Livelihoods Restoration Plan for GHANA OCTP BLOCK Phase 2

ABSTRACT

This Report includes the Livelihoods Restoration Plan (LRP) undertaken for the Ghana OCTP Block Phase 2 Project.

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ACRONYMS

Acronym	Definition
ADR	Alternative Dispute Resolution
AFDB	African Development Bank
CHPS	Community-based Health Planning and Service
CLO	Community Liaison Officer
CLSs	Customary Land Secretariats
COTVET	Council For Technical and Vocational Training
CSI	Community Investment Strategy
EDA	Ellembelle District Assembly
ERM	Environmental Resources Management
ESAP	Environmental and Social Action Plan
ESHIA	Environmental, Social and Health Impact Assessment
ESMP	Environmental and Social Management Plan
FPSO	Floating Production Storage and Offloading
GDP	Gross Domestic Product
GES	Ghana Education Services
GIS	Geographic Information System
GNPC	Ghana National Petroleum Corporation
HH	Household
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immune Deficiency Syndrome
ICT	Information, Computing and Technology
IFC	International Finance Corporation
IFC PSs	International Finance Corporation Performance Standards
IITA	International Institute for Tropical Agriculture
JHS	Junior High School
JV	Joint Venture
KPIs	Key Performance Indicators
LAC	Land Acquisition Committee
LAP	Land Administration Project
LR	Livelihood Restoration
LRDT	Livelihood Restoration Delivery Team
LRP	Livelihood Restoration Plan
LRSC	Livelihood Restoration Steering Committee
LRWG	Livelihood Restoration Working Group
MD	Managing Director
MDG	Millennium Development Goals
MoFA	Ministry of Food and Agriculture
MMbbls	Million Barrels
MMboe	Million Barrels of Oil Equivalent
MSME	Micro, Small and Medium Enterprise
N/A	Not Available

Acronym	Definition
NAG	Non Associated Gas
NGOs	Non-Governmental Organisations
NVTI	National Vocational Training Institute
NYA	National Youth Authority
OCTP	Offshore Cape Three Points
OPI	Professional Operating Instruction
ORF	Onshore Receiving Facility
PS	Performance Standard
PVLMD	Public and Vested Lands Management Division of the Commission
SHS	Senior High School
SMP	Stakeholder Management Plan
STI	Sexually Transmitted Infection
SWOT	Strengths-Weaknesses-Opportunities-Threats
TB	Tuberculosis
TCPD	Town and Country Planning Department
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
US$ Million	Millions of United States Dollars
VUGL	Vitol Upstream Ghana Limited
WB	World Bank
WRSDF	Western Region Spatial Development Framework

GLOSSARY

Term	Definition
Affected area	The area which is being acquired through this resettlement /expropriation process.
Affected person / household / community	Any person / household/community who, as a result of the implementation of the Project, loses the right to own, use or otherwise benefit from an asset or a resource, either in full or in part and either permanently or temporarily.
Compensation	Payment in cash or in kind for an asset or a resource that is acquired or affected by a Project at the time the asset needs to be replaced.
Consultation	The act of discussing the project with stakeholders and soliciting their opinion.
Cut-Off Date	Date of completion of the census and asset inventory. Persons occupying the Project area after the cut-off date are not eligible for compensation and/or resettlement assistance. Similarly, fixed assets (such as built structures, crops, and economic trees) established after the cut-date will not be compensated.
Economic Displacement	Loss of income sources or means of livelihood from land acquisition or obstructed access to resources (land, water, or forest) resulting from the construction or operation of a Project or its associated facilities.
Eligibility criteria	Criteria used to determine displaced peoples eligibility for compensation and other resettlement assistance, including relevant cut-off dates.
Entitlements Matrix	Matrix showing all categories of affected persons and what options (entitlements) they were/are being offered, to compensate them for their losses and restore livelihoods.
Grievance mechanism	A mechanism to receive and facilitate resolution of affected communities' concerns and grievances.
Implementing Agency	An agency or partner procured to provide specific services to implement a component of the Livelihoods Restoration Programme
International Requirements	The term international requirement is used in the sense of the standards for managing projects required by Equator Principle Banks/EPFIs or IFC. Particularly relevant to this LRP are the IFC Performance Standard 5
Land-Affected Households	Households that, as a result of the implementation of the Project, lose the right to own, use, or otherwise benefit from a built structure, land, crops and trees, or any other fixed or moveable asset, any other livelihood resources, either in full or in part, permanently or temporarily.
Land Owner	A person or people who hold legal land titles/title deeds and people with collective rights.
Land User	Land users are people who use land without legal title, in an informal way, with or without agreement of the legal owner of the land.
Livelihood	The full range of means that individuals, families, and communities utilise to make a living, such as wage-based income, agriculture, fishing, foraging and petty trade.
Livelihood restoration	The provision to economically displaced persons whose livelihoods or income levels are adversely affected of opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.
Livelihood Restoration Plan	Plan to establish the entitlements of affected persons and/or communities and to ensure that these are provided in a transparent, consistent, and equitable manner.

Term	Definition
Livelihood Restoration Programme	A suite of activities implemented with the intention of restoring the livelihoods of land-affected households.
Living Standards	The economic conditions and social well-being of affected people and communities including factors such as housing, incomes, material goods and level of comfort.
Project Affected Area	The area that is subject to a change in current use due to the LRP implementation.
Replacement value / Full Replacement Value	Full replacement value is the market value of the assets plus transaction costs (taxes, registration fees, cost of transport associated with registration of new land and land transfer, etc.). This must reflect the cost at the time the item must be replaced.
Resettlement	The overarching process that describes physical and economic displacement, but also the subsequent rehabilitation activity, through which the welfare of affected people is improved, or at least restored, to pre-Project levels.
Security of Tenure	Resettled individuals or communities are resettled to a site that they can legally occupy and where they are protected from the risk of eviction.
Stakeholders	Any and all individuals, groups, organisations and institutions interested in and potentially affected by a Project or having the ability to influence a Project.
The Project	The features and activities that are a necessary part of the Project Proponent's development, including all associated facilities without which the Project cannot proceed.
Transaction Costs	Costs associated with the acquisition of replacement land or assets including titling, registration and transfer fees, customary fees taxes and permits.
Transitional Support	Support to affected communities to re-establish livelihoods such as preparation of land, fencing, agricultural inputs (such as fertiliser, pesticides and labour) and access to credit.
Vulnerable groups	People who by virtue of gender, ethnicity, age, physical or mental disability, economic disadvantage, or social status may be more adversely affected by the project/ by displacement than others and who may be limited in their ability to claim or take advantage of livelihoods assistance and related development benefits. Vulnerability is considered with regard to the Project context.

1 EXECUTIVE SUMMARY

1.1 INTRODUCTION

eni Ghana Exploration and Production Limited (hereinafter "eni Ghana") and its joint venture partners, Vitol Upstream Ghana Limited ("VUGL") and Ghana National Petroleum Corporation (GNPC) (together referred to in this document as the Joint Venture (JV) intend to develop three non-associated gas (NAG) discoveries off the coast of Ghana Western Region. The OCTP Block 2 Development Project ("the OCTP Project) is a key strategic infrastructure project for Ghana. It represents a foundation for production of natural gas in Ghana, bringing new sources to market for the benefit of industry and the people of Ghana. Phase 2 of the OCTP Project involves the acquisition of land to allow for the establishment of the Onshore Receiving Facility (ORF) and other associated facilities including a pipeline, a lay down area and two accommodation camps (referred to in this report as the "Project").

The Project will not involve any physical displacement, but will require economic displacement of 200 households due to permanent land take of a total of 96 hectares of land. In the event of the need to acquire additional land, eni Ghana intends to apply the principles that are included in this LRP and develop a LRP Addendum document that is adequately tailored to respond to the displacement caused.

Commencing in 2013, the JV developed a land acquisition and displacement process guided by lessons learned from other resettlement Projects in Ghana, Ghanaian legislation and eni standards with the support of a Ghanaian consultancy, Delin Consult, who managed the crop and asset compensation process. In 2015, eni Ghana contracted Environmental Resources Management (ERM) to conduct a review of the land acquisition and compensation process and support the preparation of a Livelihood Restoration Plan (LRP) in compliance with International Finance Corporation (IFC) Performance Standard 5 (PS 5) on Land Acquisition and Involuntary Resettlement. ERM began work on the Livelihood Restoration Plan following a change in Project footprint which resulted in the elimination of physical displacement of any households (and therefore the need for a Resettlement Action Plan). At the time that ERM was contracted, the land planning and compensation process was well progressed, with land owners already having received compensation and negotiations on final crop rates well underway. As a result of the review, ERM undertook a socioeconomic survey to enable better understanding and quantification of expected losses and compensation requirements at community and household level, and engaged with eni Ghana with regards to certain changes that could be introduced to further align the process with the requirements of the IFC. ERM then proceeded to support eni Ghana in the development of this LRP to document activities that have already been undertaken by eni Ghana on behalf of JV, and will be undertaken going forward, to complete the compensation and livelihood restoration process.

This section provides a summary of the following:

- An overview of the main project components;
- How the Project aligns with national legislative requirements for land acquisition and resettlement in Ghana and the IFC PS 5 on Land Acquisition and Involuntary Resettlement;
- The main Project stakeholders and the engagement process;

- The current socioeconomic characteristics of land-affected households;
- The main project impacts, including information on how stakeholders are affected;
- The entitlement principles and process designed to address impacts and ensure compensation for all land-affected households;
- The livelihood restoration development programme designed to support households to restore their livelihoods to at least pre-project levels;
- Monitoring and management processes designed to manage the entitlement process through the future project phases; and
- The LRP budget and schedule.

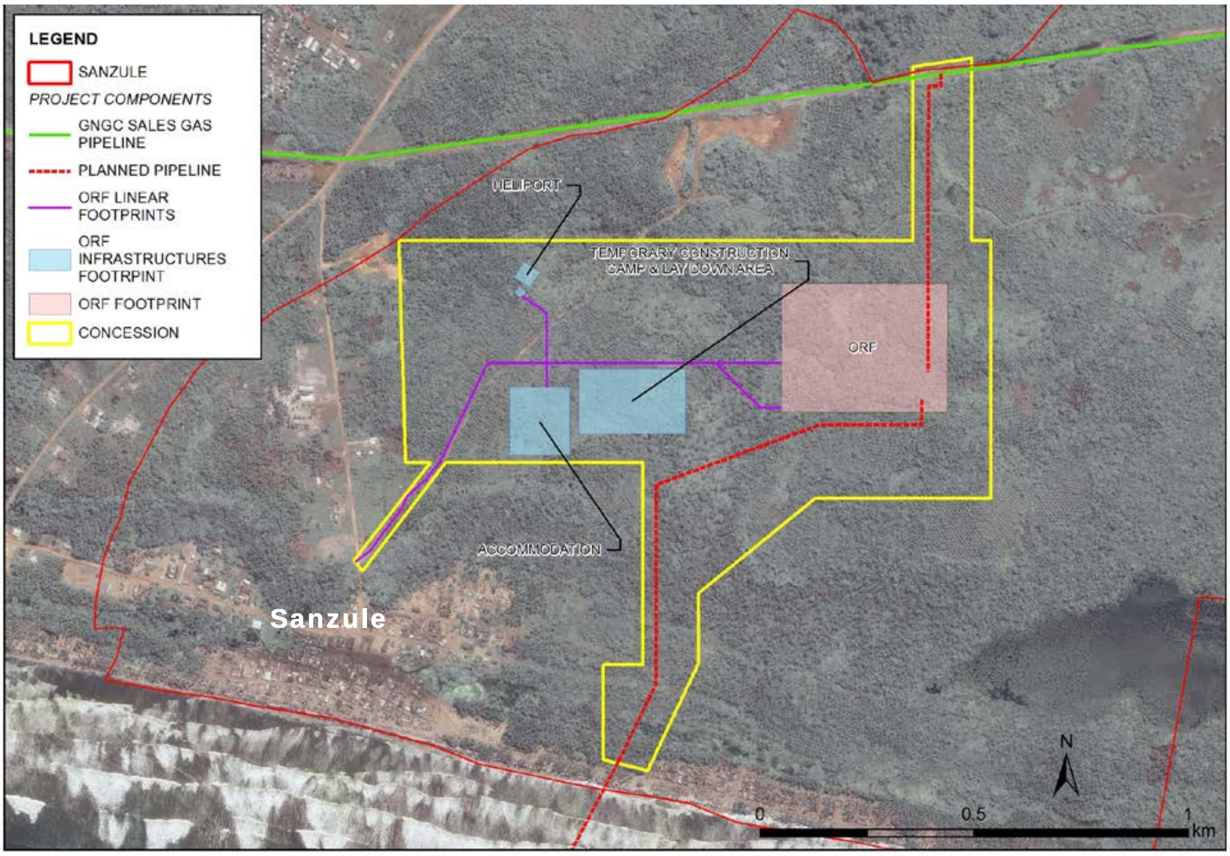
1.2 Project Overview And Status

The Concession Area designated for the construction of the Project is located in Sanzule Community in Elembelle District (Western Region). The Project includes the following components:

- An Onshore Receiving Facility (ORF) to receive the treated gas. The ORF includes the main processing units and supporting infrastructure and facilities. The ORF occupies approximately 9 ha of land.
- An onshore pipeline composed of two sections: Gas export pipeline onshore section (from shore to ORF, about 1500 m); and Onshore pipeline from ORF to the Ghana Gas sales pipeline (about 800 m).
- A temporary construction yard with a maximum expected area of about 10 ha.
- A helipad with capacity to accommodate an aircraft 22 m long and with a maximum take-off weight of 9.2 tons. The permanent helipad will be mainly used for MEDEVAC purposes in all project phases.
- Two accommodation camps to be constructed next to the lay down area.
    - o A temporary camp to accommodate the peak personnel number during the onshore construction phase (approximately 400-600 workers, during an estimated period of 3 years).
    - o A permanent accommodation camp will serve to accommodate the peak personnel expected during the operations phase (approximately 45 people).
- Access roads.

Figure 1.1 below presents an overview of the OCTP Block Phase 2 Project onshore component.

Figure 1.1 OCTP Block Phase 2 Project Overview – Onshore



Source: eni 2015

In alignment with the requirements of IFC PS5, eni Ghana on behalf of the JV has implemented a series of actions during site selection and definition of project footprint to avoid or minimise displacement. In 2015, eni Ghana reduced the Project footprint in order to avoid physical displacement of a fishing village to the south east of the project site and the local cemetery. Additionally, eni Ghana has committed to a number of measures in order to minimize impacts to the marshy area within the concession area and continue its accessibility to the local community.

The concession area will require the permanent land take of 96 hectares, which is 18% of the total land available to Sanzule community. Land use within the concession area is similar to Sanzule as a whole, consisting of a mix of plantations (coconut and/or oil palm), evergreen forest (marshy areas), and secondary forest, with areas of mixed crops. The concession area is currently divided into 286 plots belonging to 221 individual farmers (from 200 households), with each farmer owning between 1 and 13 plots.

Eni Ghana will fence the ORF, accommodation area and helipad, leaving much of the concession area open. Although agricultural production will not be permitted within the concession area at any time, households will be allowed to enter the site to collect free growing natural resources outside of fenced areas and to pass through the concession to access land on the other side.

The acquisition of land for the Project by eni Ghana on behalf of the JV was completed on 2nd April 2015. The payment of compensation for lost assets (crops, structures, fish and animal farms) was completed in October 2015. The next step in the process is implementation of livelihood restoration measures to support households to restore their livelihoods to at least pre-project levels. The livelihood restoration that eni Ghana has devised has a primary focus on complementing the compensation that has been paid by the project for lost assets and enabling households to continue, or replace, lost forms of livelihoods, or adopt new ways of gaining a livelihood. In addition to targeted assistance, land affected households will be provided with transitional support for a reasonable time until they have restored their income-earning capacity, production levels, and standards of living.

1.3 Legislative Framework

Eni Ghana has been operating under the requirements set out in Ghanaian Legislation in dealing with customary land acquisition and compensation for the Project. The key legislative requirements relevant to the OCTP Project and their function within the Project context are as follows:

- Constitution of the Republic of Ghana 1992: the basis for all national legislation, covering key areas of national law including the basis for land ownership and acquisition;
- Ghana National Land Policy (1999): which was implemented to harmonise previous land related law and specifies how to access customary land;
- State Lands Act (Act 125 of 1962): specifies the terms under which compensation is provided for purchase of land under Ghanaian law and includes purchase of private, state and customary land;
- Office of the Administrator of Stool Lands Act 1994, Act 481: key legislation for purchasing and using Stool Lands;
- Land Administration Act 1962 Act 123: clarifies the involvement of the President in land acquisition; and
- The Lands Commission Act 2008, Act 767: defines the management of key land-related government agencies including those that map, register and value land for acquisition.

In addition to the Ghanaian legislation listed above, the Project also aims to, where possible, align with the IFC Performance Standards (PS). This includes:

- IFC PS 1: Social and Environmental Assessment and Management Systems, which includes guidance on disclosure, consultation, dealing with vulnerable groups, the establishment of a grievance mechanism and monitoring; and
- IFC PS 5: Land Acquisition and Involuntary Resettlement, which specifies to avoid or minimise displacement, avoid forced eviction, mitigate social and economic impacts, improve and restore livelihoods and improve living conditions.

During the preparation of the LRP a gap analysis was conducted to understand any differences between the land acquisition requirements specified under Ghanaian Law and those laid out in the IFC PSs. A number of gaps and partial gaps were identified, many of which eni Ghana on behalf of the JV has sought to bridge:

- Ghanaian legislation does not require the development of a Livelihood Restoration Plan (LRP) or improvement of living standards post-displacement (IFC PS 5).
- Ghanaian law does not require any form of formal public disclosure with affected communities as detailed in IFC PS 1.
- There are no specific requirements for consideration of vulnerable groups in the land acquisition and compensation process (IFC PS 1).
- Ghanaian law does not require any formal monitoring process in the context of land acquisition and livelihood restoration (IFC PS 1).
- Ghanaian law requires compensation to be calculated using a market cost approach whereas the IFC requires compensation to be calculated taking into account replacement value (i.e. market value minus depreciation plus transaction costs) (IFC PS5).
- Ghanaian legislation requires compensation for land to be paid to traditional leaders as custodians of the Stool.

1.4 Stakeholder Engagement

Regular and on-going engagement with stakeholders is key to effective livelihood restoration planning and implementation. eni Ghana has directly engaged with the people of Sanzule and other key stakeholders, including traditional leaders and government officials, numerous times since taking over the project in 2012. This included engagement during ESHIA which was governed by a specific Stakeholder Management Plan (SMP).

A full list of affected stakeholders has since been identified and includes information on their associated roles and responsibilities in relation to the Project, and specifically, land acquisition and resettlement. These can be divided into three main groups:

- National Government Representatives. Government ministries have a direct influence on project permitting and licensing and are considered an important stakeholder such as Ministry of Energy and Petroleum, Ministry of Environment, Lands Commission, Ministry of Local Government and Rural Development or Ministry of Lands and Natural Resources. Each ministry is supported by a number of agencies located within the districts, responsible for implementing government policies and performing the permitting and regulation process on the ground.
- Local Government and Sanzule Community Representatives, including each of the different levels of local government from the Districts, traditional leadership (Paramount Chief and Sanzule Chief) to the village elders. This also includes the Land Acquisition and Crop Rate Fixing Committees who played a crucial role in the land acquisition process and definition of compensation to land affected people.
- Individual land-affected farmers and their representatives such as the family heads, who make decisions on the allocation of land within the family and are able to share information with individual households.

Consultation as part of the land acquisition and compensation planning process began in February 2014 with a landowner and user identification process and continued until October 2015. Engagement activities have included community meetings, baseline data gathering exercises and feedback on the compensation process to date.

Through the early phase of the LRP development, most engagement was undertaken with the Chief and village elders. Eni Ghana recognises the importance of sharing information with Sanzule and as the LRP progressed, eni Ghana placed additional focus on ensuring individual households were engaged. The LRP has supported the broadening of engagement through direct discussions with those affected by the project and the wider community.

In order to address the key issued raised during consultation and to ensure the successful implementation of the LRP, future stakeholder engagement is being formalised around the following key processes:

Project Stakeholder Management Plan (SMP): Eni Ghana will develop a Project Stakeholder Management Plan (SMP) that will include specific engagement activities to be carried out as part of the LRP process. The SMP will establish the framework of culturally appropriate engagement within which engagement specific to the LRP will be undertaken. The main goals of this document are to ensure that adequate and timely information is provided to key stakeholders affected by the project, that these groups are given appropriate opportunity to voice their opinions and concerns, and that these concerns are responded to in a timely manner by the project. The SMP will be a “living document” that will be updated and adjusted as the project progresses, in order to manage effective and meaningful engagement with all stakeholders.

Disclosure of Livelihood Restoration Plan: Building on engagement that has been undertaken with the community on the livelihood restoration options, eni Ghana will publically disclose the LRP through a community meeting and meetings with stakeholders such as village leaders and elders, government officials and project partners.

Information sharing: An easy-to-understand information guide and poster to the Livelihood Restoration Plan will also be developed. The poster and guide will be distributed as part of the second stage of disclosure of the LRP which will be undertaken once the LRP is finalised. In addition eni Ghana will open an office in Sanzule prior to construction, which will become the focal point for future information sharing. This will enable Project Community Liaison Officers to be based in the village in order to manage community information sharing, in addition to stakeholder engagement and the grievance management procedure.

Household level support: Once the Livelihood Restoration Program team has been formed, they will hold one-to-one meetings with households to provide individual advice with regard to livelihood restoration options and support households to select options which will enable their households to restore, and ideally enhance, their livelihoods. This individual household support and oversight will continue through the implementation of the livelihood restoration programme.

A comprehensive grievance mechanism: A transparent and accessible grievance procedure is an essential mechanism for sustaining good relations between eni Ghana and their stakeholders. It is accepted good practice that affected communities, groups and individuals are provided with an opportunity to raise concerns and grievances related to sensitive issues such as displacement and compensation.

1.5 SOCIOECONOMIC BASELINE

Prior to the LRP, the Ghana OCTP Block Project had conducted several studies on the Project area, which included an Environmental, Social and Health Impact Assessment (ESHIA) (ERM, 2014) as well as work completed by Delin Consult in 2014 and 2015. This information, along with secondary data gathered from publicly available sources, was used to determine the approach used to gather information on affected households during two field surveys conducted in March and July 2015. A household survey of all affected landowners and users and focus group meetings were held with village leaders, fishermen, farmers and potentially vulnerable groups such as women, youth and farm labourers. Additional key informant interviews were held with health professionals, teachers and District officials.

The information gathered through these processes has allowed the LRP to understand the socioeconomic characteristics of the land-affected households located in the rural village of Sanzule and other nearby villages, including the range and type of current livelihood activities, the level of reliance on the project concession area for maintaining livelihoods, and access to alternative land. The household survey also enabled the project team to understand connections between households and the community as a whole. Like Ghana as a whole, the local population is young, and largely homogenous in terms of religion and ethnicity, with the majority of the households surveyed in the project area being of the Akan ethnic group[1]. The family plays a central role in the lives of local residents and several households[2] belonging to the same family group or *Abusua* are likely to share resources, including land, through the family head. Crop farming is a key livelihood activity in Sanzule, along with fishing, trading, artisanal work and agro/fish processing. Income levels are generally low, and most affected households report having to undertake several livelihood activities in order to support their family. It was found that the highest source of income comes from cash crops, which represents an important proportion of the total income of 45% of land affected households.

The land acquired by the project is legally defined as customary or 'Stool' land, which is communal land managed by the village Chief, Queen Mother, and Elders, with families having usufruct rights. Customary land law for the Akan group is complex with many variations relative to rights and powers over stool, forms of tenancy and nature and extent of family controlled land. The head of each family is seen as the custodian of the (family) land, while the Chief acts as custodian of stool land. It is the responsibility of the family head to distribute and manage land, including deciding how much land should be allocated to each household. Access to land is based on matrilineal linkages within the village and an individual can ask for land for agricultural or residential purposes from the head of their mother's family.

[1] 90% of respondents of the household survey are Nzema, which is a branch of the Akan group.
[2] A household is defined as a group of people, usually relatives, living together and sharing resources.

There are a total of 233[3] individual landowners or users affected by the project land acquisition (Delin, 2015) living in 208 households and accounting for a total population of 1,369. Eighty three per cent of the land-affected population live in Sanzule (1,111 individuals) and comprise 74% of the total village population. The remaining 16% of land-affected landowners/users live in other villages or larger towns.

The concession area covers a total of 96 ha, which is 18% of the total land available to Sanzule (532 ha). The land in the concession area consists of a mix of plantations (coconut and/or oil palm), evergreen forest (marshy areas), and secondary forest, with areas of mixed crops. Although concession area will remove a small proportion of overall land available to Sanzule, it accounts for 31% of all cultivated land. This is in part due to its accessibility from the residential area, but also because many areas outside the concession area are unsuitable for agriculture as they are marshy or unfertile.

The household survey showed that 45% of affected landowners and users would lose all their agricultural land as a result of the Project. The survey also indicated that a higher number of households (69%) considered that they would not be able to continue farming due to the unsuitability of their remaining land for agricultural production.

1.6 IMPACTS

The assessment of impacts takes into account: the type of land being acquired for the Project and its current use; the number and type of people affected; their ability to access alternative land; the level of disturbance to local livelihoods; and the duration and severity of impacts. Special care is also taken to consider impacts to vulnerable households.

The different types of impacts to be experienced by households as a result of the Project land take includes the following:

Loss of Land: The concession area will require the permanent land take of 96 hectares (236.67 acres), which is 18% of the total land available to Sanzule[4]. The concession area is currently divided into 286 farms belonging to 221 individual farmers, with each farmer using between 1 and 13 plots[5].

Loss of Assets:

- *Food Crops:* Only a small proportion of the concession area is currently utilised for food crop production (4.64 Ha or 5%), mainly cassava but also maize, beans, groundnuts and vegetables. However, this loss accounts for an estimated one third of land used to grow food crops in Sanzule (ERM, 2015).
- *Cash Crops:* Project land take will result in an estimated 30% loss of cash crop production in Sanzule as a whole. This loss will affect a large proportion of land-affected households as 74% reported having cash crops.

[3] Of these, only 221 have land within the concession area. The land of the remaining 12 individuals has been removed from the concession area, due to a change in project footprint in early 2015.
[4] Data taken from the 2015 land assessment conducted by ERM.
[5] Data taken from Delin Valuation Report (2015).

- *Fish Ponds*: In total 103 households (48%) were found to have fishponds within the concession area during the March 2015 valuation survey. However many of these fishponds were newly constructed and not currently in use. Consequently, only 44 households will actually experience a loss to household livelihoods.
- *Animal Farms:* Despite a large number of households owning livestock (two thirds), only 7 households will lose an animal farm due to Project related land take.
- *Non-Residential Structures*: A total of 15 non-residential structures will be removed due to Project related land-take. These mainly agricultural related buildings are made of a mix of wood and/or raffia, and vary in size and quality.
- *Hand-Dug Wells:* Three hand-dug wells were identified within the concession area, two of which belong to the same household. These are used for watering crops and animals only.

Loss of Natural Resources: eni Ghana has confirmed that they will allow access to natural resources within the concession area, outside the fenced areas. It is therefore considered that there will be no impact to the ability of Sanzule and Anwolakrom's ability to collect firewood, raffia or medicinal plants.

Community Cohesion: Those not living in a land-affected household will not have received compensation and will not be eligible for the livelihood restoration program. Consequently tensions may arise with the other Sanzule households (and potentially households in neighbouring communities), perceiving that they are somewhat excluded from the Project process and not benefiting sufficiently from the Project.

Project Associated Employment*:* As a result of the Project, up to 100 positions during construction and 50 during operations, will be locally available. These will not be solely available to the residents of Sanzule; however, benefits will likely be felt across the wider community.

Changes as a result of Project land acquisition will impact members of the community differently depending on current livelihood practices, access to alternative land and the existing vulnerability of individual households. Based on these variables, the 208 affected households can be divided into four groups, depending on the expected level of impact to their current livelihood.

Land Unaffected: A total of 8 households (4%) can be classed as land unaffected because their land is no longer going to be used by the Project (8 households).

Livelihood Unaffected: A total of 67 households (32%) can be classed as livelihood unaffected because they do not use the land within the concession area. Households that have access to land within the concession area, but do not use it are either wholly reliant on land outside of the concession area or they do not practice agricultural production in any form. This group also includes households that built fish ponds prior to the asset inventory, but they were found not to be functioning

Partially Impacted: A total of 97 households (47%) are using the land within the concession area, but with varying degrees of dependence. This is either because they are not reliant on the land within the concession area, either because they have land elsewhere or they have stated that they have the means to access alternative land; agricultural production only accounts for a small proportion of their livelihood; and/or they have a high income from one or more unaffected livelihood activities.

Highly Impacted: Highly impacted households are defined as those that will lose 50% or more of their livelihoods as a result of Project land take. 36 households (17%) have been identified as falling into this category. Many households within this group are losing only a proportion of their land (>35%), however, they have stated that their remaining land is not suitable for farming as it is unfertile, not suitable for planting crops or inaccessible. Of these highly impacted households, 25 (12%) are classified additionally as highly vulnerable as they have certain existing characteristics, which make these households less resilient to change.

1.7 COMPENSATION AND ENTITLEMENTS

Eligibility for land-based compensation was determined through a land valuation and mapping exercise, in addition to engagement with the Chief and Elders of Sanzule to understand local landownership arrangements. A qualified land valuation expert was engaged to undertake the land valuation and mapping exercise, which included development of an asset inventory, the delivery of recommendations on how to address disturbance to land users and establishment of crop rates for compensation. This was conducted between March 2014 and March 2015, with land users informed that the final survey in March 2015 presented a cut-off date for compensation valuation.

This assessment process allowed for the identification of who was eligible for compensation, which included:

- Stool: Under Ghanaian law customary land is owned by the traditional authority known as the Stool and presided over by the Chief and traditional authority. Compensation for lost access to land has been paid into an Escrow account controlled by the Chief and Elders who are to ensure the distribution of the compensation to the 5 family heads that administer land the concession area. Eni will conduct monitoring of the compensation provided for land to understand how it has been distributed.
- Family Heads: The land within the concession area is divided and managed by 5 of the 7 families residing in Sanzule. Each family head is also an affected land user, with assets that will be removed as a result of project land acquisition.
- Individual land users: There are a total of 221 individual land users that will lose land as a result of project land acquisition. Of these, 26 live in a household where there is more than one resident affected land user, resulting in a total of 200 households affected by the project.
- Land users no longer within the project footprint: There are an additional 8 individual land users whose plots were in the original Project footprint, but since the change in the footprint in 2015 are no longer affected. eni Ghana has paid a disturbance allowance to this group of land users, even though they will be able to continue to use their land.
- Migrant village: The migrant village of Anwolakrom was originally included in the project process as they had houses situated within the concession area. However, following a change in the project footprint in 2014, the village is not affected. Eni Ghana has agreed to pay disturbance compensation to the owners of the houses no longer in the concession area, as essential repairs were not made with the belief that the structures would be removed.

A land compensation agreement was signed in April 2015 and witnessed by the Sanzule Stool and the Paramount Chief of Atuabo, with funds transferred to an Escrow Account. This allowed for the granting of a 30-year lease by the Land Commission as required under Ghanaian law. Compensation for land was based on market value and determined by local land rental agreements including the price paid for land by other projects in the local area. The land committee negotiated a price of 10,000 cedis per acre (25,000 cedis per hectare), which works out as 333 cedis per acre (832.50 cedis per hectare) per year and a total of 2,366,000 cedis (approximately USD 600,000) for the lease period for the total concession area.

Compensation for lost assets, which includes crops, trees, non-residential structures, fishponds, animal farms and wells, was negotiated in accordance with the Ghanaian Constitution with payment finalised and transferred to eligible land users in October 2015. The original market rates were replaced by higher rates which in some cases included additional costs, such as land preparation, weeding and agricultural inputs. Rates were also increased by an additional 25% disturbance allowance to cover all transaction costs & transportation.

Individual land users have been able to continue to use the land and will be provided at least six weeks' notice of the need to vacate the land to enable them to harvest any crops depending on the stage of growth.

1.8 LIVELIHOOD RESTORATION PROGRAMME

The purpose of the eni Ghana Livelihood Restoration Programme is to support households to restore their livelihoods to at least pre-project levels. The Programme's primary focus is to complement the compensation that has been paid by the Project for lost assets and enable households to continue, or replace, lost forms of livelihoods, or adopt new ways of gaining a livelihood.

This Livelihood Restoration Programme considers livelihood strategies within the framework of existing livelihoods practices, skills and access to assets and resources in Sanzule community. It recognises the reality of multiple survival strategies for individual men and women within households. To meet these multiple needs, livelihood restoration is presented as a package of opportunities from which affected households can choose options that suit or enhance their interests and capacity over a five year period. These opportunities have been grouped into primary production activities and value adding / livelihood enhancement activities. Households will be able to choose a combination of opportunities to restore livelihoods and ideally enhance their livelihood. The Livelihood Restoration Programme is specifically targeted towards households who have been affected by the Project land-take. The aim of the Programme is to restore the livelihoods of those household which have been diminished or affected by the Project.

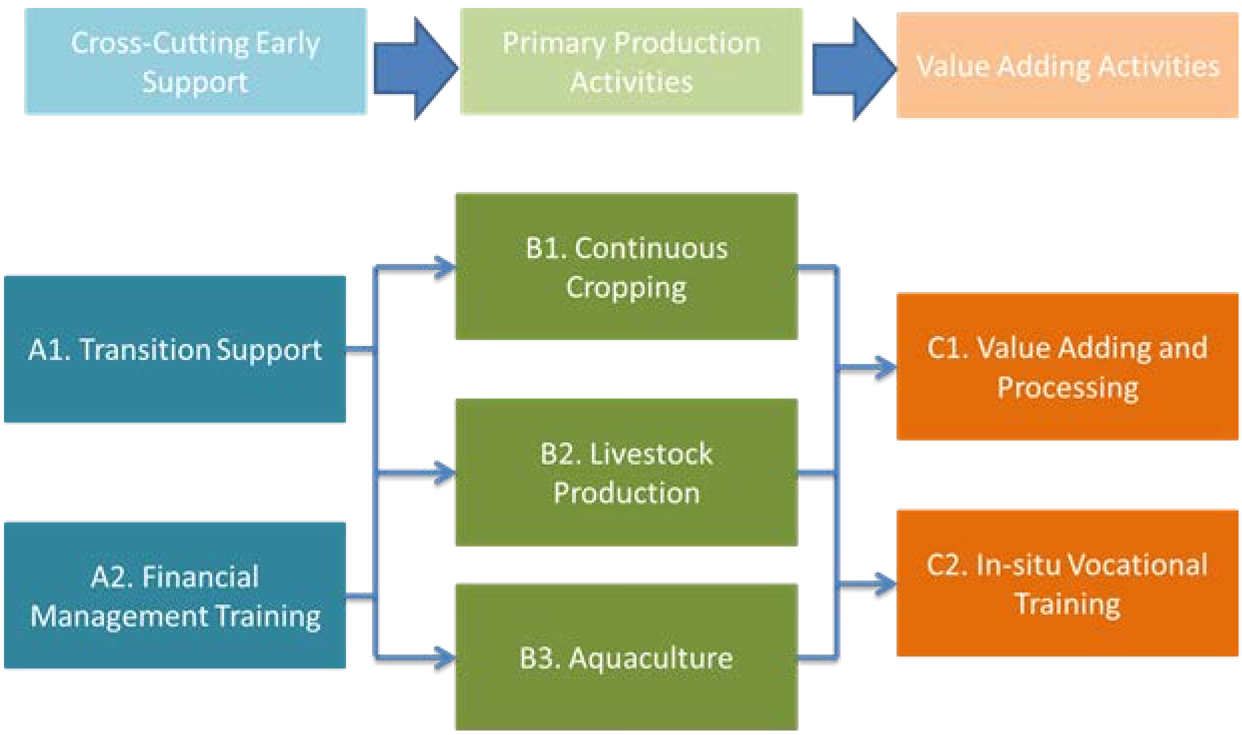
The livelihood restoration options defined in the programme have used an evidence based approach to development. They have been informed by the outcomes of the socio-economic baseline and engagement which sets the context for existing livelihood strategies and challenges. Livelihood activities in Sanzule focus primarily on crop production, fishing and trade. As a result of the Project, a total of 200 households will lose land with 133 of these households directly reliant on this land to support their livelihoods.

The suite of livelihood restoration options were identified following a series of meetings with a wide range of stakeholders between September and November 2015 based in Accra, Takoradi, Ellenbele District and Sanzule. The final list of livelihood restoration options were presented in Sanzule community in November 2015.

The LR Programme has an agriculture-based foundation to ensure it aligns with the existing knowledge, skills and experience of affected households. The first priority of the LR Programme is to provide early support that will commence as soon as access to land is lost or earlier if possible. The early support components will be provided to all 200 households, incorporating: 1) transitional support in the form of food baskets and other provisions to ensure households are supported during the time it takes them to recover their livelihood and standard of living; and 2) financial management training for all households receiving cash compensation to ensure households have the tools and skills to manage the cash they have received to maintain their families.

Once priority early support is in place, livelihood restoration will focus on two additional elements: 1) land-based primary production activities including crop production, livestock keeping and aquaculture; and 2) non-land based value adding activities including training and processing. The primary production element is focused on restoring livelihoods while the value-adding element aims to enhance livelihoods further. These elements are illustrated in Figure 1.2.

Figure 1.2 Livelihood Restoration Elements



Implementing Agencies will be engaged by the Project to provide the necessary technical assistance and inputs to support households in pursuing each livelihood option. Prior to implementation, the Implementing Agencies will be required to undertake detailed planning activities in which households that want to benefit from the option will participate. During this planning key performance indicators will be developed, and these will be monitoring during implementation to ensure the objectives of the LR Programme are achieved.

The options were presented to the Sanzule community as part of a broad community congress and focus groups on each option were also conducted to ascertain interest and feasibility. One-on-one meetings were also held with 25 highly impacted and vulnerable households to determine whether the identified options were feasible. The response was positive and in a poll of 115 community members in a final community congress indicated interest in all of the livelihood options.

1.9 INSTITUTIONAL ARRANGEMENTS

Eni Ghana will be responsible on behalf of the JV to implement the livelihood restoration activities. An institutional framework has been designed as the interface for all stakeholders involved in LRP implementation, allowing for close cooperation between eni Ghana on behalf of the JV, Ellembelle District Government, traditional leaders, implementing agencies, the land affected people and the Sanzule community at large.

The proposed institutional structure builds on the existing institutional arrangements that eni Ghana set up for the realisation of the land acquisition and compensation process that was initiated in 2013, namely the Land Acquisition Committee and the Crop Rate Fixing Committee. The functions of both committees will be merged into the new structure that consists of two levels:

- *Livelihoods Restoration Steering Committee (LRSC)*: the higher level advisory/supervisory, strategic body which enables the crucial involvement of senior Project management and Government figures to steer the overall process, ensure governance checks and balances and resolve key problems.
- *Livelihood Restoration Working Group (LRWG):* the hands-on implementing body which facilitates the intense involvement of implementers, including on the ground Project staff to action the process and ensure that practical progress is made.

Ultimate responsibility for overseeing the livelihood restoration process will be vested in the LRSC, under which the LRWG will be responsible for day to day implementation of the LRP. Together these institutions will help to ensure that implementation of the livelihood restoration process is undertaken in a transparent, responsible and sustainable manner.

There will in addition be a Grievance Committee which will be responsible for seeking resolution of grievances that cannot be resolved locally by the Project team in Takoradi/Sanzule.

A Sanzule based Livelihood Restoration Program Delivery Team (LRDT) will be established by eni Ghana to manage the livelihood restoration process. The LRDT will be the key driver of the implementation of the LRP process at local level. The LRDT will play a key role in ensuring that the livelihood restoration program is effective. The LRDT will advise each household in the selection of livelihood restoration activities that their household will invest into and then provide oversight of each of the livelihood restoration activities and service providers. The LRDT reports to the Local Content and Sustainability Coordinator and to the LRWG that has over-arching accountability for the Project.

1.10 MONITORING AND EVALUATION

While Ghanaian legislation does not specifically require that livelihood restoration is monitored or evaluated, the eni and IFC PS requirements are explicit. The eni Professional Operating Instruction (OPI) on Monitoring, Reporting and Audit activities (opi ssc 004 eni spa r01) requires all eni upstream operations to monitor the effectiveness of land management projects, plans and initiatives with respect to the objectives of the LRP and according to defined key performance indicators (KPIs).

Monitoring and evaluation activities will continue for the duration of implementation activities (including implementation of LRP activities) and for no less than three years thereafter. During this period, the intensity of monitoring activity will vary. During implementation and immediately thereafter, monitoring and evaluation will be more regular and intense, while for the following period, monitoring activities will reduce. The process will culminate with a completion audit undertaken by an external third party.

1.11 BUDGET AND COSTS

Table 1.1 provides a summary of the LRP budget including land acquisition and compensation for loss of assets as well as livelihood restoration activities. The budget line items are organised in capital cost items and operational cost items.

Table 1.1 Overall LRP Implementation Budget[6]

Item Description	Sub-total (US$ Million)
Capital Budget	
Compensation to Sanzule Stool for loss of agricultural land	0.6
Compensation to land affected farmers for loss of crops	0.9
Compensation to land affected farmers for loss of other assets (non-residential structures, fish and animal farms and hand dug wells)	0.002
Livelihood restoration programs, transitional support, financial management training, compliance monitoring and evaluation*	2.2
Sub-Total	*3.702*
Operational Budget	
Project management and development support (5 years)	2
Legal support	0.15
Database implementation	0.1
Process (internal) monitoring	0.09
Compliance monitoring and evaluation (external) of LRP implementation process	0.18
Sub- Total	2.52
TOTAL	**6.222**

(*) Multiyear detailed budget for livelihood restoration program is provided in Section 11.

[6] The budget presented in this section represents a reasonable estimate of the funds that will be expended on the LRP and might be updated before final disclosure.

1.12 Schedule of Activities

Table 1.2 presents the LRP implementation schedule, summarising the implementation actions presented in the LRP.

Table 1.2 Summary of LRP Implementation Actions and Schedule

Activities	Starts	End
Project construction		
Early Works Onshore Receiving Facility	01/01/16	01/08/16
Land Take	01/03/16	01/03/16
Construction of the Onshore Receiving Facility	01/04/16	01/02/18
LR Resources and Recruitment		
Recruitment of LRP Management, Operations and Delivery Team functions	01/01/16	31/01/16
LRP Institutional Framework		
Establish LR Steering Committee and LR Working Group	01/01/16	31/01/2016
LR Steering Commitee meetings	15/01/16	(Quaterly)
LR Working Group meetings establishment and meetings	01/01/16	To 15/06/16 monthly, then bi--monthly
Administer Grievance Mechanism	01/01/16	31/12/20
LR Program Implementation		
Households register for transitional support	01/01/16	31/01/16
Procure services transitional support and financial management training	01/02/16	29/02/16
Engagement with individual HHs on LR options to assist in choices	01/03/16	30/09/16
Implement financial management training	01/03/16	15/03/16
Implement transitional support and financial management training	01/03/16	31/12/16
Engage MOFA on livelihoods options and opportunities for partnership	01/01/16	30/04/16
Procure and implement services of primary production implementing agencies	01/03/16	30/12/2020
Detailed design and implementation of primary production livelihood opportunities	01/08/16	31/12/20
Detailed design, procurment and implementation of	01/09/16	31/12/20

Activities	Starts	End
value adding and training options		
Stakeholder Engagement		
LRP disclosure	10/01/16	17/01/16
Ongoing stakeholder engagement for LR (Information sharing and one to one engagement support)	04/01/16	31/12/20

2 INTRODUCTION

2.1 CONTEXT

The Offshore Cape Three Points (OCTP) block is located approximately 60 km off the coast of the Western Region of the Republic of Ghana. The block is licensed for oil and gas exploration and development by a joint venture (JV) composed of eni Ghana Exploration and Production Limited ("eni Ghana") holding 47.222% participating interest, Vitol Upstream Ghana Limited ("VUGL") holding 37.778% participating interest, and Ghana National Petroleum Corporation (GNPC) holding 15% participating carried interest. eni Ghana is the operator and will be responsible for implementation of the Livelihood Restoration Plan (LRP) on behalf of the JV.

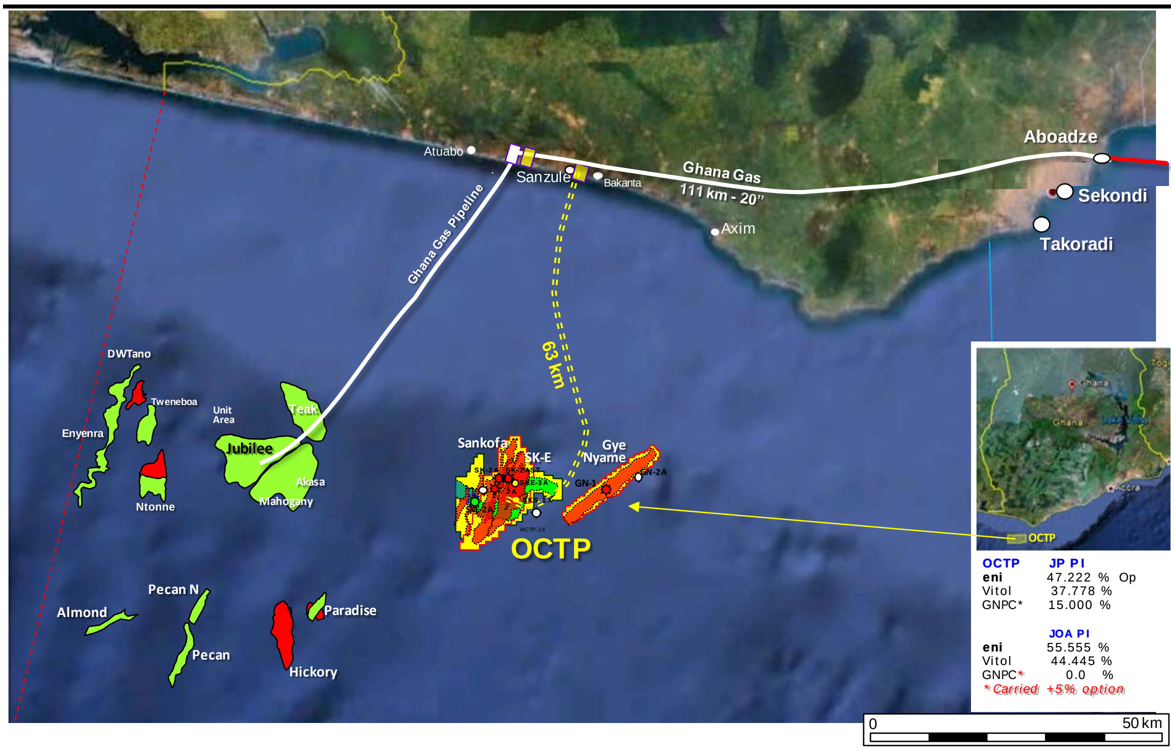
The JV has made three non-associated gas (NAG) discoveries: Sankofa Main Field in 2009, Gye Nyame Field in 2011, and Sankofa East Field in 2012. In addition, two oil discoveries have been made: Sankofa East Field Cenomanian and Sankofa East Campanian, both in 2012 ("Oil Discoveries"). The estimated reserves associated with the discoveries are 236 MMboe of NAG and 132 MMbbls of oil.

The JV is developing the fields in two phases to optimize the exploitation in synergy of the oil and gas discoveries:

- **Phase 1: Oil Development Project.** This phase would consist of 14 subsea wells (8 oil producers, 3 water injectors and 3 associated gas injectors), subsea facilities, and a new conversion, double-hull floating production, storage and offloading (FPSO) unit that would be located about 60 km offshore, south of Sanzule;
- **Phase 2: Non Associated Gas (NAG) Development Project**. This phase would consist of five (5) subsea wells, subsea facilities, minimal gas treatment facilities located on the Phase 1 FPSO unit, 63 km subsea gas pipeline, an Onshore Receiving Facility (ORF), and other associated onshore components.

The OCTP block is located approximately 60 km south of the town of Sanzule. Natural gas was discovered in the block in three fields: Gye Nyame, Sankofa Main, and Sankofa East. The Gye Nyame Field is located about 55 km from shore in water depths of ca. 519 m. The Sankofa Fields are located about 54 km from shore in ca. 880 m of water depth. Figure 2.1 presents a schematic of the overall development and approximate location presents a schematic of the integrated development scheme. Components related to the Phase 2 NAG Development are shown in red.

Figure 2.1 Project Location (Phase 2 elements in yellow)



Source: eni, 2015

This LRP focuses on the land acquisition, asset compensation and livelihood restoration process related to the onshore component of the OCTP Phase 2 NAG Development. This involves the acquisition of land to allow for the establishment of the ORF and other associated facilities including a pipeline, a lay down area and two accommodation camps (referred to in this report as the “Project”).

The Project will not involve any physical displacement[7], but will require economic displacement of 200 households due to permanent land take of a total of 96 hectares of land. In the event of the need to acquire additional land, eni Ghana intends to apply the principles that are included in this LRP and develop a LRP Addendum document that is adequately tailored to respond to the displacement caused.

[7] See Glossary for definitions of physical and economic displacement.

2.2 OBJECTIVES OF THE LRP

Since commencement, the intent of eni Ghana has been to identify project affected landowners and users and to provide appropriate mitigation, compensation and restoration of livelihoods. The purpose of this LRP is to characterise the displacement that is being caused by the Project land acquisition and formalise the plan by which the community and households have been compensated and will be provided with opportunities to restore their livelihoods to at least pre-project levels.

Eni Ghana committed to the implementation of this LRP as part of the project's Environmental and Social Management Plan (ESMP). The ESMP also required the development of additional management plans including a Fisheries Management Plan, a Local Content and Hiring Management Plan and a Procurement Management Plan for which eni Ghana will ensure synergies during implementation. Additionally, eni Ghana will implement a Community Social Investment Strategy (CSI) that will encompass all communities in the Area of Influence of the Project, ie Anwalakrom, Atuabo Bakanta, Eikwe, Krisan and Sanzule. The CSI Strategy will encompass:

- The eni Foundation community health program; and
- Activities to extend and replicate LRP projects into non-land affected households and communities and take advantage of multiplier effects from the LRP activities.

The livelihood restoration has a primary focus on complementing the compensation that has been paid by the Project for lost assets and enabling households to continue, or replace, lost forms of livelihoods, or adopt new ways of gaining a livelihood.

In this respect, the following specific approaches have been implemented:

- Avoidance of physical resettlement and impacts to marshy area;
- Determination of compensation values for loss of assets at (or above) replacement cost, and provision of compensation before the start of construction (as required by Ghanaian legislation and IFC PS);
- Establishment of a process of communication and consultation with the affected populations to support ongoing valuation and negotiation of crop compensation and development of livelihood restoration options;
- Establishment of a framework for effective implementation and monitoring of the LRP to ensure that compensation and livelihood restoration activities are fully realised in alignment with this document and that adjustments are made as necessary to meet the overall objective of the LRP to support households to restore their livelihoods.

The development of this draft LRP was concluded in mid-December 2015. On-going livelihood restoration planning activities and implementing actions made subsequently, including LRP disclosure, will be documented in the LRP monitoring reports.

2.3 PROJECT OVERVIEW

2.3.1 Project Purpose and Overview

According to the US Energy Information Administration (EIA, 2014) Ghana imported 22 Bcf of natural gas in 2012. Ghana imports natural gas via the West African Gas Pipeline (WAGP), which runs from Nigeria to Ghana. WAGP was shut down from August 2012 to July 2013 for repairs following damage to the Togolese section of the pipeline. Gas flows through the pipeline have decreased since 2011 and remain unreliable, forcing Ghana to use heavy oil to supply its dual-fuelled power plants.

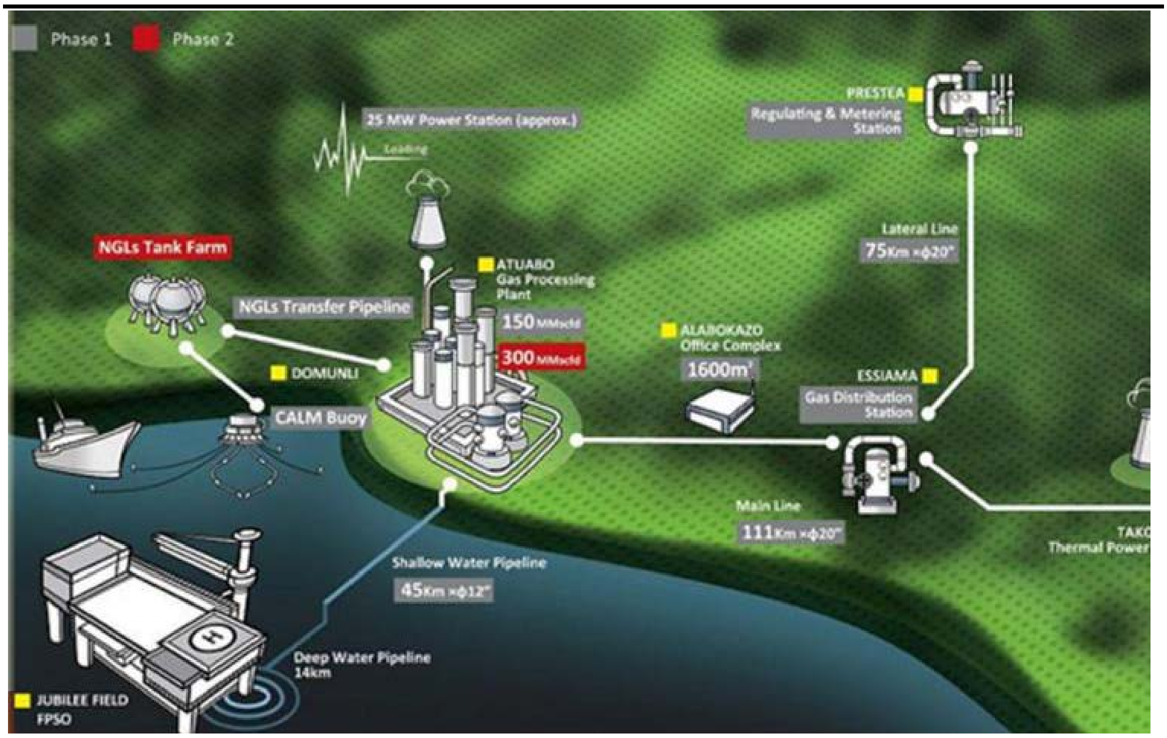
Ghana's energy ministry is considering plans to build a regasification terminal to import liquefied natural gas (LNG) in case imports from WAGP and domestic gas production are not enough to meet power generation demand in the medium to long term. According to Ecobank, Ghana is projected to need more than 800 MMcf/d of natural gas by 2017 for power generation and for reinjection into wells to enhance oil production.

As of the end of 2012, Ghana had an installed electricity capacity of almost 2.3 megawatts according to Ghana's national energy statistics. Ghana generated 12 billion kilowatt-hours (kWh) of power in 2012 of which 67% was from hydroelectricity and the remainder from fossil-fuel powered generation. Many Ghanaians, particularly in rural areas, rely on traditional biomass and waste, particularly firewood, for household cooking and heating. Firewood accounts for slightly more than 40% of Ghana's total primary energy consumption, according to Ghana's national energy statistics. Ghana must expand its installed electricity capacity and distribution system to provide electricity to almost 30% of its population that does not have access to electricity, according to the latest World Bank data.

The OCTP Block 2 Development Project is a key strategic infrastructure project for Ghana. It represents a foundation for production of natural gas in Ghana, bringing new sources to market for the benefit of industry and the people of Ghana. The OCTP Project will support the wider Ghana Gas Infrastructure Development Project which is part of the Western Region Spatial Development Framework (WRSDF). The Project will also provide local employment and other economic benefits to local communities as well as to the Western Region and Ghana more broadly.

The Project development includes the gas processing plant at Atuabo and other facilities. Figure 2.2 shows the components of overall Ghana Gas Infrastructure Development Project.

Figure 2.2 Overview of the Ghana Gas Infrastructure Development Project



Source: Offshore Energy Today, 2014

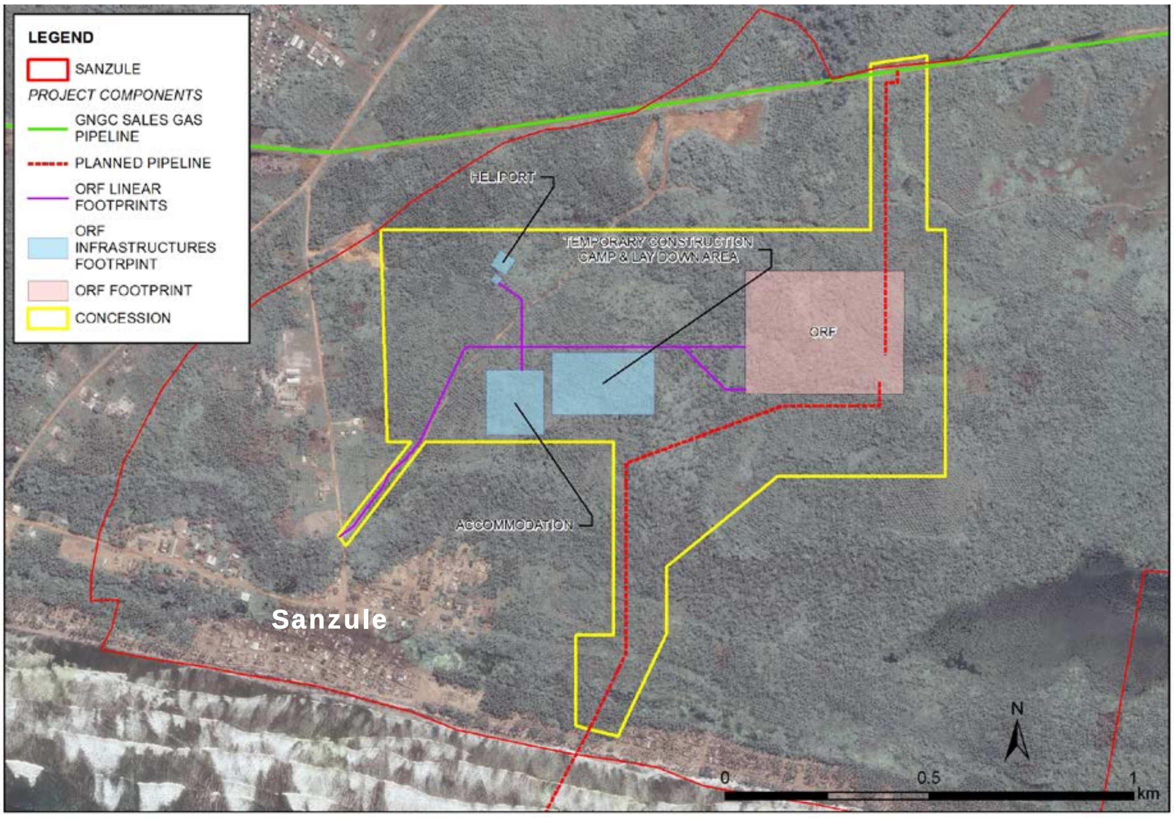
eni Ghana has been undertaking planning and design work since 2012. A key document, the Environmental, Social and Health Impact Assessment (ESHIA – 2) was completed and approved in July 2015. The early works for the construction of the ORF and associated facilities is expected to commence in January 2016.

2.3.2 Main Project Components

The Concession Area designated for the construction of the Project is located in Sanzule Community in Elembelle District (Western Region). The Project include as an onshore receiving facility (ORF), a pipeline, a helipad for Medevac purposes, a temporary construction camp and lay down area, a permanent accommodation camp and access roads.

The Project location and footprint is shown in Figure 2.3.

Figure 2.3 OCTP Block Phase 2 Project Overview – Onshore



Source: eni 2015

Onshore Receiving Facility (ORF)

The ORF will receive the treated gas. The ORF includes the main processing units and supporting infrastructure and facilities. The ORF occupies approximately 9 ha of land.

Onshore Pipeline

The onshore pipeline is composed of two sections:

- Gas export pipeline onshore section (from shore including intertidal to ORF, about 1500 m);
- "Sales Gas" pipeline from ORF to the GNGC Pipeline and "Gas In" pipeline from GNGC Pipeline to ORF (about 800 m).

All onshore pipelines will be installed underground including intertidal, which will require the opening of a working strip along the right of way of the pipeline. During construction, the excavated trench will be clearly indicated and access and passage through the area will be restricted.

Company shall ensure that Construction Contractor is providing all necessary shoring to maintain the trench in good condition and taking all necessary precautions to protect the sides of the excavated trench against collapse. Company will ensure that Construction Contractor is responsible for maintaining the trench in good condition until the pipe has been lowered-in and the trench has been backfilled.

The overall width of the normal working strip will be 34 m. On one side of the pipeline the topsoil material from the excavated trench will be stockpiled (approximately 9 m wide strip) and on the other side, a strip for pipeline assembly and vehicles/machinery transit will take place (approximately 25 m wide strip). A reduced working strip width can be applied where required for special environmental conditions.

Temporary Construction Yard

A temporary Construction Yard is foreseen to the west of the ORF. The maximum expected area is about 10 ha. The construction yard will be dismantled at the end of the construction and commissioning phases and the area will be restored to its previous conditions.

Helipad

The helipad will accommodate an aircraft 22 m long and with a maximum take-off weight of 9.2 tons. The permanent helipad will be mainly used for MEDEVAC purposes in all Project phases.

Accommodation Camps

A temporary accommodation camp will be constructed next to the lay down area to accommodate the peak personnel number during the onshore construction phase (approximately 400-600 workers, during an estimated period of 3 years). This accommodation camp will be dismantled at the end of construction and commissioning phases and the area will be restored to its previous conditions.

A permanent accommodation camp will serve to accommodate the peak personnel expected during the operations phase (approximately 45 people). It will have standard accommodation blocks, and will be equipped with canteen and kitchen area, laundry area, internal roads, recreational facilities, parking area, medical facility, sewage facilities and drainage network. The camps will be designed in accordance with eni's standards.

2.3.3 Project Schedule

ORF construction is anticipated to commence in April 2016 and will take approximately 2 years, followed by operation of the ORF over a period of 30 years. Key Project milestones include the following:

Table 2.1 Project Schedule

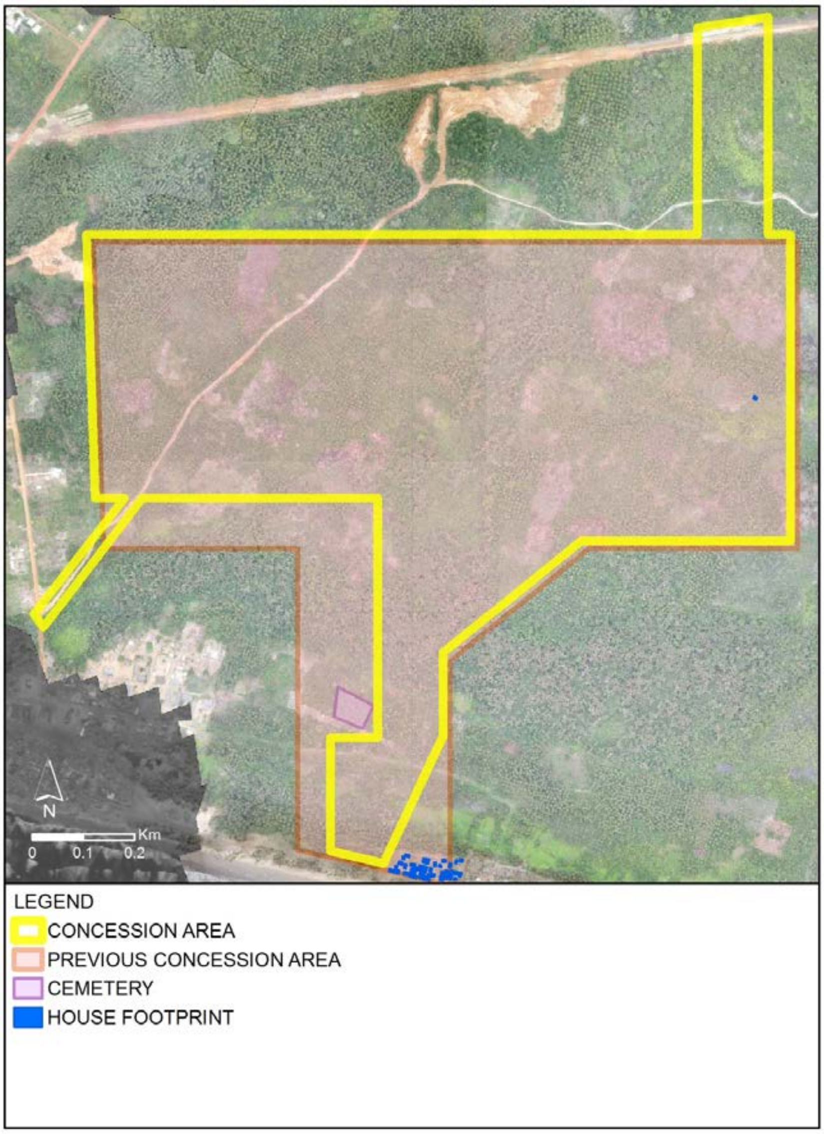
Project Components*	Start	End	No. Months
Early Works Onshore Receiving Facility	January 2016	August 2016	7 months
Construction of the Onshore Receiving Facility	April 2016	February 2018	22 months
Construction of the heliport	January 2016	March 2016	3 months
Construction of the accommodation camp	April 2016	February 2018	22 months

2.3.4 Actions to Avoid or Minimise Displacement

In alignment with the requirements of IFC PS5, eni Ghana on behalf of the JV has implemented a series of actions during site selection and definition of Project footprint to avoid or minimise displacement.

A site selection process was carried in 2012 out prior to selecting the preferred Project site. eni Ghana investigated an area that runs along Ghana's Western Coast from the town of Takoradi to the Ivory Coast Border for 4-5 km inland. Seven suitable areas were identified and analysed using a Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis. The current site was identified as being the most suitable from an environmental, social, technical and logistical perspective. In 2015, eni Ghana reduced the Project footprint in order to avoid physical displacement of a fishing village to the south east of the Project site and the local cemetery.

Figure 2.4 Onshore concession footprint reduction from 2014 to 2015



Source: eni, 2015

Through the LRP development, it was identified that the marshy area running through and to the south of the concession area acts as a critical ecosystem for local livelihoods (fish ponds as a source of income and protein, natural resources in the form of raffia and specific medicinal plants only found in this area). eni Ghana has committed to a number of measures in order to minimize impacts to this important ecosystem and continue its accessibility to the local community. These measures are detailed in Section 6.2.3.

2.3.5 Summary of Land Take by the Project

The concession area will require the permanent land take of 96 hectares, which is 18% of the total land available to Sanzule community. Land use within the concession area is similar to Sanzule as a whole, consisting of a mix of plantations (coconut and/or oil palm), evergreen forest (marshy areas), and secondary forest, with areas of mixed crops. The concession area is currently divided into 286 plots belonging to 221 individual farmers (from 200 households), with each farmer owning between 1 and 13 plots.

eni Ghana will fence the ORF, accommodation area and helipad, leaving much of the concession area open. Although agricultural production will not be permitted within the concession area at any time, households will be allowed to enter the site to collect free growing natural resources outside of fenced areas and to pass through the concession to access land on the other side.

A farm path transects the north east of the concession area, which is currently used by farmers to access lands to the north and west of the concession area. This path will be used by eni Ghana to develop an access road within the concession area linking Project facilities. Farmers will be allowed to transit the concession area using the new access road.

2.4 Land Acquisition and LRP Planning Process

The early phase of land acquisition and displacement planning initiated in 2013 was guided by lessons learned from other resettlement Projects in Ghana, Ghanaian legislation and eni standards. Consultation with affected parties and valuation and negotiation of compensation was conducted by eni Ghana in accordance with the provisions of the Land Administration Act 1962 (Act 123) and the Office of the Administrator of Stool Lands Act 1994 (Act 481). To this end, eni Ghana on behalf of the JV aimed to agree compensation with land owners and users through a process of valuation and negotiation.

In 2014, eni Ghana engaged a Ghanaian consultancy, Delin Consult, to manage the crop and asset compensation process. Delin Consult was contracted to develop a land map, identify landowners and users and undertake an asset inventory to enable eni Ghana to determine who and what would be eligible for compensation. Delin Consult continued to provide support during crop rate negotiations with local leadership and affected farmers. Land acquisition was managed directly by eni Ghana. Delin documented its work in two reports that have informed this LRP, namely the Resettlement Action Plan Report (Delin 2015) and the Land Valuation Report (Delin 2015). In 2015, eni Ghana contracted Environmental Resources Management (ERM) to conduct a review of the land acquisition and compensation process and support the preparation of a Livelihood Restoration Plan (LRP) in compliance with IFC performance Standards PS 5. ERM began work on the Livelihood Restoration Plan following a change in Project footprint which resulted in the elimination of physical displacement of any households (and therefore the need for a Resettlement Action Plan).

At the time that ERM was contracted, the land planning and compensation process was well progressed, with land owners already having received compensation and negotiations on final crop rates well underway. As a result of the review, ERM undertook a socioeconomic survey to enable better understanding and quantification of expected losses and compensation requirements at community and household level, and engaged with eni Ghana with regards to certain changes that could be introduced to further align the process with the requirements of the IFC. ERM additionally worked with eni Ghana to develop a suite of livelihood restoration options that will support households to restore their livelihoods. ERM then proceeded to document activities that have already been undertaken by eni Ghana on behalf of the JV, and will be undertaken going forward, in this Livelihoods Restoration Plan.

The acquisition of land for the Project by eni Ghana on behalf of the JV was completed on 2nd April 2015. The payment of compensation for lost assets (crops, structures, fish and animal farms) was completed in October 2015. The next step in the process is implementation of livelihood restoration measures to support households to restore their livelihoods to at least pre-project levels. The livelihood restoration that eni Ghana has devised has a primary focus on complementing the compensation that has been paid by the Project for lost assets and enabling households to continue, or replace lost forms of livelihoods, or adopt new ways of gaining a livelihood. In addition to targeted assistance, land affected households will be provided with transitional support for a reasonable time until they have restored their income-earning capacity, production levels, and standards of living.

2.5 Document Structure

The remainder of this LRP document is structured as follows:

- Section 3: Legal and Institutional Framework
- Section 4: Stakeholder Engagement
- Section 5: Social Baseline
- Section 6: Impacts
- Section 7: Eligibility and Entitlements
- Section 8: Livelihood Restoration Programme
- Section 9: Institutional Arrangements
- Section 10: Monitoring and Evaluation
- Section 11: Costs, Budget and Schedule

Annex A: List of Affected Households
Annex B: Socioeconomic Assessment Engagement Records (KII and FG)
Annex C: List of Stakeholder Engagement Meetings
Annex D: Household Survey Questionnaire

The key definitions for concepts and abbreviations used in this LRP can be found at the beginning of the document.

3 LEGAL AND INSTITUTIONAL FRAMEWORK

3.1 INTRODUCTION

This section provides the legal background and legislative process in Ghana with respect to land acquisition and displacement. The section commences (Section 3.2) with a framework of the national legislation relevant to the Project, with specific reference to the key sections of each law that is applicable. A summary is then provided first of eni's land acquisition and compensation policy and procedure (Section 3.3) and the IFC Performance Standards (Section 3.4), specifically PS 5, prior to a comparative analysis of the national legislation and international standards (Section 3.5).

3.2 GHANA LEGISLATION

3.2.1 Overview

Over the last 50 years multiple laws have been passed governing land tenure, administration and expropriation. This has led to a myriad of legislative requirements and a multi-party institutional framework. The Land Administration Project (LAP) was initiated in 2003, with the aim of streamlining land related legislative requirements, regulate laws and harmonise the different land administration agencies in the country. The key legislative requirements relevant to the OCTP Project and their function within the Project context are:

- Constitution of the Republic of Ghana 1992: the basis for all national legislation, covering key areas of national law including the basis for land ownership and acquisition;
- Ghana National Land Policy (1999): which was implemented to harmonise previous land related law and specifies how to access customary land;
- State Lands Act (Act 125 of 1962): specifies the terms under which compensation is provided for purchase of land under Ghanaian law and includes purchase of private, state and customary land;
- Office of the Administrator of Stool Lands Act 1994, Act 481: key legislation for purchasing and using Stool Lands;
- Land Administration Act 1962 Act 123: clarifies the involvement of the President in land acquisition; and
- The Lands Commission Act 2008, Act 767: defines the management of key land-related government agencies including those that map, register and value land for acquisition.

3.2.2 Legal Basis for eni Ghana Project

The land acquisition and compensation process was conducted by eni Ghana in accordance with the provisions of the Ghanaian Constitution and in particular in accordance with the provisions in the following acts:

- Office of the Administrator of Stool Lands Act 1994 (Act 481) which guided acquisition of Sanzule stool land where the Concession Area has been established; and

- State Lands Act (Act 125 of 1962) which guided how compensation was provided for purchase of stool land and compensation for lost above-ground assets. To this end, eni Ghana on behalf of the JV aimed to agree compensation with landowners and users through a process of valuation and negotiation.

3.2.3 Constitution of the Republic of Ghana, 1992

The 1992 constitution of Ghana stipulates, "every person has the right to own property either alone or in association with others" (Art. 18), in addition to setting out the conditions under which land can be expropriated, with article 20, clause 1 stating:

"No property of any description, or interest in, or right over any property shall be compulsorily taken possession of or acquired by the State unless the following conditions are satisfied:

a. the taking of possession or acquisition is necessary in the interest of defence, public safety, public order, public morality, public health, town and country planning or the development or utilization of property in such a manner as to promote the public benefit; and

b. the necessity for the acquisition is clearly stated and is such as to provide reasonable justification for causing any hardship that may result to any person who has an interest in or right over the property."

Article 20, clause 2 goes on to state that "*Compulsory acquisition of property by the State shall only be made under a law which makes provision for: the prompt payment of fair and adequate compensation*".

Clause 3 of the Constitution provides further conditions under which compulsory acquisition may take place:

"*Where a compulsory acquisition or possession of land effected by the State in accordance with clause (1) of this article involves displacement of any inhabitants, the State shall resettle the displaced in habitants on suitable alternative land with due regard for their economic well-being and social and cultural values.*"

Article 20 requires compensation to be paid prior to any displacement, and that the resettlement of displaced persons considers not only their economic well-being, but also their social and cultural needs.

Chapter 21 of the Constitution provides detail on public lands and natural resources, including the requirement to establish a Lands Commission, both at national and regional level, to manage public lands, which is explained in detail below (Section 3.2.8). Chapter 21 also covers land ownership by non-citizens, stool lands[8] and property and protection of natural resources.

[8] 'Stool' refers to customary lands that are owned and managed by the traditional authority of each village in Ghana.

Chapter 21, Clause 266, states that, "*No interest in, or right over, any land in Ghana shall be created which vests in a person who is not a citizen of Ghana a freehold interest in any land in Ghana.*" The article also goes on to state that only leasehold can be obtained by a non-citizen and for no longer than 50 years.

Chapter 21, Clause 267, stipulates the conditions for the ownership and management of stool lands, including the need to establish an Office of the Administrator of stool lands (see Section 3.2.6). Clause 267 also states that, "*There shall be no disposition or development of any stool land unless the Regional Lands Commission of the region in which the land is situated has certified that the disposition or development is consistent with the development plan drawn up or approved by the planning authority for the area concerned*."

Clause 267 goes on to state that the stool does not have the right to create a freehold on their land and that 10% of any revenue accrued by the stool from the land shall be paid to the Administrator of stool lands (see Section 3.2.6 below for more information on the Administrator of Stool Lands Act). Once the 10% has been removed, the remaining revenue paid as follows:

- 25% to the stool through the traditional authority for maintenance;
- 20% to the traditional authority; and
- 55% to the District Assembly.

3.2.4 Ghana National Land Policy, 1999

Prior to establishment of the National Land Policy land was managed through various laws and multiple customary practices, with administration managed on an ad hoc basis. This had resulted in numerous cases of land litigation and disputes. The policy aimed to deal with problems of encroachment, multiple land sales, use of unapproved development schemes, uncontrolled development and indeterminate boundaries of customary land. It also sought to address a weak administrative system and conflicting land uses.

The National Land Policy provides a series of guiding principles, including management of national and internal boundaries, fair access to land and security of tenure, equitable and reasonable access to land within the context of national land use planning and private sector as an engine of growth and development subject to national land use guidelines.

Section 4 of the Policy also classifies the conditions under which land can be accessed, including that the land is freely available, there are no conflicts of interest between stakeholders, the proposed land use does not conflict with District Assembly development plans and compensation is fair and adequate and paid through negotiations.

3.2.5 State Lands Act (Act 125 of 1962)

The State Lands Act, 1962 (Act 125) allows the President of the Republic to acquire land for the public interest. The Act specifies the conditions under which this can be undertaken and includes all the relevant requirements, including how a claim on land can be registered. Specific conditions are placed on the calculation of compensation, including:

- *Cost of Disturbance*: the reasonable expenses caused by changes to a residence or place of business by any person with a right or interest in the land;

- *Market Value*: the sum of money which land can be expected to sell on the open market by a willing seller to a willing buyer;
- *Replacement Value*: the value of land where there is no demand or market for the land (i.e. no market value) and shall be the amount required for reasonable re-instatement equivalent to the condition of the land at the date of declaration; and
- *Other Damage*: damage sustained by any person having a right or interest in the land or in adjoining land, by reason of severance from or injurious affection to any adjoining land.

3.2.6 Office of the Administrator of Stool Lands Act 1994, Act 481

This Act provides additional detail on the requirements detailed under Article 267 (2) of the 1992 Constitution, which requires the establishment of an Administrator of stool lands. The Administrator is responsible for the management of stool lands, including ensuring the stool opens an account for all revenues earned by the stool for use of this land.

3.2.7 Land Administration Act 1962 Act 123

This Act specifically covers the management and administration of stool lands. The Act also makes the President trustee of stool land under certain conditions and provides him/her with the following powers:

"The President may direct the institution or defence or, or intervention in, any proceedings relating to a stool land in the name of the Republic, on behalf, and to the exclusion, of the stool concerned, and may compromise or settle any of those proceedings."

In instances when stool land is required to be vested in a trust, all legal rights to sell, lease, collect rent, litigate and manage are removed from the customary landowners and given to the state. The only right that are retained by the landowner is the right to use the land.

Section 10 of the Act provides additional detail under which conditions the president can authorise occupation of stool land "*for any purpose which, in his opinion, is conducive to public welfare or the interest of the state*". In these instances, a public notice must be published in the Gazette providing information on the lands to be taken and the use. Any persons whose interests in the land are affected are entitled to compensation. Compensation is based on the value of the land and the benefits that are currently taken from the land.

3.2.8 The Lands Commission Act 2008, Act 767

The Lands Commission Act aims to integrate four of the public sector agencies managing land (Survey and Mapping Division, Land Registration Division, Land Valuation Division and the Public and Vested Lands Management Division) to improve efficiency and effectiveness in land administration.
The Commission functions include:

- Managing public land on behalf of the government;
- Advising the government, local authorities and traditional authorities on the policy framework for the development of particular areas in accordance with relevant development plans;
- Formulating and submitting to the Government recommendations on national policy with respect to land use suitability or capability;

- Advising on, and assisting in the execution of, a comprehensive programme for the registration of title to land as well as registration of deeds and instruments affecting land throughout the country;
- Facilitating the acquisition of land on behalf of the Government;
- Establishing standards for and regulate survey and mapping of the country;
- Undertaking land and land relative valuation services;
- Installing order and discipline into the land market though curbing land encroachment, unapproved development schemes, multiple or illegal land sales, land speculation and other forms of land racketeering; and
- Minimising or eliminating, where possible, the sources of protracted land boundary disputes, conflicts and litigations.

To manage these functions the commission has four divisions: Survey and Mapping, Land Registration, Land Valuation and Public and Vested Lands Management.

3.3 ENI LAND ACQUISITION AND COMPENSATION POLICY AND PROCEDURE

Eni Ghana has developed a series of internal policies governing the company actions in the event of land acquisition and stakeholder engagement for upstream operations. Eni has developed a specific land acquisition and management Operational Instruction (opi ssc 006 eni spa r01) that has guided the land acquisition and compensation process in Ghana. OPIs are based on the requirements of IFC Performance Standards.

The Land Acquisition and Management OPI provides specific details on when the policy is applicable, including both temporary and permanent land acquisition, in addition to when operations have the potential to cause movement of people or loss or restrict natural resources or livelihood activities. This policy document specifically states that when an eni project requires land-take that causes economic displacement, as in the case of this Project, an IFC compliant Livelihood Restoration Process must be conducted. Further detail is included on consideration for different land management or ownership regimes, and, in line with IFC, those with legal land rights, along with those with non-recognised rights are to be considered. The policy requires the informed consultation and participation of individuals and groups affected by eni land management and acquisition activities, including allowing access to a culturally appropriate grievance mechanism.

The policy also states who is responsible for coordinating land management and acquisition at all levels of the organisation and the different land management and acquisition activities to be undertaken along the upstream business lifecycle. In the case of the OCTP project, land acquisition activities are the responsibility of eni Ghana, with support from the sustainability department at eni's head office in Milan.

Section 5.5 of the Land Acquisition and Management OPI provides a step-by-step guide on land management and acquisition activities and requires that they should be undertaken at the earliest possible stage when it becomes clear that land is required for operations. An assessment of alternative sites is required to identify, which site causes the least impact to local communities. Then a land management action plan[9] must be developed based on national legislation and IFC PS 5, with actions including: conducting a census, inventory and survey and developing a compensation framework that clearly states who is eligible for compensation and the basis for developing a compensation and relocation package. Section 5.5 also provides specific requirements for livelihood programs, which aim to improve or restore quality of life indicators such as income, education, health, nutrition, water and sanitation, along with, maintain or improve the economic security of project-affected people[10].

The policy recognises the need to assess how compensation is paid such as staggered payments and creating trust funds, in addition to the requirement of compensation to be paid before project-related on the ground activities commence.

Section 5.6 of the Land Acquisition and Management OPI provides detail on monitoring of land acquisition processes, including compensation, livelihood restoration and the effectiveness of public consultation and participation activities.

3.4 INTERNATIONAL FINANCE CORPORATION (IFC) PERFORMANCE STANDARDS

The IFC Performance Standards aim to ensure that projects are implemented according to a clear set of guiding principles that eliminate or minimize the impact to local communities and the environment. The IFC Performance Standards specifically address issues relating to land acquisition in Performance Standards 5, which is detailed below.

IFC Performance Standard (PS) 5 applies to project-related land acquisition and restrictions on land use that can have adverse impacts on communities and persons that use this land. Involuntary resettlement refers to physical displacement (relocation or loss of shelter) and economic displacement (loss of assets or access to assets that leads to loss of income sources or other means of livelihood) as a result of project-related land acquisition and/or restrictions on land use.

Resettlement is considered involuntary when affected individuals or groups do not have the right to refuse land acquisition or restrictions on land use, which occurs in cases of:

- Lawful expropriation or temporary or permanent restrictions on land use; and
- Negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail.

IFC PS 5 has the following objectives:

[9] In the case of the OCTP Project, the LRP fulfils the purpose and function of the Land Management Action Plan.

[10] The Land Acquisition and Management Opi will be complemented with guidance provided by Eni Operational procedure Professional Operating Instruction (opi) on Monitoring, reporting and audit activities (opi ssc 004 eni spa r01).

- To avoid, and when avoidance is not possible, minimise displacement by exploring alternative project designs.
- To avoid forced eviction.
- To anticipate and avoid, or where avoidance is not possible, minimise adverse social and economic impacts from land acquisition or restrictions on land use by (i) providing compensation for loss of assets at replacement cost and (ii) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected.
- To improve, or restore, the livelihoods and standards of living of displaced persons.
- To improve living conditions among physically displaced persons through the provision of adequate housing with security of tenure at resettlement sites.

The IFC requirement of provision of compensation at replacement cost differs from the Ghanaian legislative requirement outlined above. The IFC states "*Replacement cost is defined as the market value of the assets plus transaction costs*", with market value defined as "*the value required to allow Affected Communities and persons to replace lost assets with assets of similar value*." It is further clarified that, "In applying this method of valuation, depreciation of structures and assets should not be taken into account."

Table 3.1 below provides an overview of the key PS 5 requirements pertinent to the OCTP Project.

Table 3.1 IFC Performance Standard 5

Requirement	**Description**
Project Design (Paragraph 8)	Consider feasible alternative project designs to avoid or minimise physical and/or economic displacement, while balancing environmental, social and financial costs and benefits, paying particular attention to impacts on the poor and vulnerable.
Compensation (Paragraph 9)	The client will offer displaced communities and persons compensation for loss of assets at full replacement cost and other assistance. Compensation standards must be transparent and where livelihoods of displaced persons are land-based or where land is collectively owned the client will where feasible offer land based compensation.
Community Engagement (Paragraph 10)	Disclosure of relevant information and participation of Affected Communities and persons will continue during planning, implementation, monitoring and evaluation of compensations payments, livelihood restoration activities and resettlement.
Grievance Mechanism (Paragraph 11)	A grievance mechanism will be established as early as possible, which will allow the client to receive and address specific concerns about compensation and relocation.
Displacement (Paragraph 17)	Displaced persons can be classified as: i. Those who have formal legal rights to land or assets they occupy or use; ii. Those that do not have formal legal rights to land or assets, but have a claim to land that is recognised under national law; or iii. Those that have no recognisable legal right or claim to the land or assets they occupy or use.
Economic Displacement (Paragraph 25-29)	When the project will result in economic displacement only the client will develop a Livelihoods Restoration Plan (LRP) to compensate affected persons and/or communities and offer other assistance. Entitlements will be established and provided in a transparent, consistent and equitable manner. Mitigation will be complete when affected persons or communities have received compensation according to the LRP and PS.

Requirement	Description
	In cases where affected persons have legal rights or claims to land recognisable under national law, replacement property of equal or greater value will be provided, or, where appropriate[11] cash compensation at full replacement cost. In addition to compensation, economically displaced persons will also be provided opportunities to improve, or at least restore their means of income-earning capacity, production levels and standards of living: • For persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages and other factors at least equivalent to that being lost should be offered. • For persons whose livelihoods are natural resource-based measures will be made to either allow continued access or provide access to alternative resources. • If circumstances prevent the client from providing land or similar resources as described above, alternative income earning opportunities may be provided, such as credit facilities, training, cash, or employment opportunities; Cash compensation alone, however, is frequently insufficient to restore livelihoods. Transitional support should be provided as necessary to all economically displaced persons, based on a reasonable estimate of time required to restore their income-earning capacity, production levels and standards of living. Security of tenure should be provided to all affected households in the event that alternative land is provided as a compensation measure. Security of tenure means that resettled individuals or communities are resettled to a site that they can legally occupy and where they are protected from the risk of eviction.
Vulnerable Groups (Paragraph 8 & 19)	IFC PS 5 includes specific requirements related to vulnerable groups, which are defined as people who may be more adversely affected by displacement than others, and who may be limited in their ability to claim or take advantage of assistance and other related development benefits. The reasons for this are diverse and include gender, politics, religion, economic status and educational ability. According to IFC PS 5, vulnerable groups should be identified at the start of the planning process (see Baseline), and should be offered specially tailored assistance throughout the resettlement process.

In addition to PS 5, Performance Standard 1 is also relevant to the project in terms of the requirements set out for engagement of stakeholders. PS 1 requires that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected. Specific requirements are made for vulnerable members of the community and the need to ensure that both men and women are able to share their views.

[11] Payment of cash compensation for lost assets may be appropriate where (i) livelihoods are not land-based; (ii) livelihoods are land-based but the land taken for the project is a small fraction of the affected asset and the residual land is economically viable; or (iii) active markets for land, and labour exist, displaced persons use such markets, and there is sufficient supply of land.

Eni Ghana committed to the implementation of a LRP as part of the project's Environmental and Social Management Plan (ESMP)[12]; with specific references also made to the development of a grievance mechanism and stakeholder engagement plan. The ESMP clearly stated that all these measures will be designed and implemented in line with the IFC Performance Standards.

3.5 COMPARATIVE ANALYSIS OF NATIONAL LEGISLATION AND INTERNATIONAL STANDARDS

The OCTP Project is being taken forward with the objective to be compliant with Ghanaian legislation and the IFC Performance Standards. A gap analysis has been conducted to understand differences between Ghanaian law and the IFC Performance Standards, and to identify the additional measures required to ensure the Project meets both sets of requirements.

Table 3.2 below outlines gaps identified between Ghanaian legislation and IFC PS 5. As detailed, the main gaps between Ghana legal requirements and IFC standards include:

- Compensation for land has been paid to traditional leaders. It is understood from local engagement that the compensation will be distributed to family heads, who are then responsible for deciding how and if it will be distributed further to individual affected households;
- Cash based compensation has been provided;
- Ghanaian law requires compensation to be calculated using a market cost approach whereas the IFC requires compensation to be calculated taking into account replacement value (i.e. market value without depreciation plus transaction costs).

The specific measures that have been undertaken to bridge these and other gaps are detailed in Table 3.2 and discussed more fully in subsequent sections.

[12] Eni Ghana on behalf of the JV has been undertaking planning and design work since 2012. A key document, the Environmental, Social and Health Impact Assessment (ESHIA – 2) was completed and approved in July 2015. The ESHIA included an ESMP with all the commitments made towards mitigating and minimising impacts from the OCTP Block Phase 2 Project.

Table 3.2 Analysis of Variations between Ghanaian Legislative Requirements and IFC PS 5

Topic	IFC Requirement	Ghanaian Legislative Requirement	Variation & Action
Disclosure	• Economically displaced persons and their communities (...) are provided with timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. • Documents to be disclosed will be in a format that is accessible to the affected communities.	• The owner/occupier of the land must be formally notified at least a week in advance of the intent to enter, and be given at least 24 hours' notice before actual entry (State Lands Act).	• Eni Ghana has undertaken regular consultation with a range of stakeholders, providing details of project design and planning and allowed for comments on all stages. • Information has been presented in Nzema, the local language, in addition to Twi and English. • Further meetings are planned to disclose the LRP. • A Livelihood Restoration Steering Committee is to be formed and will convene through the Project to oversee livelihood restoration and enhancement activities.
Compensation	• Compensation for loss of assets at full replacement cost and other assistance to help the displaced improve or restore their standards of living or livelihoods. • Affected persons with legal rights or claims to land to be provided with replacement property of equal or greater value or cash compensation at full replacement cost. • Where livelihoods are land-based or where land is collectively owner, the client will, where feasible, offer the displaced land-based compensation. • The client will take possession of the land only after compensation has been made available. • The client will also provide opportunities to displaced communities and persons to	• Prompt payment of fair and adequate compensation (Ghana Constitution). • Compensation must be paid prior to any commencement of the development (Ghana Constitution). • The State shall resettle the displaced inhabitants on suitable alternative land with due regard for their economic well-being and social and cultural values (Ghana Constitution). • Compensation for stool land to be paid to traditional authority, not those losing access to land. (Ghana Constitution) • Compensation based on market value. (State Lands Act) • No specific provision for additional assistance for relocation or transaction	• Compensation for lost assets has been agreed on rates at or above their replacement cost. Cash based compensation provided. • Compensation for land has been paid to the traditional authority who will distribute this to family heads. It is the responsibility of the family heads to distribute to affected households and eni will monitor this process. The livelihood restoration program has been scaled in account to support households to replace their livelihoods on less or no land if required. • Provision of livelihood restoration in the form of replacement land has been investigated. Due to the time consuming and cumbersome processes this has not

Topic	IFC Requirement	Ghanaian Legislative Requirement	Variation & Action
	derive appropriate development benefits from the project.	costs.	proved possible in the immediate term; eni continues to explore opportunities for land provision within the Concession Area. Monitoring of those facing loss of all land will be conducted to understand if there are any long-term impacts. • Eni Ghana will not commence land-clearing activities until affected parties have received compensation for lost above-ground assets. Compensation for those that have not reached an agreement or are unavailable will be deposited in an Escrow account awaiting resolution. • Eni Ghana has developed a Local Content Plan, which will allow not only those affected by the project, but also the wider community and neighbouring villages to access benefits from the project in terms of training, employment opportunities and development projects
Consultation	• The Project will undertake and document a process of consultation in a manner that provides the affected communities with opportunities to express their views and allows the Project to consider and respond to them. • The consultation process will be undertaken in a manner that is inclusive and culturally appropriate. The Project will tailor its consultation process to the language preferences of the affected communities, their decision-making process, and the needs of disadvantaged or vulnerable groups.	• No specific requirements for consultation with affected people or communities when acquiring land for a development project.	• Eni Ghana's CLOs have been working with the community for a long period and all affected landowners and users have been provided with the opportunity to express their views. • Eni Ghana and the LRP team have undertaken numerous engagements with the community and representatives during the development of the LRP. • All consultation is conducted in Nzema, the local language.

Topic	IFC Requirement	Ghanaian Legislative Requirement	Variation & Action
	• For Projects with potentially significant adverse impacts on Affected Communities, the client will conduct an informed consultation and participation process.		
Vulnerable Groups	• Vulnerable groups should be identified from the start and offered specially tailored assistance throughout the resettlement process.	• No specific requirements for vulnerable groups	• Highly vulnerable households have been identified based on vulnerability criteria that has been developed based on analysis of the baseline and consultation. • Those highly vulnerable households will be provided with specific advisory support to enable them to restore their livelihoods through the livelihood restoration program.
Grievance Mechanism	• The Project will establish a grievance mechanism to receive and facilitate the resolution of the affected communities' concerns and grievances about the Project's environmental and social performance. • The grievance mechanism should address concerns promptly, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities, and at no cost and without retribution. • The Project will inform the affected communities about the mechanism in the course of its community engagement process.	• Grievances can be addressed by a Court of law. • No specific requirement for a grievance mechanism.	• Eni Ghana has developed a project grievance mechanism, which will systematically document issues or problems raised in addition to providing a response within a set timeframe. • Awareness rising was held on the 22nd of October 2015. This was conducted to inform the community and affected households about the project grievance mechanism. • The grievance mechanism allows for grievances to be raised and responded to in Nzema. • A compensation grievance committee was established on the 22nd of October 2015, including representatives from the community, to negotiate with affected farmers and eni in finding a solution to grievances. This committee will coordinate its activities with the Livelihood Restoration Steering Committee and Working Group that eni is going to establish (refer to Section 9). • The Livelihood Restoration Working Group

Topic	IFC Requirement	Ghanaian Legislative Requirement	Variation & Action
			will manage grievances during the livelihood restoration project implementation process, with oversight from the Livelihood Restoration Steering Committee. This will work to support the overall project grievance mechanism, ensuring systematic documentation and response to all types of grievances.
Monitoring	• The Project will establish procedures to monitor and measure the effectiveness of LRP implementation and use dynamic mechanisms, such as inspections and audits, where relevant, to verify compliance and progress toward the desired outcomes. • The Project will retain qualified and experienced external experts to verify its monitoring information. • The Project will document monitoring results, implement corrective and preventive actions, and follow up on these actions to ensure their effectiveness.	• No specific requirement for monitoring	• Monitoring procedures have been built into the LRP process and comprise a mixture of internal and external monitoring activities. • The project management team will use a clear set of KPI's to conduct internal monitoring (See Section 9). • External monitoring will be conducted using an interim audit to verify LRP implementation in year 3, followed by a completion audit at the end of the LRP Process. • External monitoring will be conducted by an external party outside of eni.

4 STAKEHOLDER ENGAGEMENT

4.1 INTRODUCTION

Regular and on-going engagement with stakeholders is key to effective livelihood restoration planning and implementation. eni Ghana has directly engaged with the people of Sanzule and other key stakeholders, including traditional leaders and government officials, numerous times since taking over the project in 2012. This included engagement during ESHIA which was governed by a specific Stakeholder Management Plan (SMP).

The project is currently expanding the SMP to encompass all project activities including livelihood restoration. The grievance mechanism has been implemented by the project and is detailed below. The SMP and the grievance procedure are being developed in alignment with eni OPI on Local Stakeholder Engagement (opi ssc 001 eni spa r01) which ensures that the approach on evaluation and recording, on the definition of engagement strategy, management plans, and consultation and local grievance mechanisms adopted by eni Ghana is aligned with corporate standards.

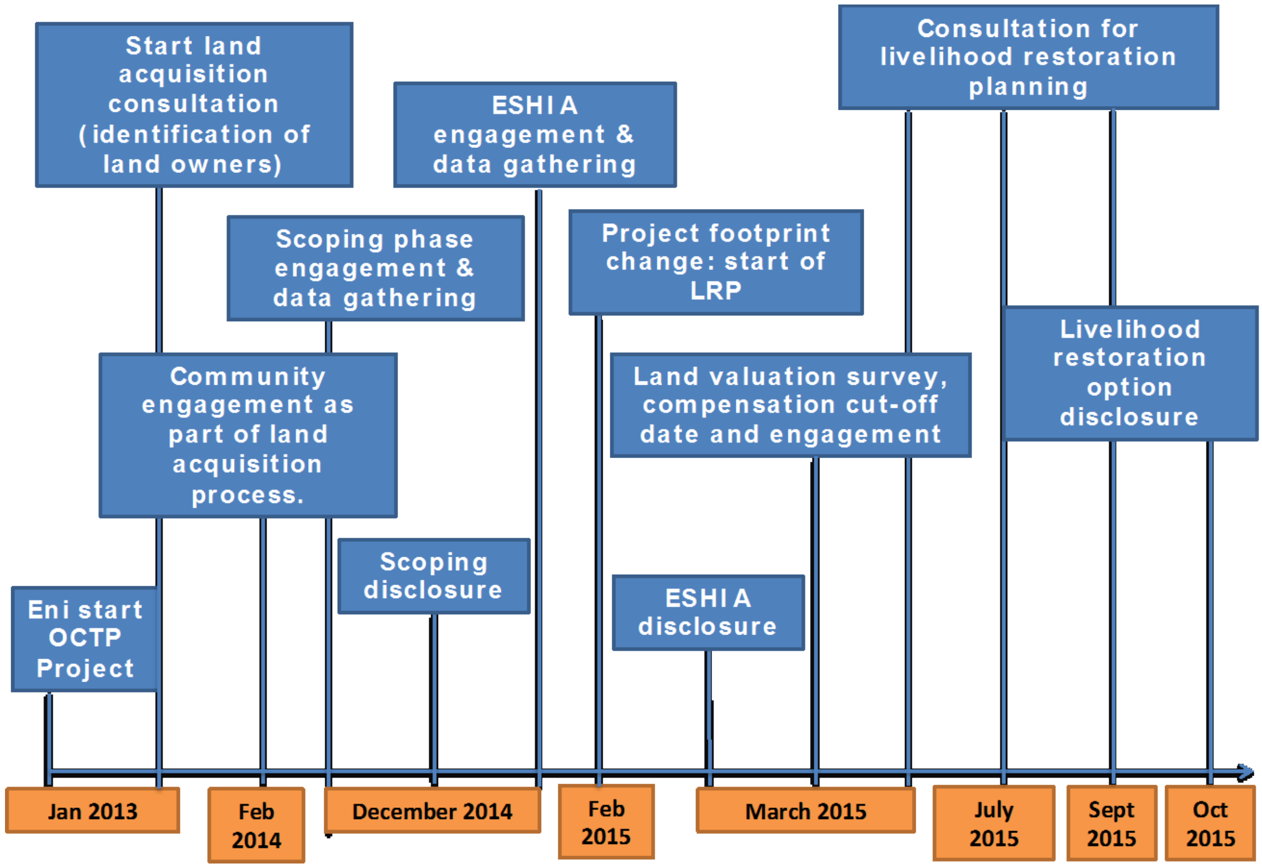
This section provides details of the stakeholder engagement activities undertaken to date by the Ghana OCTP Block Phase 2 Project and provides information of future on-going processes. This chapter includes the following sections:

- a summary of project engagement history and context, including all work carried out to date;
- an identification of the key stakeholders;
- the roles and responsibilities within eni Ghana in relation to stakeholder management;
- a description of engagement activities undertaken as part of the LRP;
- detailed information on the key issues raised by stakeholders during LRP preparation;
- planned on going engagement activities; and
- a description of the grievance mechanism that is being implemented by the project.

4.2 ENGAGEMENT CONTEXT

Project stakeholder engagement began in 2014 with the ESHIA Scoping Report and has continued through various stages of project planning. Figure 4.1 below presents a timeline of engagement activities conducted to date, with information presented in this section on engagement as part of the ESHIA process and more detailed outline of engagement as part of the LRP process presented in Section 4.4.

Figure 4.1 Project Engagement Timeline



Source: ERM 2015

During ESHIA scoping, numerous meetings were held with stakeholder groups, including national, regional and district level authorities, traditional leadership, non-governmental organisations (NGOs), international organisations and fishing associations. The scoping engagement phase introduced the project to key stakeholders and explained in detail the project development process. Scoping engagement also allowed for the collection of information on community and stakeholder concerns. The Scoping Report was disclosed at a community level in December 2014, prior to the commencement of ESHIA data collection.

In December 2014, a socio-economic and health field survey was conducted, which included meeting with traditional authorities and town elders, focus group discussions with special interest groups and key informant interviews. This included discussions with women and men's groups, in addition to interviews with teachers, health professions and village leaders. As well as gathering information, data was also disseminated to consultation participants and questions or concerns were discussed and recorded.

In March 2015, eni Ghana conducted an ESHIA disclosure process, which took place in the villages of Sanzule, Bakanta, Krisan, Eikwe, Ngalekpole, Ngaliki Beku, and Anochi Atuabo and Asemdasuazo. All community members were invited, including village leaders and elders, and other local stakeholders such as government officials and project partners. eni Ghana presented the findings from the ESHIA report, including all impacts and mitigations, along with a timeline for key project activities. The presentation was given in English and Nzema and all audience members were able to ask questions and raise concerns. In early March 2015, prior to commencement of the final asset valuation surveys, eni Ghana disclosed to the community the cut-off date for compensation. This was announced at the community and individually to each of the affected farmers.

4.3 STAKEHOLDER IDENTIFICATION

Stakeholders encompass a range of individuals and groups who can be directly or indirectly affected by a project. Stakeholder identification is crucial to establishing not only who will be affected by a project, but also what groups or individuals may have an interest in or influence over project activities, both positively and negatively.

Stakeholder mapping and identification is an on-going exercise conducted periodically throughout the project's lifetime. The following sections present the key stakeholders that have been identified as central to the LRP development and implementation process.

4.3.1 Government Representatives

Government ministries have a direct influence on project permitting and licensing and are considered an important stakeholder. Each ministry is supported by a number of agencies located within the districts, responsible for implementing government policies and performing the permitting and regulation process on the ground.

Ministerial Representatives

Ministerial representatives should be engaged directly on an on-going basis, with regular interactions with the following representatives:

- *Ministry of Environment, Science, Technology and Innovation*, represented through the Environmental Protection Agency, with a branch covering the Western Region. The EPA is required to clear development projects, including all energy projects, and issue environmental permits. The EPA ensures that environmental impact assessments are conducted prior to execution of development projects, in addition to ensuring projects comply with the measures and recommendations stipulated in the impact assessments. The EPA also liaises with various government agencies, district assemblies and relevant institutions in relation to environmental protection.

- *Ministry of Energy and Petroleum*, represented by the Petroleum Commission and the National Petroleum Corporation (GNPC), which is also a project partner; the Ministry is the permitting authority overseeing all energy projects in Ghana.

- *Ministry of Local Government and Rural Development* supervises the District Assembly and is the final stage in approval of district development plans. All livelihood restoration projects must be aligned with district development plans and approved by the District Assembly and the Ministry.

- *Ministry of Lands and Natural Resources* is responsible for forest sector planning and policy direction and the management of Ghana's land, forests, wildlife and mineral resources. Administration of stool lands also falls under this Ministry, with work managed through the Lands Commission. The *Lands Commission* is divided into the following:
    - *The Public and Vested Lands Management Division of the Commission (PVLMD):* the principle land management organisation of the Ghanaian government. The President of Ghana holds public lands in a trust and the PVLMD is responsible for the management of all public and vested land. There is a branch of the PVLMD in each of the 10 Regions of Ghana, known as the Regional Lands Commission. In addition to managing public lands on behalf of the government, the PVLMD is also responsible for advising the government and local authority on policy matters and advising on and assisting the land title registration program. The acquisition of rights to public lands requires engagement with the relevant Regional Lands Commission.
    - *Land Valuation Division of the Lands Commission:* was established in 1986 with the aim of coordinating valuation divisions operating across different ministries. It was brought under the Land Commission under the 2008 Land Commission Act. The Land Valuation Division is responsible for all valuation services for the government, including assessing compensation to be paid as a result of land acquisition or damage to assets. The Division provides compensation rates for crops throughout Ghana and has offices in each of the 10 regions, in addition to 44 District officers.
    - *Land Registration Division of the Lands Commission:* The Land Registration Division was also established in 1986 and brought under the Lands Commission in 2008. The Division registers land titles and any other land interests, ensures registration of deeds and any other actions that change the status of land.
    - *Survey and Mapping Division of the Lands Commission:* The Division oversees and regulates all surveys and demarcation of land required for the land registration process. It also certifies all land maps by supervising, regulating and controlling the mapping process. The Division is responsible for planning all national surveys and mapping.
- *Ministry of Food and Agriculture* is responsible for promoting sustainable agriculture and thriving agribusiness through research and technology development, extension programs and other support services to farmers, processors and traders.
- *Ministry of Education* is responsible for education throughout Ghana, which is managed through Ghana Education Services (GES) and Council for Technical and Vocational Training (COTVET).
- *Ministry of Trade and Industry* is responsible for supporting all businesses in Ghana, but for the purposes of this project engagement will involve communicating directly with the Micro, Small and Medium Enterprise (MSME) Department. Potential implementing partners for the LRP Programme include:
    - *Business Advisory Council (BAC)* was established to support rural small scale entrepreneurs and provide business development services to stimulate the growth of small and medium enterprises (SMEs).
    - *GRATIS Foundation:* was established to promote small-scale industrialisation in Ghana. GRATIS provides appropriate technology to small-scale businesses through training and the supply of tools and equipment.

4.3.2 Local Government and Community Representatives

District

The central government is represented locally by the District/Municipal/Metropolitan Assemblies, which are headed by the Chief Executives, with work administered via several offices including education, health and development. Relevant district level stakeholders include the following:

- The Town and Country Planning Department (TCPD) approves the layout of prospective developments and specifies all reservations based on projected land use plans. The TCPD ensures that the project is implemented according to approved planning schemes in the area.
- District Development Department approvals all new development projects and works closely with communities to help implement village development plans.
- Community Development Officer works directly with villages, Unit Committees (see below) and the District Development Department to establish small-scale development projects.
- District Education Directorate is responsible for planning, monitoring and evaluation of the education system at the District Level.
- District Health Directorate is responsible for managing the health delivery system in the District.
- District Food and Agriculture is responsible for providing agricultural extension services to farmers in the District.
- District Environmental Officer is responsible for adherence to environmental standards at the District Level.

Area Councils and Unit Committees

Area Councils and Unit Committees are pivotal in local level development as they act as the intermediary between communities and the local level government. The government Assemblyman is a local resident who presides over the Area Council or in the case of rural villages like Sanzule the Unit Committee. The assemblyman is key to the organisation of community meetings, dissemination of project related information and assisting in gaining community wide acceptance of the project.

Traditional Authority

The Paramount Chief is a key stakeholder as the overlord and custodian over the land within Eastern Nzema Traditional Council, which includes Sanzule. Regular engagement and consultation on key project decisions is crucial to local level project acceptance. At the village level the Chief and queen mother represent the traditional authority. As custodians of Stool land within the concession area and Sanzule in general, the Chief and queen mother are key stakeholders as well as directly affected individuals.

Village Elders

Village elders and the family heads play an important role in the resolution of day-to-day issues at the household and village level and are often called upon as respected members of the community. Project acceptance by the village elders is key to overall community backing of the project and therefore this group is seen as an important stakeholder.

Land Acquisition and Crop Rate Fixing Committees

As part of the land acquisition and compensation process, eni Ghana established two committees, each tasked with either agreeing the price of compensation for land or the price of compensation for lost crops. Each of the committee members was elected by the community as a representative and provided with the authority to negotiate with eni Ghana and decide on compensation rates. These members are seen as respected members of the community, have a clear understanding of the land acquisition and compensation process in part through access to legal advisors. As part of the ongoing livelihood restoration plan implementation, engagement and possible inclusion of these committee members will be undertaken as part of forming the Livelihood Restoration Steering Committee and Working Group. The role and responsibility of the Livelihood Restoration Steering Committee and Working Group is included in Section 9-Institutional Arrangements.

4.3.3 Project Affected Groups and Individuals

Family Landowners

Although land is legally classified as belonging to the stool, the majority has been divided amongst the 7 main families in Sanzule and is presided over by a family head (see Baseline Section 5 for more detail). The family heads are key stakeholders, not only as they are directly affected by the project, but also as they are key figures in the community, make decisions on the allocation of land within the family and are able to share information with family households.

Individual land users/farmers

Individual land users do not 'own' the land, but they are directly affected by loss of access and loss of assets. As the land acquisition process will directly impact them, they need to be directly consulted with in an ongoing manner through development and implementation of the LRP.

Vulnerable Groups

Some households are considered highly vulnerable as they have multiple existing characteristics, which make them less resilient to change. Such characteristics include very low incomes, single or elderly income earners (includes many female headed households), a high ratio of dependents with a low number of adult income earners, and dependency on a single livelihood activity. This sub-group of highly vulnerable households will require additional engagement measures and may need assistance in understanding the options available to them in order to make informed decisions about livelihood restoration measures. Focused and frequent engagement will also monitor livelihood outcomes and ensure that vulnerable households are not disproportionately impacted by the project. Engagement with this group will likely be on a one-to-one basis or as a smaller subgroup such as female-headed households, with the aim of encouraging information sharing and openness.

Vulnerable groups are considered specifically throughout this LRP, particularly in Sections 5, 6, 8 and 10.

Community members – natural resource users

The wider Sanzule community has a vested interest in the project and are an important stakeholder group. Community members will be affected by a partial loss of access natural resources.

Migrant village

The migrant village of Anwolakrom is located adjacent to the project concession area. The village is not directly impacted in terms of loss of land, but will be affected by the loss of access to certain areas natural resources and from disruption during the construction phase. These impacts are discussed further in Section 6.

4.3.4 NGOs

NGOs are potential development partners and may have examples of programmes implemented elsewhere in Ghana that could be replicated in and around Sanzule. Partnering with the right NGO can strengthen any livelihood restoration and improvement programme. NGOs with relevance to the LRP include:

- International Institute for Tropical Agriculture (IITA): supporting on locating and planting of appropriate crops and improving current farming practices;
- Hen Mpoano: offers agricultural extension support to local farmers;
- Integrated Social Development Centre (ISODEC): a development NGO supporting local initiatives focusing on service provision such as health and sanitation and provision of education, in addition to supporting improvements to policy, awareness raising and civil activism;
- Ghana Trade and Livelihoods Coalition: an umbrella organisation of farmers and producers working with to improve policies that directly affect agricultural livelihoods;
- Friends of the Nation: an organisation supporting fisheries in Ghana and providing support for fishing and aquaculture programs;
- B-BOVID: an agribusiness organisation based on social entrepreneurship that promotes commercial farming combining innovative agricultural practices with ecologically friendly farming. They build capacity of farmers to enhance food security and incomes through agriculture;
- TRACTOR: a NGO aiming to be the leading agricultural empowerment NGO in Ghana, with the aim of improving rural livelihoods and building capacity for sustainable agriculture development. The organisation has an ICT Centre for Agriculture and Agroforestry Demonstration which is used as a demonstration site for training;
- Opportunities Industrialisation Centre (OIC): promotes small scale business development through capacity building. They have partnered with the bi-lateral development agencies and the mining sector in Ghana to support agriculture development and livelihood improvement;
- Charlotte Dolphyne Vocational Training Institute: based in Esiama, approximately 20 km from Sanzule, the Institute offers a range of technical courses and apprenticeships.

4.3.5 Internal Stakeholders

eni Corporate (Milan)

Eni Corporate, including the HSE and Sustainability Departments govern alignment with eni Corporate standards on the project, providing oversight on all of the project processes. The project is required to follow the internal regulations and processes set out by eni Corporate, including policies on health and safety, community consultation, grievance identification and redress and environmental management.

eni Ghana Exploration and Production Limited (eni Ghana)

eni Ghana is the Project Owner and participating in the Project by providing a number of key services, including:

- support for project implementation such as: HSE, human resources, project services, etc.;
- provision of approvals for all Project financial commitments; and
- providing community relation officers to work directly with the community.

Vitol Upstream Ghana Limited (VUGL)

VUGL is a member of the OCTP JV. It has a joint operating agreement with eni Ghana with the right to approve budgets at Operating Committee Meetings before submission to the JV Joint Management Committee.

Ghana National Petroleum Company (GNPC)

GNPC is wholly owned by the Government of Ghana and is a member of the OCTP JV. It has rights to approve contracts under the petroleum agreement. It is the Chairman of the Joint Management Committee of the OCTP JV.

4.4 Land Acquisition and Compensation Engagement Activities

Consultation as part of the land acquisition and compensation planning process began in February 2014 with a landowner and user identification process and continued until October 2015. Engagement activities have included community meetings, baseline data gathering exercises and feedback on the compensation process to date, as outlined in Table 4.1 below.

Through the early phase of the LRP development, most engagement was undertaken with the Chief and village elders. eni Ghana recognises the importance of sharing information with Sanzule and as the LRP progressed, eni Ghana placed additional focus on ensuring individual households were engaged. The LRP has supported the broadening of engagement through direct discussions with those affected by the project and the wider community.

Leaders have recently requested that eni Ghana increases the notice period before which they are informed about all future engagement processes. eni Ghana has acknowledged this request and will now ensure that all important community meetings are announced at least one week in advance.

Land acquisition and compensation engagement can be divided into three stages: negotiation of land compensation, asset compensation and LRP development, each of which is outlined in detail below.

4.4.1 Land Acquisition and Compensation Engagement

Engagement as part of the land acquisition and compensation process began with consultations between eni Ghana and the village elders, including the Chief. A Land Acquisition Committee (LAC) was established to negotiate the price of land compensation and act as intermediary between eni Ghana and the people of Sanzule in relation to all aspects of land compensation. LAC members were nominated by the community and comprised of the Queen Mother and three village elders including a family landowner. The current Chief was not present during early negotiation stages, but entered the process as an intermediary working with the LAC, in addition to a team of lawyers during the later stages of land negotiation.

Leaders requested that they be responsible for communication with community in relation to land compensation.

4.4.2 Asset Compensation Engagement

Affected farmers and the wider community have been engaged throughout the crop and asset valuation and compensation process. Identification of farmers began in 2012 and community wide consultation was conducted through each of the successive valuation processes (February 2014, March and July 2015). Individual farmers were also consulted during the valuation process when they assisted surveyors in conducting farm inspections.

Eni Ghana established a Crop Rate Fixing Committee in 2014 with the aim of negotiating fair and transparent values for compensation of lost crops and assets. The Crop Rate Fixing Committee comprised of the Queen Mother, 3 elders, the Assemblyman, notable farmers and 18 affected farmers. The committee acted as an intermediary between the affected farmers and eni Ghana.

Eni Ghana has faced some challenges in terms of communicating how compensation has been calculated and managing expectations of affected farmers. Despite community wide consultations, information sharing amongst community members often led to misinformation and confusion, with some farmers stopping their work in the farms in 2014 and others taking out loans based on expected future payments. In order to address this, a special information sharing session was held in August 2015 to clearly define the compensation parameters and help affected farmers understand how their farms have been valued.

An additional challenge has resulted from the change in project footprint in early 2015, which led to the need to revalue all farms and understand who was newly affected, who was no longer affected and who was partially affected. The delay between the original valuation in March 2014 and the subsequent project changes meant all values had to be revalued taking inflation into account. This led to an intense period of engagement between eni Ghana and the Crop Rate Fixing Committee (including the traditional authority) in August and September 2015, when additional information and analysis was requested to ensure final compensation is fair, transparent and in line with international best practice standards. To help facilitate this process eni Ghana requested the support of the District Assembly, Ministry of Petroleum, Petroleum Commission and broadened the consultation process to include more affected farmers, with the aim of further ensuing that negotiations are representative. eni Ghana is committed to maintain this broad based participation in all future engagements with the Community whilst continuing the direct engagement with the Sanzule Stool.

4.4.3 Livelihood Restoration Engagement

Engagement as part of the livelihood restoration process began with baseline data collection in March and July 2015. Engagement consisted of face-to-face meetings with village elders, affected farmers and key members of the community, in addition to group meetings with the traditional authority, the community as a whole, and key groups such as women, youth, farmers and fishermen. A community wide meeting in July 2015 outlined the livelihood restoration process and the purpose of the various forms of engagement. It also provided community members with a timeline of key project milestones and allowed for a question and answer session.

Consultation participants reported frustration with the number of surveys that had been conducted in the community, and the belief that the community has been giving to the project, in the form of information and hospitality, but they have not seen anything in return. Some of this frustration has since been alleviated with the receipt of crop and asset compensation, along with the commencement of concrete actions in the form of livelihood restoration projects planning.

Following baseline data gathering two additional field surveys were conducted to engage stakeholders in the development of livelihood restoration process and elicit their preferences (see Table 4.1 below). As part of this process individual and small group meetings were held with each of the highly vulnerable households to discuss their current preferences with regard to livelihood restoration options for their household. The criteria for identifying these highly vulnerable households were discussed and agreed with community elders.

Table 4.1 Summary of Engagement Activities Carried out as part of the Land Acquisition and Compensation Process, including the LRP Development

Objective	Engagement Activity	Participating Stakeholders
Identify Landowners and Users: • Land valuation; • delineation of land; and • identification of affected landowners and users.	• Face-to-face meeting with individual landowners and users (24th January 2015) • Group meeting with traditional authority (30th January 2015) • Face-to-face meeting with District Lands Authority (8th April 2015)	• Representatives of Sanzule, GNPC, Ministry of Petroleum, and eni Ghana • eni Ghana, Lands Commission • Paramount Chief, Sanzule Elders, GNPC, Ministry of Petroleum and Petroleum Commission
Information Sharing & Baseline Data Collection: • Inform and educate stakeholders on all aspects of the land acquisition and compensation; • gather relevant information and data; and • understand critical stakeholder issues and concerns.	• Face-to-face meeting with village Chief (October 2013) • Group meeting with village elders (October 2013) • Face-to-face meeting with affected landowners (March 2015) • Face-to-face meetings with District Co-ordinating Director (March 2015) • Face-to-face meetings with District Environmental Health Officer (March 2015)	• village chief • 5 village elders • 7 landowners and users • District Co-ordinating Director • District Environmental Health Officer
Establishment of Land Acquisition Committee (LAC) • Negotiate price of land compensation; and • act as intermediary between eni and the people of Sanzule in relation to all aspects of land compensation.	• Community wide engagement 24th January 2015 • Group meeting with LAC 30th January 2015 • Sanzule Stool declaration mandating lawyers to represent them in land acquisition negotiations	• LAC members nominated by the community and comprised of the Queen Mother and three village elders including a family landowner.
Establishment of Crop Rate Fixing Committee: • Crop rate negotiation; • information sharing on valuation of different crops and method used to value each of the different assets; • agreement reached on the method of crop enumeration and fixing of rates for each type of crop;	• Face-to-face meeting with the Awulai Amihere Kpinyile, Paramount Chief of Nzema West Traditional Area (March 2015); • Group meeting with the Queen Mother of Sanzule and Traditional Elders (March 2015); • Group meeting with Sanzule Chief, Nana Asafo Boakye III, Queen Mother, traditional elders and the community (March 2015);	• Queen Mother • 5 Village Elders • Village Chief • Sanzule community members (300 participants) • 221 asset owners

Objective	Engagement Activity	Participating Stakeholders
• community wide consultations to explain the change in project footprint, and inform community members which land parcels were now in the project and which would no longer affected.	• Verification workshop with affected asset owners (April 2015); • Group meeting to agree final crop valuation rate (July 2015); • Group meeting to finalise crop (and other asset) compensation (August 2015).	
Baseline Data Gathering for LRP: • Gather baseline data on every project-affected landowner and land user. • Gather information on administrative structure, management systems and dispute resolution by the family heads and traditional councils. • Gather information on livelihood activities undertaken by land users, including levels of employment, agricultural production and main expenses. • Obtain understanding of women's role within the household and community, access to services and women's access to project related information.	• Face-to-face meeting with Queen Mother (30th March 2015) • Face-to-face meetings with all landowners and land users (3rd-10th July 2015) • Face-to-face meeting with landowning family head (6th July 2015) • Group meetings with village elders and the traditional council (23rd March 2015 & 8th - 9th July 2015) • Face-to-face meetings with community health professionals (27th March and 7th July 2015) • Face-to-face meetings with the District Director of Education and the District Director of Health, (8th July 2015) • Group meeting with the District Development Officer and Community Development Officer (8th July 2015) • Group meeting with women (25th March 2015) • Face-to-face meeting with the head of the vocational college (7th July 2015). • Group meetings with fishermen, farmers, farm labourers and youth (23rd – 27th March and 3rd – 10th July 2015).	• 211 land users • District Director of Education • District Director of Health • District Development Officer • Community Development Officer • 12 Women's focus group members • 25 Farm Labourer focus groups • 1 Family head • Queen Mother • 10 village elders (including Chief and queen mother) • Head of the vocational college • 13 fishermen • 15 farmers • 17 youth • 1 doctor (working in local hospital) • 1 community health care worker (CHPS Compound) • 1 agronomist

Objective	Engagement Activity	Participating Stakeholders
Consultation with Local Stakeholders: • Share official project information with all affected landowners and users and wider community. • Answer any project related questions including levels of employment, receipt of compensation and construction start dates. • Provide eni contact details for stakeholders that require more information about the project or wish to comment.	• Group meeting with Sanzule Community (3rd July 2015) • Group meeting with Anwolakrom migrant fishing village (7th July 2015).	• 1 community wide meeting (approximately 80 participants, including CLO, Assemblyman, village elders and community members) • Representation of 50 villagers of Anwolakrom
Crop Compensation Meetings: • Gain understanding of how informed stakeholders are about the project and the compensation process. • Gather feedback on crop compensation process, including level of satisfaction and any outstanding issues. • Transparent agreement of crop compensation levels.	• Group meeting with Sanzule Community (3rd July 2015) • Face-to-face meetings with all landowners and land users. (3rd-10th July 2015) • Face-to-face meeting with Queen Mother (30th March 2015) • Face-to-face meeting with landowning family head (6th July 2015) • Group meetings with village elders and the traditional council (23rd March 2015 & 8th - 9th July 2015) • Group meeting with women (25th March 2015) • Face-to-face meeting with the head of the vocational college (7th July 2015). • Group meetings with fishermen, farmers, farm labourers and youth (23rd – 27th March and 3rd – 10th July 2015)	• 1 community wide meeting (approximately 80 participants, including CLO, Assemblyman, village elders and community members) • 211 land users • 12 Women's focus group members • 25 Farm Labourer focus groups • 1 Family head • Queen Mother • 10 village elders (including chief and queen mother) • 13 fishermen • 15 farmers • 17 youth

Objective	Engagement Activity	Participating Stakeholders
Consultation on LR Programme Options: • Engagement with government agencies and NGOs working on livelihoods improvement programs. • Engagement with the affected people to gain their feedback on the effectiveness of each of the livelihood restoration options and to assess their levels of interest in each of them • One-to-one meetings with highly affected HH and highly vulnerable HH. • Agreement of criteria used to identify highly vulnerable households	• Face-to-face meetings with ministries, NGOs, local institutions and service providers (September 2015) • Meeting with Chief and Elders of Sanzule to present options, method of engagement and discuss criteria to identify highly vulnerable households • Disclosure of livelihood restoration options (October 2015): - Introductory community congress to outline the options and have a broad based discussion with the entire community - Focus groups around each of the options. - One on one meetings with a sample of highly impacted and highly vulnerable HHs to discuss their options - Second community congress to update the HHs on the options and ask them to provide an indicative indication of which livelihood restoration options they may select	• Ministry of Petroleum • Petroleum Commission • Ministry of Food and Agriculture • Ministry of Education (Ghana Education Services (GES) and Council For Technical and Vocational Training COTVET) • Ministry of Youth and Sports (National Youth Authority (NYA), Skill Acquisition and Training Department); • Ministry of Trade and Industry (Micro, Small and Medium Enterprise (MSME) Department) • Sekondi-Takoradi Metropolitan Assembly (Education Office, Planning Office, MOFA Office, etc.) • NGOs (International Institute for Tropical Agriculture (IITA), Hen Mpoano, ISODEC • Ghana Trade and Livelihoods Coalition, Friends of the Nation) • District authorities • Local training centres and services providers • Chief and Elders of Sanzule • Sanzule community (including land affected households) • Highly impacted and vulnerable households in Sanzule

Source: ERM 2015

4.5 PLANNED STAKEHOLDER ENGAGEMENT

The planning of future stakeholder engagement has drawn from the experiences obtained from consultation during the socioeconomic survey, as summarised in Box 4.1 below. In order to address the key issued raised during consultation and to ensure the successful implementation of the LRP, future stakeholder engagement is being formalised around 4 key processes: a Stakeholder Management Plan, an LRP disclosure process, formalised information sharing and a comprehensive grievance mechanism. Each of these key documents are described in more detail in this section.

Box 4.1 Consultation Lessons Learned

- Community members expressed confusion over several of the main project processes, including compensation and commencement of construction. A review of consultation methods and materials used was conducted with the aim of increasing community wide understanding of the project. Going forward the project will establish information-sharing points within the community and station to CLOs in Sanzule. These will act as a permanent point of reference for community members wishing to verify when and how the project will progress. Due to high rates of illiteracy within the community, visual aids will be used to help communicate with Sanzule, using pictures to describe project process.
- Community leaders requested more notice of community meetings to ensure adequate organisation. One weeks' notice will be provided for important community meetings.
- The results of meetings and individual discussions were not being systematically recorded. A clear system of recording, reporting and addressing community grievances has now been established and all meetings will be minuted. A central comments register will store and review information to identify trends and underlying issues.

4.5.1 Stakeholder Management Plan

Eni Ghana will develop a Project Stakeholder Management Plan (SMP) that will include specific engagement activities to be carried out as part of the LRP process. The SMP will establish the framework of culturally appropriate engagement within which engagement specific to the LRP will be undertaken. The main goals of this document are to ensure that adequate and timely information is provided to key stakeholders affected by the project, that these groups are given appropriate opportunity to voice their opinions and concerns, and that these concerns are responded to in a timely manner by the project. The SMP will be a "living document" that will be updated and adjusted as the project progresses, in order to manage effective and meaningful engagement with all stakeholders. The SMP will be completed in the first quarter of 2016.

The Project SMP will be developed based on the outline provided in Box 4.2 below.

Box 4.2 Outline of the Project Stakeholder Management Plan (SMP)

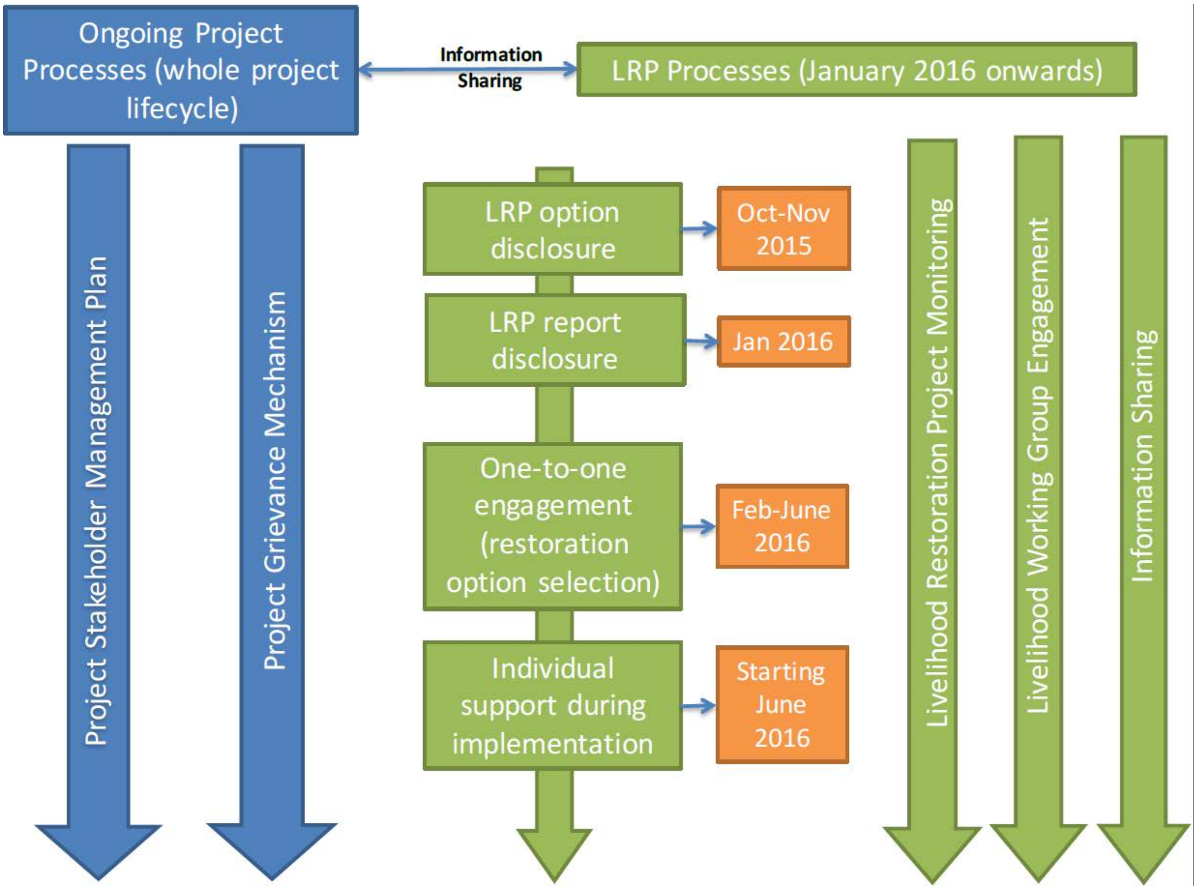
The Project Stakeholder Management Plan (SMP) contains the following sections:

- ***Re-evaluation and analysis of project-affected stakeholders:*** Stakeholder identification has been conducted for previous project phases; however, it is essential that this process is continually updated throughout the project lifecycle. Different stakeholders will have different needs and priorities; therefore, in order for the SMP to be inclusive and comprehensive it must be tailored to the needs of all stakeholder groups.
- ***Engagement Methodology:*** A variety of methods will be used to engage with stakeholders, which will depend on the needs of different groups and individuals. Some stakeholders will require one-to-one meetings, as in the case of land-affected households, whilst others can be managed through a group setting. The SMP defines the types of consultation that will take place depending on the stakeholder and includes an explanation of why each form of consulting is appropriate. Special care will been taken to ensure adequate engagement with vulnerable groups, who may require separate consultation activities.
- ***Engagement Planning***: Timing of engagement activities is essential to ensuring that stakeholders receive information and are able to comment on the project at the earliest possible stage. Following LRP Disclosure in January, monthly information sharing will be conducted in Sanzule to keep all residents up to date on livelihood restoration implementation. Conducting engagement in appropriate locations also ensures that all stakeholders can access project information and participate in consultation.
- ***Reporting:*** A central comments register has been developed to manage stakeholder comments. This system will be used to continue reporting on engagement through the LRP and next project phases, and will link with the grievance mechanism outlined below in Section 4.5.3.
- ***Monitoring and Evaluation:*** All future engagement will be evaluated for effectiveness based on whether it has met the objectives, how information was presented, whether all stakeholders have had the opportunity to participate, the level and type of feedback received and how information was recorded. A set of key performance indicators have been developed to monitor engagement and the effectiveness of the LRP process. These include the number and type of engagement activities undertaken, the number of LRP related grievances reported and how these were addressed, in addition to specific measures of livelihood impacts such as changes to monthly incomes, number of households spending 50% or more of their income on food, number of households suffering from food shortages, number of households with two or more livelihood activities etc.
- ***Roles and Responsibilities:*** eni Ghana will have six CLOs who will be the focus for ongoing stakeholder engagement activities in Area of Influence of the Project. Additional training will be provided to build capacity in managing and dealing with grievances and reporting on engagement activities. The Livelihood Program Delivery Team (see Section 9) will work closely with the people of Sanzule and monitor the success of the various livelihood options through engagement. Eni Ghana will manage the whole process and work closely with all teams on the ground.

4.5.2 Stakeholder Management Activities For the LRP

Figure 4.2 below presents a diagram on how LRP stakeholder engagement will integrate within the overall project engagement process and grievance mechanism.

Figure 4.2 Stakeholder Management for the LRP



Source: ERM 2015

<u>Livelihood Restoration Options Disclosure (*Completed*)</u>

As described in Section 8, engagement with land-affected households has formed the basis for developing the various Livelihood Restoration Options, culminating in a Livelihood Restoration Options Disclosure process in October and November 2015. The objective of this process was to share the proposed livelihood restoration options with community representatives and affected households and to gain their feedback. The activities undertaken were the following:

- Meeting with Chief and Elders of Sanzule to present options, method of engagement and discuss criteria to identify highly vulnerable households;
- Introductory community congress to outline the options and have a broad based discussion with the entire community;
- Focus groups around each of the options;
- One on one meetings with a sample of highly impacted and highly vulnerable HHs to discuss their options;
- Second community congress to update the HHs on the options and ask them to provide an indicative indication of which livelihood restoration options they may select.

Through this process information was gathered on the level of overall acceptance of the livelihood restoration options, and their suggestions for improving the options were incorporated in the Livelihood Restoration Programme.

LRP Report Disclosure

LRP report disclosure will be conducted in January 2016 and will involve a community meeting with the whole of Sanzule, in addition to other stakeholders such as village leaders and elders, government officials and project partners. Information will be presented on the work conducted to date, the various project options, eligibility and how the process will be managed. Information will also be presented on how stakeholders can contact the project, report grievances or feedback on the LRP process. All information will be presented in Nzema and English and all audience members were able to ask questions and raise concerns.

Additional meetings will be held with the paramount chief in Atuabo and other traditional leaders from the area will be asked to join. The LRP report will also be disclosed to relevant authorities at the regional and national level. This will allow for the gathering of additional feedback on each of the LRP project options and ensure that all stakeholders are informed about the how eni Ghana plans to manage livelihood restoration.

Livelihood Restoration Working Group

The Livelihood Restoration Working Group (LRWP) is a multi-stakeholder group tasked with overseeing LRP implementation which includes representation of community leaders and also affected households. The LRWP will meet on a monthly basis for the first 6 months of the LRP process, with meetings reducing to bi-monthly for another 6 months, followed by quarterly if project implementation has been effective. The aim of this is the build trust between stakeholders, provide a point of contact for affected farmers to communicate with, discuss emerging issues and monitor the effectiveness of LRP implementation. Further detail on the LRWP is provided in Section 9.

Monthly Information Sharing

Continued information sharing is important to ensure acceptance of the LRP process, to manage expectations and also to allay any tensions between households receiving differential benefits. Presenting consistent project information and messages to all stakeholders will support a greater understanding of the livelihood restoration process, and reduce the chance of misinformation. It is clear that in addition to community meetings and discussions, visual information is required to assist those that cannot read or write, along with the creation of a centralised information point within the village.

At present one CLO lives in Takoradi and regularly travels to Sanzule to undertake engagement activities. Six additional CLOs will be engaged by eni Ghana to enhance on the ground capacity to engage with affected communities. eni Ghana will open an office in Sanzule prior to construction, which will become the focal point for future information sharing. This will enable eni Ghana to install representatives in the village in order to manage community information sharing, in addition to stakeholder engagement and the grievance management procedure.

An easy-to-understand information guide to the Livelihood Restoration Plan will also be developed with information on how the process is complementary, but separate from the cash based compensation for land and crops. Once developed, this will be widely distributed in Sanzule along with an enlarged laminated version presented at a central point within the village. The following information will be included in the leaflet:

- The role livelihood restoration planning plays in mitigation of project impacts;
- Who is entitled for inclusion in the restoration process and why;
- Livelihood restoration program options;
- How community members will be supported to select LR Program options; and
- How community members will participate and contribute to the detailed development and planning of the livelihood restoration program.

One to One Engagement for Livelihood Restoration Options Selection

Once the Livelihood Restoration Program team has been formed, they will hold one-to-one meetings with households to provide individual advice with regard to livelihood restoration options and support households to select options, which will enable their households to restore, and ideally enhance, their livelihoods. Household specific concerns and issues will be discussed and the Project will aim to resolve these at a household level.

Support During Implementation

Land-affected households will require regular support during project implementation. This will be the responsibility of the Livelihood Restoration Program team with oversight from the Livelihood Restoration Working Group (LRWG) (See Section 9). The Livelihood Restoration Program team will provide ongoing and regular support during implementation. Issues that emerge during implementation will be referred as necessary for resolution by the LRWG, with more complex issues being referred to the LRSC.

Monitoring

LRP Monitoring will involve regular engagement between the Livelihood Restoration Program team (including the LRWG and LRSC), the six CLOs and land affected households. The aim of the monitoring will be to regularly assess the progress of livelihood restoration activities against planned activities and to assess whether the activities are realising the planned livelihood benefits.

The monitoring program will be based on engagement with land-affected households, in addition to periodic assessments of the Key Performance Indicators (KPIs) presented in the monitoring and evaluation section (See Section 10). The development and monitoring of KPIs enables the measurement of change and clearly highlights whether livelihoods have improved, stayed the same or deteriorated following project land-take.

The monitoring process will also link to the Grievance Mechanism described in the next section, with all complaints and issues raised by land-affected households reviewed to understand the underlying causes of problems and how solutions or resolutions can be found.

4.5.3 Grievance Mechanism Procedure

A transparent and accessible grievance mechanism procedure is an essential mechanism for sustaining good relations between eni Ghana and their stakeholders. It is accepted good practice that affected communities, groups and individuals are provided with an opportunity to raise concerns and grievances related to sensitive issues such as displacement and compensation. This is further supported by the IFC Performance Standards (1 and 5), which requires the establishment of a grievance management mechanism to receive and facilitate resolution of the affected household concerns.

Eni has established a Compensation Grievance Committee to deal directly with any issues relating to the compensation process. Grievances raised following compensation and throughout the rest of the project, including LRP implementation, will be managed through the Project grievance mechanism procedure (SUST-PRO-007 - Grievance Mechanism). This process allows for complaints to be received and initially dealt with by the CLO, with more serious or complex issues being referred to a Grievance Management Committee. This committee will be comprised of the Local Content and Sustainability Manager; the Senior Representative of Ellembelle District Assembly; Traditional Leadership Representative; and Department Managers (See Section 9 for more information).

The Project grievance mechanism defines the process by which all complaints will be recorded and addressed with the aim of achieving the following:

- Provide early warning of possible problems;
- Enable rapid response to complaints and generate feedback in order to prevent recurrence;
- Provide a consistent way to address, resolve and close grievances;
- Provide a structured process where grievances are well documented;
- Provide stakeholders with assurances that grievances will be resolved without cost and with a timely and satisfactory resolution of any complaints or claims; and
- Contribute to building trust and good relationships with the community, contractors, and other key stakeholders.

Eni Ghana's grievance management procedure allows complainants to report issues either in person or anonymously. All grievances received are documented and labelled depending on the level of urgency or risk to the project. Some grievances can be dealt with by the CLO, whilst others must be passed to a more senior member of staff or the Grievance Management Committee for redress. All grievances, regardless of level, are logged and reported back to the Local Content & Sustainability department and linked to the overall eni Ghana grievance management process.

Additional training will also be provided to the CLO and livelihood restoration management team to help them address and manage grievances, along with increasing knowledge and understanding of the eni Corporate grievance management process. Box 4.3 below outlines the key stages in eni's grievance management process.

Box 4.3 Grievance Management Procedure

Grievances are handled through negotiations between project representatives and the complainants, with the aim of achieving consensus on all resolutions. The following steps are key to this process:

1. Stakeholders file grievances with the CLO or the Grievance Management Committee. Reporting of grievances can be in writing or verbal, and it is the responsibility of the grievance recipient to write up all verbal grievances, with the consent and sign-off of the complainant.
2. Once received, the grievance will be logged and information recorded on the nature of the grievance, who received the grievance and the next stage of action. The complainant will also receive an official notice stating that their grievance has been received and action will be taken within 15 days of the issue being raised.
3. Procedure to be followed is as follows:

a) First Order Mechanism: grievances that can be resolved between eni Ghana and the complainant.
b) Second Order Mechanism: grievances that were not resolved within the first order mechanism and are therefore assigned to agreed third parties or Grievance Management Committee for action.
c) Third Order Mechanism: grievances that are not resolved within the first or second order mechanisms are escalated to the court system.

5 SOCIAL BASELINE

5.1 INTRODUCTION

This chapter provides a summary of the social context in which project related land acquisition and compensation will take place. Where relevant, information is included at a national and district level, with a more detailed focus on those directly affected by project land acquisition at the village and household level.

5.1.1 Data Collection

The information presented in this section has been drawn from several sources. Secondary data has been gathered from publically available information, along with previous reports including the Environmental, Social and Health Impact Assessment (ESHIA) (ERM, 2014) and the work completed by Delin Consult[13] (see Section 2 for more information). Primary data was gathered during two field surveys, the first in March and the second in July 2015. Eni staff were also engaged to understand the project context and work carried out to date as part of pre-project planning.

Primary data collection was undertaken through the following activities:

- Focus group meetings with village leaders, fishermen, farmers and potentially vulnerable groups such as women, youth and farm labourers;
- Key informant interviews with health professionals, teachers and District officials; and
- Household survey of all affected land users.

The aim of the household survey was to understand the range and type of current livelihood activities, the level of reliance on the project concession area for maintaining livelihoods, and access to alternative land. The household survey also enabled the project team to understand connections between households and the community as a whole. A total of 207 household surveys were conducted which included 1,111 residents of Sanzule, accounting for 74% of the total village population. For this reason the household survey can be considered representative of households in Sanzule with land based livelihoods.

The 207 household surveys included 7 land users whose land has since been removed from the concession area, due to a change in project footprint. During the survey in July it was unclear how these 7 households would be affected by the project, therefore they were included in the analysis. For the purposes of the baseline, the term ‘land-affected households’ includes these 7 land users. One household survey was not conducted, as the land user could not be located; however, their land is also no longer within the concession area. A copy of the household survey questionnaire is provided in Annex D.

[13] Delin Consult, a Ghanaian consultancy, has managed the asset valuation and compensation process alongside eni, with information presented in a valuation report and a resettlement action plan. ERM has also been working with Delin Consult during the March and July 2015 field surveys. See Section 12 for more information.

5.1.2 Chapter Outline

This chapter contains the following key sections:

- *Baseline Overview (Section 5.3 - Section 5.8):* information presented on key administrative structures, demographics, community networks and support structures, land tenure, income and livelihoods and access to services.
- *Development Priorities (Section 5.9)*: key focus areas for development within the village with links made to district level development plans.
- *Highly Impacted and Vulnerable Groups (Section 5.10):* identification and description of individuals and groups who are seen as more vulnerable or have a high degree of impact as a result of project land acquisition.
- *Social Baseline KPIs (Section 5.11):* summary of key qualitative data gathered from throughout the baseline and used to develop a set of Social Baseline Key Performance Indicators (KPIs).

5.1.3 Limitations

Several limitations have been identified and can be categorised as follows:

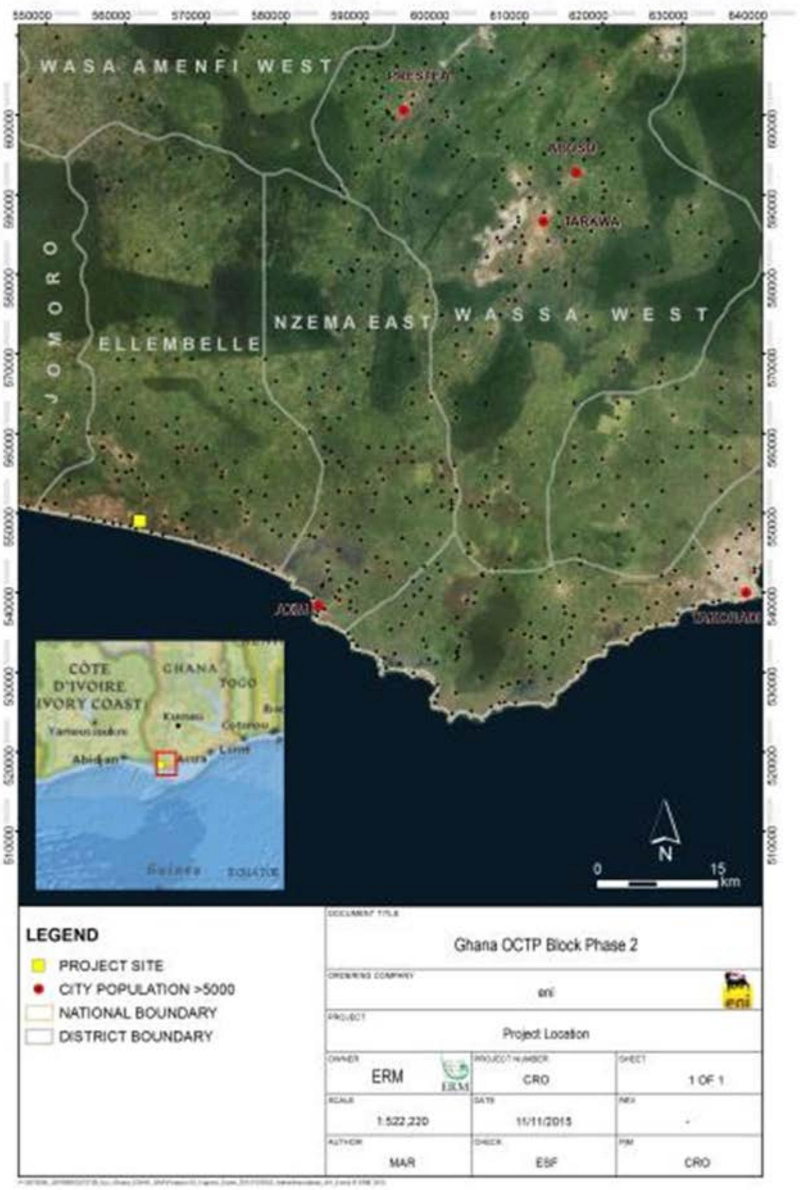
- *Community fatigue:* The livelihoods restoration framework is the fourth report conducted in Sanzule as part of the pre-project planning process. Community members have participated in a total of 7 data collection surveys, in addition to numerous project related meetings with eni Ghana (including ESHIA disclosure).
- *Timing of July Field Survey:* The July field survey was conducted in the same week as discussions on the crop compensation rates. Community members were preoccupied with receipt of compensation, and some were reluctant to participate in field survey activities until payments were made.
- *Pre-agreed answers:* It became clear during the field survey that some community members have discussed how to answer certain questions prior to participating in the field survey, in particular those relating to alternative land.
- *Refusal and embellishment:* Some participants refused to answer certain questions and the village elders would not allow certain aspects of the survey to be completed, specifically the delineation of family/clan land. Other participants provided exaggerated answers, due to the belief that the household survey would affect compensation payments, despite enumerators assuring participants that this was not the case. These questions were noted and the results were analysed for their accuracy before data was entered into the baseline.

In order to ensure that the data presented in the baseline is comprehensive and reliable, information gathered as part of the baseline field survey has been cross referenced with other sources in order to increase reliability.

5.2 Study Area

As presented in Figure 5.1, the project is located in Sanzule in the Ellembelle District of the Western Region.

Figure 5.1 Location of OCTP Phase 2 Development Project



Source: ERM 2015

The LRP study area is the village of Sanzule, which is directly affected by the loss of land. The wider study area includes the neighbouring villages of Anwolakrom, Krisan, Bakanta and New Bakanta, each of which has strong links to Sanzule through marriage and family connections. The infogram below shows the study area and includes an overview of the socioeconomic characteristics of Sanzule.

Figure 5.2 Socioeconomic Baseline Conditions in the Study Area

Socioeconomic Baseline Conditions in the Study Area

Demographic Characteristics

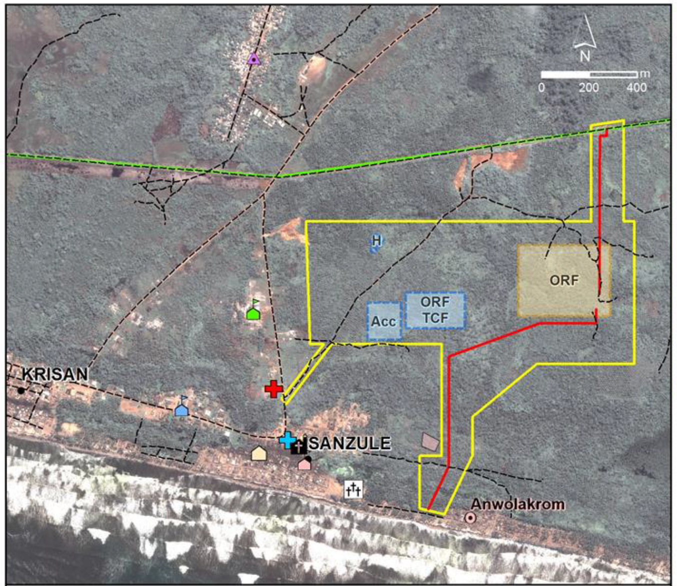
Sanzule has a total population of 1496 (est. 2013) and the average household size is 6.5 people. The village has a young population with over a third aged under 15 years old. The village is Nzema, with the majority of residents speaking Nzema as a first language in addition to Twe, English and French. The village is predominantly Christian (96%) with a small number of Muslim

Livelihoods & Income

Sanzule is predominantly a farming and fishing village, with the majority of households involved in the production of food and cash crops such as cassava, maize, coconut and oil palm, in addition to fishing either in the sea or in fishponds. Crop and fish processing is common amongst women, as is trade, which includes the sale of food, provisions and clothing. Due to the presence of the National Vocational Training Institute (NVTI) there are also a high number of artisans specialising in carpentry, masonry, electrics and dress making. The majority of households undertake 2 or more livelihood activities, with some undertaking up to 5. The average monthly household income in the Western Region is 3,412 cedis (895.5 USD), although waged employment rates are low, despite the presence of several large development projects nearby (Ghana Gas, Newcrest etc).

Land Tenure & Use

The village land is legally classified as customary and inheritance of land follows the matrilineal line. In reality, all of the village land has been divided amongst the original 7 families who first occupied the village. The majority of households have access to between 1-3 plots, although the size of these plots varies and means there is a big variation in size of land accessed (>25ha <0.4ha). The land is used for farming, aquaculture and collection of natural resources (fire wood, raffia, medicinal plants) as large areas of the village land is covered in wet evergreen forest.



LEGEND

SOCIAL INFRASTRUCTURE
- CHURCH
- PRIMARY SCHOOL
- JUNIOR HIGH SCHOOL
- NVTI
- NEW COMMUNITY HEALTH POST
- OLD COMMUNITY HEALTH POST
- CHIEF'S PALACE
- ROYAL FAMILY CEMETRY
- KRISAN REFUGEE CAMP
- CEMETERY
- MIGRANT VILLAGE
- SETTLEMENT
- ROAD NETWORK

PROJECT COMPONENTS
- GNGC SALES GAS PIPELINE
- PLANNED ONSHORE PIPELINE
- CONCESSION AREA
- ONSHORE GAS RECEIVING FACILITY
- ANNEXED INFRASTRUCTURES

Acronyms:
Acc: Accommodations. **H**: Heliport. **ORF**: Onshore Receiving Facility. **ORF TCF**: ORF Temporary Construction Facility

Health

There is a new and an old Community Health Post in the village and the district hospital is in Eikwe a few kilometres from Sanzule. The main health issue facing the village is malaria

Water & Sanitation

There is no sanitation system in Sanzule and water is accessed via village pump. Drinking water purchased

Roads and Transportation

The village of Sanzule is relatively well connected to major and minor roads leading both east and west. The village is accessed via a dirt road to the west, which connects the village to Krisan and another in the north.

Education

Sanzule has a primary school and shares a junior high with the neighbouring village of Krisan. The nearest senior high school is located in Nkroful a distance of approx 25 km. Residents can access vocational training through the National Vocational Training Institute (electrics, dress making etc.) located on the outskirts of Sanzule.

Leadership

The village is overseen by a traditional authority comprising of a Chief, Queen Mother and a group of elders. The traditional authority falls under the overall leadership of the Paramount Chief for the East Nzema Traditional Area, located in Atuabo. The village has a Unit Committee that acts as the connection between the village and the District Assembly managed by an elected Assemblyman.

5.3 ADMINISTRATIVE STRUCTURES

5.3.1 Administrative Divisions

Ten years of military rule ended in Ghana in 1992 with the establishment of the Fourth Republic, which divided power between the president, parliament, cabinet, council of state and an independent judiciary. In 1988 and 1993, a series of local level reforms (Local Government Act 462) reversed the structure of Ghana's public administrative system and saw the heavily centralised state develop into a decentralised political and administrative authority managed by the 10 regional governments and 110 metropolitan, municipal and district assemblies. Table 5.1 below presents the key administrative structures of the Fourth Republic.

Table 5.1 Administrative Structures in Ghana

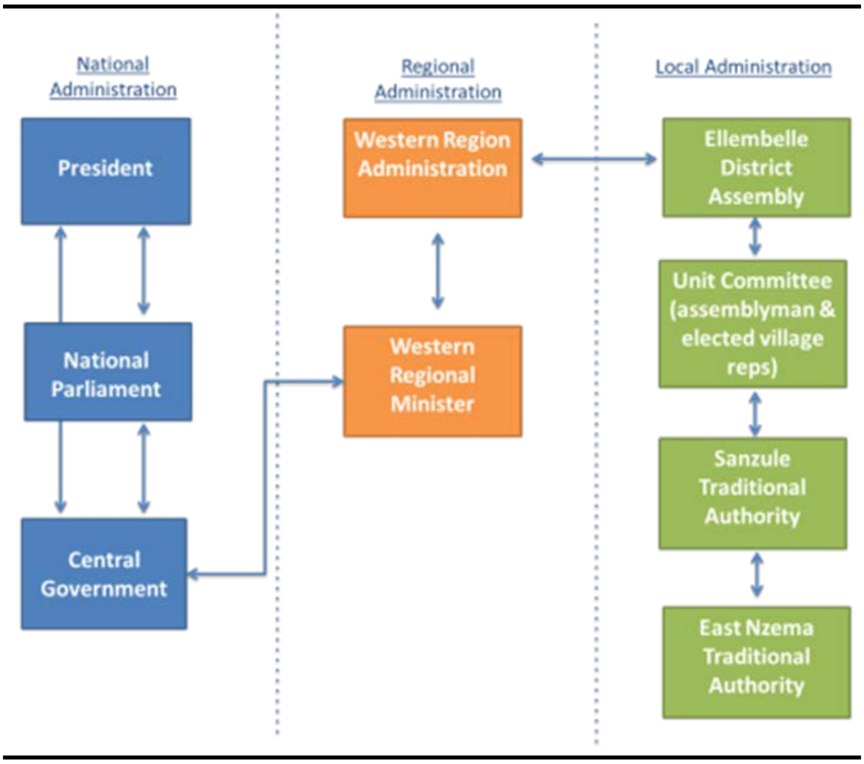
Title / Office	Description
President	President elected for a maximum of 2 terms of 4 years a term
National Parliament	Parliament/legislator of 275 members elected for a 4-year term
Central Government	• 23 Ministries making up the Central Government • Each Ministry is headed by a Sector Minister assisted by a deputy • Cabinet members are selected from among the Central Government Ministers • Ministers are nominated by the President in Consultation with the Council of Stated and are vetted and approved by Parliament.
Regions	• There are 10 political regional administrations with each headed by a Regional Minister. • The Regional Ministers are nominated by the President and approved by Parliament • The Regional Ministers represent the President in the region, responsible for the coordination and direction of the administration in the region.
Districts / Municipal and Metropolitan Assemblies	• Local government system of 110 elected district assemblies spread across 10 geographic regions. • District defined as having a minimum population of 75,000, people and a municipality consists of a single settlement with a minimum of 95,000 people. • Both municipalities and districts provide basic infrastructural, collect taxes and execute plans and programmes for effective district development. • Each district has an Assembly with members elected by citizens within their area, with the aim of making them directly accountable to the people they serve (National Public Administration, 2015).

Source: Profiles of National Public Administrations: Ghana. Accessed 3rd August 2015
http://unpan1.un.org/intradoc/groups/public/documents/un/unpan000192.pdf

The central government is represented throughout Ghana through each of the Regional Administrations. The project is located in the Western Regional Administration, which is further divided into 11 districts. The district is the highest government administrative and political body in the local area. The project is located in the Ellembelle District, which is administered by the Ellembelle District Assembly (EDA) and headed by the District Chief Executive.

The village has a direct link to the local district authorities through a Unit Committee, comprising a government assemblyman and 4 other members, each of which are elected by the community. Each Unit Committee represents populations of 1,500 or less and, in Sanzule, the Unit Committee makes decisions for Sanzule, Bakanta, New Bakanta and Anwolakrom. Figure 5.3 illustrates the administrative structure applicable to the Project context.

Figure 5.3 Administrative Structure within the Project Context



Source: ERM 2015

5.3.2 Traditional Authority Structures

Working in parallel with the national, regional and district authorities outlined above are Ghana's Traditional Authorities, who are the custodians of local traditional practices. At a national level, the traditional system of authority is managed by the Ministry of Chieftaincy and Culture. At the local level, the Paramount Chiefs continue to hold great influence as traditional heads of the people and custodians of the land. Within the project area, the Paramount Chief is Awulae Amihere Kpanyinle III, who is based in Atuabo and head of the Eastern Nzema Traditional Area. He exerts control over the divisional and sub-Chiefs located in each of the villages in Nzema East and Ellembelle.

Traditional authorities are hierarchical and inheritance is on matrilineal descent. In each town or village, including Sanzule, there is a council of elders, typically comprising of a Chief, Queen Mother and various family heads. Both the Chief and Queen Mother are members of the village royal family and are the supreme authority within the village. The village selects the Chief from members of the Royal Family and, once selected, final approval must also be sought from the Paramount Chief. The elders approve all decisions taken by the Chief who is used to resolve disputes, make decisions about town development issues and deal with minor judiciary issues (ERM, 2015).

The current Chief of Sanzule Nana Asafo Boakye III as recently selected following the removal of the previous Chief due to a dispute related to the sale of village land. The Paramount Chief has not sworn in the new Chief. Therefore, despite being recognised as leader by the people of Sanzule, he is not recognised by the Eastern Nzema Traditional Area authority.

Family heads are selected in the same way as chiefs, through popular vote by family members and preside over a large extended family comprising many siblings, children, grandchildren, nieces and nephews. Family heads play an important role in the resolution of day-to-day issues at the household level and are often responsible for the management of land, with tasks including distribution of land amongst members, resolution of disputes, helping members in need and paying education and health fees. (Also See Section 4 - Stakeholder Engagement).

5.4 DEMOGRAPHICS

5.4.1 Population

Over half (57.6%) of the Western Region population lives in a rural area; in Ellembelle District this figure is even higher, with 80% of the 87,501 (Ghana Statistical Service 2012) inhabitants considered rural (Ghana Statistical Service, 2010). The District Health Authority conducted a bed net registration programme in 2013 and recorded the Sanzule population as 1,496 inhabitants with an average household size of 6.5, which is above the national average of 4.6. This equates to a total number of households in Sanzule of approximately 230.

There are a total of 233[14] individual landowners or users affected by the project land acquisition (Delin, 2015) living in 208 households and accounting for a total population of 1,369[15]. Eighty three per cent of the land-affected population live in Sanzule (1,111 individuals) and comprise 74% of the total village population. The remaining 16% of land-affected landowners/users live in other villages or larger towns. The highest number of non-resident landowners/users can be found in Essiama (5%), which is the nearest large town and administrative centre for the Ellembelle District. The second most popular village for non-residents is Krisan village (4%), which borders Sanzule and has strong historical and cultural ties in addition to sharing some facilities (schools and health centre). Other non-residents either live in other villages nearby (Bakanta, New Bakanta, Eikwe) or larger cities such as Takoradi, Tarkwa or even Accra.

5.4.2 Age

The land-affected population, like Ghana as a whole, is young with 39% under 15 years old, followed by those aged between 16-25 (25%) and 26–45 years (22%). Only 14% of the project-land-affected population are over 45 years, with just 4% of this over 65, which is aligned with Ghana as a whole.

[14] Of these, only 221 have land within the concession area. The land of the remaining 12 individuals has been removed from the concession area, due to a change in project footprint in early 2015.

[15] This figure includes the 6 households that no longer have land within the concession area, but excludes the absentee who was not surveyed.

5.4.3 Gender

Women are active members of the community and play an important role in many different spheres. There are clear divisions between the roles of men and women within the village, with women responsible for the home, provision of food and looking after children, including paying for their education, in addition to livelihood activities such as selling fish, trading and specific farming activities. It is taboo for men or women to cross clearly defined gender roles; however, women reported that in some ways they have more opportunities than men, who are only able to fish or farm, whereas women are able to participate in multiple livelihood activities.

Women reported that girls have equal access to education and everyone has the same access to health care. There are female-headed households in the village, but women focus group participants reported "*we are all female headed households, even when we have a husband we must look after ourselves and our children*".

Sanzule, like much of Ghana is a matrilineal society, although land is passed between male relatives following the female line as described in more detail in Section 5.6.1 below. Women are represented within local power structures and it is possible for women to be family heads and even Chiefs. The Queen Mother is the female representative on the traditional council and there is also a female family head in Sanzule. Women reported that this is something that has changed with time, as women had previously been less visible, whereas now they hold a strong position within the family and community.

Although in many respects, women therefore have the same rights as men, there are a number of factors that indicate that women are less able to access land an income than men, and may be more vulnerable in the land acquisition process. These factors include the fact that women inherit land when there is not eligible male relative; and that men and women in a household do not generally have visibility of each other's income. Also it is noteworthy that a high number of the vulnerable households identified in Section 6 are ones where an elderly female relative is responsible for a number of dependents. This would suggest that when parents are absent the task of caregiver falls to women (see Section 5.10).

5.4.4 Ethnicity and Language

In the Western Region the dominant ethnic group is Akan, with the people in the Ellembelle District, which includes Sanzule defined as Nzema, which is a branch of the Akan group as outlined in Box 5.1 below.

Box 5.1 Clans and Families in Ghana

The Akan people can be found in Southern Ghana and the Western border of Cote d'Ivoire. Akan people account for 50% of the Ghanaian population overall; but in the Western Region, where the project is situated, this number is much higher (78%).

The Akan believe that man is made of the soul (okra), spirit (sunsaum), blood (mogya) and family (abusua). The majority of Akans are matrilineal and believe that blood comes from the mother who determines the *abusua* or family group. *Abusua* is not the same as a clan as an *abusua* means a group/groups of people descended from one great grandmother, whereas a clan is a federation of four of five different groups of *abusua* with one recognised head. Members of a clan cannot trace their ancestry through the same ancestress. This means that marriage between clans is allowed, but as people from the same *abusua* are considered to have the same blood they cannot marry.

Akan people share many common customs, cultural practices and religious beliefs, however, there are separated into different tribes each with its own dialect. The main Akan group in the project area is Nzema, which originated in the north of the country and settled in the south in the 15th century as recorded by Portuguese traders at the time. Nzema people continue to practice the same customs, but in the 19th Century Nzema divided into four tribes (Evalue, Dwira, Ellembelle and Jomoro) mainly due to the development of localised Nzema dialects, although there is only one official written version.

Source: Twi Online Dictionary

Twi and Fante are the most widely spoken languages of Akan people, although in the project area Nzema is the main language. The household survey found 90% of respondents are Nzema and 9% classified as 'other' Akan, with the remaining 1% are Ewe.

At the village level, survey participants reported that clans connect people, but that it is the extended family (*abusua*) that is instrumental to the daily lives of people. It is the family head, not the clan head, who owns and manages land, shares resources, resolves disputes and is represented in the village council.

Survey participants reported that the 7 families date back to the original inhabitants of the village who came to the area to farm and fish. Over time the families have married and mixed with each other and neighbouring villages, with most people connected in some way.

5.4.5 Religion

Christianity is the main religion at a national level and practiced by the majority of the population. The land-affected population is predominantly Christian (96%) with just 3% recognised as Muslim, which is lower than the District average (9% Muslim) (Ghana Statistical Service, 2010). Only 3 people within land-affected households stated that they followed traditional religions. Discussions with community members and land-affected households found that residents live side by side and that there are no divisions along religious lines.

5.4.6 Migrants and Refugees

There is a significant amount of internal migration within the Western Region with people following employment opportunities in Takoradi, Accra and Cote d'Ivoire (Modern Ghana, 2012). The Ellembelle District experiences a surge of in-/out-migration during the peak fishing season between July and October.

The village of Anwolakrom is situated on Sanzule land, less than 500 m from Sanzule Village, and was established approximately 50 years ago, predominantly by Ewe people from the Volta Region in the East of Ghana (See Figure 5.2 above). Residents of the village reported that they came to the area to fish and asked the leaders of Sanzule if they could occupy village land. The leaders allocated land to the migrants and allowed them access to village natural resources. The migrant village reported that relations between Sanzule and Anwolakrom are good, and they often help each other with funerals or communal work, in addition to trading. The village do not farm on Sanzule land and have access to a large area for the collection of natural resources.

Just over a kilometre to the north of Sanzule is the Krisan refugee camp, which was established in 1996 to house high-risk refugees. The camp is diverse with at least 15 nationalities living together (UNHCR, 2009). The camp was built for up to 2,000 refugees and there are currently approximately 1,300 refugees (55% men and 45% women). Relations between the refugee camp and local villages, including Sanzule, were reportedly positive with refugees able to freely collect natural resources and assist in fishing activities in return for fish or money. Focus group meetings with the refugees found that they do not use Sanzule land to cultivate crops or gather natural resources. Fishing related impacts to refugees will be managed through the Fisheries Management Plan (FMP).

Residents of Sanzule reported that there are migrants from other parts of Ghana living in the village, primarily as a result of marrying someone from the village, although accurate figures were not available to determine the total number.

5.5 COMMUNITY NETWORKS

5.5.1 Relationships between Villages

Survey respondents reported that relationships between neighbouring villages are strong and positive. Sanzule is situated between Krisan and Eikwe to the west and Anwolakrom and New Bakanta to the east. Survey respondents reported that everyone is considered brothers or sisters, as there are high rates of intermarriage and villages help each other during funerals, festivals and big occasions. There are some disputes over land to the north of Sanzule but these do not affect day-to-day relationships.

5.5.2 Relationships within the Village

The family is central to life in the village with different levels of support and linkages connecting every resident. Each of the different levels of relationship and linkages between relationships are described in more detail in Box 5.2 below.

Box 5.2 Communal Living in Sanzule

Every individual in Sanzule is connected through a series of interconnected groupings and relationships:
Household: The household is the smallest unit and comprises parents and their children, and often grandchildren and other relatives. The household survey found only one incident where a non-relative was living in a household. The household is responsible for the provision of food, with individual members contributing a portion of their income. Women are responsible for the supply and preparation of food, although resident fishermen are expected to supply fish. The household survey experienced difficulty with questions relating to income of husbands or wives, as incomes are kept separate, with neither knowing how much the other earned nor the overall household income.
Compound: Households are clustered in a compound or several households occupying a room each within a larger residence. Compound residents share resources, including childcare and farm labour, and support each other during hard times including with the payment of medical and education fees. Food can also be shared, but only if there is abundance and the nuclear family has been provided for. The survey team faced difficulty in defining a household as most residents view the compound as their household due to the sharing of resources.
Family, Abusua: The larger extended family comprises several compounds and is managed by a single head. As stated above, the family head represents the family at the village council, manages disputes within the family and distributes land.

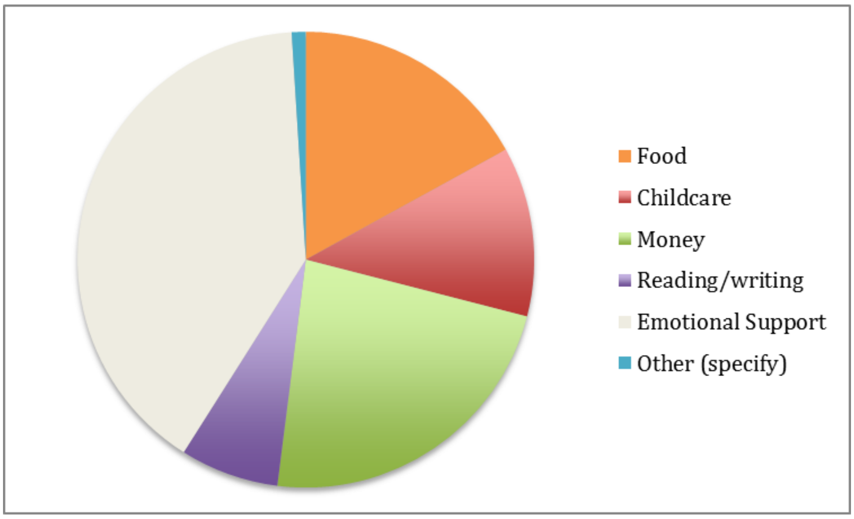
Source: ERM Field Survey March and July 2015

5.5.3 Support Networks

As stated above, families share all types of resources (food, crops, money, child care etc.) and gifting is an important form of exchange, freely passed between individuals, without expectations or the need to reciprocate. Household survey respondents reported that the majority of crops, trees and natural resources (including raffia) are sold, but a portion of every activity is kept for household consumption and gifting. The amount of resources gifted was reported to range from 20% (natural resources such as firewood, raffia, wild fruits and medicinal plants) to 1% (tree products).

Support also comes in other forms, with 80% of household survey respondents reporting relying on another household for a variety of different forms of support. Figure 5.4 below presents findings from the household survey on different forms of support exchanged between households in Sanzule.

Figure 5.4 Different forms of support in Sanzule



Source: ERM Household Survey, July 2015

25% of household survey respondents reported receiving remittances, either in cash (73%) or in-kind/gifts (27%). Almost half of cash remittances (49%) are between 100-399 cedis (USD 25-100), but can be over a 1,000 cedis (4%) per month.

5.5.4 Conflict Resolution

The resolution of conflicts depends on the issue, with internal family issues dealt with either within the household or by the family head. If there is a conflict between families, the issue is presented to the Chief and the village council for resolution. Disputes between villages can be presented to the Paramount Chief or, if it relates to land, the Ellembelle district authority can be called upon for a resolution. Focus group meetings found that the majority of conflicts occur between different fishing groups over fishing grounds.

5.6 Land Tenure and Ownership

Under the 1992 Constitution, three distinct land tenure systems are recognised: public lands, customary lands (referred to as 'Stool') and private freehold lands. Public lands are owned by the government and are for public use. Stool lands are communal and are held by traditional communities or groups. Finally, an individual or entity owns private freehold land.

Customary land tenure, as described in Box 5.3 below, accounts for 80% of all land in Ghana (Antwi, 2008) and is based on chiefs having allodial land rights, which means they have ultimate control over land on behalf of their community. Community members have user (usufruct) rights, which allow them to use the land, profit from all products produced on the land and transfer to decedents, but they do not have the right to sell land (Amanor, 2008).

Box 5.3 Customary Land tenure

Customary tenure is based on local practices and norms, which are flexible and vary according to location. Such tenure is typically unwritten and is managed by a traditional ruler (the Paramount Chief or local chiefs); a council of elders; or family or lineage heads. Customary land law for the Akan group has many variations with regards to rights and powers over stool, forms of tenancy and nature and extent of family controlled land (Ollennu, 1965). Some argue that the lack of harmonization between customary and statutory tenure, and the few institutional arrangements governing customary land tenure, means the system is open to abuse. This has led to widespread land conflicts throughout Ghana, which is not helped by the slow process of land registration[16] (Palmer, 2011).

The government has established the Land Administration Project (LAP), with the support of the World Bank, in order to develop a comprehensive and transparent stool land administration system. The LAP aims to register stool land and strengthen the land administration and management system. The process has now been decentralized under the Customary Land Secretariats (CLSs), which some argue is only compounding existing power structures due to the close link between the CLS and traditional rulers. It is feared that some traditional leaders will use this opportunity to gain additional powers to redefine land relations in their own interests.

5.6.1 Land Use in Sanzule

Total land use within Sanzule is as follows:

- 33% of Sanzule land (188 ha) is used for agricultural production;
- 50% is forested (271 ha) comprising of evergreen and secondary forest;
- 2.8% is savannah patch (15 ha)
- 2.6% is bare ground/degraded plantations (14 ha); and
- 12% is used for housing & roads (45 ha).

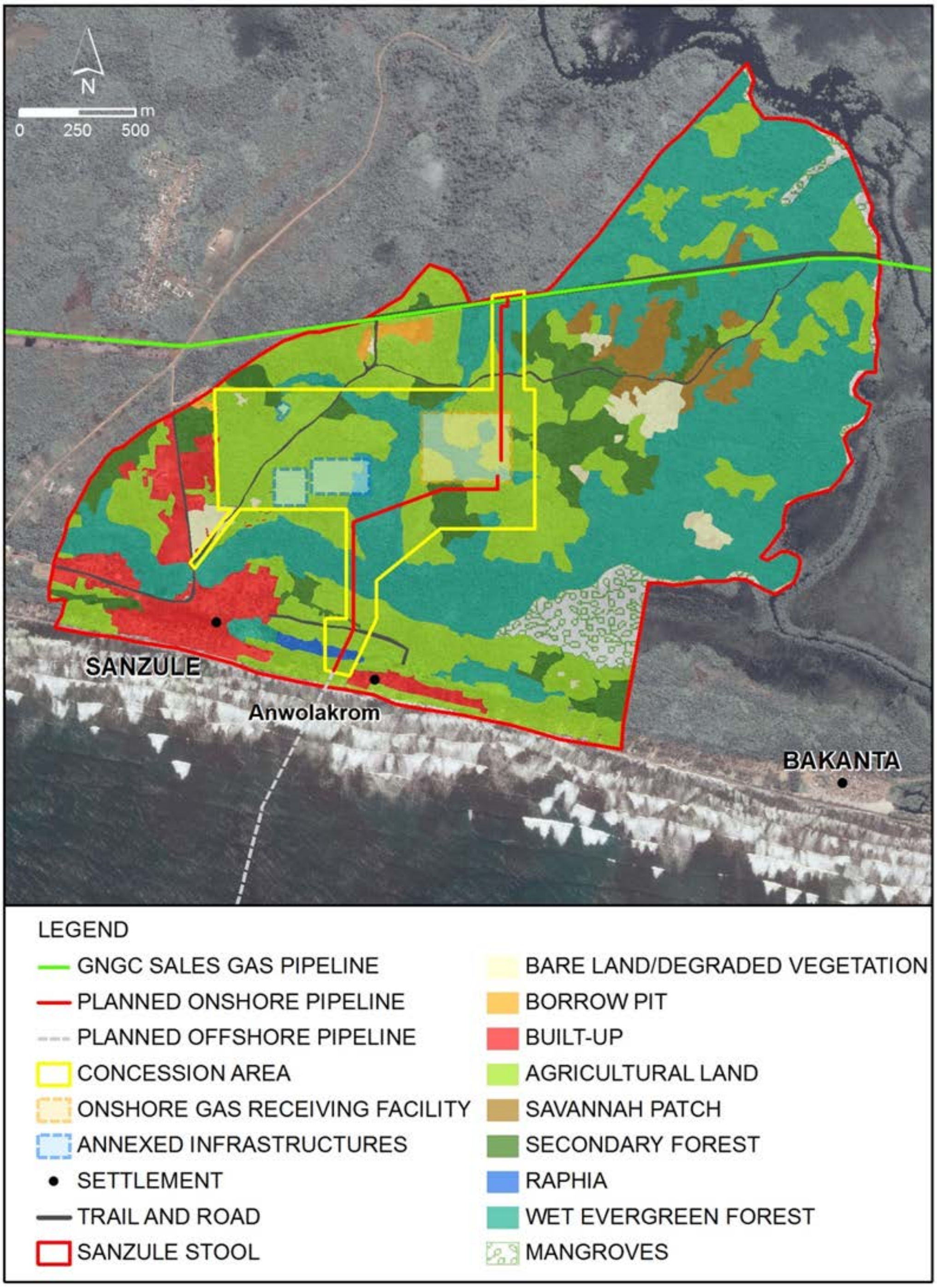
The concession area covers a total of 96 ha, which is 18% of the total land available to Sanzule (532 ha). The land in the concession area consists of a mix of plantations (coconut and/or oil palm), evergreen forest (marshy areas), and secondary forest, with areas of mixed crops. Although concession area will remove a small proportion of overall land available to Sanzule, it accounts for 31% of all cultivated land. This is in part due to its accessibility from the residential area, but also because many areas outside the concession area are unsuitable for agriculture as they are marshy or unfertile.

The built up area of Sanzule is centred within a 34 ha area to the south west of the concession area. The remaining land outside of the concession area is predominantly evergreen forest, with smaller areas of farming and some secondary forest.

Figure 5.5 below presents the different land use within Sanzule and the project concession area.

[16] Between 1986 and 2006, 42,000 applications were submitted for land registration and as of January 2011 on 30% of registrations have been completed.

Figure 5.5 Land Use in Sanzule and the Concession Area



Source: ERM Land Assessment July 2015

Natural resources can be found all over Sanzule, with raffia, medicinal plants and aquaculture activities conducted in the wet evergreen forest areas (225 ha and 42%), firewood, wild fruits and other medicinal plants collected from the areas of secondary forest (44 ha and 8%) (see Figure 5.5).

The land assessment conducted in Sanzule in July 2015 found that there is some land that is currently not used for farming or housing, with 50% of land evergreen or secondary forest and 4% bare land or degraded plantation. The land assessment and engagement with local residents found that much of this land is unsuitable for farming either, as it is waterlogged or infertile. Focus group meetings also found that there is no 'spare land' as all Sanzule land 'owned' by a family or the stool. Land that is not used for agricultural production is used for natural resource collection or has been designated as for future residential use. Further detail on land plots and a list of affected households and list of assets cultivated is included as Annex A to this report.

5.6.2 Land Tenure and Access in Sanzule

Land Tenure in Sanzule

The land being acquired by the project (96 ha) is legally defined as stool land, which belongs to the royal family and is managed by the Chief, Queen Mother and Elders, with families having usufruct rights. The 533 ha of Sanzule Stool land was divided amongst the original occupant families of the village based on how much land was farmed by the village founders. Some founders farmed a large area whereas others only farmed a small area. This means that today there is a disparity between land access, with some families residing over large areas (>25 ha), whereas others do not have any land or only have access to small land parcels (<0.4 ha).

The head of each family is seen as the custodian of the land, with the Chief acting as custodian of stool land. It is the responsibility of the family head to distribute and manage land, including deciding how much land should be allocated to each household. Much of the land in Sanzule has stayed within the same household for a number of generations, passed down from one person to the next based on the matrilineal inheritance system as described in more detail in Box 5.4 below.

Box 5.4 Matrilineal Inheritance in Ghana

The passing of land and inheritance through the female line is based on the understanding that in a polygamous society the mother/child bond is stronger than the father/child bond. This means that a man's nephew (sister's son) will have priority over his own son. This only applies to family property. Property acquired by an individual can be inherited by anyone the deceased wishes. Traditionally families would live together and a man would raise his children alongside his nephew, who would be given special attention, with the knowledge that he would inherit family property. From the 1970's onwards the writing of a will became popular, to ensure that a man's own children and wife would receive some inheritance and in 1985 a law was passed to further strengthen this. Women can only inherit land directly if there is no suitable male relative.

Source: Twi Online Dictionary

Survey respondents reported that village land is not bought or sold and that there is no 'private' land within the Sanzule boundary (see reference to private land below). The sale of land was considered taboo during survey discussions, with family heads wanting to maintain land in order to pass it down to future generations. The current Chief was installed following the ousting of the previous Chief who had reportedly tried to sell village land without the knowledge or agreement of elders. This highlights the sensitivity of land privatisation and the power held by village elders over land tenure and access.

Land Access in Sanzule

Access to land is based on matrilineal linkages within the village and an individual can ask for land for agricultural or residential purposes from the head of their mother's family. Migrants or people with a mother from outside the village can rent land, enter into a sharecropping agreement or ask for land from the stool.

It is unclear how many individuals in Sanzule do not have access to family land, but the household survey showed that only 2% of respondents were using stool land, compared to 61% of respondents who farm on family land. Survey respondents provided conflicted accounts of private land, with 17% of household survey respondents reporting farming on private land, whereas the village Chief and elders reported that there is no private land. It is thought that this disparity between responses is due to the belief that family land is private and 'owned' by a household. The remaining 19% of household survey respondents farm on either rented land or in a sharecropping arrangement.

Plot sizes vary considerably from 0.04 ha to 9 ha, with the majority of land-affected households reported having access to 1 land plot (37%) or 2-3 land plots (40%). Only 12% of land-affected households had 4-5 plots with 9% having access to five or more plots. All respondents with more than 4 land plots reported that they would be able to continue farming after the project has started (21%).

In total, 45% of household survey respondents reported that the project would take all their land, primarily those who have access to only 1 land plot (37%), in addition to 20% of those accessing between 2-3 plots. When asked whether respondents will be able to continue farming once the project has taken land the number stating that they would not be able to continue is 4% higher (69%). This is due to the unsuitability of remaining land for agricultural production, as either it is too far, not fertile or located in a marshy area.

Similar to the disparity in access to land between families, there is also a disparity in land access between households within the same family. Some households have access to large areas (>5 Ha) whereas others have access to less than 0.2 Ha. The average size of each land parcel within the concession area is 0.5 Ha.

5.7 ECONOMY, LIVELIHOODS AND INCOME

Ghana is considered a lower middle-income country, with high levels of growth recorded over the last 10 years helping the country meet many of the Millennium Development Goals (MDG), including halving poverty. Between 2011 and 2014, economic growth as measured by GDP slowed from 14% to 4% (WB, 2015), largely as a result of currency depreciation, an on-going energy crisis due to inadequate energy supplies, a deteriorating macroeconomic imbalance, and rising inflation and interest rates (AFDB, 2015).

The deteriorating economy has been impacting the lives of Ghanaians through the increased cost of living. This caused protests in 2014 and 2015, as people marched against the cutting of fuel subsidies, increased taxation and high price of goods and services, which are not being matched by increases in wages. Water rates and fuel increased by 7% in January 2015 with increases of 10% also seen in electricity bills (Newsghana, 2015).

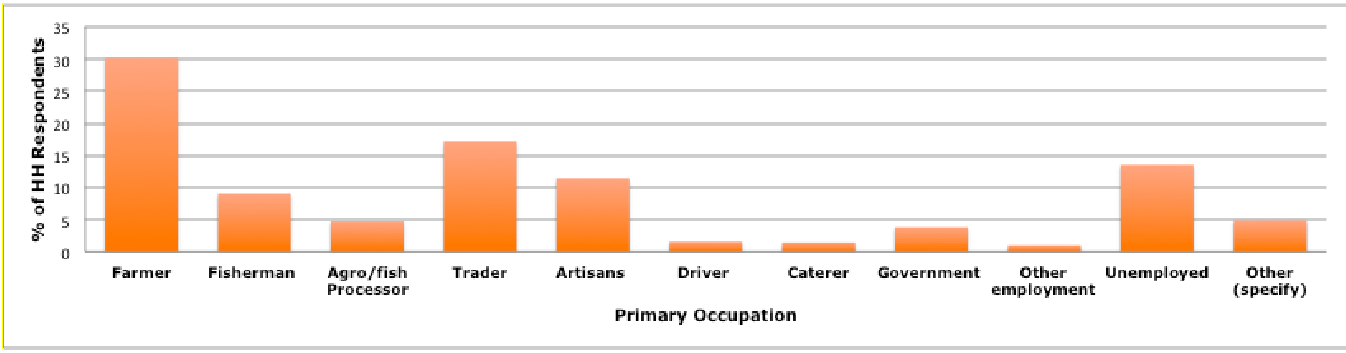
Ghana's economy is based on three main sectors: services (52%), industry (27%) and agriculture (21%) (Statsghana, 2015). The industry sector has seen the largest increase in the last five years due to an expansion in oil and gas and mining production causing the industry sector to jump from third largest sector in 2010 to second in 2015 (Statsghana, 2015). Agricultural production has been in steady decline since the 1960's, but it continues to play a significant role, accounting for just under a third of GDP and employing over 55% of the working population (Statsghana, 2014). The official unemployment rate is just 3.6% as the majority of people are self-employed (55%) or working for family businesses (20%); 18% are formally employed mainly in local government.

The project area is located in a part of Ghana that has seen rapid development of major industries over the last 5 years. This includes the development of mining, oil and gas projects, and construction of supporting infrastructure such as major roads. Residents of the Western Region have high expectations of receiving benefits from these projects in the form of improved public services, increased employment and training opportunities and better standards of living. However, these projects have also caused problems with increased cost of living and influx of migrants into the area searching for opportunities and competing with untrained locals. Coastal villages such as Sanzule are struggling to take advantage of development opportunities, and the growing distrust of new projects is increasing tensions between locals and developers (DAI, 2015).

5.7.1 Livelihood Activities in Sanzule

There are four main livelihood activities undertaken by residents of Sanzule: crop farming, fishing, trading, artisanal work (carpentry, masonry, etc.) and agro/fish processing. In addition to this, there are a number of secondary or supportive livelihood activities, including catering, dressmaking and hairdressing. Figure 5.6 below presents findings from the household survey on the primary occupations of the members of the 207 land-affected households.

Figure 5.6 Primary Occupation of Land-affected Household Members*



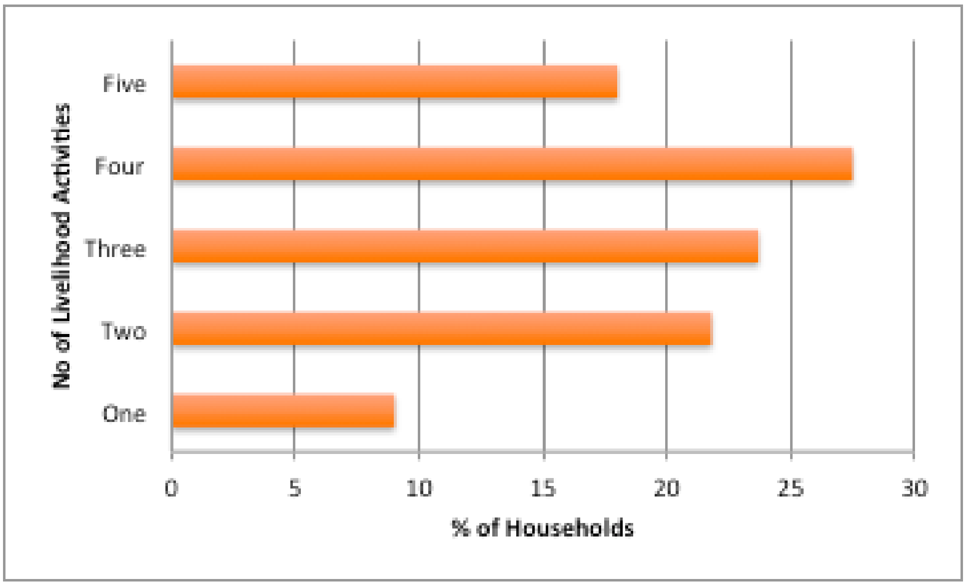
* Graph represents 626 household members (45%) as it excluding children, retired and those in schooling.

Source: Household Survey July 2015

As shown in Figure 5.7 below, the majority of households (91%) undertake two or more livelihood activities at any one time. The largest proportion of households (27%) reported undertaking a total of 4 different livelihood activities, with a further 24% active in 3 livelihoods, 22% with 2 and 18% with 5. Only 9% of households are dependent on only agriculture.

Households that only undertook one livelihood activity (9%) were predominately represented by families that fish (13 households or 6%), with only a small number only involved in agriculture, tree cropping or trading (1-3 households).

Figure 5.7 Number of Livelihood Activities Undertaken by Land-affected Households



Source: ERM Household Survey July 2015

<u>Agriculture</u>

The two main types of agriculture are production of food crops and cash crops. Food crops consist of cassava, maize, beans, cocoyam, groundnuts and vegetables, with cash crops including coconut, oil pam and pineapple. A total of 57% of land-affected households said that they cultivate food crops and 74% produce cash crops.

Figure 5.8 Vegetable Garden, Concession Area

Source: ERM Field Survey July 2015

Agricultural production tasks are divided along gender lines, with men clearing and preparing fields and women sowing and harvesting. Households reported using family members throughout the year or working individually on crop cultivation (41%). A large proportion also employs labourers, either because they are old/unable to work or they do not have enough male relatives to complete required tasks (heavy lifting or clearing). Hiring of agricultural labour can be throughout the year (18%) or at certain times such as the harvest (42%).

Cultivation is done manually and the size of plots depends on the physical ability of the individual or family to maintain the land. There are no irrigation systems and farming is done using slash and burn methods. The majority of planting is done in March and April before the rainy season in June and July and a second smaller season of planting takes place in September and October.

Land-affected households reported that the majority of food and cash crops were sold (82%-94%), with only a small percentage retained for household consumption (4%-14%) and an additional portion given as a gift, predominantly to another family member.

The most important food crop is cassava, with the majority of farming households cultivating either just cassava (65%) or cassava and another crop (35%). Other important food crops include maize and plantain.

Figure 5.9 Women carrying cassava, Sanzule

Source: ERM Field Survey July 2015

At a national level cocoa is seen as the most important cash crop. However, within Sanzule this was only found in 2 households, both of which have planted cocoa but have not yet harvested the crop. The most important cash crop for land-affected households is coconut, which is predominantly sold as copra, with 136,000 coconuts processed per season. Pineapple is also popular, as is oil palm. Sixteen households reported having rubber, although the majority is immature and many trees were planted following the first compensation valuation survey in 2014.

Land-affected households reported that all of the crop produced is sold to buyers who transport the crop overland to Nigeria. Palm oil is cooked, the oil extracted, then it is sold as cooking oil. This is seen as a supportive livelihood activity, rather than a main occupation. Figure 5.10 below shows this process being undertaken in Sanzule where one tray of palm kernels is cooked and the other cooled.

Figure 5.10 Part of the palm oil extraction process, Sanzule.

Source: ERM Field Survey March 2015

Fishing

Fishing is a major occupation for households within Sanzule and the surrounding area and 61% of land-affected households reported undertaking some form of fishing. Traditionally the village was engaged in sea fishing as their main livelihood activity. However, over recent years stocks have sharply declined, coupled with an increase in sea algae, which limits that times when people can fish, resulting in catches being no longer sufficient to maintain household livelihoods. Land-affected households reported that 30% are involved in sea fishing, with just 6% reporting this as their only livelihood activity.

The introduction of fishponds and fish farming is a relatively new occupation for households in Sanzule, using crudely constructed ponds households produce tilapia, catfish and mudfish for sale in local markets. Fishponds are on average 1m deep and cover an area of approximately 40-80 m^2. Information taken from farmers shows that the number of fish within the ponds varied and was not consistent between farms. Over half of land-affected households (57%) just fish using fishponds and a further 13% have fishponds and continue to sea fish.

Sea fishing is undertaken using a canoe, with the majority manned by 11 crewmembers using paddles (80%) and a smaller percentage (20%) using an outboard motor. Survey participants reported that an investor owns the canoes and motors, which are hired by a group of friends and/or family members. There are a total of 4 groups organised by a fishing association, which dictates the departure time of each fishing crew, ensuring there is no competition in the water. Each fishing group comprises approximately 30 members: 11 go to sea on a rotation system and the remaining members help pull in the nets every morning. Everyone within the group is equal and all roles are shared on rotation, with those out to sea paddling and casting nets and those on land brining in nets.

Figure 5.11 Fishermen bringing in nets, Sanzule

Source: Field Survey March 2015

There are two fishing seasons: the first begins in June, peaking during August and September; the second begins at the end of November, peaking between late January and March. April to May is a rest period for mending nets and boat repair, during which fishermen engage in other livelihood activities.

Fishing supports a related chain of livelihoods such as fish processing and the sale of fish in local markets. The processing of fish, which is a female occupation (see Box 5.5), was reported as an important livelihood activity for 41% of land-affected households. It involves preparing the fish for sale, either fresh, fried, salted, dried or smoked. Fish is sold by women, either from the main road close to the village or women traders from outside the village come to Sanzule to buy fish. Fish is then transported by taxi for sale at Aiyinasie, with larger catches sold to hotels in Axim over 25km from Sanzule. Income from fish processing is hampered by the lack of cold storage and the lowering of prices during peak fishing seasons.

Box 5.5 Fish Processing

Women focus group participants reported that it is strictly taboo for men to engage in fish processing. Even if there is a risk of a spoilt catch, men cannot assist women in the preservation and preparation process. Generally, women do not pull in nets as this is difficult work requiring significant strength; however, vulnerable women were observed helping bring in fishing nets as an additional livelihood activity.

Source: ERM Field Survey July 2015

Livestock

Over two thirds of land-affected households are engaged in the rearing of livestock (63%), with most keeping chickens and sheep. Unlike other villages, keeping goats is taboo in Sanzule. The majority of households with livestock (90%) have chickens, ranging from those that keep them for household consumption or the sale of eggs (10 chickens or less) to those that rely on this activity for income generation (25–500 birds). Half of households owning livestock have sheep (50%), which are generally allowed to roam free and flocks range in size from 2 to 25 sheep.

Figure 5.12 Sheep Roaming Free in Sanzule

Source: ERM July 2015

Livestock is an important food source for land-affected households, with a third of poultry and sheep eaten, a third sold and a third given as gifts. Survey respondents reported that sheep are an important source of income around Eid when they are sold to the local Muslim population.

Trading

Trading is a major livelihood activity for households in Sanzule, particularly women, with 69% of land-affected households engaging in trade. Fresh and cooked food is the main item traded (43%) and women can be found throughout the village selling different combinations of stew and rice or yam as shown in Figure 5.13 below.

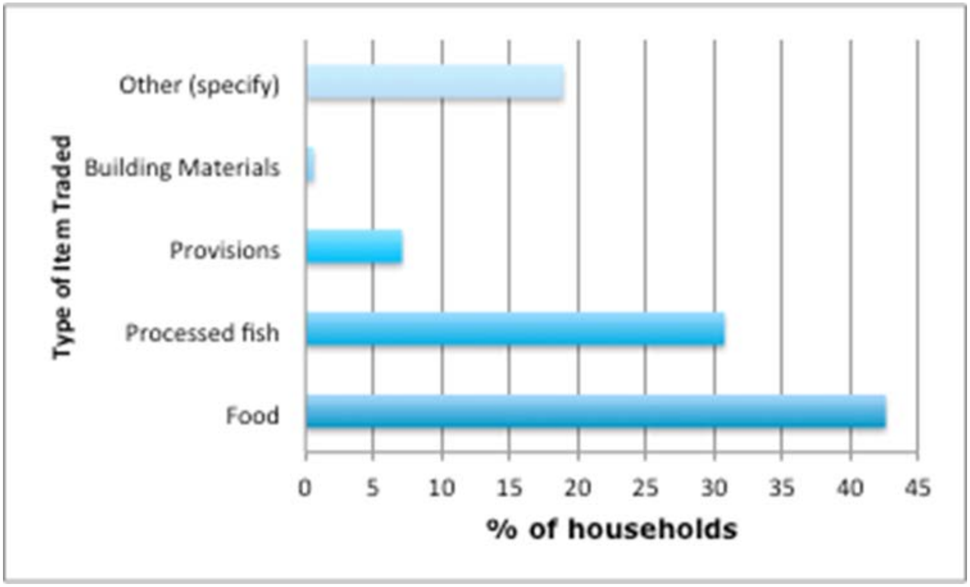
Figure 5.13 Woman Selling Cooked Food

Source: ERM July 2015

The small trading stores that exist within Sanzule generally sell the same products, such as tinned goods, washing powder, soap, matches and a small quantity of fresh vegetables and fruit. There are approximately 5 trade stores located within Sanzule, which are usually operated from in front of the owners' house. Independent traders purchase items from larger villages, such as Eikwe, towns such as Eisema or Takoradi, before selling their goods from several central points within the villages. Figure 5.14 below shows the different items traded by land-affected households, with the 'other' category including items such as clothing, jewellery, stationary, cooking oil (palm and coconut) and plastic goods.

Women reported that over half (56%) of traders walk a short distance (200 m-1 km) to their trading location, which is either in the village (46%) or in a nearby village (19%), with the remaining 43% taking a taxi to the nearest big town (Eisema), Takoradi, Accra or crossing the border into the Côte d'Ivoire.

Figure 5.14 Items Traded by Land-affected Households



Source: ERM Household Survey July 2015

<u>Additional Livelihood Activities</u>

The gathering of natural resources is a significant livelihood activity, not only as an additional source of income, but also as a form of fuel, housing construction and medicine. The three main natural resources are raffia, charcoal, firewood and medicinal plants, in addition to a small number of wild fruits. Raffia is a key natural resource used by the majority of residents as roofing, either for the main house and/or cookhouses, fencing and farm buildings. Charcoal and firewood are the two key sources of fuel, primarily used for cooking, which is conducted over a fire using aluminium pots.

A small number of households (5%) hunt using traps and dogs, primarily as an extra source of food (53%) or as an extra income source (37%), with the remainder using hunting for gifting or sacrifice (11%). A small number of households (4%) also produce local alcohol in the form of palm wine or gin, which is sold.

5.7.2 Income

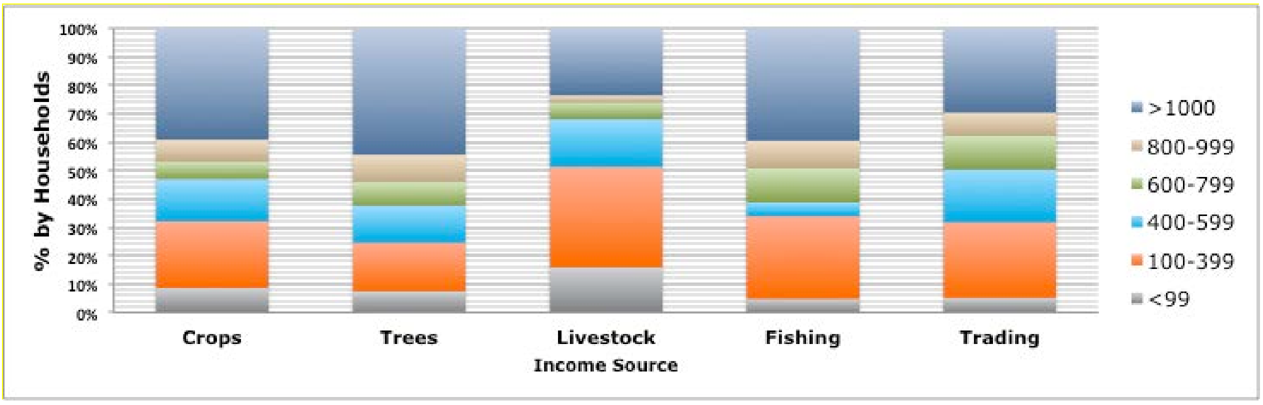
The Ghana Statistical Service reported that in 2008 the average monthly income per household in Ghana was 1,222 cedis (USD324), which is the equivalent of 3,412 cedis based on average levels of inflation (Ghana Statistical Service, 2008).

Very few of the land affected households earn this level of income: 17 households earn over 2,000 cedis (USD520) from agricultural production and cash crops alone, with 5 of these households earning an additional 1,000 cedis from either fishing or trading.

The majority of households (83%) do however earn more than 1,000 cedis (USD260) per month, generally as a result of a number of relatively low income earning activities. Some households earn a very low wage, with 9 households earning less than 500 cedis a month (USD130). These households fall into two categories of households, either young couples with small children (2 households) or households with a high number of dependents (6 households). Generally, these households undertake more than one livelihood activity, but the income earned from each activity is low.

The highest incomes from a single activity come from cash crops represented by 'trees' in Figure 5.15 below, with 45% of land-land-affected households earning more than 1000 cedis a month (250 USD) from this activity.

Figure 5.15 Income by Activity (cedis)



Source: ERM Household Survey July 2015

On average households spend 1,373 cedis (342 USD) per month on expenses, with the majority of this (49%) going on food (including drinking water and processed goods), followed by education (21%) and transport (10%). The remainder is spent on energy and healthcare (6%) or telecoms (5%). Table 5.2 below presents information on the average household income and expenditure for households earning over 1000 cedis a month, followed by those earning over 2000 cedis, and finally households earning less than 500 cedis. As demonstrated by the examples low income households often report an expenditure that is above their income. A large number of households (75%) reported that they borrow money to cover any shortfalls in income or to pay for larger expenses such as education and healthcare. A third of respondents borrow money from a co-operative, a third from the bank and a third from another money lending organisation.

Table 5.2 Land Affected HH Income Profile

HH Income Source	HH Income from Source (cedis)	HH Expenditure Type	Total HH Expenditure (cedis)
HH earning <500 cedis			
Cocoyam (4 sacs)	350	Food	300
Remittances (cash)	100	Transport	30
		Energy	50
		Healthcare	70
		Telecoms	15
Total	**(approx.) 450 cedis**	**-**	**465 cedis**
HH earning 500-1000 cedis			
Cassava (9 sacs)	400	Food	600
Pineapple (not yet mature)	0	Transport	80
Rubber (not yet mature)	0	Energy	55
Chickens (50)	<99	Healthcare	10
		Education	110
Trade (sells food)	100-399	Telecoms	40
Total	**(approx.) 800 cedis**	**-**	**895**
HH earning 1,000-2,000 Cedis			
Cassava (5 sacks)	1,000	Food	300
Coconut (333 pieces)	300	Transport	15
Oil Palm (6 bunches)	60	Energy	20
Banana (2 trees)	20	Healthcare	50
Chickens (4)	<99	Education	100
Fishpond (newly built)	0	(HH also borrows from bank in times of need)	-
Trade (provisions)	100-399		
Remittances (cash)	<99		
Total	**(approx.) 1,778 cedis**	**-**	**485 cedis**
HH earning >2,000			
Cassava (10 sacs)	50	Food	1,200
Maize (5 sacs)	500	Transport	300
Coconut (1500 pieces)	800	Energy	90
Oil Palm (375 bunches)	500	Healthcare	40
Pineapple (not yet mature)	0	Education	20
Fire Wood (30 bundles)	150	Telecoms	20
Livestock (30 chickens & 20 sheep)	>1,000	(HH also borrows from bank in times of need)	
Hunting (grasscutter & deer)	<99		
Sea fishing	<99		
Trade (food in village, large towns & Takoradi)	>1,000		
Total	**(approx.) 4,198 cedis**	**-**	**1,670 cedis**

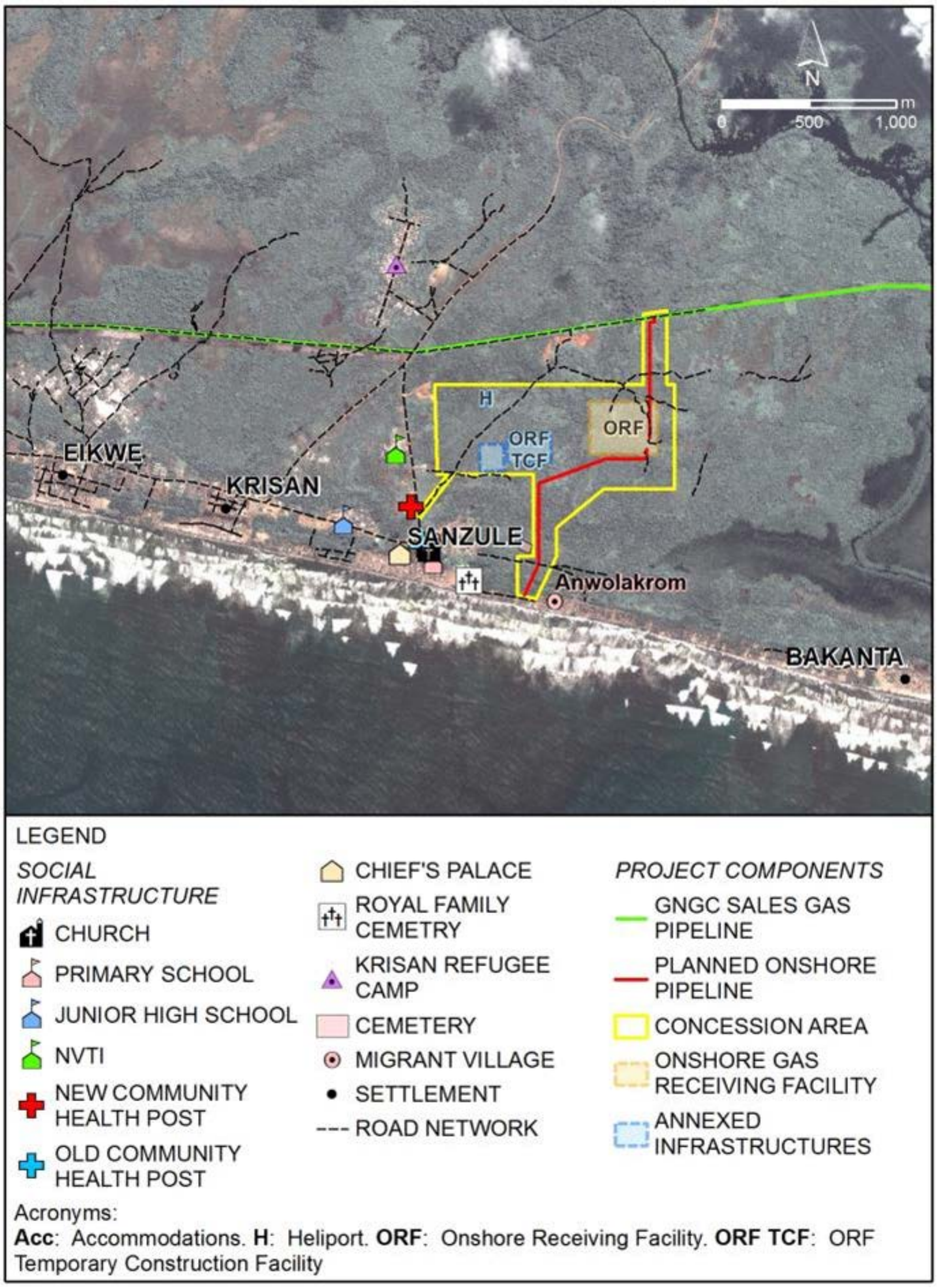
A total of 154 household survey respondents (75%) reported that they periodically suffer from food shortages, an important indicator in understanding household poverty levels. The majority of respondents reported that the main reason for food shortages is a lack of money (80%), with 15% reporting food shortages when there is a poor harvest or low fish catch.

The remaining 5% reported food shortages, either due to a lack of household capacity to buy or grow food or problems accessing water for agricultural production. This information indicates that there are a large number of land-affected households without a stable income or the ability to access food throughout the year.

5.8 ACCESS AND SERVICES

Access and services provides information on the level of connectivity of Sanzule, in terms of road access and provision of water, sanitation and electricity. This section also provides information on access to services such as health care and education.

Figure 5.16 Infrastructures and Services in Sanzule



5.8.1 Transport and Access

The village of Sanzule is relatively well connected to major and minor roads leading both east and west. The village is accessed via a dirt road to the west, which connects the village to Krisan and another in the north. Within the concession area, eni has expanded a farm track to a wider dirt road leading east, which the village use to access agricultural lands to the north and east of the village.

Due to the increase in industrial activities around the project area there are several major roads being constructed to the north of the village, which connect Sanzule to Essiema in the east and Eikwe and Jomoro district in the west. The western highway can be accessed less than 5km to the north of the village, which starts in Takoradi and leads to the border with Cote d'Ivoire, 50km from Sanzule.

Transport is primarily by private taxi with 31% of women traders reported using taxis to transport goods. Survey respondents reported having difficulty getting taxis to reach the village due to the dirt road, especially in the rainy season, meaning people often have to walk 1km to the north in order to access public transport. Some households (6%) reported having access to a car, with an additional 22 households (10%) owning a motorcycle. Cycling is also a popular form of transport with 81 households (38%) owning a bicycle.

5.8.2 Infrastructure

Education

Basic education includes primary school (six years), junior high school (JHS) (three years), senior high school (SHS) (three years) and tertiary education (usually four years). Many children, particularly those from the rural areas, are unable to access SHS due to distance and affordability.

Sanzule has a public primary school financed by the government and the village shares a JHS with neighbouring Krisan. There are no SHS facilities in the village, so those that pass the national exam and can afford to continue with their education, attend the SHS in Nkroful, the capital of the Ellembelle District. Additional costs include not only school materials, but also costs associated with boarding at the school, which is reportedly the major barrier to accessing further education for students from Sanzule.

The only tertiary educational facility close to Sanzule is the National Vocational Training Institute (NVTI) located outside the village as shown in Figure 5.17 below, which offers entry level courses in general electrics, welding and fabrication, brick laying, dressmaking, catering, carpentry and ICT (information, computing and technology). There are currently 400 pupils enrolled in the NVTI, with 60 reportedly being non-Sanzule residents. The head of the NVTI reported that although the fee for training is low (420 cedis per year), it is still too expensive for many of the local residents.

Figure 5.17 Sanzule National Vocational Training Institute

Source: ERM July 2015

The NVTI would like to increase the number and quality of courses on offer, but a lack of funding coupled with difficulty retaining qualified teachers limits their ability to expand. Lack of funding is an issue for all educational facilities in the area, with infrastructure inadequate or in a state of disrepair, with poor teacher training and retention also a problem.

Within land-affected households literacy rates are still quite low, particularly in the older generation, with 40% of household members unable to read or write in any language. Younger household members (<25) are relatively well educated, with 36% able to read and write in both French/English and local language, with an additional 15% able to read and write in French or English.

Literacy levels correspond with educational attainment with 14% of household respondents reporting have no education and a further 32% leaving school after completing primary school. JHS is the highest level of education for 22% of household members with 15% finishing SHS, with only 5% of respondents achieving a tertiary education.

Health

The village has relatively good access to health care services, with an eni funded community health post (CHPS) located within Sanzule (Figure 5.18 below), offering treatment of minor ailments, reproductive and child health services, school health services, health promotion and integrated disease surveillance and response.

Figure 5.18 Sanzule CHPS Compound

Source: ERM July 2015

The village is also located 2 km from the district hospital located in Eikwe village, which specialises in obstetrics and gynaecology but also offers other services including: general outpatient services, general surgery and orthopaedics, reproductive and child health services, HIV testing and counselling, retroviral therapy and a stand-by ambulance.

Project land-affected households reported that most people prefer to access healthcare either via the community health post (41%) or the public hospital (42), with only 8% using traditional medicine. Interviews with medical staff said that, although most residents access public health, treatments are often complemented with traditional medicine used at home.

The main health issues facing the community were malaria, which was recorded in 80% of households in the last month, followed by acute respiratory infections (48%) and diarrhoea (33%). Land-affected households were asked about other ailments such as HIV/AIDS and tuberculosis, but these were considered taboo subjects and not answered. Interviews with medical staff found that the rates of HIV/AIDS are relatively high in the area and there is a special programme operating at the hospital to try to identify those infected, tackle mother to baby transmission and offer antivirals. It was reported that the reason for the high incidences is related to the movement of people along the western highway between Ghana and Cote D'Ivoire. Local communities are ethnically connected to their Ivoirian neighbours and movement between the two countries is common, with directional flows depending on the stability of each economy and income earning opportunities.

<u>Water and Sanitation</u>

The village is not connected to a sewerage system, although a number of houses have long drop toilets or toilets that release waste into the ground. Water for washing and cooking is provided by a pump situated in the centre of the village, with drinking water purchased in the form of water sachets, which cost approximately 50 pesewa (100 pesewa to the cedi).

5.9 DEVELOPMENT PRIORITIES

The Elembelle District Development Plan is the main plan that articulates development priorities. District development plans are passed onto the national government, which provides guidelines on overall development themes (information technology, private sector engagement etc.).

Development plans are designed to cover a 4-year period and the current plan runs from the start of 2014 to the end of 2017. The Ellembelle District Development Officer reported that the problem facing development planning is the disparity between coastal villages, such as Sanzule, which are relatively well serviced, and remote rural areas to the north that struggle to access basic services. The key development priorities for Ellembelle District are as follows:

- *Infrastructure*: Improving access to all areas of the district and rehabilitating existing road networks is seen as key and linked to all other development priorities, i.e. difficulty installing bore holes due to bad roads or teachers not wanting to remain in rural schools due to bad access.
- *Education*: The lack of facilities is reported to affect pupils ability to learn, and also the districts' ability to retain teachers.
- *Health*: The Community-based Health Planning and Service (CHPS) compounds support health care, but many areas remain without access to primary health care.
- *Electricity coverage*: Remote areas remain without access to electricity.

The District Community Officer reported that for villages such as Sanzule, focus is placed on increasing women's ability to access alternative livelihoods, and helping disabled and elderly who are not able to access development opportunities. Disability was reported in less than 1% of land-affected households in Sanzule. Disability, however, was reportedly a taboo subject and participants stated that having disability within a household is often seen as a sign of weakness.

The district is supported in their development priories through funding by private organisations operating in the area (Tullow Oil, Kosmos, Adamos Mining). Support includes provision of scholarships and funding small town water projects including the installation of bore holes. There are also several NGOs operating in the area, primarily focused on education and improving sanitation within villages.

Every village is supposed to have an individual development plan, which is linked to the district development plan through consultation with the unit committees (see Section 5.3.1). However, the District Assembly were unable to provide this plan and it is unclear if it has been developed.

Community members reported frustration with the number of large scale industrial projects operating in the local area and being unable to access employment opportunities, either due to a lack of relevant skills or because of the number of foreign workers brought in. All survey respondents reported wanting access to development opportunities. The District Development Officer wants to see improvements in local coconut oil production, with national markets undersupplied and high prices for oil found in Takoradi and Accra. The majority of villages use crude methods to process coconut oil and the current challenges include:

- under supply of coconuts, due to a disease that has land-affected many of the older palms;
- lack of investment in new hybrid disease resistant varieties; and
- unreliable energy supply to power the existing processing facilities.

5.10 VULNERABLE GROUPS

Vulnerability is understood as the ability of individuals or groups to adapt to socioeconomic or bio-physical change. Vulnerability is often a pre-existing status independent of the Project and is affected by an individual or group's access to social, economic, technological, institutional and cultural resources. These resources are essential to maintaining a sustainable livelihood, but will also affect the adaptive capacity of an individual and group, and results in vulnerable individuals and groups being susceptible to negative impacts or having a limited ability to take advantage of positive impacts.

Vulnerability within a specific project context can be determined using a range of assessment tools. A vulnerability framework was used for the OCTP Project as a simple tool to define the categories of vulnerability identified during the assessment process; drawing from policies and methodologies used by development and rights based organisations. Information was then verified during the engagement process of the LPR and confirmed by the land-affected households, in addition to the traditional leaders and village elders.

The vulnerability framework grouped each of the assets or capital required to maintain a sustainable livelihood into 5 main areas based on the UNDP's sustainable livelihoods approach:

- Human capital (knowledge, skills, health),
- social capital (networks, relationships, associations),
- natural capital (land, soil, water),
- physical capital (infrastructure including roads, water and schools) and
- financial capital (savings, income from employment, credit) (UNDP, 2009).

Each of these groupings was placed into the vulnerability framework and households were assessed for availability and access to resources. Table 5.3 presents the vulnerability framework and includes information on vulnerability receptors and relevance within the project context.

Table 5.3 OCTP Vulnerability Framework

Capital	Specific Considerations	Vulnerability Description	Relevance within the Project context
Financial	• Diversity of livelihoods; • Productivity of livelihoods; • Income generation.	• Household is dependent on a single livelihood activity; • Low level of income; • Livelihoods are relatively unproductive; • Limited ability to support household and pay for food, resources and services; • Limited number of employed/economically active adults in each household; • Female-headed household.	• Household's livelihood activity is going to be entirely removed as a result of project land-take; • Household is dependent on land within the concession area; • Household has a low income; • Household has limited/no access to alternative land outside of concession area; • Household is dependent on a single income earner; • Female headed household.
Natural	• Land; • Timber; • Water; • Non-Timber Forest Products.	• Heavy dependence on land with few alternatives available; • Land has been distributed and is controlled by relatively small number of individuals.	• Livelihoods based on land within the concession area; • Household does not have access to any land outside of the concession area; • Household has access to alternative land that is far away or infertile.
Social	• Social networks and connections; • Ability to participate in economic and social systems; • Rights/ability to participate in decision making.	• Strong connections between households, but large number of households with single income earner supporting high number of dependents; • Elderly relatives frequently supporting grandchildren with limited/no support.	• Household income earning ability based an adult with declining physical ability (elderly); • High ratio of dependents supported by small number of adults.
Human	• Knowledge & skills; • Access to education; • Level of education; • Health and nutritional status.	• Limited access to higher education (post junior high) due to cost.	• Not considered a vulnerability factor due to the ability of individuals to access several different livelihoods regardless of education.
Physical	• Education facilities; • Health care facilities; • Household goods and equipment.	• Improvements to education and health care possible, but generally level of access good. • Not considered to be a vulnerability factor.	• N/A

It is concluded that within the context of the Project, households have relatively equitable access to physical and human capital, however there are differences in access to financial, natural and social capital. The following set of variables were identified for assessing vulnerability within this project context:

- ***Household Income:*** Low-income households are often less able to cope with change and have fewer resources, such as savings, to assist them in periods of transitions. Within the project context, low-income households depend on their agricultural land for subsistence purposes and tend to be more reliant on the land affected by the Project. Calculations of low incomes are based on the International Poverty Line, which is $1.90 a day (WB, 2015), which equates to 250 cedis per adult of working age or 500 cedis per household (based on an assumption that at least two adults earning this level of income are required to sustain a household with dependents).
- ***Female-Headed Households:*** Focus group meetings with women reported that women within the project context women are involved in decision-making and are able to access a broad range of livelihood opportunities. However, through the matrilineal system women are only able to access land if there is no male relative and there are a high number of female-headed households on very low incomes supporting a high number of dependents. It is clear from the data that women do have less access to land and income than men, which makes them more vulnerable to project impacts.
- ***Reliance on Agriculture:*** A high dependence on agriculture, in comparison to a variety of livelihoods, causes the households to be highly susceptible to the loss of access to land as a result of project activities.
- ***Elderly/Older Household Head***: Elderly family heads are vulnerable to project impacts as they have less physical ability to participate in certain livelihood activities and are less able to participate in alternative livelihoods. Many of the elderly household heads reported an inability to re-start agricultural production due to a lack of the required physical capability.
- ***Single Income Earner Households:*** Livelihood activities in Sanzule are divided along gender lines, which means that a household with both a woman and a man have the ability to access a variety of income earning activities. Households with only one income earner are at a disadvantage and are less able to access all livelihood activities, making them vulnerable to change within this project context.
- ***High Number of Dependents***: With a limited number of income earning adults, the household has less access to resources, and any changes to current activities could significantly impact their standard of living.

Based on the variables outlined above 25 households have been identified as being highly vulnerable. A further 11 are considered at risk of falling into high vulnerability due to the level of impact that will be caused by the land acquisition. A total of 17% of land-affected households are classified as highly impacted as they will lose over 50% of their household income as a result of the land acquisition.

A detailed list of all the households considered to be vulnerable is included in Section 6 Impacts.

5.11 SUMMARY OF KEY QUANTITATIVE SOCIOECONOMIC DATA

This section presents a summary of key qualitative data gathered from throughout the baseline and used to develop a set of social baseline indicators. Indicators are used to help understanding change over time based on the current social conditions tracked over time. This information has been self-reported by the land affected households in their responses to the household survey conducted in July 2015 (see Section 5.1.1).

Indicators have been chosen from the information detailed in this Section and quantitative data presented on current livelihood patterns, wellbeing, asset ownership, access to health and education, food security and gender equality.

As the indicators are self-reported it is noted that there is some uncertainty related to the accuracy of the data (discussed in detail in Section 5.1.3), specifically in relation to the income and expenditure. Despite this, the Social Baseline Indicators are an important element of the project monitoring process outline in Section 10.

Table 5.4 below presents a summary of the key quantitative socioeconomic data gathered during the socioeconomic assessment. All household level indicators have been disaggregated by level of impact and level of vulnerability to determine differences between different categories, with a focus on the highly impacted and highly vulnerability households.

Table 5.4 Summary of key Quantitative Socioeconomic Data

Issue/Indicator	Measured how		Current Conditions		
			Non-affected (74)	Partially Affected (97)	Highly Impacted (36 of which 25 are highly vulnerable (HV))
Income and Livelihoods					
Income and Poverty	Household monthly income from all source against regional average (cedis)*	**Income**	**No HH**	**No HH**	**No HH**
		<99	1	0	0
		100-399	2	1	11 (HV:10)
		400-599	1	1	6 (HV:5)
		600-799	7	2	5 (HV:4)
		800-999	4	4	5 (HV:3)
		>1000	59	76	10 (HV:3)
	Number of households that spend 50% or more of their income on food.*		9	9	3 (HV:3)
	Number of households report suffering from food shortages.*		54	59	30 (HV:19)
Employment	Number of households with at least one member in paid employment.*		6	10	3 (HV:2)
	Number of households with at least one adult seeking employment*		11	21	13 (HV:10)
Access to Farmland	Number of households without access to any farmland*		0	0	0
Diversification of Livelihoods	Number of households with two or more livelihoods*		66	82	33 (HV:21)
Asset ownership	Number of assets owned by each households*	**Asset**	**No.**	**No.**	**No.**
		Bed/mattress	188	266	74 (HV:42)
		Bicycle	27	33	16 (HV:15)
		Canoe with outboard	2	3	0
		Canoe without outboard	4	2	0
		Car/minibus	2	8	0

Issue / Indicator	Measured how		Current Conditions: Non-affected (74)	Current Conditions: Partially Affected (97)	Current Conditions: Highly Impacted (36 of which 25 are highly vulnerable (HV))
		Plastic chair/bench	254	521	164 (HV:104)
		Generator	0	8	0
		Mobile phone	197	275	78 (HV:42)
		Motorcycle	8	10	2 (HV:1)
		Plough	0	3	0
		Radio	85	98	26 (HV:17)
		Living Room Furniture	94	145	30 (HV:26)
		Television	62	101	14 (HV:15)
		Other	46	60	13 (HV:6)
Access to credit	Number of households accessing credit		27	68	16 (HV:16)
Education					
Education attainment and skills	Total number of children in school*		607		
	Number of individuals having completed Junior High School*		298		
	Number of individuals having completed Senior High School*		204		
	Number of individuals having completed Tertiary Education*		63		
	Number of individuals with an artisanal skill (carpentry, metal, masonry etc.)*		70		
Health					
Health status	Number of households requiring health care in the last three months*		68	78	33 (HV:22)
	Health indicators	**Indicator**	**No of HH**	**No of HH**	**No of HH**
		Diarrhoea	22	28	10 (HV:8)
		Malaria/fever	59	65	32 (HV:21)
		Skin rash/itches	13	29	8 (HV:5)
		Acute respiratory	16	42	16 (HV:12)

Issue / Indicator	Measured how		Current Conditions		
			Non-affected (74)	Partially Affected (97)	Highly Impacted (36 of which 25 are highly vulnerable (HV))
		infection			
		Bilharzia	0	2	0
		Guinea worm	0	3	2 (HV:0)
		Cholera	2	9	2 (HV:2)
		TB	0	2	0
		HIV/AIDS	0	2	0
		STI's	0	2	0
		Malnutrition	1	2	0
		Other	5	9	6 (HV:5)
Gender Equality					
Girls education	Number of girls in school*		294		
Women's education attainment and skills	Number of women having completed junior high school*		149		
	Number of women having completed Senior High School*		91		
	Number of women having completed Tertiary education		2		
	Number of women with artisanal training*		3		
Female employment	Number of women in paid employment*		9		

(*) All indicators identified with an (*) have been taken forward explicitly in Table 10.2 in Section 10- Monitoring and Evaluation with the objective ensuring robust monitoring of changes in household livelihood patterns, wellbeing, asset ownership, access to health and education, food security and gender equality as result of LRP implementation.

6 IMPACTS

6.1 INTRODUCTION

This section provides a detailed overview of the potential impacts to livelihoods as a result of land take for the OCTP Block 2 Development Project. The information presented in this section is based on baseline data presented in Section 5, in addition to the work carried out by Delin as part of the valuation process. This information has been placed within the Project footprint and assessed for levels of impact to the livelihoods of affected groups and individuals.

The assessment of impacts takes into account: the type of land being acquired for the Project and its current use; the number and type of people affected; their ability to access alternative land; the level of disturbance to local livelihoods; and the duration and severity of impacts. Special care is also taken to consider impacts to vulnerable members of those affected.

This section has been divided as follows:

- Types of loss: including details of land and assets that will be lost as a result of the Project land take;
- Impacts to livelihoods for land affected households: a detailed description of the predicted impacts of each loss on household level livelihoods;
- Other impacts: considering impacts to households other than those losing land, and impacts to community cohesion due to the land acquisition and compensation process.

6.2 TYPES OF LOSS

The following section provides a detailed overview of the different types of loss to be experienced by households as a result of the Project land take. Information on types of loss has been taken from the household survey, before being triangulated with the valuation data collected by Delin for the provision of compensation. This provided robust information on the amount of land to be lost as a percentage of total land available per household, in addition to all lost assets.

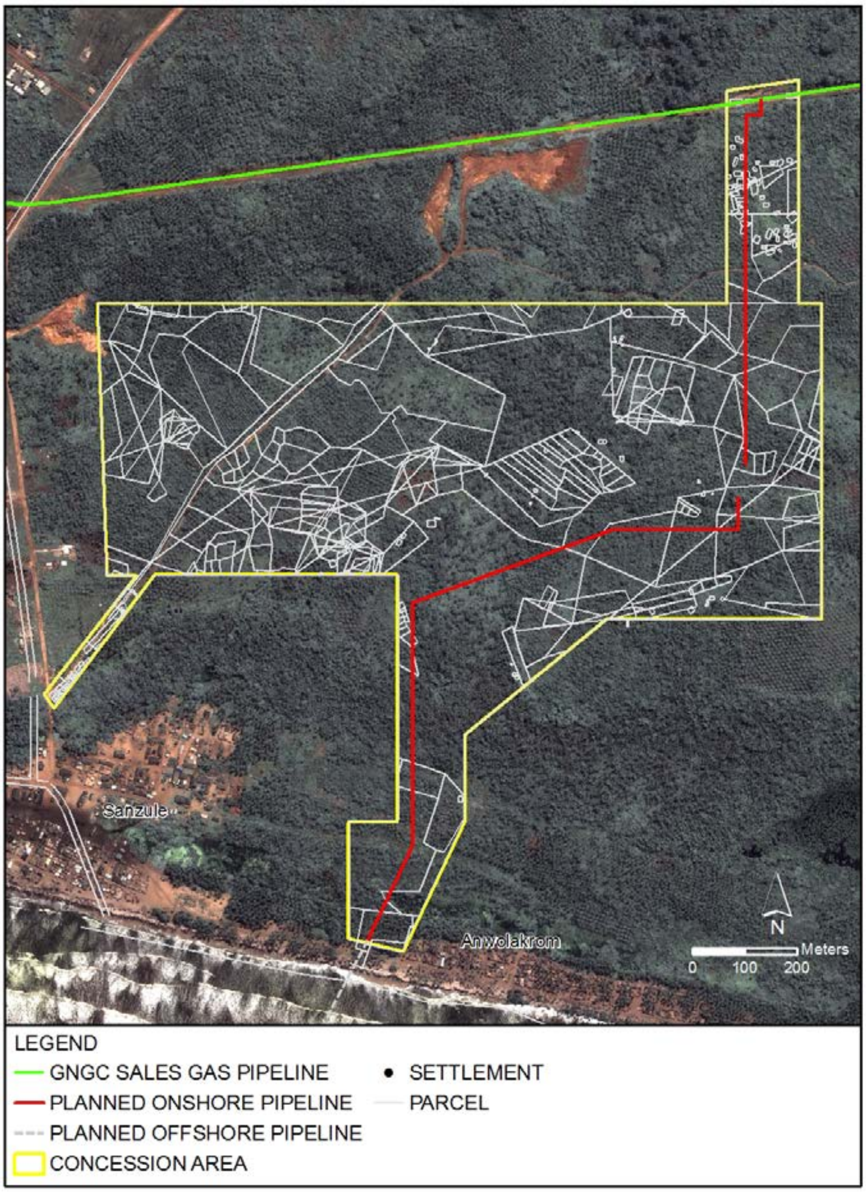
6.2.1 Access

The concession area will require the permanent land take of 96 hectares (236.67 acres), which is 18% of the total land available to Sanzule[17]. As presented in Figure 6.1, the concession area is currently divided into 286 farms belonging to 221 individual farmers, with each farmer owning between 1 and 13 farms[18].

[17] Data taken from the 2015 land assessment conducted by ERM.

[18] Data taken from Delin Valuation Report (2015)

Figure 6.1 Map of farms affected by the Project



Source: ERM 2015

Eni Ghana will fence the ORF, accommodation area and helipad, leaving much of the concession area open. Although agricultural production will not be permitted within the concession area at any time, households will be allowed to enter the site to collect free growing natural resources outside of fenced areas and to pass through the concession to access land on the other side.

A farm path transects the north east of the concession area, which is currently used by farmers to access lands to the north and west of the concession area. This path will be used by eni Ghana to develop an access road within the concession area linking Project facilities. Sanzule residents will be able to use the sidewalk along the new access road.

6.2.2 Assets

Food Crops

Only a small proportion of the concession area is currently utilised for food crop production (4.64 ha or 5%), mainly cassava but also maize, beans, groundnuts and vegetables. However, this loss accounts for an estimated one third of land used to grow food crops grown in Sanzule (ERM, 2015). The annual total loss crop production as estimated through the household survey is: 75,000 cedis worth of cassava, 100 cedis of maize, 125 cedis of beans, 120 cedis of okra and 710 cedis of pepper. Over half of land-affected households reported that they produce food crops (57%) primarily for sale, but also for household consumption.

Cash Crops

Over half of the land within the concession area (54.14 ha or 56%) is used for cash crop production in the form of oil palm, coconut and pineapple, with small amounts of rubber, plantain and banana. Project land take will result in an estimated 30% loss of cash crop production in Sanzule as a whole, which equates to 15,400 cedis of banana, 342,000 cedis of coconut, 31,365 cedis of cocoa, 2000 cedis of mango, 535,480 cedis of oil palm, 89,365 of pineapple and 17,075 cedis of plantain. This loss will affect a large proportion of land-affected households as 74% reported having cash crops, although there is a significant variation in the number of crops per household. Some households reported losing one or two trees, whereas others will lose several hectares of coconuts and/or oil palm.

Fishponds

In total 103 households (48%) were found to have fishponds within the concession area during the March 2015 valuation survey, which was the cut-off date for compensation. However, land-affected households built a considerable number in the weeks and days leading up to the valuation survey, and only 44 were considered to be functioning. Therefore, despite almost half of land-affected households reporting having fishponds, only 44 households will actually experience a loss to household livelihoods.

Figure 6.2 below demonstrates the clear difference between a newly built fishpond, which is surrounded by fresh damp soil and filled with muddy water, and a fishpond that is functioning, which has dry banks.

Figure 6.2 A newly built fishpond (left) and a functioning fishpond (right)

Source: ERM Field Survey March 2015

Animal Farms

Despite a large number of households owning livestock (two thirds), only 7 households will lose an animal farm due to Project related land take. These farms include 4 piggeries, 2 snail farms and a poultry farm, which has one turkey.

Non-Residential Structures

A total of 15 non-residential structures will be removed due to Project related land-take. These mainly agricultural related buildings are made of a mix of wood and/or raffia, and vary in size and quality.

Hand-Dug Wells

Three hand-dug wells were identified within the concession area, two of which belong to the same household. These are used for watering crops and animals only.

6.2.3 Natural Resources

Natural resources include firewood, raffia and medicinal plants, with different items collected in the dry and marshy areas. Wet evergreen forest, known locally as the marshy area, is used to collect raffia and medicinal plants, with firewood and medicinal plants collected in the areas covered in secondary forest. Forests make up 36% of the concession area, accounting for 12% of the total forested area available in Sanzule.

The ORF will be constructed on part of the marshy area within the concession, with the Project planning on infilling wetlands to construct the Project facilities.

The current Project footprint (ORF and roads) within Concession Area will affect 5.5 ha of marshy area (2% of the total available in Sanzule). A further 27% of the marshy area lies within the Concession Area. To avoid significant impacts to natural resource collection, eni Ghana will grant the community free passage and access to/through the concession area (facilities will be fenced for safety and security reasons). Community members will be permitted to gather natural resources; however, no new activity (e.g. creation of farms/fishponds) will be permitted.

Work is ongoing by eni to develop engineering solutions that will ensure maintenance of water flow and prevent flooding into other areas (e.g. installation of water bypasses-tunnels under the road). Consequently, it has been assumed that the quality of the marshy areas outside the ORF will remain unchanged.

6.2.4 Lack of Investment in Land

Due to prolonged negotiations between eni Ghana and the farmers negotiations committee a large number of farmers stopped work on their land in 2014 due to the belief that any changes to the land would have an effect on their final compensation levels. This has resulted in a large number of farms used by 43 individual farmers being neglected, some of which are now no longer affected by the Project due to the change in footprint at the end of 2014. Meanwhile, they have been paid disturbance allowance, equivalent to 25% of the full rate.

The valuation team has noted changes between the 2014 valuation survey and again during the 2015 survey. Those farmers with land still affected by Project land take have received compensation for lost assets. Those that are no longer in the Project have received a compensation for disturbance, which will allow them to reinvest in their farms. Once compensation has been received, the impact from the lack of investment in land is deemed to be negligible and this group is not further considered with regard to livelihood impacts.

6.3 Impacts to Livelihoods for Land Affected Households

Identification of impacted groups has drawn on various sources of information (see Baseline Section 5) including: a household survey of all affected land users (totally a population of 1,369, of which 1,111 Sanzule were residents; an estimated 74% of the total Sanzule population)); focus group meetings and key informant interviews; and information taken from the land valuation process. Although there remain some limitations (see Baseline Section 5), the range of information available allowed for the cross-referencing of data and a high degree of certainty over findings.

This section outlines the impacts to different land-affected households resulting from the losses described in Section 6.2 above. Changes as a result of Project land acquisition will impact members of the community differently depending on current livelihood practices, access to alternative land and the existing vulnerability of individual households.

Based on these variables, the 208 affected households can be divided into four groups, depending on the expected level of impact to their current livelihood: unaffected; partially impacted; and highly impacted. These groups are characterised below and a detailed list of the 207 households[19] is presented in Annex A.

6.3.1 Land Unaffected

A total of 8 households (4%) can be classed as land unaffected because their land is no longer going to be used by the Project (8 households).

6.3.2 Livelihood Unaffected

A total of 67 households (32%) can be classed as livelihood unaffected because they do not use the land within the concession area. Households that have access to land within the concession area, but do not use it are either wholly reliant on land outside of the concession area or they do not practice agricultural production in any form. This group also includes households that built fish ponds prior to the asset inventory, but they were found not to be functioning.

6.3.3 Partially Impacted

A total of 97 households (47%) are using the land within the concession area, but with varying degrees of dependence. This is either because:

- they are not reliant on the land within the concession area, either because they have land elsewhere or they have stated that they have the means to access alternative land;
- agricultural production only accounts for a small proportion of their livelihood; and/or
- they have a high income from one or more unaffected livelihood activities.

It is noted that this group tends to be less vulnerable than those in the highly impacted category, meaning that they do not display vulnerability characteristics, such as households that have a low ratio of working age adults versus dependents (children and elderly), households with a low-income or those that are reliant on a single livelihood activity.

6.3.4 Highly Impacted

Highly impacted households are defined as those that will lose 50% or more of their livelihoods as a result of Project land take. 36 households (17%) have been identified as falling into this category. Many households within this group are losing only a proportion of their land (>35%), however, they have stated that their remaining land is not suitable for farming as it is unfertile, not suitable for planting crops or inaccessible.

Of these highly impacted households, 25 (12%) are classified additionally as highly vulnerable as they have certain existing characteristics, which make these households less resilient to change. Generally, households are considered highly vulnerable if they have two or more of the following characteristics:

- The household has a very low income: either very low HH income <600 Cedis / month or income per working adult within the household <250 Cedis;

[19] The total number of affected households is 208. However one of the land users whose land is no longer within the concession area could not be located. The list presented in Annex A it therefore only includes 207 households.

- Households with a single income earner contributing to the household finances (includes many female headed households);
- A high ratio of dependents (elderly & those <17) supported by a small number of adult income earners (1:3);
- Elderly main income earner (>60 years old);
- The household is dependent on a single livelihood activity (agriculture), which is going to be entirely removed as a result of Project land-take.

Vulnerability criteria were discussed with local stakeholders including the chief and elders during the disclosure of the livelihood restoration options and verified as a result of interviews undertaken with a sample of highly affected and highly vulnerable land affected households.

It is recognised that in many instances some of the highly impacted households have one or more of the above characteristics, and should therefore be considered vulnerable. However, their existing circumstances are considered less precarious than those in the highly vulnerable group.

In order for the highly vulnerable households, and many of the other highly impacted households, to continue their existing land based activities they will need to access alternative agricultural land. The land survey in July 2015 found that all of the land in Sanzule is owned by one of the main resident families, and much of it is either being utilised or has been assigned for future use. Only 4 households within the partially impacted group said that they will be able to rent land from neighbouring villages, with a household's ability to rent land based on their current income and whether they have available funds.

Furthermore, discussions with family heads found opposition to providing affected households with additional land to compensate for the loss of land within the concession area. It was reported that those losing land will be paid compensation for their crops and any additional land provided would be seen as showing favouritism to those affected by the Project. They stated that provision of alternative land would have a cost because the land is hired by the resident families.

However, during detailed conversations with 25 highly impacted and vulnerable households in November 2015, more than a third of households interviewed said that they would be able to access land to participate in continuous cropping agriculture. Furthermore, community leadership in Sanzule reported to be open to provide land for community based initiatives.

Table 6.1 below presents a list of households that have been identified as highly impacted, including those that are also considered to be highly vulnerable. Information is included on the household profile, their current livelihoods and income; in addition to the level of loss they will face in terms of land and livelihood as a result of Project land take. The assessment for determining vulnerability has been thorough and findings have been triangulated, in addition to being consulted on during the livelihood restoration option disclosure engagement process.

It is noted that the list of highly vulnerable households will be continuously monitored by the LR Delivery Team to ensure these households receive focused attention and support through the livelihood restoration plan implementation.

Table 6.1 Highly Impacted and Vulnerable Households

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
1	A 129	Female-headed household with 4 adult relatives	Crops and Trees	1,000 cedis	85% of land (0.22ha) and 90% of livelihood. Cannot access any remaining land. 2 adult relatives are still in school and 2 are unemployed.	Highly Vulnerable: • Single income earner; • Dependent on single livelihood activity
2	A210	Couple with 5 children and one relative	Crops, trees and fishing	3,600 cedis	83% land (0.01ha, plus fishpond) and 90% of livelihood.	
3	A52	Couple with 7 children	Crops, livestock and trade	366 cedis	85% of land (0,06ha) and 80% of livelihood. Household does not have access to any remaining land.	Highly Vulnerable: • High ratio of dependents vs income earners; • Low income
4	A13	Couple with 3 children	Crops, trees and trade	1,400 cedis	80% of land (0.1ha) and 80% of livelihood. Their remaining land is very small and not fertile.	
5	A75	(Elderly) Female-headed household with 10 grandchildren, 3 are adults.	Food crops, trees and trade	566 cedis	80% of land (0.23ha) and 99% of livelihood. Household head states that the remaining land is not fertile. 3 adult grandchildren are currently unemployed.	Highly Vulnerable: • Elderly, • Single income earner; • High ratio of dependents vs income earners; and • Low income.

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
6	A183	Female-headed household with 4 children and 3 grandchildren (2 adult)	Crops, trees, livestock & trade	833 cedis	70% of land (0.16ha) and 50% of livelihood. Household states that the Project will take all the land available. One adult grandchild is still in school and the second is a market trader.	
7	A113	(Elderly) Female-headed household with elderly father and 10 children & grandchildren (1 adult)	Crops, trees, livestock and fishing.	2,400 cedis	65% of land (0.36ha) and 94% of livelihood. Household head states that they do not have any other land available to them. Adult grandchild is an artisan.	Highly Vulnerable: • High ratio of dependents vs income earners; • High dependency on agriculture.
8	A157	Couple with 5 children	Crops, trees and trade	400 cedis	65% of land (0.36ha) and 50% of livelihood. Household head states they cannot use their remaining land.	Highly Vulnerable: • High ratio of dependents vs income earners; and • Low income
9	A21	(Elderly) Female-headed household and (adult) daughter	Crops, trees and livestock	566 cedis	61% of land (0.5ha) and 60% of livelihood. Household stated does not have access to any remaining land.	
10	A64	Female-headed household with 3 children	Crops, trees, livestock and trade	783 cedis	60% of land (0.07ha) and 50% of livelihood. Household head states that she will not be able to continue farming on remaining land.	
11	A67	Female-headed household with 10 children (3 adults)	Crops, trees, Livestock, trading and teaching.	2080 cedis	60% of land (0.46ha) and 50% of livelihood. Household states that they have no land remaining that they can cultivate. 2 of the adult children living in the household are still in education and the other is an artisan.	

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
12	A140	Young man (34) living with parents and wife, plus 5 children and 2 other young relatives	Crops, trees, fishing and trade	883 cedis	60% of land (1.49ha) and 50% of livelihood. Household head states he cannot use his other land.	Highly Vulnerable: • High ratio of dependents vs income earners; • Low income
13	A47	Couple with 6 children (3 adults)	Crops, trees, livestock and trade	1070 cedis	60% of land (0.21ha) and 50% of livelihood. Household states they cannot use their remaining land. 3 adults are still schooling.	
14	A42	Female-headed household with 7 grandchildren	Crops, trees, livestock and trade	714 cedis	55% of land (0.28ha) and 70% of livelihood. Household head states that all their land is being taken.	Highly Vulnerable: • High ratio of dependents vs income earners; • Low income
15	A160	Female-headed household with 7 young children	Crops, trees, livestock and trade	2067 cedis	50% of land (0.4) and 60% of livelihood. Household head states that all their land for cultivation is being taken. High number of dependents.	Highly Vulnerable: • Single income earner; and • High ratio of dependents vs income earners
16	A126	Female-headed household (53)	Crops and trade	500 cedis	50% of land (0.16ha) and 70% of livelihood. Household head states that they do not have any remaining land they can access.	Highly Vulnerable: • High ratio of dependents vs income earners; and • Low income
17	A34	Female-headed household with 4 children	Crops, trees and trade	700 cedis	50% of land (0.38ha) and 50% of livelihood. Household head states that they cannot use their other land as it is not fertile.	Highly Vulnerable: • Single income earner; and • Low income

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
18	A49	Female-headed household with 4 grandchildren (2 adults)	Crops, livestock and seamstress	500 cedis	45% of land (0.9ha) and 40% of livelihood. Household head states they cannot use their remaining land. One adult grandchild is still schooling and the other is unemployed.	Highly Vulnerable: • Single income earner; and • Low income
19	A92	Couple (52&60) 7 children (5 adult) and elderly relative	Crops, trees, livestock and fishing	1,500 cedis	45% of land (0.32ha and snail farm & fish farm) and 70% of livelihood. Household head states that they cannot use their remaining land. The 5 adults were reported to still be in education.	
20	A29	Man with 2 wives and 8 children	Trees and fishpond	2,100 cedis	45% of land (0.08ha and fishpond) and 65% of livelihood. Household is reliant on fishpond and trees that are being removed by the Project.	
21	A168	Couple with 4 children and 1 adult relative	Crops, trees, fishpond and trade	800 cedis	45% of land (0.03ha and fishpond) and 50% of livelihood. Project taking land form both husband and wife. Cannot cultivate their remaining land.	
22	A64	(Elderly) Female-headed household with 4 grandchildren	Crops, trees, livestock and trade	840 cedis	40% of land (0.08ha) and 70% of livelihood. Household head states that she will not be able to continue farming.	Highly Vulnerable: • Single income earner; • Elderly income earner; • Low income
23	A57	(Elderly) Couple with 4 grandchildren	Trees, livestock and remittances	366 cedis	39% of land (9.8ha) and 50% of livelihood. Low income. Check availability of remaining land. States all land will be taken.	Highly Vulnerable: • Elderly income earner; • Low income
24	A120	Single male supporting 2 children and a non-relative (child)	Crops, trees and fishpond	266 cedis	38% of land (0.1ha and fishpond) and 75% of livelihood. Non-relative is still in school.	Highly Vulnerable: • Single income earner; • Low income

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
25	A6	Female-headed household with 6 children	Food crops and trade	733 cedis	35% of land (0.46ha) and 80% of livelihood. Household head reports that there is a lack of land available to her.	Highly Vulnerable: • Single income earner; • Low income • High ratio of dependents vs income earners.
26	A43	(Elderly) Female-headed household with 6 grandchildren and 1 adult child.	Crops, trees, trade, and remittances	833 cedis	35% of land (4ha) and 50% of livelihood. Adult child is unemployed and household head states they cannot use their remaining land.	Highly Vulnerable: • Elderly; • Single income earner; • High ratio of dependents vs income earners.
27	A110	(Elderly) Female-headed household with 5 young grandchildren	Food crops and trees	290 cedis	70% of land (0.14ha) and 100% of livelihood. Has other land, but far away and unable to access.	Highly Vulnerable: • Elderly; • High ratio of dependents vs income earners; • Low income
28	A155	(Elderly) Female-headed household with 1 young grandchild	Food crops and trees	126 cedis	85% of land (0.06ha) and 100% of livelihood. She has no other land.	Highly Vulnerable: • Elderly; • Single income earner; • Low income
29	A2	Female-headed household	Food crops (cocoyam)	116 cedis	85% of land (0.07ha) and 100% of livelihood. She has no other land.	Highly Vulnerable: • Single income earner; • Low income; • Single livelihood activity.

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
30	A20	Female-headed household with one male relative and 2 children	Food crops (cassava) and livestock.	350 cedis	85% of land (0.84ha) and 98% of livelihood. Household head does not receive any financial assistance from male relative.	Highly Vulnerable: • Single income earner; • Low income.
31	A7	Female-headed household with 2 children	Food crops and trade (food items)	400 cedis	70% of land (0.28ha) and 90% of livelihood. Household head states that she cannot access her remaining land.	Highly Vulnerable: • Single income earner; • Low income.
32	A73	(Elderly) Female-headed household with 9 grandchildren, 1 is an adult (18 years old).	Food crops	267 cedis	90% of land (0.32ha) and 100% of livelihood. Adult grandchild living in the HH is currently unemployed.	Highly Vulnerable: • Elderly; • High ratio of dependents vs income earners; • Low income
33	A74	(Elderly) Female-headed household	Food crops (sharecropping)	666 cedis	65% of land (0.24ha) and 100% of livelihood. Household head states that her remaining land is waterlogged and not fertile.	Highly Vulnerable: • Single income earner; • Elderly; • Single livelihood activity.
34	A19	(Young) Couple with 3 children	Fishpond	233 cedis	100% loss of only livelihood activity and no alternative land available	Highly Vulnerable: • Low income; • Single livelihood activity.
35	A117	(Elderly) Couple with 2 adult children	Trees and livestock	1000 cedis	85% of land (0.53ha) and 95% of livelihood. One child is still in school and the second is unemployed. The remaining land is not accessible.	

Household No	Household ID	HH Profile / Affected Land User	Current Livelihood	Current Monthly Income	Livelihood Loss*	Highly Vulnerable
36	A87	Female-headed household with 6 children (1 adult)	Crops and trade	200 cedis	75% of land (0.04ha) and subsistence crops (low income household). Adult child is unemployed and household head cannot access any remaining land.	Highly Vulnerable: • Elderly; • High ratio of dependents vs income earners; • Low income

Note: (*) The information on income presented in this table has been elicited from the results of the households survey that was performed by ERM in July 2014 (see Section 5).
(**) Information on livelihood loss has been elicited from Valuation Report prepared by Delin Consult in 2015.

6.4 Other Impacts to Livelihoods

6.4.1 Loss of Natural Resources

Given the commitments made by eni Ghana to provide access to the concession area and to ensure that the construction does not affect the ecosystem of the marshy area, the loss of natural resources has been minimised to 2% of natural resources in Sanzule. eni Ghana has also confirmed that they will allow access to natural resources within the concession area, outside the fenced areas. It is therefore considered that there will be no impact to the ability of Sanzule and Anwolakrom's ability to collect firewood, raffia or medicinal plants.

6.4.2 Community Cohesion

Sanzule is a rural community and although there are some households that have a higher income than others, at present everyone considers themselves to be roughly equal. Compensation was delivered in a lump sum, as requested by land-affected households and community leaders. Compensation has now been received by approximately 74% of Sanzule households that are land-affected. A significant number of households will receive relatively large sums of money, several times the annual income of local households. Land affected households will also be able to access benefits through the livelihood restoration program which will include transition support and livelihood restoration measures (see Section 8).

Those not living in a land-affected household will not have received compensation and will not be eligible for the livelihood restoration program. Consequently tensions may arise with the other Sanzule households (and potentially households in neighbouring communities), perceiving that they are somewhat excluded from the Project process and not benefiting sufficiently from the Project. Although all households will be able to apply for jobs working for the Project, these positions are likely to be highly sought after and only a few households will be successful in gaining employment (an estimated 100 positions during construction are expected locally).

Friction between community members and jealousy between households may be exacerbated should the injection of cash into the economy through the compensation and project construction lead to price increases which are not compensated by an increase in household income.

Eni Ghana will put a number of measures in place in order to reduce these effects and the potential consequential breakdown in community cohesion. These measures are as follows:

- eni Ghana will offer recipients of compensation financial management training, in order to assist them with managing their money in the long term.
- eni Ghana will continue to communicate regularly and clearly with regard to the objectives of the livelihood restoration programme and also about employment and other opportunities that will benefit the Sanzule community and neighbouring communities.
- eni Ghana will identify opportunities to enable non land affected households to access the livelihood restoration options, for example through the social investment program.
- eni Ghana will monitor inflationary impacts in Sanzule and the status of community dynamics and discuss issues arising in the Livelihood Restoration Working Group to identify additional measures that may be required.

- Eni Ghana is developing a Local Procurement Plan and a Local Hiring Plan that will ensure that local communities in the area of direct influence (Anwalakrom, Atuabo Bakanta, Eikwe, Krisan and Sanzule) benefit from project spending and employment opportunities.
- Eni Ghana is developing a Community Investment Strategy that will target communities in the area of direct influence.
- Eni Ghana is developing a Fisheries Management Plan that will ensure livelihoods of local fishermen are not negatively affected by the project.

6.4.3 Project Associated Employment

A positive impact that will affect a large number of households within Sanzule is increased employment opportunities as a result of the Project. During construction (2016-2018) when there will be up 100 positions open for local residents. These will not be solely available to the residents of Sanzule or those directly affected by the land take; however, benefits will likely be felt across the wider community.

Eni Ghana estimates about 50 posts will be available for local residents during operations (2018-ahead). Detailed Local Content and Recruitment Plans are being prepared by eni Ghana.

Other positive impacts will result from a boost to the local economy due to the increase in people residing in the village or travelling to the village every day during the construction phase. Local traders will benefit from selling product to construction workers and those coming to the area looking for employment.

7 ELIGIBILITY AND COMPENSATION

7.1 INTRODUCTION

The compensation process followed by eni Ghana as part of the OCTP Phase 2 Development Project has aligned with the requirements set out in Ghanaian law. This section provides an overview of the compensation process, including a comprehensive assessment of eligibility and includes the following information:

- A summary of the categories of people that will be subject to economic displacement impacts and are therefore eligible for compensation and assistance.
- The process for determining compensation for land, assets and disturbance as a result of Project land acquisition and principles that underpin the agreed compensation values.
- The compensation matrix, which identifies the types of loss resulting from Project induced economic displacement, and the compensation measures provided for each type of loss.

The compensation matrix also evaluates alignment between the compensation and the IFC Performance Standards requirements identifying the areas that need to be the focus of the livelihood restoration activities presented in Section 8.

7.2 IDENTIFICATION OF ELIGIBLE GROUPS

7.2.1 Process Undertaken

Eni Ghana began identifying groups and individuals eligible for compensation at the beginning of 2014, with a land valuation and mapping exercise and stakeholder engagement with the Chief and Elders of Sanzule to understand local landownership arrangements. The mapping exercise aimed to identify the different land parcels affected by the Project and understand the number and type of land users entitled to compensation.

A qualified land valuation expert, engaged by eni Ghana through the Ghanaian consultancy firms Delin Consult and Apex, conducted the land mapping exercise. The first land mapping exercise was conducted in March 2014, with an additional field survey in March 2015 following a change in Project footprint. The land valuation expert was also engaged to:

- Identify individuals with lands no longer in the concession area and provide an inventory of assets no longer affected by the Project;
- Make recommendations for addressing the disturbance of land users no longer in the Project;
- Identify all individual land users affected by the Project and provide an inventory of all affected assets; and
- Re-establish crop rates for the revaluation of affected assets as of May 2015.

In line with Ghanaian law, the valuation expert informed affected land users that the valuation in March 2015 represented a cut-off date and that any assets found on the land after this date would not be included in the entitlement process. Nonetheless, Community youth went in to dig new fishponds after the cut off. For community peace, all such fishponds have been compensated.

The valuation expert found changes in land use between the field surveys in March 2014 and March 2015, but also from one day to the next during the March 2015 survey. Some land users had abandoned their land, whilst others had planted rubber or dug fishponds with the aim of increasing compensation for lost assets. eni Ghana agreed that land users with newly dug fishponds or rubber would be included in the entitlement process and compensated for the effort spent to create the fishpond or the cost of the young tree.

The land mapping, identification of landowners and users and the asset inventory enabled eni Ghana to determine who and what would be eligible for compensation. This is discussed in more detail in the next section.

7.2.2 Categories of Affected People

Stool

Under Ghanaian law customary land is owned by the traditional authority known as the Stool and presided over by the Chief and traditional authority. Compensation for lost access to land has been paid into an Escrow account controlled by the Chief and Elders who are to ensure the distribution of the compensation to the 5 family heads that administer land in the concession area. Eni Ghana will monitor the compensation provided for land to understand how it has been distributed. This will involve engagement with the family heads, in addition to land-affected households (see Section 10 for more information).

In addition to being the sole landowner, the traditional authority is also an affected land user with 21 ha of land within the concession area.

Family Heads

The land within the concession area is divided and managed by 5 of the 7 families residing in Sanzule. Each family head is also an affected land user, with assets that will be removed as a result of project land acquisition. This means family heads are both recipients of compensation on behalf of the family for loss of access to land, in addition to being eligible for compensation for lost assets.

Individual land users within the project footprint

There are a total of 221 individual land users that will lose land as a result of project land acquisition. Of these, 26 live in a household where there is more than one resident affected land user, resulting in a total of 200 households affected by the project.

As outlined in Section 6- Impacts, some of these land users are classified as livelihoods unaffected, which means that they do not actively utilise their plots within the concession area (32%).

Land users no longer within the project footprint

There are an additional 8 individual land users[20] whose plots were in the original Project footprint, but since the change in the footprint in 2015 are no longer affected and are classified as land unaffected. (It is noted that a further 22 households continued to be affected by the project as they have other plots of land that remain within the concession area.) Eni Ghana has paid a disturbance allowance to this group of land users, even though they will be able to continue to use their land.

Migrant Village

The migrant village of Anwolakrom was originally included in the project process as they had houses situated within the concession area. However, following a change in the project footprint in 2014, the village is not affected. eni Ghana has agreed to pay disturbance compensation to the owners of the houses no longer in the concession area, as essential repairs were not made with the belief that the structures would be removed.

7.3 DETERMINING COMPENSATION

This section outlines the process undertaken to determine compensation for land, assets and disturbance as a result of project land acquisition and principles that underpin the agreed compensation values.

7.3.1 Land

Compensation for the land was negotiated between eni Ghana and the Sanzule Stool. A Land Committee was formed to negotiate the price of land compensation and comprised of 4 elected members of the community, including the Queen Mother as representative of the Stool. The Queen Mother and Elders of the Sanzule Stool were represented during negotiations by the appointed lawyers.

After a 3-year negotiation process involving two different chiefs, the Land Lease Agreement, an Escrow Account and a Framework Agreement between the Sanzule Stool and eni Ghana was signed on 2nd April 2015 at Sanzule at a community gathering. The Sanzule Stool was represented by the Queen Mother and Elders and the Paramount Chief of Atuabo, who also doubles as the President of the Eastern Nzema Traditional Area, witnessed the three agreements. The Stool's Bank is a party to the Escrow Agreement. After this signature, the Lands Commission granted a 30-year lease to eni Ghana, which was requested by the landowners, but is shorter than the 50-year requirement set out by The Ghana Constitution (Article 21, Clause 266). eni Ghana agreed to a shortening of the lease, which led to registering the land in the name of eni Ghana and the agreement was signed on 8th June 2015.

[20] Note that one of these households was not included in the household survey as they could not be contacted

The price of the land was based on market value, which was determined by land rental agreements in the local area, including the price paid for the Ghana Gas and other industrial projects in the local area. The original price was given by eni Ghana as 7,000 cedis per acre (17,500 cedis per hectare) for the lease period, but the land committee negotiated a price of 10,000 cedis per acre (25,000 cedis per hectare). This works out as 333 cedis per acre (832.50 cedis per hectare) per year and a total of 2,366,000 cedis (approximately USD 600,000) for the lease period for the total concession area.

7.3.2 Assets

In accordance with the Ghana Constitution (Article 20), eni Ghana also took forward a process of negotiation and payment of compensation in October 2015 for above ground assets to affected landowners and users. Compensation for lost assets was originally calculated using the State Lands Act requirements (Act 125 of 1962), prior to recalculating compensation cross referencing the IFC definition of replacement value, which is higher than the national requirement.

Crops & Trees

In March 2014, discussions were held to decide how crop values would be determined and a Crop Rate Fixing Committee was formed of individual land users in order to reach a consensus over the methodology of valuation to be used. Due to delays in project design, a second survey was conducted in March 2015 using a team of enumerators who conducted farm surveys, which recorded farm boundaries, type of activity present, crops found, type of farming, estimated portion of crop area, maturity and general conditions of the farms.

Each individual land user was present during their farm enumeration. Each land user reviewed the information recorded and signed off the inventory corresponding to their land plot. A photo was taken as a visual record of the land user and included a sign showing the name of the affected person and the location of their farm.

The original compensation rates for assets were based on the following:

- Ministry of Food and Agriculture standard crop values;
- crop type;
- crop maturity (seedling, small, medium and matured);
- compensation rates from other developments in the local area; and
- crop yields for cash crops.

As described in Box 7.1 below, a review of the crop compensation process was conducted in September 2015, which resulted in adjustments to the compensation rates and inclusion of a 25% disturbance rate to account for transaction and transportation costs.

Box 7.1 Compensation Review

A Crop Rate Fixing Committee was formed in March 2014, comprising of the chief, queen mother, 3 traditional elders, the assemblyman (also an affected farmer) and 18 affected land users. The rates agreed in 2014 were reviewed in March 2015 using the same criteria and in negotiation with the Crop Rate Fixing Committee. The committee did not accept these renegotiated rates, and a gap analysis was conducted to understand if there was a delta between current rates and replacement values as required by the IFC requirements.

The original market rates were replaced by higher rates which in some cases (e.g. coconut, oil palm and raffia) met the calculated replacement rates including additional costs, such as land preparation, weeding and agricultural inputs. Rates were also increased by an additional 25% disturbance allowance to cover all transaction costs & transportation. The final crop rates were reviewed by the District Assembly and have been approved by 93% of affected farmers. (See Section 7.5 below.)

Although cash compensation for some crops was below replacement cost (e.g. cassava and pineapple), the support that will be provided through the Livelihoods Restoration Programme will provide in-kind contributions to re-establish and improve the livelihoods of affected people.

Source: eni 2015

Individual land users were told that crops could continue to be planted until the construction period and could be harvested prior to removal regardless of the stage of growth. Once all relevant permits have been acquired, the LRP approved and the Contract for Early works awarded, the Community will be informed of when construction begins, providing at least 6 weeks' notice.

Compensation for food crops will go directly to the land user, whereas compensation for lost trees varies depending on who planted the crop. In some instances, trees were planted before the current land user took possession of the land, which means the trees belong to the family. At other times it was the current land user who planted the tree and is therefore entitled to receive the compensation.

During the crop enumeration family heads were present and specified which crops should be paid to individual farmers and what should go to family heads. In some incidences negotiations were facilitated between family members to decide who should receive compensation for lost trees. The enumeration team, family heads and land users witnessed all negotiations.

Non-Residential Structures

All non-residential structures were valued using the replacement cost method, which is based on the cost of buying construction materials plus the value of the land the building is situated on. Records were made of the construction materials used and the total size of the building including surface area covered.

Fishponds

A lump sum unit cost of 6,500 cedis per 100 m^2 was provided for each fishpond, with compensation for newly built non-functioning fishponds based on the time and effort needed for construction.

Information gathered during the two valuation surveys showed that there are two main types of fishponds: old operating fish farms and new non-operating fish farms. The old fish farms are on average 1 m deep and cover an area of approximately 40-80 m^2. The new fish farms were constructed days before the valuation survey or even on the same day. Ponds averaged a depth of 0.25 m and there were no fish present.

Animal Farms

Three types of animal farm were identified during the valuation survey:

- Piggery: all were abandoned, but the floor dimension and construction materials were recorded.
- Snail Farms: Reared in hand-dug out enclosed pits.
- Poultry: poultry coups were found with a few turkeys.

All animal farms were assessed using the replacement cost method of valuation, by noting the construction materials used to build the animal shelters, in addition to providing additional compensation for the transportation of animals and structures to a different location.

Hand-Dug Wells

Three hand-dug well was identified and compensation was paid based on the replacement cost.

Natural Resources

There has been no provision for the loss of natural resources like raffia within the concession area.

7.3.3 Disturbance

Residents of the migrant village Anwolakrom are no longer affected by Project land take due to the change in footprint in 2014. In October 2015 affected Anwolakrom residents received an allowance of 15% of market value for building materials in order to make repairs to their homes.

7.4 COMPENSATION MATRIX

An entitlement matrix is a framework document used to summarise compensation and other entitlements. In this LRP the matrix has been used to summarise the compensation aspects of the entitlements for affected households, bringing together the information detailed above including: eligibility criteria, the categories of affected people, and the compensation principles agreed by eni Ghana. The entitlements matrix (Table 7.1) outlines the types of loss that will result from the displacement of land users and summarises the compensation that has been provided for each type of loss.

The compensation matrix then identifies the areas that need to be the focus of the livelihood restoration activities presented in Section 8 in order to fully align with the IFC Performance Standards requirements.

Table 7.1 eni Ghana OCTP Phase 2 Development Entitlement Matrix

Type of Loss	Principles/Description	Affected Group/Individual and Comparison to IFC PS	Additional Measures to meet IFC PS (Further detailed Provided in Section 8)
Land – 95.78 ha (236.68 acres)	• Land Committee nominated to negotiate price for land. • Direct negotiations completed by lawyers representing village and eni. • Legally land classed as 'Stool'/customary freehold land. • Compensation paid into Escrow Account to be distributed to family heads for loss of land at 10,000 cedis per acre.	• Chief - allodial rights. • Family heads – user rights (5). • 221 individual farmers with different land use rights: o usufruct rights; o shared tenancy farmers "abusa". Noted that: • Compensation for land currently based on Ghana legislation. • Compensation paid to traditional authority as allodial landowners. • No formal agreement to transfer funds to land-affected households. • Households losing a large % of their land i.e. those considered to be highly impacted, are likely to find livelihood restoration challenging.	• Eni Ghana will monitor how the family heads have distributed compensation amongst the land-affected households. • Land-affected households included in livelihood restoration program to support them to restore livelihoods. All households will be able to select one option. • Highly impacted and highly vulnerable households will be able to select two livelihood restoration projects: one project involving primary production and another value adding project (i.e. training etc.). • One on one conversations will be held with households to determine which livelihood restoration options they will be able to access, and, where necessary, how they may be able to access alternative land.

Type of Loss	**Principles / Description**	**Affected Group / Individual and Comparison to IFC PS**	**Additional Measures to meet IFC PS (Further detailed Provided in Section 8)**
Crops *Cash Crops*: • Coconut • Oil palm • Rubber • Cocoa *Food Crops:* • Cassava • Pineapple • Plantain • Banana • Maize • Mango	• Rates negotiated by Crop Rate Fixing Committee (chief, queen mother, three traditional elders, assemblyman and 18 affected persons (6 females)) • Based on market value – defined by IFC as cost of crops, plus transaction and transport costs. **Market Value:** • Maturity of crop • Age/stage of growth • Agricultural costs (inputs) • Yields • Current market prices • Accessibility • Transaction costs • Transport costs	• 221 individual land users with 286 plots. • Compensation rates vary according to crop type and maturity. While cash compensation for some crops did not cover replacement costs, through the Livelihood Restoration Programme, in-kind contributions will support affected households to restore or improve their livelihoods.	• Financial management training will be provided to support land-affected households. • Eligibility for livelihood restoration projects varies according to the level of impact of the land acquisition on livelihoods (see Section 8). Any gap in compensation payment will therefore be fully bridged through the inputs provided through the livelihood restoration program, the purpose of which is to support households to restore, and preferably improve, lost livelihoods. • All households will continue to receive support until adequate opportunity and assistance has been provided to allow for sustainably restoring their livelihoods.
Structures:	• Based on Replacement Cost, i.e. cost of construction materials. Compensation based on: • Building type; • Materials used; • Land surface.	• 15 non-inhabited structures (mainly agricultural usage; 1 distillation plant) • Compensation rates are at or above replacement values.	• No additional compensation required. • Financial management training to be included in the livelihood restoration.

Type of Loss	Principles / Description	Affected Group / Individual and Comparison to IFC PS	Additional Measures to meet IFC PS (Further detailed Provided in Section 8)
Fish Ponds: • Mature operating fish farms (identified during 2014 valuation) • New non-operating fish farms (constructed days before 2015 inspection)	Compensation for operating fish farm based on GHC 6,500 per 100 m^2. Compensation based on: • Dimensions of fish pond • Estimated number of fingerlings in ponds Compensation for new non-operating fish farm based on flat rate considering time and materials to construct.	• 103 fish ponds comprising: o 41 old individual fish ponds o 46 new individual fish ponds o 16 plots with fish farm and cropping/other. • Compensation rates are at or above replacement values.	• Financial management training will be provided to support land-affected households. The effectiveness of this will be dependent on when it is provided i.e. shortly after provision of compensation. • Aquaculture is one of the livelihood restoration programs that affected households can select.
Animal Farms: • Piggery (abandoned) • Snail farms • Poultry Farms	• Information included on piggery valuation (based on floor dimension and construction materials). • Snail reared in small hand dug enclosed pits, but no information on number of farms or valuation. • No information on number or valuation of poultry farms. • Supplementary assistance provided and covers cost of transport. • Compensation for civil works for replacement of sheds included (same principles as replacement cost above).	• 7 animal farms o 4 piggery o 1 poultry o 2 snail farms • Compensation rates are at or above replacement values.	• No additional compensation required. • Financial management training to be included in the livelihood restoration. • Livestock production is one of the livelihood restoration programs that affected households can select.
Hand-dug wells	• Compensation at replacement cost • Includes loss of income	• 3 hand dug wells • Compensation rates are at or above replacement values.	• No additional compensation required. • Financial management training to be included in the livelihood restoration.
Disturbance Compensation Housing no longer in the concession area	**Rural residential structures:** • Anwolakrom Village now outside concession area • Compensation paid to house owners in original footprint due to unattended repairs as a result of belief that buildings would be removed by the project. • Repairs to rural residential buildings (migrant village) – 15% of cost of repairs as a disturbance allowance	• 13 Anwolakrom house owners	• No additional compensation required.

Type of Loss	Principles / Description	Affected Group / Individual and Comparison to IFC PS	Additional Measures to meet IFC PS (Further detailed Provided in Section 8)
Disturbance Compensation Agricultural land no longer in the concession area	**Agricultural land no longer in the concession area:** • Disturbance allowance based on 25% of IFC crop valuation.	• 7 individuals now totally out of the project. • 23 individuals with a parcel no longer in the project, but with other land affected by the project.	• Financial management training to be included in the livelihood restoration.

Source: ERM 2015

7.5 COMPENSATION PAYMENTS

This section outlines the method of compensation payment as of November 2015.

7.5.1 Land

In June 2015 the Sanzule Stool received payment for the lease of land within the concession area. An Escrow agreement was signed between the members of the Land Committee (Queen Mother and three elders), eni Ghana, the United Bank of Africa and Standard Chartered, and an account created for receipt of compensation.

The Land Committee can only access the money with the signature of all four members. A statement will be released to eni Ghana randomly to track when money has been withdrawn, where money was transferred to (i.e. family heads) and how much remains in the account. It is understood that a proportion of the compensation will be disbursed to the family heads, but there is no formal agreement that the compensation will be distributed to individual households. In order to monitor how land based compensation has been distributed, eni Ghana will engage with both the family heads and land-affected households to understand who received a share of the compensation.

7.5.2 Assets

The final rates for crop compensation were agreed on 7 October 2015. The rates were disclosed to land users on the 9th to 11 October 2015 in Sanzule with the majority of farmers (171) accepting the new rate, and 37 accepting the rate with some adjustments. The following agreements are outstanding:

- 5 people were absent;
- 7 people rejected the compensation rate despite verification with crop data sheet;
- 7 people took the compensation rate forms away without any response (acceptance or otherwise)
- 3 people were banned by the traditional elders from receiving their compensation for disrespecting traditional authorities. The issue is unrelated to the eni Ghana project and eni Ghana has requested that a resolution is found as early as possible. Cheques are issued but are being kept with eni Ghana; and
- 7 people needed new data (correction with other person's data).

In total 210 compensation cheques were processed and paid to farmers who accepted the compensation rate on the 22nd-24th October 2015 in Sanzule. Payment was carried out by the Standard Chartered Bank with the support of the Local Content and Sustainability Department of eni Ghana. Payment was witnessed by the Petroleum Commission, Ministry of Petroleum, Ellembelle District Assembly, Environmental Protection Agency and the Elders of Sanzule.

Community consultation throughout the land valuation process and socioeconomic survey conducted in March and July 2015 found that all land users wanted to receive compensation payments in cash. Every land users that did not have an existing bank account has been assisted in setting one up. On the day of compensation payments, a mobile banking system was established in the village, with every land user presenting their identification cards to Standard Chartered Bank in order to receive their compensation cheque. Once they have received their cheque they moved along to their respective Rural Bank who placed it into the recipient's bank account.

8 LIVELIHOOD RESTORATION PROGRAMME

8.1 INTRODUCTION

This Section presents the Livelihoods Restoration Programme. The purpose of the Livelihood Restoration Programme is to support households to restore their livelihoods to at least pre-project levels. The Programme's primary focus is to complement the compensation that has been paid by the Project for lost assets and enable households to continue, or replace, lost forms of livelihoods, or adopt new ways of gaining a livelihood.

Livelihood refers to all the elements of household and individual activities, which support existence. It includes all of the capabilities, assets and activities that are required to make a living. A sustainable livelihood is one that can recover from shocks and stresses and maintain or enhance capabilities and assets to improve livelihoods. The socio-economic conditions of Sanzule community are summarised in Section 5, Figure 5.2, which presents an overview of these assets and activities including demographic characteristics, livelihoods and income, land tenure, health, education and leadership. Sanzule is a predominantly farming and fishing village with the majority of households involved in the production of food and cash crops such as cassava, maize, coconut and palm oil. A detailed baseline is contained in Section 5 with a summary of quantitative information summarised from the household survey provided in Table 5.4.

This Livelihood Restoration Programme considers livelihood strategies within the framework of existing livelihoods practices, skills and access to assets and resources in Sanzule community. It recognises the reality of multiple survival strategies for individual men and women within households. To meet these multiple needs, livelihood restoration is presented as a package of opportunities from which affected households can choose options that suit or enhance their interests and capacity over a five year period. These opportunities have been grouped into primary production activities and value adding / livelihood enhancement activities. Households will be able to choose a combination of opportunities to restore livelihoods and where possible, enhance their livelihood. The Livelihood Restoration Programme is specifically targeted towards households who have been affected by the Project land-take. The aim of the Programme is to restore the livelihoods of those household which have been diminished or affected by the Project.

This Section is structured as follows. Section 8.2 outlines the principles governing the implementation of a livelihoods restoration programme. Section 8.3 presents a brief overview of how the livelihood restoration options were chosen, while Section 8.4 summarises each livelihood restoration option. Finally, Section 8.5 presents some considerations for implementation and a proposed schedule for key actions.

8.2 KEY PRINCIPLES GUIDING LIVELIHOODS RESTORATION PLANNING

The approach to livelihood restoration is based on the following principles:

- Livelihoods are multi-faceted strategies: livelihood restoration consequently requires a combination of approaches to support restoration of income, reestablishment of community support networks, community empowerment etc.

- Active participation: for livelihood restoration measures to lead to sustainable livelihood improvements, intended beneficiaries need to actively participate in planning and decision making to ensure they reflect local realities and priorities and have their active buy-in.
- Self-determination: wherever possible households should be provided with choices so that they can self-determine how their household will best benefit from the livelihood restoration options.
- Vulnerable households are by definition less able to adapt to changes or shocks and therefore require focused attention and support through the planning and implementation of livelihood restoration.
- Transition allowance: will be necessary, but needs to be targeted with clear eligibility and end points defined.
- Capacity building: livelihood restoration activities will incorporate a capacity building component and technical assistance to develop skills in financial management, access to credit and other skills training. Capacity building acknowledges the different needs of women, men, youth and vulnerable groups with respect to skills development.
- Partnerships: the Project will ensure that there is sufficient technical and institutional capacity and expertise to plan and implement the Programme. This may necessitate partnership with experienced and technically qualified implementing agencies and service providers.
- Asset ownership: All equipment and inputs provided by the Project will be owned by the Project although benefiting households will have the opportunity to purchase these inputs at a discounted rate with support from local micro-credit facilities. This measure has been included to ensure responsible management of equipment provided and encourage ownership by encouraging benefiting households to work towards purchasing assets through facilitated support.
- Sustainability: Livelihood options will be implemented based on sustainable practices. The LR Programme will not introduce invasive species or chemicals that damage soils. Options will not result in deforestation of forest land that is not part of the cultivation cycle. In all cases, sustainable agriculture practices will be encouraged with a focus on organic fertilizers.

8.3 Process of Identifying Livelihood Restoration Options

The livelihood restoration options presented in this Section have used an evidence based approach to development. They have been informed by the outcomes of the socio-economic baseline and engagement which sets the context for existing livelihood strategies and challenges.

Livelihood activities in Sanzule focus primarily on crop production, fishing and trade. As a result of the Project, a total of 200 households will lose land with 133 of these households directly reliant on this land to support their livelihoods. The overall objective of the Livelihoods Restoration Programme is to enable households to continue, or replace, lost forms of livelihoods, or adopt new ways of gaining a livelihood.

The suite of livelihood restoration options were identified following a series of meetings with a wide range of stakeholders between September and November 2015 based in Accra, Takoradi, Ellenbele District and Sanzule. The full list of stakeholders is presented in Box 8.1 and engagement activities are summarised in the Stakeholder Engagement Section 4 (Table 4.1). Meetings with stakeholders aimed to:

- Confirm livelihood priorities in Sanzule community;
- Understand existing livelihood and development programmes being supported in Western Region;
- Visit existing livelihood projects and obtain more details about their programmes and successes;
- Identify existing support and extension services provided by the Ministry of Food and Agriculture (MoFA); and
- Identify examples of successful livelihood projects.

While these meetings provided insight into the potential partners that may be able to support the LRP implementation, this was not a primary focus of the stakeholder meetings. Rather, the main focus was to identify successes in terms of livelihoods support and understand what could be applied to the specific needs of Sanzule community to ensure sustainable livelihood re-establishment.

Box 8.1 Stakeholders Consulted

The following stakeholders were engaged as part of the development of the LRP:

- Ministry of Petroleum;
- Petroleum Commission of Ghana;
- Ministry of Food and Agriculture;
- National Youth Authority;
- Ghana Education Services (within the Ministry of Education);
- Western Region Economic Planning and Development Department;
- Education Department, Ellembele District;
- District Executive Director, Ellembele District;
- Social Welfare Department; Ellembele District;
- Integrated Social Development Centre (ISODEC);
- Ghana Trade and Livelihood Coalition;
- Hen Mpoana;
- Western Region Coastal Foundation;
- Opportunities Industrialisation Centre (OIC);
- B-BOVID Farming and Agriculture;
- TRACTOR Project;
- Friends of the Nation;
- Citizenship Advisory Council;
- Takoradi Training Institute (TTI);
- Business Advisory Council;
- Ghana Regional Appropriate Technical and Industrial Services (Gratis Foundation);
- Kikam Training Institute;
- Opportunities Investment Centre (OIC);
- Chief of Sanzule Community;
- Focus Groups of men, women, family heads and livelihood groups in Sanzule; and
- Highly impacted and vulnerable households in Sanzule.

During the meetings with stakeholders, several recommendations emerged including:

- Stakeholders agreed that there is a need to obtain the buy-in of all stakeholders and particularly those households directly affected.
- The Project should ensure that their plans align with the Ellembelle Medium Term District Development Plan (2014 – 2017) to prevent repetition or doubling of effort and ensure synergy in planning. This Plan is outlined in *Section 4.9*. Some of the relevant priorities listed in the District Development Plan include
    - rural enterprise through soap making, bead making and Batik & tie dye;
    - promote accelerated agriculture modernisation; and
    - enhance fish production and productivity.
- Livelihood options should be focused on what people already know and understand with some improvements because it may take time for people to understand new ideas or approaches and this may lead to disinterest and ultimate failure. The focus should be on agriculture and value processing to replace agriculture livelihoods that have been lost.
- The LRP should, where possible, link farmers to markets and provide support for value adding and access to the value chain.
- An understanding of local culture must be factored into any livelihood option planning.
- Due to the limited availability of alternative land, the LRP must consider livelihood enhancement activities that are not land intensive such as small livestock keeping, value chain and processing opportunities and small vegetable production.

These recommendations were taken into consideration during the development of the LRP, which is outlined in Section 8.4 below.

The proposed livelihood options were presented in Sanzule community in November 2015. The engagement activities with the community included the following:

- Introductory community congress to outline the options and have a broad based discussion with the whole community.
- Focus groups on each option separately, attended by those interested in the option being discussed.
- One-on-one household meetings with a sample of 25 highly impacted households, many of which were also highly vulnerable households, as defined in Section 6 on Impacts. These meetings investigated whether the options would be able to respond to their specific needs and whether they would have the resources and capacity to engage in one or more of the options.
- Final community congress to update the whole community on the options and undertake a poll to gauge the level of interest in each option.

Meetings indicated a high level of interest in the options. The meetings with highly impacted and vulnerable households[21] indicated that they would have the capacity to participate in at least one of the options and households interviewed during this process indicated that the options would be able to support them to restore their livelihoods. This was indicated by each of the 25 households interviewed, where they explained that they would be able to either participate in continuous cropping and / or livestock. These were the two preferred options.

8.4 LIVELIHOOD RESTORATION OPTIONS

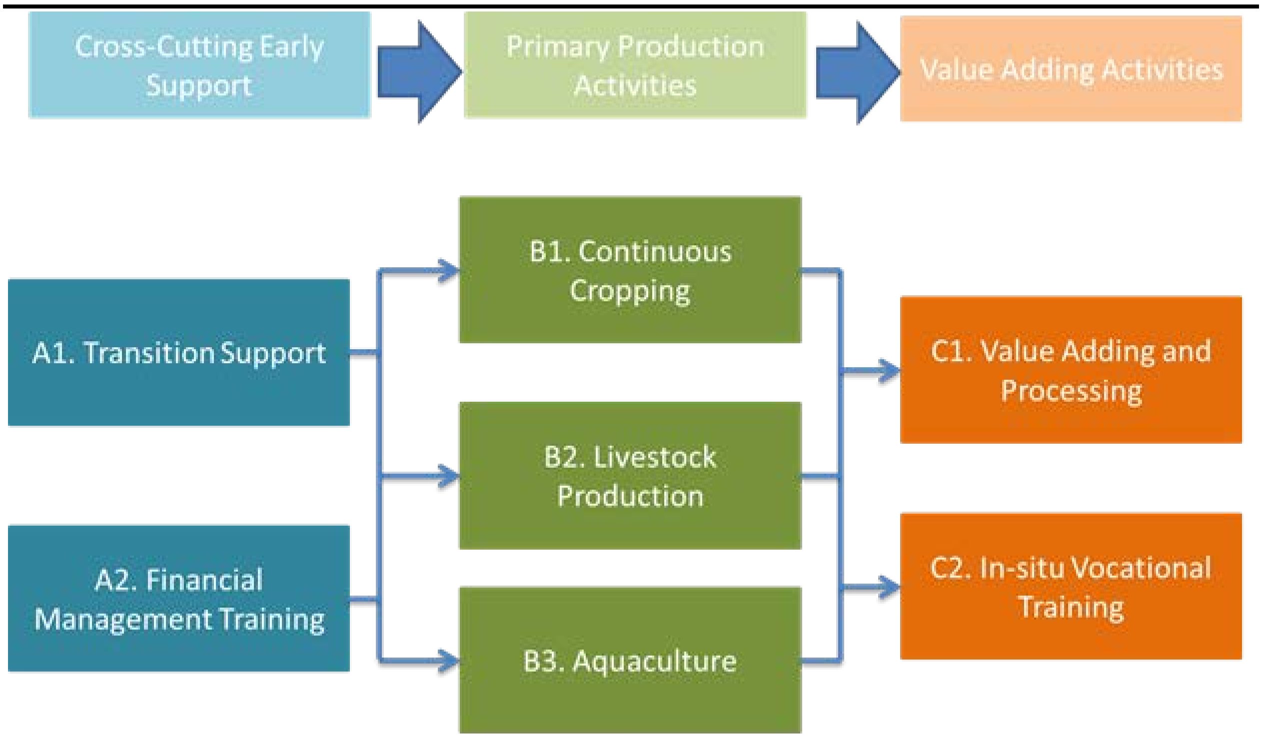
8.4.1 Overview

The LR Programme has an agriculture-based foundation to ensure it aligns with the existing knowledge, skills and experience of affected households. The first priority of the LR Programme is to provide early support that will commence as soon as access to land is lost or earlier if possible. The early support components will be provided to all 200 households, incorporating: 1) transitional support in the form of food baskets and other provisions to ensure households are supported during the time it takes them to recover their livelihood and standard of living; and 2) financial management training for all households receiving cash compensation to ensure households have the tools and skills to manage the cash they have received sustainably[22].

Once priority early support is in place, livelihood restoration will focus on two additional elements: 1) land-based primary production activities including crop production, livestock keeping and aquaculture; and 2) non-land based value adding activities including training and processing. The primary production element is focused on restoring livelihoods while the value-adding element aims to enhance livelihoods further. The LR Programme elements were chosen after consideration of the baseline and existing livelihood activities as well as assessing, through stakeholder meetings, the type of support available locally to assist households in restoring livelihoods. These elements are illustrated in Figure 8.1 and described in detail in the Sections below. The implementation schedule, summarising the timeframe for implementation of livelihood restoration options is presented in Figure 11.1 in Section 11.

[21] The definition of highly impacted and highly vulnerable households are provided in Section 6.
[22] Financial management training will commence in early 2016.

Figure 8.1 Livelihood Restoration Elements



Households have been classified as being either highly impacted, partially impacted or unaffected[23]. The criteria for this classification are detailed in Section 6. Out of the 200 impacted households, 36 households are considered highly impacted and losing more than 50% of their livelihood, 97 are partially impacted losing access to land on which they have differing degrees of dependency. 67 Households are considered livelihood unaffected as although they are impacted and losing land, they have no dependency on this land for their livelihood.

The 67 households losing land but classified as livelihood unaffected will be able to choose one option only, from either the primary or value adding activities, to enhance their existing livelihood.

The 133 households whose livelihoods are either partially or highly impacted will be able to select two options. They will have a choice of one primary production activity and a choice of one value adding activity to support livelihood enhancement. The baseline highlights that the majority of households in Sanzule (91%) undertake two or more livelihood activities at any one time. Therefore, it is assumed that it will be feasible for partially and highly impacted households to manage two options. However, if an assessment of households demonstrates that they would not have any possibility of undertaking a primary production activity because they have no land or space around their compound, these households would be able to choose the two value adding activities if this is more appropriate for their needs.

As the LR Programme develops, households may be offered additional choices however as a minimum, partially and highly impacted households will be able to choose two options.

[23] A complete list of affected households is provided in Annex A.

Implementing Agencies will be engaged by the Project to provide the necessary technical assistance and inputs to support households in pursuing each livelihood option. Prior to implementation, the Implementing Agencies will be required to undertake detailed planning activities in which households that want to benefit from the option will participate. During this planning key performance indicators will be developed, and these will be monitoring during implementation to ensure the objectives of the LR Programme are achieved. (See Section 10 for further information on Monitoring and Evaluation).

The options were presented to the Sanzule community as part of a broad community congress and focus groups on each option were also conducted to ascertain interest and feasibility. One-on-one meetings were also held with 25 highly impacted and vulnerable households to determine whether the identified options were feasible. The response was positive and in a poll of 115 community members in a final community congress, 35 indicated they would choose cropping as a first choice, 40 would choose livestock as a first choice, 25 would choose in-situ training, 10 would choose aquaculture and five would choose value adding / processing as a first option.

8.4.2 Transitional Support

IFC Performance Standard 5 clearly specifies that:

"*Transitional support should be provided as necessary to all economically displaced persons, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.*"

Transitional support is provided to complement compensation payments to ensure that households can meet their basic needs and maintain their standard of living once access to their land has been lost and until they have had opportunity to restore their livelihood to pre-project levels. All 200 households will be entitled to transitional support but their eligibility is determined by the scale of their loss. Transitional support entitlements are outlined in Table 8.1 below while monitoring measures are detailed below Table 8.1. To benefit from transitional support, households will be required to register through the Livelihood Restoration Working Group. The components of transitional support include a "basket of goods" and medical and education / school support as required while eligible.

Table 8.1 Transitional Support Entitlement (200 HHs)

Household Category	Number of Households	Length of Support	Rationale and Recommendations
Livelihood Unaffected Households	67	3 months	These households were not using the land that has been acquired by the Project and it is understood that there will be no impact on their livelihoods (see Section 6.3.2). However, they are still considered economically displaced since they have lost access to land. They will therefore receive support for a short period to foster community cohesion.

Household Category	Number of Households	Length of Support	Rationale and Recommendations
Partially Impacted Households	97	Up to 12 months	As described in *Section 6.3.3*, these households have only lost part of their livelihoods (<50%) and are not totally reliant on the land lost to the concession area. It is therefore expected that their livelihoods will be restored more quickly as a result of the LRP. Support will be provided until it can be demonstrated that livelihoods have been restored effectively or that HHs have been provided with necessary support to restore their livelihoods. An assessment will be undertaken at six months and 12 months to determine whether support will continue.
Highly Impacted Households	36	Up to 24 months	This group will lose more than 50% of their livelihood as described in *Section 6.3.4*. As a result of the Project and also includes 25 households classified additionally as highly vulnerable due to their very low incomes, high dependency ratio and often only one single income earner as explained in *Section 6*. It is expected that these households will take longer to restore their livelihoods and will therefore need a longer duration of transitional support. An assessment will be undertaken at six, 12 and 24 months to determine whether support must continue.

<u>Programme Components</u>

Transitional support will consist primarily of a "basket of goods". The basket of goods is based on a typical United Nations World Food Programme food basket providing cereal flour / rice, pulses, oil, sugar and salt, which have been adapted to provide staples consumed in Sanzule. Since all households still have some livelihood capacity, it will commence with 50% of the quantities issued under the WFP. Vulnerable and highly impacted households will be monitored closely to determine whether the "basket of goods" quantities need to be increased for some households. Items provided to each household per month will include garri, beans, rice, dried fish, sugar, salt and palm oil. Vulnerable and highly impacted households will be monitored closely to ascertain whether the support provided is adequate and consider any adjustments in the basket of goods.

Those eligible for transitional support will also be eligible for medical support while on the programme. This will include payment of costs associated with the National Health Insurance Scheme. Fees will be paid directly to the authority upon provision of evidence such as a bill. All those who have been eligible for transitional support will be entitled to have at least some of these costs covered, regardless of whether they are still eligible for support. Therefore, if you were eligible for three months' worth of transition support, you will be entitled to have three month's insurance cover paid by the Project even if the cover renewal is outside the transition support period. Those on 12 months transitional support will be entitled to 12 months insurance cover.

Costs associated with school registration will also be covered by the programme. Upon submission of evidence, eni Ghana, on behalf of the OCTP JV, will pay the Education Authority the relevant fees to ensure children in affected households can remain in school.

Evaluation

The 67 households classified as unaffected will only benefit from this programme for three months. At the end of three months, they will automatically be removed from the programme. The other 133 households will be assessed to determine whether they are eligible to remain on the programme. An assessment will be undertaken at 6 months, 12 months, 18 months and, if required, 24 months to determine which households may still need transitional support. There will be flexibility to continue transitional support for as long as is necessary until households have had enough opportunity to restore livelihoods. Additional support options will be considered for those struggling beyond 24 months. Households will no longer be eligible for transitional support if:

- Households have replaced the cash income they have lost as a result of the Project or are able to harvest to the level they could prior to the Project; or
- A member of the household has achieved gainful employment or the household is benefiting from another income source.

A household's ability to replace their cash income and standard of living will be monitored using existing baseline data on household income levels for each household category. Specific criteria will be developed by the LR Programme Implementing Agency and LR Programme Delivery Team. Households that do not demonstrate they are willing to undertake activities to restore their livelihoods will also no longer be eligible for transitional support. Each household benefiting from transitional support will be required to demonstrate that they are taking steps either through the LR Programme or another means, to restore their livelihood.

8.4.3 Financial Management Training

A series of financial management training sessions will be provided to all households receiving cash compensation and all households participating in any LR Programme livelihood activity. The training will be designed to assist households in using their compensation payments appropriately by providing each household with the necessary tools and skills to manage their cash. The training will encourage participants to share their experiences, both positive and negative, relating to household cash management and seek solutions where households may have had problems.

Financial training sessions will include:

- basic numeracy skills;
- money management and basic household budgeting;
- savings and strategic cash management;
- basic literacy; and
- advisory services.

Financial management training will commence as soon as possible following payment of cash compensation as part of the Project's early support. Follow up training will also be provided after one year to boost household cash management skills and to reduce the risk of misuse. The Project will seek to involve local rural banks or other similar micro-finance service providers to provide this training. Organisations currently working in this area include Ankobra West Rural Bank and Nzema Manle Rural Bank.

Micro-Credit

In addition to the cross-cutting financial management training, the LR Programme will also facilitate access to micro-credit for all beneficiary households. While the Project will support impacted households to restore their livelihoods through the various LR options, they will also be given the opportunity to access micro-credit, which will enable them to build their livelihood, invest in their business and make a valuable contribution to the programme. The Project will not provide funds for micro-credit, however they will partner with micro-credit institutions such as the rural banks to ensure impacted households can invest in their businesses for longer term sustainability. This is described further under each livelihood option below.

8.4.4 Continuous Cropping

Agriculture is an important livelihood activity in Sanzule as described in *Section 5*. It is also important for the partially and highly impacted households, who have been depending on access to some land for at least part of their livelihood. Production of food crops such as cassava, maize, beans, cocoyam, groundnuts and vegetables is one important type of agriculture. The other important type of agriculture is production of cash crops such as coconut, oil palm and pineapple. This livelihood restoration option focuses on a mix of food and cash crops, depending on the choice of the household. It aims to support households in growing crops more sustainably using improved varieties and technology. In choosing this option, it is expected that households will be able to generate enough yield to meet their household needs, with additional produce available to sell to the market.

Option Components

Support for continuous cropping aims to improve the productivity and yield of food crops through training and the provision of inputs. In particular, the programme will provide:

- Certified improved crop varieties;
- Farm inputs such as seeds / seedlings / tubers, biological pest control and fertilizer, including organic options for improving yields and protecting crops (inputs will be calculated to enable an area of 1 hectare to be planted, which is the minimum requirement specified by the MoFA through their "Good Agricultural Practice" guidance);
- Technical assistance to improve farm practices and the management of seed and plant material selection over a three year period focusing on establishment, maintenance and harvesting with monitoring for an additional two years;
- Storage support (such as platforms, baskets and solid wall bins) to ensure longer lasting crops of higher quality that can be sold to market and reduce wastage (the LR Programme will provide materials to build suitable storage as identified by the implementing agency);
- Technical assistance on accessing markets;

- Support with land preparation including clearing, appropriate tillage and incorporation of compost and residue organic matter (while the labour for clearing will include contributions from the household, support will ensure appropriate preparation to improve production and drainage); and
- Longer term extension support.

Specific input details will be provided by the chosen service provider once detailed planning is completed. Typical inputs and assumptions underpinning the budget are outlined in Box 8.2.

Box 8.2 Typical Provisions for Continuous Cropping

The budget for continuous cropping is based on the following assumptions:

- Crop inputs will be provided for 1 hectare of land, which is the minimum recommended area for staple crop production by MoFA;
- Crops will include cassava, maize, plaintain and pineapple; and
- Technical support and training will be provided to groups of 10 farmers for five years.

Greenhouses will incorporate:

- 135 m^2 greenhouse structure;
- Drip irrigation system;
- 1,000 l polytank with stand;
- Growing bucket with growing media;
- Compost for fertility along with other inputs for one growing cycle;
- Technical support and monitoring;
- Personal protective equipment for each farmer; and
- Solar heat extraction.

Households will be able to choose which crops to focus on out of a list including cassava, maize, plantain and pineapple. Crops have been chosen according to the following criteria: 1) they do not require more than one season to mature; 2) they are land intensive in that there is a significant yield on one acre of land; and 3) there is a ready market. Technical assistance will be provided for five years and will incorporate a farmer training programme which will cover farm record keeping and basic business management and require households to plan their required inputs, anticipated returns and extension requirements. While technical assistance will require the inputs of a specialist and experienced implementing agency, this programme will also work in partnership with MoFA, to ensure that households receive adequate extension support over the long term. Other organisations working in this field include B-BOVID and Tractor, both located in Takoradi.

Eligibility

Households will be required to demonstrate that they have access to land to participate in this option, therefore it is likely to be more relevant for the 67 households classified as livelihoods unaffected or 97 partially impacted households who demonstrate they have productive land outside the concession area. Interviews with highly impacted and vulnerable households indicated that some of these may also obtain access to land either through shared cropping or other arrangements. This will need to be investigated further through meetings with each household when support is provided for choosing each option. This will be undertaken by the Programme Delivery Team (see Section 8.5.1) alongside the Implementing Agency which will assess the suitability of land available to each household.

Due to the improved agricultural methods being introduced, it may be possible to make use of previously less productive land. This will be assessed by the Implementing Agency to ensure households are not attempting continuous cropping on marginal land that will bring limited return.

Vegetable Gardens

While one-on-one meetings with highly impacted and vulnerable households indicated that some of these may be able to access land suitable and sufficient to participate in continuous cropping, others will have limited or no access to adequate productive land. The establishment of greenhouses for intensive agriculture is an increasing practice in Ghana, including in Ellembele District. It is proposed that two pilot greenhouses are introduced as part of the continuous cropping livelihood option to test and demonstrate the potential of using marginal land not suitable for other forms of agriculture.

Greenhouse establishment will incorporate the structure, irrigation system, growing media and training, personal protective equipment and solar heat extraction as well as technical assistance. Dizengoff is an example of a company working in this field, providing greenhouses and farmer kits while MoFA is already playing an active role in greenhouse establishment.

This component of the LR Programme will only be offered to highly impacted and vulnerable households who can clearly demonstrate they do not have access to enough productive land to make continuous cropping a viable option. In the first year, it will be offered to households who:

- Are classified as vulnerable and highly impacted;
- Can demonstrate that they do not have access to suitable land for other forms of continuous cropping;
- Demonstrate a keen willingness to undertake this livelihood; and
- Are willing to make some contribution either through providing labour during start up as well as investment through micro-credit support.

Households choosing this option will be grouped into two cooperatives to collectively farm using the two greenhouses. The success of the project will be monitored after one year to determine whether additional greenhouses should be introduced to expand the programme for participating households.

Timeframe

The programme will run for five years with emphasis on the first two years to ensure households re-establish agriculture as the foundation of their livelihood and achieve food security. Internal monitoring by the LR Delivery Team will be undertaken quarterly for the first two years and reduce to half yearly monitoring for the final three years.

8.4.5 Small Livestock

Over two thirds of affected households are already engaged in the rearing of small livestock, particularly poultry and sheep as described in *Section 5*. Livestock is an important source of food and cash income, with a third of livestock produced being sold and another third consumed by the household. The Western Region has a significant local market for livestock including pork and small ruminants, which are currently not reared in Sanzule in significant numbers.

This livelihood option will strengthen and build on existing knowledge and skills in small livestock rearing by providing inputs for suitable pens / houses, veterinary support and technical assistance to improve livestock management, maintenance, hygiene and animal health. Small livestock rearing is not land intensive and therefore is suitable for all 200 affected households including highly impacted and vulnerable households who have limited or no access to alternative land as small pens can be installed in household compounds rather than requiring land away from the homesteads.

<u>Option Components</u>

Households choosing this option will benefit from the following:

- Provision of livestock breeding stock;
- Technical assistance to improve livestock management practices including hygiene and livestock health provided over a three year period with monitoring for additional two years;
- Veterinary assistance and vaccination programme as required within the three year technical assistance period;
- Technical assistance on suitable animal feed;
- Provision of materials to build suitable pens / houses for livestock (the size will depend on the type of livestock chosen and will be smaller for rabbits and grass cutter);
- Technical assistance on accessing markets for products including fertilizer from animals; and
- Longer term extension support.

Specific input details will be provided by the chosen service provider once detailed planning is completed. Typical inputs and assumptions underpinning the budget are outlined in Box 8.3.

Box 8.3 Typical Provisions for Small Livestock

The budget for livestock is based on the following assumptions:

- Provision of breeding stock including one male and four females for all livestock except poultry, where 50 growers will be provided;
- Infrastructure including a 10-compartment cage with food and water troughs for rabbit and grass cutter and housing made from raffia with wire netting, polyflex roofing and concrete foundation (details for pigs and sheep to be confirmed);
- Feed for the first year;
- Veterinary support for three years; and
- Technical assistance for five years.

Households will be able to choose from a range of livestock including sheep, poultry, pigs, rabbit and grass cutter and will receive assistance on improving yields and preparing livestock for sale. Technical assistance will be provided for five years and will also incorporate a livestock keeping training programme which will cover record keeping and basic business management and require households to plan their required inputs, anticipated returns and extension requirements.

While technical assistance will require the inputs of a specialist and experienced implementing agency, as with continuous cropping, this programme will also work in partnership with MoFA, to ensure that households receive adequate extension support over the long term. Other organisations working in this field include B-BOVID and Hen-Mpoano.

Eligibility

It is expected that the majority of households will be able to choose this option as many households have space around their compounds to keep a small livestock pen for rabbit or grass cutter. Those wanting sheep, poultry or pigs would require more land to keep these animals. The Programme Delivery Team will assess the suitability of land available and discuss these constraints with each household to ensure they are able to manage this option successfully (see Section 8.5.1).

Timeframe

The programme will run for five years with emphasis on the first two years to ensure households manage their small livestock as the foundation of their livelihood and achieve food security and cash income. Internal monitoring by the LRP Delivery Team will be undertaken quarterly for the first two years and reduce to half yearly monitoring for the final three years.

8.4.6 Aquaculture and Fish Breeding

Marine fishing is a major livelihood for households in Sanzule and 61% of affected households also reported that they undertake some fishing activities. Fish is also an important source of protein in the Sanzule diet. However for many households, it is no longer the main livelihood activity due to the reported decline in fish stocks.

The baseline indicates that the introduction of aquaculture including fishponds and fish farms is relatively new in Sanzule, where households are using crudely constructed ponds. This option will build on existing knowledge of fish breeding and improve the breeding stock, productivity and pond technology. This option does assume some access to land to be able to build a fishpond that would be large enough to ensure viable yields to support income generation as well as household consumption.

Option Components

Households choosing this option will benefit from the following:

- Pond construction;
- Water treatment;
- Fingerlings to stock the pond;
- Feeding;

- Technical assistance to improve fishpond maintenance and management;
- Technical assistance on accessing markets;
- Veterinary support; and
- Longer term extension support.

Specific input details will be provided by the chosen service provider once detailed planning is completed. Typical inputs and assumptions underpinning the budget are outlined in Box 8.4.

Box 8.4 Typical Provisions for Aquaculture and Fish Breeding

The budget for aquaculture is based on the following assumptions:

- Construction of a fishpond that is 15 m^2 and 2 m depth;
- 750 fingerlings;
- 1 horse power (HP) Pump to manage water levels;
- Technical assistance for 5 years incorporating veterinary support; and
- Water treatment and feed for one year.

Households will receive assistance on improving yields and accessing markets. Technical assistance will be provided for five years and will also incorporate an aquaculture training programme which will cover record keeping and basic business management. Households will be required to plan their required inputs, anticipated returns and extension requirements as part of their training to improve fishpond management and promote sustainability. Organisations working in this field include B-BOVID and local freelancer Nana Siawn.

While technical assistance will require the inputs of a specialist and experienced implementing agency, as with livestock and continuous cropping, this programme will also work in partnership with MoFA, to ensure that households receive adequate extension support over the long term.

<u>Eligibility</u>

Households will be required to demonstrate that they have access to land to participate in this option. Therefore it is likely to be more relevant for the 67 households classified as livelihoods unaffected or 97 partially impacted households who have land outside the concession area. Interviews with highly impacted and vulnerable households indicated that some of these may also have access to unproductive land that would also be suitable for this option. The Programme Delivery Team will work with the Implementing Agency to assess the suitability of land available to each household interested in this option (see Section 8.5.1).

<u>Marine Fishing</u>

Under this option, eni Ghana, on behalf of OCTP JV, will also explore additional support that can be provided to affected households who wish to improve marine fishing activities. Additional support may include the provision of nets and other equipment such as outboard engines, storage facilities and others depending on feasibility that will improve existing marine fishing livelihoods.

Timeframe

The programme will run for five years with emphasis on the first two years to ensure households manage and maintain their fishpond. Internal monitoring by the LR Programme Delivery Team will be undertaken quarterly for the first two years and reduce to half yearly monitoring for the final three years.

8.4.7 Value Adding and Processing

There are limited value adding or processing activities being undertaken in Sanzule. Women are involved in fish processing. Coconut, which is an important cash crop, is also processed to a limited extent and sold as copra. The baseline indicates that 69% of affected households are engaged in trade, particularly in fresh and cooked food.

Value adding and processing is recognised as a critical step to enhancing the value of primary production by processing crop and fish products. This option will supplement other primary production activities and trade through the provision of processing equipment and technical assistance. Access to land is not a pre-requisite for choosing this option and is a viable livelihood enhancement option for all partially and highly impacted households who would like to access value chain opportunities to generate additional cash income.

Option Components

Households choosing this option will benefit from the following:

- Provision of processing equipment;
- Training on use, hygiene and maintenance of equipment;
- Technical assistance to ensure a high quality product;
- Technical assistance on accessing markets; and
- Longer term extension support.

Processing equipment may include garri, fish, palm fruit, coconut and fruit / vegetable processing. Households will receive technical assistance on improving yields and accessing markets, which will be provided for five years and will incorporate basic record keeping and business management skills. Technical assistance will also focus on maintaining high quality products and support in identifying suitable markets.

It is expected that most equipment could be installed and stored in and around the household compound. Organisations supporting value adding and processing locally include B-BOVID, Tractor, the Business Advisory Council and Opportunity Industrial Centre.

Timeframe

It is recommended that households are supported in the three primary production activities before commencing with value adding and processing. This activity can commence sooner for households not choosing a primary production activity. In this case, households will be supported to acquire suitable raw materials to set up a small processing facility. Therefore while significant planning may be undertaken in the early months of the programme, this option may not be fully implemented until late in Year One with a majority of effort in Year Two, depending on procurement limitations. The programme will also run for five years with internal monitoring by the LR Programme Delivery Team being undertaken quarterly for the first two years and reduce to half yearly monitoring for the final three years.

8.4.8 In-Situ Training

In-situ training refers to short-term courses (2-4 weeks) which can be implemented in Sanzule with limited effort. The aim of this training is to build on existing skills or new skills to support existing livelihoods. This option would be less suitable for the elderly who may find it difficult to adjust to a new skill but would be a viable livelihood enhancing option for all other groups. This is in addition to the training that will be provided as part of the primary production and value adding/processing options.

Option Components

Households choosing this option will benefit from the following:

- participation in one training course; and
- an individual start-up kit; and
- technical assistance in refreshing skills, enhancing skills and access to markets.

Training courses may include soap making, cosmetics, leatherworks, Kente weaving, baking and confectionary, bead making and batik tie dye. Other training courses that build on primary production activities may also be introduced such as those that make use out of animal products such as skins or crop residues for crafts or other products. This livelihood option aims to supplement other options.

The aim of these courses is to support of enhance existing livelihoods and not create new technical skills (such as welding, mechanical, catering, etc.), which would require longer term training and result in a completely new livelihood. While these are also seen as positive and beneficial, due to their longer term nature, they are considered more appropriate for a broader community investment programme running in parallel with the LR Programme.

It is important that courses are chosen to develop products that have a local market. The Implementing Agency will be required to: identify where the market is for the products being developed; support trainees in linking their products to local markets; and ensure that there are a mix of training courses to avoid an over production of one particular product. Before agreeing the final training options with the Project, the Implementing Agency will be expected to demonstrate whether there is a local market and the sustainability of each particular course.

Technical assistance will be designed to monitor progress and ensure trainees are able to use the training adequately to access markets for their products and generate income. Technical assistance will incorporate basic record keeping and business management skills. It will also require participants to plan the inputs they will need and anticipated returns to manage their small business sustainably.

The Project may also consider other training programmes that will lead to direct employment with the Project. These training programmes are longer but could include welding, pipe fitting, scaffolding, carpentry, mechanics as well as English classes. The suitability of these will be ascertained by the Programme Delivery Team.

Organisations currently providing a range of training include the Business Advisory Council, GRATIS Foundation and Opportunity Industrial Centre as well as Vocational Training Centres including the local Charlotte Dolphyne Training Institute.

<u>Timeframe</u>

This option can commence as soon as possible after land take, however priority will be on primary production activities for partially impacted and highly impacted and vulnerable groups. However there may be a few cases where vulnerable and highly impacted households cannot choose a primary production activity due to a lack of access to land. In these cases, this activity will commence sooner for these households to ensure they can start quickly on livelihood restoration and enhancement. All participating households should have received training within 12 months of land take and technical assistance and follow up will be provided over the five-year LRP programme. Internal monitoring will be undertaken by the LRP Delivery Team quarterly for the first two years and reduce to half yearly monitoring for the final three years.

8.4.9 Access to Markets

The success of all of the primary production and value add options will rely on households fully understanding the demand for their products and successfully accessing markets. Each Implementing Agency will be required to provide specific technical assistance to households on the demand side of their livelihood and facilitate access to markets. Technical assistance will include identifying markets for specific products and training to ensure products meet a minimum specification to be competitive. Implementing Agencies may be able to perform the role of a "middle buyer" guaranteeing a market for a specific product or they may provide specific training for households to be able to identify markets for their products. For example, B-BOVID already provides a direct market for coconut and palm oil for farmers processing these products. For certain products the Project may be able to act as a buyer for the first few years which may be important during the start-up years; however a longer term market will also need to be identified. This is discussed in more detail in Section 8.5.6.

8.4.10 Evaluation of the Options

This section summarises the livelihood restoration options and highlights their likely effectiveness and ease of implementation (see Table 8.2), whereby:

- **effectiveness:** is the likely ability of the proposed option to restore livelihoods of the people given their specific situations as a result of the project impact;

- **ease of implementation:** is the ability of eni Ghana, on behalf of OCTP JV, to implement the proposed livelihood restoration option taking into account timescale to implement and ability to exit without impacting sustainability of impact; and
- **ability to partner:** is the availability of capable in-country partners with requisite skills and experience to deliver on the livelihood restoration options.

Table 8.2 Effectiveness of Livelihood Restoration Options

LR Option	Effectiveness			Ease of Implementation	Ability to Partner
	67 Livelihood Unaffected HHs	97 Partially Impacted HHs	36 Highly Impacted and Vulnerable HHs		
Transitional Support				Significant logistical support	May not be available locally
Financial Management Training					
Continuous Cropping Agriculture		Dependent on land availability	Dependent on land availability		
Small Livestock			Limited to use of land around homes		
Aquaculture and Fish Breeding		May not have sufficient land	Dependent on land availability		
Value Adding and Processing		Most activities will not require significant land	May require long term support to transition; many are elderly		
Vocational (in-Situ) Training		Likely to require long term support to transition	Likely to require long term support to transition	There may be challenges in identifying demand for some products and so design must include clear evidence of markets for products	

Highly effective | Medium effectiveness | Lower effectiveness

Partners exist locally to support all of the livelihood restoration options with the exception of providing transitional support, which will also be more challenging logistically. The Implementation Programme Delivery Team will be required to research potential partners immediately to ensure transitional support can be provided as soon as access to land has been lost.

Highly impacted and vulnerable households will experience greater challenges in participating in continuous cropping and aquaculture. They may be able to access land through share cropping or other means but their ability to participate in these options (except for the greenhouse pilot) will be limited without land and they may need to rely on small livestock supported by either value adding or in-situ training.

While it is acknowledged that providing alternative land is the most appropriate solution to restore livelihoods, this was not feasible in the short term for the following reasons:

- The land acquisition process is time consuming and it took three years to acquire ORF land. Therefore given the time taken to acquire land in and around the community, more immediate interventions were considered a priority. A focus on land would result in households remaining on transitional support for a longer period.
- An alternative replacement land option would mean going out of Sanzule to find land which has the potential to create conflict among the project community farmers and the host communities.

As a result of these issues, the focus of the LR Programme has been on restoration and enhancement activities rather than alternative land. The OCTV-JV will continue to investigate land options and if a solution is available, alternative land will be explored.

In-situ training can build new skills to supplement livelihoods and there is considerable interest in this option in Sanzule. However it is critical that the right courses are chosen at the design stage to ensure courses focus on producing products that have a local market.

8.5 CONSIDERATIONS FOR IMPLEMENTATION

This section briefly outlines further considerations for implementation to ensure that the LRP programme is implemented effectively to achieve sustainable results.

8.5.1 Programme Delivery Team

The roles and function of the Programme Delivery Team are described in Section 9 of this report. This Team will need to be in place as soon as possible to ensure they can begin planning and procuring the services of relevant implementing agencies. The LRP programme will require the services of more than one implementing agency, depending on the specialist skills and experience required to deliver technical assistance and start up inputs and infrastructure associated with each option. The Programme Delivery Team will play a coordinating role and must have specialist livelihood restoration experience to be able to effectively monitor the programme over five years.

One of the first tasks of the Programme Delivery Team will include implementing transitional support, working with the Livelihood Restoration Working Group to assess eligibility and procure the services of an agency to deliver monthly food baskets to registered households.

Another early task will involve the implementation of financial training. This must be implemented as soon as possible to provide support and advice to households receiving cash compensation before these funds have been spent. It is expected that these two critical activities will be implemented within three months after commencement of the LR Programme or earlier if possible (see Table 11.1).

Due to the nature of the coordinating role, two members of the Programme Delivery Team will be based in Sanzule to closely monitor the programme and ensure that benefiting households are engaging in their livelihood option appropriately. By being close to the Programme, problems, issues and concerns can be identified and addressed more quickly, resulting in more efficient use of Programme funds.

8.5.2 Choice of Options

Another priority early task for the Programme Delivery Team will be in supporting households to make the best livelihood option choice that suits their own household circumstances. Highly impacted and vulnerable households have already been engaged on the livelihood options and have shown interest in all of them. However, in order for them to make informed decisions, they need to fully understand the expectations associated with each livelihood and ensure they will have the resources to benefit from their chosen option. For example, households without any access to land would not be able to benefit from continuous cropping or aquaculture (although they may be able to benefit from the pilot greenhouse project). Certain households may be better off choosing value adding activities rather than training. The Programme Delivery Team will therefore assess each household and make recommendations as well as ensure households are confident with the choices they have made.

8.5.3 Vulnerable Groups and Women

Although women were found to hold a strong position within the family and community, a number of factors contribute to women having less secure access to land making them more vulnerable in the land acquisition process. The impacts section (Section 6) also indicates that a high number of the highly vulnerable households are ones where a female household head is responsible for a high number of dependents.

The specific concerns of women and highly vulnerable households will be considered during the detailed design of the LR Programme. The Programme Delivery Team and implementing agencies will be required to assess each household and the requirements of women to support them to restore their livelihoods.

8.5.4 Individual Support versus a Cooperative Approach

Another key role of the Programme Delivery Team will be to assess the best approach to achieve maximum sustainable benefits through the LRP Programme. The most important objective of the Programme is the restoration of livelihoods for each individually affected household. For each option, the Programme Delivery Team must work closely with the relevant implementing agency during planning to determine whether an individual approach or cooperative approach will achieve the best results for affected households.

If a cooperative approach is chosen, either through the sharing of value adding process equipment, a revolving livestock fund, cooperative cropping, etc., then the implementing agency must clearly demonstrate that vulnerable and highly impacted households will not be lost within the cooperative and that each household will benefit through the cooperative approach. The introduction of pilot greenhouses for highly impacted and vulnerable households will provide an opportunity to test the cooperative approach by grouping households to farm in the pilot greenhouses. The Programme Delivery Team will need to invest sufficient time into careful planning and capacity building to ensure organisation, processes, decision-making, distribution of inputs (labour, assets, money) and outputs (crops, profits) are clearly defined and understood by those households that participate.

8.5.5 Micro Credit

The outcomes of all of the options will be enhanced by facilitating access to micro-credit for all households. This will enable households to invest in and grow their small businesses, making them more sustainable. Households may also use micro-credit to buy inputs and start up equipment from the Project.

The Project will not provide funds for micro-credit but will facilitate access to micro-finance institutions such as local rural banks. This will be overseen by the Programme Delivery Team.

8.5.6 Implementing Agencies

Implementing agencies will need to demonstrate the required experience and skills to implement the relevant livelihood restoration option. Implementing agencies will coordinated by the Programme Delivery Team and will be required to develop strong performance criteria into their programmes over a five-year period to support internal and external monitoring.

Ideally, these agencies will be local and have a good knowledge of the local environment and culture and to report regularly to the Programme Delivery Team.

It is critical that Implementing Agencies have an understanding of local and regional markets. Facilitating access to markets will be a fundamental component of implementation. Some Implementing Agencies (such as those supporting continuous cropping, value adding and processing or livestock) may also function as a “middle-buyer” guaranteeing a market for produce. Others would facilitate households in accessing markets or will provide training for households to search for their own markets.

Through their technical assistance services, they will be expected to ensure households understand the required product specifications to make them viable for sale. This will be expected for all the primary and value adding livelihood activities.

8.5.7 Monitoring and Evaluation

The Programme will be monitored internally by the Programme Delivery Team using key performance indicators established at the beginning of the Programme in partnership with implementing agencies. In addition to internal monitoring, there will be external monitoring mid-way through the programme (at 2.5 years) and at the end of the programme (5 years) in compliance with lender expectations.

8.5.8 Community Investment Design

The LR Programme focuses on livelihood restoration and enhancement for the 200 households affected land-take. Therefore the aim is to address the specific needs of these households. However eni Ghana, on behalf of the OCTP JV, will also be implementing a broader community investment programme to enhance shared value for the wider community. Elements of the community investment programme may additionally support livelihood enhancement through:

- The provision of jobs;
- The provision of specialised longer term technical vocational training;
- Local procurement; and
- The support of other community development needs such as health and education.

There will be opportunities for the LR Programme to transition into a broader community investment strategy and this should be considered at the community investment design stage. For example, some of the options such as training or support from improved crop production may be broadened out to the wider community to support longer term employment or procurement opportunities with the Project.

The timely development and implementation of the broader social investment program will be important in order to manage the potential conflict between those households benefiting from the LR programme and those that are outside of the LR programme.

9 INSTITUTIONAL ARRANGEMENTS

9.1 OVERVIEW

A functioning and effective institutional framework is central to the smooth preparation, implementation and monitoring of a LRP, and more generally to achieving an efficient land acquisition and livelihood restoration process, including transitional support. Accordingly, to facilitate the implementation of this Livelihood Restoration Plan (LRP), the Project will establish an institutional framework where the roles and responsibilities of all involved are clearly defined. A detailed LRP implementation schedule, including timeframe for establishment of management structure, is presented in Section 11.

Eni Ghana will be responsible on behalf of the JV to implement the livelihood restoration activities. The institutional framework described in this section will be the interface for all stakeholders involved in LRP implementation, allowing for close cooperation between eni Ghana on behalf of the JV, Ellembelle District Government, traditional leaders, implementing agencies, the land affected people and the Sanzule community at large.

This section provides an overview of the Project's institutional framework. More specifically it includes the following:

- A description of the two-tier management structure that underlies the Project's institutional framework, and why this two-tier structure is fundamental to success.
- The institutional structure of the LRP implementation team.
- A table summarizing the key roles and responsibilities of each of the different functions (internal and external) within the Project's institutional framework.
- A summary of the capacity building requirements necessary to equip the Project's institutional framework for its important role.

The proposed institutional structure builds on the existing institutional arrangements that eni Ghana set up for the realisation of the land acquisition and compensation process that was initiated in 2013, namely the Land Acquisition Committee and the Crop Rate Fixing Committee (refer to Sections 4.4.1 and 4.4.2). The functions of both committees will be merged into the new structure as described below.

9.2 THE TWO-TIER MANAGEMENT STRUCTURE

9.2.1 Overview

Fundamental to the success of a LRP institutional framework is a management system that consists of two levels. These levels of management are often referred to as:

- **Livelihoods Restoration Steering Committee (LRSC):** the higher level advisory/supervisory, strategic body which enables the crucial involvement of senior Project management and Government figures to steer the overall process, ensure governance checks and balances and resolve key problems.

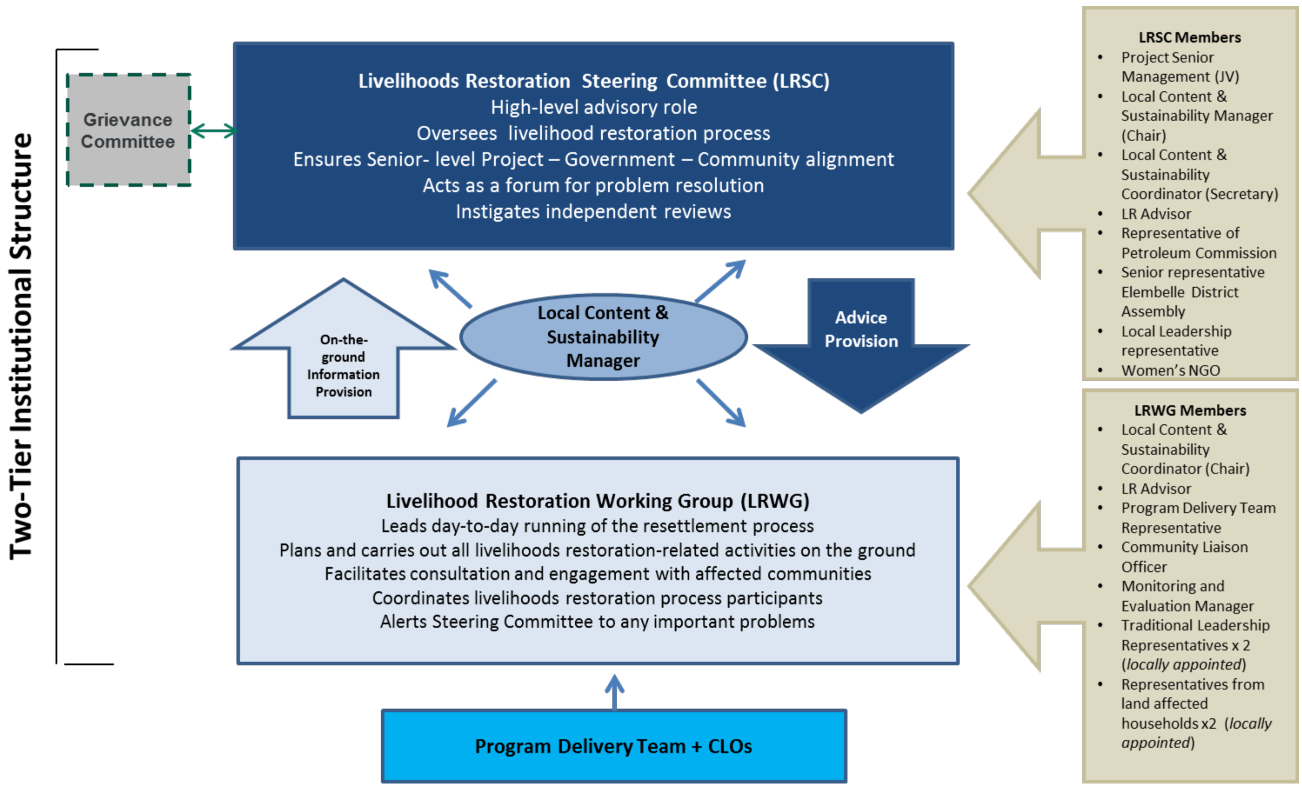
- **Livelihood Restoration Working Group (LRWG):** the hands-on implementing body which facilitates the intense involvement of implementers, including on the ground Project staff to action the process and ensure that practical progress is made.

This two-tier management system is preferable because, in terms of governance, the bodies are separate from one another, but also interdependent. This form of governance is conducive to reciprocal monitoring, and accordingly tends to result in quality delivery and mutual attentiveness to operational and other issues and concerns, as and when these arise.

Ultimate responsibility for overseeing the livelihood restoration process will be vested in the LRSC, under which the LRWG will be responsible for day to day implementation of the LRP. Together these institutions will help to ensure that implementation of the livelihood restoration process is undertaken in a transparent, responsible and sustainable manner. In the following section, the Project's institutional framework is summarised diagrammatically, after which each element of it is discussed in more detail.

There will in addition be a Grievance Committee which will be responsible for seeking resolution of grievances that cannot be resolved locally by the Project team in Takoradi/Sanzule. The Grievance Committee will comprise: The Local Content and Sustainability Manager; the Senior Representative of Ellembelle District Assembly; Traditional Leadership Representative; and Department Managers.

Figure 9.1 Diagrammatic Summary of Two-tier Management System



9.2.2 Livelihood Restoration Steering Committee

The Livelihood Restoration Steering Committee (LRSC) has the oversight function in livelihood restoration planning, implementation, monitoring and funding and represents all the institutions and agencies responsible for facilitating the LRP process. It is the forum where particularly strategic, high-level issues needing resolution (including financial, schedule related and reputational risk issues) should be raised and dealt with. The LRSC is also responsible for making policy-related decisions based on the legal framework, the Project's internal standards and operating procedures, and international best practice.

Key Roles and Responsibilities

Key responsibilities of the LRSC include:

- ensuring alignment between eni Ghana and JV partners, the Government, traditional leaders, land affected people and other community members;
- overseeing ethics compliance and governance issues and ensuring that the livelihood restoration process is managed fairly and transparently and is free of corruption or bribery etc.;
- ensuring alignment of livelihood restoration programme with regional and local development plans and initiatives;
- providing an advisory role to the LRWG, which includes resolving internal and external livelihood restoration issues, monitoring the budget etc.;
- reviewing monitoring report provided by the LRWG ensuring that any issues are addressed in an efficient and effective manner;
- instigating independent external livelihood restoration reviews, when necessary;
- responding to implementation problems identified in internal and external monitoring reports;
- ensuring adequate information sharing with the LRWG on processes and decisions taken.

Composition

The LRSC will be composed of Project senior management including JV representatives, representation from the Petroleum Commission and the Ellembelle District Assembly. In addition, a representative of the traditional leadership (Chief / elders) will sit on the LRSC in order to provide continuity from previous land acquisition and compensation process. The Local Content and Sustainability Coordinator and Livelihood Restoration Advisor (see Section 9.3), will sit on the LRSC and the LRWG (see Section 9.2.3), ensuring adequate information sharing between the two management groups. To foster further transparency, representativeness and accountability as well as focus on needs of most vulnerable among those affected, a women's NGO representative will also sit on the LRSC (as a full member) and be responsible for ensuring that the needs and opinions of most vulnerable land affected people and women are meaningfully considered during any decision making process. Eni Ghana will also be able to invite observers to attend LRSC session such as institutions, academics or other NGOs on an *ad hoc* basis. This will also be the case for other LRSC permanent members who will also be able to invite observers. Eni is expected to develop and share with all participants a specific protocol to guide this.

In summary, the LRSC will comprise the following eight members:

- Project senior management (eni Ghana and JV partners);
- Local Content & Sustainability Manager (Chair);
- Local Content and Sustainability Coordinator (Secretary);
- Livelihood Restoration Advisor;
- Representative of Petroleum Commission;
- Women NGO Representative;
- Senior representative, Ellembelle District Assembly;
- Sanzule traditional leadership representative.

Traditional Leadership Representation

The Queen Mother, the Chief and the Elders in Sanzule are the most powerful administrative units in the Sanzule village and are legally recognised as the official spokespeople for the community. As the senior community representatives, they have the responsibility to ensure that community members understand the livelihood restoration process and are kept informed.

As an arbitrator, the Chief is also approached when grievances occur. Therefore the Chief and the elders may support the eni Ghana grievance process. Traditional leadership also plays an important role in conflict resolution, which may be important for the interaction between the land affected people and the Project.

Traditional leadership has received orientation in the LRP process but will be important that they also are briefed on issues that may arise, the role expected of them etc.

In order to continue the transparency around the livelihood restoration process the following documents will be prepared:

- A memorandum outlining the composition and decision making processes of the LRSC;
- Minutes of each LRSC meeting which will be shared with the LRWG. In the event confidential items are discussed, these items can be specifically withheld from the shared minutes but retained in confidential minutes.

It is recommended that the LRSC meets quarterly with an option of holding emergency meetings if required. A record of meetings and minutes shall be prepared, held and distributed to the LRWG by the LRSC secretary. An integrated LRP schedule is presented in Figure 11.1 in Section 11.

9.2.3 Livelihood Restoration Working Group

The Livelihood Restoration Working Group (LRWG) will be the face of the compensation and livelihood restoration process for the affected people and communities and will be primarily responsible for ground level coordination of the LRP implementation.

Land acquisition, compensation and livelihood restoration processes are complex and successful implementation requires a diverse range of skills and experience. Bringing key members of the implementation team and community representatives together on a regular basis will enable challenges to be quickly identified and for any required adjustments to be agreed and implemented.

Key Roles and Responsibilities

Key responsibilities of the LRWG include:

- overseeing eligibility criteria for restoration measures allocation and disbursement mechanisms;
- providing oversight of all activities within the LRP including implementation of livelihood restoration activities and engagement activities with land affected households and the Sanzule communities;
- building trust among stakeholders
- discussing emerging issues as they arise including reviewing trends and nature of grievances;
- discussing the results of monitoring and evaluation activities and agreeing modification / corrective measures as required.

Composition

The LRWG will be composed of the following core members:

- Local Content and Sustainability Coordinator (Chair of the LRWG and representing eni Ghana on behalf of the JV);
- Livelihood Restoration Advisor;
- eni Ghana Community Liaison Officer;
- Monitoring and Evaluation Coordinator (who will also deal with grievance issues and monitoring);
- Livelihood Restoration Delivery Coordinator;
- Traditional Leadership Representatives x 2 (locally appointed); and
- Community Representatives from land affected households x 2 (locally appointed).

Community Representation

Community representation from the land affected households should include not only men, but also women. There should also be a clear and transparent election process for community representatives which is re-held periodically (e.g. annually). Community members should be encouraged to elect candidates that meet the following criteria:

- They must be resident, reasonably educated and well known in the community.
- They must be affected by the displacement process.
- They must be well respected.

A mechanism should also be established to enable community representatives to be replaced if they prove unable to fulfil their role in an adequate manner.

Each community representative should be provided with: (i) a daily cash allowance for assistance with the livelihood representative process; (ii) training on their role and responsibilities; and (iii) specific minimum targets / requirements against which they will be assessed. Finally, community representatives shall be required to sign and adhere to eni *Code of Ethics*, which sets out criteria for integrity, transparency, objectivity, openness and accountability.

Livelihood Restoration Delivery Team

The LR Delivery Coordinator and Officer will play a key role in ensuring that the livelihood restoration program is effective. The LR Delivery Coordinator and Officer will advise each household in the selection of livelihood restoration activities that their household will invest into and then provide oversight to each of the livelihood restoration activities. They will furthermore manage and provide oversight to each of the LR Implementing Agencies that will be contracted to plan in detail and deliver each livelihood restoration option.

It is recommended that the LRWG meets once a month for at least the first six months of the livelihood restoration process (see Figure 11.1 in Section 11). After this period, it may be possible to reduce the frequency of meetings to bi-monthly basis for another six months, and then quarterly depending on the effectiveness of implementation and the scale of outstanding livelihood restoration issues. The LRWG should re-assess the necessary frequency of meetings every six months. Minutes should be prepared for each meeting, and distributed by the LRWG member designated as LRWG secretary.

9.3 INSTITUTIONAL STRUCTURE AND FUNCTIONS

The detailed institutional structure is illustrated in Figure 9.2 and a more detailed description of the roles and responsibilities of each of the functions are presented in Table 3.2. The LRP organization structure will be integrated into eni Ghana's Local Content and Sustainability Department. In this regard the staff that will provide oversight and management support to the LRP implementation will be also involved in managing and coordinating eni Ghana local content and social investment programmes. eni Ghana seeks to ensure synergies between these three programs.

The structure is divided into the following core areas of responsibility:

- Oversight;
- Project management;
- Operations.

Figure 9.2 LRP Institutional Roles and Responsibilities

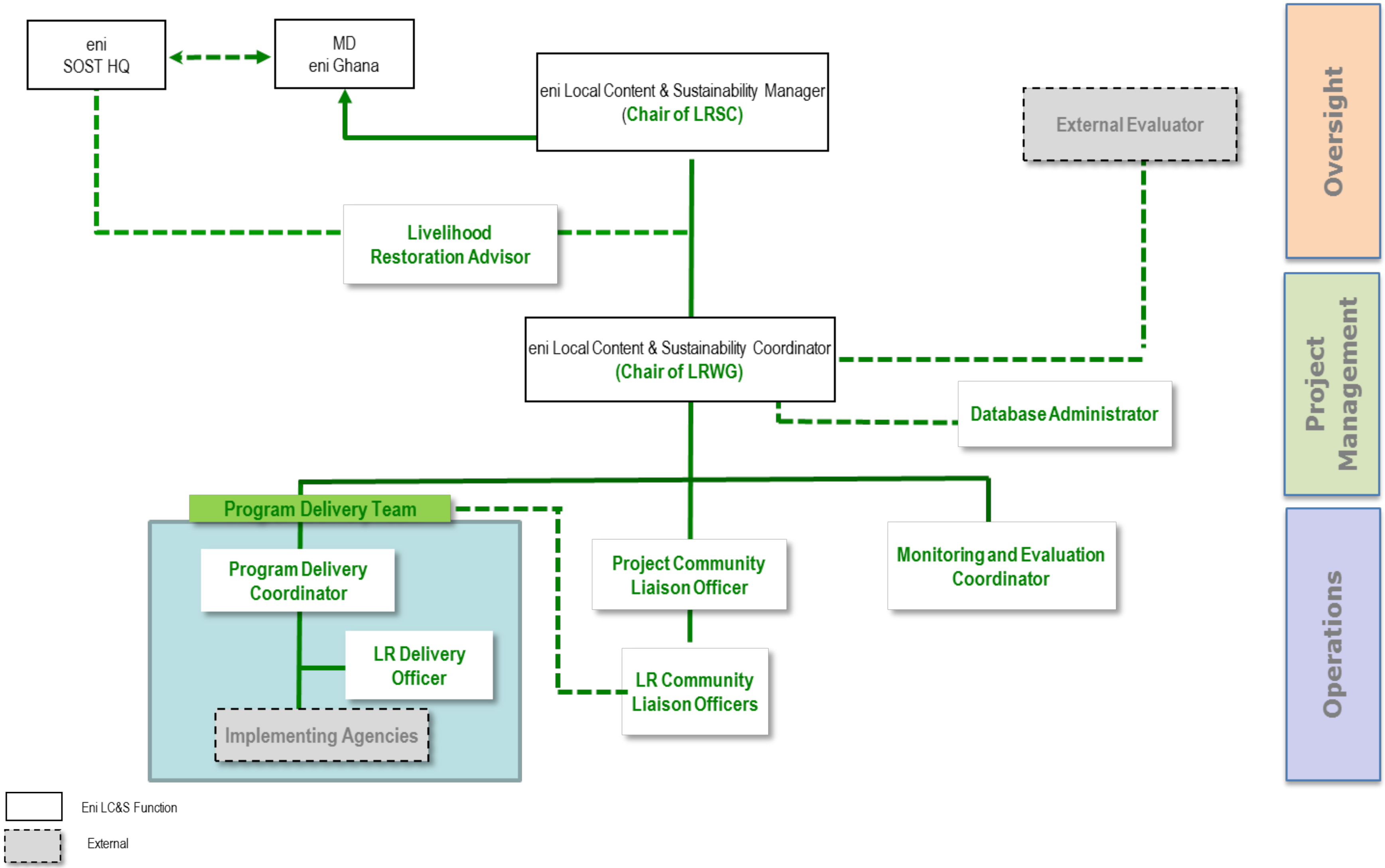


Table 9.1 Institutional Roles and Responsibilities

Position	**Description**	Location
Oversight		
Managing Director eni Ghana (*Project Owner*)	The eni Ghana MD is the overall project owner on behalf of the JV and is accountable for delivery. The eni Ghana MD represents the Project internally and externally, oversees the eni Local Content and Sustainability Manager, champions the project and approves budgets and other resources. The eni Ghana MD specifically: • Oversees operations (strategic, business, and financial) of LR activities. • Review scope changes with the LRWG, ensure variations are justified; authorise scope changes. • Assists the LRWG in obtaining necessary resources and approvals. • Provides challenge as required to ensure that the LR meets its overall objectives.	Eni Ghana MD - Accra
Eni Sustainability HQ	Eni HQ Sustainability function is responsible for Strategic guidance on the LRP and is involved by the eni Ghana LRP team to oversee and provide direction and support to the LRP implementation process, ensuring compliance with eni policies and sustainability management system. SOST will ensure that company industry best practice derived from experience in other countries is imbedded in the LRP. SOST will provide support to ensure that the LRP execution is monitored and reported in company communication and progress reporting.	Milan
Eni Local Content and Sustainability Manager~~)~~	The Local Content & Sustainability Manager at eni Ghana will have responsibility for the management of the LRP implementation and will Chair the LRSC and also the Grievance Committee. He will report directly to the eni Ghana MD who has overall accountability. The Local Content and Sustainability Manager will be operating as the main interface between the OCTP Project and the LRP process and will ensure that LR activities are scheduled and resourced appropriately such that they meet project timeline requirements. The Local Content & Sustainability Manager will review all monitoring and evaluation reports and discuss progress on at least a monthly basis with the Local Content and Sustainability Coordinator and Livelihood Restoration Advisor to ensure that any required adjustments are made quickly.	Accra
External Evaluator	External evaluation provides an independent third party evaluation of alignment to the stated standards; in this instance, the national requirements and IFC Performance Standards (PS 1 and 5). An external evaluator will be appointed to provide to undertake an interim audit in January 2018 and a Closure Audit at a time to be determined. The External Evaluator will: • report directly to the LRSC and interface with the Local Content and Sustainability Coordinator; • liaise, at least quarterly, with the Monitoring and Evaluation Coordinator to remain abreast of ongoing activities; • submit all evaluation reports to the LRSC after discussion with the Local Content and Sustainability Coordinator. The External Evaluator may undertake ad-hoc evaluation tasks upon instruction from eni Ghana as may be needed.	Accra / Sanzule (*ad hoc*)

Position	Description	Location
LRP Management – LRP Management Team		
Eni Local Content & Sustainability Coordinator	The Local Content and Sustainability Coordinator will be responsible for the following: • Overseeing and coordinating all compensation and livelihood restoration activities; • coordinating the overall scheduling, resourcing and budget of the LR program reporting to the Local Content and Sustainability Manager; • ensuring that the LR team has sufficient resources of the right capacity and that any impediments are rapidly identified and resolved; • supervising all those (including Project staff, government officials, implementing agencies etc.) contributing to the process; • chairing the LRWG and acting as Secretary to the LRSC; • promoting the participation of all stakeholders and information sharing in a relaxed atmosphere conducive to collaboration; • ensuring the maintenance of robust monitoring information and timely development of fit for purpose monitoring reports to ensure timely information sharing between the LRSC and the LRWG dissemination; and • acting as the “face” of the livelihoods restoration process, being perceived to be accessible and promoting trust and confidence as the “go-to” person for any livelihood restoration-related issues and concerns.	Sanzule
Livelihood Restoration Advisor (LRA)	The Livelihood Restoration Advisor (LRA) will be responsible for ensuring technical integrity of the process ensuring compliance with eni policies and sustainability management system. The LRA will be providing liaison with the eni SOST HQ. the LRA will be responsible for the following: • Review Project team's approach to conducting robust risk assessments and implementing LRP using appropriate standards; • providing technical knowledge to the LRWG and the implementing agency where necessary; • supporting in the development of a robust monitoring plan; • acting as general support to the Local Content & Sustainability Manager and Coordinator; • providing advice to the Local Content & Sustainability Coordinator on any livelihood restoration-related issues and concerns; • developing status reports to be submitted to the LRSC; • evaluating LRWG performance and providing constructive feedback; and • supporting the procurement of services.	Accra/Sanzule
Database Administrator	The LRP Data Management Coordinator is responsible for maintaining and managing the database for all landowners and users affected by the Project. • Report directly to the Local Content and Sustainability Coordinator and where required work closely with the Monitoring Coordinator.	ICT eni Ghana Accra

Position	Description	Location
	• Establish a database platform (suggested GIS platform). • Load all existing data onto the database including census, asset inventory, household survey, compensation agreements. • Integrate a module on stakeholder engagement and grievance mechanisms. • Receive, review and file data as per the data management system. • Train others on how to enter data onto the database and interrogate the database. • Follow-up with team members where data is not correctly captured. • Extract data and prepare reports as required by the Local Content and Sustainability Coordinator .	
Operations - LRP Operations Team		
Community Liaison Officers	A team of three community liaison officers will support the livelihood restoration implementation. They will be responsible for supporting direct engagements with the land affected people and the community at large, dealing with day-today community-related issues and concerns and managing the grievance mechanism (see *Section 4*). • Hold regular meetings with the community to provide an update on the status of the project including the livelihood restoration program. • Convey relevant information to the community; and back to the Local, Content and Sustainability Coordinator and the Program Delivery Team. • Keep minutes and attendance registers of all meetings attended. • Alert the Local Content and Sustainability Manger as soon as sensitive issues are raised or when an issue may escalate into something more significant. • Ensure access to the grievance mechanism and work with others in the Project team to resolve grievances at the local level. Escalate grievances that cannot be resolved at the local level to the Grievance Committee. • Keep records of all interactions, attendance registers and grievances as required**.** • Update relevant databases and reports for monitoring purposes.	Community & Fisheries Liaison Officer – Head of CLOs – Sanzule Community Liaison Officers x 6– recruited from the 6 villages within the eni OCTP project area of influence; 3 will generally be working in the Sanzule area. CLOs will work 100% with the community on a range of issues including LR.
Livelihood Restoration Delivery Team (LRDT) • Program	The Program Delivery Team (LRDT) is the key driver of the implementation of the LRP process at local level. The LRDT should play a key role in ensuring that the livelihood restoration program is effective. The LRDT will advise each household in the selection of livelihood restoration activities that their household will invest into and then provide oversight to each of the livelihood restoration activities. The LRDT will include a team of two experienced specialists based in Sanzule who will be in charge of overall implementation of the livelihood restoration program and a number of organizations contracted to undertake the detailed planning and delivery of each of the livelihood restoration options. The	Sanzule

Position	Description	Location
Delivery Coordinator • LR Delivery Officer • Implementing Agencies	LRDT will perform the following specific tasks: • Supervise the process of eligibility for livelihood restoration and support for households in selecting options; • Ensure consistency and synergy in the way livelihood restoration activities are planned and implemented; • Provide market access intelligence and feed this into household decision making regarding the best livelihood restoration options to pursue; • Leading capacity building within the internal organization; • Working with the implementing agencies to deliver capacity to affected households; • Report directly to the Local Content and Sustainability Coordinator in Takoradi/Sanzule; • Contract and supervise the work of the implementing agencies on the ground and provides oversight to the overall livelihood restoration activities. • Regularly meet with the CLOs to agree on engagement schedule and activities. • Meet the relevant traditional leadership to provide information on the status of the process.	
Monitoring and Evaluation Coordinator (internal)	The Monitoring and Evaluation Coordinator is responsible for implementation and management of the Monitoring and Evaluation plans and processes as detailed by the Livelihoods Restoration Coordinator. • Report directly to the Livelihoods Restoration Coordinator • Develop a detailed LRP monitoring plan with performance and impact indicators for all Project components. • Liaise with Project Implementation Team to ensure the data is being gathered and recorded as required. • Liaise with the External Evaluator on a monthly basis and as instructed by the Livelihoods Restoration Coordinator. • Collect and collate data and other evidence to verify progress against the performance and impact indicators. • Maintain a monitoring database in which all relevant monitoring and evaluation information is captured. • Assess the data and develop/ instruct the implementation of corrective or additional measures, as necessary. • Produce periodic monitoring reports that will be submitted to the Livelihoods Restoration Coordinator and Advisor for review and action. These reports will also be distributed to the LRWG and the External Evaluator by the Local Content and Sustainability Coordinator. • Initiate corrective measures (based on the monitoring reports) including deadlines, responsibilities and resource needs. • All corrective actions are to be agreed by the Livelihoods Restoration Coordinator and where appropriate, also approved by the Local Content and Sustainability Manager. • Periodically review grievances to identify trends and discuss on the LRWG to identify appropriate response.	Sanzule

9.4 RECRUITMENT AND CAPACITY BUILDING

Critical to the successful implementation of the LRP will be the timely recruitment and deployment of an experienced and well-coordinated team of specialists as outlined in Figure 9.2. In order to achieve the best results a capacity building plan will be developed by the Local Content and Sustainability Coordinator dependent on skills and capabilities of those that are recruited.

Table 9.2 provides an overview of timings for recruitment, location and minimal educational and experience requirements for all new positions that are not already operational.

Table 9.2 Overview of Recruitment Requirements for LRP Implementation

Key Functions	Timing for Recruitment	Base Location	Education & Experience Requirements
LRP Management Functions			
Local Content and Sustainability Coordinator	January 2016	Accra/Sanzule	Senior manager with at least 10 years of experience in managing complex multi-stakeholder sustainability programs in a similar socioeconomic context.
Livelihoods Restoration Advisor	January 2016	Accra/Sanzule	This position will be fulfilled by a specialist from eni corporate sustainability team.
LRP Operational Functions			
Livelihood Restoration Delivery Coordinator	January 2016	Sanzule	Senior development assistance specialist with at least 10 years of experience in managing and implementing livelihood development programs in similar socioeconomic contexts.
Livelihood Restoration Officer	January 2016	Sanzule	Junior development assistance specialist with at least 2 years of experience in delivering development assistance in similar socioeconomic contexts. Preferably with an agronomy background. Fluency in Nzema preferred.
Monitoring and Evaluation Coordinator	January 2016	Sanzule	Development specialist with at least 4 years of experience in implementing socioeconomic monitoring and evaluation programs.
Database Administrator	January 2016	Accra	Database specialist with at least 5 years of experience in managing socioeconomic data
Community Liaison Officers x 3 (based locally)	December 2015 (1 CLO to be recruited)	Sanzule	Experienced engagement specialists from the local community with capacity to build trust of community in the project. Fluent in Nzema.

10 MONITORING AND EVALUATION

10.1 INTRODUCTION

While Ghanaian legislation does not specifically require that resettlements are monitored or evaluated, the eni and IFC PS requirements are explicit. The eni Professional Operating Instruction (OPI) on Monitoring, Reporting and Audit activities (opi ssc 004 eni spa r01) requires all eni upstream operations to monitor the effectiveness of land management projects, plans and initiatives with respect to the objectives of the LRP and according to defined key performance indicators (KPIs). The IFC also clearly requires that projects that induce physical or economic resettlement should monitor and report on the effectiveness of LRP implementation, including the disbursement of compensation, the effectiveness of consultation and participation activities and the restoration of livelihoods. Dynamic mechanisms, such as inspections and audits, are typically used, where relevant, to verify compliance and progress toward the desired outcomes. Monitoring results need to be documented, corrective and preventive actions implemented, and follow up on these actions is required to ensure their effectiveness.

In summary, the monitoring and evaluation mechanism provides the basis to assess the overall success of the land acquisition, compensation and livelihoods restoration and the effectiveness of the various processes and measures.

The remainder of this section includes the following:

- Identification of the key objectives of economic displacement monitoring and evaluation;
- A description of the monitoring and evaluation plan; and
- An overview of key roles and responsibilities for monitoring and evaluation activities.

10.2 OBJECTIVES

The overall objectives of monitoring and evaluating the LRP meet the requirement of the OCTP Phase 2 ESHIA ESAP and will provide evidence of implementation of the LRP in annual reports and in a completion audit. Specifically the objectives of monitoring and evaluation are to verify the following points:

- Actions and commitments described in the LRP are implemented fully and on time;
- Land affected households understand their rights;
- Land affected households receive their full compensation entitlements or other mitigation measures within the agreed time;
- LRP compensation and livelihood restoration measures are effective in enabling land-affected households to at least restore their livelihoods;
- Complaints and grievances expressed/submitted by affected households are followed up and resolved and that, where necessary, corrective actions are implemented;
- If necessary, changes in LRP procedures are made to improve delivery of compensation/assistance to land- affected households.

Eni Ghana has the overall responsibility for ensuring that monitoring activity is undertaken and achieves these objectives. The monitoring will be performed by internal or external staff who will receive training with regard to monitoring techniques and recording of monitoring results. Additional experts may be included in monitoring activities on an as-needed basis.

It is noted that the LRP is one of many development interventions that will be occurring in Sanzule, others including: the eni Community Investment Strategy, and social management strategies (Fisheries Management Plan, Local Content Plan, Procurement Plan, Local Hiring Plan). Consequently eni Ghana will need to coordinate all monitoring activities under one umbrella to understand interlinkages and cumulative effects. Link should also be made to implementation and monitoring of local development planning so that synergies can be built and optimised.

10.3 MONITORING AND EVALUATION PLAN

Monitoring and evaluation activities will continue for the duration of implementation activities (including implementation of LRP activities) and for no less than three years thereafter. During this period, the intensity of monitoring activity will vary. During implementation and immediately thereafter, monitoring and evaluation will be more regular and intense, while for the following period, monitoring activities will reduce. The process will culminate with an external completion audit.

There are two key components to the Monitoring and Evaluation Plan; namely: (i) internal monitoring; and (ii) external evaluation.

10.3.1 Internal Monitoring

The overall objectives and tasks of the internal monitoring process are to:

- Capture and analyse data in a consistent and structured fashion against the pre-displacement baseline (see Table 5.4 in Section 5) at appropriate intervals and by means of suitable indicators; and
- Respond to monitoring findings on an ongoing basis, by adapting existing management measures or by modifying implementation processes of the LRP.

The internal team will monitor both the performance and impact of the LRP program, whereby: performance monitoring measures physical progress against Project milestones established in the LRP; while impact monitoring assesses the effects of the land acquisition and compensation as well as livelihood restoration programme. Further details of these two components are provided below.

<u>Performance Monitoring</u>

Performance monitoring is an internal management function which will allow the Project to measure physical progress against milestones established in the LRP. Progress will be reported against a schedule of required actions. The Project's performance milestones will include, but will not be limited to those included in the table below.

Table 10.1 Performance Monitoring Indicators

Indicator	Source of Information	Frequency	KPI[24]
Input Indicators			
Overall spending against budget	Financial records	Monthly	KPI
Distribution of spending by: - Cash crop compensation - Transitional allowance - Livelihood restoration - General implementation services & overhead	Financial records	Quarterly	
Stage of implementation of each LRP option: preparation; implementation; M&E			
Number of households benefiting from each LRP activity in total and broken down into: - Partially impacted households - Highly impacted households - Highly impacted households that are highly vulnerable	Data management system	Quarterly	KPI
Detailed input monitoring for LRP option monitoring as defined in implementation plan	Data management system	Quarterly	
Number of full time staff equivalents dedicated to livelihood restoration & compensation, with distribution in-house / outsourced if applicable, and distribution by skill type	HR Department	Monthly	KPI
Output indicators			
Percentage of land affected people having received cash compensation for loss of land through engagement with heads of family in the period and evidence whether payment has been provided to individual households.	Data management system	Quarterly	KPI
Percentage of land affected people having agreed to and received cash compensation for crops in the period with distribution by compensation amount and whether payment has been provided to male or female head of household or to joint account	Data management system	Monthly	KPI
Number of individual crop compensation agreements signed in the period	Data management system	Monthly	
Number of household based livelihood restoration packages defined in the period	Data management system	Quarterly	
Number of household based livelihood restoration packages signed in the period	Data management system	Quarterly	
Detailed output monitoring for each LR option monitoring as defined in each LR implementation plan	Data management system	Quarterly	
Number of household claiming transitional support in total and broken down into:	Data management	Quarterly	KPI

[24] Key Performance Indicator

Indicator	Source of Information	Frequency	KPI[24]
- Partially impacted households - Highly impacted households - Highly impacted households that are highly vulnerable	system		
Number of public meetings and engagement in the period	Data management system	Quarterly	
Number of Steering Committee meetings in the period against those planned	Data Management System	Quarterly	KPI
Number of Livelihood Restoration Working Group Meetings with participation of elected representatives of land affected people in the period	Data Management System	Quarterly	KPI
Average time for grievance processing. Measure time interval between grievance registration and first acknowledgement of receipt; and grievance registration and closure.	Data Management System	Quarterly	
Number of open grievances and trend in time	Data Management System	Quarterly	KPI
Number of grievances closed and trend in time	Data Management System	Quarterly	
Monitoring reports submitted	Data Management System	Quarterly	

Performance monitoring of the LRP will commence immediately and be reported at the frequency defined above until all LRP activities have been implemented (2 years). Thereafter performance monitoring of relevant indicators (e.g. grievances) will be continued and reported six monthly for a three year period.

Impact Monitoring

Impact monitoring, like performance monitoring, is an internal Project task. The purpose of impact monitoring is to gauge the effectiveness of the LRP in supporting land affected households to restore their livelihoods and to identify adjustments in the implementation of the LRP, as required.

The effects of the LRP will be tracked against the baseline conditions of the affected households prior to displacement (see Section 5.11). Impact monitoring will monitor changes in household livelihood patterns, wellbeing, asset ownership, access to health and education, food security and gender equality based on self-reported information by each of the individual land affected households. Additionally, impact indicators will monitor the success of compensation and livelihood restoration options under consideration (see Section 8).

The Project's impact indicators will include, but will not be limited to those in Table 10.2.

Table 10.2 Impact Monitoring Indicators

Indicator* / Issue	Measured how	Frequency	KPI
Livelihoods Restoration Program Impact Indicators			
Compensation			
Use of compensation	What has compensation been used for: restoration of livelihoods / other? Survey of compensated households.	Six months after payment of compensation	KPI
Livelihood Restoration			
Agriculture re-establishment (if relevant)	A set of indicators will be developed during the detailed planning of the livelihood restoration option to determine if land affected households have been successful in re-establishing agriculture activities in alternative land (if applicable).	Yearly	
Small Livestock	A set of indicators will be developed during the detailed planning of the livelihood restoration option to determine if land affected households have been successful in establishing small livestock activities.	Yearly	
New agriculture and fishing establishment	A set of indicators will be developed during the detailed planning of the livelihood restoration option to determine if land affected households have been successful in establishing new agriculture / fishing activities (if applicable).	Yearly	
Vocational (in situ) training	A set of indicators will be developed during the detailed planning of the livelihood restoration option to determine if individuals participating in vocation training courses have been successful in establishing new income generating activities.	Yearly	
Value Added	A set of indicators will be developed during the detailed planning of the livelihood restoration option to determine if individuals participating in value added activities have been successful in marketing their produce and increasing their income.	Yearly	
Socioeconomic Impact Indicators*			
Income and Livelihoods			
Income and Poverty	Household level income from all source against regional average and pre-project baseline	Yearly	KPI
	Number of households that spend 50% or more of their income on food.	Six months after payment of compensation	
	Number of households report suffering from food shortages.	Six months after payment of compensation	
Employment	Number of households with one member in paid employment.	Yearly	
	Number of households with paid employment.	Yearly	

Indicator* / Issue	Measured how	Frequency	KPI
	Number of adults seeking employment	Yearly	
Access to Farmland	Number of households without access to any farmland.	Six months after payment of compensation	KPI
Diversification of Livelihoods	Number of households with two or more livelihoods.	Yearly	
Asset ownership	Number of assets owned by each households including: bed/mattress, bicycle, canoe with outboard, canoe without outboard, car/minibus, plastic chair/bench, generator, mobile phone, motorcycle, plough, radio, living room furniture, television	Six months after payment of compensation	
Access to credit	Number of households accessing credit	Yearly	
Education & Health			
Education attainment and skills	Total number of children in school	Yearly	KPI
	Number of individuals having completed Junior High School	Yearly	
	Number of individuals having completed Senior High School	Yearly	
	Number of individuals having completed Tertiary Education	Yearly	
	Number of individuals with an artisanal skill (carpentry, metal, masonry etc.)	Yearly	
Health status	Number of households requiring health care in the last six months	Yearly	KPI
	Change in health indicators as reported by Sanzule health post	Yearly	
Gender Equality			
Girls education	Number of girls in school	Six months after payment of compensation	
Women's education attainment and skills	Number of women having completed junior high school	Yearly	
	Number of women having completed Senior High School	Yearly	
	Number of women having completed Tertiary education	Yearly	
	Number of women with artisanal training	Yearly	
Female employment	Number of women in paid employment	Yearly	

Note: (*) All indicators should be disaggregated by level of impact and level of vulnerability to determine differences between different categories. The status of highly impacted and highly vulnerability households should have specific focus.

Impact monitoring to assess success of each of the livelihood restoration options in restoring livelihoods of land affected households will be undertaken through 100% surveys of participating households. This will be undertaken by the monitoring implementing agencies with oversight of the Monitoring and Evaluation Coordinator.

The monitoring of progress regarding socioeconomic impact indicators will require the undertaking of a survey of a representative sample of the land affected households using the same methodology as the one for the initial socioeconomic household survey (see Section 5.1 and Annex D). Additionally a sample of non-land affected Sanzule residents will also be included in the monitoring program. This will also allow monitoring of overall trends as well as the monitoring of the situation of each individual household and the Sanzule community at large. Impact monitoring will continue for at least three years beyond the completion of LRP implementation (including livelihood restoration activities), to ensure that the Project's livelihood restoration efforts and development initiatives have succeeded and that the affected households have at least achieved pre-project status. The quantitative indicators described above will be supplemented by the use of qualitative indicators in order to assess the satisfaction of affected people with the compensation and livelihood restoration initiatives and other aspects such as community cohesion and social networks. Regular meetings, focus group discussions and other direct consultations with the land affected households will help to facilitate the qualitative impact monitoring process.

10.3.2 External Evaluation

External evaluation will be undertaken by a third party. The overall objective and task of the external evaluation process is to:

- Systematically assess the LRP implementation process;
- Evaluate the overall success of livelihoods restoration plan for an extended period following implementation to determine whether the objectives of the LRP were fulfilled; and
- Determine whether the process successfully restored/ improved the living standards and livelihoods of the affected households.

The external evaluation will be informed by primary and secondary data collection and rely on internal monitoring outputs such as monitoring reports, minutes of meetings and progress reports as well as independent surveys and consultation conducted by the external monitoring and evaluation consultant directly.

There will be two key components to the external monitoring programme; namely: (i) an interim audit; and (ii) a completion audit.

<u>Interim Audit</u>

The interim audit will check whether the implementation of the programme complies with the LRP framework and international requirements (IFC PS 5). The scope of work of the interim audit will include the following areas of focus:

- General:
  - Assess overall compliance with LRP commitments;
  - Interview a representative cross-section of land affected households:
    - to gather their opinions on compensation delivery, livelihood restoration measures and grievance management; and
    - to measure the extent to which land affected people's standards of living and livelihood are being restored or enhanced.

- Implementation:
    - Assess whether resources are adequate for implementing commitments in this LRP and any training or capacity building requirements;
    - Compare actual progress with initial schedule;
    - Assess the data management system and its use;
    - Review any situations of fraud, corruption or extortion and the way they have been managed.
- Compensation process:
    - Review if entitlements have been delivered in a timely manner (as set out in the LRP) and, if not, whether delays are justifiable;
    - Review whether the compensation payments have been effective in supporting households to restore their livelihoods.
- Livelihood restoration:
    - Assess the extent to which the quality of life and livelihoods of land affected households are restored, verify that measures to restore or enhance project affected peoples' quality of life and livelihoods are being implemented and assess their effectiveness;
    - Review any livelihood restoration / rehabilitation programmes and the extent to which they are assisting in providing alternative livelihoods for affected households to help offset the impacts of displacement.
- Monitoring & Evaluation:
    - Review internal monitoring and reporting procedures to ascertain whether these are being undertaken in conformance with the LRP;
    - Review internal monitoring records as a basis for identifying any potential areas of non-compliance, any recurrent problems, or potentially disadvantaged groups or households.
- Vulnerable people:
    - Assess whether the needs of highly vulnerable households have been adequately responded to through the LRP process and whether further focused assistance is warranted;
- Grievances:
    - Review grievance records for evidence of significant non-compliance or recurrent poor performance in LRP implementation or grievance management.

The Interim Audit will be carried out in January 2018 approximately two years after the start of the livelihood restoration programme.

<u>Completion Audit</u>

The overall goal of the completion audit is to verify that this Livelihood Restoration Framework as implemented has been effective in restoring land affected peoples' standards of living and livelihoods and that differential support to land affected households can be ceased.

Accordingly, the completion audit has the following objectives:

- Assess the effectiveness of measures to avoid and minimize displacement impacts by comparing project actual impacts on land and people versus those documented in the LRP;
- Verify that all entitlements and commitments described in the LRP have been delivered;
- Determine whether LRP measures have been effective in restoring or enhancing affected peoples' living standards and livelihood;
- Check on any systemic grievances that may have been left outstanding;
- Identify any corrective actions necessary to achieve completion of LRP commitments.

Dependent on the quality of survey information available from the internal monitoring, the external experts will determine whether a specific quantitative survey of land affected households is necessary. This survey should cover all households that were evaluated as highly impacted in the baseline and at 25% of other land affected households.

In addition, the Completion Audit will utilize qualitative approaches to gather data and assess household standards of living. Particular attention will be paid to assessing the impact of land acquisition on the circumstances of the highly impacted and particularly highly vulnerable households.

The Completion Audit report will present conclusions on the effectiveness of livelihood restoration and identify any corrective measures that would be necessary to complete rehabilitation of land affected households.

The timing of the Completion Audit will be established as part of the Interim Audit, but is likely to be no less than two years after the end of the active phase of livelihood restoration.

10.4 Key Roles and Responsibilities

There are two key role-players namely eni Ghana for internal monitoring and a third party for external evaluation. The institutional structure for implementation of the LRP (including those responsible for monitoring and evaluation) is presented in Figure 9.2, and the specific roles and responsibilities (including the monitoring and evaluation responsibilities) are outlined in Table 9.1. The monitoring responsibilities are purposefully distributed through the majority of the functions, in order to ensure accountability from the operational to the Project management and oversight levels. An internal Monitoring and Evaluation Coordinator will be appointed to coordinate the tasks.

In addition to these key functions, eni Ghana may have other internal role-players that could further strengthen the internal monitoring mechanisms of the Project to ensure additional rigour and compliance with eni standards.

The Livelihood Restoration Steering Committee (LRSC), the Livelihood Restoration Working Group (LRWG) and the Monitoring and Evaluation Coordinator have primary accountability to ensure that the plan is developed and effectively implemented.

10.4.1 Livelihoods Restoration Steering Committee Responsibilities

The LR Steering Committee will play a high level management role in the monitoring process. It is responsible for: (i) signing off on detailed monitoring and evaluation plans to be used as the basis for the monitoring and evaluation processes; (ii) reviewing monitoring and evaluation reports and recommendations when necessary; (iii) signing off on implementation of additional monitoring and evaluation interventions and associated implementation plans; (iv) making higher-level strategic decisions, as and when problems arise requiring action; and (v) commissioning external evaluation actions.

10.4.2 Livelihood Restoration Working Group Responsibilities

The LRWG, including the Monitoring and Evaluation Coordinator, will be the key driver for monitoring and evaluation actions go. The LRWG must review all monitoring and evaluation deliverables as these are submitted. They will instruct the implementation of recommended corrective actions, as required. When necessary the LRWG must refer monitoring matters to the LR Steering Committee, either for information or for decision-making as the need may be. The LRWG will be guided in these matters by the Monitoring and Evaluation Coordinator.

10.4.3 Program Delivery Team

The Program Delivery Team will be responsible for complying with the plan and gathering the required data in a timely manner and submitting reports in the agreed format. This information will be used to generate monitoring reports that will be distributed to the Working Group, Steering Committee and external evaluator.

10.4.4 Other

Eni Ghana recognises the role of external stakeholders in the livelihoods restoration process. The role has been included in the LRP governance through involvement of an NGO as part of the LRSC. In addition, eni Ghana recognises that NGOs and academics may be interested to independently track the performance of the process in their own capacity. The Stakeholder Engagement Plan will be updated on a regular basis and recognise any external stakeholders that contact them. Mechanisms such as their participation as ad hoc observers in the LRSC will be put in place to share information with them, as appropriate for the purpose/ interest group. It is eni Ghana intention to keep this process open and transparent.

11 BUDGET, COSTS AND SCHEDULE

11.1 INTRODUCTION

This chapter provides a rationale for the structuring, management and control of the OCTP Block Phase 2 LRP budget and costs regarding the planning, management and implementation phases. eni Ghana on behalf of the JV is responsible for the funding of the LRP. The section also provides a consolidated schedule of the key LRP implementation activities.

11.2 BUDGET AND COSTS

11.2.1 Rationale

LRP budgeting and costing processes are complex and multifaceted. It requires the translation of numerous Project components and compensation and livelihood restoration options into a single and integrated LRP budget and cost control system. The budget presented therefore represents a reasonable estimate of the funds that will be expended on the LRP.

The rationale behind the structuring and control of a LRP budget and cost control system is to ensure that costs incurred contribute towards achieving the livelihood restoration objectives as stipulated in the LRP and that risks associated with LRP implementation be minimised by linking expenditure to the achievement of clear LRP objectives.

In other words the system must create a risk adverse, cost control environment that ensures actual costs incurred are tracked consistently during implementation.

11.2.2 Background and Structure

Table 11.1 provides a summary of the LRP budget including land acquisition and compensation for loss of assets as well as livelihood restoration activities. The budget line items are organised in capital cost items, operational cost items and contingencies.

Table 11.2 then provides a detailed overview of the multiyear livelihood restoration program budget.

Table 11.1 Overall LRP Implementation Budget[25]

Item Description	Sub-total (US$ Million)
Capital Budget	
Compensation to Sanzule Stool for loss of agricultural land	0.6
Compensation to land affected farmers for loss of crops	0.9
Compensation to land affected farmers for loss of other assets (non-residential structures, fish and animal farms and hand dug wells)	0.002
Livelihood restoration programs, transitional support, financial management training, compliance monitoring and evaluation*	2.2
Sub-Total	*3.702*
Operational Budget	
Project management and development support (5 years)	2
Legal support	0.15
Database implementation	0.1
Process (internal) monitoring	0.09
Compliance monitoring and evaluation (external) of LRP implementation process	0.18
Sub- Total	2.52
TOTAL	**6.222**

(*) Detailed budget for livelihood restoration program is provided in Table 11.2 below.

Table 11.2 Multiyear Livelihood Restoration Program Budget in US$ million

Projects	Years					TOTAL (US$ million)
	2016	**2017**	**2018**	**2019**	**2020**	
Transitional Support	0.084	0.04	0.04	0.00	0.00	0.16
Financial Management Training	0.04	0.04	0.00	0.00	0.00	0.07
LR Option 1A: Continuous Agricultural Cropping	0.05	0.12	0.11	0.05	0.02	0.35
LR Option 2: Livestock	0.13	0.13	0.03	0.02	0.02	0.32
LR Option 3: Aquaculture and Fish Breeding	0.05	0.15	0.03	0.01	0.01	0.25
LR Option 4: Value Adding and Processing	0.04	0.17	0.13	0.04	0.04	0.42
LR Option 5: Vocational (In Situ) Training	0.07	0.22	0.07	0.00	0.00	0.37
Water Boreholes	0.24	0.00	0.00	0.00	0.00	0.24
External audit (third party evaluation)	0.00	0.00	0.03	0.00	0.03	0.06
Total	**0.7**	**0.9**	**0.4**	**0.1**	**0.1**	**2.2**

[25] The budget presented in this section represents a reasonable estimate of the funds that will be expended on the LRP and might be updated before final disclosure.

11.3 Overall Implementation Schedule

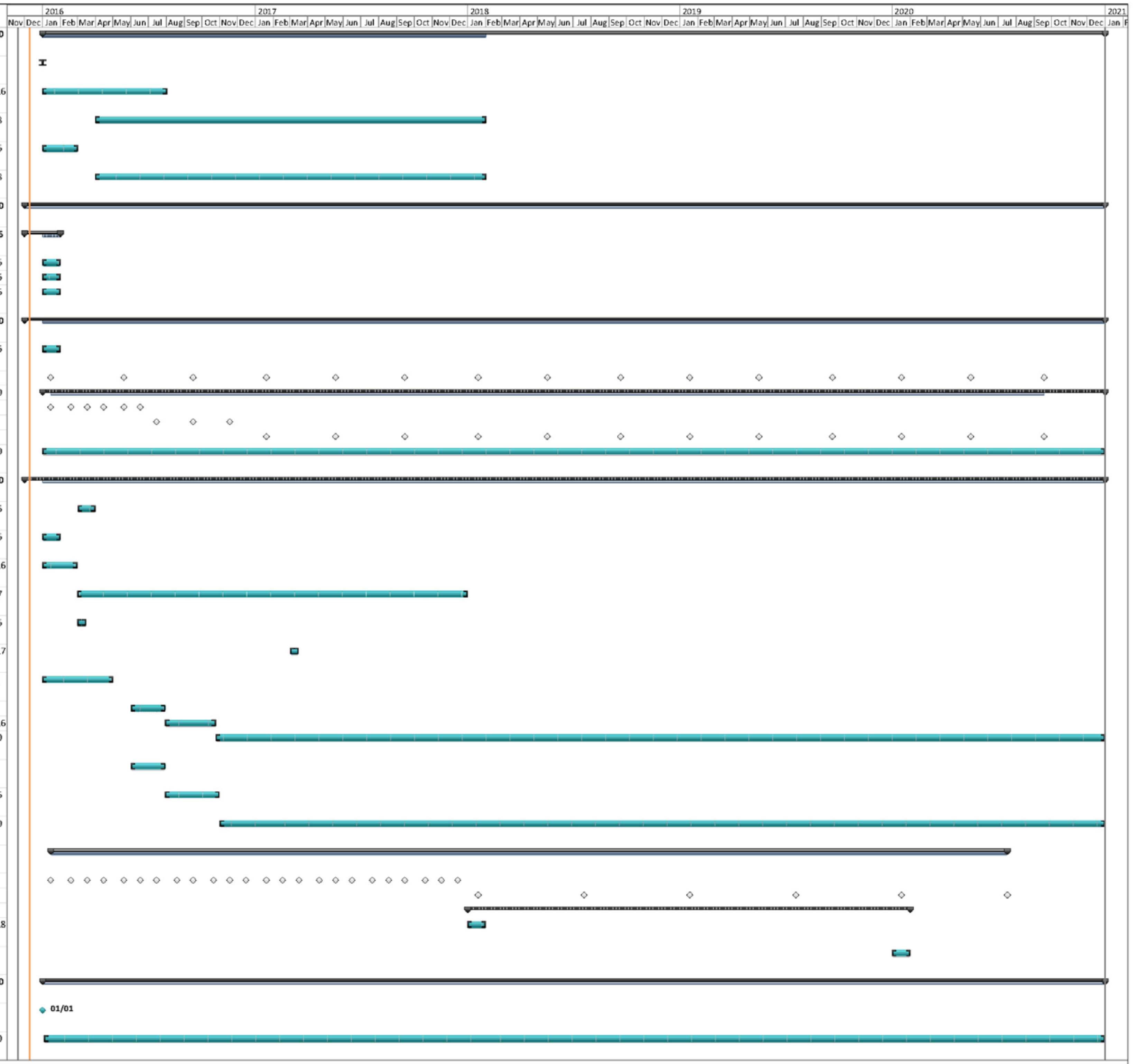
Figure 11.1 presents the indicative LRP implementation schedule, summarising the implementation actions presented in Section 8, Section 9 and Section 10.

The LR Programme will prioritise the implementation of transitional support and financial management training. Due to tight procurement procedures and due diligence requirements, the livelihood options may not commence until the third quarter of 2016. However efforts will be made to speed up the procurement process to commence sooner if possible.

Due to the time it may take to implement livelihood options, the transitional support schedule will be flexible. While the aim is to end transitional support by the end of two years, this is only an indicative timeframe and will be dependent on the time required for households to re-establish livelihoods. Transitional support will therefore be continued for as long as necessary and may go beyond the time indicated in Figure 11.1. Transitional support will be in place for each household for as long as it takes for them to have the opportunity to restore their livelihoods.

Figure 11.1 Overall Implementation Time Schedule

ID	Task Name	Duration	Start	Finish
1	**OCTP Phase 2 Develoopment Project**	**1305 days**	**Fri 01/01/16**	**Thu 31/12/20**
2	Land take of ORF	1 day	Fri 01/01/16	Fri 01/01/16
3	Early Works Onshore Receiving Facility	152 days	Fri 01/01/16	Mon 01/08/16
4	Construction of the Onshore Receiving Facility	480 days	Fri 01/04/16	Thu 01/02/18
5	Construction of the heliport	43 days	Fri 01/01/16	Tue 01/03/16
6	Construction of the accommodation camp	480 days	Fri 01/04/16	Thu 01/02/18
7	**Livelihood Restoration Program**	**1328 days**	**Tue 01/12/15**	**Thu 31/12/20**
8	**LRP Resources and Recruitment**	**45 days**	**Tue 01/12/15**	**Sun 31/01/16**
9	Recruitment of LRP Management Functions	22 days	Fri 01/01/16	Sun 31/01/16
10	Recruitment of LRP Operational Functions	22 days	Fri 01/01/16	Sun 31/01/16
11	Recruitment of Programme Delivery Team	22 days	Fri 01/01/16	Sun 31/01/16
12	**LRP Institutional Framework**	**1328 days**	**Tue 01/12/15**	**Thu 31/12/20**
13	Establish LR Steering Committee and LR Working Group	22 days	Fri 01/01/16	Sun 31/01/16
14	LR Stering Commitee meetings	1220 days	Fri 15/01/16	Fri 18/09/20
30	LR Working Group meetings	1305 days	Fri 01/01/16	Thu 31/12/20
31	LRWG internal meetings (first 6 months of the first year)	110 days	Fri 15/01/16	Fri 17/06/16
38	LRWG internal meetings (next 6 months of the first year)	90 days	Fri 15/07/16	Fri 18/11/16
42	LRWG internal meetings (following months after first year)	955 days	Fri 20/01/17	Fri 18/09/20
55	Administer Grievance Mechanism	1305 days	Fri 01/01/16	Thu 31/12/20
56	**LR Programme Implementation**	**1328 days**	**Tue 01/12/15**	**Thu 31/12/20**
57	Engagement with individual HHs on LR options to assist in choices	22 days	Wed 02/03/16	Thu 31/03/16
58	Households register for transitional support	22 days	Fri 01/01/16	Sun 31/01/16
59	Procure services transitional support and financial management training	42 days	Fri 01/01/16	Mon 29/02/16
60	Implement transitional support	480 days	Tue 01/03/16	Sun 31/12/17
61	Implement financial management training (First Session)	11 days	Tue 01/03/16	Tue 15/03/16
62	Implement financial management training (Second Session)	10 days	Thu 02/03/17	Wed 15/03/17
63	Engage MOFA on livelihoods options and opportunities for partnership	87 days	Fri 01/01/16	Sat 30/04/16
64	Procure services of primary production implementing agencies	43 days	Wed 01/06/16	Fri 29/07/16
65	Detailed design of primary production livelihood opportunities	62 days	Sat 30/07/16	Mon 24/10/16
66	Implement primary production livelihood options	1093 days	Tue 25/10/16	Thu 31/12/20
67	Procure services of value adding and training implementing agencies	43 days	Wed 01/06/16	Fri 29/07/16
68	Detailed design of value adding and training options	67 days	Sat 30/07/16	Sun 30/10/16
69	Implement value adding and training options	1088 days	Tue 01/11/16	Thu 31/12/20
70	**Internal performance monitoring**	**1175 days**	**Fri 15/01/16**	**Fri 17/07/20**
71	Internal performance monitoring (first 2 years)	500 days	Fri 15/01/16	Fri 15/12/17
96	Internal performance monitoring (following three years)	650 days	Fri 19/01/18	Fri 17/07/20
103	**External monitoring and evaluation**	**545 days**	**Mon 01/01/18**	**Fri 31/01/20**
104	Interim audit	23 days	Mon 01/01/18	Wed 31/01/18
105	Completion audit	23 days	Wed 01/01/20	Fri 31/01/20
106	**Stakeholder Engagement**	**1305 days**	**Fri 01/01/16**	**Thu 31/12/20**
107	LRP disclosure	0 days	Fri 01/01/16	Fri 01/01/16
108	Ongoing stakeholder engagement for LR	1304 days	Mon 04/01/16	Thu 31/12/20



Project: Livelihood Restoration Pl
Date: Thu 10/12/15

Task | Split | Milestone | Summary | Project Summary | External Tasks | External Milestone | Inactive Task | Inactive Milestone | Inactive Summary | Manual Task | Duration-only | Manual Summary Rollup | Manual Summary | Start-only | Finish-only | Progress

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