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REQUEST FOR INSPECTION

To the attention of the Inspection Panel, 1818 H Street, N.W., Washington D.C. 20 433, United States of America
We, the Centre for the Environment and Development (CED), Yaoundé, acting on behalf of Mr Savah Narcisse and other inhabitants of Mpango village (Kribi), Bissabidang, Nestor Abega Otele, Mr Ekani Lebogo and other employees of COTCO sub-contractors, Mr Ekouang Laurent and Mr Mangama Ngiong Pierre of the Bakola community of Kour Mintoum, situated along the route of the Doba-Kribi oil pipeline, state the following:

1. The World Bank is partially financing implementation of the Chad Cameroon oil project, and has been following up its design since 1996. The project consists of exploiting the oil fields in the south of Chad and constructing an oil pipeline between Doba (Chad) and Kribi (Cameroon) to transport crude oil to its port of export. Construction work on the oil pipeline officially started in June 2002.

2. We understand that the World Bank has adopted the following rules or procedures:

a. Directive OD 4.01 on environmental impact studies.

This Directive requires that an environmental impact study be carried out by a team of independent experts for Category A projects and, in its paragraphs 3, 4, 8 and 20, emphasizes the following points which seem relevant in the case of our region:

- taking account of the natural environment
- taking account of human health and security
- taking account of social questions
- implementation of measures to prevent, mitigate or compensate for the negative impacts of the project
- follow-up, in the implementation phase, of the Borrower's commitment, including in the context of mitigation measures

b. Directive OD 13.05 on project supervision

This Directive requires the World Bank to ensure supervision of the projects it finances in order to guarantee:

- the conformity of project implementation with the borrower's original undertakings (point 1.a);
- the rapid identification of problems by the World Bank, and the implementation of measures aimed at correcting them (point 1.b).

c. Directive OD 4.20 on indigenous peoples, intended to:

- guarantee that the development processes fully respect the dignity, rights and cultures of the indigenous peoples;
- protect the indigenous peoples from the negative impacts of projects financed by the World Bank;
- provide the indigenous peoples with social and economic benefits compatible with their cultures.

d. Directive OD 4.30 on the involuntary displacements of populations, which determines the principles governing the World Bank's action in the matter of compensation. This Directive requires, among other measures:

- the planning and implementation of appropriate measures aimed at mitigating the risks of impoverishment and other long-term negative impacts likely to affect populations as a result of the project (paragraph 2);
- compensation payment in advance of project work (paragraph 3b i);
- assistance in their efforts to re-establish or even improve on their previous standard of living and level of production (paragraph 3b iii);
- the payment of compensation to all the populations affected, including groups of indigenous and pastoral peoples enjoying usufruct of the land. Absence of title of ownership of the land shall not be an obstacle to compensation (paragraph 3e);

- determination of the cost of replacement in terms of the value of resources destroyed (paragraph 14);
- the need to provide compensation for loss of access to water resources, pasture land and forest resources (paragraph 15);
- the need to have independent follow-up of the compensation process, and to publish annual reports (paragraph 22);
- the need to avoid sporadic supervision, or one carried out at an advanced stage of the project (paragraph 31).

e. Operational Policy OP 4.04 on natural habitats

In the case of this project, protected areas have been created as compensation for environmental damage caused by construction work.

f. Operational Directive 4.15 on poverty reduction, paragraph 6 of which recalls the fundamental objective of the World Bank's activities, which is that of poverty reduction.

g. In the specific context of this project, an agreement enabling the establishment of the COTCO company has been signed with the Government of Cameroon, and various project documents have been approved by the World Bank which has undertaken to ensure commitment during implementation of the project (Environmental Management Plan, Plan for Vulnerable Native Peoples, compensation plan, etc.).

3. Our rights and interests are as follows:

For the Bakola communities

As inhabitants of the Kour Mintoum Settlement, which is situated about one kilometre from the oil pipeline route in the Kribi region, we have had to suffer the destruction of vital resources as a result of the construction work. To date, no compensation has been paid to us.
Mr Ekouang Laurent had a field of food crops which was destroyed without any compensation being paid to him.
Mr MANGAMA NGIONG Pierre had a field of manioc, yams, macabos, sweet potatoes, plantain bananas and other vegetables which has been destroyed without any compensation being paid to him.
Medicinal plants along the route of the oil pipeline have also been destroyed.
Lastly, game has become rare since the construction work began.

For the inhabitants of Mpango

We have been living in the village of Mpango since the 15th century, and hold customary rights to the land under Cameroonian land legislation (an order of 1974 establishing the land regime). The populations of Mpango village are for the most part farmers, and their plantations are situated either right next to their homes, or a reasonable distance from them. The proximity of the town of Kribi reduces the possibilities for our village and plantations to expand.
The village has a guaranteed supply of water from a spring. The village is criss-crossed by small rivers which provide water for other domestic purposes, and are used for freshwater fishing.

At Makouré: Exotic forest species planted by Mr Bissadibang were not at the outset considered as being exploitation, which ruled their owner out from the individual compensation process. In compliance with Cameroonian forest law, Mr Bissabidang had had the volume and value of his wood assessed by the appropriate departments of the Ministry of the Environment and Forests. The assessment reports, attached as an annex to this complaint, estimated the value of the wood as being between CFAF 1 500 000 and 6 500 000 (i.e. between US$ 2,150 and US$9,285). After several months of discussion, COTCO proposed a first payment of CFAF 300 000 (US$428). Then, without further negotiation, COTCO offered an additional payment of CFAF 350 000 (US$500) in cash and kind (particularly alcohol and food). Under the threat of administrative authority which accompanied the COTCO representative, Mr Bissabidang was obliged to sign a contract in which he acknowledged that the amount paid constituted « fair and genuine.... satisfactory and sufficient » compensation. No information has been provided as to the methods of calculating the amount of this compensation. Furthermore, the other terms of the contract have not been respected by COTCO (promises to recruit for the project young members of Mr Bissabidang's family, and the cutting of wood so that it would be useable by Mr Bissabidang). Lastly, 81 okoumés were excluded from the compensation calculation on the pretext that they were « wild » trees which had grown there naturally. It seems important to mention that okoumé is an exotic

species in the region concerned and that the seedlings were produced by a fully grown seed-bearing tree which was destroyed by the route of the oil pipeline.

At Nkongzok: Trees planted by Mr Abega Otele on land belonging to him have not been taken into account in the calculation of the individual compensation due to him. Mr Abega has documents establishing that he planted the contested trees himself. Thus, the exchanges of correspondence with ONADEF, the government agency responsible for forest development, attest to the fact that he bought seedlings from it and that experts visited his plantations on a number of occasions. Furthermore, COTCO has proceeded, on Mr Abega's land and beyond the areas which had been the subject of expropriation on grounds of their public usefulness, to destroy crops which were not taken into account in calculating the amount of compensation he received.

At Nkongzok: As community compensation the inhabitants of the village have a right to the sum of CFAF 1 950 000. Part of the village wants to finance a connection to the electricity network, and has money to finance the additional costs of this. COTCO is unfortunately opposed to the option by the village, which is not requesting that COTCO make additional financial efforts.

At Nkongzok: Mr Belinga Gabriel has been in a hospital in Yaoundé for the past six months because of serious pulmonary problems. He considers that these problems are due to the quantity of dust absorbed during the construction work. He is paying his medical costs himself.

At Ngovayang: The inhabitants of the village want to use their community compensation money to finance a project to gain access to electricity. COTCO is trying to impose on them the construction of a traditional community hut, which would duplicate the one the village already has. Discussions are currently deadlocked.

At Nguinda (Nganga Eboko): The totality of tools and small equipments provided to the local populations as compensation in kind have been defective since the first few months of use. COTCO considers that it is for the local populations to take the matter up with the provider of the equipment, for which there was a six-month guarantee. The local populations say they were not informed that such a guarantee existed.

At Ngovayang: Mr Moro Mba's compensation was paid to Mrs Ngo Ngwotok. In spite of complaining Mr Moro Mba has been obliged to share his compensation amount with his adversary, and the portion he received is almost equal to the cost of the proceedings he had to undertake to try to recover his rights.

At Mpango: A sizeable portion of Mr Sava's crops was not taken into account in calculating the amount of his individual compensation. He is being accused of making investments in his land after the course of the oil pipeline was decided. However, because of his concerns regarding the proximity of his house to the land acquired for the oil pipeline, COTCO agents had indicated to him that the course would be altered so that it went around his concession with the purpose of avoiding any displacement of populations. It was on the basis of these promises that he continued to exploit his land. In the end the course of the oil pipeline was not altered. What is more, a footbridge built by Mr Sava so that he could get to his concession has been used by project employees during the construction work. He had been promised that the footbridge would be rebuilt, and that promise has not been honoured. It has been completely destroyed by the COTCO agents, who abandoned it when they left. Mr Sava has rebuilt it, and is demanding compensation.

At Mpango: The Ngouombouri family has lost all its agricultural land, which has been used for the construction of the pressure reduction station and a storage area for equipment used by COTCO subcontractors. Substantial quantities of laterite have been removed from these lands, which have also been used for training drivers of equipment for the Willbros Company. Crops belonging to the wife of the head of the Ngouombouri family have been destroyed without compensation being paid. The various uses to which the lands have been put in connection with the project have made them unfit for agriculture.

At Nkoala: Mr Owona Nicholas, a 74-year-old paralysed illiterate, has not received fair compensation for his crops that have been destroyed. More than 46 young palm trees have been destroyed by the oil pipeline without any compensation being paid. His request for additional compensation has not been dealt with.

At Mpango: Mr Savah has experienced difficulties for which he has not received compensation. For example, he suffered as a result of the significant extension of a swamp due to water retention in the ground in front of his house. The private footbridge leading to his house has been used without his permission. This resulted in it being destroyed. Mr Savah's house is situated 12 metres from the pipeline, in other words it is on the land

acquired for the oil pipeline. The harmful effects of the noise of the bulldozers and of the dynamiting of rock lasted three months. Finally, Mr Savah's family has been exposed for three months to the radioactive effects of the welding of pipes.

As far as employees are concerned, the Consortium was opposed to complying with Cameroonian law No. 96/141 of 5 August 1996 concerning the transport by pipeline of hydrocarbons from third countries, and especially its provisions regarding the classification of workers employed in construction work. Article 2 of the law states in effect: « The construction, exploitation and maintenance of pipelines for the transport of hydrocarbons are activities, industries and works connected with oil activities. » In spite of these provisions which are precise and advantageous to the workers, COTCO and its subcontractors base themselves on 30-year-old collective agreements (which are being revised) in refusing to negotiate with employees any adjustments to their working conditions.

In February 2002, following negotiations conducted with its staff, the Doba Logistics Cameroun company, the subcontractor in charge of stocking and storing oil pipeline construction equipment, signed an agreement improving the working conditions of its staff (salaries, health cover, solidarity fund, training bonuses, safety bonuses, overtime, night work, etc.) and promising that its clauses would be retroactive. By May 2002, many of the agreement's clauses had still not been implemented, and none had had a retroactive effect. Representations by employees seeking to secure respect for these clauses have remained in vain, and have resulted in the dismissal of 18 employees.

Mr Mba Odou Simon, an assistant welder on the project, was dismissed on 3 May 2002 while on sick leave following an accident he had when working at the site.

M Belobo Zacharie, who was recruited as a « flagman » at the site, was the victim of an accident at work, and has sustained a fractured and dislocated shoulder. Since his accident he has not benefited from any medical follow-up. The employer refused to submit to conciliation at the labour inspectorate, preferring instead to initiate contentious proceedings which will last a long time and be prejudicial to the employee's health.

Mr Chuanso Charles was the victim of an unfair dismissal on 2 May 2002 when his employer Doba Logistics notified him of the cessation of his fixed-term contract eight months prior to its expiry.

4. Our rights and interests have been injured in the following manner:

As a general rule, there have been serious infringements of our rights which are due to violations of the policies of the World Bank and which have taken the following forms: insufficient information during the preparatory phase of the project and since its implementation began; an inadequate consultation process; insufficient, non-existent or inadequate compensation; no respect for the workers' rights; a renewed outbreak of sexually transmitted diseases and HIV/AIDS all along the oil pipeline and around the project's main bases (from north to south), an increase in the prostitution of minors along the length of the oil pipeline.

For the Bakola

We have suffered the negative effects of the project without so far having been able to enjoy any of the advantages set out in the Plan for Vulnerable Native Peoples.

The construction work on the oil pipeline has caused the following problems in our villages:

- the drying up or pollution of sources of drinking water supplying some of the Bakola settlements as a result of the construction work, notably regarding the rivers Mbikiliki, Pembo, etc.;
- disturbance of the environment due to the noise of heavy equipment throughout the construction phase: this noise nuisance has had a negative impact on the presence of game, and on our own subsistence;
- the non-payment of individual compensation to Bakola whose plantations had been destroyed: this is the case with Messrs Ekouang Laurent and Mangama Ngiong Pierre who have received no compensation for destruction caused by the construction work; the weight of the machinery had rendered the land unfit for agriculture. Likewise, Mr Mintouong Gaston has not received the compensation due to him because it has been paid to a woman in the neighbouring Bantou village;
- inadequate information during the preparatory phase of the project, and since the construction phase began;

- non-implementation of the actions set out in the Plan for Vulnerable Native Peoples, which could have improved the living conditions of the Bakola; the delay in launching the activities of the Environmental Foundation, responsible for implementing the Plan for Vulnerable Native Peoples, has meant that the Bakola have not been able to benefit from the mitigation measures envisaged under the project;
- lack of any participation by the Bakola in drawing up the Plan for Vulnerable Native Peoples;
- the plan for recruiting local staff, which gives priority to the inhabitants of the villages abutting the oil pipeline, has not been respected in the case of the Bakola.

For the inhabitants of Mpango

Construction work on the oil pipeline has caused the following problems in the village as well as for some individuals:

- Destruction of the village's source of drinking water during the construction of the Kribi storage site. The company responsible for the construction work had promised to grant access to the inhabitants of the village to the drilling operations being conducted inside the Kribi base. This promise has not been kept. Since that date the village no longer has access to drinking water.
- Reduction in the flow of the river Pembo, which supplies the southern part of the village with water for normal use. During the construction, and for a period of four months, there was no water downstream, while upstream there were floods and a significant extension of the swamp in front of Mr Savah's house.
- Fishing was discontinued upstream from the acquired area by virtue of the noticeable alteration in the flow of the river Pembo after the burial of the oil pipeline.

For the inhabitants of the other villages mentioned

We consider that we have not received fair and equitable compensation for the damage we have suffered as a result of the oil pipeline construction work.
In some cases the amounts are insufficient, and do not represent the real value of

- In some cases, the amounts are insufficient and do not represent the value of replacing resources that have been destroyed. This, for example, is the case at Nkongzok and Makouré;
- in other cases, the amounts are paid to different persons, or are not paid at all;
- in still other cases, the populations are imposed choices by company agents when it comes to compensation;
- payments have not been made before construction, with the result that destruction occurs before adequate and total payment of due compensation;
- the poor quality of the equipment as compensation in kind has not enabled us to renew our investments. The choice of providers has been made by the COTCO company which is trying to make us bear responsibility for it;
- the process for handling disputes is very slow, and we are not given information regarding the mechanisms that exist.
- It seems to us that the directives of the World Bank have not been respected by the Consortium. Payments in cash and kind have not been sufficient to permit restoration or improvement of production levels. The timetable for payments, some of which are still awaited, has not been conducive to their being used for new investments by the local populations concerned. Furthermore, no management arrangement has been set in place for the benefit of local populations wanting to create new plantations to replace those that have been destroyed. The result therefore is the impoverishment of affected populations, which is contrary to the directives of the World Bank.
- The rights of the fishing communities, as well as the project's impact on fishing in the region, does not seem to have been adequately taken into account by the environmental impact study.

For the workers

Failure to respect the law has deprived them of the income and working conditions they might have expected from collaborating with the project. Dismissals consequent upon various accidents are contrary to Cameroonian labour legislation and have been damaging to their health.

Overall, the project has a negative impact on the environment and on the lives of those living along the oil pipeline and those employed on the building sites.
The individual cases cited here are simply illustrations of the problems, and in no way constitute an exhaustive list of violations of the rights of populations by virtue of the project.

5. The Bank has not respected its rules and procedures by acting in the following manner:

Directly or through non-governmental organization (NGO) channels we have formulated written or verbal complaints to those in charge of the construction works and to all the other institutions involved in the construction or project follow-up. We have also informed the World Bank in writing or verbally, directly or through NGO channels, about these problems, without any reaction being forthcoming. (See the annex for copies of correspondence and documents establishing that the World Bank was informed of the situation.)

a. The World Bank accepted an environmental impact study which was not in conformity with Operational Policy OP 4.01, at least in respect of the following points:

- Operational Policy OP 4.01 states that the environmental impact study must « foresee and evaluate the potential negative and positive impacts of the project in terms which are as quantitative as possible. It must identify mitigation measures, and any potential negative impact which cannot be mitigated. » (OP 4.01, Annex B, paragraph 2.e.).
- The Environmental Management Plan must « ... describe - with technical details - each mitigation measure. » (OP 4.01, Annex C, paragraph 2).
- Paragraph 19 of the World Bank's Operational Policy on environmental impact studies, which states that the views of local NGOs and affected populations must be fully taken into account in the design and implementation phases of the project.
- The analysis of alternatives has not been sufficient. It has not taken account of future developments of the project, and has been carried out solely from the point of view of the companies promoting the project, and not from the point of view of society as a whole. Likewise, it has not evaluated the impact of the combustion of the oil exploited in the project on climate change. Furthermore, the potential impacts of possible oil accidents have not been analysed. Preparation of the emergency plan in the event of an oil leak was conducted without the slightest public consultation.
- The environmental impact study has not undertaken an analysis of the cumulative and overall impacts of the project. For example, it has not taken sufficient account of the operations for exploiting oil in the Ebomé region (Kribi), and no study of the alternatives has analysed the possible benefits of developing tourism in Kribi.
- The baseline studies have not been adequate, limiting the possibilities of identifying all the potential impacts of the project and therefore the relevance and scope of mitigation measures.
- The absence of baseline studies severely limits the opportunities for follow-up of the real impacts of the project.
- As for the protected areas created as compensation for the destruction caused by the construction of the oil pipeline, the choice of Campo seems unacceptable as the region is already a protected area and for a long time before the project was launched has been the site of a GEF project. So it is not a new protected area. Furthermore, protection of the region is inadequate because of the threats due to the existence of industrial activity in the immediate proximity of the protected area;
- The World Bank has permitted the project to start despite the limited capacity of the State of Cameroon to undertake follow-up operations and implement the necessary mitigation measures. The Bank's incapacity to ensure adequate strengthening of the capacities of the Cameroonian administration constitutes a violation of Operational Directive 4.01;
- Consultation with and the provision of information to the populations affected by the oil pipeline has not been adequate. It has led to a failure on the part of these populations to be aware of the mechanisms established in the project for their benefit (mechanisms for settling compensation disputes, for example);
- All along the oil pipeline, from north to south, sources of drinking water have been polluted without the Consortium providing any of the solutions envisaged in the Environmental Management Plan;
- Finally, the preparation of the environmental impact study has not respected the requirements of independence set out in paragraph 13 of Operational Policy 4.01, which recommends in the case of large projects the recruitment of an Independent Advisory Group of internationally renowned specialists who will provide an opinion on the entire process of preparing the impact study and on the implementation of mitigation measures.

In the case of the Bakola settlements, the drying up of sources of drinking water and the pollution of the rivers which criss-cross the various settlements were not envisaged in the impact study. No mitigation measure is therefore provided specifically to deal with these negative impacts.
Furthermore, the reduction in fishing activities due to the disturbances in the region's hydrographic network has not been the subject of any mitigation measure or compensation for the Bakola populations.
Finally, slow implementation of the Plan for Vulnerable Native Peoples has not permitted the mitigation measures envisaged in the project to be carried out.

In the case of Mpango village, the drying up of the source of drinking water and the alteration in the river flow were not envisaged in the impact study. No mitigation measure was therefore envisaged to deal with these problems.

b. The World Bank has not respected Directive OD 4.30 on the involuntary resettlement of populations, and in particular the requirements relating to the production of an annual report by the project on the implementation of compensation (paragraph 22).

c. Operational Directive 4.04 on natural habitats has not been respected, since action to manage the protected areas created in compensation for the environmental damage due to construction works has not been launched because of the delays in establishing the Environmental Foundation.

d. The Bank has not respected Operational Policy 4.15 on poverty reduction, since the project has caused structural impoverishment of numerous persons living along the oil pipeline. In fact, because of the lack of management and methods of payment of compensation (in cash and in kind with agricultural equipment of poor quality), many local populations living along the oil pipeline have not been able to reconstitute plantations destroyed during the construction work. The amounts paid in compensation have therefore rarely been adequately used. Furthermore, in many cases the refusal to pay due compensation has involved local populations in lengthy and costly proceedings only few of which have resulted in the payment of compensation, which is derisory when compared with the sums invested by the victims. Lastly, the slowness of the process of handling compensation disputes deprives the beneficiaries of sums they had a right to expect for the reconstitution of their production systems.

e. The World Bank has not respected Operational Directive OD 13.05 on project supervision, since no follow-up report mentioned the problems encountered in our village because of the construction of the oil pipeline. The World Bank seems to have given important follow-up responsibility to the enterprises, as laid down in the agreement between Cameroon and COTCO (Exxon, Chevron and Petronas). No measure has been envisaged for dealing with the delay in implementation of the Plan for Vulnerable Native Peoples or for making good damage to the environment which was not foreseen in the Environmental Management Plan (especially the drying up or pollution of water courses).

f. The World Bank has not respected Operational Directive 4.20 on indigenous peoples in various of its provisions:

- Paragraph 8 of Operational Directive 4.20, which recommends providing information to the indigenous peoples and securing their participation in preparing the Indigenous Peoples Plan; likewise, the project does not seem to have a strategy for ensuring the participation of indigenous peoples in the decision-making process during the design, implementation and assessment phases (paragraph 15.d);
- Paragraphs 8 and 14, which recommend taking account of traditional knowledge, local cultures and the traditional use of resources in determining the Plan for Indigenous Peoples;
- The question of access to land, the outlines of which are specified in paragraph 15, is not addressed by the Plan;
- The process of consulting the indigenous peoples has not been adequate, as shown by the low level of information in the communities regarding the outlines of the project.

The objectives of the project for building the capacities of the Cameroonian administration are far from having been achieved. This delay has an impact on the project. Thus, for example, the Project Appraisal Document prepared by the World Bank states that implementation of the safeguard measures by the Government of Cameroon within the scope of the CAPECE shall follow the timetable for the construction and exploitation of the oil pipeline. Implementation of the project has hitherto been unsuited to the encouragement of public participation in oil pipeline construction activities, to permitting follow-up of the social issues related to

compensation, to the protection of public health, including against HIV/AIDS, to improving the situation of the indigenous peoples, and to protecting Cameroon's cultural heritage.

Because of these failures on the part of the World Bank with respect to its own policies and directives, we hold this institution responsible for the problems we have experienced and continue to experience because of this project.

6. Our requests have received the following responses:

Many requests addressed to COTCO or the Cameroonian party have remained unanswered. The information transmitted to the World Bank has to the best of our knowledge elicited no reaction.

In some cases, we have replies from the Cameroonian Government and from COTCO, which are opposed to any reparation of the wrongs we have suffered. In addition, the official project documents convey an optimistic view which seems not to take account of the non-compliance cases of which we are victims (see correspondence in the Annex).

Consequently, we consider that the above-mentioned actions or omissions, which are contrary to the rules and procedures of the World Bank, have seriously infringed our rights and interests, and we request the Inspection Panel to recommend that the administrators of the World Bank open an investigation in order to resolve the problem.

As your regulations recommend, this request is presented in a succinct form. We remain at your disposal should you wish to have any additional information.

DONE in Yaoundé, 20 September 2002

We request that you keep the names of the signatories of this complaint confidential

SIGNATORIES OF THE COMPLAINT