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AVOIDING THE RESOURCE CURSE: THE CASE OF TURKANA OIL IN KENYA

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Abstract

After many years of exploratory activities, commercially viable deposits of oil were discovered in Kenya in March 2012 and this raised a lot of expectations in the country that fortunes were going to change for the better because petro-dollars will start flowing in. The excitement was more pronounced in Turkana County of north western Kenya where the "black gold" was discovered because being arid and remote, the area had suffered from marginalization by successive governments since the country's independence in 1963. With the discovery of oil, Turkana residents felt that it was a new dawn that would bring tremendous change to their long neglected corner of Kenya once exports commence in June 2017. The paper will attempt to look at the impact of the discovery of oil in Kenya and make suggestions on how the resource can be exploited for the benefit of the nation. Contrasting case studies are cited of countries that have benefited or suffered from their oil wealth. The conclusion is drawn with a call for equitable distribution of Kenya's newly found source of wealth.

Key words: oil, Tullow, Turkana, barrels, resource curse, benefit sharing formula, Niger Delta

Oil Exploration in Kenya

The search for oil in Kenya has been going on for a long time, with the first exploratory activity having commenced in 1954 following the signing of an agreement between the then colonial government and Shell Oil Company (Kenya National Assembly, 1999) and consequently the first well was drilled in 1960 on the Lamu Coast. The history of oil exploration in Kenya has and continues to be dominated by foreign companies such as Shell, BP, AMOCO, AGIP, Petronas, Exxon, Chevron, Mobil and Total (Purcell, 2014). Over the years there have been several indications of possible discoveries of oil but whatever was found proved not to be commercially viable. Hopes of striking commercial quantities of the “black gold” were finally fulfilled in March 2012 when the British firm, Tullow Oil discovered huge deposits of crude at the Ngamia-1 well in Lokichar Basin of Turkana County in north western (*I have separated the two words*) Kenya. Later on in January 2017 further deposits were discovered bringing the total of proven reserves to 750 million barrels with the company expressing further hopes that the figure might hit and even surpass the 1 billion mark. The discovery of additional oil by Tullow at Emekuya -1 well in May 2017 made it clearer that Kenya had more of this commodity than previously thought (Tullow, 2017, *Business Daily*, 18/05/2017). At the time of Tullow’s discovery in 2012, a total of 44 wells had been sunk in Kenya. There are four petroleum exploration basins in Kenya namely, Lamu, Anza, Mandera and Tertiary Rift (http://www.energy.go.ke) and the latter is where Tullow struck the findings. The discovery of oil in Turkana aroused interest from other exploration companies leading the government to increase the number of blocks from the then 46 to 63 in 2016 so as to allow more players in the field (Reuters, May 16, 2016). Exploratory activities are still going on in other blocks and it is possible more deposits are likely to be discovered in the foreseeable future.

Kenya relies on oil mainly from the Middle East for her energy requirements and in 2016 a total of 4.9 million tons of petroleum products were imported into the country at a cost of Kshs 197.5 billion (KNBS, 2017) but with the Turkana oil it is expected that in the long run the import bill will reduce drastically because the country will export its oil for refining and bring it back thereafter. Kenya’s oil refinery at Kilindini in Mombasa stopped operations in 2013 and will now be used as storage rather than a refining facility (*Sunday Nation*, 21/02/2016).

High Expectations

The discovery brought a lot of excitement and expectations that among other things, the country will stop relying on imports of oil with all its attendant challenges but perhaps more importantly, Kenya’s economy will improve due to petro-dollars that would start flowing in once the country joins the league of oil exporting nations. It was further expected that the price of oil in Kenya will go down, and with it the cost of other goods and services given the critical role of oil in virtually all human activities. Low prices of goods and services would consequently lead to a relatively high purchasing power for the people and general improvement in standards of living. These are very big if not wild expectations and the government has an unenviable task of managing them without causing disaffection among the populace. The manner in which these expectations are handled will determine whether or not Kenya will become yet another African example of where a natural resource becomes a curse rather than a blessing. According to the Resource Curse Theory, also known as the paradox of plenty, economies of countries that are rich in natural resources tend to grow at a slower pace and are prone to conflict compared to those that are starved of resources (Sachs, 1995; Girod, 2009**;** Majalla, 2012). They manifest poor governance, less democracy, a low level of social economic development, extreme levels of corruption and greater political violence (Di John, 2010) partly because no mechanisms were put in place to ensure rational exploitation of the resources.

The Turkana Situation

People of Turkana County where the oil was discovered were particularly hopeful that their locality will be transformed for the better. Turkana is the second largest county in Kenya with an area of 68,680 km^2 and a population of close to one million people (http://www.turkana.go.ke). The land is arid and experiences periodic droughts that lead to famine but with little serious effort from the government to address this grave situation. Non Governmental Organisations (NG0s) like the Kenya Red Cross Society have been very active with their intervention measures but what the government has been doing is to give food aid when the drought and famine situation have reached disastrous proportions instead of initiating sustainable strategies that will enable the region to be food-secure without necessarily relying on rain-fed agriculture. High rates of malnutrition are common and deaths from lack of food have also been reported. Being nomadic pastoralists, the Turkana have high regard for livestock particularly cattle, donkeys, camels and goats which are also their principal source of food and wealth (www.kenya-information-guide.com/turkana-county). Apart from livestock trade and fishing on Lake Turkana, there are virtually no other serious economic activities that take place in the area. Alleged neglect by successive governments since Kenya’s independence in 1963 have meant that the level of social economic development has remained woefully low compared to other parts of the country. Education, medical services and general infrastructure are at most rudimentary and at worst nonexistent – factors that made locals to regard themselves as not being part of Kenya. For instance if one were to arrive in Turkana from other parts of the country, he would be derisively asked “How is Kenya?" and those travelling from Turkana to other parts of the country would say “I am going to Kenya.” This perhaps explains better the bitter feelings of what locals believed to be the result of historical injustice that was sanctioned by what was perceived to be official marginalization of Turkana.

A report released in 2013 titled *Pulling Apart or Pooling Together* indicated that Turkana was the least educated county in Kenya with the locals being 7 times less likely to access secondary education (comma removed) compared to the rest of Kenyans (*Daily Nation*, 25/11/2013).

Added to this is the question of what are now regarded as outdated cultural practices in the form of cattle rustling, early marriages and subjugation of girls and women all of which have contributed to high levels of underdevelopment in Turkana. As stated, the Turkana people are pastoralists who regard livestock as a principal indicator of one's wealth and over the years they have been periodically raiding their Marakwet and Pokot neighbours for "restocking" and also for water and pasture for their animals. These neighbouring tribes are also pastoralists who in turn launch retaliatory raids against the Turkana, leading to an endless cycle of violence, death and destruction. Traditionally cattle rustling was one of the ways through which newly initiated young men would "prove" that they had come of age by raiding livestock from the neighbouring tribes to be used in payment of bride price for their wives-to-be, with the weapons of choice being bows and arrows. With time however, cattle rustling is no longer a traditional practice but it has been commercialized to the extent that the stolen animals are transported to far off urban centers including Nairobi for slaughter. The practice has also been "modernized" in the sense that guns have replaced bows and arrows as the preferred weapons during the raids, and this has only increased the number of deaths resulting from cattle rustling expeditions. Guns and other small arms are easily available in the area, having been sourced from conflict-prone South Sudan, northern Uganda and the Oromo region of southern Ethiopia – all of which border Turkana – thereby worsening the state of insecurity.

The discovery of oil brought optimism among the locals that their livelihood would be improved to the extent that they will feel that Turkana is indeed part and parcel of Kenya. After enduring natural and man-made challenges for generations, oil was viewed as a God-given "exit strategy" that would liberate them from the endless cycle of human suffering and it is for this reason that the Turkana want a substantial portion of proceeds from this commodity to be used in transforming their county.

Export of Turkana Oil

Originally the oil was to flow from Turkana to the port of Lamu at the Kenyan coast through a proposed 865 kilometer pipeline that was to be a joint venture between the Kenya and Uganda governments because the later country also wanted to export her newly discovered crude using an extension of the pipeline from Eldoret in Kenya to the oil fields in the Lake Albert Basin. Through the pipeline, Kenya expected to pump out about 100,000 barrels of oil per day for export, mainly to China and India (*Business Daily*, 27/04/2017) but in 2016 Uganda suddenly opted out of the project and said they would build their pipeline running through Tanzania to the port city of Tanga along the

Indian Ocean, a development that caught Kenyan authorities off-guard, and in retaliation Kenya said it would still go ahead and put up the pipeline. It would have made more sense to have one pipeline serving the two countries due to advantages of economics of scale and the volume of oil being transported, but reasons other than economics seem to have driven the two countries separate ways. With continued weak global oil prices, the two countries may soon realize the financial pain of their individual decisions.

The country has been eager to export oil and the government put a deadline of June 2017 as the date when the first ever barrels of crude will be exported from Kenya's oil fields and to do this it put in place plans to move the commodity overland using road and rail transport, pending construction of the pipeline. Under what is known as the Early Oil Pilot Scheme (EOPS), the oil was to be moved by trucks over a distance of 285 kms from Turkana to Eldoret town from where it would be loaded on trains for the journey to the coast but the plan was dropped in favour of using trucks from the oil wells direct to the coast– a distance of over 1,089 kms of road to the port of Mombasa.

This is a decision that is very expensive to sustain (comma removed) from whatever angle it is looked at and doubts have been expressed about the wisdom of transporting oil for such a long distance overland with issues such as the risk of accidents, oil spills, security of the commodity and damage to roads by the huge custom-made tank-tainers being raised but the government vowed to continue with the project, a move that was seen to be politically motivated. The June 2017 deadline was not achieved because as the country prepared to commence exports, the state of insecurity around the oilfields and transport route worsened while Tullow workers could not even access two of the company's sites where 40,000 barrels of oil were stored (*The Standard*, 29/06/2017). Lack of legislation regarding export of oil was also noted and this forced the government to postpone the EOPS indefinitely (https://www.bloomberg.com).

The Kenya Civil Society Platform on Oil and Gas (KCSPOG) had argued that the EOPS is a wasteful venture that will drain the country's coffers to the tune of Kshs 2.9 billion, an amount that would rather be part of the costs of putting up the pipeline. Even the Permanent Secretary in the Ministry of Energy and Petroleum Mr. Andrew Kamau acknowledged that the government did not expect to get any profit from EOPS (*The Standard*, 18/10/2016) as this was a pilot project meant to gauge global reception to Kenya's oil. However the few who will earn tenders along the oil value chain stand to be the real beneficiaries of this venture. Transporting 2,000 barrels of oil per day by road would take about 4 months to fill a ship with a capacity of 250,000 barrels (*The Standard*, 03/01/2017). But the huge costs of transporting such a small volume of oil for export will result in almost zero profits to all concerned parties (KCSPOG, 2016), more so with the current low global oil prices. However once the pipeline is in place, the cost of taking the oil to the export terminal at the Kenyan coast is likely to go down significantly.

An example of a tank-tainer
Courtesy: orcecis.worldpress.com

General elections were scheduled for August 2017 and the Kenyan government appeared desperate to prove that it was doing a lot in improving the economy and general welfare of the country through oil exports and in the process win votes that would enable it to remain in power. When political factors take priority over economic, social and environmental considerations on a monumental project like oil exploration, the consequences can be detrimental. However economic factors are likely to prove the government wrong because of the huge costs involved in ferrying the oil by road and minimal returns from exports due to low prices on the international market. Turkana oil has less sulfur and is therefore categorised as light and sweet and since it is easier to refine, it is preferred on the international market. But because of its waxy and sticky nature, it must be heated when being transported (*Daily Nation*, 15/03/2017) which adds to the operational costs of taking it to the market thereby lowering any profits that the government could have accrued from it being exported.

Benefit Sharing Formula

Before the country goes full swing into exporting oil, it is important for a Benefit Sharing Formula (BSF) to be agreed upon by the key stakeholders so that no section feels left out or shortchanged. Chapter 5 Part 2 69 (I) a of The Constitution of Kenya states, *inter alia*, that the State shall ensure equitable distribution of benefits accruing from exploitation of natural resources and this must be the guiding principle when coming up with a BSF. This is what needs to be done so that the new discovery will benefit the nation of Kenya and not just segments of it and the oil exploration companies. It is also one way of removing feelings of exclusion, particularly by the host community where this crucial commodity is domiciled.

The Petroleum (Exploration, Development and Production) Bill 2015 had proposed that 10% of proceeds from oil should go to the local community but Kenya's President Uhuru Kenyatta refused to sign it into law and returned it to Parliament for reconsideration (with a view to reducing the figure to 5%). This angered the locals and their leaders resulting into an ugly exchange between the President and the Governor of Turkana County, Mr.

Josphat Nanok in March 2017. The incident happened at a public rally during President Kenyatta's visit to Turkana. The governor argued that the national government wanted to get a bigger share of the oil revenue to partly pay for the huge foreign debts that the Kenyatta government had borrowed since coming to power in 2013 at the expense of the Turkana people.

Earlier on protests were held by locals against Tullow over issues such as compensation for their huge tracts of land that were taken over for oil exploration, employment of locals and award of tenders. In 2013 non locals working for Tullow were evicted by the Turkana who were demanding for employment. These were early indications of dissatisfaction among the local people of how perceived benefits from the new discovery were being shared and should have alarmed the authorities before it came to the fore during Kenyatta's visit to the region in March 2017. Turkana leaders have vowed to continue fighting to ensure that their region gets a reasonable share of proceeds from oil and therefore this "resource nationalism" (Halakhe, 2014) must be carefully managed before it spills out of control. An allocation of 10% of oil proceeds to Turkana County would make a substantial contribution to the development of the region and address the gross underdevelopment that has been caused by years of near-official neglect.

Many resource-rich countries in Africa and beyond have little to show for their natural resources due to poor management and conflicts that arose from grievances on how the wealth was shared among the population. Globally, few countries have used wealth from their natural resources to promote sustainable economic growth and poverty alleviation (Atinc, 2013).

The Nigerian Situation

Before being overtaken by Angola, Nigeria for a long time was Africa's top oil exporter selling to the international markets 2.4 million barrels per day (bpd) but the country is still one of the poorest in the world with little to show for its vast oil wealth which accounts for 95% of its foreign exchange earnings. Although Nigeria is the 8th largest oil exporter in the world with the 10th of known global oil reserves, about 92% of its population lives on less than $ 2 per day (https://www.unicef.org/nigeria) because money from oil exports benefits only a tiny minority through corruption. In the Niger Delta where most of the oil is drilled the land is characterized by serious environmental degradation in the form of polluted water sources, air pollution caused by gas flaring (the burning of natural gas during oil extraction) and little investment in social infrastructure. It has been estimated that more than 2.5 billion ft^3 of gas is flared on a daily basis in the Niger Delta (Nduka et al, 2008). In some areas hydrocarbon contamination is so severe that it has made the land totally unsuitable for any meaningful activities (UNEP, 2011).

Frequent oil spills resulting from accidents or deliberate acts of sabotage and theft continue to cause widespread destruction of the Niger Delta landscape. In 2015, the Nigerian Vice President, Yemi Osinbajo stated that the country was losing approximately

400,000 barrels of oil per day through siphoning commonly referred to as "bunkering" (*Premium Times*, 14/06/2015). The burst pipes usually spill millions of barrels of oil over large areas and in some cases start huge fires that clear vast vegetation cover. Some species of plants and animals have been badly affected by oil spills and gas flaring following the destruction of their habitat. In short the fragile ecosystem has suffered irreparable damage. Gas flaring has exposed local residents to respiratory diseases, skin rashes, eye irritation, cardiac complications, among other illnesses (http://www.irinnews.org) and although the activity was banned in 1984, it still goes on unabated due to poor enforcement mechanisms. Other than oil spills, the land has also been degraded due to acid rain caused principally by gas flaring.

Armed Uprising in the Niger Delta

Disaffection caused by alleged neglect of the Niger Delta and misuse of revenue from oil led to the emergence of armed groups that were claiming to be fighting for the rights of the local people. These include the Movement for the Emancipation of the Niger Delta (MEND), Niger Delta Liberation Front, (NDLF), Movement for the Survival of the Ogoni People (MOSOP), Niger Delta People's Volunteer Force (NDPVF) and the recently formed Niger Delta Avengers (NDA), among others. The most prominent leader of MOSOP was Ken Saro-Wiwa who fought for the rights of the Ogoni people but was executed by Nigerian authorities in 1995 despite international protests. Among the key objectives of MOSOP was to fight for environmental justice following massive pollution of Ogoniland by oil companies, especially Shell Petroleum Development Company (Nigeria) Ltd. These groups' anger arose from the fact that although the Niger Delta produces the biggest share of oil in Nigeria, the region had experienced monumental neglect to the extent that the level of development was so low despite the billions of dollars that accrue from oil. Activities of the Niger Delta armed groups involve blowing up of oil infrastructure, especially pipelines, and this seriously affected export volume of crude oil from Nigeria making it loose the mantle to Angola as the continent's top oil exporter. These acts of sabotage are also partly responsible for frequent fuel shortages in the domestic oil market in Nigeria. Despite being a major oil producer, cases of fuel shortage characterized by long queues at filling stations and a general disruption of activities that require fuel are not uncommon. The purpose of attacks by militants is to send a message to the Federal Government of Nigeria that local people will not watch as wealth from their neighbourhood is misappropriated by those with little regard for the well-being of the Niger Delta. Deployment of thousands of soldiers by the Nigerian government did little to curb activities of the militants but in 2009 the government announced an amnesty programme and started engaging the armed groups in peace talks aimed at bringing the violence to an end. This was after a sustained campaign of violence by the militants in 2008 that led to the loss of over 1,000 lives, taking of 300 hostages and losses amounting to $ 23.7 billion from acts of sabotage (http://www.irinnews.org).

Among strategies used was to call for disarmament of the militias, pardoning those who denounced violence and handed in their weapons and their integration into society through training in various trades and offer of employment. However the programme has not been entirely successful with members of MEND for example, blaming the government of going back on its promise of cash offers to militants who had handed in their weapons. Part of the amnesty involved giving trained ex-militants cash payments of $410 per month until they find employment.

These "liberation movements" were joined by other criminal organizations who took advantage of the volatile situation to engage in extortion, kidnappings for ransom, blackmail and even murder, a situation that still persists to the present day.

South Sudan and Angola Conflicts

The war in Sudan and the subsequent break-up of the country into two – the Republic of the Sudan and the Republic of South Sudan is directly linked to conflict over distribution of the oil wealth. Most of the oil fields were found in the southern part of the then unitary state known as The Sudan. Oil was pumped to the north of the country for refining before export and the southerners who are mostly of African descent and Christians/animists felt that they were not benefiting from a critical resource found in their locality. The result was a long war that started in 1955 and only ended with the signing of the Comprehensive Peace Agreement (CPA) in 2005.

In Angola, most of its oil is drilled from the enclave of Cabinda but due to perceived inequalities in distribution of proceeds accrued from the resource, the locals through the Front for the Liberation of the Enclave of Cabinda (FLEC) have been persistent in their desire to secede from Angola. Attacks on oil infrastructure by FLEC have had an impact on production and export levels.

There are several other examples that have made concerned countries not to benefit from natural resources that would have positively benefited the citizens. Kenya is lucky in that it can learn vital lessons from other countries that have already walked through the oil path and avoid mistakes that have left some of these nations in a sorry state. Similarly the country can make reference to global best practices in sharing oil revenues that have enabled some countries to enjoy tremendous progress from rational exploitation and management of their oil wealth.

The Oil Sector in Norway

Oil was discovered in this Scandinavian country in August 1969 to be followed by production in 1970 and thereafter many other discoveries were made turning oil into a key factor in the country's economy. Most of the oil is found offshore – in the North Sea, Norwegian Sea and Barents Sea (www.norskpetroleum.no/en/framework/norways-petroleum-history).Today Norway produces over 2 million bpd of crude oil (Norwegian Petroleum Directorate, 2017). Right from the beginning, the foundation of the oil sector was built on the premise that the resource belonged to the people, it must benefit the society and that money accrued from oil and gas must be used in creating "a qualitatively better society" (http://www.npd.no/en/Publications/Norwegian-Continental-Shelf/No1-2012/A-controlled-success). The key principle in developing the fiscal and legal framework of the oil sector in Norway was to ensure sustainable management of oil revenue such that it benefits the current and future generations. Measures have been put in place such that exploration, development and production within the oil sector leads to creation of wealth that benefits the society as a whole (www.norskpetroleum.no). This has made Norway enjoy stability, high standards of living and even support a welfare state, among other advantages.

Impact of Tullow Oil in Turkana

The presence of Tullow in Turkana has brought about positive changes such as construction of schools, provision of bursaries, medical centres, employment and roads thereby leading to general improvement in the social economic set-up. Community conservancies have also been set up in Turkana and the neighbouring West Pokot County with the aim of empowering locals to manage their natural resources in a better way, tackle insecurity and institute sustainable land management measures (Tullow, 2015). Due to low literacy levels, most of the locals who were offered employment are engaged as unskilled or semi-skilled persons as they did not have necessary competence to work as managers or technical staff. As steps are made to improve education standards, more local people are likely to be employed in the higher echelons.

Openness, transparency and accountability in all matters to do with Turkana oil will be critical in winning the support of the local community, but the opposite creates room for rumours and suspicion. For example figures regarding payments to the Kenya government by Tullow, revenue from export of crude oil and how much the government will spend in the entire oil chain must be prepared using the best possible international auditing standards then authenticated by a credible, independent audit firm. Sound institutions should also be set up to manage all the money accrued from crude exports. Once this is done the information should be periodically published in media that is easily accessible by a bigger majority of the population. Similarly reports of Environmental Impact Assessments (EIA) must be shared by the local community because it is them who will feel the full impact of activities of oil exploration. It has been claimed that Tullow was hiding some EIA reports for Turkana and was engaged in activities like fencing off huge parcels of lands without involving the locals (Kakonge, 2015). Other key stakeholders such as community leaders, environmentalists, the civil society and the business people should be kept abreast of Tullow activities as a gesture of transparency.

Besides this, proceeds from oil should be invested in diversification of the economy to avoid a scenario where "all eggs are put in one basket". The petro-dollars can be used in improving agriculture, tourism, information technology, Small and Medium Enterprises

(SMEs) among other income generating ventures that would enable the country to weather the volatility of oil prices in the international market. Nigeria, South Sudan and Venezuela are among countries that depend deeply (slight change) on oil for their foreign exchange earnings and when prices of this commodity fall, their economies get badly battered. Venezuela has the largest known oil deposits in the world and about 95% of its export earnings are from the commodity (http://www.opec.org/opec). Oil plays a critical contribution to the social-economic life of the country yet many of her citizens are mired in excruciating poverty. From a high of $ 112 per barrel in June 2014, the price of oil maintained a downward trend that went under $40 per barrel at the end of 2015 – the lowest figure since 2009 (https://www.eia.gov/todayinenergy) before plummeting further to below $28 in January 2016 – the lowest since 2003 (BBC News, 18/01/2016) and this had serious effects on countries whose economy was significantly dependent on export earnings from crude oil. In August 2016 the Nigerian government announced that the country had fallen into recession mainly because of a drop in oil prices over which much of the state's revenue is based. By the time recession hit Nigeria, the commodity was going for less than $50 per barrel (BBC News, 31/08/2016).

Apart from a drop in prices of crude at the international market due to such factors as overproduction or limited demand, political instability and conflict can have a negative bearing on a country's earnings from oil. Frequent and prolonged protests by citizens over the rising cost of living and a crackdown on the opposition have affected the oil sector in Venezuela to the extent that the volume of exports has gone down. In the year 2000 Venezuela was producing 3.4 million bpd but this dropped to 2.78 million bpd in 2015 (Boslego, 2016). In South Sudan, political differences between President Salvar Kiir and his then Vice President Riek Machar resulted into a full blown war in December 2013 and the fighting is still going on with devastating consequences to the nation. Thousands of people have been killed, millions displaced, oil facilities destroyed, a drop in exports of crude has been recorded, the oil-dependent economy is in shambles and the government has suspended many national commitments due shortage of funds.

CONCLUSION

The paper has attempted to look at the nascent journey of the oil industry in Kenya with special reference to the recent discovery of commercially viable hydrocarbon deposits in Turkana County. Challenges and expectations of the discovery of "black gold" in Kenya have been examined and suggestions made on how the country can benefit from this resource without it turning into a curse as has happened elsewhere. As a country that hopes to join the league of oil exporting nations in the near future, Kenya has the advantage of learning from the mistakes and successes of other states that have been in the business for many years. This will help Kenya avoid taking directions that may lead to a catastrophic destiny.

The seriousness with which the government would like to ensure equitable distribution of the oil wealth will be seen in measures that will be adopted towards this end. The Kenya government has tried to portray the assurance that exploitation of Turkana oil will be based on fairness and justice. Speaking during a stakeholders' workshop on oil in Turkana on July 11, 2013, the then Cabinet Secretary for Energy and Petroleum Mr. Davis Chirchir stated that "We will put together an all-inclusive framework owned by Kenyans and endorsed by Parliament to ensure that contracting is done properly and that the local communities are fully on board." (World Bank Newsletter, August, 2013). The extent of how this will be actualised can only be seen once crude exports from Turkana are engaged in full gear with clear evidence that there is no short-changing of any stakeholder.

The Kenya government has the moral responsibility of ensuring that there is transparency and accountability with regard to matters concerning oil in Turkana, particularly economic, environmental and social aspects of this resource. This is the spirit that should be maintained so that Turkana oil can help bring about sustainable development to the county and country. Anything to the contrary will most likely take Kenya along the "Nigerian way" and turn such a critical resource into a curse rather than a blessing.

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ABBREVIATIONS AND ACRONYMS

BBC	British Broadcasting Corporation
BPD	Barrels Per Day
BSF	Benefits Sharing Formula
CPA	Comprehensive Peace Agreement
EIA	Environmental Impact Assessment
EOPS	Early Oil Pilot Scheme
FLEC	Front for the Liberation of the Enclave of Cabinda
KCSPOG	Kenya Civil Society Platform on Oil and Gas
KNBS	Kenya National Bureau of Statistics
MEND	Movement for the Emancipation of the Niger Delta
MOSOP	Movement for the Survival of the Ogoni People
NDA	Niger Delta Avengers
NDLF	Niger Delta Liberation Front
NDPVF	Niger Delta People's Volunteer Force
NGOs	Non Governmental Organisations
SMEs	Small and Medium Enterprises
UNEP	United Nations Environment Programme