO team (in particular the ‘front office’ CLO and public affairs officers) to ensure more effective (two-way) communication, and make their roles more transparent and accountable to other stakeholders, particularly local communities;
- develop a more constructive long-term relationship and create true ‘shared values’ with local communities, through community development agreements that allow local communities to formulate and take responsibility for their own needs, priorities and development goals.

Civil society should become more proactively involved in community consultations by facilitating delivery of civic education and technical knowledge on extractive industries in an appropriate format for local communities and (county-level) government.

- This requires local, Turkana-based CSOs to listen more to and articulate better the concerns and needs of local communities, help them develop more inclusive representation structures, build trusted relationships with community leaders and local government representatives as well as developing more evidence-based lobby and advocacy strategies;
- National CSOs can assist local CSOs by helping to ‘translate’ relevant technical and policy documents (including laws, international standards and best practices) into language that is easier to understand for local communities, and by developing specific tools for community training, participatory monitoring of oil exploration impacts, and community participation;
- Local CSOs and international NGOs should pool financial and human resources to enhance local capacity to organize and to influence;
- Civil society, particularly at county and community level, can play a useful role in improving community access to grievance mechanisms, facilitating dialogue and/or (development) partnerships between local communities and the private sector, without jeopardizing its independent, watchdog role.



Community mapping in Kangatit.

2. Manage Expectations and Be More Transparent about Employment and Business Opportunities, Compensation and Social Investment

A concerted effort is needed from all key stakeholders to manage the (unrealistically) high expectations of local communities with regard to employment and business opportunities as well as ‘compensation’ related to oil activities and impacts. It should be made clear that the oil sector is a capital-intensive industry, with limited (low-skilled) job opportunities, except during the (short) construction phase. Employment and business opportunities are mainly concentrated in the supply chain (i.e. contractors) of oil companies, but the extent to which local (i.e. Turkana-based) entrepreneurs can benefit from these opportunities depends on the quality, scale and timeliness of the goods and services they can provide.

Government, both at national and Turkana County level, has an important role to play in managing community expectations and creating a conducive business environment that allows the private sector to train and hire local staff and invest in local businesses. Moreover, according to the 2010 Constitution it is the government’s responsibility to invest in basic social services – including not only health, education, and water and sanitation, but also road infrastructure and electricity – that allow local communities to lead a healthy, productive life and contribute to a thriving local economy. To this end, government should:

- develop a comprehensive local content policy, strategy and legislation with safeguards against rent-seeking and corruption;
- put in place affirmative action programmes to ensure that minorities and marginalized groups are provided with special opportunities for access to employment and opportunities in economic fields, in line with Article 56 of the Constitution;
- fulfil its duty to channel its revenue from taxes, royalties and other sources of income to productive investments and the delivery of basic social services to local communities in a non-partisan manner;
- involve local communities in the design, planning and delivery of development projects in a way that takes into account their different contexts, interests and capacities;
- develop regulations for land access, including appropriate compensation processes and packages that represent fair value for loss and/or damage of community resources, including land;
- put in place transparent mechanisms for compensation and benefit-sharing;
- provide appropriate oversight and ensure that the tendering, contracting and procurement processes are transparent and follow appropriate rules and regulations;
- work with the private sector to provide a realistic picture of the employment and business opportunities in and around the oil sector when engaging with local communities and businessmen/women.

The private sector, in particular oil companies and their subcontractors, should:

- clarify the employment, local contracting, and tender award processes as well as the compensation process for land use, land loss and (negative) impacts;

- ensure that tendering and contracting processes are fully transparent and not influenced by political interests;
- communicate transparently about the tendering and contracting of social investment projects and design and implement only those projects that meet local demands and that have been conceived using a consultative community-driven development process (where possible include community contracting);
- invest more in vocational and entrepreneurial skills and business development training that allows local communities to benefit from employment and business opportunities in the wider oil sector supply chain;
- take into account the long-term effects of their recruitment policies and be more proactive in managing expectations of their local employees and host communities.

Civil society should:

- build its research skills and capacities to monitor the awarding and implementation of private sector and government contracts as well as the development, allocation and implementation of government budgets and projects. Any lobby and advocacy activity should be evidence-based and aimed at improving service delivery to local communities;
- assist in managing expectations around employment, business opportunities, and compensation by educating local communities about the specific nature of the oil industry;
- help government and the private sector to design appropriate and inclusive mechanisms for the sharing of benefits from the oil and gas sector at community level, including the development of community development trusts, foundations and funds.

3. Help Local Communities Feel Safe and Secure Again

Local communities in Turkana County attribute a significant part of their insecurity to increased competition with neighbouring tribes over land and other natural resources, including oil, water and geo-thermal energy. They feel increasingly vulnerable because the national government is absent and the KPRs (the traditional community protection force) are being employed by the oil companies. If community fears over losing land and livelihoods are not handled in a careful and timely manner, they are likely to lead to growing resentment and (armed) violence against investors. This could trigger a forceful response from the Kenyan government. Tensions in exploration areas in Turkana County can be reversed by constructive engagement between local communities, county and national government, and the oil companies.

The government, particularly at national level, should prioritize insecurity issues in Turkana County and along its national and international boundaries. Specifically, the government should:

- develop a *comprehensive community-policing strategy* that puts safety of civilians first and provides adequate protection to local communities in resource-rich areas like Turkana County. The (national) government is responsible for maintaining the security of oil company assets, but this should never come at the expense of its constitutional duty to protect citizens against any internal and external threats;

- combine a systematic and above all *balanced approach towards (voluntary) disarmament of local communities with the provision of adequately trained, equipped and paid police forces* – where necessary including KPRs – with appropriate logistical support that allows them to reach and protect even the remotest communities in Turkana County;
- invest in the *follow-up and implementation of recommendations of past peace conferences, accords and devolution process agreements*. The establishment of County Peace Forums (CPFs) in Turkana and West Pokot could play a key role in engaging in constructive dialogue with authorities in neighbouring areas if there is clarity about their roles and responsibilities vis-à-vis the national government and national security providers;
- *hold to account the individuals who are found to be inciting conflict and/or supporting (cattle-raiding) attacks among local communities;*
- sign up to and implement the *Voluntary Principles on Security and Human Rights*, which provide a multi-stakeholder platform for mutual learning and joint problem-solving around human rights and conflict prevention in the extractives sector with other governments, oil, gas and mining companies, and NGOs.

The private sector, in particular oil companies and their subcontractors, are advised to:

- refrain from recruitment of KPRs and instead *provide support to and/or help train professional security staff from (county) government, particularly on community policing, human rights, and community-friendly asset protection (of critical infrastructure);*
- develop *employee exit packages and grievance mechanisms* and communicate these to relevant staff to better manage expectations and avoid tensions, road blocks and other work disruptions by disgruntled employees or local communities;
- conduct *joint risk assessments* with representatives from (county) government, civil society and local communities to create a better understanding about different security interests among key stakeholders.

Civil society is requested to:

- continue its *peace-building efforts* between various local communities as well as to *develop new and culturally appropriate approaches to conflict resolution and mechanisms for dialogue*.

4. Reduce Tensions and Build Trust by Investing in Multi-Stakeholder Dialogues

Finally, it is clear there is need for *more collaboration between the various stakeholders*. **Government institutions at both county and national level** need to communicate better, particularly when it comes to licensing of oil contracts, security, participation of local communities in development planning and the formulation of transparent and equitable benefit-sharing mechanisms. **Members of parliament and members of county assembly** should take their representative duty more seriously by consulting local communities on a more regular and inclusive basis, and by taking their views into account when developing or discussing new legislation. The **private sector, including oil companies and all their subcontractors**, should improve their stakeholder engagement approach, by listening to communities' concerns, operating and contracting

transparently, and tailoring communication messages to the specific cultural and developmental context of Turkana County. **Civil society organizations** should collaborate on research, lobbying and advocacy, and on constructive engagement with other stakeholders. To improve ‘value for money’ and achieve a more tangible and sustainable impact from development assistance, **international organizations and institutional donors** should invest in community engagement programming that is well coordinated and focused on organizational capacity-building, and that prioritizes implementation at grass-roots/community level.

Multi-stakeholder dialogue should be expanded to the county and even community level, but should be preceded by well-coordinated investments in technical, organizational and leadership capacity-building so that all stakeholders (in particular local communities) can participate in such dialogue in an informed, inclusive and more effective manner. Only by sharing information transparently and inclusively and working together for common goals can stakeholders in Turkana county reduce tensions and build trust.

ANNEXE I – OVERVIEW OF RESPONDENTS

Interviews

NR.	POSITION	ORGANIZATION	LOCATION	DATE
1	Deputy County Commissioner	Turkana South Sub-County	Lokichar	25 Sept 2014
2	Assistant Chief	National Government	Lokichar	25 Sept 2014
3	Sample catcher	Tullow Oil	Lokichar	26 Sept 2014
4	Sub-County Administrator	Turkana South Sub-County	Lokichar	26 Sept 2014
5	Ward Administrator Lokichar	Turkana South Sub-County	Lokichar	26 Sept 2014
6	OCPD	Turkana South	Lokichar	26 Sept 2014
7	Communications Officer Communications Officer	Tullow Oil	Lokichar	26 Sept 2014
8	Member + Chair	Council of Elders Lokichar + Lokichar Community Justice Research Centre	Lokichar	26 Sept 2014
9	Manager	Kapese Transport and Car Hire	Lokichar	29 Sept 2014
10	Deputy Head teacher	Kekerisogol Primary School	Kekerisogol	29 Sept 2014
11	Acting Deputy Principal	Katilia Boys Secondary School	Katilia	30 Sept 2014
12	Deputy County Commissioner	Turkana East Sub-County	Lokori	30 Sept 2014
13	Senior Chief	Turkana East Sub-County / Lokori Location	Lokori	30 Sept 2014
14	Administrator	Turkana East Sub-County	Lokori	1 Oct 2014
15	Chair	Turkana East Persons with Disabilities	Lokori	1 Oct 2014
16	Communications Officer	Tullow Oil	Lokori	1 Oct 2014
17	Ward Administrator for Kapedo + Napeitom	Turkana East Sub-County	Lokori	1 Oct 2014
18	Ward Administrator for Lokori + Kochodin	Turkana East Sub-County	Lokori	1 Oct 2014
19	Member	District Advisory Committee (DAC)	Lokori	1 Oct 2014
20	Ward Administrator	Turkana North Sub-County	Lodwar	5 Oct 2014
21	Administrator	Turkana North Sub-County	Lodwar	6 Oct 2014
22	Area Chief	Lokitaung	Lokitaung	7 Oct 2014
23	Women representative Youth representative		Lokitaung	7 Oct 2014
24	County Drought Coordinator	National Drought Management Authority	Lodwar	27 Sept 2014
25	Women Advocacy Chairperson	Akinga Empowerment Initiative	Lokichar/Lodwar	25 Sept 2014
26	Programme Manager	International Organization for Migration (IOM)	Lodwar	25 Sept 2014
27	Chief Executive Officer	Ministry of Energy	Lodwar	26 Sept 2014
28	Development Officer	Diocese of Lodwar	Lodwar	26 Sept 2014
29	County Executive Secretary	Ministry of Pastoral Economy and Fisheries	Lodwar	26 Sept 2014
30	Leader	Abkiberun Aberu Women's Group	Lokichar	3 Oct 2014
31	Acting Headmaster	AGE Lokichar Secondary School	Lokichar	30 Sept 2014
32	Head Teacher	Karoge Primary School	Koroge	1 Oct 2014
33	Nurse	Lokichar Health Clinic	Lokichar	30 Sept 2014
34	Area Chief	Loperot	Lokichar	1 Oct 2014
35	Ward Administrator	Kakuma Sub County	Kakuma	26 Sept 2014
36	Sub County Administrator	Kakuma Sub county	Kakuma	26 Sept 2014

NR.	POSITION	ORGANIZATION	LOCATION	DATE
37	OCPD	Kakuma Sub County	Kakuma	25 Sept 2014
38	Social Engagement Advisor/ Community Liaison Officer	CEPSA	Lokichoggio	27 Sept 2014
39	Lokichoggio Ward Administrator	Lokichoggio Sub County	Lokichoggio	27 Sept 2014
40	Director of LOPEO	LOPEO	Lokichoggio	28 Sept 2014
41	Chief of Lokichoggio		Lokichoggio	28 Oct 2014
42	Businesswoman	Local Supplier to CEPSA	Lokichoggio	29 Sept 2014
43	Businessman	Local Supplier to CEPSA	Lokichoggio	29 Sept 2014
44	Community Liaison Officer	CEPSA	Lokichoggio	29 Sept 2014
45	Programme Officer	AMREF	Lokichoggio	29 Sept 2014
46	Programme Manager	World Vision	Lodwar	6 Oct 2014
47	Field Coordinator	International Rescue Committee	Lodwar	6 Oct 2014
48	Senior Revenue Officer	Turkana County Administration	Lodwar	7 Oct 2014
49	Community Liaison Officer	Save the Children	Lodwar	6 Oct 2014
50	Social Performance Manager Senior Public Affairs Advisor Social Impact Manager Asset Protection Manager	Tullow Oil	Nairobi	14 Oct 2014 30 Jan 2015 11 June 2015 19 June 2015
51	Operations Liaison Manager	CEPSA	Nairobi	19 June 2015

Focus Group Discussions

NR.	GROUP	NUMBER OF PARTICIPANTS	LOCATION	DATE
1	Youth + members of Ngi'konei theatre group	10	Lokichar	26 Sept 2014
2	Youth and pastoralists	12	Nakukulas	27 Sept 2014
3	Elder + Village Socialization Officers (VSOs)	7	Nakukulas / Lokicheida	27 Sept 2014
4	Elders + youth	15	Kangatit	2 Oct 2014
5	Lokori Catholic Women Group	6	Lokori	2 Oct 2014
6	Elders	6	Loperot	2 Oct 2014
7	Pastoralist community members	16	Kapese	1 Oct 2014
8	Pastoralist community members	12	Omookamar Village	1 Oct 2014
9	Pastoralist community members	23	Kangakipur 'B'	2 Oct 2014
11	Oxfam staff	4	Oxfam Lodwar	29 Sept 2014
12	Community elders	16	Songot	25 Sept 2014
13	Pastoralist group	26	Songot	26 Sept 2014
14	Elderly women group	28	Songot	25 Sept 2014
15	Female youth group	27	Songot	26 Sept 2014
16	Male youth group	24	Natir	27 Sept 2014
17	Community elders	13	Natir	27 Sept 2014
18	Community elders	15	Nanam	1 Oct 2014
19	Youth group	22	Kerio	5 Oct 2014
20	Community elders	12	Kerio	5 Oct 2014

Community Discussions *(too large to be considered focus groups)*

NR.	GROUP	NUMBER OF PARTICIPANTS	LOCATION	DATE
1	Eliye Springs	84	Eliye Springs Village	6 Oct 2014
2	Lobolo	58	Lobolo Village	7 Oct 2014
3	Elders + chief + youth	40	Nakukulas	27 Sept 2014

Validation Workshops

NR.	GROUP	NUMBER OF PARTICIPANTS	LOCATION	DATE
1	Representatives from government, oil companies, civil society and local communities	69	Lokichoggio	24 Nov 2014
2	Representatives from government, oil companies, civil society and local communities	57	Lokichar	26 Nov 2014
3	Representatives from government, oil companies, civil society and local communities	51	Lodwar	28 Nov 2014

NOTES AND REFERENCES

- 1 Quote from a community representative during a focus group discussion in Nakukulas, Turkana South. The camel (an important animal for Turkana pastoralists) here refers to the oil in the subsoil of Turkana County.
- 2 The material in this section is derived from a number of sources, including Danish Demining Group (DDG) (2015) Conflict Assessment 2014. Northern Kenya and Somaliland; Kenya Civil Society Platform on Oil and Gas (2014) Setting the Agenda for the Development of Kenya's Oil and Gas Resources – The Perspectives of Civil Society (Nairobi: KCSPG), pp.14–18; Tullow Oil (2014) Tullow Kenya Profile (Nairobi: Tullow Oil); Rift Valley Institute (2013) LAPSET: Transformative Project or Pipe Dream? Debating the Opportunities and Dangers of a Transnational Megaproject (Nairobi: RVI); National Oil Corporation of Kenya, Opportunities for Oil and Gas Exploration in Kenya, available at: <http://www.nationaloil.co.ke/site/3.php?id=2>; and US Energy Information Administration (EIA) Emerging East Africa Energy, Kenya, pp.16–18, available at: <http://www.eia.gov/beta/international/regions-topics.cfm?RegionTopicID=EEAE>
- 3 A response is here defined as an answer from a single respondent to a particular question. In total the research team collected 1,543 'responses' from: 52 people interviewed (respondents often provided multiple 'responses' to a single question); 294 people engaged in focus group discussions; and 359 people interacted with in larger community meetings during the field work and the validation workshops. 'Responses' were collected from all stakeholder groups and locations visited.
- 4 This chapter draws on the report of the Kenyan Civil Society Platform on Oil & Gas (KCSPG) (2014) Setting the Agenda for the Development of Kenya's Oil and Gas Resources – The Perspectives of Civil Society (Nairobi: KCSPG).
- 5 Chapter One – Sovereignty of the People and Supremacy of this Constitution, Constitution of Kenya, 2010.
- 6 Article 260 of the Constitution defines natural resources as "[p]hysical non-human factors and components, whether renewable or non-renewable, including (d) rocks, minerals, fossil fuels and other sources of energy".
- 7 Article 260, Constitution of Kenya, 2010 (emphasis added).
- 8 Article 62 (1)(f), Constitution of Kenya, 2010.
- 9 Article 62 (2), Constitution of Kenya, 2010 and Article 67(1), Constitution of Kenya, 2010.
- 10 Petroleum (Exploration, Development and Production) Bill, 2015.
- 11 Article 69 (1)(a), Constitution of Kenya, 2010 (emphasis added).
- 12 Article 202 (1), Constitution of Kenya, 2010.
- 13 Petroleum (Exploration, Development and Production) Bill, 2015 as at 30 May 2015.
- 14 Total revenue is typically shared between the government and the contractor in proportions that are contained in the production sharing contract (PSC). The share of revenue that goes to the national government, the county government and the local community is therefore calculated from the government share of revenue.
- 15 The Commission on Revenue Allocation is an independent commission set up by Article 215 of the Constitution with the mandate to ensure equitable distribution of revenue raised nationally between the national and county governments and among the county governments. See: www.crakenya.org
- 16 The draft bill defines "local community" as a sub-county or sub-counties in which an upstream petroleum resource is exploited.
- 17 Section 93 (4), Petroleum (Exploration, Development and Production) Bill, 2015.
- 18 Section 95, Petroleum (Exploration, Development and Production) Bill, 2015. See also, National Sovereign Wealth Fund Bill, 2014.
- 19 Article 71(1)(a), Constitution of Kenya. The Constitution does not define "transaction" and a recent attempt by the Senate to draft enabling legislation for this constitutional imperative – Agreements Relating to Natural Resources (Ratification by Parliament) Bill, 24 March 2015 – does not define "transaction" either.
- 20 Paragraph 7(d), Executive Summary, National Energy and Petroleum Policy, 2015, p. 13.
- 21 Section 121, Petroleum (Exploration, Development and Production) Bill, 2015.
- 22 Article 42(a), Constitution of Kenya.
- 23 Section 3(1), Environment Management and Coordination Act, 1999: "Every person in Kenya is entitled to a clean and healthy environment and has the duty to safeguard and enhance the environment."
- 24 See for example the prohibition of flaring (with a few exceptions) in Section 99 of the Petroleum (Exploration, Development and Production) Bill, 2015; Article 32.8 of the Model Production Sharing Contract, 2015.
- 25 Section 7, Environment Management and Coordination Act, 1999 (Revised 2012).
- 26 Section 9(1), Environment Management and Coordination Act, 1999 (Revised 2012).
- 27 Turkana County Government (2013) First County Integrated Development Plan, 2013/14 – 2017/18, p. xxiii and pp. 1–5.
- 28 Ibid., pp. 5–10.
- 29 Kenya Integrated Household Budget Survey (KIHBS), 2005/6 Basic Report. See also: <https://www.opendata.go.ke/Poverty/District-Poverty-Data-KIHBS-2005-6/pnvr-waq2>
- 30 Food Economy Group (FEG) (2012) Livelihood Profiles. Six Livelihood Zones in Turkana County, Kenya. Report Prepared for Oxfam and Save the Children UK, p. 10.
- 31 Feedback from several respondents during our field research September–October 2014. See also: <http://www.irinnews.org/report/95547/kenya-oil-hope-and-fear>
- 32 Turkana County Government (2013) First County Integrated Development Plan, 2013/14 – 2017/18, p. 37.
- 33 Food Economy Group (FEG) (2012) Livelihood Profiles. Six Livelihood Zones in Turkana County, Kenya. Report Prepared for Oxfam and Save the Children UK, pp. 17–21; Gregory Akall (2012) Changing Landscapes and Livelihoods in Turkana, Kenya (Cambridge University).
- 34 See Gregory Akall (2012) Changing Landscapes and Livelihoods in Turkana, Kenya (Cambridge University); <http://www.truth-out.org/news/item/29845-wind-powers-green-growth-in-kenya-but-for-whom>
- 35 The term Karamoja Cluster was introduced by the British colonial administration in order to define a set of distinct ethnic groups from a shared origin and with similar dialects, living in the territory that had been divided by the borders of Uganda, Kenya, Ethiopia and Sudan.
- 36 Mkutu, K. A. (2008) Guns & Governance in the Rift Valley, Pastoralist Conflict and Small Arms, African Issues, (Oxford: James Currey), p. 13.
- 37 Mkutu, op. cit., p.13; Pkalya R. (ed.) (2011) Combating the Problem of Small Arms in Northern Kenya: Case Studies and Testimonies of the Pastoralist Communities, Armed Violence and Small Arms Reduction in Pastoralist Communities in Kenya. A Joint UNDP Kenya and Government of Kenya (Arid Lands Resource Management Project II) Initiative, p. 4.
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- 39 Odhiambo, M. O. et al. (2012) Impact of Conflict on Pastoral Communities' Resilience in the Horn of Africa. Case studies from Ethiopia, Kenya and Uganda (RECONCILE and FAO), p. 36.
- 40 Mkutu, op. cit.
- 41 Small Arms Survey and Danish Demining Group (2012) Security Provision and Small Arms in Karamoja. A Survey of Perceptions; Small Arms Survey (2010) Symptoms and causes, Insecurity and underdevelopment in Eastern Equatoria.
- 42 Wepundi, M. et al. (2012) Availability of Small Arms and Perceptions of Security in Kenya: An Assessment (Geneva: Small Arms Survey), p. 47.
- 43 Wepundi et al., op. cit., pp. 41–42.
- 44 Mkutu, K and G. Wandera (2013) Kenya Police Reservists: Challenges and Opportunities (Geneva: Small Arms Survey).
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- 46 Hinton, J. et al. (2013) The Mining and Minerals Sector in Karamoja Region: Development Opportunities and Constraints (Ecological Christian Organisation).
- 47 DDG interviews with local community representatives and community-based organizations in Lokichar and Lodwar, February and October 2013.
- 48 Saferworld Report, May 2011, p. 15.
- 49 Wepundi, M. et al. (2012) Availability of Small Arms and Perceptions of Security in Kenya: An Assessment. Small Arms Survey Special Report, pp. 15, 16, 41.
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- 52 Information derived from Tullow Company Profile 2015, available at: www.tullowoil.com
- 53 Information derived from: www.africaoilcorp.com
- 54 Information derived from: www.cepsa.com
- 55 Information derived from: www.erhc.com
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- 69 The term 'host community' here refers to a community living in the direct vicinity of an area where oil is being explored and/or has been found.
- 70 Based on interviews with community members in Lokichar and county government officials in Lokichar and Lodwar.
- 71 Focus group discussion with 12 young people and pastoralists in Nakukulas, 27 September 2014.
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