

AES SONEL



KRIBI POWER PROJECT

TERMS OF REFERENCE FOR A DETAILED SOCIO ECONOMIC SURVEY, RESETTLEMENT ACTION PLAN AND INDEPENDANT VALUATION

PROJECT BACKGROUND

1 INTRODUCTION

AES SONEL, the national power utility in Cameroon, is currently developing a 150 MW gas-fired power plant in order to meet the expanding electricity requirements of the country over and as part of the medium-term strategic development programme.

In the course of development of the project, the company hired in December 2005 after an international competitive bidding process, an environmental consulting firm to conduct an Environmental and Social Impact Assessment (ESIA) necessary to obtain both national authorisations and multi-lateral approval for the construction and operation of the proposed power plant and associated facilities for the project. This study is complete and the ESIA report shall be issued and submitted to approval in the next few weeks.

One of the major impacts identified during the ESIA is the necessity the resettle a number of Project Affected People (PAPs) with regards to their properties identified on the plant site and within the transmission line corridor, particularly:

- the land (titled or not)
- the crops
- the other properties (houses, ...)

In parallel to the ESIA, AES SONEL jointly with government commissions appointed by Divisional Officers decrees in the project area carried out a survey, based on the Public Utility Decrees (PUD) obtained, whose task was to identify namely all the PAPs and record in details the nature of their affected belongings (lands, properties, crops, ...). These commissions completed their task in July 2006, and detailed reports will be available in the next few weeks. AES SONEL also hired a company to work with the commission and issue maps of all affected properties, with inclusion of all identification details on their owners.

AES SONEL is now seeking a reputable consulting firm to carry out a detailed Resettlement Action Plan (RAP) that will include the Independent Valuation of properties affected by the Project for the sake of compensation as well as a socioeconomic impact assessment of the losses on the affected parties.

The detailed scope of this assignment follows.

2 PROJECT BRIEF

The Kribi Power Project, scheduled to be commissioned during the second half of 2008 comprises:

- The construction of a 150 MW power plant fuelled with natural gas;
- The construction of energy transmission facilities comprising:
 - a step-up substation at the plant site;
 - a 100 km, 225 kV transmission line between the step up substation and the Mangombe 225/90 kV substation at Edéa;
 - the connection of the transmission line at the Mangombe substation with addition of new 225 kV bays.

The power plant will be located at MPOLONGWE, a village situated 9 km north of the coastal city of Kribi, in the southern province of Cameroon. Its area is almost 16 hectares.

This power plant will be equipped either with simple cycle gas turbines or reciprocating gas engines. The plant will be owned by AES SONEL through a subsidiary.

The energy produced will feed the Southern Interconnected Grid (SIG) via a double circuit 225 kV transmission line constructed on steel towers in a 30 m way leave. The connecting point shall be the Mangombe 225/90 kV substation at Edéa.

Both the power plant site and the transmission line corridor were declared of public utility through Public Utility Decrees (PUD) signed by the Minister in charge of land affairs in August 2005.

3 PROJECT DOCUMENTATION

Inventory of Project Affected People

During the census of Project Affected People (PAPs) led by the divisional commissions, following numbers were recorded:

On the power plant site:

- Property owners: 8
- Crops owners: 17
- Titled lands: 0

On the transmission line corridor:

- Property owners: 86
- Crops owners: 665
- Titled lands: 34

The following documents were issued and shall be at disposal of the consultant:

- the detailed list of land owners, their location and details of affected area;
- the detailed list of crops owners and types of crops affected;
- the detailed layouts of all affected lands (farmed, titled or not);

Additional documentation

In addition, following documentation shall be provided:

- layouts of the plant site and transmission line route;
- the ESIA report;
- the Decree N° 2003/418/PM dated on the 25th February 2003 relating to the valuation of crops for compensation purposes.

4 SCOPE OF THE STUDY

The scope of the study contemplated in these Terms of Reference shall include but not limited to:

- Detailed household survey to cross check the information gathered by the divisional census commissions, and identify, interview and validate all Project Affected People (PAPs) and their relevant affected properties;
- Detailed socio-economic survey of all validated PAPs;
- Detailed Resettlement Action Plan (RAP) for all affected properties;
- Independent valuation of the PAPs belongings and properties for the sake of compensation;

a. Detailed Household and Socio-economic Survey of validated PAPs

The detailed household and socio-economic survey objective is, for all Project Affected People (PAPs) to:

- i. Cross check the available information gathered during the census of the divisional commissions in order to confirm the data collected (list of Project Affected People (PAPs) and their properties) ;
- ii. Establish a Baseline Information (quantitative/qualitative) on affected families including spouses, children/dependants/relatives, health, land, religions, and economic and social data (sources of income and livelihood);
- iii. Determine impact (quantitative/qualitative) of the project on the family unit, health, land, and economic situation;
- iv. Assess impacts of losses incurred on the affected households and individuals, and identify accompanying or bonification measures for affected communities or/and socially vulnerable households
- v. Question the PAPs individually and record their preferred means of compensation (money or in-kind).

b. Resettlement Action Plan (RAP)

Based on the validated census information on the affected crops, land and properties:

- Prepare and Formulate a Resettlement Action Plan (RAP) consistent with national and international standards, particularly IFC standards;
- Formulate a resettlement framework and implementation plan for the management of resettlement actions;
- Propose a Monitoring and Evaluation plan including indicators to monitor and baseline information to assess the successful implementation of the RAP.
- Include the budget for the RAP.

c. Independent Valuation

The objective of the independent valuation is to provide a database in an agreed software package that will enable AES SONEL, Government authorities and potential Lenders to, by using 'Fair Market Value' process (as defined in the Standards and Procedure of Assessment Valuation), determine for each of the PAPs the amount of compensation to be paid either in cash or in kind.

The Independent Evaluator will analyse the rates published in the decree mentioned here up and, in accordance with registered Standards and Procedures of Assessment Valuation propose a fair market value for each crop (depending on its maturity) and each property (land, house ...) for compensation purposes. The details of the valuation methodology and calculation shall be provided;

In case the property is of a sensitive or cultural nature, it shall be assessed and valued and appropriate in-kind, compensation or migration/offset be proposed based on the will of the owner;

The Independent Evaluator shall, where necessary, identify potential project related litigation issues and immediately inform AES SONEL, with proposal of possible solutions.

A Claims Dispute Resolution Committee (CDRC) shall be set up (with participation of government representatives, Independent evaluator and AES Sonel).

5 EXPECTED OUTPUT

The expected output shall be a report written in English, with executive summary in English and French. Five (5) hard copies and an electronic copy will be provided.

6 PROPOSAL REQUIREMENTS/IMPLEMENTATION DELAY

The technical and financial offers are expected within Two weeks from issue of these ToRs. The expected implementation delay is 3 months from contract signature.