

January 30, 2002

International Advisory Group
Chad-Cameroon Petroleum Development and Pipeline Project
Secretariat
5 Place Ville-Marie, Suite 200
Montreal
Canada

Dear Members of the IAG,

Following up on our previous letter dated November 13, 2001, we wish to thank you for your on-going work and the latest report dated December 21, 2001.

Our Cameroonian colleagues are raising specific issues which have so far not been fully addressed in your reports (pls. see attached text in French). They are very concerned about conflict situations between sub-contractors to the project and their employees and about intimidation of peasants in the context of compensation payments. In addition, they are concerned about the fact that NGO-input is not fully reflected in the reports citing the example of the lack of attention to the question of compensation for the Bakola.

In addition to these concerns, we wish to raise some specific questions:

Human Rights

According to numerous sources from inside Chad and Cameroon as well as international organizations, such as Amnesty International, the governments of both countries continue to massively violate human rights. Intimidation and an overall lack of personal security are prevalent in both countries. In this context it is all the more important that human rights monitoring be a central component of the work of the IAG. Since the IAG's human rights expert, Hilde Johnson, has left the IAG, we would like to know if the IAG will replace her and what process will be used to select new candidates for the position.

Time Tables for Making-up Delays

Before project approval by the World Bank in June 2000, NGOs called on a moratorium for funding to ensure that necessary conditions concerning legal frameworks and capacities were in place before launching this project which will affect the lives of large parts of the population of both countries for generations.

Your reports confirm the two-speed nature of the project where the construction components of the project are rapidly advancing while capacity building and regional development activities are lagging behind.

What is the time-table presented by the World Bank to ensure that the measures directly related to poverty alleviation and promotion of well-being of the population catch up with the Consortium's construction activities?

Baseline Studies

Your first report highlighted the fact that basic data, such as the quantity and quality of groundwater, data on poaching and illegal logging as well as data on the health and well-being of the local population did not exist or were not made available to you. You recommended that this gap be urgently filled before construction activities are further advanced. What has been the World Bank's, governments' and Consortium's reaction to your recommendation?

Local NGOs

Your second report very importantly recommends that EPOZOP, a local NGO in southern Chad which works directly with the communities, receive accreditation in order to be able to carry out its work. What has the reaction of the Government of Chad been to your request?

Concerning the situation of Cameroonian NGOs, your first report states that they must receive the legal status which would enable them to assume their duties in being vigilant. What has been the outcome of this recommendation?

Lack of Communication/ Stealing of Compensation Payments

Your first report emphasizes the scarcity of communication activities between the project sponsors and project-affected people and other stakeholders. The second report notes that the President of Chad has demonstrated political will to address the IAG's recommendation in this respect.

You also report that President Deby has ordered and conducted an investigation into reports regarding "irregular drawings on the proceeds of individual compensations". NGOs have had reports about the stealing of compensation payments from individual by people linked to the authorities.

Will the report by President Deby be turned public and will there be prosecution of those found to be guilty of stealing from the peasants? We fear that directives alone will not end this practice.

Extension of the Project

Your first report refers to the exploitation of the Sidigui deposit. In addition there are reports of new oil exploration activities in other parts of southern Chad, especially in the Sarh region where Esso reportedly already has established a base camp.

Your recommendation is that the Sidigui exploitation should follow the same social and environmental standards as the Doba project. The same of course should hold true for all other oil exploitation activities in the region.

What information have you received about additional oil exploration activities and what assurances have you been given that the Doba standards will be applied there as well? Who will be in charge of monitoring the situation outside of Doba?

This project has and will continue to have enormous impacts on the already suffering population in both countries. Many more questions will certainly need to be raised. For now we would be grateful for your response to the issues raised above.

Once again, we thank you for your dedicated work on this project.

Sincerely,

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Statement to IAG by Cameroonian NGOs

1. Le mandat du IAG : Votre premier rapport définit ainsi votre mandat : l'anticipation, l'identification des risques et des opportunités à moyen et long termes, et la proposition de mesures de gestion des enjeux. L'IAG distingue cette fonction de celle de surveillance de la conformité technique du projet, déjà assumée par d'autres. L'on constate cependant que pour certains des risques ou problèmes évoqués, les mesures de gestion des risques ne sont pas mentionnés, ou semblent inadéquats :

- les situations de conflits entre les sociétés sous-traitantes du consortium et leurs employés. Les solutions que vous proposez sont valables pour l'avenir, et ne parlent pas de restitution des droits spoliés, alors même que l'on sait que la phase de construction du projet sera des plus courtes.

- Les cas d'intimidation de paysans lors de la mise en oeuvre du processus de compensation sont nombreux, et rajoutent aux frustrations nées des attentes non satisfaites. Il s'agit là de sources potentielles de conflits, susceptibles de troubler durablement la paix le long du tracé de l'oléoduc. De tels actes hypothèquent certainement la communication et le dialogue que vous prônez.

2. La gestion de l'information en provenance des ONG. La société civile, aussi bien dans les deux pays qu'à l'échelle internationale, a exprimé sa volonté de collaborer avec l'IAG, notamment en attirant son attention sur des risques potentiels. Il semble cependant que l'IAG n'ait pas toujours tenu compte de ces informations. Il s'agit par exemple de la situation des Bakola dans le processus de compensation : depuis mars 2001, les ONG camerounaises attirent l'attention des différentes instances de suivi du projet sur l'exclusion dont les Bakola sont victimes, sans que cette inquiétude soit réflétée dans les rapports.

3. Le contrôle de l'efficacité des mécanismes de suivi. L'efficacité des mécanismes de suivi, et leur capacité à assurer une surveillance fidèle de la conformité technique, pourraient permettre une identification rapide des problèmes potentiels causés par le projet. L'on constate cependant que les différents rapports n'indiquent pas toujours des cas flagrants et persistants de non conformité des opérations aux engagements pris par le consortium. Ainsi par exemple, tous les rapports attestent le caractère "satisfaisant" de la mise en oeuvre du plan de compensation, alors même qu'il est établi qu'aucun pygmée bakola n'a bénéficié de compensation individuelle. Cette situation, qui a contribué par endroits à exacerber les tensions entre Bakola et Bantous auriant dû, en bonne logique, être vérifiée et faire l'objet de propositions de solutions par l'IAG. De même, la situation en relation avec la santé, surtout dans la partie nord du tracé (Dompta et Belel notamment), est bien plus catastrophique que ne veulent le laisser croire les rapports de suivi externe.

Les irrégularités constatées dans la mise en oeuvre du projet sont de nature à hypothéquer les retombées positives pour les populations et pour les petites entreprises.

Nous souhaiterions avoir votre opinion sur toutes ces questions, et être informés des mesures que vous envisagez afin qu'elles soient résolues.