

Bibiyana

**Local Livelihoods, Poverty and
The Gas Field
Some Initial Findings**

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The following report arises from a research project ('Mining, Social Networks and Livelihoods in Bangladesh') jointly funded by the U.K's Economic and Social Research Council (ESRC) and the Department for International Development (DFiD). The research was carried out in two villages close to the Bibiyana Gas Field, Sylhet over 2008-09 and focussed upon poverty, household coping strategies and the impact of the Chevron operated gas field on local livelihoods. All research funded by the ESRC / Dfid joint programme is tasked to focus on poverty alleviation, with practical as well as academic outcomes. The Principal Investigator of the project was Professor Katy Gardner (University of Sussex). The research team in Bangladesh was managed by Professor Zahir Ahmed (Jahangirnagar University, Dhaka). Alongside our interest in the impact of the gas field in Bibiyana, the research focussed on a number of issues including the meanings of globalisation at the 'local' level, the role of migration in transforming social relations, and the livelihoods and coping strategies of the poor.

This brief report shares some initial findings from the research¹. We are grateful to the people of Bibiyana and their relatives in the U.K for giving us their time and sharing their experiences. Thanks are

¹ The opinions expressed in the report are the personal opinions of the researchers and not those of either the University of Sussex or Jahangirnagar University

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Summary of Findings

1. There is extreme poverty in some of the villages close to the Bibiyana Gas Field. This is especially the case in the villages of Karimpur and Kakura, where the rate of landlessness is significantly higher than the national average.

2. The loss of land to the Gas Field has generally had a negative effect on the already precarious livelihoods of landless and land poor households. Other processes of economic change, land shortage and the monetarisation of agricultural production, common to much of Bangladesh, also contribute to the everyday struggles of the poor.

3. Chevron negotiated a higher rate of land compensation than was originally offered by the government, and claim that 97% of claims have been settled. However many owners report that they had to pay bribes to the local land office to receive their compensation.

4. Environmental changes associated with the Gas Field's roads and the Kushiara River have led to changes in water flowing across land; this has had a significant affect on agriculture and fishing. These changes have had a greater impact on the poor, who cannot afford mechanised pumps and irrigation systems and during the wet season no longer gather small fish and prawns from the fields.

5. People living close to the Gas Field report higher air temperatures and the smell of gas.

6. The Gas Field does not employ many local people since it relies on skilled labour. Manual labourers who work within and outside the field are generally hired by labour contractors, who do not always follow Chevron's codes of good practice.

7. Chevron has developed positive relationships with some community leaders. However, more could be done to make Village Development Organisations and other avenues of consultation inclusive of a wider range of stakeholders, for example, women and the poorest inhabitants of the villages.

8. The company should institute appropriate grievance procedures in the affected villages.

9. Chevron is running a programme of Community Engagement, or Corporate Social Responsibility in Bibiyana. This has made some positive contributions to local development.

10. The Alternative Livelihoods Programme, run by FIVDB and funded by Chevron has offered some alternative livelihood strategies to land poor and landless households affected by the gas field. However, these programmes cannot 'solve' the root causes of poverty.

11. CSR has considerable potential in Bangladesh, but only if it involves transformative actions and policies, such as working with the government towards greater transparency and supporting anti-corruption drives. Whilst Chevron has not yet reached these 'higher' levels of CSR, it is hoped that the company might develop such programmes in the future.

12. Community members in Britain and Bangladesh might work together to pressurise companies involved in extracting natural resources to become more transparent and accountable. This would build upon international policy initiatives which are currently being developed.

13. Our findings and recommendations were presented to Chevron in a separate report, which was given to the company in September 2009.

1. Background

1.1 The Research

1.1. i. The research on which this report is based was funded by the ESRC-Dfid joint funding programme (Third Call). It involved a collaboration between Katy Gardner (Department of Anthropology, University of Sussex) and Zahir Ahmed, Fatema Bashar and Masud Rana, Department of Anthropology Jahangirnagar University. The project focussed upon the effects of the gas field and on processes of globalisation and transformation in the area, with a focus on the experiences and coping strategies of the poor.

1.1.ii. The research focussed in particular upon Karimpur and Kakura and involved twelve months fieldwork in these villages, carried out largely by Masud Rana and Fatema Bashar, with supplementary input from Zahir Ahmed and Katy Gardner. As anthropologists our methods were largely qualitative. Village level research included household surveys, interviews, focus group discussions, and the gathering of detailed data from case study households on their livelihood and strategies. Wide ranging informal discussions were carried out with many people in the area, including political leaders, Chevron employees, and FIVDB staff. Focus group discussions were also carried out with transnational villagers living in the U.K, many of whom had lost land.

1.1. iii. We are not economists and our data is not based on statistics which provides so called 'hard' evidence. Rather, our methods are drawn from well established social science practices and procedures which stress qualitative rather than quantitative data. Our main aim, via these methods, was to listen to peoples' accounts of their experiences and to understand their everyday struggles.

1.1.iv. The research also draws upon Katy Gardner's long standing knowledge of the area, where she has been carrying out research in since 1987, starting with intensive doctoral fieldwork in Nadampur from 1987-1988. Since this earlier work, she has returned to the area many times. Katy Gardner has also conducted fieldwork amongst transnational Bangladeshi communities in the U.K.

1.1. v. This report offers some brief indications of the main findings of the study. Other outputs will include a book authored by Katy Gardner ('Discordant Development: Global Capital and The Struggle for Survival in Bangladesh' : Pluto Press, forthcoming 2012) plus academic articles.

1.1.vi. It should be stressed that this study did not involve an impact assessment based on data gathered from Karimpur and Kakura before and after the gas field was constructed, but rather a more 'in-depth' examination of peoples' livelihoods, social and political relationships and coping strategies. As anthropologists, we were not qualified to research environmental or health

issues associated with the gas field. We hope that our research may prompt other, independent research into these issues.

1.2. A Brief History of the Gas Field, from local perspectives

1.2. i. The Bibiyana Gas Field represents one of the most significant natural gas discoveries in Bangladesh in terms of quality and quantity; the field is now the second largest in the country. The Gas Field is comprised of two separate sites: the 'North Pad' at Dighalbak, next to the Kushiara River, and the 'South Pad', a few kilometres inland, and surrounded by the villages of Nadampur, Kakura, Karimpur and Firizpur. Whilst the Dighalbak site was developed in the mid 1990s by the company Occidental, the South Pad was developed by Unocal and then Chevron from 2005, who named the site 'Bibiyana'. The research which we conducted was at this second, newer site.

1.2. ii. Unlike other gas fields in Bangladesh (for example Jalalbad) Bibiyana is situated in a lowland, rice producing region and surrounded by densely populated villages². Approximately fifty acres of land were acquired by the government in order to build the South Pad, which has been operated by Chevron since 2007. Much of this land was owned by large landowners, some of whom live in the U.K. From local peoples' perspectives, issues of health and safety, and the environmental effects on agriculture are paramount, as has been the loss of land.

1.2. iii. When Chevron took over operations in Bibiyana from Unocal in 2007, community relations were very poor. In 2005 local people had resisted the building of the site by its original operator, Unocal, by holding protests and blockades of the road. Some land owners were threatened with police action unless their land was surrendered and the protestors told by the District Commissioner that armed forces may be called in. Whilst many people were passionately against their land being acquired and the field being built, rumours also circulated that it would lead to rapid economic growth and economic opportunities for local people. There was (and still is) a widespread perception that since the gas is a local resource, the inhabitants of the surrounding villages should also profit from it.

1.2. iv. According to the accounts of local people, the strong sense of entitlement to profits from the operation was exacerbated by the promises made by officials working for Unocal that many jobs would be created and there would be widespread benefits for the communities surrounding the plant. In the early stages of negotiations with the company local leaders also put forward demands that the company build a hospital, a fertiliser factory (which would provide local employment) and other community benefits. Connection to the gas supply was also a demand, which some people say was promised by Unocal.

² According to figures provided for a baseline survey produced for Unocal by The Centre for Women and Children's Studies, approximately 697 households are resident in these villages.

1.2. v. The expectation that there would be jobs and economic development in the area has led to disappointment. Whilst the original construction of the plant employed several hundred local people, since its inauguration employment opportunities have been very low. Those jobs that are available tend to be controlled by labour contractors, who usually favour those who are already part of their social networks. All this has exacerbated a widespread sense of grievance against the gas plant, as well as a sense of 'entitlement' to benefits, which are seen by local people as a form of compensation for Chevron's use of the gas.

1.2. vii. The villages surrounding Bibiyana have never been connected to the gas supply. Kakura is not even connected to an electricity supply.

1.3. Socio-Economic Background

1.3.i. There are four villages directly surrounding the South Pad at Bibiyana, Kakura, Karimpur, Nadampur and Firizpur (see diagram, Appendix 1). These communities have several distinct features. The first is that with the exception of Kakura all are 'Londoni' villages, meaning that many of their members have relocated to the U.K. Whilst a small minority have little to do with their 'homeland', the majority of 'Londonis' remain actively involved in their villages where they usually still own property. It was these non-resident villagers who owned most of the land acquired by the gas field. 'Londoni' villages are economically heterogeneous, with a striking divide between those who own land and other property and those who don't³. They have also become partly dependent upon remittances, either from the U.K, the Gulf or other foreign countries. Gardner's previous research shows that local economic hierarchies are dependent upon whether or not families have a member abroad. This means that the richest and most powerful people are either in the U.K for all or much of the time, or are usually closely related to those that are (Gardner, 1995; 2009). In contrast, the poorest households do not have members abroad. For example, in Kakura, the poorest village in Bibiana, only one household has a member in the U.K.

1.3. ii. Many people in the area are partly or wholly dependent upon remittances from the U.K, either directly or indirectly through the charitable support given by British based relatives. Indeed, there is a widespread expectation that when these relatives (or anyone from abroad) come to the area, they should provide material help for the local poor. As Gardner's previous work has shown, this 'help' is a vital safety net for the poor, in a context where the state does not provide for their basic needs. Such help is channelled through patron client relationships, in which the poor can only survive if they develop relationships with wealthier patrons (Gardner and Ahmed, 2008). For example, in order to get medicine, the ultra poor must ask for help from their patrons, be these relatives, employers or neighbours.

³ As a 'good enough' indicator of poverty, we looked at how many times a day a household ate a meal. Our findings show that the landless households were often eating only once or twice.

1.3. iii. It is this cultural / historical context, we suggest, that has partly led to the high level of expectations that local people have of Chevron. Since the company is rich, and foreign, many people believe that they should provide material support for the poor, and, crucially, provide employment, which would compensate them for the loss of land and land based livelihoods. As explained later in this report, whilst landowners have been compensated for the loss of land, those whose livelihoods depended upon the lost land have not been given financial compensation. Whilst the Alternative Livelihoods Programmes funded by Chevron has provided some benefits, it cannot and does not provide substitute livelihood strategies for what has been lost.

1.3. iv In contrast to the other villages surrounding the South Pad, Kakura is largely comprised of chronically poor households⁴. During our research, 83.1% of inhabitants were landless, a figure which local accounts suggest has changed little since it was originally settled by landless labourers employed by people in Nadampur in the 1960s / 70s. The village has therefore always been extremely poor, and has never had the links to the U.K enjoyed by the other communities close to Bibiyana. The livelihoods of most inhabitants are dependent on local networks of employment and support, either through working as labourers or servants for richer households in nearby villages or through the informal economy (e.g rickshaw driving, begging, engaging in micro-businesses).

1.3. v. As our research shows, like other very poor households in Bangladesh, economic insecurity amongst landless households in Kakura is extreme and chronic (see also Seeley, 2005). Before the gas field most households would have been dependent upon local land for at least one element of their livelihood, either via sharecropping, using it to graze cattle, gathering firewood or rice grains, or being employed to work on it as labourers. The gas field has had largely negative consequences on these households since their already insecure livelihoods were dependent upon the land based local economy and there is now less land available to them. Combined with this, unlike many households in the other villages they do not have access to remittances from the U.K and other foreign countries.

1.3. vi. The majority of people living in Kakura are extremely poor (see footnote 3 for our definition of poverty). They do not have access to a power supply, running water, and do not have a school in the village. They also do not have access to basic health care, and (as we explain below) during our research did not tend to use the Smiling Sun clinic since they could not afford the prescribed treatments. Our research shows that during 2007-2008 many of the inhabitants only ate rice twice, or sometimes once, a day. This was partly due to the 'price hike' in food staples which took place in Bangladesh

⁴ Breman defines poverty as: ' a state in which a regular lifestyle is disrupted by a cumulative shortage of elementary necessities – in the first instance food – which erodes the capacity to make optimal use of the resources available. The resulting crisis of survival is not longer temporary, but permanent.' (Breman, 2007: 343). We found that landless households in the study villages were largely in this situation.

during this period, though the decreasing availability of land and other sources of income generation may also have played a role.

1.3. vii. Karimpur was once a largely Hindu village, the home to several Hindu zamindars, who owned most of the land in the vicinity. Over the last 20-30 years the village has been settled by wealthy Muslim Londonis, who made money in the U.K and brought land from the Hindus. All of the original Hindu landowners have now left the area, though many Hindu households remain, all of whom are landless or land poor.

1.3. viii. As in Kakura, the rate of landlessness in Karimpur is very high (76.8%) with almost all land concentrated in the hands of rich Londoni families. Unlike Kakura, which has no Londoni inhabitants, these wealthy villagers have long standing relations of patronage to the poor, providing informal safety nets (or *shahajo*: 'help') for them in times of need, as well as land for sharecropping. Thus although extreme poverty is also found in Karimpur it is not quite on such a large scale as in Kakura and the ultra poor in Karimpur are more likely to rely on the support of wealthier neighbours in Karimpur, with whom some have long lasting relations of patronage. The loss of the land of these patrons is likely to have an effect on the durability of traditional patronage, since the landowning patrons can no longer offer fields for sharecropping.

1.3. ix. Basic quantitative data on levels of poverty in Kakura and Karimpur is given in Appendix 2 of this report.

1.3. x In sum, whilst the loss of land to the gas field has been experienced by richer landowners (of whom we counted ten in Karimpur), there has been a 'knock on' effect on local landless households, whose struggles over access to land for grazing and sharecropping, and for work as labourers, have increased.

2. Land and Livelihoods

2.1. Land is a hugely important social, political and an economic resource in the area surrounding the Bibiyana Gas Field. Although there may only be one name on the title deeds, many people are often sustained by a single plot. The loss of fifty acres has therefore had widespread ramifications on the people living closest to the gas field, who used this land.

2.2. Whilst most land in the area is owned by 'Londoni' households, or their close kin, the majority is sharecropped out to poorer relatives and neighbours. Although it is therefore not an important source of income for many U.K based Londonis, land is therefore vital for the livelihoods of large numbers of local people, who work as sharecroppers, or are seasonally employed in harvesting and processing activities.

2.3. For Londonis, the ability to sustain local relatives and neighbours through sharecropping out land is a source of pride and helps them feel connected to 'home'. It is also seen as a resource to be passed down the generations. Its symbolic and emotional value cannot be underestimated. Its loss has therefore led to extreme distress, especially for those landowners who lost the majority of their ancestral plots. As one of these transnational villagers said when asked how he felt about the loss of his land: "*How would YOU feel if someone took your property away?*"

2.4. Traditional sharecropping arrangements tend to involve longstanding relationships between the sharecropper and land owner. In these arrangements, in which the harvest is shared between both parties, the costs of harvest failure or floods are borne by both owner and sharecropper. Our case study households revealed however that land for sharecropping is increasingly scarce, and that these more traditional relationships, which involve elements of patronage, may be dying out. The loss of land from the gas plant has undoubtedly contributed to this process, though there are other more general processes involved, including population pressure and the absence of landowners in the U.K.

2.5 Farmers told us that land is increasingly rented out, rather than sharecropped (*rongjama*). This involves paying cash to rent land at the beginning of the agricultural cycle. The shift towards *rongjama* results from of much land being owned by absent Londonis, for whom sharecropping arrangements are 'not worth it' (as one landowner put it), and who do not need to take a share of their crop since they have relocated in the U.K. It also reflects a more general shift in the agrarian economy, in which traditional relationships based on reciprocity and trust are being replaced by more formal, monetary relationships and transactions. These do not favour the poor, who lack credit for renting and who are finding it increasingly difficult to find land for sharecropping. As one farmer in Kakura told us:

People used to work as farmers before, now they're not bothered with agriculture. Most of the land owners live abroad. They're rich and don't need to get involved with farming. They prefer to rent out land as

Rongjoma. They get cash as they don't need the paddy – they can buy it any time. We people are bound to farming, we don't have any alternative. The people of Kakura are especially poor. They don't have their own land. Only two or three people farm their own land. (Field notes 2009)

2.6. Other changes have also increased the need for cash: the use of mechanised pumps (which need to be hired) for irrigation is an example, as is the increased use of fertiliser and insecticide for fields which farmers told us used to be more productive before the gas field was built. Here, environmental changes associated with the gas field are relevant: changes to the seasonal inundation of land by the river and the 'drying out' of the soil which farmers report (see Section 4 of this report).

2.7. The spiralling cost of basic necessities was a major factor for the need for cash and credit in 2008, when the research was carried out. As several of the case studies we gathered indicated, many families had drastically cut their intake of basic foods during the 'price hike'. These families were not only well below the 'poverty line' (if this is defined as spending more than two thirds of one's income on food), they were periodically facing complete destitution, for all of their income was spent on food, with nothing left over even for clothes. Again, the 'help' of others appears as crucial for the survival of these families.

2.8 . As our case studies show (Appendix 3 gives some examples) local livelihoods are not normally based on one single resource or source of employment, but a 'portfolio' of activities which varies over the agricultural season. The main resource on which these activities are based in Bibiyana is land, but small businesses and wage labour are also important. It should be noted that the livelihoods of landless households are (and have always been) highly precarious; many depend to a large degree on the support of wealthier kin and neighbours, who supply credit and other forms of support in times of crisis (see Gardner and Ahmed, 2008). As our research, plus that of others has shown, access to credit is vital for the survival of the very poor, in order to bridge the gaps in seasonal employment, or in times of crisis (such as illness)⁵.

2.9. The livelihoods of the poor in Kakura and Karimpur are dependent on local networks of employment and support, either through working as labourers or servants for richer households in nearby villages or through the informal economy (e.g rickshaw driving, begging, engaging in micro-businesses). As our research shows, like other very poor households in Bangladesh, economic insecurity is extreme and chronic (see also Seeley, 2005). The case studies we have from households in both villages show how life is dominated by a constant struggle to gain enough credit and/ or land to survive. The case studies given in Appendix 3 illustrate the everyday struggles that the landless and land poor households of Bibiyana face.

⁵ See Seeley et al 2005

2.10. The livelihood sources of the people of Kakura are diverse, but very few of these provide a sizeable or regular income; small businesses, wage labouring either in agriculture or elsewhere, begging, pulling rickshaws, working as a mason or a driver were the predominant occupations reported in the survey, with cultivation (20.7%) and wage labour (17.7%) being the most frequently mentioned. 50.7% of households reported a monthly income of less than 4500 taka, with 11% of the total 130 households reporting that they earned less than 2500 (at the time of the research, £1 = approx 60 taka; a wage labourer would receive approx 150 taka for a day's work.) In contrast, 12% reported an income of over 10, 500 taka.

2.11. During time of the research the prices of basic foodstuffs were rapidly escalating, due to the 'price hike' and economic crisis of 2008; those on these very low incomes were therefore not eating more than two meals of plain rice a day. Not surprisingly, only seven households (5.4%) owned a television, and only two had a fridge (1.5%) both being common 'luxury' items in prosperous households in Nadampur. Similarly, only 9 (6.9%) of houses were made with concrete (*pukka*); and 13% with concrete and tin; the rest were constructed with a mixture of clay, tin, and bamboo. 38.5% of respondents in the survey said that they were illiterate; with 40% having only attended primary school.

2.12. As mentioned earlier, landlessness is slightly lower in Karimpur than Kakura (76.8% of a total of 112 households). Amongst the landless households, thirty one sharecrop land in (27.6%), of these thirty one, 15 sharecrop in over five *kiare*. Landholdings are also more spread out in size than in Kakura, where the majority of landowners only owned a small amount (63.4% had less than 3 *kiare*, or one acre; 18% had over 7 *kiare*) In Karimpur, however, approximately 55% had under 3 *kiare*; whilst 27% had over 7 *kiare*). It should of course be remembered that our survey was done *after* land was forcibly sold to the government for the gas plant; had it been done three years earlier, the levels of large landholdings would invariably have been greater.

2.13. If extreme poverty is measured by income and landlessness, it seems to be greater in Karimpur than Kakura, with 21.4% of households reporting a monthly income of less than 2500 taka (as opposed to 11% of household in Kakura). Yet as our research showed, these households have greater social connectedness and access to credit and other forms of support from rich patrons than the landless in Kakura; the statistical measure of income poverty should not therefore taken as a measure of well being / poverty per se. A total of 46.4% reported an income of below 4500 taka, as opposed to 50.7% in Kakura. Like Kakura, the majority of the remaining households have an income of between 4500-6500 taka (29% in Karimpur and 30% in Kakura). Interestingly, only 5% of households report an income of over 12500 taka. Again, this points to very high levels of inequality in the village; the relatively low number of respondents reporting a higher income is also indicative of how many prosperous households are permanently absent in the U.K, leaving an impoverished population behind. This would explain the higher number of *pukka* houses (26.8%, as opposed to 6.9% in Kakura). The rest of the village's inhabitants lived in a mixture of clay, bamboo and tin houses. Ownership of luxury goods implies a slightly larger number of prosperous

households in Karimpur than in Kakura: 19.6% of households had a television and 4.5% a fridge.

2.14. Most households in Kakura are therefore dependent upon local land for at least one element of their livelihood, either via sharecropping, using it to graze cattle, gathering firewood or rice grains, or being employed to work on it as labourers. The gas field has therefore exacerbated their everyday struggles since it has led a reduction in agricultural activities and unlike many households in the other villages they do not have access to remittances from the U.K and other foreign countries.

2.15. The ultra poor of Kakura also rely on nearby land for gathering straw which is used for fuel and / or building materials, for grazing cattle, and for gathering rice seeds after the rice has been harvested. The loss of fifty acres of land next to their village has therefore had a negative impact on them, forcing them to walk further to fields, or find other sources of materials. This effect is felt most strongly by women and children.

2.16. In sum, we conclude from our research that the loss of land to the gas field has had a largely negative effect on the poor of Karimpur and Kakura, with the exception of the small minority who have found work in or around the gas field as employees of labour contractors working for Chevron. The main reason for this is the loss of precious agricultural land, which they did not own, but which large numbers depended for their livelihoods. The following quote, from a focus group discussion in Karimpur illustrates the effects of the loss of land on local sharecroppers and labourers:

After the gas field was built, say after 2005, there were few opportunities for work. There was agricultural land where the gas field is now located. That land provided us with food ... so the amount of land has been decreased but the competition for sharecropped land has increased. We used to sharecrop 10-15 kiare of land, now it's difficult to find 2 kiare. (Focus group discussion, September 08)

2.17. The second quotation, from the same focus group discussion, illustrates the more general processes of monetarisation in the area:

Cultivation is unprofitable now. You need water even for aman plantation. There were two haors through which Chevron has built the road. So water does not reach the fields. Even for one kiare of land you need about four labourers; paying them 150 taka each. Plus you have the cost of a power tiller. So for one kiare, you have to pay 1200 taka, plus seed costs and fertiliser costs. Altogether you have to pay 3000 taka for one kiare. The yields are 7-8 maund. Before we used to get 10 maunds from one kiare. Due to the gas field the yields has decreased.

3. Land Compensation

3.1 The forcible loss of land to the gas field has had severe economic, social and emotional consequences for those involved. The following quote, by a landowner who lost most of his land, is indicative of what many people told us:

Money runs out but land is always there. I can see my land from my house. It always gives me such pain to see the land. This is my inheritance; since I was a child I could see it. Now all I can see is the flame. Just as there is fire over my fields, so is there now a fire in my heart (Field Notes, 2009)

3.2. Our research indicates that given the highly complex national and local political contexts, Chevron have done their best to negotiate fair compensation to local landowners surrounding the South Pad and were instrumental in negotiating higher levels of compensation with the government in 2005. Chevron officials also recounted to us how they worked hard to ensure that compensation payments were made in good time. Today, the company claim that 97% of all land was compensated.

3.3. However, despite these efforts, compensation has remained a problematic issue for many people in the area, who have had to go through the local land office to receive their payments. Indeed, none of the landowners who we spoke to in Bangladesh or the U.K were satisfied with the compensation they had received. This was partly due to the prices set for the land, which was perceived to be too low, but also due to the general perception of land as an invaluable resource that is passed down over generations, with multiple uses and deeply embedded cultural meanings. As explained in the opening sections of this report, land is perceived locally as irreplaceable for whilst a compensation payment is finite, it can provide a livelihood for many people for many generations.

3.4. Some landowners reported to the research team that they had to pay bribes to land registry officials in order to access their compensation. One reason for this is that land is often not 'properly' registered, but passed from one individual to another over the generations, involving oral rather than written contracts. This has been particularly the case in Karimpur, where Hindu landowners sold their fields to incoming Muslims from Nadampur. Since the Hindu land was officially classified as 'enemy property', there were no official land deeds for these transactions. This means that during the process of forcible government land acquisition, landowners did not have official papers in order for their compensation to be paid.

3.5. Over the course of the research, we heard from many people that it was common practice for the local land office to take 20% of the compensation money for the 'costs' involved, especially when papers were 'not in order'. Whilst Chevron is clearly not in a position to control local land offices, in the development of future programmes in Bangladesh in which land

compensation is involved, local level corruption should be considered in negotiating fair deals for land owners.

3.6. Whilst Chevron cannot directly administrate land compensation payments, supporting local governments to work to more effectively (for example in implementing anti corruption measures) is a key tenet of what Dfid have called 'higher levels' of Corporate Social Responsibility (see Appendix 4). Chevron's Corporate Social Responsibility policies and its Community Engagement Programme will be discussed in Section 7 of this report.

3.7. In the U.K, some landowners told us that land which they legally owned was claimed by local people who were using it.

3.8. One way in which landowners might feel better recompensed would be to institute a profit sharing scheme, in which a proportion of profits from the gas field is paid directly to the community and / or individual owners. This could be part of the contract drawn up between Petrobangla and the operating company. A second way would be for agreements to be made concerning the eventual return of the land to owners once the gas supply has run out. This would involve dismantling the gas field and returning the land to agricultural use, if possible.

4. Environmental Changes

4.1. Our research focussed on social and economic relationships rather than environmental issues. What follows is therefore based on what local people told us, not scientific evidence. An independent study, carried out by environmental scientists, of these issues would be extremely useful.

4.2. Local people say that the gas field has had negative effects on the soil quality in fields close to the gas field. This in turn has affected agricultural yields. The main reason given for this by our informants is that the high banked roads which link the South Pad to the North Pad, and both of these installations to the road at Sherpur, have prevented the inundation of the Kushiara River over agricultural land during the wet season, when haors (large areas of inundated land) once formed. This means that mechanised rather than natural irrigation systems have to be used, and has led to considerable changes in the fragile eco system.

4.3. Whilst some land is more dry, fields situated adjacent to the roads are apt to become swamped with water. This means that mechanised pumps are necessary to drain them. These pumps need to be hired, which is difficult for sharecroppers and small landowners who are unable to access ready supplies of credit.

4.4. Another cause to the seasonal water flow is the construction of anti flooding embankments by the government at the edge of the Kushiara River. The river has also naturally changed its course. The environmental issues reported here are therefore unlikely to have been caused *solely* by the construction of roads.

4.5. Culverts have been built into the roads to allow water to pass from one side to the other, but these are too narrow and become blocked with weeds. Local farmers told us they were not consulted over the design of the culverts.

4.6. Local people report that because the haors no longer form, the small fish and prawns which they used to gather from the fields during the wet season are no longer available. They also say that the price of fish has increased. These changes have a greater impact on the poor, for whom fish and prawns gathered from the fields during the rainy season were an important part of their diets. As reported in Section 2 of this report, many of the landless households we monitored in 2008-09 were going without adequate food due to the national 'price hike' of basic foodstuffs during the period of our research.

4.7. The following are quotes from our interviews with local people concerning environmental changes associated with the gas field:

The gas is making the soil infertile. After the gas started, the yields have dramatically decreased and the land has lost its fertility. There've been some big problems. They've put narrow pipes into the embankments which the water doesn't flow through and crops are

destroyed because the land gets water-logged. These narrow pipes aren't big enough to allow a large amount of water to flow from East to West; not a single culvert has been built to help the water pass: one narrow pipe has made our lives miserable. It's not just the acute water logging. The second thing is that we can't cross the road with the paddy as the slope is so high and slippery. Thirdly, we have big problems with our livestock. We used to graze them on the fields but with the high roads we can't cross from one piece of land to another. The fourth thing is that the soil has become sandy and less fertile. The sand comes from the roads and the gas field. Some of the fields I sharecrop have got sandy. Even if we water it, the land remains hard these days, so it's difficult to plough and the plants don't grow properly. ...

(Focus Group Discussion 2008)

A local leader put it like this:

You can see for yourself the condition of the land. We don't get the yields we used to. We don't get the water we need. Another problem is water-logging, due to the road. The pipes in the embankments are too narrow and have got blocked with earth.

Originally there were two haors in this area (large areas of land which become completely inundated during the wet season), now they're gone. If you walk around, you'll see that the land is covered with sand because sand fell into the soil (from building the roads) and it's become harder. Before, we used to get deposits from the Kushiara River, but no more ...

(Field Notes, 2009)

Before the gas field the yields were very good Before the gas field we used to get straw from the fields (ie after harvest) which we used as fuel. Now there's nothing here so we have to buy fuel. We used to have fish and the land was fertile. Now a whole month will go by and we don't eat fish. Where have the fish gone? There's no water left in the river ...

(Field Notes, 2009)

4.8. According to local people, the roads hinder livestock from moving freely across land, causing considerable problems for farmers attempting to move their cattle. A bridge or ramp could be built at intervals on the road which would reduce this problem.

4.9. It should be noted that these changes have been experienced by different people in different ways. The roads, for example, are viewed positively by many. Indeed, new roads were amongst the original 'demands' made to Unocal. In a discussion with four men from Koshba (near the North Pad at Dighalbak) the following comments were made:

We've benefitted from the road. We used to go by foot; not even a rickshaw could go to our village as there was no road at all. In the monsoon the path became so muddy that it was hard to even walk. Now when we have to go to the bazaar we can; the road has brought us peace.

(Field Notes, 2009)

4.10. Some of the houses in Karimpur and Firizpur are extremely close to the field. The inhabitants reported high levels of noise pollution from the gas field. More generally, we were told that because of flaring, the air temperature was higher than before, and there was a strong smell of gas. For example, one household told us:

Due to the heat from the gas we cannot stay at home during the day
(Focus Group Discussion, 2008)

4.11. It should be noted that these reports from local people have not been verified by independent environmental scientists.

4.12. Chevron claims to have implemented a programme of Environmental Social and Health Impact Assessments (ESHIA) for all its major capital projects worldwide in 2009, and to be introducing these assessments for smaller projects in 2009-10. (see Chevron's 2009 Corporate Responsibility Report:

http://www.chevron.com/globalissues/corporateresponsibility/2009/documents/Chevron_CR_Report_2009.pdf)

4.13. In January 2011, the CEO of Chevron confirmed that an ESHIA was carried out on Bibiyana. However, he was not willing to make this available to the research team.

4.14 Health and safety issues are discussed in Section 6 of this report

5. Employment by Chevron and its contractors

5.1. Although around five hundred people were originally involved in the construction of the gas field, since its inauguration in 2007 the site has not provided employment for local people. Indeed, original expectations that it might lead to mass employment (especially for the poor of Kakura and Karimpur) have met with disappointment. This is largely because the gas field is capital and not labour intensive. Today, only a relatively small number of highly skilled technicians are required.

5.2. A small number of local men are employed inside the plant. These men are hired via labour contractors, who are paid by Chevron. Some people claim that labouring jobs from the contractors are only available if one 'pays bribes' to them; others say that contractors only hire those who are part of their social networks, putting them in the role of local patrons.

5.3. Women labourers are not employed inside the gas field. The reason for this (as explained by an official) is that it would not be 'culturally appropriate' (Field notes, 2008).

5.4. Women are employed in teams working for labour contractors, often in road maintenance. Whilst all reported that they welcomed the regular work, some recounted instances of being verbally abused by their supervisors and being criticised for not working as hard as men (Field notes, November 2009). It should be noted that the supervisors are themselves employed by contractors and not by Chevron.

5.5. A job with Chevron is highly desirable because it provides a regular income, promotion possibilities, sick leave and so on. There are no other sources of employment of this sort in the locality.

5.6. As explained above, the men and women who are employed as manual labourers working on local road works and so on are not employed directly by Chevron but by labour contractors, who hire them. Some are local but others are from distant regions. These labourers reported to us during our fieldwork that they received 180 taka a day, which is slightly above the average wages for agricultural labourer. One labourer reported that he was supposed to receive 250 taka a day, but his contractor had not given him the full wage (field notes, Karimpur, September 2009). Other labourers reported that their wages had been 200 taka a day.

5.7. Chevron officials told the research team that labour contractors must follow Chevron's employment rules and procedures, which 'are clear and everyone knows about' (interview notes, December 2008).

5.8. However, our research indicates that some labour contractors do not follow these standards. For example, our interviews with labourers employed by contractors revealed that they only had oral contracts with the contractors, were not given sick leave or days off, and were liable to be made redundant or dismissed without any warning or explanation.

5.9. Most contractors hire people from their villages or within their kinship groups. One explained to us that this meant he had more control over the labourers. There are therefore many opportunities for exploitation. The following is a quotation from an interview with a labourer hired by a labour contractor working for Chevron:

Many times we do not get salary regularly. Chevron might have given money to our contractors but the owners do not. Then we have to keep silent as the owners is from our home village. He has brought us for our benefit. We must not go against him. In addition, we do not have a written document to bargain. (Field notes, November 2009)

5.10. The following are quotes from our interviews with labourers employed by Chevron's labour contractors

I've been working for nine months but I haven't received any salary yet. I get 100 taka (a day) as a food allowance, and have saved up some money which has been a great help. I'd leave if I could get a better job, but I'm staying to get my unpaid salary. If I leave now I'll never get hold of the money.

Another employee added:

There's meant to be a system (ie a contract) but it's not implemented. We're employed verbally and the employers can sack anyone at any time. Because of this, us labourers are exploited and cheated. (Field Notes, November 2009)

5.11. To this extent, Chevron is neither providing significant local employment, engaging in knowledge transfers or training in the production of gas, or enforcing ethical employment standards in the area. These activities (knowledge transfers / provision of employment) are, however, core to the basic principles of Corporate Social Responsibility (CSR).

5.12..See Appendix 4 for more details on the core principles of CSR

6. Political Relationships and Chevron's partnership with 'the community'

6.1. Chevron have a clearly stated aim of 'partnership with the community'. For example, in its promotional literature it states:

*Chevron Bangladesh will always consider itself a partner of the local people of Bibiyana in the community's effort to improve their socio-economic condition. The company would like to strengthen this partnership with a view to achieving sustainable development in the locality*⁶

6.2. Our research found whilst the company had developed positive relationships with some community leaders, this did not include all leaders. Indeed, some people who were formerly in leadership roles in the area told us that they felt excluded from the Community Engagement Programme. These individuals tended to be those who had lost significant amounts of land, and had resisted the development of the site most strongly.

6.3. The research also indicated that benefits from the gas field (via contracts to supply labour or materials, for example) were concentrated amongst members of the local elite, some of whom were already in leadership roles in the area when the South Pad was built in 2005. It is these leaders who are also most involved in Chevron's programme of Community Engagement, and are involved in the Village Development Committees (VDOs). These V.D.O.s are a principle mechanism for choosing recipients of credit, training and other benefits of the Alternative Livelihoods Programme, which is funded by Chevron as part of its programme of Community Engagement (see Section 7 of this report).

6.4. Since the construction of the gas field there has been a shift in local power relations, which the institution of the V.D.Os has inadvertently exacerbated. Similar processes have been found across South Asia in situations of rapid economic change or when new resources become available. In Bibiyana, as elsewhere in contexts of economic change, the elite have tended to benefit the most, whilst the poor are the greatest losers.

6.5. It is important to recognise that villages in the area, as elsewhere in Bangladesh, are heterogeneous: peoples' experiences and views are not the same. There have therefore been a wide range of reactions to the gas field and to the Community Engagement Programmes instituted by Chevron.

6.6. Statements concerning 'community partnership' (for example in Chevron's promotional literature:
(<http://www.chevron.com/globalissues/corporateresponsibility/2009/http://www.chevron.com/globalissues/corporateresponsibility/2009/>)

⁶ Ibid

therefore involve a degree of wishful thinking, for no community is a unified whole, and the local leaders involved in the programmes do not represent the whole community.

6.7. During our conversations with local people, several pointed out that the V.D.Os would reach a wider range of people, including Hindus and the ultra poor, if membership on the committees was chosen by anonymous elections. In an independent report given to Chevron in September 2009, we recommended that elections for V.D.Os should be done anonymously.

6.8. Some of the poorest people in the area are in-coming labour migrants, who occupy land on the margins of the wealthier villages of Nadampur and Firizpur. Efforts should be made to include these people in the benefits of the Community Engagement Programmes.

6.9. Our research indicates that more could be done to broaden participation of poorer households in the planning and implementation of Chevron's programmes. Local people told our research team that the community liaison officers employed by Chevron very rarely visited them in the community. The poorest households that we worked with also told us that they did not feel they had a channel of communication with Chevron. This could be remedied by employing personnel who work *within* the affected villages, to consult with local people and communicate to them the benefits offered by the Community Social Responsibility Programme. This recommendation was made to Chevron in the Report provided by the research team in September 2009.

6.10. Women are not adequately represented on the V.D.Os.

6.11. According to international standards of good practice (for example as laid out by the International Association for Impact Assessment⁷) multinational companies working within local communities should institute appropriate grievance procedures and channels of communication between the company and local people. At Bibiyana, however, our research shows that there are no grievance procedures in place, or official channels through which local people (other than local leaders) could contact Chevron staff.

6.12. Our report of September 2009 recommended to Chevron that grievance procedures should be put in place. We understand from recent communications with the company however that they have no plans to implement these procedures in the affected communities.

6.13. FIVDB are generally viewed very positively in the area and have been effective in improving community relations, whilst carving out their own distinct identity. We support Chevron's initiative to work via N.G.O.s in this way.

⁷ info@iaia.org

7. Health and Safety Issues associated with the Gas Field

7.1. People living close to the Gas Field are extremely concerned about the safety of the gas field. These fears were exacerbated by the flaring that took place in the first year of the plant's operation when due to inadequate warning systems large scale panic ensued.

7.2. According to local informants, the company relied on local leaders to distribute information about the flaring. The message was not passed on, and many people recount their terror on waking in the night to the flaring.

7.3. The following are quotes from our interviews with local people about the effects of the gas field on their lives:

We are terrified of a fire. Nobody knows when there's going to be a fire which will kill us

We're scared of a fire spreading over our village

We've gained nothing apart from the threat of setting fire to the village.

(Focus Group Discussion, 2008)

7.4. These fears should be put in context. In recent years there have been two large 'blow outs' in gas fields in Sylhet, causing widespread environmental damage. Fortunately these fields were not operating in populated areas. It is therefore hardly surprising that people living next door to the Bibiyana plant should be anxious about safety.

7.5. More efforts could be taken to communicate safety information to the population. For example, pamphlets (aimed at a non-literate audience) might be distributed door to door or community liaison officers employed to visit each household and explain safety issues. If flaring is to take place, villagers should be given appropriate warning and explanation. These simple measures would greatly improve community relations.

7.6. The Smiling Sun clinics and ambulances donated by Chevron are an excellent resource and contribute to the general well being of the area. However, our interviews and observations show that the ultra poor of the surrounding communities are not wholly satisfied by these facilities, since the clinic offers only diagnostic services and they cannot afford to pay for the medicines proscribed. We were also told that the fare of a CNG scooter to the hospital in Sylhet Town was cheaper than the ambulance.

7.7. As social researchers we are not in a position to comment upon whether or not the gas field has had an effect upon local health; we would, however, recommend that an independent report on health issues is carried out.

8. Chevron's Programme of Community Engagement

8.1. Since their first arrival in the area, Unocal and now Chevron have attempted to 'engage' the community by offering a variety of 'gifts' or benefits to the local population. In the earliest days these involved distributing tee shirts, and other small gifts to the population. More recently, a programme of Community Engagement has been instituted by Chevron which aims at longer term community development.

8.2. Examples of Chevron's CE programme include: distribution of slab latrines to households with inadequate sanitation, building materials for flood affected households, the distribution of smoke free stoves, funding of the Smiling Sun clinics, an ambulance and satellite clinics, funding of the N.G.O FIVDB's Alternative Livelihoods Programme, and educational stipends and scholarships. This list is not exhaustive, but includes some of the most notable elements of the programme.

8.3. This programme of Community Engagement should be understood in the context of the increasing adoption of policies of Corporate Social Responsibility (CSR) by multinational corporations working in the developing world. A major reason for CSR ,from the business perspective, is that CSR enhances a company's international reputation which in turn may affect its share price.

8.4. For Extractive Industries, CSR may also be a way of gaining acceptance from the communities in the areas where they operate. Since community compliance is vital for the on-going operation of coal, oil and gas extraction plants, 'Community Engagement' policies and projects are a key component of the industries' business plans.

8.5. Many donors and development experts accept that CSR might play a positive role in national and local development. Within the Bangladeshi context, multinationals may fund N.G.O programmes, or institute their own philanthropic programmes. They may also be involved in supporting business partners and government adopt ethical standards, for example employment standards in the garment industry. CSR therefore offers considerable positive potential.

8.6. There are a range of practices included under the rubric 'CSR', each with varying amounts of potential for positive and sustainable change. In a recent DFID (The U.K's Department for International Development)paper, for example, four levels of CSR were outlined. The lowest level, with the most limited extent of development impact, was 'Corporate Philanthropy', and the highest 'Engaging in Public Policy Processes', for example in supporting governments become more transparent and becoming involved implementing and developing anti-corruption measures. Further details on the Dfid Paper are given in Appendix 4.

8.7. Core Principles of CSR are summarised by DFID as follows:

- Basic Laws followed and taxes paid
- Stakeholders opinions are taken into account
- High labour standards and measures to protect the environment
- Social, economic and environmental impacts monitored and reported to the public
- High levels of training of employees
(source: Dfid and Corporate Social Responsibility: An Issues Paper, 2001)

8.8. Chevron's claims for its CSR policies (or 'The Chevron Way') are given in Appendix 4.

8.9. Our research did not carry out a comprehensive review of Chevron's CE programmes. The following are observations, based on interviews with NGO employees, programme beneficiaries and the more general population.

8.10. Chevron is a signatory to the Extractive Industries Transparency Initiative (see Appendix 4). This involves a pledge to work towards greater transparency in financial affairs, contracts with governments and so on. The government of Bangladesh has not, however, signed this initiative. We would welcome Chevron's support in encouraging the Government of Bangladesh to sign the EITI.

8.11. i. **The Alternative Livelihoods Programme**

As noted in the introductory pages of this report, the gas field has had a major impact on the livelihoods of households engaging in agricultural activities on the land taken by the field. These tend to be poorer households, who subsisted on sharecropping this land, were seasonally employed as labourers on it, or who used straw from the harvest to feed their cattle or for fuel. In order to supplement their livelihoods, Chevron have funded the N.G.O, Friends in Village Development Bangladesh (FIVDB) to run an Alternative Livelihoods Programme in the affected communities.

8.12. ii. The research team did not undertake a comprehensive appraisal of FIVDB programmes, which include livestock rearing, training in activities such as sewing and poultry farming, beef fattening, literacy and credit programmes. We did note however that in particular, the Savings programme seems to be working well, although on a relatively small scale; the need for more capital was mentioned by the members of some VDOs).

8.13. iii. Many people 'shop around' for the best loans, or gain credit through a variety of means (from NGOs, money lenders, relatives etc). Because recipients often live close to the poverty line, these loans are often used to pay for day to day expenses rather than investing in micro-enterprises. Local people told us that they prefer the FIVDB programme because the rates of interest (at 5%) is relatively lower than those offered by the other NGOs working in the area, Grameen and ASA (11-20%). The training offered with

the loan was also mentioned as a benefit, as was the flexible conditions under which loans can be repaid. It should be noted that due to the nature of this programme (in which relatively large sums of money are loaned) the beneficiaries are middle income households and not the ultra poor.

8.14. iv. Despite the benefits offered by the CE programmes funded by Chevron, it should be noted that not everyone has access to these programmes, and nor are they able to offer a 'solution' to the long term poverty explored in the earlier sections of this report, in which the lack of available agricultural land (due in part to the gas field, but also over population, building and other non agricultural uses) and growing monetarisation of the local economy were major causes.

8.15. iv. Indeed, we found that whilst we talked to people who had benefitted from the ALP, others complained of not getting access to the programme, or of having not experienced a long term benefit from the training or savings programmes.

8.16. v. One way in which the benefits of the ALP might be widened to include a greater proportion of the local population would be to increase participation in the V.D.Os, through which the programme beneficiaries are chosen (as discussed earlier in this report).

8.17. vi. More generally, it should be noted that the problems of long term poverty cannot be easily 'solved' by savings programmes or training for alternative livelihoods. Whilst such programmes offer an additional element to a household's livelihood strategy, and may help them cope in times of crisis, the income gained from activities such as beef fattening, goat rearing or chicken farming do not compensate for the loss of an agriculturally based livelihood, and may be more risky avenues of investment. For example, we heard many stories of investments made into goats and ducks which grew sick and died. The case studies given in Appendix 2 illustrate the ways in which local people remain reliant upon agriculture for their livelihoods.

8.18. vii. In sum, whilst the ALP offers many benefits, none of the households we studied in Karimpur or Kakura reported that their livelihoods had been transformed by the Alternative Livelihoods Programme, or that the various income generation programmes had substituted for an agriculturally based livelihood. Instead, the programme provided some alternatives in a constantly shifting portfolio of activities, which varied seasonally and according to the availability of opportunities.

8.19. In general, the CE programme implemented by Chevron could be said to be adhering to the first level of CSR outlined by the Dfid 2001 Paper (Corporate Philanthropy) and level three (Supporting Local Stakeholders and Communities).

8.20. Our research does not indicate that Chevron's CSR in Bangladesh follows the higher levels of CSR, which Dfid suggests are the most transformative viz, encouraging transparency and accountability, working with

local and national government in efforts to combat corruption, insisting on local adherence to ethical standards of employment.

8.21. We made the following observations with regards to Chevron's adherence to the core CSR principles listed in 7.6:

8.21. i. Basic Laws followed and taxes paid

Since there is no public information available within Bangladesh concerning the details of the deals made between the government and multinationals, we are not able to comment.

8.21. ii. Stakeholders' opinions are taken into account

At the South Pad Chevron have engaged some community leaders in consultations over local development initiatives. This is to be welcomed. However there is room for improvement in the company's community relations and the degree to which the opinions of *all* stakeholders are taken into account.

In order to adhere fully to this principle, Chevron should institute properly monitored grievance procedures in the communities surrounding the gas field. They should also take measures to ensure that the whole population is consulted, not just 'community leaders'. The poorest, women and Hindus are under represented by the VDOs, yet these groups are also 'stakeholders'.

8.21. iii. High labour standards and measures to protect the environment

We are unable to comment on the labour standards of those employed within the gas field. However our research indicates that labour contractors hiring labour for manual work outside the gas field do not always follow Chevron's employment procedures. We also saw no evidence that the employment practices of these contractors were monitored by the company.

8.21. iv. Social, economic and environmental impacts monitored and reported to the public

Chevron informed us in January 2011 that an EHSIA (Environmental, health and social impact assessment) had been carried out in Bibiyana. However, the results of this were not made public.

8.21. v. High levels of training of employees

Our research did not cover this issue.

8.22. In sum, CSR has much potential to offer Bangladesh, both in terms of offering charitable works, and in its more transformative capacities (for example, supporting anti corruption drives, government transparency, ethical standards and so on). In its CE works Chevron are moving some way towards these goals, but they could do more.

9. Ways Forward

9.1. Our research has shown that whilst Chevron have gone some way towards 'community engagement' and providing benefits to the communities surrounding the gas field, more could be done.

9.2. There are some immediate, practical steps that Chevron could take in order to move closer to 'community partnership'. The research team communicated these steps in a report presented to the company in September 2009.

They include:

- instituting appropriate grievance procedures
- ensuring that *all* stakeholders in the local communities are consulted in any community development work the company carries out
- ensuring greater representation of stakeholder groups on the V.D.Os,
- establishing appropriate communications to inform the local population of safety procedures, or warn them of planned flaring.

9.3. Since global reputation is important to multinational companies, it is clearly in Chevron's interest to develop and expand its CSR programmes and activities in Bangladesh. Potentially, there could be a win-win situation in which both Chevron and civil society / local communities benefit. This would involve adherence to core CSR principles.

9.4. Overall, the greatest contribution that multinationals can make in countries such as Bangladesh is to ensure that the production share contracts they have with the government benefit the country and that taxes are paid. Under U.S law, information about Chevron's contracts with the Government of Bangladesh will become available to U.S citizens by the end of 2012. In order to access this information, citizens will be able to make a 'Request for Information' to the U.S government. If this were done, the information could then be made freely available in Bangladesh.

9.5. Working towards transparency and accountability, both within multinational extractive industries and in supporting the government in these aims, has a transformative potential which reaches far beyond localised projects of philanthropy. We note that at an international level Chevron have played an active role in the EITI, and urge the company to support the government of Bangladesh to sign up to this initiative. In March 2011, the process of government transparency is underway through the establishment of the Information Commission within Bangladesh. We welcome these changes.

9.6. Within the international context, various coalitions and activist organisations exist which lobby governments and corporations to become more transparent. These include 'Publish What You Pay', which does not yet work in Bangladesh (<http://www.publishwhatyoupay.org/>).

9.7. In Britain, the government has recently announced an initiative to force European mining companies to reveal the details of their contracts in Africa.

This follows recent American legislation which requires U.S companies to reveal their contracts. This initiative could potentially include other countries in the world, including Bangladesh. More information is included in a newspaper report in the Observer, February 2011

(<http://www.guardian.co.uk/business/2011/feb/20/george-osborne-oil-mining-africa?INTCMP=SRCH>).

9.8. To take these issues forwards, we would welcome initiatives from the British Bangladeshi community and stakeholders in Bangladesh, who could work together, in conjunction with Chevron, both to reap the potential benefits of CSR programmes in Bibiyana, and at the international level, to lobby the governments of Bangladesh and Britain to promote greater corporate accountability and transparency.

Selected Publications by Professor Gardner on the Bibiyana area / the UK Bangladeshi community

Books

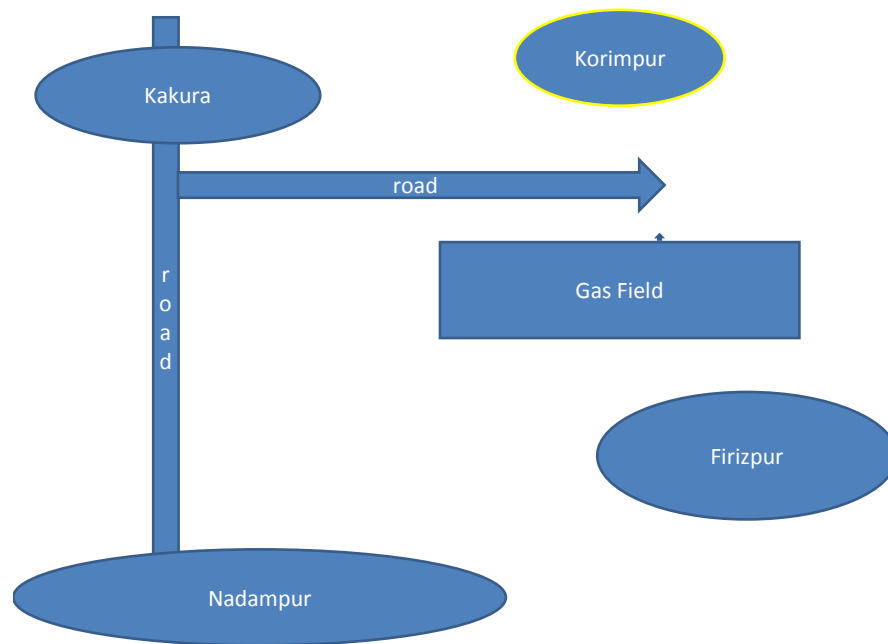
- Gardner, K. 1991 (reprinted by Pluto Press, 1996) *Songs at the River's edge: Stories from a Bangladeshi village* Virago: London
- Gardner, K. (1995) *Global Migrants, Local Lives: Travel and Transformation in Rural Bangladesh* Oxford: Oxford University Press.
- Gardner, K. (2002) *Age, Narrative and Migration: The Life Course and Life Histories of Bengali Elders in London*, Oxford: Berg.

Articles

- Gardner, K. 1993 'Desh-Bidesh: Sylheti images of home and away. 'in *MAN (Journal of Royal Anthropological Institute)* N:S 28; vol 1; pp 1-15
- Gardner, K. and Ahmed, Z. 2006 'Place, social protection and migration in Bangladesh: a Londoni village in Biswanath'. *DRC in Migration, Poverty and Globalisation* Working Paper, University of Sussex

Appendix 1

Diagram to show location of villages and the Gas Field in Bibiyana



Appendix 2

Basic Household Data from Kakura and Karimpur (data from 2008-09)

Kakura

Percentage of landless households : 83.1%

Percentage living in concrete house: 6.9%

Percentage of inhabitants illiterate : 38%

Monthly household income:

In BDT	Frequency	Percentage
500-2500	15	11.53
2501-4500	51	39.23
4501-6500	39	30.0
6501-8500	8	6.15
8501-10500	9	6.92
10501-12500	8	6.15
12501+	8	6.15
Total	130	100.0

Karimpur

Percentage of landless households: 76.8%

Percentage living in concrete houses: 26.8%

Percentage of inhabitants illiterate: 28.6%

Monthly household income:

	Frequency	Percentage
500-2500	24	21.42
2501-4500	28	25.0
4501-6500	33	29.46
6501-8500	9	8.0
8501-10500	11	9.8
10501-12500	1	.89
12501+	6	5.35
Total	112	100

Appendix 3

Case Studies of Household Coping Strategies

These case studies are drawn from regular interviews we carried out with households in Kakura and Karimpur and show the everyday struggles faced by the landless and land poor in Bibiyana

CASE STUDY ONE FARMER IN KAKURA

APRIL

Ten years ago I cultivated a small amount of land, but got good yields. Before, the rains came regularly, now they're irregular, so we have to pay money for water (ie to irrigate the land, especially for the boro crop) It used to cost about 150 taka to cultivate 1 kiare of land, now it's 400 taka. We also used to get straw from the fields which we used as fuel, but now you can't find it so we have to buy kerosene, which is 60 taka for a litre. Before, we ploughed the land with cattle; I had five bulls that I used for farming. Now we don't have any cattle due to the scarcity of fodder for them (which used to be available from the fields). I'm currently sharecropping 10 kiare of land, but the cost is 20, 000 taka, so it's not profitable.

Q. Why do you farm if it's not profitable?

Because there's no work available locally. If I wanted to work at Chevron, I'd have to pay a bribe.

There are nine people in my household and I'm the only source of income. We need 8 kg rice per day. If we got 100 maunds that would be enough to cover our needs, but from we only get about 80 maunds. I don't have any londoni relatives who can help me.

I had a loan from FIVDB: 3000 taka that I used for buying ducks. They all died. Then I had to repay the loan with 3200 taka, so I had to sell some of the paddy. How is it possible to run a family? We barely survive. I don't buy anything extra; I just cover the expenses of eating and getting by. For over a year I haven't been able to buy any meat. I had 5 maunds of rice left after the harvest, so sold 3 and bought some fish. Our main food is dhal, dry fish and vegetables. We've had to cut down on the dhal, though. Before, we had half a kg; now we only get 250 gm, which isn't enough.

I also borrow money in advance of the harvest from neighbours. In order to pay for the inputs for cultivation I borrowed 3000 taka, which I'll pay back at harvest.

AUGUST

This year I've rented 3 kiare of Rongjoma land. I've paid 1500 taka per kiare to the owners, who are from Mustafapu and Nadampur – Rokon Uddin is a Londoni, who I've got good relations with; I've been his sharecropper for a long time.

This month I'm planting rice seeds in my 3 kiare of land – that costs 1800 taka. I've employed some kamla to help me. In July I sold 20 maunds of paddy and got 12 000 taka, which I used for these planting costs and meeting the every day costs of my family. I haven't taken a loan.

I don't have any close relatives in London, though my father-in-law has some relatives there. No-one helps us. Poor people help themselves.

Due to the price hike, it's very difficult to survive, since we can't afford to buy things. Luckily I don't have to buy any rice, but I buy everything else. I used to buy 1 litre of oil a week, now I can only afford to buy half a litre. We've also cut the amount of lentils we eat by half. We live on dry fish and vegetables.

I have to feed my kamla, too, plus pay them 150 taka a day. All are local.

OCTOBER

This month I'm not doing that much. I've cultivated aman – you don't need much fertiliser for that, just water (explain)

Of the 12 kiare I cultivate, 8 are Rongjoma and the rest are from sharecropping. One of my sons is learning mechanics in the bazaar; he doesn't have a salary yet, but his boss pays for his meals.

I'm thinking of selling a cow to meet our every day living expenses.

Of the hundred ducks my wife bought (from the FIVDB loan) only 8 survived. I'll sell them at times of need. My wife is also rearing 2 goats.

We didn't buy any new clothes at Eid. I borrowed 300 taka to buy extra food : rice, lentils, oil and flour, so my wife could cook special pitha.

DECEMBER

I'm not doing anything at the moment, I'm unemployed. I haven't got any land to sharecrop. I thought I'd get some Rongjoma land, but it costs 1200-1500 for one kiare. Last year the yields weren't good. I don't know how I'll raise 1200 taka

Altogether I cultivated 12 kiare of land last year (8 rongjoma) but after all the costs we only got 35 maund, which isn't enough for all year consumption. At best, it's enough to subsist for 6 months.

CASE STUDY 2 KAKURA FARMER

This year I'm sharecropping 8 kiare. We have six people in our household: 2 wives and 3 children. I'm an old man, so my wives have to help earn money: they're selling bamboo baskets this year to help out.

We need 2 kg of rice for each meal. But we can't afford this, so have to make do with 1 kg. I also have to borrow money from my neighbours

and relatives – as an advance on the harvest. This year I've borrowed 5000 taka plus 6 maunds of paddy.

We have three meals a day, but one of those meals is just a name. In the morning we eat plain rice without any vegetables or curry. It's cheaper to buy 20 taka worth of dried fish.

To make the baskets we have to buy the materials, which is getting increasingly expensive. My wives make about 8 baskets a week, which we sell in the market. We get about 300 taka from that, which is a great help. From 8 kiare of sharecropped land, we only get 3 months' worth of rice. The remaining 9 months of the year are miserable. We have to borrow money, otherwise we wouldn't survive. If we can't pay the interest on the loans in time then we have to pay double the interest. This is the system around here and is what happened to me this year. That means that I have to use most of the harvest to pay back my loans, so I don't know how to run the household.

In 2004 the floods badly damaged my house, which was completely inundated and we had to take shelter elsewhere. The crops were damaged too. I had to borrow 10 000 taka, which I'm still repaying.

The gas field has caused us many problems. The amount of land available has decreased; it's also become infertile. We used to get fish from the fields (ie when they were inundated during the wet season) but now you hardly ever see them

OCTOBER

I'm spreading manure over the land before Eid...I had to spend a lot on fertiliser. I may need some insecticide too. I had to fertilise this land twice. The first time (that I bought fertiliser) I got 7kg of fertiliser (1200 taka), now I have to spend 1400 for the same amount. Now I'm hearing that the dealers don't have any. I only got it from Gola Bazaar by offering a bribe. Without fertilisers we don't get high enough yields, so can't pay back our loans.

For Eid I borrowed 500 taka from a man in Kakura, so that we could have some good meals.

DECEMBER (the dry season)

I'm not doing anything this month. My owner's land is near the north pad. I've got a pump for boro production, but I can't get water from there, so am anxious about cultivating the boro crop. I'm really feeling worried ... This year my aman yields were poor, though people whose land is in the south pad did well. I had 3 kiare Rongjoma and 5 sharecropped. After all the costs, I got 20 maund of paddy. But I could barely cover the outlay. I had 16 kamla working for me, and had to pay them a maund each, plus 150 taka. So I had to take a loan just to pay them. I eventually got 20 maund paddy. I sold two and a half maunds for 500 taka per maund. The rest of the paddy we subsist off over the year.

Q. Why were the yields poor this year?

The fields were heavily waterlogged. It was also hard to get fertiliser in time. There wasn't any available from our union, so we had to go to Gola Bazaar to get it, and had to pay 20 taka per kg. So we couldn't put as much fertiliser down as needed, and the yields were poor and the plants attacked by insects. That meant I had to gas the plants (ie apply insecticide) three times, which cost more.

Last year I had to borrow 24 000 taka for cultivation. I promised to pay 2 maunds paddy per thousand taka as interest. I've paid the interest, but not the original 20 000 taka as yet.

Q. Why is it more expensive to get Rongjoma land this year?

The owners realised that you can produce 7-8 maunds per kiare. If one maund of paddy costs 500 taka, then 7 maunds are worth 3500 taka. They get 3 maunds as their share, which is worth 1500 taka, which we poor people can't pay.

Q. How will you repay the loan?

The landowners appreciate that the yields weren't good this year. I've borrowed from various different people who understand my situation. Everyone knows that we farmers are in trouble. I'll repay those who need the money most first.

MARCH 2009

I've got 10 kiare of land as Rongjoma, which has put me in debt. Now I'm waiting for rain. I had to pay 10 000 taka for the 10 kiare. The owners wanted 1500 per kiare, but I refused to pay it. The owner lives in London – he said that the cost of everything had gone up. One of our villagers, who's a local doctor, contributed to rising the costs of Rongjoma by offering 2000 taka per kiare, higher than other people were paying. So the owners have raised the prices. Dr Afzal is a rich man. He has a power pump and can cultivate both aman and boro from the same plot of land. But we don't have irrigation equipment. We only cultivate aman on the rongjoma land and not boro, as it needs too much water.

I mortgaged the land for one year. I have to pay 10 000 taka plus 12 maund paddy by the end of the year. We poor don't have any alternative. We take a loan just to repay the last loan. This is how we survive. I owe 20 000 taka and am trying to work out how to repay it. I borrow money from villagers and have never been to an NGO. NGOs lend 2-3 thousand taka, and ask you to repay on a weekly basis. ... so it's better to go to village people.

It's not profitable for me to cultivate boro along with aman. I don't have a machine (ie pump). I wish I did. The area is surrounded by roads and the water doesn't pass. Before, the river water used to come over the land and it was fertile. Now even for aman production there isn't enough water. The embankments and roads are good for the people who use them, but we hardly ever go to Sylhet so what's the use of roads? We don't need roads, they're for the rich men. Now they can

get their vehicles right up to their houses. Now because of the road, one kiare of land is worth 3 lakh taka.

CASE STUDY 3 SHARECROPPING / BEGGING

Our case study householder says he's growing old and doesn't have much energy left for work. He has five daughters, one of whom is disabled. The household depends on her earnings as a beggar, plus the two kiare of land which they sharecrop, which is suitable for aman production only. From the sharecropped land, they got 20 maunds of paddy in 2008 which they subsisted from for four months. He spent 2000 taka on seeds, and borrowed 5000 taka for other production costs. His daughter goes out begging 2-3 days a week, earning 50-200 taka a week. As he puts it:

We could earn more, but my daughter can only be persuaded to beg a few days a week, Nowadays around here people give you food or other things, so to do our begging we go outside the village, to places like Shah Jalal's mosque, Sharan Paran mosque in Sylhet City and the like. people don't want to give money if they see my daughter with me: they say I'm an able bodied man, so why do I need to beg? So we've changed our strategy, using our daughter to get more sympathy. But as we're far from home we have to stay in a hotel which costs about 500 taka a day, plus food. Ramamdan is a good time for us, when people go to mosques .. we see it as a chance to catch them. For each meal we need at least 2 kg of rice. We never have any side dishes, just the rice. We don't buy vegetables, as we can't afford them.

AUGUST

He is sharecropping 8 kiare land; he's planting this month. For the planting he uses seven labourers who he pays 150 taka plus meals. The land owners live in Karimpur / UK; he's been cultivating the same land for the last 18 years. He's had to take loans to cover production expenses and has built up debt of 20 000 taka. He and his daughter can earn around 200 taka a day from begging. They mostly do it in Gola Bazaar, where people don't know them.

CASE STUDY FOUR LANDLESS IN KAKURA

The householder is in his thirties with a wife and four children. They live with his mother-in-law; his father in law is dead so he has to take responsibility for the household. He's a rickshaw puller, earning about 150 taka a day; it costs 30 taka to hire the rickshaw. His mother in law sometimes works as a servant. He says:

"I can't pull a rickshaw every day. Some days I've had to starve, as I haven't earned any money. I try to borrow money, but don't always manage. There are two ways you can get a loan: you can borrow rice or cash. I pay back the loans by reducing our food intake. We borrow from relatives who we know well. Me, my mother in law and my wife try to get work during harvesting. My wife and mother in law work in the village (processing the paddy?) whilst I find work outside. The women get 4-5 maunds of rice and sometimes some old saris."
I can't remember the last time I ate meat. For the last three days we've had a snack in the morning, followed by a meal of rice and dried fish at midday and in the evening.... When I get some money we eat two meals. If I don't earn anything, we don't eat.

CASE STUDY FIVE KAKURA LANDLESS

The householder is a widow. There are four people in the household including her son, who is a day labourer, working on the land and road construction. On average he earns 100-150 taka a day. She told us:

Yesterday my son went out very early to find work. We didn't have anything to eat, so waited eagerly for his return. We waited until the evening, but still he didn't come. That night I had to go to a neighbour to borrow 1 kg of rice. We cooked this and had it with dried fish. The following morning we ate the leftovers. For lunch and dinner we followed the same pattern. This happens to us every day, every month

When we monitored the food that this household ate over four days, we found that they only ate twice on one day. For the other days, they had one meal of rice and dried fish or rice and vegetables and nothing else.

CASE STUDY SIX KARIMPUR LANDLESS

The householder is a day labourer, with two daughters and one son. He earns 150 taka a day, but only gets work about 20 days a month, mostly repairing and building houses. The household needs 3 kg rice a day, which costs 100 taka. The rest of the money is spent on basic foods. Household members gave us the following information about their food consumption:

Before the 2008 price hike	Now
Monthly 4 litres oil	1 litre
Daily 1 kg potatoes	250 gm
Monthly 1 kg dhal	250 gram
8 eggs	4 eggs
Milk	nothing

The household borrows from a shop in Bander Bazaar to buy necessities. When the householder is paid at the end of the month, they repay the loan. If there's a crisis, he borrows from money lenders in Nadampur, who ask for 20 taka interest for every 100 borrowed. He doesn't like to borrow from NGOs because of their rules.

Appendix 4

Corporate Social Responsibility

Four Levels of CSR (Dfid, 2001)

- 1. Corporate philanthropy (or 'voluntary contributions') this involves aid 'gifts' / charity
- 2. Internal Management and Products (ie contributing via their core operations, via knowledge transfers, provision of employment, payment of taxes etc)
- 3. Multi-stake holder partnerships (ie working with civil society organisations, local communities, govt agencies etc and supporting them)
- 4. Engagement in Public Policy Processes – supporting governments in long term development aims, especially anti corruption, transparency etc

Extractive Industries Transparency Initiative Criteria

- Regular publication of all material oil, gas and mining payments by companies to governments (“payments”) and all material revenues received by governments from oil, gas and mining companies (“revenues”) to a wide audience in a publicly accessible, comprehensive and comprehensible manner.
- Where such audits do not already exist, payments and revenues are the subject of a credible, independent audit, applying international auditing standards.
- Payments and revenues are reconciled by a credible, independent administrator, applying international auditing standards and with publication of the administrator’s opinion regarding that reconciliation including discrepancies, should any be identified.
- This approach is extended to all companies including state-owned enterprises.
- Civil society is actively engaged as a participant in the design, monitoring and evaluation of this process and contributes towards public debate.
- A public, financially sustainable work plan for all the above is developed by the host government, with assistance from the international financial institutions where required, including measurable targets, a timetable for implementation, and an assessment of potential capacity constraints.

The Chevron Way (taken from <http://www.chevron.com/about/chevronway/>)

Our company's foundation is built on our values, which distinguish us and guide our actions. We conduct our business in a socially responsible and ethical manner. We respect the law, support universal human rights, protect the environment and benefit the communities where we work.

Integrity

We are honest with others and ourselves. We meet the highest ethical standards in all business dealings. We do what we say we will do. We accept responsibility and hold ourselves accountable for our work and our actions.

Trust

We trust, respect and support each other, and we strive to earn the trust of our colleagues and partners.

Partnership

We have an unwavering commitment to being a good partner focused on building productive, collaborative, trusting and beneficial relationships with governments, other companies, our customers, our communities and each other.

Diversity

We learn from and respect the cultures in which we work. We value and demonstrate respect for the uniqueness of individuals and the varied perspectives and talents they provide. We have an inclusive work environment and actively embrace a diversity of people, ideas, talents and experiences.

Ingenuity

We seek new opportunities and out-of-the-ordinary solutions. We use our creativity to find unexpected and practical ways to solve problems. Our experience, technology, and perseverance enable us to overcome challenges and deliver value.

Protecting People and the Environment

We place the highest priority on the health and safety of our workforce and protection of our assets and the environment. We aim to be admired for world-class performance through disciplined application of our Operational Excellence Management System.

High Performance

We are committed to excellence in everything we do, and we strive to continually improve. We are passionate about achieving results that exceed expectations — our own and those of others. We drive for results with energy and a sense of urgency.