Esso Exploration & Production Chad Inc.

Village Impact Quarterly Report

Land Use Mitigation Action Plan

Third Quarter 2012

Prepared by the EMP Department
November 2012

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List of Acronyms & Terms Used in this Report

BBS	Basic Business Skills Training
CRCP	Chad Resettlement and Compensation Plan
CdM	Household Chief (Chef de Ménage)
EEPCI	Esso Exploration & Production Chad Inc (the Project)
Eligible	Generic term to designate an individual that may be eligible to the EMP Resettlement Program.
EMP	Environmental Management Plan
EMP-IS	EMP Information System: manages Land Acquisition, Socioeconomic and Land return data.
ECMG	External Compliance Monitoring Group
HH	Household
HHH	Head of Household
HHM	Household Member. Include the CdM and all it dependents, regardless their age.
IFC	International Finance Corporation
IAT	Improved Agriculture Training
LCC	Local Community Contact
MARP	Participatory Rural Assessment process
NGO	Non-Governmental Organization
Potential Eligible	Individual that may be eligible to the EMP Resettlement Program. Analysis must be completed.
Project Footprint	Total area occupied by the project at a given time (e.g. Compensated but not returned land)
True Eligible	Individual eligible to the EMP Resettlement Program.
VLUS	Village Land Use Survey previously called Cadastral survey. Refer to the measurement of every field, fallow & house of households.
WBG	World Bank Group
EFC	Eligibility Factor Class
V Process	V Process refers to the monitoring of each interaction with an individual. Under this acronym the VX refers to the version of the survey for the specific individual. For example the V2 would refer to the data relating to the second survey for the individual. As a new survey takes place with each interaction/land transaction between individuals and EEPCI we thus have the basis of a continuous monitoring process.

Executive Summary

The Quarterly Village Report provides information to Esso Exploration & Production Chad Inc (EEPCI) management and the International Finance Corporation (IFC) on the progress made in calculating, analyzing and reducing the EEPCI Oil Project land use impact on villages and households.

Tracking and analysis of land use impact is the purpose of Village Impact Classification and the "Watch List". The classification follows the movement of a village from one category to another in order to judge the effectiveness of Environmental Management Plan (EMP) Chad Resettlement and Compensation Plan's (CRCP) implementing procedures (e.g. the Land Management Manual) and the system improvements made through the Land Use Mitigation Action Plan (LUMAP) or to signal when ongoing Project land take requires the Project to review the situation and adjust plans as per the Environmental Management Plan (EMP) principles.

The village impact classification (high, approaching high, medium and low) is also used to:

- Improve the targeting of mitigation activities by more clearly defining an OFDA village's specific problems.
- Determine eligibility (actual versus estimated land acquisition) for Supplemental Community Compensation.

The Third Quarter 2012 (3Q12) Village Impact summary:

- **3** High impact villages (Poutouguem, Danmadja and Missimadji)
- **6** approaching high villages
- **6** moderate impact villages
- **14** low impact villages

Only Ndoheuri changed classification during this quarter moving from a low to a moderate impact situation. This also resulted in Ndoheuri being selected for a supplemental Community Compensation following completion of a Site Specific Plan (SSP).

Five villages saw an increase in the Project's footprint (table 2). The village which saw the biggest increase was Maïnani with an increase of 7.5 ha. It must be noted that the Project's overall footprint was **reduced** by slightly more than 186 ha during the 3Q12.

The primary accomplishments of 3Q12 are:

EMP and EMP-IS

- Implemented, , a new strategy to accelerate the return of flow-lines through a bundling process addressing in this way, EEPCI's will to accelerate the reduction of our footprint and to a large extent the fragmentation issue. Over this quarter 173.1 ha of land associated to flow lines was returned to communities.
- Continue the follow up of households impacted by the project, using improved impact survey process.
- Continue Land Return Survey process for parcels returned in 2011. 88.5% of surveys were completed by the end of this quarter, 192 surveys out of the 217 to be done in 2012.
- Continue revision of land management manual.

Resettlement Program

- Held a workshop in order to review the performance of the Basic Literacy Program in 2011.
- 29 eligibles continuing with the rainy season portion of their training program.
- 29 eligibles received rainy season equipment complement
- All 90 members of the 2011 promotion embarked in the second year of the Improved Agricultural Training Program.
- Implemented the new Livelihood Restoration Monitoring survey program, developed and tested by ISM-Consult. This process is based on a series of interviews used to identify the reinforcement process most appropriate for the previously trained eligibles, which are deemed to be at risk.
- Completed analysis of the monitoring survey for 50 previously trained eligibles.(section 2.2)

- Completed analysis of the monitoring survey with the 29 eligible from the 2012 promotion in order to establish a baseline. This base baseline will serve as a reference point against which the results of the post training monitoring will be compared. (section 2.3)

Community Compensation and Supplemental Community Compensation Program
- Missimadji Flour mill construction completed. (section 3.1)
- Completed the preparation of a SSP for the village of Ndoheuri, on the basis of the data collected in the cadastral survey completed during the previous quarter.
- Construction of supplemental community project of Dokaidilti, 3.19 out of 14.3 hectare planted as part of a two year support initiative to implement strategy. (section 3.2)

Interaction with World Bank
- Completed and published Q2-2012 Village Impact report.
- Started preparation of evidence book for 2012 ECMG/IFC, mission expected to take place during Q4-2012.

Work Plan for Fourth Quarter 2012(4Q12)
- Completed implementation of reinforcement process with 18 identified eligibles and complete interview process with 45 other at-risk individuals. (section 3.3)
- Complete rainy season portion of the IAT program with the 2012 promotion.
- Procurement of dry season equipment complement for 2012 promotion.
- Complete Land Return Survey process.
- Continue to move forward with accelerated land return process (Flow Line Project). Achieve by the end of 2012 reduction in footprint of at least 200 ha for 6 oil fields of OFDA as presented in this report.
- Finalize evidence book for and support ECMG's fall mission.
- Finalize the revision of the Land Management Manual (revision 8).
- Hold public consultation (Mini-MARP) in Ndoheuri in order to select Supplemental Community Compensation item.
- Build or establish required infrastructure as per choice made by population of Ndoheuri.
- Finalize list of eligibles to be resettled in 2013
- Hold steps of reflection with selected eligible in order for them to make a choice as to their resettlement option of choice.
- Finalize list of eligibles to receive reinforcement in 2013
- Launch construction of Bero III's Supplemental Community Compensation Project
- Complete base line study with 21 eligibles of 2013 promotion

1.0   Village Classification

The village classification is calculated using land use (area of temporary and permanent take) and two socioeconomic criteria (see annex 2 for details). Each criterion classifies a village into one of four categories: High, Approaching High, Moderate and Low. It should be noted that the socio-economic criterion made possible by investigation using the Village Land Use Survey (VLUS) methodology provides a more direct measure of impact, and that this information is continuously upgraded using the data collected through the Impact and Land return Surveys. This process measures land holdings per capita and the number of currently non-viable individuals among the total population of the village. For villages where the survey is not completed or is not being implemented, we have had to rely on declarative data collected during land compensation in past years; therefore the criterion becomes individuals made non-viable by Project compared to the population of the village.

Table 1 : Village Classification Last Quarter

Categories	Villages – 3Q12	Villages - 2Q12
High	• **Poutouguem** • **Danmadja** • **Missimadji**	• **Poutouguem** • **Danmadja** • **Missimadji**
Approaching High (Watch List)	• **Bero** • **Dokaïdilti** • **Ngalaba** • **Bela** • **Dildo-Bayande** • **Maïkéri**	• **Bero** • **Dokaïdilti** • **Ngalaba** • **Bela** • **Dildo-Bayande** • **Maïkéri**
Moderate	• **Madjo** • **Mbanga** • Maïnani • Madana Nadpeur • **Begada** • **Ndoheuri**	• **Madjo** • **Mbanga** • Maïnani • Madana Nadpeur • **Begada**
Low	• Kaïrati • Bendo • **Mouarom** • Meurmeouel • Kome • Ndolobe • Miandoum • Morkete • Naïkam • Maïmbaye • Koutou Nya	• Ndoheuri • Kaïrati • Bendo • **Mouarom** • Meurmeouel • Kome • Ndolobe • Miandoum • Morkete • Naïkam • Maïmbaye • Koutou Nya
Low (Declared low through other processes)*	• Bedara* • Bekia 2 • Bekia 3	• Bedara* • Bekia 2 • Bekia 3

Villages in bold have a Site Specific Plan (SSP).

* Villages added to the list may have received Community Compensation but may not have lost land to the Project. When the resident of a village is impacted by the Project even if impacted field is located in another village the village of residence is automatically classified as being in the low impact category and receives the corresponding Community Compensation.

It should be noted that Ndoheuri has moved up in the village classification ranking from a low impact to a moderate impact village. This increase in ranking is a reflection of an increase in the Project's footprint in this community. A Site Specific Plan (SSP) was completed in order to evaluate

the consequences of the increase in the project's footprint and to identify appropriate mediation measures. This community was thus selected to receive a Supplemental Community Compensation.

As per the LUMAP, Site Specific Plans (SSP) were developed for the most impacted villages (13 villages). Villages for which an SSP was prepared are presented in bold in Table 1 (page 6). In all villages where SSPs were completed and fully implemented (11 villages), only low residual impacts remain.

Site specific plans (SSPs)have been fully implemented in all but two (2) communities. For two of the villages concerned with this process (Ndoheuri and Bero 3) the construction of the selected community compensation item in Ndoheuri and Bero III should start during the fourth quarter of 2012.

1.1   Land Use Criteria and Trends

From a land use perspective the criterion is the area of the village affected by the project, note that some villages can pass from High to Moderate or Moderate to Low as temporary land is returned, or move up as land is acquired.

As shown in figure 1, the footprint of permanently and still temporarily occupied acquired land (in the six fields of the OFDA) was **reduced** by almost 190 ha, or 7 %, during the 3Q12. The footprint as it stood on September 30th 2012 was the lowest it has been in almost 4 years, (late 2008).

Figure 1 : Land Use Status on the 6 fields impacted villages
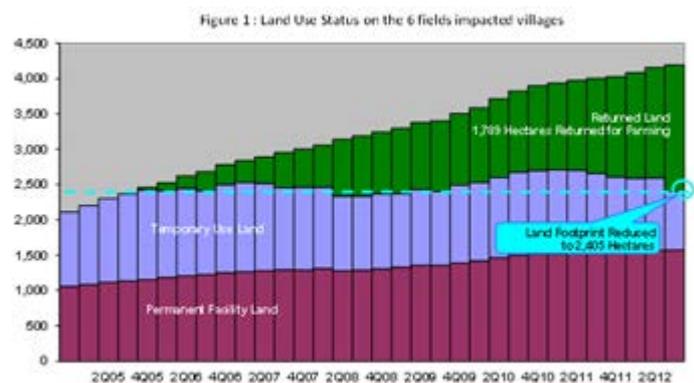
The land returned is not the only factor that counterbalances the new land take. The second factor is due to the fact that many of the new facilities being established are in areas previously occupied by the project. An area already compensated for an initial facility is simply reused for the new well, if it has not yet been returned, without requiring much additional land acquisition. Using the fault block approach in reclaiming land i.e. postponing reclamation until the work in the fault block has been completed, reduces the risk of wasting top soil by re-acquiring newly reclaimed land. Top soil in certains parts of the OFDA and elsewhere in southern Chad is a scarce resource.

The calculation of additional land acquired is not straightforward as new facilities are now overlapping old facilities. Simple addition or subtraction would compute the same area twice to determine how much land has been acquired or returned (delta column) compared to the previous quarter.

When we consider the information presented in Table 2 we can easily note that the actual reduction in the area occupied by the Project is not only limited to the case of villages located in the three original fields (Kome, Bolobo and Miandoum) but is also a reflection of the situation of villages located in the newer development areas of the OFDA (Maikeri, Timbre and Nya oil fields).

During the third quarter of 2012, 14 villages saw an actual reduction in the Project's footprint on their territory, 6 saw no change and 5 villages were affected by an increase of the Project's footprint. Of these five villages only two were affected by significant increases of the Project's footprint. Maïnani was affected by an increase in the Project's footprint of 7.5 ha, and consequently the area occupied by the project at present is the peak land use in this village (due to 2 new long gas flowlines). The second of these two villages Ndoheuri saw an increase in the project's footprint of

4.5 ha. In the case of this later village, this resulted in the village being reclassified from the low impact to the moderate impact category.

The fact that the Project's impact, in terms of land take, during this quarter was mainly focused on few villages does reflect the reality associated with the in-fill process. In the case of Danmadja the net footprint growth of 8.9 ha, during the second quarter, was more than compensated by the return of more than 16.4 ha, during the third quarter, reflecting the return of temporary land taken earlier in addition to the effect of the acceleration of the return of land associated with flow lines. In addition to Danmadja a dozen communities benefited from the positive effect of the new land return process implemented in June. This new process resulted in the return of 173.1 ha in addition to the return of 36.7 ha through normal processes or a grand total of 209.8 ha of land being returned during the quarter.

Table 2: Land Use by Village in OFDA.

Village	Total area (ha)	Maximum land use (ha)	Land use Q2 2012		Land use Q3 2012		Delta
			%	(ha)	%	(ha)	(ha)
Missimadji	181	60	11.4%	20.7	11.4%	20.7	0
Danmadja	480	69.6	14.5%	69.6	11.1%	53.2	-16.4
Ngalaba	2120	330	11.8%	249.1	11.1%	235.3	-13.8
Béro	5713	664.6	10.8%	618.8	10.7%	609.9	-8.9
Dildo-Bayande	1890	203	9.5%	179.5	9.5%	180	0.5
Mouarom	1350	159	10.5%	141.7	9.1%	122.7	-19
Dokaïdilti	689	157	10.4%	71.5	9.1%	62.7	-8.8
Béla	2200	225	8.9%	195.9	8.3%	183.3	-12.6
Maïkéri	1245	112.8	8.5%	106.1	8.3%	103	-3.1
Poutouguem	562	62	8.3%	46.8	8.3%	46.8	0
Bégada	3272	348	9.2%	300.8	7.8%	256.1	-44.7
Maïnani	1386	90	6.0%	82.5	6.5%	90	7.5
Mbanga	3044	253	6.7%	203.2	5.7%	174.3	-28.9
Madjo	2138	148.8	6.0%	127.4	5.0%	106.9	-20.5
Ndoheuri	812	37.1	2.9%	23.4	3.4%	27.9	4.5
Madana Nadpeur	295	17.3	5.9%	17.3	3.1%	9	-8.3
Kaïrati	187	6	2.9%	5.4	2.9%	5.4	0
Meurmeouel	1128	22	1.9%	21.5	1.3%	14.2	-7.3
Miandoum	4061	62	1.5%	59.6	1.3%	53.1	-6.5
Naïkam	1445	28	1.1%	16	1.3%	18.3	2.3
Komé Ndolobe	2441	81	1.0%	23.9	0.9%	21.7	-2.2
Bendo	761	17	0.9%	6.9	0.9%	7	0.1
Koutou Nya	1818	9.4	0.5%	9.4	0.5%	9.4	0
Mainbaye	420	1.3	0.3%	1.3	0.3%	1.3	0
Morkété	440	7	0.1%	0.5	0.1%	0.5	0
Total	40078		6.5%	2598.8	6.0%	2412.7	-186.1

* Land use = permanent + temporary not returned

   OFDA = Concessions of Kome, Timbre, Bolobo, Miandoum, Maïkeri and Nya

As the Impact and Land-Return Survey processes became fully operational, identification of the impacted land users can be calculated when or shortly after the impact has taken place (real time). Since January 2012, the Impact Survey (both land take and land return) data has been fully integrated into the system, the Project is thus able to make full use of this information at present.

If we consider the maximum land use of the Project, 22 of the 25 villages, on which such data is presented in the table 2, have known a reduction of its footprint in relation to its land use peak. It should be noted that although 5 villages have seen the project's footprint increase, during the last

quarter, the Project has, for all but one, have had more land returned over the last few years than what is presently being taken.

As the integration of impact survey data was completed, all impacted individuals who are deemed to have been made non-viable by the Project or who were already non-viable before being impacted by the Project, before November 1st 2011, have been integrated into the roster of the 2012 Resettlement Promotion, presently completing the rainy season Improved Agriculture training program.

As we forged ahead to complete the integration of the tools and processes developed under the LUMAP into the daily routine of the EMP's Socioeconomics, we have also completed an exhaustive review of the processes leading to and including the Five Steps of Reflection. This revised process will be used in the later portion of 2012. It should continue to further integrate all of the EMP team members involved in the process such as the Local Community Contacts (LCC), the Socio-economic Monitors and Coordinators, EMP IS System Administrators and Database Specialists, the survey teams (Synergy, Impact, Fragmentation and Land Return), Socioeconomic Advisor, and EMP Socioeconomics Supervisors and the resettlement and community compensation contractor management firm (ISM Consult). In doing so our goal is and continues to be to further enhance the interconnection between the various players and ultimately improve relations with the communities and eligible individuals to seamlessly deliver the Five Steps of Reflection Process sustainably over time.

1.2   Compensated and Returned Land by Land Use Type

This section presents the compensated and returned areas. Table 3 shows the current portion of each Land Use Type out of the total Compensated Land. The "Returned" column shows the number of hectares returned (on the left) and the percentage of returned area out of the total compensated area (on the right), for each land use type. It should be noted that this data covers all of the land requirements in Kome, Bolobo, Miandoum, Maikeri, Nya and Timbre oil fields.

As was presented in Table 2 (page 8) the data presented below (Table 3 on page 11) confirms that land returned more than compensated for new land take with a net footprint decrease over the quarter. During the last quarter 30.7 ha of land was compensated for, by the Project, while 219.8 ha were returned to the communities. Overall, this resulted in 189.1 ha of net land return during this period.

Most (67%) of the land compensated during the Third quarter was for temporary use and should be returned in the fall as soon as weather conditions make rehabilitation possible. It must be noted that land returned in the temporary category (210.4 ha) exceeded new temporary land take (20.7), by more than ten folds. The Project actually had a net reduction in its temporary land use of 189.7 ha during the quarter. A number of initiatives started during this quarter in order to accelerate the return of land associated with underground facilities (mainly flow lines). As 729.5 ha are still to be returned in the temporary category, returning but a portion of this area would have a significant impact on the project's footprint.

Table 3: Compensated and Returned Land by Land Use and Facility Type

Land use type	Total area (hectares)			3Q12 (hectares)	
	Compensated	Returned		Compensated	Returned
Sub-Total - Permanent with public access-	719.6	46.2	6 %	4.5	6.2
Sub-Total – Permanent with no Public access	1004.5	106.1	11 %	5.5	3.2
Sub-Total Permanent	**1724.1**	**152.3**	**9 %**	**10.0**	**9.4**
Borrow Pit	544.7	448.5	82%	-1.2	26.9
Others	28.5	20.8	73%	2.8	3.4
Sub-Total – Temporary returned without restriction	**573.2**	**469.3**	**82%**	**1.6**	**30.3**
Underground facility	1021.9	594.1	58%	16.6	173.1
OHL	328.6	80.3	24%	-0.3	0.1
Well Pad	546.2	492.8	90%	2.9	6.9
Sub-Total – Temporary returned with restriction	**1896.7**	**1167.2**	**62%**	**19.1**	**180.1**
Sub-Total Temporary	**2469.9**	**1636.5**	**66%**	**20.7**	**210.4**
Grand Total	**4194.0**	**1788.8**	**43%**	**30.7**	**219.8**

- The column "total areas in hectares: compensated" shows the total area compensated since the project started up to the end of the quarter covered in this report.
- "Total areas in hectares: returned" shows the total area returned since the project started up to the end of the quarter covered in this report.
- "1Q2011: Compensated" shows the total hectares compensated during the quarter covered in this report.
- "1Q2011: Returned" shows the total hectares returned during the quarter covered in this report.
- 6 fields = Kome, Bolobo, Miandoum, Maikeri, Nya and Timbre
- Negative numbers indicate corrections to the data.

1.3 Socio-economic Criteria

Village level impact depends both on absolute amounts of land taken or returned and the way in which land resources are allocated within the village. In some villages, people depend mainly on farming for their livelihood. In others, a portion of the inhabitants depend on fishing as well as farming; fishing families in these villages often have (and need) less farmland than in inland villages and may already be below the general threshold of agricultural viability (2/3 cordes per HHM). Others are recently established households who will progressively gain access to land from their family land trust. These households may appear to be non-viable or marginal while in reality they are simply in a transitional phase.

Attributing all non-viable household to Project land acquisition in these villages would overstate the Project's impact.

To distinguish between these two types of situations, the social criteria using compensation database information were initially set according to 1) the number of people already non-viable before they were impacted by the project and 2) those that were made non-viable when they lost land to the project.

Completed village land surveys have demonstrated that the declarative data used to calculate non-viability often overstated the number of people dependent on the household's land and understated the amount of land available. Therefore the number of non-viable households found through a village survey presents a more accurate picture of Project impact.

Such data was not available when the Land Use Impact list was first calculated but now, as measured data has become available for most villages, the pre-Project non-viability criterion has been dropped. When the survey is complete and village is open to reclassification only the current but accurate criterion of currently non-viable HH (compensated and not compensated) has been used.

While no better tool, than the declarative surveys, is available for the villages presented in Table 4, it must be noted that excessive reliance on this data could lead the reader to some interpretation errors. Please note that the villages in this table are those where no Village Land Use Survey (VLUS) has been performed

The number of non-viable households below 2/3 cordes of land per HHM is much more reliable in villages with complete VLUS data given the higher level of accuracy and the fact that the whole village is surveyed versus only Project affected households.

Table 5, presents the data originating from the VLUS and now incorporates the information from the impact and land return surveys. You will note that following the completion of a cadastral survey in Ndoheuri between March and May it has been removed from table 4 to be incorporated in table 5. In view of this new data we can confirm that Ndoheuri is considered to be a low impact village on the basis of the proportion of at risk individuals affected by the project while it is now considered to be a moderately impacted village from a land use point of view.

The proportion of Bero's, Bela's, Begada's and Mbanga's populations made up of non-viable project affected individuals went down slightly during the third quarter. While changes that occur may sometimes appear to be fairly significant they often result from an interaction between the Project and one or a limited number household made non-viable through land take or made viable through the return of some land. This reflects the ability to monitor the status of project affected household in the OFDA in real time. It must be noted that while returned land is removed from the Project's footprint immediately upon signing of the Quitus, it is only added to a household's land basket during the following production season. This ensures that we can confirm that the land has effectively been put back into production and who has profited from the land return.

Table 4: Percentage of Individuals Made Non-viable by Project Land Take According to the <u>Declarative</u> Database

Total non-viable individuals today	Value Now	Made non-viable by project	Value Now
Kaïrati	17.2	Madana Nadpeur	1.4
Madana Nadpeur	16.3	Merméouel	1.0
Koutou Nya	13.9	Miandoum	0.6
Miandoum	7.3	Kaïrati	0.0
Bendo	4.1	Koutou Nya	0.0
Merméouel	2.7	Bendo	0.0
Benguirakol	2.6	Benguirakol	0.0
Maïmbaye	2.1	Maïmbaye	0.0
Morkété	N/A	Morkété	N/A

Table 5: Percentage of Individuals Made Non-viable by Project Land Take According to the <u>VLUS and Impact</u> Databases

Village	Non-Viable project affected individuals
Poutouguem	17.5 %
Danmadja	15.7 %
Dokaïdilti	13.5 %
Madjo	11.1 %
Béro	10.6 %
Missimadji	10.3 %
Ngalaba	8.6 %
Dildo-Bayande	5.0 %
Béla	4.8 %
Ndoheuri	4.3 %
Mouarom	3.9 %
Bégada	3.2 %
Mbanga	2.7 %
Maikeri	2.6 %
Komé Ndolobe	2.2 %
Maïnani	1.2 %
Naikam	0.0 %

2. Socioeconomic monitoring

2.1. Village Surveys

Table 6: Total Number of HH Survey by Village

Village	Cadastral survey completed	Impact Survey completed		Land return survey completed		Monitoring Surveys completed total	Total HH Survey completed
		Q3-2012	Total	Q3-2012	Total		
Bégada	263	6	196	17	154	13	626
Béla	145	29	111	8	43	6	305
Bero	602	32	252	31	127	53	1034
Danmadja	102	10	77	10	51	27	257
Dildo-Bayande	276	1	35	0	7	23	341
Dokaïdilti	85	0	9	0	0	12	106
Komé	200	0	3	0	0	0	203
Madjo	131	0	73	0	66	22	292
Maikeri	141	2	64	0	19	4	228
Maïnani	112	4	25	1	10	6	153
Mbanga	270	5	202	21	47	24	543
Missimadji	24	0	4	0	1	6	35
Mouarom	85	0	15	2	25	3	128
Naikam	54	0	2	0	1	0	57
Ndoheuri	95	0	0	0	0	1	96
Ngalaba	251	1	153	7	54	36	494
Poutouguem	61	0	31	0	25	0	117
Other villages	11	0	0	0	0	103	114
Total	**2908**	**90**	**1252**	**97**	**630**	**339**	**5129**

The objective is to use the data generated by these various surveys and investigations to track each community and household over time. Ensuring that the specific impact, whether they be a land take or a land return, are accounted for and that the Resettlement option selected achieved its livelihood restoration goal. Integrating all of this information will allow tracking the communities over time ensuring that each community and individual HHH receives the kind of support which is best suited to his/her situation as well as process and performance indicators regarding the effectiveness of the Chad Resettlement and Compensation Plan (CRCP) implementing procedures.

Impact surveys: The Project is now surveying impacted HHs and integrating this information into the EMP IS on a real time basis. 90 new surveys were completed and integrated during this quarter. Most of these surveys were related to the villages of Bero, Bela and Danmadja. In the case of Bela there appears to be a discrepancy between the fact that no new land was taken (land return of 12.6 ha) while of 29 impact surveys were completed. This situation, which is not uncommon, arises because of the following phenomenon:

- Although the project is now operating in real time, surveying impacted individuals shortly after the land take, there may still be situations were up to three weeks may elapse between

the land take and the survey. In the case of Bela most of the land take took place in late June, too late for surveys to be completed within the second quarter.

Land Return: As is the case for the impact surveys the land surveys are presently being done in real time. 97 Land Return surveys were completed during the quarter. Most of the surveys were related to land return activities in the villages of Begada, Bero, and Mbanga.

2.2 Monitoring process of 2012.

Over the first two quarters of 2012, 45 previously trained resettlement eligible candidates were surveyed. The objective of this process was to determine the extent to which the resettlement training option they chose was successful in helping them restore their livelihood to pre-impact level. Two main groups of individuals were targeted for this survey:

1. The first group is made up of impacted land users who had been deemed eligible on the basis of the declarative survey previously used. As their communities were not incorporated into the VLUS process it was impossible to validate or invalidate their status. Therefore, it was decided to monitor them.
2. The second group is made up of trained individuals who were covered by the VLUS process and   identified as being non-viable or at-risk from and land agriculture point of view.

The evaluation of their level of restoration was based on their economic situation (value of the buildings owned by the HH used as a proxy), the efficiency of the training and a number of key failure factors. In general we can conclude from this work that:

Figure 2: Economic value of House (except equipment and hen house)

- **Housing value** (primary asset) among graduates is relatively high, usually higher than 800,000 FCFA. Five (5) households (11%) appear to be in a more difficult position as they have not been able to accumulate a significant amount of wealth in the form of buildings and assets. This is indicative that they either generate little surplus after meeting basic needs or that their priorities are elsewhere.

- This is a marked improvement over the survey performed in 2011 where almost 30% of households were found to be in a more difficult position on the basis of wealth accumulation.

- **Training** was generally effective in that 76% of the graduates declared having used the knowledge and skills.
- As was the case in 2011, 24 % (11 /45 graduates) are not using or using few of the skills learned indicating that a number of trainees either did not understand or retain the information presented during their training, or find certain practices difficult to implement and chose not to do so.
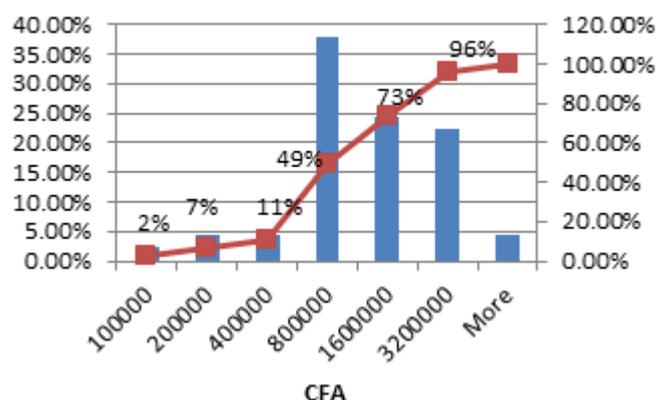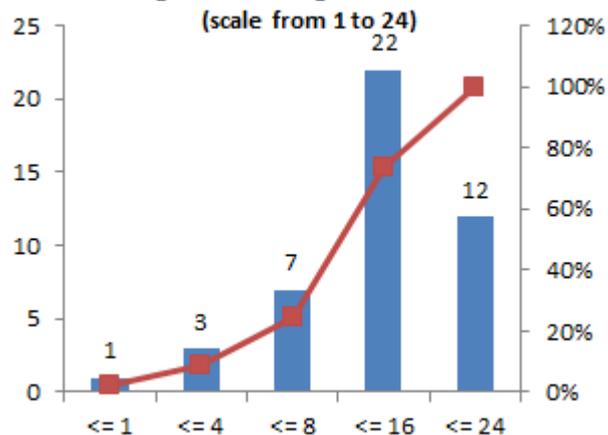

Figure 3: Training effectiveness (scale from 1 to 24)

- While 87% of monitored eligibles triggered at least one failure indicator, only 6 (13% vs. 23% in 2011) triggered two indicators, indicating that they are facing a challenge. It must nonetheless be noted that none of the trainees triggered 3 or 4 of the failure factors.
- A review of the data indicates that it is usually the same individuals who are underperforming under the three indicators previously described.

Over the next few months we will:

- Through a more open ended surveying process, identify those (out of the 11 previously identified) who could benefit from further support and customized solutions which present the best likelihood of enhancing their livelihood.
- Identify key success factors/indicators to be brought forth in order for the proposed individualized solutions to have the required impact.
- Evaluate performance of selected customized solutions on the basis of indicators, and adjust strategy as needed.

**Figure 4: Failure indicators (scale from 1 good to 4 bad)**
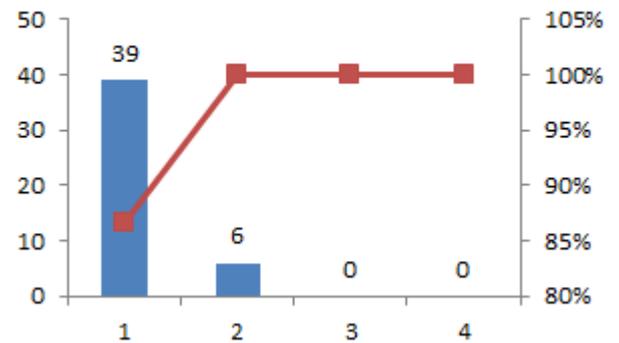
2.3 Base line survey with 2012 promotion

At the onset of 2012 a decision was made to survey the 29 eligibles making up the 2012 promotion using the monitoring survey and process. The objective of this strategy was to create a base line or take a picture of the situation of the new eligibles before they receive resettlement benefits.

While the questions that relate to the training program and its effectiveness are not relevant at this point in time, the information relating to the value of capital assets (houses and other fixed assets) is.

Figure 5: Economic value of House (except equipment and hen house)
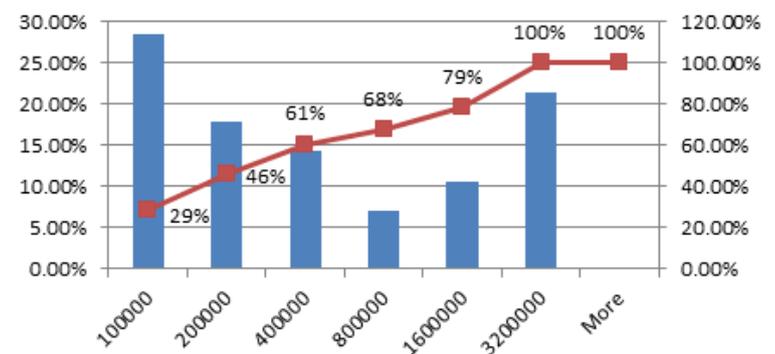
- Of the 28 that were effectively surveyed 17 or 61% appear to be in a more difficult position as they have not been able to accumulate a significant amount of wealth in the form of buildings and assets. As discussed previously this is indicative that they either generate little surplus after meeting basic needs or that their priorities are elsewhere.
- It must be noted, on the basis of this indicator, that a very large gap would appear to exist between the situation before and after training. This would suggest that the resettlement program must have a significant impact on the ability of households to generate income and invest in long term assets.

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3.0 Milestones of Q2-2012
3.1. Dokaidilti: Harvest of hope

In 2008 and following the completion of the MARP process the villagers of Dokaidilti selected a rice initiative as a supplemental community compensation project. Learning that a rice pilot project was getting underway in the OFDA with the support of EEPCI and AfricaRice they opted to postpone the establishment of their paddy fields in order to profit from the lessons learnt from this initiative. It was only in the later part of 2011 that discussions could get underway in order to finally define the outlines of the project to be implemented in their community.

The launch of the construction which took place in May 2012 was interrupted by the advent of the rainy season. During the last few months the community has worked hand in hand with Approfodel to put in production an area of about 3 hectares.

Mr. Leonard Ngarbe (vice-president of the project's management committee) expressed his happiness at the results, and while some concerns initially existed, such as soil preparation and delayed planting, the members of the management committee recognize that this project is a huge success. During a meeting held in November 2012 He stated that:

Figure 6: Mr. Nanhountangar Philemon (vice-president of the management committee)

> « We received these paddy fields; harvest will be bountiful; it was our hope; it is now a reality; it is a gift from god; thank you EEPCI! »

With the three bags of seeds they hope to produce about 60 bags of paddy or about 4.5 tons. Some of this rice will supply the seeds needed to plant the 14 hectares that will be put in production next year, the rest will be marketed. On the basis of the results from this year the villagers expect to produce about 21 tons of rice or about 290 bags in 2013. The product from this project will eventually support other development initiatives and help pay for some basic services for the community.

Figure 7: Rossolyadé Adingar, extension officer from Approfodel

Leonard recognized that such a resounding success could not have been accomplished without the support from EEPCI and from Approfodel's two advisors who have been residing in the locality and supported the community at every step of the project. Figure 7 shows Rossolyadé giving a hand with the harvest, one of the many ways in which she contributed to this successful activity.

3.2   Missimadji, a flour mill as a Supplemental Community Compensation

In early 2012 the community of Missimadji selected a multipurpose flour mill as a supplemental community compensation project. The construction of their mill was completed during the third quarter of 2012. The mill has now been successfully operating for a few months.

As is often the case with such projects the primary beneficiaries have been the women of the village. Access to a flour mill represents a huge benefit in terms of reduced work load and time savings. The production of the amount of flour needed to feed the household often required hours of backbreaking work. The flour produced by the mill is also of better quality and results in less wastage.

Figure 8: Mr. Leonard Ngarbe (vice-president of the management committee)

A secondary but no less important benefit arising from the establishment of such a collective enterprise results from the fact that the income and eventual profits it produces will help in supporting the salaries of the community based teachers who run the school that was offered to the community by EEPCI in 2006, as an initial community compensation project. Profits will also be used to expand the activities of the mill and offer new services for this community.

The mill was located next to the village's market. The selection of this site was made in order to instill a form of synergy or symbiosis between the two main commercial activities of the community. While the mill takes advantage of the market to attract more clients, the presence of the mill attracts new merchants and clients for the market. On a normal day the mill generates about 7 000 XFA in sales while this more than doubles on market day (Friday). The combination of both of these activities has created a form of development hub which could become the basis for future development.

While this initiative has had and will continue to have far ranging consequences for this community it is also proving to be an important asset from a regional point of view.   Clients come from a dozen surrounding communities to support this community enterprise; it has thus developed a fairly large market area. When asked why residents of other villages would come all the way to Missimadji, a fairly remote community, to mill their grain when in some cases they have a mill in their own or in a neighboring village he proudly answers "that it is because of the quality of the service they offer".

Figure 9: Missimadji's flour mill

In conclusion Leonard stated that they are very happy with their choice and that they would not hesitate to make the same choice if given the opportunity.

3.3   A reinforcement initiative for a vegetable producer

A number of years ago Eloi Natodjingar found himself with very little land with which to support his household. Relying on his skill as a carpenter he produced furniture from the wood donated by EEPCI and on the few assets received through the resettlement program he managed to meet his household's basic needs.   Not being satisfied with simply getting by he decided to seek better opportunities for himself and his family.

Three years ago he relocated to Madana Nadpeur to start a new life on a small parcel of land granted to him by the chief of his village of adoption. He built a small basic home with a thatch roof rented some farm land and worked without counting his hours. After 3 years of hard work, he now owns 3 cordes (two dedicated to vegetable production and one to cotton), rents 4 cordes for the production of sorghum and rents out the wagon, plow and oxen's received through the resettlement program and two more he bought with the profits of last years crop. The rental of his wagon and oxen allows him to generate about 8 bags of cereal and peanuts a major source of income and nutrients for his HH.

Following the completion of the monitoring process in 2011 he was selected to receive further support in the form of reinforcement. He opted to seek assistance in the form of a new wagon and of fencing

Figure 10: Eloi Natodjingar eligible of Madana Nadpeur

material to protect his vegetable patch. When last we visited him he was preparing his land for the 2012 vegetable season. He is confident that with the fencing and the additional support the Project provided him, he will be able to further develop is already profitable market garden operation by avoiding the partial destruction of his vegetable patch and the total loss of his vegetable seed production activities.

With the support of EEPCI through the reinforcement program he is confident that 2012 will be a truning point ensuring that he will be in a position to sustain the development of his activites and ensure the livelihood of his household. Looking toward the future he has planted 30 mango trees which will become a recurrent source of income in afew years times. He also view these trees as a form or retirement investment for the days in the future when he may not be able to work so hard.

While he has invested a large portion of his surplus cash into productive assets (mainly land and oxen's) he has also decided to improve his homestead. In late 2011, he built a new house for himself and his family. Built of baked brick with a steel roof, it ensures that his family is protected against the weather and is more confortable.

His plan for the future is to continue his diversification by developing new activities that will protect his household against the detrimental effects that a bad crop year could otherwise have. Supporting individuals such as Eloi are important in that they become examples of what can occur when one uses the leverage offered to them through EEPCI's resettlement program.

Figure 11: Eloi's Homestead

Conclusion

A number of new activities were ongoing during the Third quarter such as the 2012 rainy season Improved Agriculture Training program, delivering the reinforcement to a first group of selectees and the underground facilities (flow line, underground cable etc.) return strategy. While these activities have started to have significant positive impacts, on villagers and their communities, only time will allow us to measure their level of performance. The management of the survey information on a real time basis, one of the great achievements of 2011, continues to have great impacts on our efficiency in dealing with situations when needed.

From this report we can make the following conclusions:

1. Site Specific Plan for the village of Ndoheurie is completed.
2. Construction of the flour mill the Village of Missimadji opted for was completed. It is now fully operational.
3. In addition to some minor changes that took place in the "Village Impact Classification" only one village (Ndoheuri) changed category. This village was targeted for a Supplemental Community Compensation to be delivered during the next quarter.
4. The project continues to have important positive effects on communities and many individuals whether they are Project affected and eligible for resettlement or not.
5. A review of the BBS (Literacy) program was completed and some potential adjustment identified for implementation in 2013.
6. Data relating to 45 previously resettled eligibles was compiled and analyzed. Results indicate a dozen eligibles should potentially be targeted for reinforcement in 2013.
7. Completed analysis of the monitoring survey of the 29 eligible from the 2012 promotion in order to establish a baseline. This baseline will serve as a reference point against which the results of the post-training monitoring will be compared.
8. The results of activities associated with the accelerated return of land associated with flow lines and other underground facilities are exceeding our expectations. 173.1 hectares of such land was returned during the third quarter.
9. Land reclaimed and returned has significantly exceeded the Project land take net reduction of 189.1 ha in the projects footprint. The largest quarterly footprint reduction in the history of the project.
10. Paddy fields of Dokaidilti were established and 3 hectares of rice have been planted as a demonstration and training initiative.

Annex 1

OFDA Village Impact Map
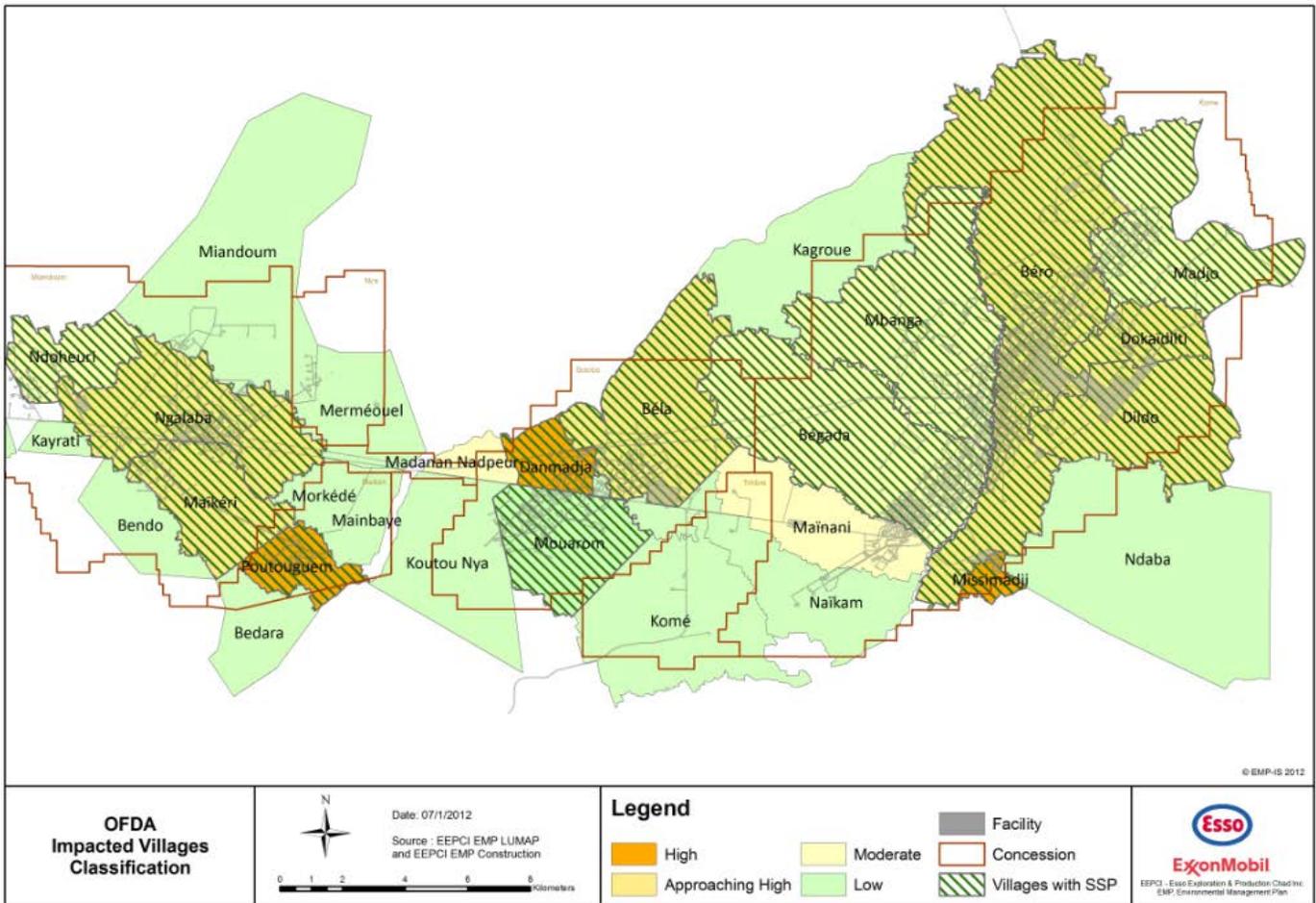
Annex 2: Village Classification Criteria's

Land Use Criteria

The criteria concerning Land Use impact represents the percentage of village area used by the project within each village. The boundaries of the village used to set the village area are not official and are computed based on a global survey of the village limits. The thresholds between levels of impact represent "natural breaks" or large numerical gaps in between villages.

Calculation of Land Use Impact

The final percentage used to classify the village's level of impact is computed by adding the "temporary" land not yet returned land to the land permanently used by the project:

$$\frac{\Sigma \text{ Permanent Not Returned} + \text{Temporary Not Returned}}{\Sigma \text{ Village Area}}$$

Thresholds	
High	**≥11%**
Approaching High	**7% - 10.9%**
Moderate	**3% - 6.9%**
Low	**0% - 2.9%**

Initial Classification with Compensation Data

Criterion 1: % all non-viable individuals/all individuals in the village

Description: Percentage of all project-affected individuals in the village currently below the resettlement factor of 2/3.

Rule:

$$\frac{\Sigma \text{ (All individuals below 2/3 cordes after land take)}}{\text{Village Population}}$$

Threshold:

Threshold Criteria 1		
	Min	Max
High	50.1%	100%
Approaching High	30.1%	50%
Moderate	20.1%	30%
Low	0%	20%

This criterion includes people who were already non-viable before the Project.

Criterion 2: % individuals in the village made non-viable by project land take/all individuals in village

Description: Percentage of the number of individuals that were economically viable before surrendering land/feeling any project impact (the resettlement factor > 2/3) but who became agriculturally non-viable upon surrendering land/ after project impact (the resettlement factor < 2/3 cordes).

Rule:

$$\frac{\Sigma \text{ (All individuals that were \underline{not eligible} \textbf{before} land take \& are \underline{eligible} \textbf{after} Land take)}}{\text{Village Population}}$$

Threshold:

Threshold Criteria 2		
High	20.1%	100.00%
Approaching High	15.1%	20.00%
Moderate	9.1%	15.00%
Low	0%	9%

This criterion cannot be calculated with village land survey results and is no longer applied when a change in village impact classification is calculated.

Criterion 3: Reclassification with Village Survey data

Description: When a village reclassification is calculated and village survey data is available, a single criterion is used. This criterion represents all the members of the non-viable compensated households compared to the population of the village:

Rule:

$$\frac{\Sigma \text{ All members of non-viable compensated Households}}{\text{Village Population}}$$

*This statistic excludes non-viable households with resettlement options

Threshold:

Threshold Criteria 3		
High	15.1%	100.00%
Approaching High	10.1%	15.0%
Moderate	5.1%	10.0%
Low	0%	5.0%