# The Oil and Gas Find At Cape Three Points-Expectations of the People in Neighbouring Communities

I. Addei\*, C. Addei and E. Broni-Bediako

### **Abstract**

Cape Three Points which is the southern most town in Ghana has widely been in the news as a result of the discovery of oil and gas in commercial quantities along the coastal areas of the town (known as Jubilee Fields). Since the discovery of the oil and gas in the town, the chiefs and people in the area have had high hopes and expectations that their lives will be completely transformed for the better.

The study revealed that the quality of lives of the people will improve considerably by way of employment opportunities, development of adequate social and economic infrastructure, easy and accessible markets for their fish and farm produce resulting in high income levels, better accessibility to the town as well as improved communication networks. According to the inhabitants of the area, the oil and gas find is going to assist them to educate their children to higher levels.

The interactions and interviews carried out among the chiefs, opinion leaders and people, in the town and other surrounding communities such as Akwidaa, Egyambra, Achonwa and others, showed that, the chiefs and inhabitants in and around Cape Three Points are really poised for good quality of lives when production begins in the Jubilee Fields.

#### 1 Introduction

The discovery of oil in the deep waters of Ghana's Territorial Waters west of Cape Three Points has been seen as good news to Ghana in her effort to improve on her economic development. A lot of views have been expressed on how best Ghana can utilize the revenue that will be accrued from the oil field to ensure net benefit to communities along the coast in particular and Ghana as a whole (Torgoh, 2010). This development has drawn the attention of the world at large on The Cape Three Points community and the Ahanta West District in general.

# 1.1 Study Area

Cape Three Points community is located at the southern most point of the country and the entire West African Sub-Region within the Ahanta West District Assembly. Cape Three Points has a total land area of 4.8 square kilometers and it is occupied by 849 people according to the 2000 Population and Housing Census report.

The community is bounded on the East by the Egyambra community at Bassar junction, on the West by Akwidaa at River Esui, and the Gulf of Guinea to the South. The community is about one hour drive from the commercial capital of Western Region, Takoradi. It is approximately 65 kilometers from the central business district of Takoradi and about 40 kilometers from Agona Nkwanta. The road is motorable in the dry season but difficult to use at some portions during the rainy season.

## **1.2 Population Size and Growth Rates**

Cape Three Points is one of the 123 communities of Ahanta West District within the Dixcove Area Council. The population of Cape Three Points was estimated at about 849 in 2000 (Anon., 2000). Using the population growth rate of 3.2% in the District, the population of Cape Three Points is projected to be 1,148 in 2009 and 1,264 by 2012.

The above projection especially that of 2012 is assumed to be on the lower side given the expected large immigration into the community when oil production finally takes off. Serious consideration should be given to the community and other communities in the district which will be receiving the migrants. The average household was about 3.8 in 2000. However, the sampled population revealed an average household size of about 5.1 and population density of 179.4 per square kilometer and this increased to 238 per square kilometer in 2009.

# 2 Current Situations in Relation to Basic Infrastructure

This section briefly highlights the existing situation of communities around Cape Three Points in relation to basic infrastructure such as Education, Health, and Roads and Electricity. Others include Housing, Communication Facilities, Water and Sanitation.

# 2.1 Education, Health and Electricity

Cape Three Points community has one Pre-School, one Primary and a Junior High School (JHS). The Primary and Junior High School structures are in fair conditions but the Pre- School building requires rehabilitation. The enrolment at the JHS level is not encouraging with majority of the pupils dropping out of school after Primary school. The enrolment at various levels for 2008/2009 academic year were as follows; KG – 107, Primary – 225 and Junior High School (JHS) – 47 (Anon., 2009).

There is no health facility at Cape Three Points. The nearest health facility is at Akwidaa, about 6 kilometers from the community. The District referral Hospital is at Dixcove. The community is yet to be connected to the national electricity grid.

## 2.2 Roads and Communication

The road stretching from Sankor junction to Cape Three Points is fairly motorable. During the rainy season it is difficult to use some portions of the road. The surface of that stretch of the road is untarred (see Fig. 1).



Fig. 1 Section of Road from Akwidaa to Cape Three Points

Receptions of the major communication service providers such as Tigo, Zain, Vodaphone and others are irregular. Only some few selected sections of the community can receive reception from these networks.

## 2.3 Housing, Water and Sanitation

Generally, the housing characteristics of the Cape Three Points community depict a typical rural housing type (Fig. 2). About 95% of the houses are built with mud and thatch with the remaining houses built with cement and asbestos roofing. Some of the houses have exposed foundations due to erosion.

With regards to Water and Sanitation, the community has only one borehole fitted with a pump. In terms of coverage, and also by Community Water and Sanitation Agency standards, only 300 people representing 26.1% have access to potable water.



Fig. 2 Housing Type at Cape Three Points

This puts pressure on the existing borehole resulting in the frequent breakdown of the pump. The community does not have public toilet but a few decent houses have toilets facilities. Majority of the people attend nature's call along the beach. There is also no approved refuse dump site in the community resulting in the people dumping their refuse anywhere especially along the beach and this has made the place very unkempt.

# 3 Methodology, Data Collection and Analysis

A self-developed Likert structured questionnaire was the main instrument used for collecting data for the research. The questionnaire was designed for the inhabitants to seek their general expectation pertaining to the oil and gas discovery. A four-point Likert rating scale was used for this research instead of the standard five-point. Part A dealt with biographic data. Part B examined the general expectations of the people of Cape Three Points in the form of infrastructure, employment, resettlement and the likes. In this study, sample sizes of 199 were

used. In all, the samples were collected from the chiefs, opinion leaders the people, in the town and other surrounding communities such as Akwidaa, Egyambra, Achonwa and others. The questionnaire was administered by the researcher to the respondents personally. The purpose of the study and procedure for responding to the questionnaire were explained to the respondents. Responses to the questionnaires by the chiefs, the opinion leaders and the people in the town and surrounding communities were done with the help of the researcher in the form of interactions and interviews.

Descriptive statistics was used for the analysis and discussion of data collected from the field. For the analysis, the responses to "Strongly Agree" and "Agree" statements were put together as "Agree". Also "Disagree" and "Strongly Disagree" were combined as "Disagree". Research questions A and B were analyzed with simple frequencies and percentages.

# 4 Findings and Discussion

This section looks at the biographic data and the expectations of the various segments of Cape Three Points community. Among the people interviewed were the Chief, men, women as well as children. In all, 199 people were interviewed.

# 4.1 Biographic Data

## 4.1.1 Age and Sex Structure

According to the 2000 Population and Housing Census (PHC) about 418 representing 48.5% of the total population of Cape Three Points are males and the remaining 443 representing 51.5% are females.

Out of the 199 population sampled, 86 of them are males representing 43.22% and 113 representing 56.78% are females (Fig.3). As a result of the high population growth rate in the district, a large proportion of the population (56.78%) falls within the working age group of 18 to 60 years. However, there has been an increase of 4.5% from the figure of 52.28% working group since the year 2000. The current figure is above the national estimated figure of 51%.

This can be attributed to the influx of fishermen to the community for fishing activities. The implication for development is that many hands would be available for production, but a lot of pressure will be placed on available facilities. This underscores the great need to create job avenues to absorb the large labour force and also provide enough facilities to meet the current

and future demand. This gives a sex ratio of 1:1.3 males to females. The dominance of females over males is a reflection of a nationwide trend where the estimated ratio is 1:1.03. The need to target women in any development programme in the community can therefore not be over-emphasized. Age and sex structure are presented in Table 1.

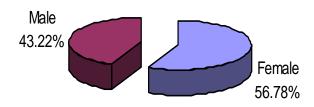


Fig. 3 Gender Distribution

**Table 1 Age and Sex Structure** 

Age	Male		Female		Total	
ngc .	Number	Percent	Number	Percent	Number	Percent
Below 18	30	15.08	41	20.60	71	35.68
18-30	17	8.54	20	10.05	37	18.59
31-40	18	9.05	23	11.56	41	20.60
41-60	15	7.54	20	10.05	35	17.59
61 & above	6	3.02	9	4.52	15	7.54
Total	86	43.22	113	56.78	199	100.00

# **4.1.2 Occupation Distribution**

Predominantly, the people of Cape Three Points are fishermen and farmers with some of them in other forms of trades such as weaving and hairdressing (Fig.4).

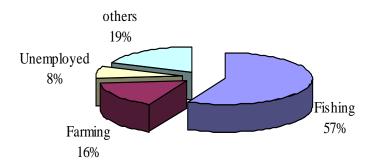


Fig. 4 Occupation Distribution

# **4.1.3 Education Level**

About 52.8% of the sampled inhabitants are illiterate (see Fig. 5). On the whole, the statistics attest to the low level of education in the community.

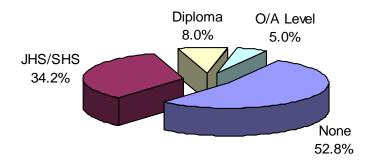


Fig. 5 Educational Level

# **4.2 General Expectations**

# **4.2.1 Infrastructural Development**

Infrastructural development has always been the dream of many people especially the chiefs. Most chiefs want their people to enjoy good life. Because of this, the chief of Cape Three Points expressed the desire for the improvement of social and economic infrastructure in the area. These expectations are reflected in the responses to the questionnaires administered to the inhabitants (see Fig. 6).

Fig. 6 shows the degree of expectations of the inhabitants of Cape Three Points and it neighbouring communities. Out of the 199 samples taken, 100 % of the inhabitants are optimistic that the discovery of the oil and gas will improve the road network to the town and the standard of health care in the area.

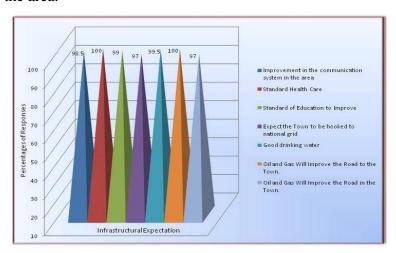


Fig. 6 Infrastructural Expectation

## **4.2.2** Employment Expectation

The chief, opinion leaders and the people who were interviewed indicated that they expected the oil find to create job opportunities for the people in the community.

The chief expects his people to be gainfully employed. According to him, the only jobs in the area are fishing and subsistence farming. As a result, the youth do not stay in the town but rather leave to the big towns to do menial jobs while most of the youth who stay in the town are unemployed. To him, if the oil discovery creates employment, his subjects will be able to take better care of their families.

The women who were interviewed were also optimistic that the oil will create employment opportunities for the people in the community. They expected the oil companies to employ majority of them and their husbands so that they can take good care of their children. The men also expect to be employed as labourers and also as skilled workers. This is because most of the people agree that because they are not highly educated they do not expect to get any skilled jobs but can be employed as labourers in the companies. There are others too, who are educated and expect to be employed as skilled workers.

There were also expectations from the children. Majority of the children expressed their joy about the oil find in the area. They believed it will create employment for their parents which will make their parents take good care of them. Some of the children too were of the view that, the oil find will motivate them to learn harder so that in future they can be employed by the oil company.

Due to the employment expectation, the inhabitants are of the view that interest in fishing and farming which are currently the main occupations in Cape Three Points will fall (Table 3) when a lot of attention shifted to the oil and gas sector in the community.

Table 3 Responses to Fishing and Farming interest by the Inhabitants

Less interest in farming and	No.	Percent
fishing		
Strongly Disagree	10	5.0
Disagree	17	8.5
Agree	47	23.6
Strongly Agree	125	62.8
Total	199	100

## **4.2.4 Social Vices**

In spite of the many benefits that are expected to come with the oil and gas discovery, there are other forms of social vices that will also come along with it. Research responses examined from Cape Three Points confirm to these forms of social vices (see Table 4).

From the responses examined, about 162 (81.4%) of the inhabitant expects crime level to increase more than other forms of social vices (Table. 4).

**Table 4 Responses to Social Vices** 

Social Vices		Agree		Don't Agree	
		No.	%	No.	%
1	Sexually transmitted diseases to increase	156	78.4	43	21.6
2	Crime level to increase	162	81.4	37	18.6

3	Prostitution by indigenous people	140	70.4	59	29.6
4	Prostitution by foreign people	119	60.0	80	40.0

#### 4.2.3 Resettlement

In view of the oil find in the Cape Three Points area, it is likely that the activities of the oil companies will disturb the inhabitants of the area. This may cause the people to be resettled.

Out of the 199 samples taken, about 165 (82.9%) of the inhabitants of Cape Three Points were ready to be resettled. This is an indication of the readiness of the people to embrace any move that will be beneficial to the community. Notwithstanding their readiness, the inhabitants (women and men) were of the view that better housing system is provided when they are resettled.

## **5 Conclusions**

From the above analysis, Cape Three Points is a deprived community in the Ahanta West District with many hopes and aspirations. These expectations expressed by the community members are the true reflection of their needs.

It is hoped that when the actual production starts resources would be injected into the community's development so as to improve the standard of living of the people of Cape Three Points.

## 6 Recommendations

In order to ensure peaceful co-existence and better working relationships between the oil and gas companies and the people in the neighbouring, the following measures are recommended to help diffuse any possible tensions and conflict:

- Education of people on the effects of oil and gas exploitation on their lives and the effects of certain type of chemicals that are used in the operations.
- Education of the people of Cape Three Points and the surrounding communities is necessary to strike a compromise between the needs of the communities, oil and gas companies and the nation, to allow the sustainable development for the public on the positive and negative effects and risks of oil and gas exploitation. This will also eliminate any negative conceptions of the people on oil and gas exploitation (Anim-Sackey and

Amankwah, 2005).

• Effective public education programmes will have to be carried out by the Government to enlighten the public on the usage of the oil revenue.

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Isaac Addei is at present an Assistant Registrar at University of Mines and Technology, Tarkwa. He has Bachelor of Arts degree in Social Science (Sociology and Geography) and Diploma in Education from University of Cape Coast and also holds Master of Science degree in Development Policy and Planning in 2002 from Kwame Nkrumah University of Science and

Technology (KNUST), Kumasi. Until joining UMaT in 2007, he also worked as a Senior Development Planning Officer in a number of Districts in the Western Region for ten years.



Cecilia Addei (Mrs.) is currently a lecturer at the University of Mines and Technology (UMaT), Tarkwa. She holds B.Ed degree in Arts (English Option) which she obtained in 1998 from the University of Cape Coast (UCC), and M.A degree in Comparative Literature obtained in 2002 from Kwame Nkrumah University of Science and Technology (KNUST). She is a member of the African Literature Association (ALA).



Eric Broni-Bediako is an Assistant Lecturer at the Petroleum Engineering Department of the University of Mines and Technology, Tarkwa. He has Master of Science degree in Petroleum Engineering from African University of Science and Technology, Abuja and also holds Bachelor of Science degree in Mining Engineering from KNUST, Kumasi.