

IPN REQUEST RQ 17/07

December 22, 2017

NOTICE OF REGISTRATION

Request for Inspection

REPUBLIC OF CAMEROON: Lom Pangar Hydropower Project (P114077)

Summary

1. On December 1, 2017, the Inspection Panel (“the Panel”) received a Request for Inspection (“the Request”) of the Cameroon Lom Pangar Hydropower Project (“the Project”) submitted by two former workers of the Project who asked the Panel to keep their identities confidential. The Request alleges indecent working conditions and accommodations for workers, issues with the payment of overtime work and allowances, and health and safety concerns.¹
2. After conducting initial due diligence and confirming that the Request meets the Panel’s admissibility criteria, I am notifying you that I have, on December 22, 2017, registered this Request.

The Project

3. The Cameroon Lom Pangar Hydropower Project was approved by the World Bank’s Board of Executive Directors on March 27, 2012, and will close on December 31, 2018. The total Project cost is US\$494 million, of which the Bank lending is US\$132 million through an International Development Association (IDA) Credit. Co-financiers are the African Development Bank, the European Investment Bank, the French Agency for Development, the Central African States Development Bank, and the Borrower. The implementing agency is the Electricity Development Corporation (EDC).²
4. The Project Development Objective is “*to increase hydropower generation capacity and reduce seasonal variability of water flow in the Sanaga River and to increase access to electricity.*”³ The Project has four components: Component 1: Lom Pangar Regulating Dam;

¹ The Panel first became aware of the alleged harms in March 2016, but at that time the issues had not been brought to the attention of Bank Management. The Panel therefore shared the contact details of the World Bank’s Grievance Redress Service (GRS) and the Country Director for Cameroon with the complainants.

² Project Appraisal Document (PAD), p. ix, x.

³ PAD, p. x.

Component 2: Lom Pangar Power Plant and Transmission Line; Component 3: Environmental and Social Measures; and Component 4: Technical Assistance and Project Management. It is a Category A Project that triggered several safeguard policies.⁴

The Request

5. The Request was submitted by two former workers of the Project who allege the following harms: unpaid overtime work; indecent working conditions; unpaid social security dues and thus inability to benefit from the social security system; dismissal of all workers who contracted Hepatitis B on the project site; and “*abandonment*” of workers who suffered “*drastic*” industrial accidents on the site.

6. The Request refers to a prior engagement with the World Bank on these issues and explains that the problems were not answered or resolved for the following reasons: workers dismissed for contracting Hepatitis B were not recalled to the project, the employer stopped support for their treatment and their health status is unclear; mandatory housing allowances were not paid; workers cannot benefit from family allowances, and receipt of retirement benefits is uncertain as the employer did not pay the mandatory dues; victims of industrial accidents were “*abandoned*.” With regard to unpaid overtime work, the Request explains that the contractor, after negotiations and after workers had to withdraw their complaints before national courts, paid a bonus to senior staff, which the Requesters do not consider as payment for overtime work.

7. The Request states that the Project’s Environmental and Social Management Plan and the Specific Contractual Engagement on Environmental and Social Management were violated.

8. The Request also includes a report titled “World Bank Project Exploiting Human Labour: Lom Pangar Hydro Project in Cameroon,” dated September 2015, which the Requesters ask to be a part of the Request. The Panel understands that the claims in the Request may refer to OP/BP 4.01 on Environmental Assessment and the World Bank Group Environmental, Health and Safety Guidelines.

9. The complainants “*request the Inspection Panel recommend to the World Bank’s Executive Directors that an investigation of these matters be carried out.*”

Initial Due Diligence

10. After receipt of the Request, the Panel conducted its initial due diligence and verified that the Request meets the admissibility criteria for registration, as follows:

⁴ These are: Environmental Assessment (OP/BP 4.01), Natural Habitats (OP/BP 4.04), Forests (OP/BP 4.36), Pest Management (OP 4.09), Physical Cultural Resources (OP/BP 4.11), Involuntary Resettlement (OP/BP 4.12) and Safety of Dams (OP/BP 4.37). PAD, p. xi.

11. The Request is not frivolous, absurd or anonymous, and was submitted by two former workers of the Bank-financed Lom Pangar Hydropower Project, who allege harm in relation to the Project while working on site.

12. The Requesters explain that a complaint was submitted to World Bank staff on March 16, 2016, and that they are not satisfied with the Bank's response. The Panel notes that the 2016 Annual Report of the World Bank's Grievance Redress Service (GRS) summarizes a GRS case on the Cameroon Lom Pangar Hydropower Project that concerns the contractor's labor practices. It states that "[t]he assessment of the complaint and relevant project documents and the fact-finding activities confirmed the validity of the complaint submitted to the GRS."⁵ The Annual Report explains that an Action Plan was prepared and agreed with the complainant, and the GRS monitored progress of the implementation of the Action Plan. It concludes that the Action Plan was fully implemented and the GRS case was closed.⁶

13. The Panel also verified that the subject matter of the Request does not concern issues of procurement and, at the time of receipt of the Request, the Project was 92.71 percent disbursed. The Panel has not made a recommendation on the issues raised in this Request.⁷

14. To better understand the Request, the Panel had telephone calls and exchanged e-mails with the Requesters. The Requesters expressed their view that none of the issues that had been raised with the Bank were resolved. They described the indecent accommodations for workers; for example, shower facilities that were particularly unsuitable and completely different for local and foreign workers. The Requesters explained that workers who were found to suffer from HIV/AIDS, tuberculosis, Hepatitis B and hernia were dismissed from the site without support, along with workers who had suffered work-related accidents. They also referred to cases of what they describe as abusive dismissals and raised the issue of not being paid overtime and other allowances.

15. As part of its due diligence, the Panel also met with Bank Management on December 15, 2017, to obtain information and seek clarifications. Management explained that the construction of the dam was completed, the dam was handed over to EDC and the contractor was in the process of demobilizing its workers. Currently, only 38 workers remain on site. Management told the Panel that the Project engaged an independent panel of experts for environmental and social issues and EDC also hired an independent environmental and social safeguards auditor; the latest audit of November 2017 did not identify any pending complaints. Management also informed the Panel of a social dialogue process that involved 26 meetings and resulted in an Action Plan that was fully implemented. The GRS team explained to the Panel that the Action Plan that resulted from

⁵ The World Bank's Grievance Redress Service Annual Report 2016, p. 15.

<http://pubdocs.worldbank.org/en/121911510349513569/GRS-Annual-Report-2016.pdf#zoom=80>

⁶ Id., p. 15. <http://pubdocs.worldbank.org/en/121911510349513569/GRS-Annual-Report-2016.pdf#zoom=80>

⁷ When the Panel first learned about the alleged harms, the issues had not been brought to the attention of Bank Management and the Panel therefore directed the complainants to the GRS and the Country Director for Cameroon.

the GRS process had been prepared in consultation with the complainant, was fully implemented by the end of 2016, and the complainant confirmed in writing his satisfaction with it and that the case could be closed. The GRS team also explained that some issues that were raised in the complaint were not followed up upon as key information was not provided by the complainant.

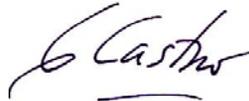
Registration of the Request

16. As provided in paragraph 17 of the IDA Resolution (“the Resolution”) that established the Panel, “*the Chairperson of the Panel shall inform the Executive Directors and the President of the Bank promptly upon receiving a request for inspection.*”⁸ With this notice, I am notifying you that I have, on December 22, 2017, registered this Request.

17. The Panel’s registration implies no judgment whatsoever concerning the merits of a Request for Inspection. As provided in paragraph 18 of the Resolution, and paragraphs 2 and 8 of the “*Conclusions of the Board’s Second Review of the Inspection Panel*” (“the 1999 Clarification”), Bank Management must provide the Panel within 21 business days (by January 26, 2018) a response to the issues raised in the Request for Inspection. The subject matter that Management must deal with in the response to the Request is set out in paragraphs 3 and 4 of the 1999 Clarification.

18. After receiving the Management Response, the Panel will, as outlined in the 1999 Clarification and as provided by paragraph 19 of the Resolution, “*determine whether the Request meets the eligibility criteria set out in paragraphs 12 to 14 [of the Resolution] and shall make a recommendation to the Executive Directors as to whether the matter should be investigated.*”⁹ This Request has been assigned IPN Request Number RQ 17/07.

Yours sincerely,



Gonzalo Castro de la Mata
Chairman

Attachments

Mr. Jim Yong Kim, President
International Development Association

The Executive Directors and Alternates
International Development Association

Former workers of the Lom Pangar Hydropower Project
(Requesters confidential)

⁸ Resolution Establishing the Panel (September 22, 1993), Resolution No. IDA 93-6, <http://ewebapps.worldbank.org/apps/ip/PanelMandateDocuments/Resolution1993.pdf>

⁹ Id.