The Role of Socio-Political Risk Analysis in Developing Communications Strategies for Controversial Projects: The Case of the West Africa Gas Pipeline Project


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Abstract
A keen understanding of the social and political context has been proven critical to the success of development projects, especially those that are potentially controversial, and involve environmental concerns, regional politics and border issues, as in the case of the World Bank-supported West Africa Gas Pipeline Project.

The pipeline project was designed to replace expensive fuel used in Ghana, Togo and Benin, with cheap, abundant natural gas from Nigeria. It was expected to bring substantial economic and social benefits as a result of long-term, reliable access to a clean energy supply. Nevertheless, many economic, social and environmental concerns were raised in the four countries, making this one of the most controversial project in the West Africa Region.

A communications audit, and subsequent consultation work undertaken by the World Bank’s Development Communications Division, together with local communications officers, resulted in a clear understanding of the socio-political risks involved; assisted the government and World Bank staff with incorporating a communications strategy into the project design; and helped ensure a smooth approval process by the World Bank Board of Directors.

I. The Case for Socio-political Analysis.
The fact that a national government desires a particular reform program is only the first step in determining whether such a program is feasible. Opposition to reform can come from various stakeholders with vested interest in the status quo or who mistrust the proposed reforms for various reasons, including fear of change, lack of information or misinformation about the goals of the reforms.

The roster of failed, donor-supported reform programs exhibits a common theme of a lack of understanding of the social, political and economic forces that could potentially derail reforms. A report commissioned by the World Bank’s Operations, Policy and Country Services (OPCS) department in 2001 concluded that lack of attention to reform

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was actually built into the World Bank’s internal environment. The report\(^2\) noted that “the widespread perception is that the current system of incentives rewards over-optimism and punishes those who candidly acknowledge risk”. OPCS called for a change in this practice to increase effectiveness of the World Bank’s assistance.

A World Bank report, analyzed ten case studies in the region and concluding that the effectiveness of assistance is inextricably linked to domestic political commitment for change\(^3\).

An in-depth report prepared for the Bank’s Eastern Europe and Central Asia Region analyzed past failures of Bank-supported programs in the Ukraine, concluding that a lack of prior understanding of the socio-political environment was a primary factor. The report stated:

“The principal risk of ignoring political factors in lending operations is failure. Political realities have a way of intruding, often in unexpected and difficult ways. A government’s verbal commitment may suddenly vanish. Even when a project is technically sound, it may nevertheless be misconceived politically, subverted by vested interests, or by borrower governments unwilling to carry out their initial agreements. The moral of the story is that politics catch up with projects, especially in transition societies where loans are often premised on extremely difficult reforms”.

According to the report, a number of more recent projects in the Ukraine were successful precisely because the Bank undertook a socio-political analysis to ensure sufficient commitment among key stakeholders and to identify (or if needed, help build) capacity in the country to develop broader consensus in favor of the reforms\(^4\).

II. Defining Socio-Political Analysis
A socio-political analysis can be defined as a study of the social, political and economic factors that shape a particular environment and how these affect the lives and opinions of those who live within it.

This analysis focuses on issues such as the level of support the government or a specific initiative enjoys from political parties, how it is viewed by the media and from domestic and foreign civil society. It studies the position and strategies used by opponents of the project, and the main political incentives for potential allies of the project, as well as how these challenges are communicated by the government to the people.\(^5\) Such an analysis helps define potential risks a project may face and provides the necessary background for the development of an effective communications strategy.

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Addressing the environment in which a project exists is what makes a communications plan truly strategic, focusing on the most relevant audiences and activities, avoiding the waste of unnecessary expenditure and ensuring a better chance of project success.

III. The Project
The West African Gas Pipeline Project is a Bank-supported initiative, which will construct a new pipeline system (678 km long) that will transport natural gas from Nigeria to Ghana, Togo, and Benin. The Construction and operation of the pipeline will be undertaken by the West African Gas Pipeline Company (WAPCo), a joint-venture, public/private Company, involving both national and international firms like Chevron Texaco. In its design, the project was expected to bring substantial economic and social benefits as a result of long-term, reliable access to a clean energy supply. It is also expected to develop a modern institutional, legal, and regulatory framework to facilitate private sector participation in the energy sector. Its broader goal is to strengthen the integration of markets for goods and services, supporting West African countries’ efforts to create an open, unified, economic “space” to contribute to regional integration in Africa. Nevertheless, many economic, social and environmental concerns have been raised in the four countries, making this one of the most controversial project in the West African Region.

IV. Methodology
The Socio-Political Assessment of the West Africa Gas Pipeline Project involved the following activities:

(i) Joining the task team in an official capacity and being part of all decision processes

(ii) A desk-review of media and internet coverage of the project focused on international and local newspaper, websites of Major NGOs and research institutes;

(iii) A four-week mission in the four countries by a team composed of members of the World Bank’s Development Communications Division, which were joined by local World Bank Communication officers in each of the country. The team met with 130 people from about 70 organizations in all four countries from relevant stakeholder groups, including government officials, parliamentarians, journalists, NGOs and key representatives from WAPCo. Interviews were held with all groups to determine the main issues. The team also participated in Environmental Impact Assessment public hearings.

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6 World Bank, West Africa Gas Pipeline, Project Appraisal Document, Report 30335-AFR, November 2, 2004
As an immediate follow up to the analysis, Media Monitoring led by Communication officers in the country office was carried out, to keep screen new developments and alert the team on them. Regular reviews of the issues were completed and continuous conversations were held with key stakeholder groups.

The mission reported back to the government and World Bank operations staff, and its recommendations formed the basis of a communications component in the project design. The team also provided continuous advice to the team on the internal and external political aspects of the project up to the Board date.

V. Main Findings7: One project, common challenges
During its mission, the World Bank communications team found fairly broad support for the project in all four countries, especially among higher political spheres, but also among the media, parts of civil society and local communities. Stakeholders, even some of the region’s most vocal NGOs, anticipated benefits for the economy, environment, energy supply and regional integration.

However, as details of the project became available, various concerns surfaced, most of them common to the four countries involved, although each country also had its own particular issues. News of oil pipeline explosions and social conflicts involving the Niger Delta in Nigeria, where most Nigerian oil and gas explorations can be found, sparked concerns about safety, sabotage and possible shutdown in gas supply from Nigeria. Early project delays caused doubt about whether the project would ever be completed.

Parliamentarians were concerned by (and blamed their own ministries for) a lack of information regarding the laws they must pass and the required schedules. They feared that the required laws would in the end, be passed by the Executive without parliamentary oversight. Strong lobbying has been undertaken in Ghana and Nigeria for a regional conference of all involved parliamentary committees to discuss these issues.

Knowledge of the World Bank’s role was minimal, but where revealed its participation, it was seen in a positive light. Broad mistrust of oil companies could undermine the project if it is perceived that they are controlling it.

Local communities were found to need answers about how benefits will be shared with the villages most directly affected by the pipeline construction. They often had a high expectation of compensation for lost land and of construction jobs, and they anticipated that residential energy supply will be cheaper or improved as a result of the project. They also expressed concern about how construction would affect local infrastructure such as roads and fisheries.

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7 This section draws largely on: World Bank, Back to Office Report, West Africa Gas Pipeline, Communication Needs Assessment, Feb 23- March 12, 2004
The media in the four countries covered the issue with varying degrees of competence and interest. Some journalists have visited projects and have been able to find information from government ministries. Others say little information is available. Some take their information directly from the NGOs with little investigative reporting themselves. How to improve the balance and accuracy of reporting is an issue that will have to be addressed locally in these countries.

Some local NGOs have expressed concerns regarding the downstream environmental effects of the pipeline and about compensation for those whose land will be affected. The strongest opposition, however, appears to be from international NGOs whose headquarters are outside the region—the organization Friends of the Earth, in particular, has been extremely vocal in its concerns about the project. Mindful that the project enjoys widespread political support, representatives of this organization appear to be using the project, instead, as leverage to make gains in other areas, especially on the Niger delta, where extractive industries have claimed responsible for assassinations, environmental disruption and social unrest.

VI. One project, many countries, multiple challenges

In addition to the broadly-held opinions above, stakeholders in the individual countries also held some distinct views which needed to be taken into consideration in the final design of the project and in the development of country communications strategies. The specific in-country analyses indeed revealed the interplay of local political contexts in determining stakeholders’ view on the project.

Overall, in both Ghana and Benin, the project has garnered widespread public enthusiasm, while in Togo, the population showed little interest, as they did not anticipate any concrete impact on their country. In Nigeria, on the other hand, NGOs were strongly mobilizing against the project, trying to use it to improve the situation in the Niger delta.

Political leaders differed in the level and effectiveness of their public support for the project. In Ghana, despite the President’s personal support to the initiative, the Ministry of Energy was blamed for not having adequately involved the parliament nor engaged the public at large. This led to a broad perception of the limited overall involvement and ownership of project, which, according to come interviewees was driven and would benefit the private companies involved. Those were indeed the only one “speaking for” the project.

On the opposite side of the spectrum, Benin experienced one of the most impressive actions by the government to build consensus. The Minister of Energy himself traveled to the 13 affected villages along the pipeline route to show his support and also organized presentations to the parliament.

Other unique local issues were found. For Benin and Ghana, the project will mark the first widespread use of natural gas, and so lack of understanding of safety and environmental concerns are stronger here than in the other countries. Moreover, in
Ghana, for example, the concern was raised by some environmental groups that the new gas supply would be used to increase mining exploration rather than to replace the light crude oil that is currently used in the country. Ghana lacks policies on the use of gas other than for energy conversion and does not have conversion programs and regulatory policies in place. Ghana also had concerns related to the financing of the project and the fiscal benefits and trade-offs in the country. In addition, a high-profile presentation about the project on the part of the Energy Commission and a participating donor badly tarnished the image of the project locally.

In Togo, the land compensation issue is particularly complex since land being affected by the project is part of a domain that was first taken from communities in 1962 for the construction of the harbor. Many communities are still awaiting compensation, which they expect to now come from WAPCo. In addition, likely because they expect the funds to come from a private company, these communities are requesting significantly higher compensation than in other countries. ($27 per square meter of land compared to, for example the US$3 being requested in Ghana).

VII. Key communicators recommendations
Three organizations were identified by the World Bank communications team as occupying the best and most logical position for delivering communications on the project: WAPCo, the energy ministries in each country, and the World Bank. Following are the rational for these choices and the recommendations the team has made for each one.

1. WAPCo (West Africa Gas Pipeline Company). WAPCo has assumed leadership in communicating about the project and has established an external affairs team in each country. However effective monitoring and evaluation mechanisms of the impact of the communications efforts were established and WAPCo’s communiqués are often considered too technical and not specific enough for the individual countries involved. The company was slow to develop materials, such as a web site, and perceived as not entirely transparent regarding all issues of concern to stakeholders. Communications by WAPCo were typically “one way” and without involving dialogue with stakeholders.

The World Bank communications team recommended actions to address the above shortcomings, advising that WAPCo’s public discourse shift from the current information dissemination and persuasion to education and dialogue. The team suggested a more decentralized planning system to produce more audience and country-specific sets of communications products and activities. It also advised stronger engagement with the media and parliaments, and enhanced efforts in grassroots communication in the affected areas.

2. The Ministries of Energy (in the case of Nigeria, the Ministry of Energy and Petroleum). The team found that, apart from sporadic initiatives and statements,
these ministries had not played a significant communications role, in part due to limited human and financial resources. The respective governments had not developed their own line of communications, which has led the public to perceive limited government ownership of the project.

The World Bank team encouraged a more active role for governments in communications, in particular to define the government’s role as distinct from WAPCo and the actual pipeline project, defining government interest in promoting the public good through the project.

3. **The World Bank.** The role of the World Bank is generally seen in a positive light in the region, in particular with regards to ensuring environmental and governance safeguards for the project. However the communications team found that the World Bank had not played an active role in engaging stakeholders at the local level, with focus placed instead on high-level policymakers, WAPCo shareholders and international NGOs. Thus the World Bank’s specific role had not been well defined publicly.

The team suggested that, while the World Bank should continue to take a “back seat” in terms of public discussion, it should play a stronger role as a facilitator of dialogue at various levels. In the communications products that are issued by the World Bank, it is important for it to clearly define its role in the project to prevent any misunderstanding or confusion. The team also suggested that the World Bank External Affairs staff in the region take the lead in media monitoring and dialogue with WAPCo’s communications team.

**Conclusions**

By nature, projects that are controversial involve a multitude of stakeholders, some of whom can sway public opinion and greatly influence the project outcome. For such contentious and sensitive projects, the process of developing proper mechanisms for effective project management is complex. But it is precisely this complexity that demands that there be a well-designed communications strategy to involve all relevant stakeholders in the reform effort, and moreover, that this strategy be based on a sound socio-political analysis. The socio-political assessment for the West Africa Gas Pipeline proved to be a key element for looking at this complexity and advise the government, project sponsors and the World Bank on how address stakeholders’ concerns both in terms of adjusting the project design and better engage in dialogue on the project itself. It also piloted a new integrated approach to project communication, involving both World Bank corporate communication aspects and support to government’s own communication activities. It also benefited from the full integration of communication experts in to the project preparation team and it benefited from the mix of global expertise of Washington-based Development Communication Specialists with the local knowledge of External Affairs and Civil Society liaison officers in the country office. The latter have also been particularly successful monitoring the project coverage in the media and making sure that local issues received prompt and immediate attention.
References


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