

# **Chad-Cameroon pipeline project: where do we stand today?**

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## **Introduction**

Much has been said about the Chad-Cameroon oil and pipeline project, the 1070 km long pipeline constructed to exploit 3 wells from the Chad – among other fields when considering the present situation- , and transport the oil to the coastal town of Kribi in Cameroon. For this very controversial project, the World Bank, EIB and some others promised that things would be different, due to the exceptional framework put in place, and they ensured that poverty alleviation will be a concrete output of the project. A cost-benefit analysis “confirmed” that the project was profitable both to Chad and Cameroon. Several monitoring groups and mechanisms were established among which the External Compliance Monitoring Group (ECMG), and the International Advisory Group (IAG). While the first group mentioned has almost disappeared due to their mandate, IAG is still on board, visiting the countries concerned and producing reports.

Oil exploitation has started from almost three years now, while several problems from the construction phase were still unsolved. It may be interesting therefore to know what is the situation of the project in the field today. Hereunder are recent echoes from the field in Cameroon.

## **An overview of the construction phase**

After the project approval by the World Bank in June 2000, things picked up in a fantastic speed, which led to construction completion more than one year ahead of schedule. While this was a real technical prowess, it must be made clear that at the same time the mitigation measures implementation was seriously ill treated. NGOs monitoring the project denounced in all music sound the wrong doings and non-compliance accumulated by the Constructor and its sub-contractors. It is easy to understand that those sub-contractors who had already chosen their technical staff and had to pay high costs to them, had also to hurry as much as possible to reduce the “final bill/cost”. And this couldn’t give way to a fair treatment of the complaints laid at various levels, particularly in a context of unclear or undefined regulation for several points, such as workers conditions of work, lack of respect of contracts signed, etc.

The poor quality, motivation and capacities of the governmental project monitoring staff helped very much in the low level of mitigation really implemented in the field when needed. The World Bank official monitoring bodies, particularly the ECMG could difficultly be qualified to be impartial: Most of the “cases” brought to them with what could appear to local NGOs and communities as “enough proofs” appeared to be ever questionable, and if black, generally painted into white in the consequent ECMG reports.

FOCARFE was lucky enough to be a member of one joint field visit of IAG, COTCO(the consortium), and 2 NGO representatives, with the objective of evaluating the individual compensation process: The chosen investigation village by COTCO had only one farmer

affected by the field destruction process, while other villages having numerous affected people were carefully avoided. The situation was so funny that COTCO's representative felt obliged to look on the spot for another village to visit. And there, the shortcomings of the compensation process were so evident that the NGO member's questions were felt and declared by IAG members to be provocative or inciting to conflict. But what is certain is that it is through those questions that the farmers of the village happened to learn that they were entitled to a guarantee period for the compensation materials they received and that the materials had to be automatically changed in case of intrinsic deficiency: Rather, the villagers were entering a long pleading process in search of the consortium magnanimity!

The various problems encountered for recognition of the numerous problems in the field and the mitigation measures implementation, even though denied in various ways during the construction period, resurrected through the so-called social closure, a process through which the consortium wanted to have declared solved all the problems denounced by the local communities. In less than no time, the consortium was mentioning solved almost 95% of the conflicting situations included in its data base! A methodical and systematic inventory of the pending field situations by the NGOs quickly showed the contrary: More than 400 conflicting situations were identified and brought to the knowledge of the consortium, IAG, the World Bank and the Government monitoring body.

FOCARFE summarized the various cases of human rights into at least 10 categories: Over-billing of community structures, faulty or non- operational community equipment, pre-existing structures destroyed, destruction of water courses, workers rights baffled, farmlands destroyed as result of project works, poorly restored lands, poor waste management, defence sites destroyed, indigenous people's rights baffled.

## **Situation at date of the social and environmental issues of the construction phase**

### **a) Social balance sheet**

As said above, the social closure process demonstrated the existence of numerous pending problems in the project. The documents produced, written or documentaries, associated with joint field visits in 9 villages for triangulation brought the consortium to admit a consistent number of cases: The claims forwarded to the consortium up to 30<sup>th</sup> of April 2005 were classified under five categories since June 2005, following consensual discussions of NGOs and the other parties. The social closure concept which was seen as a "once and for all closing process" was replaced by an annual investigation and evaluation process known as "social balance sheet". COTCO engaged itself to solve directly the category 1 and 2 claims, while a clear action plan was established to find a definite solution to category 3 claims, and at the same time, rules were defined for the treatment of the other pending problems identified. The various parties agreed to start considering the 2006 social balance sheet as from May 2006.

Categories are classified as follows:

<b>Category</b>	<b>Signification</b>	<b>Number</b>	<b>Percentage</b>
1	COTCO recognise that the communities are right in their claims, and accept to act ASAP	27	6.50%
2	COTCO has respected its engagements, but « the communities are not satisfied and COTCO will bring solutions on a cases by case basis	56	14%
3a	COTCO responsibility is not engaged : COTCO believe to be in full compliance with the management plan, but there is no consensus among the parties, and field verification trips will be necessary to establish the truth	249	60%
3b	COTCO responsibility is not engaged : COTCO is in full compliance with the management plan, and there is consensus among the parties	64	15.5%
4	Problems not concerning COTCO	17	4%
<b>Total</b>		<b>413</b>	<b>100%</b>

More details about the 3a type of claims are given in the table below:

<b>Type</b>	<b>designation</b>	<b>Nbr</b>	<b>%</b>
A	Potable Water	28	11%
B	Irrigation	24	10%
C	Sanitation	5	2%
D	Sacred Sites	17	7%
E	Quality and quantity of material and equipment for regional and community compensation	68	27%
F	Over-billing of community structures	14	6%
G	Employment	17	7%
H	Infrastructures	18	7%
I	Individual Compensation	54	22%
Others		4	2%
<b>Total</b>		<b>249</b>	<b>100%</b>

Concerning the effective actions carried out following the 2005 social balance sheet, the 1 and 2 category claims (20.5%) are said to be under treatment. The 3a category claims (60%) have been subdivided into 9 categories of projects, and field visits are to be carried out to identify the appropriate actions to undertake at the village level, after triangulation. At the same time, 19.5% of the cases are said to be out of COTCO's responsibility and therefore closed!

in a meeting held in Yaoundé Hilton hotel on the 20 march 2006, during the recent statutory visit of IAG in Cameroon, NGOs complained once more of the low level of effective implementation of the decisions consensually taken: despite a joint verification visit in 9 villages, with clear reported problems confirmed and reports written, nothing has been done so far by the consortium. Another field visit for more villages is under planning, and NGOs wonder whether the action following the field verification will not simply remain at the rhetoric level, while serious or even dramatic consequences are happening in the field! one can mention the example of the recent accident whereby three fishermen perished in the Lom river waters, whose speed have been exponentially increased since the pipeline construction works, and which has so far led to several accidents among the local communities. The situation has been long reported, but the action to undertake was still not engaged.

*The international Advisory Group acknowledges that the correction rate/speed of claims is slow, the field trips agenda unclear, and finally that there are no significant changes in the field situation.*

*To that effect, they suggested the establishment of a formal/structured framework, to ahead of this discuss on the methodology, settling criteria and make precise the implementation time.*

#### **b) The Lom-Pangar Dam**

The Lom-Pangar dam, which is to be constructed as a State decision, will affect the pipeline construction and part of the Deng Deng forest reserve. NGOs made observations and produce recommendations on the EIE and management plan. The document was handed over on 20<sup>th</sup> of March 2006, to the Minister of Environment and Protection of Nature as well as to other government bodies.

Some of the observations made included:

- The consultation process of local communities and NGOs was not effective;
- The EIE documents omitted several important points;
- The rare species of the Deng Deng reserve are threatened;
- The risk of accidental oil spill in the dam waters is real and not addressed;

Some recommendations made by the civil society group were:

- The definition by the State of a national participatory elaborated energy plan, with all the energy policy stakeholders,
- The respect by the Government of international treaties and accords ratified by the country,
- The re-implementation of the information and public consultation procedure by the project promoter,

## **CONCLUSION**

The Chad-Cameroon project has evolved from an openly conflicting ambiance in between NGOs and Cotco, and discussions are now more and more taking place. But the ever requested discussion framework or establishment of a formal platform has never come to be a reality. The correction of triangulated and accepted points in the field is done at a too low and

discouraging pace. This makes rhetorical the taking into consideration the civil society point of view. A lot still has to be done in that prospect.