

# **Management Response**



**MANAGEMENT RESPONSE TO  
REQUEST FOR INSPECTION PANEL REVIEW OF THE  
REPUBLIC OF CAMEROON: LOM PANGAR HYDROPOWER PROJECT (P114077)**

Management has reviewed the Request for Inspection of the Republic of Cameroon: Lom Pangar Hydropower Project (P114077), received by the Inspection Panel on December 1, 2017, and registered on December 22, 2017 (RQ 17/07). Management has prepared the following response.

FEBRUARY 9, 2018

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## **ABBREVIATIONS AND ACRONYMS**

AfDB	African Development Bank
ATESI	Independent Technical Environmental and Social Auditor (Auditeur Technique Environnemental et Social Indépendant)
BDEAC	Central African States Development Bank (Banque de développement des Etats d’Afrique Centrale)
BTP	Building and public works sector
CCES	Environmental and social specifications of the Contractor’s Contract (Conditions du Contrat Environnementales et Sociales)
CNPS	National Social Insurance Fund (Caisse Nationale de Prévoyance Sociale)
CWE	China International Water and Electricity Corp.
EDC	Electricity Development Corporation
EHSGs	World Bank Environmental, Health and Safety Guidelines
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
GoC	Government of Cameroon
GRM	Grievance Redress Mechanism
GRS	World Bank Grievance Redress Service
IDA	International Development Association
Km	Kilometer
MW	Megawatt
RAP	Resettlement Action Plan

### **Currency Equivalent (as of January 23, 2018)**

Currency unit: Central African Franc (FCFA)

FCFA 1 = USD 0.0019

USD 1 = FCFA 533.36

## EXECUTIVE SUMMARY

### The Project

- i. The Project development objective is to increase hydropower generation capacity, reduce seasonal variability of water flow in the Sanaga River and increase access to electricity.* The Project, located in a very remote rural area of Cameroon, contributes to more stable provision of electricity to half the population of Cameroon, which is connected to the grid but suffers from seasonal electricity shortages, and enables new access to electricity in a remote rural area of the country. Since being commissioned, the Lom Pangar regulating dam on the Sanaga River has increased the guaranteed all-season hydropower capacity on the river by approximately 40 percent, adding 120MW to the power generation of existing downstream hydropower plants that can now generate more electricity in the dry season.
- ii. The Project is financed through an IDA Credit of US\$132 million and is co-financed with the African Development Bank, the European Investment Bank, the French Development Agency, the Central African States Development Bank, and the Borrower.*
- iii. Construction of the Bank-supported infrastructure is complete.* The Project is 93 percent disbursed and scheduled to close on December 31, 2018.

### Request for Inspection

- iv. On December 22, 2017, the Inspection Panel registered a Request for Inspection of the Project.* The Request was submitted by two former workers of the Project who allege harm from unpaid overtime work; indecent working conditions; unpaid social security dues and thus inability to benefit from the social security system; dismissal of workers who contracted Hepatitis B; and abandonment of workers who suffered industrial accidents on the site. The Requesters allege they have suffered harm and argue that contractual agreements between the Borrower and the Contractor were violated.
- v. The Requesters submitted, as an annex to their Request, a 2015 report outlining further alleged shortcomings in the Project.* That report was also submitted to the Bank's Grievance Redress Service (GRS) as part of a complaint submitted by employees in March 2016. The Requesters did not provide any new details in addition to the allegations contained in the report.

### Management Response

- vi. The Borrower and the Contractor have implemented many measures over the years to address workers' concerns. However, Management recognizes that some of these measures may not have benefitted every worker who left the worksite before the measures were implemented. To that effect, Management has asked the Borrower to ensure that the Project's grievance redress mechanism continues to receive and process any current and previous Project-related complaints, so that potential complaints raised by current and former workers can be addressed.* Management is supporting the Borrower in a targeted effort

to identify former workers who may have unresolved grievances and is working with the Borrower to proactively identify and address grievances that may be unresolved or that may be raised despite the demobilization of the Project site. Management already received confirmation from the Borrower that the official representatives who participated in the Social Dialogue Committee would be available to support this task.

vii. ***Management believes its commitment to working with the Borrower to address the issues raised in the Request has been demonstrated, since early in Project implementation, through the Bank's 21 supervision missions between mid-2012 and late 2017 and its engagement through the GRS complaint handling process.***

viii. ***Management notes that several of the issues raised in the Request for Inspection pertain to questions of compliance with the Cameroonian Labor Code and other related labor regulations.*** These issues include disputes about interpretation of Cameroonian labor regulations on payments for overtime and housing allowances. Management is of the view that disputes about the interpretation of national labor regulations need to be resolved by national courts.

ix. ***Significant corrective actions have already been taken to address the issues raised in the Request.*** Many of the issues raised in the Request had already been resolved by the time the 2015 report attached to the Request was produced. The remaining concerns have been addressed since then: first, through the Social Dialogue Committee, a forum to facilitate dialogue between workers and employers to address workers' issues, and second, following the March 2016 complaint to the GRS, Management and the Borrower took actions to address the pertinent grievances. In August 2017, the complaint was closed, with the agreement of the complainants.

x. ***The Project is scheduled to close on December 31, 2018 and is currently in the demobilization phase.*** Workers have been demobilizing since June 2017 and most have left the Project site. Management is not aware of any current or outstanding complaints from the 35 workers remaining on site (8 expatriates and 27 locals).





## I. INTRODUCTION

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”), financed by the International Development Association (“IDA” or “the Bank”) (P114077). This Request was registered on December 22, 2017 (RQ17/07).

2. **Structure of the text.** The document contains the following sections: Section II provides an overview of the Project to date; Section III presents the Request; Section IV discusses special considerations; Section V contains Management’s response; Section VI contains the conclusion. Annex 1 presents the Requesters’ claims, together with Management’s detailed responses, in table format. Annex 2 provides Management’s responses to the claims in the report annexed to the Request. Annex 3 contains a list of World Bank supervision missions for the period 2012-2017. Annex 4 is the agreed action plan between the complainants and the Bank’s Grievance Redress Service (GRS).

## II. THE PROJECT

3. **Project objective.** The Project development objective is “to increase hydropower generation capacity, reduce seasonal variability of water flow in the Sanaga River and increase access to electricity.” The Project, located in a very remote rural area of Cameroon, contributes to more stable provision of electricity to half the population of Cameroon, which is connected to the grid but suffers from seasonal electricity shortages, and enables new access to electricity in a remote rural area of the country.

4. **Project benefits.** By design, the Bank’s engagement in the Project was to assist the Government of Cameroon (GoC) in accessing best international practice in hydropower development, based on the Bank’s portfolio and engagement in the sector. In that regard, the Project financed a number of high quality technical, environmental and social assessments for the Project. The Bank support included technical assistance on all key implementation issues such as: supervision of construction sites and rural electrification; management of reservoir and cumulative downstream mitigation measures; social mitigation, including public health activities, livelihood restoration and management of the Deng Deng forest; independent technical audits of environmental and social measures; and management of the Project Environmental and Social Management Plan (Project ESMP),<sup>1</sup> including capacity building, community outreach, monitoring and evaluation. Through its Supervision Engineer, the Electricity Development Corporation (EDC), which is the implementing agency, consulted civil society organizations and community representatives throughout the construction of infrastructure, as per Component 3.

5. **Since being commissioned, the Lom Pangar regulating dam on the Sanaga River has increased the guaranteed all-season hydropower capacity of the river by approximately 40 percent.** This immediately translates into the addition of 120MW at existing downstream hydropower plants as they can now generate electricity in the dry season. This considerably reduces the cost of production of electricity in Cameroon. In the short term, the Lom Pangar

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<sup>1</sup> “Project ESMP” refers to the ESMP prepared, cleared and disclosed by the Bank and which is the “umbrella” instrument for the entire Project. “Contractor’s ESMP” refers to the ESMP prepared by the Contractor to provide guidance on safeguard compliance for the construction phase and limited mainly to the dam construction and quarry sites.

dam also allows for further downstream development of large-scale hydropower plants by ensuring reliable all-season water flow, considerably reducing Project development risk. In addition, once commissioned, the Project powerhouse, financed by the Central African States Development Bank (*Banque de développement des Etats d'Afrique Centrale*, BDEAC) and the African Development Bank (AfDB), will generate 30MW of electricity and will provide electricity services for the first time to over 2,400 rural households and improve reliability of supply to an additional 22,000 households in the eastern grid.

6. **Project components.** The Project has four components: Component 1: Lom Pangar Regulating Dam; Component 2: Lom Pangar Power Plant and Transmission Line; Component 3: Environmental and Social Measures; and Component 4: Technical Assistance and Project Management. In terms of infrastructure, construction of the Project includes:

- A reservoir, with a storage capacity of 6 billion m<sup>3</sup> of water and a surface area of roughly 540 km<sup>2</sup>, which was fully impounded for the first time in December 2016 and commissioned in June 2017;
- A hydropower plant at the foot of the dam (under construction) with a planned installed capacity of 30MW;
- A 90kV transport line, roughly 105 km long, between the dam site and the town of Bertoua; network extensions; provision of electricity to 130 villages in the Eastern region; and provision of subscriber connections to close to 10,000 persons and to several independent producers; and
- Environmental and social investments, including construction of bridges and social infrastructure, such as wells and class rooms.

7. **Project context.** The Project was approved by the World Bank's Board of Executive Directors on March 27, 2012. The total Project cost is US\$494 million, of which the Bank is providing US\$132 million, through an IDA Credit. Co-financiers are the AfDB, the European Investment Bank, the French Development Agency (*Agence française de développement*), BDEAC, and the Borrower. The implementing agency is EDC. The current Closing Date is December 31, 2018, and demobilization activities are underway.

8. **Project status.** Construction started in April 2012 and as of June 2017, Bank-funded infrastructure was complete and the Project entered a two-year Defect Liability Period for the Contractor. The Defect Liability Period will end in June 2019, when the construction contract will be closed. As of January 2018, the Credit is approximately 93 percent disbursed and the facilities were handed over to EDC. The construction was at its peak in August 2015 and showed significant demobilization and reduction of activities from December 2016 onwards, when the dam was partially impounded.

9. **Environmental and social safeguard instruments.** Component 3 of the Project supported the preparation of the Project's environmental and social safeguard instruments. An Environmental and Social Impact Assessment (ESIA) was begun in 2005 and the final version of the report, incorporating comments received during the public consultation, was disclosed in-country and in the Bank's InfoShop in April 2012. The results of the ESIA and a Cumulative Impact Study were used to prepare:

- (i) A comprehensive Project ESMP – which includes several annexes on, for example, environmental and social requirements for the Project construction,

sustainable fisheries management, archaeological resource management, public health management, pesticide management (disclosed between July 2011 and February 2012);<sup>2</sup>

- (ii) Four Resettlement Action Plans (RAPs) disclosed in March 2011– for the dam site; transmission line/power plant; access roads; and establishment of the Deng Deng National Park;
- (iii) A Process Framework for the Deng Deng National Park, disclosed in March 2011;
- (iv) In addition, various additional environmental and social studies, including a forestry study and land use study for the new village of Lom Pangar (Lom II), disclosed in January 2012 and March 2011, respectively; and
- (v) A Pest Management Plan, disclosed in February 2012.

Extensive consultations and public discussion accompanied the preparation of these documents; these are summarized in Section I-C of the Project Appraisal Document and the Appraisal Integrated Safeguards Data Sheet.

10. ***Environmental and social safeguard institutional arrangements.*** Institutional arrangements to support comprehensive and adequate implementation, oversight and monitoring of compliance with the Project’s environmental and social requirements and health and safety requirements were established through a set of contractual provisions, including in the Project Agreement between the Bank and EDC, as well as in the contract between EDC and the Contractor. These have included a clear chain of responsibilities that has been carefully supervised by the Bank throughout Project implementation (see Annex 3 – List of World Bank’s Implementation Support/Supervision Missions 2012-2017).

11. EDC, as the implementing agency, has the overall legal responsibility as per the Project Agreement between the Bank and EDC (“Project Agreement”) to monitor and support compliance with the approved Project safeguard instruments. It is responsible for the supervision and implementation of the overall Project ESMP, the environmental and social specifications of the Contractor’s Contract (*Conditions du Contrat Environnementales et Sociales*, CCES), the four RAPs and the Process Framework. In 2012, EDC created an Environmental Unit with four principal staff members (at the current stage of Project demobilization, environmental and social specialists are no longer on site). In addition, and as required under the Project Agreement with the Bank, EDC contracted an Independent Technical Environmental and Social Auditor (*Auditeur Technique Environnemental et Social Indépendant*, ATESI), whose mandate is to be maintained until the Project ESMP has been fully implemented. ATESI is required to visit the Project site every 3-4 months and, between 2014 and end-2017, it completed 12 independent audits that focused specifically on the implementation of the Project ESMP. The most recent audit was in November 2017. The audit reports are submitted to EDC and shared with the Bank and Project co-financiers. As per the Project Agreement, an independent environmental and social panel of experts (in addition to the dam safety panel of experts) was recruited by EDC and conducted regular visits on site.

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<sup>2</sup> <http://www.edc-cameroon.org/IMG/pdf/sde/PGES%20du%20Projet%20Hydroelectrique%20de%20Lom%20Pangar%20180212.pdf>

12. The Contractor, China International Water and Electricity Corp. (“CWE” or “Contractor”), is responsible for execution of the works, according to the environmental and social and health and safety specifications (CCES, etc.) provided in the contract between EDC and CWE and in the Contractor’s ESMP.

13. The Supervision Engineer, COB/ISL, contracted by EDC, has primary responsibility for supervising the works and is required to maintain a constant presence on site and monitor the Contractor’s compliance with its contractual obligations (including environmental and social and health and safety specifications in the contract). The Environmental and Social Team of COB/ISL was composed of 12 staff members, all based on the construction site until July 2017, and additional specialists travelled to the Project site as necessary. The Supervision Engineer has the authority, on behalf of EDC, to stop the work on site, instruct the Contractor to implement mitigation measures through work orders and impose financial penalties on the Contractor in case of non-compliance. EDC, through its Supervision Engineer, exercised this right on several occasions during the course of the Project.

14. **GRM.** The Project ESMP included an overall grievance redress mechanism (GRM) for Project-affected communities and a communication strategy for raising awareness of the GRM. During implementation, the Project-level GRM was the main avenue for Project-affected communities to raise their grievances related to Project-related resettlement and livelihood restoration or overall RAP implementation. It was established by EDC at the inception of the Project in December 2012 and has been maintained during Project implementation. The Project-level GRM includes four offices around the Project location to receive complaints regarding the Project and to engage with the local community. The offices are staffed by local employees speaking local languages. The Bank has access to the complaint reports.

15. **Complaints from workers.** The Project-level GRM was not intended to address complaints raised by workers on the Project site. Workers’ complaints were addressed by the Social Dialogue Committee (see Section IV for more detail), an entity that acts as interface between workers and contractors and the local delegates of relevant line Ministries. It was established in December 2012, at the beginning of the Project, and its meetings were organized at the initiative and request of the workers’ representatives, to voice any concern related to their working conditions.

16. **Bank Project supervision and implementation support.** Throughout Project implementation, regular supervision and implementation support missions were undertaken by the Bank. A total of 21 supervision/implementation support missions were carried out on site between March 2012 and June 2017, in addition to regular meetings with EDC in Yaoundé for implementation support in relation to the Project (see Annex 3). Bank safeguard specialists were part of these supervision missions and also carried out their own dedicated missions related to environmental and social and health and safety issues. The supervision missions paid close attention to matters that related to compliance with the Project safeguard documents, including worker health and safety, and Aide Memoires were regularly prepared to highlight any non-compliance and provide recommendations.

17. Between missions, the Bank team followed up on agreed actions referenced in reports from the Supervision Engineer, the independent environmental and social panel of experts and ATESI, all of which were regularly submitted to the Bank. During critical phases of the Project, the Project’s task team leader and safeguard specialists were based in the Bank’s Yaoundé office to ensure a strong local presence. Management communicated often, both formally and

informally, with Government officials, as evidenced in several Management Letters referring to the issues raised by the Requesters.

18. **Workers.** The construction period spanned from April 2012 to June 2017, with the highest number of workers on site from April 2013 to September 2015, as illustrated in *Figure 1*. During the peak construction period in August 2015, the Contractor employed up to 1,293 people, 875 of them local. Turnover of workers was high: overall more than 3,000 workers were employed. As of December 2017, 35 employees have remained to demobilize the construction site, 8 of whom are foreign nationals. All workers will leave when demobilization is completed and the construction contract closes in June 2018. Management is not aware of any current complaints from the 35 workers remaining on site.

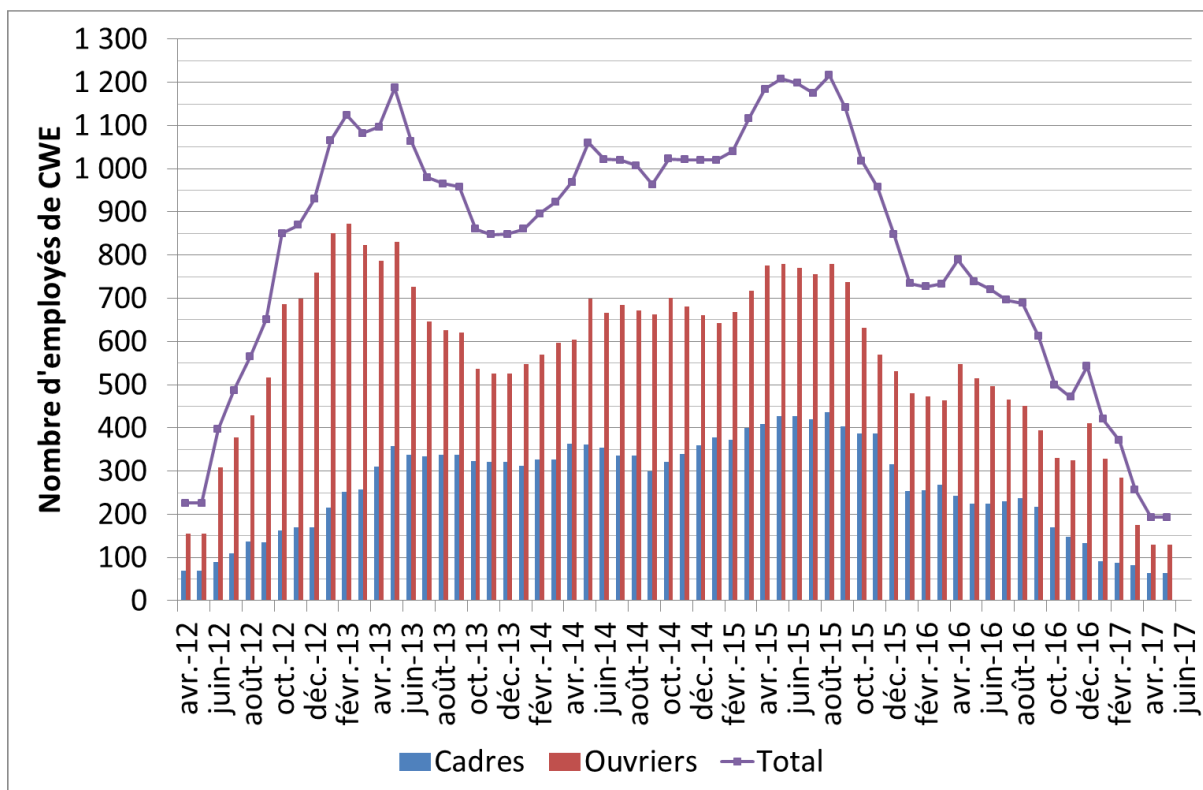


Figure 1. Number of Contractor's workers on site April 2012-June 2017 (Source: Supervision Engineer Report June 2017)<sup>3</sup>

### III. THE REQUEST FOR INSPECTION

19. The Request was submitted by two former workers of the Project ("the Requesters") who allege the following harms: (i) unpaid overtime work; (ii) indecent working conditions; (iii) unpaid social security dues and thus inability to benefit from the social security system; (iv) dismissal of workers who contracted Hepatitis B on the Project site; and (v) abandonment of workers who suffered industrial accidents on the site.

<sup>3</sup> As most workers have left the site, the Supervision Engineer does not submit systematic supervision reports regarding the numbers of workers on site at this time. As of December 2017, 35 employees remained.

20. While the Requesters do not directly claim that Bank policies have been violated, they argue that the following contractual agreements were violated:

- Provisions of the Project ESMP that oblige the Borrower's Project management to respect international standards in all construction works, including workers' residences; and
- Provisions of the CCES obliging the Contractor to respect applicable national environmental and social law.

21. The Requesters submitted, as an Annex to their Request, a 2015 report outlining alleged shortcomings in the Project, including alleged harm related to working hours, weekly rest, annual leave, housing, workers' health, the right to work, job security, occupational health and safety, hygiene and nutrition, discrimination against workers, retrenchment, and alleged violations of national law. The issues raised in this report have also been raised in the context of the Social Dialogue Committee, and the 2016 complaint to the GRS, see paragraphs 27-31 below (the report attached to the Request is identical to the report submitted to the GRS in 2016).

22. The Requesters did not submit, with their Request, any information in addition to the 2015 report to substantiate their allegations.

23. The Requesters acknowledge their engagement with the GRS, but maintain that their problems remained unsolved. As the Requesters asked the Inspection Panel to keep their identities confidential, Management is unable to fully ascertain whether the Requesters are the same managerial employees who had previously submitted the GRS complaint.

#### IV. SPECIAL CONSIDERATIONS

##### Social Dialogue Committee

24. *A Social Dialogue Committee (Committee) was established by EDC in December 2012, at the beginning of the Project, to specifically address issues raised by workers on the construction site, including working conditions of the local employees.* This is a requirement mandated by Cameroonian law to provide a space for workers to raise complaints and engage with the Contractor and labor authorities. The Bank followed the activities of the Committee closely and participated, as observer, in several Committee meetings.

25. *The Social Dialogue Committee included representatives from the regional office of the Ministry of Labor, the Contractor, EDC and its Supervision Engineer, workers' unions, and the workers' representatives. All decisions of this Committee were made public and communicated to the Project construction workers.* The objective of the Committee was to discuss issues and grievances brought to the Committee by Project workers with respect to applicable national law and to establish direct engagement between authorities and Project workers.<sup>4</sup> The last meeting of the Committee was held in July 2016. By that time most of the workers were being demobilized and after that date, no further meetings were requested by the workers. However, key members of the Committee from the Ministry of Labor, EDC and the

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<sup>4</sup> The Social Dialogue Committee is a forum, with issues and complaints raised by participants directly during Committee meetings.

Contractor have remained available to address any Project-related complaints within their mandate.

26. ***Between 2012 and 2016, the Social Dialogue Committee held 26 meetings, during which it discussed many of the issues raised in the Request, and identified a number of actions aimed at improving working conditions and resolving workers' grievances.*** Decisions of the Committee were recorded in formal minutes and communicated to all workers.

### **2016 GRS Complaint**

27. ***A complaint concerning some of the same substantive issues that were discussed by the Social Dialogue Committee was submitted to the Bank's GRS in March 2016. The complaint was accompanied by a copy of the 2015 report that was also attached to the Request.*** The complaint was submitted by a former managerial employee of the Contractor on behalf of other employees. The Bank eventually met with a total of five complainants to discuss their concerns and to jointly develop an action plan. The complaint to the GRS raised issues such as quality of housing and housing allowances, lack of payment for social security contributions and claims for overtime work, and other outstanding payments due to workers. In addition, the complaint included issues related to health and safety, and living conditions of workers at the construction site. The complainants alleged that the Project did not comply with workers' rights under Bank policies<sup>5</sup> and the Project ESMP and violated national labor laws.

28. ***The GRS team worked closely with the complainants, the Bank team and the Borrower to address the issues raised.*** The GRS team held several video and audio conferences with the representative of the complainants to discuss the issues. In addition, the Bank team working on the Project met with the representative of the complainants and other employees to discuss their concerns. This representative wished his identity to remain confidential, therefore, these meetings were organized in a manner to allow the representative to freely and safely express his concerns and were only held when safety and confidentiality could be guaranteed.

29. ***Following the submission of the complaint to the GRS, an action plan addressing the issues was developed in close consultation with the complainants, EDC and the Contractor (see Annex 4).*** This action plan was shared with the representative of the complainants on July 30, 2016 for his review and input and was accepted by this representative on behalf of the complainants. The action plan required the Contractor to honor its contractual obligations vis-a-vis its employees, including its commitments reached under the Social Dialogue Committee. The Bank discussed with EDC the possibility that EDC would apply remedies to the Contractor in case of its non-compliance with the contractual obligations reflected in the action plan. The action plan achieved the following:

- CWE prepared a matrix to demonstrate its compliance with the commitments made under the Social Dialogue Committee.
- CWE made outstanding social security contributions to the National Social Insurance Fund (*Caisse Nationale de Prévoyance Sociale*, CNPS).
- An industry standard retrenchment plan was prepared, although it was not required under either the Project ESMP or Cameroonian law. A first version in July 2016

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<sup>5</sup> The complainant erroneously assumed that the IFC Performance Standards were applicable to the Project.

was revised upon the Bank's recommendations. The revised version, which the Bank found adequate, was shared with the complainants on September 19, 2016.

- Skills and labor certificates and physical and medical certificates were provided to workers on their departure from the camp, as specified in the retrenchment plan.
- Processing of end of service bonuses was also included in the retrenchment plan.

30. ***The specific actions undertaken by the GRS in response to the complaint are described in Section V as part of the Management Response.*** A number of claims could not be processed as they lacked key information. Although the GRS requested cooperation to help identify aggrieved workers with outstanding claims, none could be identified by the complainants, who only submitted the names and claims of 10 managerial employees.<sup>6</sup> Other claims could not be addressed as they pertained to differences in the interpretation of relevant Cameroonian law.

- ***Drivers' per diem:*** The complaint indicated that outstanding per diem payments to drivers had not been made. The Bank followed up with the Borrower, which acknowledged there was a problem and committed to reviewing and processing such claims. However, the representative of the complainants did not respond to the GRS' request to help identify such affected drivers and did not follow up with the necessary detail to help the GRS present individual claims.<sup>7</sup> The same issue is raised in the report attached to the Request. Most drivers have now left the site and no complaints were raised by drivers when they received their last payments upon demobilization.
- ***Overtime:*** The complaint argued that the Contractor had not made legally required overtime payments and requested overtime payments for a group of 10 managerial employees.<sup>8</sup> The Contractor agreed to pay overtime to workers, but declined to do so for managerial employees, citing contractual stipulations. The Contractor offered, however, to provide them with a bonus payment for good performance. This bonus payment was accepted by and paid to the identified 10 managerial employees. ***Management has carefully looked into the issue and concluded that there are conflicting interpretations of the Labor Code as to whether managerial employees are entitled to overtime payments, which would need to be resolved by national courts. The Bank has no role in interpreting Cameroonian labor laws regarding the claim for overtime payments to managerial employees. Moreover, this issue is also not covered by the ESMP or Bank policy provisions.***

The Requesters repeat the claim regarding overtime payments and state that they do not accept the bonus payment as resolution of their complaint regarding overtime.

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<sup>6</sup> Email dated July 30, 2016 from the GRS to the representative of the complainants. (A copy of the email was provided to the Inspection Panel.)

<sup>7</sup> In response to the GRS' inquiry about more details regarding the claimed per diems for drivers, the representative of the complainants responded on September 1, 2016, that "It has been difficult calculating the amounts owed to drivers because we could not establish the exact number of missions." (A copy of the email was provided to the Inspection Panel.)

<sup>8</sup> The complainant provided the names in an email dated August 13, 2016. On September 1, 2016 in response to a GRS request, he provided more specific information on the actual number of claimed overtime hours. (A copy of the email was provided to the Inspection Panel.)



They also criticize the Contractor's requirement to withdraw any court case they may have filed because of the settlement.

Management wishes to clarify that the GRS at no time offered any advice or opinion to the complainants with regard to their court case. Moreover, the statement in the Request that the GRS "[...] made to believe this payment was for overtime work" is not correct. On April 20, 2017, the representative of the complainants was clearly advised in writing of the nature and amount of the bonus payments offered by the Contractor.<sup>9</sup> He determinedly followed up on the disbursement of these payments, which he confirmed in writing in August 2017, without questioning the nature, characterization, or amount of the payments.<sup>10</sup>

- **Housing allowance:** The complaint alleged insufficient quality of lodging (size and number of people per unit) and non-payment of a housing allowance. The Government Labor Inspector indicated that Cameroonian law does not specify what constitutes adequate quality of housing; the Project ESMP provides minimum standards, which, according to environmental and social audits, were met by the Contractor. However, there is no provision for a housing allowance to compensate for lack of quality in accommodation in the Project ESMP, the Contractor's ESMP, or Cameroonian law. According to national law, such housing allowance is only due if no accommodation at all is provided by the employer, which was not the case here.
- **Accidents:** The complaint alleged harm to individuals through accidents on the work site and claimed that injured workers did not receive treatment. In this regard, the complainant mentioned two workers by name, but did not clarify which measures he expected to be taken on their behalf. One worker could be identified based on the documentation provided, which indicated that the individual was appropriately treated in the hospital. The other alleged case could not be identified in the records. Management was not presented with any information that would indicate a wrongful dismissal in those cases, but is following up with the Borrower to understand whether there are unresolved issues regarding victims of accidents on the work site.

31. **On August 16, 2017, upon completion of the action plan, the representative of the complainants confirmed, on behalf of the complainants, to the GRS in writing that the GRS case could be closed.**<sup>11</sup> On July 18, 2017, the representative of the complainants had already contacted the GRS by telephone to confirm receipt of the bonus payments to the 10 managerial employees and to seek assistance in a personal matter unrelated to the complaint. However, in neither of these communications did he express dissatisfaction with the response received through the GRS or that the GRS did not address the concerns raised.

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<sup>9</sup> On April 20, 2017, the GRS advised the complainant by email: "*EDC has agreed to complete the implementation of the Action Plan we agreed upon in August 2016, by providing a performance bonus to managerial staff who worked on the Environmental and Social Management Plan, specifically the former CWE managers whose names you submitted a few months ago. Please find attached the letter EDC sent to CWE indicating the proposed amounts each manager would receive.*" (A copy of the email was provided to the Inspection Panel.)

<sup>10</sup> Copies of the emails were provided to the Inspection Panel.

<sup>11</sup> Complainant's email dated August 16, 2017 (a copy of the email was provided to the Inspection Panel).

## V. MANAGEMENT'S RESPONSE

32. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1. Descriptions of the actions taken in response to the issues raised in the 2015 report are provided in Annex 2.

33. *While the Borrower and the Contractor have implemented many measures over the years to address workers' concerns, Management recognizes that some of these measures may not have benefitted every worker who left the worksite before the measures were implemented. To that effect, Management has asked the Borrower to ensure that the Project's GRM continues to receive and process any current and previous Project-related complaints, so that potential complaints raised by current and former workers can be addressed.* Management is supporting the Borrower in a targeted effort to identify former workers who may have unresolved grievances and is working with the Borrower to proactively identify and address grievances that may be unresolved or that may be raised despite the demobilization of the Project site. Management already received confirmation from the Borrower that the official representatives who participated in the Social Dialogue Committee would be available to support this task.

34. *Management has carefully reviewed the issues raised by the Requesters and notes that they were known to the Bank and to the Borrower and considers that the Bank has worked with EDC during Project implementation to address and resolve these issues.* Most of the issues raised in the Request were the subject of intense supervision by the Bank, including audits, and corrective action by EDC from the start of the Project. The environmental and social oversight regime of this Project and the Contractor's extensive reporting obligations, as described in Section II, were put in place to address issues such as those raised in the Request. Project Effectiveness was contingent upon the Borrower's demonstration of compliance with the Project safeguard instruments, including the Project ESMP. A fact-finding mission took place in March 2013 to verify that this was the case. Subsequently, the Bank continued to work with the Borrower to address issues raised by workers. Management is continuing its due diligence regarding the issues raised in the Request and is working closely with the Borrower to understand and address any issues that may remain outstanding.

35. *Management notes that many of the issues raised in the Request for Inspection pertain to questions of compliance with the Cameroonian Labor Code and other related labor regulations and collective agreements, as well as the Cameroonian Constitution.*

36. *As stated, the Project's environmental and social oversight bodies had, early on in Project implementation, identified instances of non-compliance with the Contractor's obligations with regard to housing, social security payments, health screening at recruitment and other concerns raised in the Request.* EDC, monitored by the Bank, implemented measures to ensure that the Contractor addressed these concerns. As recorded in the Minutes of the Social Dialogue Committee and communicated to authorities through Bank Aide Memoires, reports issued by the Supervision Engineer and audit reports by ATESI, there were consistent and major improvements with respect to housing, occupational health and safety, social security payments and workers' compensation from 2015 onwards.

37. *Between March 2016 and August 2017, the Bank engaged even more intensively with Project workers, the Borrower, and the Contractor, to resolve the complaint submitted to the GRS, including the issues identified in the 2015 report that also accompanied the Request.* Management is confident that the complaint to the GRS, and therefore the issues raised in this

Request, have been addressed. Instances where the Bank considered that it could not support the GRS complainants' claims, or where the Bank did not receive sufficient information to address the issue, include issues related to drivers' per diem, housing allowance, overtime payments for managerial staff, and accidents. These are described in Section IV and in the paragraphs below.

### **Unpaid Overtime Work**

38. *Management has carefully looked into the issue and concluded that there are conflicting interpretations by the Contractor and the complainants as to employees' eligibility for overtime payments. The Social Dialogue Committee discussed the matter multiple times.* While all parties agreed that manual laborers paid by the hour are eligible for overtime payments, the Contractor did not agree that managerial staff are also eligible for overtime payments. Management understand that different Government Labor Inspectors who participated in these meetings, at different times, gave diverging interpretations of the legal requirements governing overtime payment.

39. *This issue was brought for the first time to the attention of the Social Dialogue Committee in July 2014. The Committee in several instances acknowledged the right of Project workers with hourly salaries to receive overtime payments.* Discussions are recorded in the Social Dialogue Committee Minutes of July 2014. The Contractor fulfilled this obligation through engaging a human resources professional who assessed workers' claims to overtime payments on a case-by-case basis and became a focal point to help workers understand their rights. This professional was fluent in English, French and the workers' native language and fully proficient with the local regulations. From October 2014 onward, the issue of pending claims regarding overtime payment of workers was not raised in the Social Dialogue Committee.

40. *During the course of engagement on the GRS complaint starting in March 2016, the representative of the complainants raised the issue again and argued that Project workers who receive a monthly salary, typically staff in middle-management positions (i.e., managerial employees), should receive overtime pay as their salary was based on a 40-hour week, which was occasionally exceeded.* The Contractor disagreed with this interpretation of legal requirements with regard to managerial employees. The Labor Inspector, who was consulted in these discussions, offered an interpretation that was understood by EDC as a confirmation that the complainants were not eligible for overtime compensation. However, as a proactive measure, EDC requested the Contractor to offer a bonus payment to the 10 managerial staff identified by the representative of the GRS complainants. This bonus was intended to reward them for their contributions to the Project without contradicting the Labor Inspector's decision. The bonus amounted to half of what they had requested as overtime payments. The Contractor explicitly repudiated any legal obligation to make overtime payments to managerial employees. The employees accepted the payments and confirmed their receipt verbally in July 2017 and in writing in August 2017.

41. *Management considers the issue of overtime payments to workers to be resolved through the earlier efforts of the Contractor to issue overtime payments to eligible manual laborers. The Bank recognizes the dispute regarding the diverging interpretations of Cameroonian labor law regarding overtime payments to managerial employees. Management is of the view that the Bank is not competent to decide on disputes about the interpretation of national labor regulations, which need to be resolved by national courts.*

42. ***At no time did Management offer an opinion to the complainants as to whether the complainants should withdraw their court cases in order to receive the bonus payment or that the bonus payment should be considered payment for overtime.*** However, Management understands that under Cameroonian law, any out of court settlement requires the withdrawal of the pertinent court case to allow for such settlement. Management notes that the complainants could have opted to decline the offered settlement and bonus payments, and instead pursue their court cases.

### **Working/ Housing Conditions**

43. ***In Management's view, the Requesters are not eligible for payment of a housing allowance. Such allowance is required only when housing is not provided by the employer, whereas the Contractor did provide accommodation for Project employees.*** Housing is regulated by Cameroonian law and briefly referred to in the Project ESMP (and CCES). While the Labor Code does not specify any required quality of housing, the Project ESMP specified the maximum number of people allowed per room, storage space that should be available to each worker, basic equipment that should be in rooms – such as lighting, electricity, and mosquito nets – and provided specifications regarding the maximum number of people per shower and toilet. World Bank policies, including the Environmental, Health and Safety Guidelines (EHSGs), do not contain housing specifications.

44. ***The Project is situated in a remote location, prompting the decision to provide accommodations at the Project site and implying that workers could not be accompanied by their families on the site.*** Leaving workers to find their own accommodation in the local villages and towns would have incurred high transport costs and long commute times as the closest village is approximately 20 km from the Project site via an unpaved road that runs through the Deng Deng National Park. In addition, accommodation in local villages would have also significantly raised social risks to local communities.

45. ***Housing conditions for Project workers have been the focus of attention for the Bank team, the Borrower, the Contractor and the Social Dialogue Committee since the inception of the Project.*** The issue was brought to the attention of the highest authorities of the country (Management Letter to the Prime Minister on November 14, 2012) and discussed between EDC and the Bank as one of the conditions of Project Effectiveness. As part of the Project's chain of responsibility for environmental and social issues, the Supervision Engineer, as well as ATESI, monitored housing conditions, and the Contractor was fined for instances where the obligations set out in the Project ESMP were not fully met. The Borrower issued work orders to rectify situations that needed improvement. These measures were recorded in supervision Aide Memoires and Management Letters sent to the GoC as well as in reports of ATESI. Monthly progress reports of the Supervision Engineer and Aide Memoires of the Bank team record significant improvements in the living conditions, and audits of the Supervision Engineer confirmed compliance with contractual obligations in December 2013, September 2014, and March 2015, respectively.

46. ***Following recommendations from the Bank team and the bodies responsible for overseeing implementation of environmental and social requirements under the Project (for example, ATESI), as well as work orders from the Borrower, the Contractor implemented measures to improve,*** among other things:

- The distribution of employees in the existing accommodation (number of people per room);

- Building ventilation;
- The buildings' foundations, with improved thresholds at doors and at the base of walls to protect all bedrooms from rain water invasion;
- Bedroom interiors, by providing storage space, wall lining and distribution of insecticide-treated mosquito nets to each individual.

47. ***The Requesters' claim that they are eligible for the payment of a housing allowance is not in accordance with Project ESMP, the Contractor's ESMP, or national law.*** According to the Government Labor Inspector, a housing allowance is only payable if no housing is provided by the employer.<sup>12</sup> The perceived *quality* of housing, however, is not a factor in determining eligibility for such an allowance. The Project ESMP and the Contractor's ESMP also do not provide for a housing allowance in cases where the housing conditions set out in these ESMPs are not met.

48. ***When the housing complaint was brought to the GRS in 2016, the Bank communicated the provisions of the Cameroonian Labor Code and the ESMP to the representative of the complainants.*** Specifically, the GRS complaint focused on the *enhanced standard of accommodation for senior staff* which the representative of the complainant stated he had not received, and for which the complaint sought compensation through an allowance. Given the applicable legal and contractual obligations, the Bank is not able to require the Borrower or Contractor to pay such allowances.

49. ***Food quality, quantity and cost were discussed extensively at the inception of the Project and have been a subject of several Social Dialogue Committee meetings since August 2014.*** The CCES includes a requirement to provide refectories and kitchens, but does not specify any further detail. The EHSs require an "adequate and clean eating area," but the EHSs do not contain any specifications regarding food quality, quantity or its cost and subsidies.

50. ***Management has reviewed food hygiene in response to workers' grievances expressed at the inception of the Project. Management notes that the Borrower and the Contractor have made significant efforts to subsidize the price of food in the refectory, keeping the worker's contribution at a fixed rate of FCFA200 even when food costs increased.*** After workers brought the issue of meal prices to the attention of the Social Dialogue Committee, the Contractor and Borrower agreed to the subsidies, as recorded in the Committee Minutes from January 2014. The Contractor has a hygiene and safety plan. The Contractor also established a Health and Safety Committee and a Committee for Monitoring Meal Quality and Quantity, which monitors cleanliness of refectories and dietary diversity. These two committees include medical staff, an environmental and social inspector for the living quarters, a representative of the refectories and an employee representative. The issue was closely monitored, including by the Social Dialogue Committee, ATESI and the independent environmental and social panel of experts, and reports have shown that the situation was addressed by the Contractor in accordance with the Contractor's ESMP.

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<sup>12</sup> The Labor Code of Cameroon, in its Article 66, (1) and (2), stipulates that: "(i) the employer shall provide adequate and decent accommodation, in accordance with the worker's family status, for any worker transferred for the purpose of performance on employment contract requiring movement and settlement of such worker outside her/his normal place of residence; and (ii) when accommodation is not provided, the employer is bound to pay the worker concerned an "accommodation allowance."

51. ***Management believes that, unless new information is available to the Inspection Panel, the Bank has met Bank policy requirements with regard to housing allowance and food provision by ensuring the Borrower's compliance with the Project ESMP.***

### **Social Security Dues**

52. ***Management has followed up on the issue of outstanding social security payments and registration of Cameroonian workers with the CNPS. According to a Supervision Engineer Progress Report from August 2016, the Contractor has paid all outstanding dues.*** As an employer in Cameroon, the Contractor is required to register workers with the national social insurance fund, CNPS, and make regular payments to protect workers.

53. ***In the very first meeting of the Social Dialogue Committee in December 2012, workers urged that they be accurately registered with the CNPS.*** Registration had started in April 2012, but there were discrepancies between the number of workers mobilized on the Project site and the number of workers registered with the CNPS. In November 2012, the Contractor recruited a specialist to facilitate the proper registration of Project workers. This effort was also supported by the CNPS itself, which actively engaged with the Contractor to regularize the situation. The issue was escalated by EDC to the Prime Minister's Office to enable close follow up by the GoC. The Supervision Engineer's monthly progress reports clearly record the progress made to reach compliance with local regulations regarding social security registration and payments.

54. ***Accurate registration of all workers was complicated by lack of proper documentation by employees such as a birth certificate, which is required by law.*** However, workers who were registered with delay were nevertheless covered retroactively. For example, some workers received treatment for work-related injuries before their registration was completed.

### **Health**

55. ***Based on documentation available to the Bank from the Project's supervision bodies, Management has no indication that workers were wrongfully dismissed after being diagnosed with Hepatitis B, but has engaged with the Borrower to further explore whether there are unresolved issue.*** According to the Project ESMP (which reflects the EHSGs), the Contractor is required to vaccinate all workers against infectious diseases, such as Hepatitis B, and ensure adequate screening, medical checks and follow up to avoid risks of such diseases spreading. The Labor Code of Cameroon has specific obligations for employers with regard to the dismissal of workers who may be incapacitated over the long term and associated compensation measures. In August 2014, the Contractor was found by the Supervision Engineer to be in non-compliance with regard to the mandatory health screening as part of the recruitment process. An on-site testing campaign diagnosed 67 out of 500 workers with the Hepatitis B virus. According to progress reports of the Supervision Engineer, 34 of these workers were treated at the Bertoua Hospital at no cost to themselves and the remaining 33 workers left the site at the end of their contract or resigned from their contract before being treated.<sup>13</sup> Management is working with the Borrower to confirm the treatment of infected workers and to understand the context of untreated workers' departure from the worksite. As per common practice, staffing needs constantly changed during construction and Management

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<sup>13</sup> In Management's experience, high turnover in the workforce is typical for large construction sites. Throughout the life of the Project, the Contractor employed more than 3,000 workers on site.

understands from the Borrower that hundreds of workers left the site upon expiration of their contract.

56. ***While the Contractor initially did not fully appreciate the endemic prevalence of Hepatitis B among workers, from December 2014 onwards, all workers were vaccinated for Hepatitis B and mandatory medical screening checks were enforced as of that date during onboarding of new employees.*** Hepatitis B is widespread in Cameroon and can be effectively prevented through vaccinations. The health of the workers was also closely monitored on a monthly basis, with type of infection clearly recorded in the reports in order to implement prevention campaigns in relation to some high-risk pathologies.

57. ***Management is working with the Borrower to reach out to former workers, including the workers Management understands left the site at the end of their contract and before being treated, to address any unresolved grievances and to provide support where appropriate, in accordance with Cameroonian law and Bank policy.***

### **Accidents**

58. ***Based on documentation available from the Supervision Engineer, Management believes that Project workers involved in accidents were provided with treatment and were not wrongfully dismissed from the Project. However, Management is working with the Borrower to understand whether there are unresolved issues regarding victims of accidents on the work site*** As per the Labor Code, the Contractor is required to: (i) transport injured or sick workers to the nearest medical center if they are not likely to be treated by the means at their immediate disposal; (ii) if the injured or the sick are not transportable, carry out medical interventions on the spot; and (iii) bear all costs to be reimbursed on the basis of official tariffs. In addition, the Contractor must register all accidents with the CNPS. Reports by the Supervision Engineer provide clear statistics of accidents since 2013, categorized according to their severity. The severity of accidents was indicated through the number of days a worker was unavailable for work (less or more than one day) and the type of care required (in an onsite clinic or an offsite hospital).

59. ***The accident tracking of the Supervision Engineer indicates that the accidents logged were also followed up with medical treatment, in accordance with Cameroonian law, no matter their severity.*** The Contractor also informed the CNPS of work-related accidents in case the victim wished to claim social security benefits.

60. ***Management is supporting the Borrower in reviewing and addressing any unresolved work-related grievances from former workers as appropriate.*** Management is aware of one specific case where a worker raised grievances in November 2017 with regard to a work-related accident, which is currently under review by EDC. The representative of the GRS complainants submitted material in 2016 citing names of two workers who allegedly were not adequately supported following work-related accidents. One worker could be identified based on the documentation provided, which indicated that the individual was appropriately treated in the hospital. The other alleged case could not be identified in the records. However, the Borrower has committed to ensure that any such unresolved grievances are reviewed and addressed.

## VI. CONCLUSION

61. ***The Project is scheduled to close on December 31, 2018, and is in the demobilization phase.*** Workers have been demobilizing since June 2017 and most have left the Project site. Given the confidential nature of the Request, Management is unable to ascertain whether the Request was submitted by current or previously employed workers, but is not aware of any current complaints from the 35 workers remaining on site, or any other outstanding complaints.

62. ***Management's commitment to working with the Borrower to address the Requesters' concerns is demonstrated through its numerous supervision missions and its engagement through the GRS complaint handling process.*** The Project's environmental and social oversight bodies have functioned well in addressing shortcomings in the treatment of workers since the beginning of Project implementation. Indeed, many of the issues raised in the Request had already been resolved by the time the 2015 report attached to the Request was produced. The remaining concerns have been addressed since then through the Bank's GRS process, to the extent possible and in close coordination with the Borrower.

63. ***Significant corrective actions have already been taken to address the issues raised by the Requesters.*** The issues in the Request have been acknowledged by the Bank and proactively addressed through the appropriate channels consistent with Bank policies and Cameroonian law. The issues raised by the Requesters were addressed, first, through the Social Dialogue Committee, a forum to facilitate dialogue between workers and employers in order to address workers' issues that was recommended by the Bank. Second, following the March 2016 complaint to the GRS, Management and the Borrower addressed the grievances through the GRS. In August 2017, upon completion of the GRS action plan, the representative of the complainants confirmed to the GRS in writing, and on behalf of the other complainants, that the complaint could be closed. At no time was there any indication that the response received through the GRS was not satisfactory or did not solve the problems raised.

64. ***Management recognizes, in light of the significant turnover in the workforce over the lifetime of the Project, that some of the improvements introduced by the Contractor may not have benefitted workers who had left the worksite before such improvements were implemented.*** To that effect, Management has agreed with the Borrower:

- (i) ***That the Borrower will ensure that the existing Project-level GRM continues to receive and process any current Project-related as well as retrospective complaints.*** In this regard, the Project-level GRM will be extended to review and address the grievances of current and former Project workers;<sup>14</sup> and the availability of the Project-level GRM to receive these and other grievances will be widely publicized. Management already received confirmation from the Borrower that the official representatives who participated in the Social Dialogue Committee would be available to support this task. This would also require the involvement of the human resources department of the Contractor.
- (ii) ***That the Bank will support the Borrower in efforts to identify current or former workers*** who may have work-related grievances that they wish to have reviewed and addressed, including, but not limited to, complaints related to alleged dismissal of workers with Hepatitis B infections and alleged

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<sup>14</sup> To replace the grievance redress function of the Social Dialogue Committee which was phased out with the workers' demobilization in July 2016.



abandonment of workers that suffered accidents on the work site. The Borrower has committed to working with the Contractor on identifying workers based on a review of personnel files, Hepatitis B screening results, and accident logs, as well as through an outreach campaign to solicit information about such grievances. The Bank will monitor the Borrower's follow-up on those grievances.

**65. *Management is working closely with the Borrower to confirm details as to how workers' grievances were addressed throughout Project implementation and to understand and address any grievances that may remain outstanding.***

**66. *Management is continuing to provide and, where necessary, further strengthen supervision and implementation support until completion of the Project, and support the Borrower with regard to compliance with the Project's environmental and social requirements.***

## ANNEX 1. CLAIMS AND RESPONSES

No.	Claim	Response
	<ol style="list-style-type: none"> <li>1. We [REDACTED] worked and represent others who worked in the Lom Pangar Hydropower Project in Cameroon.</li> <li>2. We have suffered human rights violations as a result of the World Bank's failures or omissions in the Lom Pangar Hydropower Project located in East Cameroon.</li> <li>3. As workers on the project, we suffered the following harms: <ol style="list-style-type: none"> <li>(a) Unpaid overtime work</li> <li>(b) Indecent working conditions</li> <li>(c) Unpaid social security dues, hence, inability to benefit from the social security system</li> <li>(d) Employer dismissed all workers who contracted Hepatitis B on the project site</li> <li>(e) Employer abandoned workers who suffered drastic industrial accidents on the site to themselves</li> </ol> </li> <li>4. The employer violated the following contractual agreements: <ol style="list-style-type: none"> <li>(a) Section 2.1 of the Environmental and Social Management Plan obliging project management to respect international standards in all construction works including workers' residences.</li> <li>(b) Section 1.3 of the Specific Contractual Engagement on Environmental and Social Management (French acronym is CCES) obliging the employer to respect national legal framework governing environmental and social protection of individuals and the environment.</li> </ol> </li> <li>5. [REDACTED] complained to World Bank staff on March 16, 2016 received a response, had a couple of meetings and exchanges over the complaint but we believe that the response received is not satisfactory as it does not answer or solve [REDACTED] problems for the following reasons: <ol style="list-style-type: none"> <li>(a) Workers dismissed for contracting Hepatitis Bon the project were not recalled to the project. The employer abandoned the treatment of these workers and no one is sure if their health is still ok.</li> </ol> </li> </ol>	<p><b>Management has carefully reviewed the issues raised by the Requesters and notes that they were known to the Bank and to the Borrower, and considers that the Bank has worked with EDC during Project implementation to address and resolve these issues.</b> Most of the issues raised in the Request were the subject of intense supervision by the Bank and corrective action by EDC from the start of the Project. The environmental and social oversight regime of this Project and the Contractor's extensive reporting obligations, as described above in Section II, were put in place to address issues such as those raised in the Request. Project Effectiveness was contingent upon the Borrower's demonstration of compliance with the Project safeguard instruments, including the Project ESMP. A fact-finding mission took place in March 2013 to verify that this was the case. Subsequently, the Bank continued to work with the Borrower to address issues raised by workers. Management is continuing its due diligence regarding the issues raised in the Request and is working closely with the Borrower to understand and address any issues that may remain outstanding.</p> <p>While the Borrower and the Contractor have implemented many measures over the years to address workers' concerns, Management recognizes that some of these measures may not have benefitted every worker who left the worksite before the measures were implemented. To that effect, Management has asked the Borrower to ensure that the Project's GRM continues to receive and process any current and previous Project-related complaints, so that potential complaints raised by current and former workers can be addressed. Management is supporting the Borrower in a targeted effort to identify former workers who may have unresolved grievances and is working with the Borrower to proactively identify and address grievances that may be unresolved or that may be raised despite the demobilization of the Project site. Management already received confirmation from the Borrower that the official representatives who participated in the Social Dialogue Committee would be available to support this task. This would also require the involvement of the human resources department of the Contractor.</p> <p>The Project's environmental and social oversight bodies, such as ATESI, had, early on in Project implementation, identified instances of non-compliance of the Contractor's obligations with regard to housing, social security payments, health screening at recruitment and other concerns raised in the Request.</p> <p>Between March 2016 and August 2017, the Bank engaged with Project workers, the Borrower, and the Contractor, to resolve the complaint submitted to the GRS, including the issues identified in the 2015 report that accompanied the Request. Management is confident that the complaint to the GRS, and therefore the issues raised in this Request, have been addressed.</p> <p>A number of claims could not be processed as they lacked key information. Although the GRS requested cooperation to help identify aggrieved workers with outstanding claims, none could be identified by the complainants, who only submitted the names and claims of 10 managerial</p>

<p>(b) Employer has not paid the mandatory housing allowances provided for by national legislation as a result of constructing substandard, indecent, unsatisfactory houses and obliging four adults to share a single room.</p> <p>(c) Most workers still cannot benefit from their family allowances and not sure they will have retirement benefits because employer did not pay these mandatory dues to the National Social Insurance Fund.</p> <p>(d) After negotiations, contractor opted to pay a bonus to senior staff. GRS made to believe this was payment for overtime work but it turned out that the document from the contractor requesting payment did not mention overtime pay. Before receiving this payment, were obliged to withdraw all complaints before national courts. Payment of the bonus was preconditioned on the withdrawal of all pending cases before national courts. We therefore consider that the overtime work was not paid.</p> <p>(e) Victims of industrial accidents have been abandoned to themselves.</p> <p>6. We request the Inspection Panel recommend to the World Bank's Executive Directors that an investigation of these matters be carried out.</p> <p>N.B. We are available to submit any documents that may help edify our case.</p>	<p>employees. Other claims could not be addressed as they pertained to differences in the interpretation of relevant Cameroonian law:</p> <ul style="list-style-type: none"> <li>• Drivers' per diem: The complaint indicated that outstanding per diem payments to drivers had not been made. The Bank followed up with the Borrower, which acknowledged there was a problem and committed to reviewing and processing such claims. However, the representative of the complainants did not respond to the GRS' request to help identify such affected drivers and did not follow up with the necessary detail to help the GRS present individual claims.<sup>15</sup> The same issue is raised in the report attached to the Request. Most drivers have now left the site and no complaints were raised by drivers when they received their last payments upon demobilization.</li> <li>• Overtime: The complaint argued that the Contractor had not made legally required overtime payments and requested overtime payments for a group of 10 managerial CWE employees.<sup>16</sup> The Contractor agreed to pay overtime to workers, but declined to do so for managerial employees, citing contractual stipulations. The Contractor offered, however, to provide them with a bonus payment for good performance. This bonus payment was accepted by and paid to the identified 10 managerial employees. Management has carefully looked into the issue and concluded that there are conflicting interpretations of the Labor Code as to whether managerial employees are entitled to overtime payments, which would need to be resolved by national courts.</li> <li>• The Requesters repeat the claim regarding overtime payments and state that they do not accept the bonus payment as resolution of their complaint regarding overtime. They also criticize the Contractor's requirement to withdraw any court case they may have filed because of the settlement.</li> <li>• Management wishes to clarify that the GRS at no time offered any advice or opinion to the complainants with regard to their court case. Moreover, the statement in the Request that the GRS "[...] made to believe this payment was for overtime work" is not correct. On April 20, 2017, the representative of the complainants was clearly advised in writing of the nature and amount of the bonus payments offered by the Contractor. He determinedly followed up on the disbursement of these payments, which he confirmed verbally in July 2017 and in writing in August 2017, without questioning the nature, characterization, or amount of the payments.<sup>17</sup></li> <li>• Housing allowance: The complaint alleged insufficient quality of lodging (size and number of people per unit) and non-payment of a housing allowance. The Government Labor Inspector</li> </ul>
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<sup>15</sup> In response to the GRS' inquiry about more details regarding the claimed per diems for drivers, the representative of the complainants responded on September 1, 2016, that "It has been difficult calculating the amounts owed to drivers because we could not establish the exact number of missions." (A copy of the email was provided to the Inspection Panel.)

<sup>16</sup> The complainant provided the names in an email dated August 13, 2016. On September 1, 2016 in response to a GRS request, he provided more specific information on the actual number of claimed overtime hours. (A copy of the email was provided to the Inspection Panel.)

<sup>17</sup> Copies of the emails provided to the Inspection Panel.

	<p>indicated that Cameroonian law does not specify what constitutes adequate quality of housing; the Project ESMP provides some minimum standards, which, according to environmental and social audits, were met by the Contractor. However, there is no provision for a housing allowance to compensate for lack of quality in accommodation in the Project ESMP, the Contractor’s ESMP or Cameroonian law. According to national law, such housing allowance is due only if no accommodation at all is provided by the employer, which was not the case here.</p> <ul style="list-style-type: none"> <li>• Accidents: The complaint alleged harm to individuals through accidents on the work site and claimed that injured workers did not receive treatment. In this regard, the complainant mentioned two workers by name, but did not clarify which measures he expected to be taken on their behalf. One worker could be identified based on the documentation provided, which indicated that the individual was appropriately treated in the hospital. The other alleged case could not be identified in the records.<sup>18</sup> Management was not presented any information that would indicate a wrongful dismissal in those cases, but is following up with the Borrower to understand whether there are unresolved issues regarding victims of accidents on the work site.</li> </ul> <p><b>Unpaid Overtime Work</b></p> <p><b>Management has carefully looked into the issue and concluded that there are conflicting interpretations by the Contractor and the complainants as to employees’ eligibility for overtime payments.</b> While all parties agreed that <i>manual laborers paid by the hour</i> are eligible for overtime payments, the Contractor did not agree that <i>managerial staff</i> are also eligible for overtime payments. Management understand that different Government Labor Inspectors who participated in these meetings, at different times, gave diverging interpretations of the legal requirements governing overtime payment.</p> <p>This issue was brought for the first time to the attention of the Social Dialogue Committee in July 2014. The Committee in several instances acknowledged the right of Project workers to overtime payment. Discussions are recorded in the Social Dialogue Committee Minutes of July 2014. The Contractor fulfilled this obligation through engaging a human resources professional who assessed workers’ claims to overtime payments on a case-by-case basis and became a focal point to help workers understand their rights. This professional was fluent in English, French and the workers’ native language and fully proficient with the local regulations. From October 2014 onward, the issue of pending claims regarding overtime payment of workers was not raised in the Social Dialogue Committee.</p> <p>During the course of engagement on the GRS complaint starting in March 2016, the representative of the complainants raised the issue again and argued that Project workers who receive a monthly</p>
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<sup>18</sup> Benefits for workers that can no longer work, where applicable, would be paid through CNPS, not through the Contractor. To facilitate benefit claims, the Contractor informs CNPS of work-related accidents.

	<p>salary, typically staff in middle-management positions (i.e., managerial employees), should receive overtime pay as their salary was based on a 40-hour week, which was occasionally exceeded.</p> <p>The Contractor disagreed with this interpretation of legal requirements with regard to managerial employees. The Labor Inspector, who was consulted in these discussions, offered an interpretation that was understood by EDC as a confirmation that the complainants were not eligible for overtime compensation. However, as a proactive measure, EDC requested the Contractor to offer a bonus payment to the 10 managerial staff identified by the representative of the GRS complainants. This bonus was intended to reward them for their contributions to the Project without contradicting the Labor Inspector's decision. The bonus amounted to half of what they had requested as overtime payments. The Contractor explicitly repudiated any legal obligation to make overtime payments to managerial employees. The employees accepted the payments and confirmed their receipt verbally in July 2017 and in writing in August 2017.</p> <p><b>Management considers the issue of overtime payments to workers to be resolved through the earlier efforts of the Contractor to issue overtime payments to eligible <u>manual laborers</u>.</b> The Bank recognizes the dispute regarding the diverging interpretations of Cameroonian labor law regarding overtime payments to managerial employees. Management is of the view that the Bank is not competent to decide on disputes about the interpretation of national labor regulations.</p> <p>At no time did Management offer an opinion to the complainants as to whether the complainants should withdraw their court cases in order to receive the bonus payment or that the bonus payment should be considered payment for overtime. However, Management understands that under Cameroonian law, any out of court settlement requires the withdrawal of the pertinent court case to allow for such settlement. Management notes that the complainants could have opted to continue the court case and decline the offered settlement and bonus payments, and instead pursue their court cases.</p> <p><b>Working Conditions</b></p> <p><b>Following recommendations from the Bank team and the bodies responsible for overseeing implementation and compliance of environmental and social requirements under the Project (for example, ATESI), as well as work orders from the Borrower, the Contractor implemented measures to improve housing conditions. According to the Government Labor Inspector, a housing allowance is only payable if <u>no</u> housing is provided by the employer.</b></p> <p><b>Housing conditions</b> for Project workers have been the focus of attention for the Bank team, the Borrower, the Contractor, and the Social Dialogue Committee since the inception of the Project. The issue was brought to the attention of the highest authorities of the country (Management Letter to the Prime Minister on November 14, 2012), and discussed between EDC and the Bank as one of the conditions of Project Effectiveness. As part of the Project's chain of responsibility for environmental and social issues, the Supervision Engineer as well as ATESI monitored housing conditions and the Contractor was fined for instances where the obligations set out in the Project ESMP were not fully met. The Borrower issued work orders to rectify situations that needed improvement. These measures were recorded in supervision Aide Memoires and Management</p>
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	<p>Letters sent to the GoC as well as in reports of ATESI. Monthly progress reports of the Supervision Engineer and Aide Memoires of the Bank team record significant improvements in the living conditions and audits of the Supervision Engineer confirmed compliance with contractual obligations in December 2013, September 2014, and March 2015, respectively.</p> <p>The Project is situated in a remote location, prompting the decision to provide accommodations at the Project site and implying that workers could not be accompanied by their families on the site. Leaving workers to find their own accommodation in the local villages and towns would have incurred high transport costs and long commute times as the closest village is approximately 20 km from the Project site via an unpaved road that runs through the Deng Deng National Park. In addition, accommodation in local villages would have also significantly raised the social risk to the local communities.</p> <p>Following recommendations from the Bank team and the Project’s environmental and social oversight bodies as well as work orders from the Borrower, the Contractor implemented measures to improve housing conditions.</p> <p><b>Housing allowance. The Requesters’ claim that they are eligible for the payment of a housing allowance is not in accordance with the Project ESMP, the Contractor’s ESMP or national law.</b> Housing is regulated by Cameroonian law and briefly referred to in the Project ESMP (and CCES p.31). While the Labor Code does not specify any required quality of housing, the Project ESMP specified the maximum number of people allowed per room, storage space that should be available to each worker, basic equipment that should be in rooms – such as lighting, electricity, and mosquito nets - and provided specifications regarding the maximum number of people per shower and toilet. World Bank policies, including the EHSs, do not contain housing specifications.</p> <p>According to the Government Labor Inspector, a housing allowance is only payable if no housing is provided by the employer. The Labor Code of Cameroon, in its Article 66, (1) and (2), stipulates that: “(i) the employer shall provide adequate and decent accommodation, in accordance with the worker’s family status, for any worker transferred for the purpose of performance on employment contract requiring movement and settlement of such worker outside her/his normal place of residence; and (ii) when accommodation is not provided, the employer is bound to pay the worker concerned an ‘accommodation allowance.’” The perceived quality of housing, however, is not a factor in determining eligibility for such an allowance. The Project ESMP and the Contractor’s ESMP also do not provide for a housing allowance in cases where the housing conditions set out in the ESMP are not met. In conclusion, pursuant to Article 66 (2) of the Labor Code, an accommodation allowance is only due to those workers working outside of their normal place of residence that have not been provided with accommodation by the employer, which is not the case at hand.</p> <p><b>When the housing complaint was brought to the GRS in 2016, the Bank communicated the provisions of the Cameroonian Labor Code and the ESMP to the representatives of the complainants.</b> Specifically, the GRS complaint focused on the <i>enhanced standard of</i></p>
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	<p><i>accommodation for senior staff</i> which the representative of the complainant stated he had not received, and for which the complaint sought compensation through an allowance. Given the applicable legal and contractual obligations, the Bank is not able to require the Borrower or Contractor to pay such allowances.</p> <p><b>Food and hygiene.</b> Management acknowledges that the cost of food was high at the beginning of Project implementation, when staff meals were provided by independent service providers not under contract with the Contractor. Employees bore the full cost of meals and complained about the quality and quantity of meals.</p> <p><b>Food quality, quantity and cost were discussed extensively at the inception of the Project and have been a subject of several Social Dialogue Committee meetings since August 2014.</b> The CCES includes a requirement to provide refectories and kitchens, but does not specify any further detail. The EHSGs require an “adequate and clean eating area,” but the EHSGs does not contain any specifications regarding food quality, quantity or its cost and subsidies.</p> <p><b>Management has reviewed food hygiene in response to workers’ grievances expressed at the inception of the Project. Management notes that the Borrower and the Contractor have made significant efforts to subsidize the price of food in the refectory, keeping the worker’s contribution at a fixed rate of FCFA200 even when food costs increased.</b> After workers brought this issue to the attention of the Social Dialogue Committee, the Contractor and Borrower agreed to the subsidies, as recorded in the Committee Minutes from January 2014. The Contractor has a hygiene and safety plan. The Contractor also established a Health and Safety Committee and a Committee for Monitoring Meal Quality and Quantity, which also monitors cleanliness of refectories and dietary diversity. These two committees include medical staff, an environmental and social inspector for the living quarters, a representative of the refectories, and an employee representative. The issue was closely monitored, including by the Social Dialogue Committee, ATESI and the independent environmental and social panel of experts and reports have shown that the situation was addressed by the Contractor in accordance with the Contractor’s ESMP.</p> <p><b>Social Security Dues</b></p> <p><b>Management is of the view that the Requesters’ concerns regarding payment of social security dues and registration with the CNPS have been addressed by the Contractor.</b> Management has followed up on the issue of outstanding social security payments and registration of Cameroonian workers with the CNPS. According to a Supervision Engineer Progress Report from August 2016, the Contractor has paid all outstanding dues. As an employer in Cameroon, the Contractor is required to register workers with the national social insurance fund, CNPS, and make regular payments to protect workers.</p> <p>In the very first meeting of the Social Dialogue Committee in December 2012, workers urged that they be accurately registered with the CNPS. Registration had started in April 2012, but there were discrepancies between the number of workers mobilized on the Project site and the number of workers registered with the CNPS. In November 2012, the Contractor recruited a specialist to facilitate the proper registration of Project workers. This effort was also supported by the CNPS</p>
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	<p>itself, which actively engaged with the Contractor to regularize the situation. The issue was escalated by EDC to the Prime Minister’s Office to enable close follow up by the GoC. The Supervision Engineer’s monthly progress reports clearly record the progress made to reach compliance with local regulations regarding social security registration and payments.</p> <p><b>Health</b></p> <p><i>Based on documentation available to the Bank from the Project’s supervision bodies, Management has no indication that workers were wrongfully dismissed after being diagnosed with Hepatitis B, but has engaged with the Borrower to further explore whether there are unresolved issues.</i> According to the Project ESMP (which reflects the EHSGs), the Contractor is required to vaccinate all workers against infectious diseases, such as Hepatitis B, and ensure adequate screening, medical checks and follow up to avoid risks of such diseases spreading.</p> <p>The Labor Code of Cameroon has specific obligations with regard to the dismissal of workers who may be incapacitated over the long term and associated compensation measures. In August 2014, the Contractor was found by the Supervision Engineer to be in non-compliance with regard to the mandatory health screening as part of the recruitment process. An on-site testing campaign diagnosed 67 out of 500 workers with the Hepatitis B virus. According to progress reports of the Supervision Engineer, 34 of these workers were treated at the Bertoua Hospital at no cost to themselves and the remaining 33 workers left the site at the end of their contract or resigned from their contract before being treated.<sup>19</sup> Management is working with the Borrower to confirm the treatment of infected workers and to understand the context of untreated workers’ departure from the worksite. As per common practice, staffing needs constantly changed during construction and Management understands from the Borrower that hundreds of workers left the site upon expiration of their contract.</p> <p><b>While the Contractor initially did not fully appreciate the endemic prevalence of Hepatitis B among workers, from December 2014 onwards, all workers were vaccinated for Hepatitis B and mandatory medical screening checks were enforced as of that date during onboarding of new employees.</b> Hepatitis B is widespread in Cameroon and can be effectively prevented through vaccinations. The health of the workers was also closely monitored on a monthly basis, with type of infection clearly recorded in the reports in order to implement prevention campaigns in relation to some high-risk pathologies.</p> <p><b>Management is working with the Borrower to reach out to former workers, including the 33 workers Management understands left the site at the end of their contract and before being treated, to address any unresolved grievances and to provide support where appropriate, in accordance with Cameroonian law and Bank policy.</b></p> <p><b>Accidents</b></p>
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<sup>19</sup> In Management’s experience, high turnover in the workforce is typical for large construction sites. Throughout the life of the Project, the Contractor employed more than 3,000 workers on site.



	<p><b>Based on documentation available from the Supervision Engineer, Management believes that Project workers involved in accidents were provided with treatment and were not wrongfully dismissed from the Project.</b> However, Management is working with the Borrower to understand whether there are unresolved issues regarding victims of accidents on the work site. As per the Labor Code, the Contractor is required to: (i) transport injured or sick workers to the nearest medical center if they are not likely to be treated by the means at their immediate disposal; (ii) if the injured or the sick are not transportable, carry out medical interventions on the spot; and (iii) bear all costs to be reimbursed on the basis of official tariffs. In addition, the Contractor must register all accidents with the CNPS.</p> <p>Reports by the Supervision Engineer provide clear statistics of accidents since 2013, categorized according to their severity. The severity of accidents was indicated through the number of days a worker was unavailable for work (less or more than one day) and the type of care required (in an on-site clinic or an offsite hospital).</p> <p>The accident tracking of the Supervision Engineer indicates that all accidents logged were also followed up with medical treatment, in accordance with Cameroonian law, no matter their severity. The Contractor also informed the CNPS of work-related accidents in case the victim wished to claim social security benefits.</p> <p><b>Management is supporting the Borrower in reviewing and addressing any unresolved work-related grievances from former workers as appropriate.</b> Management is aware of one specific case where a worker raised grievances in November 2017 with regard to a work-related accident, which is currently under review by EDC. The representative of the GRS complainants submitted material in 2016 citing names of two workers who allegedly were not adequately supported following work-related accidents. One worker could be identified based on the documentation provided, which indicated that the individual was appropriately treated in the hospital. The other alleged case could not be identified in the records. However, the Borrower has committed to ensure that any such unresolved grievances are reviewed and addressed.</p>
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## ANNEX 2. RESPONSES TO CLAIMS RAISED IN THE 2015 REPORT SUBMITTED AS ANNEX TO THE REQUEST

No.	Claim	Response
1.	<p data-bbox="286 268 546 296"><b>I. Working Hours</b></p> <p data-bbox="208 309 969 858">Section 80 of the Cameroon Labour Code clearly states that working hours may not exceed 40 hours per week or 8 hours per day. Although, it also makes provision for possible waivers from these requirements, such derogations are spelt out in Ministerial Order No 95/677/PM of 18 December 1995. The Order provides that extra hours of work must not exceed 10 hours per day or 60 per week. However, workers in Lom Pangar are engaged in excess of these provisions. Most of the workers confirmed during interviews that working overtime was not based on freewill but rather on fear. Though most of them preferred to work overtime to earn more money considering that wages were very low, they confessed that they could not refuse to comply with such instructions from their superiors as they would be sanctioned. The decision to engage in overtime work was therefore not voluntary, but rather performed under duress. Though Management has started observing the 10-hour work week due to the reduced work load, workers are primed on not having their normal weekly rest. Consequently, they work in excess of the 60-hours allowed by law. This leads to the second point which has to do with weekly rest.</p>	<p data-bbox="992 268 2051 544"><b>Management considers the issue of overtime payments to workers resolved through the earlier efforts of the Contractor to issue overtime payments to eligible manual laborers. Management notes that the Contractor offered a performance-based bonus payment to 10 managerial employees, which they accepted. Management has carefully looked into the issue and concluded that there are conflicting interpretations as to whether managerial employees are entitled to overtime payments, which would need to be resolved by national courts.</b> The Bank has no role in interpreting Cameroonian labor laws regarding the claim for overtime payments to managerial employees. Moreover, this issue is also not covered by the ESMP or Bank policy provisions.</p> <p data-bbox="992 560 2051 651">The issue of working hours was extensively debated within the Social Dialogue Committee, with participation of representatives of the Ministry of Labor during several sessions, as reflected in the Minutes of Meetings:</p> <ul data-bbox="992 671 2051 1158" style="list-style-type: none"> <li>• Cameroon’s Labor Code limits work schedules to 40 hours per week and 8 hours per day in public and private non-agricultural establishments (section 80) and 48 hours in agricultural and related undertakings; the hours of work are based on a total of two thousand four hundred hours per year, within the maximum limits of forty-eight hours per week.</li> <li>• Regulatory derogations are provided to the Lom Pangar Project, such as those set forth under Ministerial Order No. 95/677/PM of December 18, 1995, which applies the principle of derogations to legal working hours, including overtime.</li> <li>• This is the case for the building and public works (BTP) sector and EDC obtained the Labor Inspectorate’s authorization to implement overtime for specific periods and work for seven days a week on a rotational basis (Communications No. 400/MINTSS/DRE/BIT and No. 401/MINTSS/DRE/BIT).</li> <li>• Pursuant to Article 34 of the BTP Collective Agreement, continuous work on a rotational basis for which the schedule is set by the company owing to certain work imperatives is permissible. This was duly reflected in the personnel policy of the Contractor.</li> </ul> <p data-bbox="992 1174 2051 1385">The working hours generally observed on the worksite on an ongoing basis for the 2012–2017 period by the Contractor’s monitoring and supervision team were as follows: (i) Daytime: 07:00–5:30 pm, with a break from 11:30 am to 1:00 pm; (ii) Nighttime: 7:00 pm–6:00 am, with a break from midnight to 1:00 am. In practice, dam daytime teams worked from 8:00 or 8:30 and were clocked as P+1 (9 hours) for the most part or P+2 (10 hours) in certain cases, depending on the output provided and the task implemented. For the most part, nighttime work was clocked as 11 or 12 hours and paid at time-and-a-half of the daily rate.</p>

No.	Claim	Response
		<p>The working hours indicated are subject to adjustments depending on work type and team. Certain activities (for example, concreting) require a continuous flow of employees, which may lead to specific extensions of working time. In other cases, working time can be cut short when planned work is completed before the end of the working day, with employees being paid based on a full day's work.</p> <p>Workers were deployed in accordance with the works schedule of activities prepared in advance by the Contractor and monitored by the Supervision Engineer. In any case, any additional work hours required for a critical activity, with respect to the standard work hours defined by legislation, were duly recorded and compensated.</p> <p>Among the key issues highlighted and debated in the Social Dialogue Committee were clocking-in and the method for calculating overtime. The Contractor introduced a system that was participatory in the sense that workers were in control of their clocking-in sheet throughout the month. The clocking-in process was completed by the team leader in the presence of the worker by totaling regular working hours and overtime as appropriate and on that basis jointly examining any disputes that arose. Disputes regarding the timesheet could thus be resolved on site.</p> <p>With respect to overtime, following worker requests through the Social Dialogue Committee, the Contractor engaged a human resources professional who assessed workers' claims to overtime payments on a case-by-case basis and became a focal point to help workers understand their rights. This professional was fluent in English, French and the workers' native language and fully proficient with the local regulations. From October 2014 onward, the issue of pending claims regarding overtime payment of workers was not raised in the Social Dialogue Committee.</p> <p>Appropriate channels were put in place to address workplace behavior issues. For example, a disciplinary council was established in August 2014, composed of representatives of the workers and of Contractor management. This disciplinary council addressed grievances and inappropriate behavior and determined sanctions to be applied. This helped to optimize human resources management and improved working conditions for the workers. The minutes of the disciplinary council meetings (between August 2014 and June 2016) provide information on the operationalization of these measures.</p> <p><b>Management considers that appropriate tools (Social Dialogue Committee, disciplinary council and HR team) were set in place for the workers to raise their grievances regarding working conditions and worker/manager relationships. There are records of disciplinary decisions made in favor of both the workers and the Contractor's management, which provide evidence of an appropriately functioning system.</b></p> <p>Concerning the wage level, adjustments were made to local workers' contracts by the Labor Inspectorate in 2012 following complaints that the wages did not correspond to Cameroonian norms. An agreement was reached between the Social Dialogue Committee and the Contractor to adopt the BTP Agreement in force when the Project was launched (2004), and then the updated</p>

No.	Claim	Response
		<p>Agreement when it was revised in 2014. There were no objections to the application of this Agreement at the worksite, by the workers or the Labor Inspectorate, as reflected in the Minutes of the Strike Notice Crisis meeting of October 29, 2012. The Requesters' estimate that the wage level of the workers is currently "very low" is unfounded. It is recognized, however, that overtime work is a common way for workers on projects such as Lom Pangar to increase monthly remuneration.</p>
2.	<p><b>II. Weekly Rest</b></p> <p>As mentioned in the section above, the regulatory 40 hours of work is not observed. Section 80 of the Labour Code further specifies that weekly rest shall be compulsory. It shall consist of at least 24 (twenty-four) consecutive hours each week. Such rest shall fall as a rule on Sundays and may under no circumstances be replaced by a compensatory allowance. According to Taminang1, the company has opted to pay a 35000 Francs compensation to all those who would prefer not to take a rest.</p> <p>This amount has been on the increase. In May, it stood at 10.000FCFA, in June 20.000FCFA and in July 25.000FCFA. Since the project is located in the Deng Deng National park, some 86Km from Belabo, which is the nearest human settlement, the company opted prior to the existence of staff representatives, to accumulate the 4 Sundays of each month so that workers could have their weekly rest just once in a month.</p> <p>However, such rest period does not the match legal requirements for the following reasons:</p> <ul style="list-style-type: none"> <li>● The day of departure and of return is counted as a day of rest. Consequently, the worker has just two days of rest. Workers whose families reside in Yaounde, Douala, Bamenda, Kribi practically don't have enough time to commune with their families. Worse, when a worker returns a day later than scheduled, he is penalized.</li> <li>● There is no public transport between Belabo and Lom Pangar. That makes matters worse! The company only makes available vehicles for the transportation of workers to and from their monthly rest. Such transportation is exclusively between Lom Pangar and Belabo on the 5th and the 11th of each month. Workers who are unable to report at the pick-up site on the day of pick due to family constraints are stranded and left to fend for themselves.</li> </ul>	<p><b>Management considers that the legal right to rest was granted to workers in accordance with legal and regulatory provisions in Cameroon and the special considerations applied to the Project. EDC ensured close follow up of the Contractor's compliance, applying penalties related to adequate transportation, planning, etc. to allow workers to exercise their legal right to rest.</b></p> <p>The operational modalities for weekly rest were brought up during several meetings involving the Social Dialogue Committee, the Ministry of Transport, the Bank and other co-donors, EDC, and the Contractor.</p> <p>The Contractor implemented several measures to arrange for weekly rest. The arrangement modalities were defined on the basis of a proposal from the Ministry of Labor and CNPS's regional representative in response to a request from the Contractor concerning this issue. The document indicated that in the case of the Project, scheduling work on a monthly rather than weekly cycle seemed more appropriate: <i>"Given the isolated work environment, workers do not have the option of enjoying family life. Consequently, we deem it more useful to recommend that you make monthly teamwork arrangements. This will mean bringing your staff together in work groups for a 26-day period each month, with the four remaining days being reserved for weekly rest."</i></p> <p>This is reflected in the Contractor's personnel policy (Article 8), which states that: <i>"Owing to the need for an effective worksite, week rest days are accumulated on a monthly basis to allow workers to visit their families."</i></p> <p>In practice, exigencies of work at the site sometimes obliged team leaders to defer a worker's rest period, based on Article 6 of the Contractor's personnel policy, which stipulated that: <i>"In the event of urgent work being rendered necessary by worksite constraints and the nature of this work, workers are obligated to provide the services expected of them even outside of regular work schedules."</i> Any exceptional deviations from legal requirements were monitored and workers duly compensated when they accepted to defer their leave. The grievance mechanisms in place provided workers several channels to report any excessive use of these contractual arrangements.</p> <p>To ensure that the Contractor complied with its contractual obligations, including offsite transportation for workers, a binding work order was issued in September 2013, restricting certain critical activities on site at the peak of the rainy season. In addition to penalties that had already been imposed, this had a significant impact on the Contractor's ability to invoice and receive payments. Worksite activity was restricted until EDC deemed the implementation of the corrective</p>

No.	Claim	Response
	<ul style="list-style-type: none"> <li>• The right to weekly rest as made mandatory by the law is subject to the approval of the line manager. Where the line manager refuses to grant permission, the worker is deprived of his legal right to weekly rest. As such, many workers prefer to remain at Lom Pangar during such rest periods separated from their families. The adverse effects of separation from family and friends are quite significant and impacts especially on the health of the workers. HIV prevalence is on the rise. As at July 2015, 10% of the 850 Cameroonian workers were HIV positive.<sup>2</sup></li> <li>• Matters are made worse by the fact that the company claims that its vehicles can only accommodate 120 persons per day. As a result, worker’s right to a weekly rest authorized by law is subverted because the company is unable or unwilling to provide transport. This is further compounded by the fact that there is no public transport between the project site and the nearest settlement. This in effect, undermines the good faith on the basis of which the employment contract was signed.</li> <li>• Section 88 of the Labour Code makes weekly rest compulsory and provides that such rest shall consist of at least 24 (twenty-four) consecutive hours each week. It shall fall, as a rule, on Sundays and may under no circumstances be replaced by a compensatory allowance. However, at Lom Pangar, the [REDACTED] has put this rest on offer as demonstrated by Tamining’s declaration supra.</li> </ul>	<p>measures to be satisfactory. The use of this strong contractual mechanism to ensure quick remedy of non-compliance by the Contractor demonstrated the commitment of EDC to address the issue.</p> <p>The requirements of the work orders concerning the transport conditions to allow workers to enjoy their rest days were as follows: development and implementation of a procedure for transporting workers offsite; Ministry of Transport approval of vehicles used for monthly transportation; provision of vehicles specifically designed for transportation of workers offsite during rest periods; clarification of measures put in place to avoid overloading and ensure safety during travel.</p> <p>In addition to this and beyond its contractual responsibility, EDC made arrangements for bus transport for residents to the Project site at the end of each month.</p> <p>Regarding arrangements for rest days during the Project, issues expressed by both the Contractor and the workers were resolved through discussions in the Social Dialogue Committee. The stipulations for granting rest days in exceptional cases were specified (Minutes of November 10, 2014 meeting in Yaoundé) and the Contractor set up a rotation schedule for monthly rest (on November 25, 2015).</p> <p><b>Management is therefore of the opinion that the issue of legal right to rest was adequately addressed, in compliance with legislation and the rulings of competent authorities on the specificities of the Project. EDC used contractual measures to enforce compliance by the Contractor, including penalties.</b></p> <p>With respect to <b>HIV/AIDS prevalence</b> in the worker population on the Project site, several key mitigation measures were implemented as part of Project activities: the prevalence of HIV/AIDS at the worksite was monitored through free, voluntary testing campaigns organized by the Project medical office. The health and safety indicators made available to monitoring teams by the Contractor show that the prevalence of HIV/AIDS at the worksite appears to be the same as that found in the Eastern region of Cameroon, which, while relatively high compared to the national average, has been stable throughout the duration of Project implementation.</p> <p>Several other actions were implemented to take HIV/AIDS into consideration, such as: a training workshop held in Bertoua in October 2013 for focal personnel, with a view to implementing the Lom Pangar HIV/AIDS Hydroelectric Dam Plan of the United Nations Development Programme (UNDP), as part of a UNDP support project for mainstreaming HIV into Cameroon’s large worksites. Several HIV/AIDS awareness-building sessions were held for focal persons, peer educators, worksite doctors, and Ministry of Public Health (MINSANTÉ) workers; and condoms were distributed to workers by the Project medical office at rest times.</p> <p><b>Management considers that in the framework of the Project, HIV/AIDS prevalence among workers was duly considered by EDC and mitigation measures adequately deployed to ensure health and safety for workers on site.</b></p>

No.	Claim	Response
3.	<p>Furthermore, the [REDACTED] workers on the project face a more difficult situation as they have to work for one full year before they are permitted to benefit from an annual leave of 40 days. In that regard, the company argues that the workers had signed their contracts in [REDACTED] and should therefore respect the terms of their contracts. This argument is in violation of Cameroon's sovereignty because Section 24 of the Cameroon Labour Code states very clearly that <i>"Irrespective of the place where the contract (was) made and the place of residence of either party, every contract of employment which is to be performed in Cameroon shall be governed by the provisions of this Cameroonian law"</i></p>	<p><b>Management is not aware of any complaints regarding workers' contracts from expatriate workers on the Project during Project implementation. Management considers that the compliance of these foreign contracts with local legislation is the purview of the host Government.</b></p> <p>Access to information by EDC and Cameroonian authorities regarding the contracts of expatriate workers was limited as expatriate employees hired by the Contractor signed their contracts in their home country. Only the list of proposed expatriate personnel, their respective roles and visa applications were provided to EDC for approval prior to mobilization on site.</p> <p>The working hours observed at the worksite were noted above in Item 1.</p> <p>Once the Contractor's expatriate employees were mobilized at the Project site, they worked for six consecutive months before benefitting from 40 days of annual leave each year. expatriate staff work seven days a week on a rotational basis (day and night) and do not have a weekly rest day.</p>
4.	<p><b>III. Annual Leave</b></p> <p>Considering that the human body needs to rest after a period of active service and that workers also need to deal with personal issues, annual leave becomes compulsory. To that end, Section 89 of the Labour Code provides that "In the absence of more favourable conditions in the collective agreement or individual employment contract, paid leave at the employer's expense shall accrue to the worker at the rate of one and a half working days for each month of actual service.</p> <p>Despite these provisions, some workers have been in active service for 3 years without benefiting from a single annual leave. Unfortunately for them, whenever they applied for annual leave, the line manager must be sought. If the line manager refuses, the worker in question risks not enjoying his legal right to rest. Most often, the company requests the workers to reduce the number of days they seek for annual leave. This is expressly contrary to the spirit of the Labour Code. The law gives room for more favorable conditions for the workers and not for the company. It should be noted that a distracted and exhausted (mentally or physically) worker becomes a hazard at the workplace and can easily cause an accident.</p>	<p><b>Management understands that annual leave allowance for the workers was considered, and the workers were remunerated in accordance with the applicable legal and regulatory provisions in Cameroon. Efforts were made to ensure a close dialogue with the workers on the definition of their rights in this regard, in the context of the Project. The issue was closely monitored by the Bank team and raised in different supervision Aide Memoires (June 2013, for example) and Management Letters. The situation reached compliance in September 2015, following which payment of annual leave was recorded as being made systematically at the end of each contract. This was also reflected in the retrenchment plan put in place in September 2016.</b></p> <p>Paid annual leave is a worker's right in Cameroon (Section 89 of the Labor Code). Omissions in this regard at the inception of the Project led to worker grievances. The issue was discussed in Social Dialogue Committee meetings. Analysis of the grievances determined that this was due to the fact that between 2012 and 2014, most workers had temporary contracts, ranging from three to six months. This was resolved from 2015 onwards, when all contracts were re-aligned and formally extended up to the end of construction.</p> <p>The main decisions taken concerning this issue, as recorded in the Minutes of Social Dialogue Committee Meetings, are listed below:</p> <ul style="list-style-type: none"> <li>• The Minutes of the June 13, 2013 Social Dialogue Committee meeting indicate that: <i>"Upon examination of the paid leave calculation methods set out in Article 42 of the 2004 BTP Collective Agreement, which stipulates one-twelfth instead of the one-sixteenth of a year currently in force as regards current individual work contracts, the Committee underscores that this is an initial error by the parties, which should be rectified immediately"</i> (Minutes of the June 13, 2013 meeting);</li> <li>• On June 26, 2013, the Sub-Prefect of Belabo district chaired a crisis meeting at the worksite of</li> </ul>

No.	Claim	Response
		<p>the Lom Pangar dam regarding payment of paid leave allowances, during which “<i>CWE emphasized that contractual obligations should be respected and accepted the improvement to the leave allocation paid on the basis of one-twelfth beginning on July 1, 2013</i>” in accordance with the above-mentioned Article 42;</p> <ul style="list-style-type: none"> <li>• Item 3 of the Minutes of the July 23, 2013 Staff Relations Committee meeting takes stock of the application of Article 42 (paid leave) (Minutes of July 23, 2013 meeting);</li> <li>• On August 22, 2013, the Minutes of the Staff Relations Committee indicate that leave is paid “<i>at the end of the worker’s contract.</i>” The parties, including the representatives of the workers and the Labor Inspectorate, did not object to this provision (Minutes of August 22, 2013 meeting);</li> <li>• On November 15 of the same year, the Committee recognized the calculation carried out on the basis of one-twelfth of a year and not one-sixteenth (Minutes of November 15, 2013 meeting);</li> <li>• Two years later, on September 10–11 2015, among measures taken by the Social Dialogue Committee with regard to the end of the Project and impoundment, “<i>the leave indemnity shall be calculated for each employee during the reference period</i>” (Minutes of September 10–11, 2015 meeting);</li> <li>• An explanatory note of the resolutions emanating from the Social Dialogue Committee crisis meeting held on September 10–11 2015 specifies that “<i>this indemnity (annual leave) shall be incorporated into the calculation of workers’ rights when they leave and applies to the reference period that has not yet been paid.</i>”</li> </ul> <p>These measures have been applied systematically since 2015 over the whole implementation period (Explanatory Note of Resolutions Emanating from the Staff Relations Committee meeting held on September 10–11, 2015).</p> <p>However, workers demobilized prior to the full implementation of these policies may not have benefitted from them. Management will work with the Borrower to identify eligible workers demobilized prior to the implementation of corrective measures through an outreach campaign. The Borrower will instruct the Project-level GRM to receive and process any current Project-related as well as retrospective complaints.</p>

<p>5. <b>IV. Housing</b></p> <p>It is common knowledge that people, who move away from home to reside elsewhere for purposes of employment, need adequate accommodation for rest, safety and shelter. It is for this reason that section 66 of the Cameroon Labour Code provides: An employer shall be bound to provide housing for any worker he has transferred for the purpose of performance on employment contract requiring movement and settlement of such worker outside his normal place of residence. The accommodation shall be adequate and correspond to the family status of the worker, and shall satisfy the conditions to be determined by order of the Minister in charge of Labour issued after consultation with the National Labour Advisory Board. If no housing is provided, the employer shall be bound to pay the worker concerned a housing allowance. The minimum rate and methods of payment shall be fixed by the above-mentioned Order. The minimum rate and methods of payment are defined by Ministerial Order N° 018/MTPS/SG/CJ of 26 May 1993.</p> <p>Further, Article 66 of the Labour Code provides that the lodging conditions of displaced workers must be suitable, sufficient and decent and must correspond to family situation of the worker. Article 3 of Ministerial Order 18 cited above obliges employers to submit their proposed plans for approval to the Inspector of Labour with jurisdiction over the area for approval. If the inspector is of the view that the lodging facilities do not comply with the requirements of the law or that it is unsuitable, inadequate, indecent and does not respect the family conditions of workers, he shall file a report thereon. Article 3 (1) of the same Ministerial Order allows for some waivers from the above conditions provided in the case of individual apartments for single workers. Where for instance the employer is of the view that it is impossible to provide individual housing for single unmarried workers, he shall group two or more single and unmarried workers of the same sex in the same apartment. However, they shall only share the living room and kitchen but each worker must have his own bedroom alone.</p> <p>It is implied in this text that each room shall have its toilet separate from the others. The living conditions of workers at Lom Pangar is courageously in violation of these legal provisions. Not only are three single unmarried workers grouped into a single room but they share toilets and worse, the toilets are in most cases located out of the rooms. Senior staff also share unfurnished rooms.</p>	<p><b>Management would like to emphasize that housing conditions have been a focus of attention for the Bank team, the Borrower, the Contractor and the Social Dialogue Committee since the inception of the Project. All Project stakeholders jointly worked to ensure compliance by the Contractor and improvement of workers' living conditions. Monthly progress reports of the Supervision Engineer and Aide Memoires of the Bank team record significant improvements in the living conditions, and audits of the Supervision Engineer confirmed compliance with contractual obligations in December 2013, September 2014, and March 2015, respectively.</b></p> <p><b>In Management's view, the Requesters are not eligible for payment of a housing allowance. Such allowance is required only when housing is not provided by the employer, whereas the Contractor did provide accommodation for Project employees.</b> The Requesters' claim that they are eligible for the payment of a housing allowance is not in accordance with Cameroonian law, the Project ESMP or the Contractor's ESMP. The Labor Code of Cameroon, in its Article 66, (1) and (2), stipulates that: <i>"(i) the employer shall provide adequate and decent accommodation, in accordance with the worker's family status, for any worker transferred for the purpose of performance on employment contract requiring movement and settlement of such worker outside her/his normal place of residence; and (ii) when accommodation is not provided, the employer is bound to pay the worker concerned an "accommodation allowance."</i> The perceived quality of housing is not a factor in determining eligibility for such an allowance. The Project ESMP and the Contractor's ESMP also do not provide for a housing allowance in cases where the housing conditions set out in these ESMPs are not met. In conclusion, pursuant to Article 66 (2) of the Labor Code, an accommodation allowance is only due to those workers working outside of their normal place of residence that have not been provided with accommodation by the employer, which is not the case at hand.</p> <p><b>The Bank and various stakeholders took several steps to ensure that the Contractor complied with its obligation to improve living conditions of the workers on site:</b> As early as October 2012, incompatibility issues between legislation and contract clauses were pointed out by the Cameroon Workers' Trade Union Confederation (CSTC), during a crisis meeting of the Social Dialogue Committee (Minutes of the October 25, 2012 meeting). The Bank and other Project stakeholders, including ATESI, also flagged the issue of housing conditions at a very early stage of the Project (Aide Memoire of the January 24–30, 2013 Bank mission; Aide Memoire of the October 2–8, 2013 Bank mission; ATESI Audit No. 3). This was brought up to the highest authorities of the country (Management Letter to the Prime Minister on November 14, 2012), and discussed between EDC and the Bank as one of the conditions of Project Effectiveness (material compliance with the applicable safeguard instruments).</p> <p>The notices of non-compliance issued led to the application of financial penalties set forth under the construction contract in 2012 and 2013. For the Bank's part, these instances of non-compliance meant that Project Effectiveness was contingent on their satisfactory resolution. As a result, the Contractor moved workers from unacceptable living quarters, and improved other living</p>
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	<p>The Ministerial Order goes further in Article 10 to introduce a compensatory allowance at a rate of 25% of the net monthly salary when housing facilities are not provided. The pictures above clearly underscore the fact that the lodging facilities provided for workers in Lom Pangar are not only inadequate and offensively indecent, they also do not respect the family situation of workers. It should be noted, as a matter of interest that despite such obviously horrendous living conditions in Lom Pangar, the Labour Inspector is expected, in keeping with Article 3 of Ministerial Order N° 18 to approve the plan presented [REDACTED]. If dissatisfied, employees of [REDACTED] would expect the Labour Inspector to use the powers vested in him by Article 109 of the Labour Code to submit a report on oath on the violation of the conditions provided in Ministerial Order N° 18 and thus trigger legal action against [REDACTED]. During the Industrial Action of June 2012, when employees petitioned for better living conditions, the General Manager of [REDACTED] said inter alia that " some problems such as housing facilities for employees (lodged 4 per room) are up for discussion simply because the company is still to construct the employee's quarters." 3</p> <p>The above statement when fully scrutinized, gives the impression that the General Manager is conversant with the legal provisions governing housing conditions. Unfortunately, as of August 2015, workers are still lodged at 4 per room. To compound the situation, workers are yet to receive the compensatory allowance as mandated by law.</p> <p>By virtue of the fact that employees share a room, they enjoy no privacy nor intimacy. Employees have incurred serious prejudice due to the sharing of bedrooms.</p> <p>According to Nsaminang<sup>4</sup>, he is very busy during the day and is therefore unable to talk to his family. The opportunity is only at night and to ensure privacy and confidentiality, this must be done outside in the cold. First, very confidential information has to be exchanged and secondly, the peace and quiet of the other roommates must not be disturbed. This exposes workers to potential attacks from wild animals and insects and to make matters worse, an onset of disease and illness.</p> <p>Worse, when a roommate is using the toilet, or easing himself, the others suffer from the stench and odour. Where does one seek refuge in the middle of the night?</p> <p>Despite these very basic mandatory requirements, the realities in Lom Pangar are as follows:</p>	<p>conditions to prevent ingress of water and insects, improve air circulation and manage vector control appropriately.</p> <p>From December 2013, these measures regarding housing conditions have been considered to have been adequately implemented and the living conditions considered compliant with Project and Contractor's ESMP requirements and construction contract specifications. This was recorded in the Supervision Engineer report LP-RES-03-12-13-3A, dated December 2013; Aide Memoire of September 22–26, 2014 Bank mission; and Aide Memoire of March 6–13, 2015 Bank mission.</p>

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	<ul style="list-style-type: none"> <li>● Workers of the same sex are grouped in one room.</li> <li>● Employees are grouped two/three/four per room while senior staff are three per room.</li> <li>● Employees' rooms (Cameroonian workers camp) are made of poorly assembled wood without a ceiling. This makes the rooms extremely hot or cold depending on the season.</li> <li>● The poorly constructed rooms allow frequent visits from rats and other rodents.</li> </ul>	
6.	<p style="text-align: center;"><b>V. Workers' Health</b></p> <p>Article 101 of the Labour Code obliges employers to ensure and provide medical care for all sick and displaced workers lodged by the employer. To that end, the employer is expected to provide treatment and food to the sick employee. Article 23 of the Collective Bargaining Agreement of the Construction Industry in Cameroon spells out the conditions under which a worker is paid while he is ill and incapable of working and/or when his contract should be suspended.</p> <p>Unfortunately, the [REDACTED] has vehemently refused to apply the provisions of both the Labour Code and the Collective Bargaining Agreement.</p>	<p><b>Management considers that health and safety on site has been a constant focus of attention during supervision of the Project, since the inception of construction. EDC and its Supervision Engineer followed the issue closely, in order to ensure compliance by the Contractor with key actions regarding improvement of the medical facilities provided by the Contractor to workers.</b></p> <p>At the onset of the Project, management of worker health on site required significant improvements. In this regard, EDC issued notices of non-compliance concerning appropriate checkups upon hiring; medication inventory; number of doctors on site; ambulance use; and evacuation conditions of accident victims.</p> <p>Additionally, the health center for Cameroonian workers was brought up to contractual requirements and was approved by MINSANTÉ on October 23, 2013 (Ministerial Order No. 1211/APE/MINSANTÉ/SG/DRSPE/SAG).</p> <p>Medical personnel were gradually strengthened in response to the increase in employee numbers and to bolster follow-up when employees were transported offsite for medical care, including two doctors, one emergency doctor, three nurses, a laboratory technician, an inventory manager, and an ambulance driver. This is recorded in several monthly reports of the Supervision Engineer (for example, LP-RMA-14-03 of March 2014: Mobilization of Staff and Medical Equipment).</p> <p>A healthcare agreement was signed between the Contractor and the Bertoua regional hospital in September 2013, to receive persons with health issues that are difficult to manage on site. The Contractor and the Supervision Engineer regularly monitored the use of the health center located close to the workers' living quarters as well as the number of workers evacuated to Bertoua hospital as part of their regular reporting.</p> <p>Regarding the healthcare coverage of workers employed on the Project, the following conditions were agreed upon through the Social Dialogue Committee:</p>

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		<ul style="list-style-type: none"> <li>• Healthcare for workers on sick leave was agreed on (Minutes of Staff Relations Committee meeting of September 10–11, 2015; Minutes of Staff Relations Committee meeting of January 23, 2016).</li> <li>• The healthcare practices observed at the worksite when workers were on sick leave as a result of a workplace accident or job-related illness were as follows: <ul style="list-style-type: none"> <li>- Payment of base salary for an eight-hour working day and payment of a food subsidy for work-related accidents and illness;</li> <li>- Medical care and payment of food subsidy in cases of illness not attributable to the employer.</li> </ul> </li> </ul> <p>However, workers demobilized prior to the full implementation of these policies may not have benefitted from them. Management is working with the Borrower to identify eligible workers demobilized prior to the implementation of corrective measures through an outreach campaign. The Borrower will instruct the Project-level GRM to receive and process any current Project-related as well as retrospective complaints.</p>
7.	<p>Following a public campaign to sensitise the workforce and check on their Hepatitis B status on August 3, 2014, 67 employees tested positive with the Hepatitis B virus. All attempts by the project owner to ensure that these employees start receiving treatment have proven to be futile. None of the 67 employees has received treatment of any kind. [REDACTED] has rather caused or compelled more than half of them to leave the company. While some have been dismissed, others have been misled to quit with meagre compensation dues.</p>	<p><b>Observations Pertaining to Hepatitis B Management.</b> All workers were vaccinated for Hepatitis B from December 2014 onwards, and mandatory medical checks, including Hepatitis B testing, were fully enforced during onboarding as of that date. These measures were implemented after the Supervision Engineer determined in August 2014 that the Contractor was in non-compliance with contractual obligations. An on-site testing campaign diagnosed 67 out of 500 workers with Hepatitis B virus. According to progress reports of the Supervision Engineer, 34 of these workers were treated at the Bertoua Hospital at no cost to themselves and the remaining 33 workers left the site at the end of their contract or resigned from their contract before being treated.</p> <p>Based on documentation available to the Bank from the Project’s supervision bodies, Management has no indication that workers were wrongfully dismissed after being diagnosed with Hepatitis B, but has engaged with the Borrower to further explore whether there are unresolved issues. As per common practice, staffing needs constantly changed during construction and Management understands from the Borrower that hundreds of workers left the site upon expiration of their contract.</p> <p><b>Management is working with the Borrower to reach out to former workers, including the 33 workers Management understands left the site at the end of their contract and before being treated, to address any unresolved grievances and to provide support where appropriate, in accordance with Cameroonian law and Bank policy.</b></p>
8.	<p>Victims of occupational accidents have also been abandoned to themselves. Article 2 of Law No 78-546 of 22 December 1978. Requires that all industrial accidents be reported to the National Social Insurance Fund within three days of the said accident. As of December</p>	<p><b>Management notes that from June 2015 onwards, the Contractor duly declared on-site accidents to the CNPS (including known incidents dating back to 2012), and closely followed</b></p>

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	<p>2014, the National Social Insurance Fund admitted that no industrial accident had been reported by [REDACTED] at Lom Pangar. This is evidenced by addressed to [REDACTED] in response to his petition to the company.</p>	<p><b>up on any instance of non-compliance recorded in the progress reports of the Supervision Engineer.</b></p> <p>Based on the available documentation from the Supervision Engineer, Management believes that Project workers involved in accidents were provided with treatment and were not wrongfully dismissed from the Project. Management is working with with the Borrower to understand whether there are unresolved issues regarding victims of accidents on the work site. According to the Supervision Engineer, online declaration of accidents was systematic from November 2014 onwards and retroactively addressed known accidents which took place in 2012 and 2013. In June 2015, the Supervision Engineer indicated that 90.4 percent of accidents were adequately reported to CNPS, and the Contractor followed up to ensure that all accidents were adequately reported. Best practices in the oversight of health and safety issues were followed to ensure that the Contractor complied with local legislation. Registration with CNPS of all types of accidents included a note on whether the worker was treated at the local clinic or transferred to the Bertoua Hospital and confirmed that all expenses were covered as per agreed conditions.</p> <p>Reports by the Supervision Engineer provide clear statistics of accidents since 2013, categorized according to their severity. The accident tracking of the Supervision Engineer indicates that all accidents logged were also followed up with medical treatment, in accordance with Cameroonian law.</p> <p>Management is supporting the Borrower in reviewing and addressing any unresolved work-related grievance from former workers as appropriate. Management is aware of one specific case where a worker raised grievances in November 2017, with regard to a work-related accident, which is currently under review by EDC. The representative of the GRS complainants submitted material in 2016 citing names of two workers who allegedly were not adequately supported following work-related accidents. One worker could be identified based on the documentation provided, which indicated that the individual was appropriately treated in the hospital. The other alleged case could not be identified in the records. However, the Borrower has committed to ensure that any such unresolved grievances are reviewed and addressed.</p>
9.	<p><b>VI. Right to Work</b></p> <p>The right to work, as enshrined in the Universal Declaration of Human Rights and recognized in international human rights law by way of the International Covenant on Economic, Social and Cultural Rights, emphasizes economic, social and cultural development, it forms part of Cameroonian legislation in both the Constitution and the Labour Code. The preamble of the Constitution of Cameroon provides that every Cameroonian shall have the right and the obligation to work.</p>	<p><b>This issue does not pertain to Bank policy, nor any contractual obligations of the Project.</b></p>

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	<p>This is reiterated in Article 2 of the Labour Code which states that the right to work shall be recognized as a basic right of each citizen. The State shall therefore make every effort to help citizens to find and secure employment. It goes further to make work an obligation by stipulating that work shall also be a national duty incumbent on every able-bodied adult citizen.</p> <p>In an attempt to help citizens find work, the State has launched large scale infrastructural construction projects across the country. The Lom Pangar hydropower project is an example amongst many. However, [REDACTED] significantly undermines the right of Cameroonians to find work and pursue their constitutional right to work.</p> <p>Being guided by the concept that Cameroonians should work in order to enjoy their right to existence and human dignity, Section 113 of the Labour Code and Decree No 93/571/PM of 15 July 1993 set the conditions for the employment of foreigners in Cameroon. In Article 2 of the Decree, foreign unskilled and/or partially skilled labour shall be employed upon the presentation of an attestation issued by the services responsible for manpower attesting that there is shortage of Cameroonian manpower in that particular field. However, [REDACTED] employs 596 in the Lom Pangar project.</p> <p>These employees range from unskilled laborers through to senior company administrators. On the 5th of May 2012, the Prime Minister issued a Circular setting out the general clauses applicable to foreign investors in Cameroon. Part II, Article 9 of that Circular is unambiguous as it provides that in every case, positions should be occupied by competent Cameroon nationals. Failure to find competent Cameroon nationals, the quota to be occupied by Cameroon nationals should be as follows: 50% of senior staff, 60% of semi-skilled labor, 85% of unskilled labor.</p> <p>As a matter of fact, [REDACTED] counted 596 [REDACTED] as of 03 August 2015, of which 95% were unskilled. Importing such a huge number of unskilled workers reduces access by Cameroonians thereby violating their fundamental and constitutional right to work.</p> <p>Article 10 of the same circular provides that the employment of foreign labour should comply with the conditions set in the Labour Code and subsequent legislation, as well as with the provisions of Decree No 93/575/PM of 15 July 1993 outlining the terms and conditions for the establishment and approval of some employment contracts. Article 4 of the above Decree also refers to Article 27 (2) of</p>	

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	<p>the Labour Code which makes it clear that that the employment contracts of foreign nationals must be approved by the Minister of Labour prior to its entry into force.</p> <p>Unfortunately, foreign workers employed by [REDACTED] have never submitted their employment contracts for such clearance or certification. [REDACTED] has argued that it is a State-owned company and that their [REDACTED]employees are recruited in compliance with civil service procedures. Being civil servants, these employees were therefore not in possession of employment contracts. However, Cameroonian law does not recognize them as civil servants. Hence, they are governed by the Labour Code as provided for in Article 1 of the Labour Code.</p> <p>Article 11 of the Circular on general clauses applicable to foreign investors cited above obliges foreign companies to provide a plan for the <i>cameroonisation</i>6 of the company in the short run. Unfortunately, as far as the Lom Pangar Project is concerned, this has not been done. According to a report prepared by the company and submitted to the National Social Agency Fund, there are currently [REDACTED] in Lom Pangar. This is in contrast with the figures [REDACTED] submits every month to COB-ISL and EDC, the Control Mission and the Project Owner respectively. In April, May, June and July 2015, the number of [REDACTED] were as follows: 375, 409, 425 and 439 respectively. Source: [REDACTED]. It is disheartening to note that no Cameroonian is employed in the technical department of the [REDACTED].</p>	
10	<p>Article 1 (3) of the Labour code provides a list of employees who do not fall under the ambit of the code. Among these are personnel whose employment is governed by the Statutes of the Public Service. This article is referring to the Statutes of the Cameroonian Public Service.</p> <p>[REDACTED] is a private entity under Cameroonian law and therefore all employment contracts with its staff must comply with the provisions of Article 24 (1) of the Cameroonian Labour Code which is to the effect that ‘irrespective of the place of conclusion of the contract and residence of any of the parties, all employment contracts concluded to be executed in Cameroon must respect the provisions of this law’ that is the Labour Code. Considering that [REDACTED] is a corporate private entity under Cameroonian law, all its employees</p>	<p><b>Questions of compliance of foreign investors’ contracts with local legislation is the purview of the host Government.</b></p>

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	must enter employment relationships governed by Cameroonian legislation.	
11	The fiscal and social implications of failure to comply with Cameroonian legislation in the case of [REDACTED] contracts of employment are significant. Refusal to observe Cameroonian legislation means [REDACTED] does not pay taxes on behalf of its employees nor does it register its employees with the National Social Insurance Fund. On the social welfare front, the presence of a huge [REDACTED] work force has contributed to the arbitrary disciplinary procedures instituted and applied in Lom Pangar.	<p><b>The payment of taxes by CWE in Cameroon is not within the purview of the Bank. Contributions to CNPS are addressed in Annex I.</b></p>
12	Since the company is aware that [REDACTED] laborers are prepared to succumb to irresponsible and illegal labour practices, it has decided to extend such treatment to its Cameroonian workers. Most [REDACTED] workers wonder whether workers at the site do not constitute slave labour. As mentioned above, they put in between 9 and 10 hours of work every day for 12 months. Despite such inhuman conditions, they never complain. Such anti-human dignity practice orchestrated by the [REDACTED] has pushed them to attempt to impose the same practice on [REDACTED]. Though it was difficult to interview a few [REDACTED] as they wouldn't respond to questions, one confided during an interview that such lengthy hours of work were strenuous and led to frequent blackouts. Despite such long and strenuous working conditions, once the [REDACTED] arrive Lom Pangar, their passports are all withdrawn by the corporation.	<p><b>Management has followed up on this allegation but has seen no evidence or substantiated observations regarding “withholding of [foreign workers’] passports.”</b></p> <p>The GRS team discussed this allegation with the representative of the complainants, who acknowledged that this was “hearsay” and that he would not be able to provide any information on the matter.</p> <p>Management highlights that monitoring mechanisms (Social Dialogue Committee, GRM, disciplinary council, etc.) have remained in place and accessible to all on-site workers, irrespective of their origin, seniority, etc.</p>
13	<p><b>VII. Job security</b></p> <p>There is no guarantee that an employee of [REDACTED] can lay claim to job security as provided in Article 2 (1) of the Labour Code. This is due to two main factors. Firstly, the total and absolute disregard for Cameroon’s labour laws and labour practice and secondly, the desire to impose the [REDACTED] labour practice and labour legislation in Cameroon.</p>	<p><b>This issue does not concern Bank policy or responsibility.</b></p>
14	<p><b>VIII. Occupational Health and Safety</b></p> <p>Security at the workplace contributes towards a positive and caring image of the company and also enhances staff morale. It helps to reduce employee stress thus boosting productivity. Safety at the workplace in Cameroon is governed by Ministerial Order 039/MTPS/IMT of 26 November 1984. Since there is no specific set</p>	<p><b>All Bank requirements in terms of health and safety were reflected in the Project ESMP and the specific conditions of the construction contract, in line with the EHSGs. Management acknowledges that compliance of the Contractor with some contractual requirements was a challenge initially, clearly identified at the inception of the Project (Aide Memoire dated July 23-26, 2012, Aide Memoire dated September 24 – October 4, 2012 and letter to the Prime Minister dated November 12, 2012). A series of actions were implemented and EDC,</b></p>

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	<p>of rules governing safety in the construction industry in Cameroon, the Ministerial Order allows for international standards to be applied where there is a legal vacuum. Unfortunately, the project at Lom Pangar began in 2012 with no pre-defined safety procedures.</p>	<p><b>represented by its Supervision Engineer on site, used adequate contractual measures to enforce compliance by the Contractor. Health and safety indicators were judged satisfactory by April 2014.</b></p> <p>By design, the Bank's engagement in the Project was to assist the GoC in accessing best international practice in hydropower development, based on the Bank's portfolio and engagement in the sector. In that regard, the Project financed a number of high quality technical, environmental and social assessments for the Project. The Bank support included technical assistance on all key implementation issues such as: supervision of construction sites and rural electrification; management of reservoir and cumulative downstream mitigation measures; social mitigation, including public health activities, livelihood restoration and management of the Deng Deng forest; independent technical audits of environmental and social measures; and management of the Project ESMP, including capacity building, community outreach, monitoring and evaluation. EDC – through its Supervision Engineer – consulted civil society organizations and community representatives throughout the construction of infrastructure, as per Component 3.</p> <p>Legal and regulatory provisions concerning worksite health and safety aim to improve working conditions and to ensure that workers have access to health services. The health and safety of workers is critical. Related provisions are found in Sections 95 and 98-103 of the Labor Code. They are supported by Decree No. 79/96 of March 21, 1979 and by Orders No. 039/MTPS/IMI of November 26, 1984 and No. 79/105 of October 15, 1979. All are based on international standards such as those of the ILO.</p> <p>The Contractor submitted its action plan on the safety, hygiene, and health of workers to EDC on January 27, 2012 prior to the start of work. The plan covered measures aiming to reduce the risk of accidents, various health and safety procedures, health coverage for workers, and contact persons for health and safety matters. As soon as work began, staff were recruited to handle health and safety matters. The first appointments of Cameroonian staff to the team in charge of environmental, social, health, and safety issues occurred in February and April 2012.</p> <p>However, EDC issued a service order (046-OS-DG-EDC-DCAH-2013: Replacement of Health and Safety Manager) to replace the Contractor's Health and Safety Manager with a Cameroonian expert. EDC identified several instances of non-compliance owing to failure to meet safety requirements and deficiencies in the teams appointed by the Contractor to manage environmental, health, and safety matters.</p> <p>Two other service orders were issued in September 2013, which restricted work until corrective measures were deemed satisfactory by EDC. The service order contained recommendations concerning procedures and oversight staff for health and safety matters, including:</p> <ul style="list-style-type: none"> <li>• Establishing safety procedures as a supplement to the action plan on safety, hygiene, and health of workers;</li> </ul>



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		<ul style="list-style-type: none"> <li>• Strengthening the Contractor’s environmental, health, and safety teams;</li> <li>• Designing a procedure for transporting workers to and from the worksite.</li> </ul> <p>The action plan on safety, hygiene, and health of workers, which was available at the worksite, was updated regularly during the course of the Project.</p> <p>In 2013, the Contractor appointed additional staff, including four engineers, six inspectors, and six assistant inspectors tasked with overseeing social matters, documentation, and environmental, health, and safety matters at the worksite (LP-CRST-131008-3A-EXT: Monitoring Service Order 53).</p> <p>Health and safety indicators began to improve in February 2014 and were judged satisfactory from April 2014 (Aide Memoire dated April 14-20, 2014) and confirmed in the mid-term review (Aide Memoire dated March 6-13, 2015).</p>
15	<p>To make matters worse, the first safety inspectors at the construction site were recruited in April 2014. In like manner, the corporation finds it absolutely difficult to provide workers with adequate personal protective equipment (PPE). When they do, the PPE is of such poor quality that it exposes the workers to potential risks on the job. While I was compiling this report, a blacksmith informed me that his line manager had refused to provide him with protective goggles and gloves while he was welding iron. The request for gloves resulted in the line manager initiating disciplinary action against the worker concerned.</p> <p>According to World Bank Standard 2.23, the client will take steps to prevent accidents, injury, and disease arising from, associated with, or occurring in the course of work by minimizing, as far as reasonably practicable, the causes of hazards. Unfortunately for workers at the Lom Pangar project, occupational safety as mentioned above. Is at its barest minimum as mentioned above. Workers are very often exposed to high degrees of accident risks. Unfortunately, any complaint or refusal to execute risky instructions from the hierarchy exposes the worker to unfair disciplinary action.</p>	<p><b>Management is of the view that these issues were adequately observed and addressed.</b></p> <p>As noted above, the action plan on safety, hygiene, and health of workers was submitted to EDC by the Contractor on January 27, 2012 prior to the start of work. The plan was revised regularly throughout Project implementation.</p> <p>The Contractor first made personal protection equipment (PPE) available in August 2012. However, EDC identified several instances of non-compliance with regard to the actual provision, management and use of PPE early in the Project. some of which led to penalties. A service order was issued in September 2013 to restrict certain activities during the rainy season. Project work was restricted until corrective measures were deemed satisfactory by EDC.</p> <p>Recommendations from the service orders included several measures to improve the use and management of PPE.</p> <p>The Contractor prepared and submitted a procedure for PPE in 2013, which led to the establishment of the following routine: PPE is systematically provided to new workers based on job description; some PPE are replaced on the first day of each month (worker’s gloves, PVC gloves, protective goggles, dust masks), while other PPE are replaced every four months (safety footwear and boots) and every eight months (work clothing) (as defined in Management Procedure for PPE).</p> <p>These developments considerably improved statistical findings on PPE use at worksites as well as health and safety performance indicators, and were documented in EDC’s monthly report.</p> <p>In the same vein, in 2013, the Contractor’s health and safety manager was dismissed at the request of EDC via Service Order 046-OS-DG-DCAH-2013 on the ground of refusal to comply with Cameroonian law on PPE and failure to follow up on workers evacuated for medical reasons.</p>

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16	<p><b>IX. Hygiene and Feeding</b></p> <p>Hygiene has improved at Lom Pangar with the assignment of some labourers to handle sanitation problems at the labourers' camp. The company has also hired two service providers to feed the workers. However, a plate of food costs 800FCFA, which is significantly inadequate to feed a worker and enable the provider to break even.</p>	<p><b>Food quality, quantity and cost were discussed extensively at the inception of the Project and have been a subject of several Social Dialogue Committee meetings since August 2014. This was adequately addressed, leading to a food cost per meal of FCFA800, as recommended by the independent environmental and social panel of experts, with an end cost to the worker of FCFA200, following subsidies from EDC and the Contractor to reduce the financial burden on workers.</b></p> <p>At the start of the Project, staff meals were provided by independent service providers not under contract with the Contractor. Employees bore the full cost of meals. Employees complained about the quality and quantity of meals as well as their cost, which absorbed a significant share of their wages.</p> <p>EDC had the quality of staff meals assessed by independent catering providers. Their assessment revealed that: (i) meal quality did not comply with legal provisions relative to the composition of daily rations for workers; (ii) meals cost FCFA400, borne entirely by the workers; (iii) distance from the worksite had an impact on the cost price of meals; (iv) the sales price made it impossible to provide meals that met the relevant regulations.</p> <p>The Contractor then appointed service providers to supply meals. Contracts were signed with several food providers during the course of the Project. In several instances, the Contractor ended such contracts due to complaints from employees.</p> <p>EDC raised the meal price from FCFA400 to FCFA600 with the following cost sharing arrangement: employees paid FCFA250 per meal, the employer paid FCFA150 per meal, and EDC, on its own budget, paid FCFA200 per meal.</p> <p>EDC also encouraged the Contractor to set up an incentive scheme designed to increase the use of refectories at workers' living quarters by local workers.</p> <p>Following negotiations between the various parties, EDC changed the cost sharing arrangement as follows: employees paid FCFA200 per meal, the employer paid FCFA200, and EDC paid FCFA200 per meal.</p> <p>The independent environmental and social panel of experts then advised EDC to raise the meal price to FCFA800 (Report of the Third Mission of the Environment and Safety Panel, December 2013), to increase profits for food service providers. EDC did so, while maintaining the cost to workers at FCFA200.</p> <p>In addition, a Committee for Monitoring Meal Quantity and Quality was created to monitor the quality of meals and to comply with Service Order 053-DG-EDC-DCAH-2013. The committee monitors the cleanliness of refectories and dietary diversity.</p>
17	<p>That aside, the conditions of hygiene imposed by Ministerial Order N° 39/MTPS/IMT of 26 November 1984 are hardly respected. The Order</p>	<p><b>Management reviewed food hygiene in response to workers' grievances expressed at the inception of the Project. The issue was closely monitored by all Project stakeholders,</b></p>

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	<p>provides that when workers are required to have their meals within the company premises especially due to their work schedule, the employer must build refectories far from the work site. The refectory is to be kept clean at the employer's expense.</p> <p>However, at Lom Pangar, the reality is that these standards are not observed. Workers are obliged to either take their meals outside in the open or in their rooms. It should be noted that these rooms are infected by rats and other rodents as mentioned in 3.4 above.</p>	<p><b>including the independent environmental and social panel of experts mobilized as per the Project Agreement.</b></p> <p>An outdoor refectory with basic furnishings was built in tandem with the workers' living quarters. A small refectory was also built indoors as part of the process of bringing food facilities into compliance. A team from the Contractor was in charge of cleaning the living quarters. Service providers in charge of meal preparation provided furnishings for the covered dining area as well as tableware.</p> <p>It is to be highlighted that: (i) the Contractor has a hygiene and safety plan; (ii) the Social Dialogue Committee created a Health and Safety Committee within the company; and (iii) the Meal Committee was created, as noted in the previous Item. These committees include medical staff, an environmental and social inspector for the living quarters, a representative of the refectories, and an employee representative. The meal committee prepared several follow-up reports (meal quality and quantity, customer satisfaction), which were included in the Contractor worksite documentation files to ensure that workers' grievances were addressed regarding sanitation conditions and dietary requirements for all workers.</p>
18	<p><b>X. Discrimination</b></p> <p>Discrimination at the workplace can easily lead to frustration and stress and even cause industrial accidents. Though discrimination is not defined in the Cameroon Code, in this report it will be considered as defined by the International Labour Organisation. The ILO in Convention C111 defines discrimination as any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation.</p> <p>Discrimination in Lom Pangar is based on race and national extraction. Generally speaking, there are two main races (on the Lom Pangar Project) working with the [REDACTED]. These are the black Africans made up mainly of Cameroonians and the [REDACTED]. Personal management style at the construction site is extremely discriminatory. <b>Examples are outlined below:</b></p> <p><b>Accommodation:</b> Cameroonian labourers and some senior staff live in poorly assembled wooden structures while all [REDACTED], both labourers and senior staff, live in buildings constructed with durable material. World Bank performance standard 2.12 is to the effect that <i>"Where accommodation services are provided to workers covered by the scope of this Performance Standard, the client will put in place and implement policies on the quality and those services might be</i></p>	<p><b>Management has reviewed issues regarding discrimination and has not found evidence that the mechanisms set in place failed at resolving tensions between workers.</b></p> <p><b>Observations Regarding Accommodation</b></p> <p>Living quarters for workers gradually improved, as evidenced above.</p> <p>There is a differentiation between accommodation based on seniority, not on nationality. For example, some of the Cameroonian senior staff, including staff in charge of environmental, health, and safety issues, the archaeologist, and two interpreters, live in the facility for senior staff in the same conditions as some international senior staff.</p> <p><b>Observations Pertaining to Promotion and Management</b></p> <p>During the Project cycle, Cameroonians were also appointed to senior or management positions:</p> <ul style="list-style-type: none"> <li>• Project ESMP department manager from November 2012 to February 2015;</li> <li>• Project ESMP inspectors;</li> <li>• Archaeologist;</li> <li>• Local human resources manager from 2013 to 2015.</li> </ul> <p><b>Observations Pertaining to Discrimination in Disciplinary Matters and Conflict Resolution</b></p> <p>The Contractor implemented by-laws as required by the Labor Inspectorate. The by-laws set forth disciplinary measures to be applied at the worksite.</p>

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	<p><i>provided either directly by the client or by third parties.</i> The accommodation services will be provided in a manner consistent with the principles of non-discrimination and equal opportunity. Workers' accommodation arrangements should not restrict workers' freedom of movement or of association.</p> <p>Basic service requirements refer to minimum space, supply of water, adequate sewage and garbage disposal system, appropriate protection against heat, cold, damp, noise, fire and disease-carrying animals, adequate sanitary and washing facilities, ventilation, cooking and storage facilities and natural and artificial lighting, and in some cases basic medical services. Despite this discrimination in housing facilities, the improved conditions of the [REDACTED] living quarters do not comply with the basic minima required by law.</p> <p><b>Promotion and management:</b> All the departments of the company are headed by [REDACTED]. Some of them lack the technical skills required to manage such departments. Most departmental heads were previously unskilled laborers who were promoted to administrative and managerial positions simply because the corporation was either unable or unwilling to promote Cameroonians to such positions. A case in point is a caterpillar driver who was promoted to the rank of Director of Human Resources. His inefficiency and short-comings have since proven themselves does not understand the basics of human resource management. This explains why against Performance Standard 2.8, there is no written human resource policy in [REDACTED]. The main difficulties in the project emanate from personnel management.</p> <p><b>Discipline:</b> Any dispute between a Cameroonian and [REDACTED] is prima facie lost by the Cameroonian. The principle in the Lom Pangar project is 'the [REDACTED] is always right.' Cameroonians are in fact disgusted with the disciplinary system in the company so much so that they feel frustrated at any point when they object to the conduct of a [REDACTED]. The [REDACTED] go as far as inflicting corporal punishment on some workers. The Commission on Labour management dialogue officially instituted a disciplinary committee to enable a joint review of the facts before disciplinary action is taken. Unfortunately for the workers, the company has since rendered the disciplinary committee obsolete because workers' representatives at such committees prevent management from dismissing guilty workers. It is worth noting that the few times this committee had sat and</p>	<p>A procedure was put in place to document disciplinary measures. These measures were applied to Cameroonian and international staff alike.</p> <p>A disciplinary council was created by the Contractor in August 2014 in order to handle disciplinary matters. The council meets at the request of the human resources manager and includes: (i) two staff representatives; (ii) the president of the CSTC; (iii) the human resources manager and assistant manager; (iv) the assistant environmental manager; and (v) the occupational health and safety manager. Its role is to assess the facts prior to taking any disciplinary measure against an employee.</p> <p><b>Observations Pertaining to Discrimination in Access to Healthcare</b></p> <p>Healthcare is provided by two infirmaries, one at the workers' living quarters, the other at the senior staff living quarters. At the workers' living quarters, the Contractor built two buildings, comprising: (i) housing for medical and paramedical staff; (ii) offices; (iii) consultation room; (iv) treatment room; (v) hospital rooms; (vi) pharmacy; (vii) laboratory; (viii) laundry room; and (ix) showers and toilets. Service Order 053 resulted in significant improvements to the healthcare provided by the Contractor at the workers' living quarters.</p> <p>At the senior staff living quarters, the infirmary has one area for treatment and hospitalization and another for consultation.</p> <p>All health facilities can be verified on site, are known to all Project stakeholders, and were approved by MINSANTÉ on October 23, 2013.</p> <p>Medication shortages were observed at the infirmary for workers. EDC, on its own budget, supplied some medications and a medication management procedure was designed.</p> <p>Given the sensitive nature of issues pertaining to healthcare and medication and in order to facilitate communication, the infirmary at the senior staff living quarters is managed by a doctor of the same nationality as the workers, and the infirmary at the workers' living quarters is managed by Cameroonian doctors. This ensures that patients and healthcare providers can understand each other.</p> <p>Both of these infirmaries are open to all staff at the site regardless of ethnicity. There exist no formal restrictions on any staff category using either of the infirmaries. The sole reason why local workers do not regularly attend the infirmary at the senior staff living quarters has to do with the language barrier, since the staff do not speak French fluently, which complicates communication</p>

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	<p>considered cases of indiscipline, it had recommended the dismissal of some employees. However, the company sees this committee as a clog in the wheel of their arbitrary disciplinary procedure.</p> <p><b>Health:</b> The Company runs two health centers; one is for the Cameroonians and the other for the [REDACTED]. The health center for Cameroonians is headed by Cameroonian doctors while the [REDACTED] health center is headed by a nurse. It should be noted that the [REDACTED] health center was fully established at the commencement of the project while the Cameroonian health center was created after serious pressure was mounted by the funders of the project. Medicines are always available at the [REDACTED] health center while in the case of Cameroonian workers, there are constant and regular complaints over the lack of medication. To make matters worse, Cameroonian workers are prohibited from consulting at the [REDACTED] Health Center.</p> <p><b>Biased Conflict Resolution:</b> Handling and resolving conflicts at the workplace is one of the major challenges faced in Lom Pangar. It is aggravated by the fact that there are two main races at the construction site. Conflict resolution is hugely biased against Cameroonians. The least complaint against a Cameroonian by a [REDACTED] ends up in disciplinary action. Whereas, complaints about [REDACTED] are never considered.</p> <p>There is a [REDACTED] in the Human Resource Department who spends all his time threatening, intimidating and bullying Cameroonians when they are in difficulty and rather need support from the Administration. Despite complaints brought by Cameroonians against [REDACTED] the company has never conducted any investigation into his case.</p>	<p>during consultations. In addition, medications are of international origin and labeled in a foreign language.</p> <p>In 2012, the infirmary at the workers' living quarters became operational even before all work was completed and had met contractual and regulatory specifications. In 2013, in order to meet these specifications and to uphold all provisions of the contract, the Contractor was required to:</p> <ul style="list-style-type: none"> <li>• Build an additional building composed of: five four-person rooms, a functional laundry room, housing for a nurse and a laboratory technician, separate bathroom facilities for patients and medical staff, and a covered walkway connecting the buildings (Special Technical Specifications, 1.9.3);</li> <li>• Complete equipping the health center and ambulances (Special Technical Specifications, 1.9.3);</li> <li>• Obtain approval of the health center by the Ministry of Health (Special Technical Specifications, 1.9.3 and Cameroon Labor Code, Article 99).</li> </ul> <p>All of these requirements were met.</p> <p>In addition, the Contractor signed a healthcare agreement with the Bertoua regional hospital. Under the agreement, cases that are difficult to treat on site are referred to the hospital for treatment. In cases of medication shortages at the infirmary at the workers' living quarters, arriving patients are sent to Bertoua by ambulance. EDC did not hesitate to issue non-compliance notices when such cases were detected.</p>																			
19	<p><b>Mission allowances:</b> It is no secret that once the company commissions an employee to perform his duties out of his normal place of work and residence, it is bound to cater for the feeding and accommodation of the worker. Unfortunately, at Lom Pangar, only the [REDACTED] benefit from that legal obligation. When a [REDACTED] is on mission he is accommodated in a luxurious and well secured hotel in town. Cameroonians are forced to lodge under very poor conditions because either the mission allowance is so meager that the employee cannot afford decent accommodation or such accommodation is not at all provided. Since the very beginning of the project, this has been the fate of the drivers; that situation has</p>	<p><b>Management has reviewed the grievances expressed regarding mission allowances. The issue was closely monitored by all parties, including the independent environmental and social panel of experts.</b></p> <p>Article 40 of the Collective Bargaining Agreements for the Construction Industry of 2004 and 2014 requires the payment of an allowance for missions lasting two months or less. The table below shows the allowances specified by the 2004 and 2014 agreements (in FCFA).</p> <table border="1" data-bbox="1079 1305 1966 1433"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">2004 agreement</th> <th colspan="2">2014 agreement</th> </tr> <tr> <th>I-VI</th> <th>VII-IX</th> <th>I-VI</th> <th>VII-IX</th> </tr> </thead> <tbody> <tr> <td>One main meal</td> <td>1,500</td> <td>2,000</td> <td>2,500</td> <td>3,500</td> </tr> <tr> <td>Two main meals</td> <td>3,000</td> <td>4,000</td> <td>5,000</td> <td>7,000</td> </tr> </tbody> </table>		2004 agreement		2014 agreement		I-VI	VII-IX	I-VI	VII-IX	One main meal	1,500	2,000	2,500	3,500	Two main meals	3,000	4,000	5,000	7,000
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	<p>continued to this day. On one occasion, the Director’s driver requested for his mission allowance, he was dismissed on the grounds that there was no job for him. Initially, the company claimed that he was sick and needed to be treated. They accompanied him to the hospital to be tested for hepatitis C. The results of [REDACTED] the test (which were given to the but never to the driver himself) turned out to be positive. The very fact that the driver’s medical report was given to a third-party amounts to a breach of the confidentiality of such information. This leads to some other matter that warrants investigation: it is to ascertain how and why the driver’s medical results were sent to the [REDACTED] if at all they emanated from the Centre Pasteur, which is the leading hospital in the country. Article 40 of the Collective Bargaining Agreement of the Construction Industry lays down the conditions and the amount to be paid to workers as mission allowance.</p> <p>Unfortunately, this is only good for the books. The [REDACTED] have never paid mission allowance to the drivers and medical staff in Lom Pangar. A driver confided that when they were on mission in Berroa, they received 1000FCFA. In Yaoundé and Douala, they would receive 10.000FCFA. These amounts include feeding and lodging. However, Article 40 of the Collective Bargaining Agreement provides that for workers between categories 1 to 5, one meal should cost 2.500FCFA, and in the event they have to spend the night, 12.000FCFA which would include feeding and lodging. The reality in Lom Pangar has reduced drivers and other workers to beggars. What can a human being do with 1000FCFA? What is most annoying to the workers is the fact that the [REDACTED] do not pay themselves such meager amounts.</p> <p><b>Refectory:</b> At Lom Pangar, the [REDACTED] runs two refectories: One for the Cameroonians and the other for the [REDACTED]. The Cameroonian refectory is almost virtually in the open without tables and chairs whereas the [REDACTED] refectory is well equipped with tables and seats.</p>	<table border="1" data-bbox="1079 194 1966 258"> <tr> <td data-bbox="1079 194 1361 258">Two main meals+accommodation</td> <td data-bbox="1370 194 1505 258">7,000</td> <td data-bbox="1514 194 1648 258">8,000</td> <td data-bbox="1657 194 1809 258">12,000</td> <td data-bbox="1818 194 1966 258">15,000</td> <td colspan="2"></td> </tr> </table> <p>The amount offset for mission allowances was initially below legal requirements.</p> <ul style="list-style-type: none"> <li>• Due to the dissatisfaction expressed by the medical staff and to problems detected by the independent environmental and social panel of experts, the Project ESMP manager issued a service note defining staff allowances as follows (CWE Service Note on Staff Allowances):             <ul style="list-style-type: none"> <li>• Allowances for meals for medical and senior staff: FCFA4,000 per main meal for doctors multiplied by number of meals, and FCFA3,000 for nurses;</li> <li>• Accommodation allowances: FCFA10,000–15,000 for nurses, doctors, and senior staff (upon presentation of receipt);</li> <li>• Periodic adjustments to be made for drivers on a case-by-case basis.</li> </ul> </li> </ul> <p>However, workers demobilized prior to the full implementation of these policies may not have benefitted from them. Management is working with the Borrower to identify eligible workers demobilized prior to the implementation of corrective measures, including through an outreach campaign. The Borrower will instruct the Project-level GRM to receive and process any current Project-related as well as retrospective complaints.</p>						Two main meals+accommodation	7,000	8,000	12,000	15,000		
Two main meals+accommodation	7,000	8,000	12,000	15,000										
20	<p><b>XI. Retrenchment</b></p> <p>In view of the fact that the Lom Pangar Hydro project is time bound, there comes a time when the company must lay off workers. The International Financial Credit, advises that a well-managed process can help avoid a host of problems and result in better outcomes for the company, its employees, and the wider community. To properly</p>	<p><b>The Contractor provided a retrenchment plan although this was not required under the Project ESMP or any other contractual obligations under the Project.</b></p> <p>Significant efforts have been made to ensure compliance with international standards in terms of retrenchment plans. The issue of retrenchment of demobilized workers was discussed in November 2014, ahead of the first reservoir impounding that would lead to the demobilization of a substantial proportion of the workers. <b>As part of the GRS action plan agreed with the complainants, the</b></p>												

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	<p>manage the retrenchment, the Environmental and Social Standards of the World Bank require that 'the retrenchment plan be based on the principle of non- discrimination and reflect the client's consultation with workers, their organizations, and, where appropriate, the government as well as comply with collective bargaining agreements if they exist.'</p> <p>It is in that light that Article 40 of the Labour Code together with Ministerial Order No 21/MTPS/SG/CJ jointly provide that the employer should negotiate with staff representatives in order to arrive at a joint agreement in matters of retrenchment.</p> <p>Despite these provisions and considering that a significant portion of the construction phase of the project is almost complete, most workers are wondering about their fate and what the company has in store with regard to their retrenchment. Despite numerous attempts at bringing the company to order, it has stayed mute. They allege that there will be no layoffs prior to the partial handing over of the project scheduled for September 15, 2015. However, it fails to make any pronouncements as to what happens after September 2015.</p> <p>After private discussions with some staff, it is evident that the company does not intend to make any statements prior to the handing over of the dam to the project owner as they foresee that it could cause some social unrest. This is because they neither treat nor do they intend to treat Cameroonian workers fairly. Some workers who had been employed by the [REDACTED] at the [REDACTED] and at the [REDACTED] do confess that the company did not observe the provisions of Article 40 of the Labour Code or of Ministerial Order 21 cited above. The company rather decided to transfer them to Lom Pangar though such a move was not a bad idea.</p> <p>The malicious intent as well as the violation of the law regarding the transfer of staff however equate such a move to something sinister aimed and intended at circumventing compliance with the legal provisions governing layoffs. Such practice is not in keeping with the provisions of the Environmental and Social Performance Standard of the World Bank which prescribe that: 'All outstanding back pay and social security benefits and pension contributions and benefits should be paid:</p> <p>(i) To the workers on or before termination of the working relationship,</p>	<p><b>Contractor was asked to formalize the retrenchment plan. A retrenchment plan was submitted, approved by EDC and the Bank and implemented from September 2016 onwards.</b> The complainants reviewed and approved the plan and this issue was considered closed in the frame of the complaint and successfully completed to the satisfaction of the complainants.</p> <p>The first meeting to discuss demobilizing and reducing workers at Lom Pangar was held by EDC on November 10, 2014. It addressed actions to be implemented in order to define a process for worker retrenchment. The following stakeholders were present: (i) CSTC and staff representatives; (ii) the Contractor, as the employer; (iii) CNPS, represented by the CNPS Manager at Bertoua and the Debt Recovery Manager; (iv) the Department of Labor, represented by the Regional Delegate for Labor and Social Security, Eastern Region; (v) implementing agency for the dam, represented by the development director as the contracting authority.</p> <p>One of the resolutions specified that all parties agreed to address procedures for handling social aspects related to closure of the worksite during the second half of 2015.</p> <p>Following one such worksite closure, a meeting of the Social Dialogue Committee was held on September 10–11, 2015 in order to collectively address procedures related to layoffs and retrenchment of local workers. A set of 11 points was discussed and agreed upon between the Contractor, the workers, the CSTC, and the Labor Inspectorate. These included the following (Minutes of Staff Relations Committee meeting, September 10–11, 2015):</p> <ul style="list-style-type: none"> <li>• A one-time bonus of FCFA30,000 per worker for all workers present on September 20, 2015;</li> <li>• A FCFA30,000 partial impoundment bonus per worker from the Contractor. This bonus was one of the recommendations of the Minister of Labor and Social Security, who participated in the meetings at the worksite;</li> <li>• A Project completion bonus of 15 percent of base salary, in compliance with Section 53 of Cameroon's Collective Bargaining Agreement for the Construction Industry;</li> <li>• Workers under fixed-term contracts receive wages until the end of the Project;</li> <li>• Workers under open-ended contracts with two years in employment have the right to severance pay in compliance with Section 37 of the Cameroonian Labor Code;</li> <li>• Pay in lieu of notice to workers under open-ended contracts, the amount to reflect the type of position and time in employment in compliance with Section 33 of the Labor Code;</li> <li>• Termination of open-ended contracts with pay in lieu of notice;</li> <li>• Vacation pay granted for the reference period;</li> <li>• Severance pay amounting to 10 percent of base salary granted;</li> <li>• Automatic promotion in increments for workers with three years in employment, as required</li> </ul>

No.	Claim	Response
	<p>(ii) where appropriate, for the benefit of the workers, and/or</p> <p>(iii) In accordance with a timeline agreed through a collective agreement.</p> <p>Where payments are made for the benefit of workers, workers will be provided with evidence of such payments.’<sup>10</sup> All these prescriptions are violated in their entirety in Lom Pangar.</p> <p>No one can predict the behaviour and reaction of workers if the conditions for layoff are not properly negotiated and/or violate the law. In an interview at the workers’ Trade Union headquarters in Bertoua, it was revealed that the rate of dismissal of workers in anticipation of the layoff had increased. Since the company is aware that it is supposed to pay workers their benefits, dismissal rates have risen and thus caused serious hardship and prejudice to Cameroonian workers. In order to benefit from end-of-project benefits, workers are now compelled to succumb to all the irregular and illegal policies and instructions issued by the Management. In June 2015, the company threatened to dismiss electricians and mechanics who sought to have their professional categories upgraded in compliance with the provisions of the Collective Bargaining Agreement. Electricians and mechanics upon employment were classified in professional categories that matched the jobs they performed. However, with the progress of the construction, their responsibilities changed and became more complex. This required an upgrading in their professional categories and a subsequent increase in salaries. The company’s decision not to upgrade was premised on bad faith because it did not want to raise the salaries of the workers. Electricians and mechanics continue to work and dare not request for increment simply because they have been threatened with dismissal if they did.</p> <p>It would be advisable for the company to adopt a retrenchment policy to be shared with the stakeholders prior to the completion of the project. Not only should the company seek to avoid social unrest, they should also pursue appropriate corporate social responsibility in dealing with their workers. Workers are the primary assets of the company and their dignity as human beings should be upheld.</p>	<p>by Section 37 of the Collective Bargaining Agreement for the Construction Industry;</p> <ul style="list-style-type: none"> <li>• Allowances to cover workers’ cost of transportation between recruitment site and worksite, in compliance with current regulations.</li> </ul> <p>The Minutes of the meeting were signed by all stakeholders present.</p> <p>An internal Contractor meeting was held to notify employees of the resolutions adopted during the meeting of the Social Dialogue Committee on September 10–11, 2015.</p> <p>EDC issued a service order requiring the Contractor to pay workers an impoundment bonus. The service order specified that the bonus would be FCFA15,000 per worker, to be paid by EDC. The bonus was paid to all employees laid off between January and September 2015 (the activities report of EDC covers this activity in detail).</p> <p>The Contractor called on the Labor Inspectorate for support in the process of retrenchment. Labor Inspectorate staff were regularly seen on site.</p> <p><b>Management is working with the Borrower to ensure that the Borrower identifies any eligible workers demobilized prior to the implementation of corrective measures through an outreach campaign.</b> The Borrower will instruct the Project-level GRM to receive and process any current Project-related as well as retrospective complaints.</p>
21.	<p><b>XII. Disregard for Cameroonian law, Public Authorities and Administrators of Justice</b></p>	<p><b>It is not within the Bank’s purview to ensure compliance with Cameroonian taxation laws.</b></p> <p>Management wishes to highlight that the construction contract meets the requirements of the Financing and Project Agreements and the local tax legislation applicable to the Project.</p>



No.	Claim	Response
	<p>The description above is an illustration of the extent to which [REDACTED] violates Cameroonian law. Since 2012, [REDACTED] has defrauded the State of Cameroon of personal income tax as provided for in the Tax Code and has equally not paid the social welfare contribution of [REDACTED] workers as prescribed by law No 2001/017 of 18 December 2001 and Ministerial Order METPS/MINEFI 035 of 12 July 2002.</p> <p>On the issue of personal income tax, the [REDACTED] argue that the Convention between them and the State of Cameroon exonerates all foreign personnel from paying taxes. However, the Tax Code does not provide for nor does it grant any waivers to foreign personnel. Article 25 of the Tax Code of 2014 specifies in that those who operate any professional or salaried activity in Cameroon shall pay the physical personal income tax unless they can prove that the activity is an accessory to work.</p> <p>The company also argues that it pays the social welfare contributions of its workers in [REDACTED]. That does not fall within the ambit of the law. Again, the law does not provide for any such exoneration. Such exonerations if not mentioned in the Tax Code could form part of a Reciprocal Tax Agreement with the aim of avoiding double taxation. Research has shown that Cameroon and [REDACTED] have never entered into any such agreement before. It is therefore important to emphasise the need to comply with host state legislation in international investment practice.</p> <p>The non-payment of social welfare contributions to the National Social Insurance Fund has a most harmful effect on the [REDACTED] personnel at the project. The purpose of contributions to social welfare is to enable the National Social Insurance Fund to cover the costs of treatment in case of industrial or occupational accidents or illnesses. This definitely is to the advantage of the company. However, [REDACTED] has opted to waive the payment of such dues. At the beginning of the project in 2012, the company did not pay the social welfare contributions of the Cameroonians. This led to a strike action during which Cameroonian workers obliged the company to start paying their social welfare contributions to the National Social Insurance Fund as explained earlier.</p> <p>It is worthy of note that Article 3 of Ministerial Order METPS/MINEFI N0 035 of 12 July 2002 obliges employers to declare the salaries of their employees at the local branch of the National</p>	<p>The construction contract stipulates the following: “<i>The contracting authority guarantees that the Contractor, sub-contractors, and staff shall be exempt from all taxes, fees, assessments, and other charges imposed by virtue of the prevailing legislation on the Contractor, sub-contractors, or their staff for any payment made to the Contractor, sub-contractors, or their staff (other than nationals or permanent residents of the governing country) for the execution of the contract</i>” (Contract No. 012/M/EDC/DPL/CPM/2011 Construction and operationalization of the Lom Pangar dam).</p> <p><b>Observations Pertaining to Non-payment of Expatriate Staff Contributions to the National Social Security Fund (CNPS)</b></p> <p>The construction contract (CWE-CCAP Contract, clause 1a-5-2-1) clearly stipulates that payments to the Contractor’s staff who are not citizens or permanent residents of Cameroon (expatriate staff) are exempt from all taxes and withholdings, including income tax and social security contributions.</p> <p>This provision of the contract between EDC and the Contractor is based on the Project specifications document agreed upon by the Republic of Cameroon and EDC, namely Section 11 and Decree No. 2008/2304/PM of July 29, 2008 relative to the enforcement of special tax arrangements for large projects.</p> <p><b>Observations Pertaining to Discrimination in Disciplinary Matters and Conflict Resolution</b></p> <p>See Item 18.</p>

No.	Claim	Response
	<p>Social Insurance Fund each month. Article 6 of the same Ministerial Order makes it mandatory to declare the recruitment and departure of all employees to both the National Social Insurance Fund and the administrator of taxes of the area concerned. The rationale behind these obligations is to enable public authorities to design a system whereby they could monitor and ensure that taxes and social welfare contributions are made in accordance with the law.</p> <p>Although [REDACTED] heeded to the demands of Cameroonian workers, they did not register [REDACTED] workers with both the National Social Insurance Fund and the Tax Administration of Bertoua. This situation clearly casts serious doubts on the management of retirement, industrial accidents, professional illnesses and the retrenchment benefits of the [REDACTED] workers. [REDACTED] argues that Ministerial Order METPS/MINEFI No 035 of 12 July 2002 does not apply to [REDACTED] or to foreign employees working in Cameroon. It must be noted that the law does not define such exceptions or possible waivers. The law is unambiguous in its use of the term ‘employer’. It does not provide for any waivers or exemptions.</p> <p>All attempts to bring [REDACTED] to order have proven futile. On many occasions, the company has disregarded the authority of the National Social Insurance Fund and the bailiff contracted to mediate in the matter. It has refused to acknowledge receipt of all processes, letters and documents served to them either by the National Social Insurance Fund or the bailiff. This demonstrates absolute disregard for both Cameroonian laws and the authorities of the country.</p> <p>Furthermore, [REDACTED] does not apply resolutions adopted during meetings between Labour and Management chaired by the Regional Delegate of Labour and Social Security of the East Region. A typical example lies in the principle of referral of cases of indiscipline to a disciplinary board for consideration prior to dismissal.</p> <p>On the 5th of August 2014, the Regional Delegate of Labour and Social Security chaired a Labour/Management Commission Meeting and reminded the [REDACTED] to set up the disciplinary board to consider all cases of indiscipline. Surprisingly, [REDACTED] on July 31 insisted that they would not set up the disciplinary board. They made it clear-unequivocally- that they will continue to punish workers based on their own judgement.</p>	

<b>No.</b>	<b>Claim</b>	<b>Response</b>
	Despite the mandate and authority of the Regional Delegate of Labour and Social Security, [REDACTED] exhibits absolute disregard for Cameroonian authorities and the laws of the country.	

## ANNEX 3. LIST OF WORLD BANK TECHNICAL SUPERVISION MISSIONS 2012-2017

Date	Event	Relevant observations from documentation
<b>January 30 – February 18, 2012</b>	Appraisal mission	No worker-related issues identified
<b>March 27, 2012</b>	Board Approval of IDA financing	N/A
<b>April 26 – May 6, 2012</b>	Supervision Mission	First indication of issues related to worker conditions, particularly lodging and food. Indication that EDC would come up with action plan and make sure new lodging under construction comes into compliance. Linked material compliance with environmental and social as condition for Project Effectiveness
<b>July 23-26, 2012</b>	Supervision Mission	Complaint regarding “material compliance” conditions, including meals, hygiene, potable water, “réglement intérieur”, complaints handling updated and functional. First strike by employees on site, met with all stakeholders, including regional representation for employment and social security. Consultative forum established between parties. Regarding working hours, referred to Cameroonian law and need to come into compliance with it. Health clinic and worker coverage for medical matters first flagged/documentated. Recommendation to come into compliance with Cameroonian law relative to health entitlements. Lavatories, protective equipment, documentation of accidents flagged.
<b>September 24 – October 4, 2012</b>	Supervision Mission	Supervision Engineer weaknesses in documenting/reporting on/enforcing remedy of non-compliances [with PGES/CCES] flagged, including indication that Project Effectiveness would not be declared until all “level 3” non-compliances were remedied. Considering tensions with Cameroonian workforce, recommendation of putting in place a tripartite commission (EDC-CWE-workers).

Date	Event	Relevant observations from documentation
		<p>Contractual status: study to be undertaken by Ministry of Works.</p> <p>In annex, table outlining material conditions including hygiene, reporting, potable water, food.</p> <p>Another table outlining new observations related to EPI, contracts, monitoring of accidents at site.</p>
<b>November 12, 2012</b>	Letter to Prime Minister	<p>Flagged WB concerns with non-compliance with Project safeguard documents and international best practice.</p> <p>Noted tensions at construction site with Cameroonian workers, due to unresolved grievances.</p> <p>Encouraged Government of Cameroon to cause EDC to explore its rights and remedies under the contract with CWE.</p>
<b>November 26 – December 12, 2012</b>	Supervision Mission	<p>Noted that tripartite commission had been established; several meetings held under leadership of regional representative of GoC.</p> <p>HR director recruited by CWE.</p> <p>CWE also put in place its own monthly consultative mechanism with workers.</p> <p>Need to elect representatives to the tripartite commission.</p> <p>Summary of undertakings by EDC related to meals (quality, cost, and caloric intake).</p> <p>Noted significant improvement with respect to use of individual protective equipment.</p>
<b>January 14-20, 2013</b>	Supervision Mission	<p>Detailed summary of outstanding material compliance matters, among which:</p> <ul style="list-style-type: none"> <li>- Resolution of instances of non-compliance identified by COB/ISL were resolved.</li> <li>- All living quarters comply with the Project ESMP and CCES.</li> <li>- Cameroonian employees' contracts comply with national legislation.</li> </ul> <p>Dispute resolution system flagged as needing improvement.</p>

Date	Event	Relevant observations from documentation
		<p>Need for EDC to force CWE to put in place suitably qualified and equipped HR team.</p> <p>Price and quality of meals for workers addressed.</p> <p>Transport from site to town flagged as requiring remedy.</p>
<b>March 14-16, 2013</b>	Supervision Mission – Environmental and social	Verification of material compliance with 7 main areas that had been outlined in January 2013 aide memoire.
<b>March 19, 2013</b>	IDA financing declared effective	N/A
<b>June 15-20, 2013</b>	Supervision Mission	<p>4 worker fatalities due to illness unrelated to their work tasks revealed and recorded in the Aide Memoire.</p> <p>Medical treatment becomes a major focus both at site and once evacuated from the site.</p> <p>Vaccinations of workers also flagged as needing to be brought into compliance.</p> <p>Noted that a formal “Inspection sanitaire” had taken place by Ministry of Health just before mission arrival and requested the Contractor to abide by its contractual obligations to ensure health care for sick/hospitalized workers.</p> <p>Outstanding areas of disagreement with workers also detailed: treatment of minor illnesses, calculation of paid time off, reclassification of levels of certain workers.</p>
<b>August 5-7, 2013</b>	Supervision Mission - Environmental and social	<p>Particular focus on health-related matters, clinic functioning, way in which cases are handled/documented, including evacuations and formalization of engagement with regional reference hospital.</p> <p>Areas of continued concern: Meals; monitoring of evacuated workers; non-professional illnesses; insufficient monitoring by CWE employees of compliance.</p> <p>Systematic documentation (as had been the case in the past) of status of previous mission recommendations.</p>
<b>October 2-8, 2013</b>	Supervision Mission	3 main areas of concern flagged during the mission:

Date	Event	Relevant observations from documentation
		<ul style="list-style-type: none"> <li>- Worker safety (electric installations, transport, accidents, fire safety, controlling site access).</li> <li>- Hygiene and health: CWE staffing reinforcement needs; first aid treatment; potable water accessibility.</li> <li>- Meals: pricing and employee contribution change needed to be reconsidered.</li> </ul>
<b>April 14-20, 2014</b>	Supervision Mission	<p>Notable improvement overall, specific cases flagged. Safety concerns noted: water-rescue; electrical installations; fire prevention; working at heights; fuel transportation.</p> <p>Meals situation substantially improved; health and hygiene also markedly improved.</p> <p>Dispute resolution and communications between stakeholders also improved.</p>
<b>July 22, 2014</b>	Site visit AFR VP	
<b>September 22-26, 2014</b>	Supervision Mission	<p>Continued but <u>slow</u> improvement overall by CWE; including regarding flagged safety concerns: water-rescue;</p> <p>Improvement noticed on electrical installations; fire prevention; working at heights; fuel transportation.</p> <p>Access to site improved with badges for all workers. Again, new tension with workers regarding meals.</p>
<b>November 18-20, 2014</b>	Site visit Practice Manager Energy	
<b>March 6-13, 2015</b>	Full supervision (Mid Term Review)	<p>Global situation becomes acceptable but remains fragile.</p> <p>Notable improvement regarding flagged hygiene and health and safety concerns.</p> <p>Delays to correct outstanding material compliance remain too long.</p> <p>Start of the extensive due diligence in preparation of the partial filling of the Lom Pangar reservoir.</p>
<b>June 1-4, 2015</b>	Mission in Paris <i>Paris meetings were attended by EDC (including the President of</i>	Detailed presentation and discussions of the progress of the works on site and of the documentation prepared for the partial filling (First filling plan divided in a

Date	Event	Relevant observations from documentation
	<i>the Board of EDC), the Supervision Engineer, the two panels of experts (technical and environmental and social) and the World Bank team</i>	technical plan and an environmental and social plan, Operation and Maintenance Manual, Emergency Preparedness Plan, Communication Plan). Plans were extensively discussed and a detailed action plan was prepared and reported in a decision matrix of activities.
<b>July 10-21, 2015</b>	Partial impoundment preparation mission <i>Environmental and social issues not reviewed during the mission apart activities to be conducted to make the plans operational</i>	Detailed review of the decision matrix.
<b>September 22-29, 2015</b>	Partial impoundment mission <i>Environmental and social issues not reviewed during the mission apart activities to be conducted to make the plans operational</i>	Detailed review of the decision matrix and detailed inspection of the construction activities. Waiver approved on September 25, 2015 for partial impoundment of the dam due to late disclosure of safeguard documents. Last sluice was successfully closed September 26, 2015 at 8:30 am, triggering the partial filling of the reservoir.
<b>November 24-30, 2015</b>	Supervision Mission	Management of environmental and social concerns of the site remains satisfactory. Delays remain in preparing a retrenchment plan as requested by the Bank team.
<b>March 16, 2016</b>		The Grievance Redress Service (GRS) received a complaint submitted by the representative of a group of local workers at the dam construction site. The complaint concerned labor issues, particularly payments due to workers; working conditions, including health and safety; and labor rights. According to the complaint, the dam contractor, CWE, is in violation of national labor laws and Bank policies on these issues. The complainants had first contacted the Inspection Panel, who referred them to the GRS.



Date	Event	Relevant observations from documentation
<b>March 26 – April 3, 2016</b>	Supervision Mission	The Project's Task Team Leader led a mission to Cameroon, including a site visit to Lom Pangar. Meeting held between the representative of the complainants, the Bank team and GRS Team (VC) to discuss and better understand the complaint.
<b>April 19-22, 2016</b>	Supervision Mission – <i>Environmental and social</i>	The Project's safeguards team also undertook a site mission.
<b>April 25-28, 2016</b>	High level meetings in Paris among the main Project stakeholders (EDC, CWE, COB/ISL)	The following commitments were made in the Procès-Verbal of the meeting: (1) CWE to prepare a matrix by the end of May 2016 in which it demonstrates that it has met all its contractual obligations vis-a-vis its employees and all its commitments under the Social Dialogue established on the site (as documented in the Procès-Verbal of the associated meetings) and (2) CWE to prepare a retrenchment plan by the end of May 2016. The plan should include arrangements regarding employee work certificates, competency certificates, medical certificates, premium payments agreed in the context of the Social Dialogue, etc.
<b>May 20-24, 2016</b>	Supervision Mission	The mission included a meeting between the representative of the GRS complainants and the TTL in Bertoua. The Aide-Mémoire records that the matrix and retrenchment plan expected to be submitted by CWE are not yet ready. The Bank team informed the client that no further no-objection would be given to pending amendments to CWE contract without these two documents being delivered.
<b>July 11, 2016</b>		CWE paid all CNPS contribution for on-going local contracts in accordance with its legal obligations towards the Labor Law in Cameroon. CNPS confirmed that all contributions were received.
<b>July 12, 2016</b>		A matrix of compliance with Decisions/Commitments taken by CWE in the context of the Social Dialogue Committee put in place in December 2012, is received from CWE.

Date	Event	Relevant observations from documentation
<b>July 16, 2016</b>		A first version of the Retrenchment Plan was received from CWE.
<b>July 30, 2016</b>		Based on the complaint received, an Action Plan was prepared to address the grievances and the final version shared with the complainants. Note that the Action Plan was the result of a collaborative process to determine how best to address the concerns raised, in which the Bank intensively engaged with EDC, CWE, the Government and the complainants (the representative of the workers).
<b>September 7-12, 2016</b>	Supervision Mission	<p>The Aide Memoire records the visit of the Minister of Labor on site in July 2016. It also records the approval by the Client of the Action Plan and the Retrenchment Plan. Team has also asked EDC to establish: (i) a specific grievance mechanism (or claim management mechanism) to follow the retrenchment, in addition to the more general project GRM; and (ii) a methodology for monitoring and control of the implementation of the plan.</p> <p>The representative of the complainants provided the names of professional staff claiming compensation for overtime payment. This information (10 names) was provided to EDC/CWE during the mission (with the complainant's authorization) with a request to evaluate the validity of the claim with respect to local labor law.</p>
<b>September 19, 2016</b>		The Action Plan as submitted in July 2016 was revised upon the Bank's recommendation and shared with the complainants on September 19, 2016.
<b>November 30 – December 13, 2016</b>	Supervision Mission	<p>EDC confirms that CWE abides by its commitments for each batch of retrenchment. Each case is followed up by a Labor Inspector and all compensation checked and recorded.</p> <p>The issue of overtime payment for 10 professional staff of CWE is still pending. The Ministry of Labor has provided a negative legal opinion on the claim but EDC is willing to compensate the workers.</p>

Date	Event	Relevant observations from documentation
<b>January 16-27, 2017</b>	Supervision Mission	The case of the 10 professionals staff identified by the representative of the complainants is still pending and the mission insists on a quick resolution of this issue. EDC confirms that the retrenchment plan is still being implemented adequately.
<b>April 25 – May 12, 2017</b>	Supervision mission	The mission recommends EDC to properly record all minutes of demobilization prepared for each worker leaving the Project. The mission records that at the date of the mission, the retrenchment is being supervised by a representative of the Ministry of Labor and a Physician, in accordance with the retrenchment plan. The mission records that an agreement has been made with the 10 professional staff and that full settlement is expected in June 2017. The number of workers on site is reduced to 255 as the commissioning of the dam is expected in June 2017 and most of the works are completed.
<b>June 30, 2017</b>		Commissioning of the Dam. Start of the Defect Liability Period for CWE. Active demobilization on site.
<b>July 10, 2017</b>		Written confirmation from EDC that all 10 professional/managerial staff have received their payments together with documentary evidence. Note that this initiative was taken by EDC, as the Ministry of Labor had ruled out the validity of the claim.
<b>August 17, 2017</b>		Complainant's representative confirms receipt of all compensation and accepts closure of the case, via email exchange with GRS team leader.
<b>November 2017</b>		ATESI indicates that only around 35 employees from CWE remain on site, including 8 expatriate workers. The auditor does not refer to any pending complaint from workers on site.

**ANNEX 4. AGREED ACTION PLAN BETWEEN THE COMPLAINANTS AND THE BANK'S GRIEVANCE REDRESS SERVICE  
(GRS)**

Action	Status of Action	Comments
CWE to prepare a commitment matrix to clearly state its contractual obligations to its employees and commitments made during meetings with the Social Dialogue Committee. Each component referring to the relevant agreed Minutes of Meetings.	Matrix received on July 13, 2016.	Complainants were consulted to prepare an Action Plan based on this matrix and the non-compliances identified by the complainants.  The next items are derived from the Complainant's requests.
CWE to prepare a Retrenchment Plan. The plan should include arrangements regarding employee work certificates, competency certificates, medical certificates, premium payments agreed in the context of social dialogue, etc.	Draft Retrenchment Plan received on July 16, 2016.  Revised Plan received and approved by the Bank on September 1, 2016.	Complainants received the final Retrenchment Plan and approved it in September 2016.  Since September 2016, the Retrenchment Plan is being systematically followed for all out-going employees. This is supervised and recorded by EDC.
CWE to provide skills and labor certificates to workers.	Complied with as per Retrenchment plan	Minutes of demobilization signed by all out-going Project workers.
CWE to provide to all out-going workers physical and medical certificates (especially important for those with chronic health conditions).	Complied with as per Retrenchment plan	Minutes of demobilization signed by all out-going Project workers.
CWE to pay all back pay and applicable end of service bonuses to workers.	Complied with as per Retrenchment plan	Minutes of demobilization signed by all out-going Project workers.
CWE to pay all outstanding contributions to CNPS.	4 meetings between EDC, CWE and CNPS were held on July 5, 7, 8 and 11, 2016 at the Ministry of Labor.  CNPS confirmed that all contributions were made by CWE for local workers by August 2016.	This action applied to all CWE employees under the local regulation and benefited a larger number of employees than the ones directly represented by the complainants.  Note that the Supervision Engineer confirmed that there is no other amount due by CWE, in particular for expatriate workers who are not under the local regime. This was recorded in a meeting between CNPS, CWE and EDC held in May 2016.
CWE to pay all outstanding overtime payments to workers.	CWE states all payments are duly made as per local regulation.	Complainants were requested to identify / document specific cases where CWE may not have paid overtime. The representative of the complainants submitted 10 names of middle-level managerial employees claiming unpaid overtime.

		<p>EDC decided to make a payment to these employees with a bonus for their contribution to the implementation of the Project.</p> <p>The 10 managerial employees acknowledged receipt of payment in writing in August 2017 and agreed that the case could be closed. The text of this email is reproduced here:</p> <p>From: [complainant] Sent: Wednesday, August 16, 2017 9:47 PM To: [...] grievances &lt;grievances@worldbank.org&gt; Subject: Re: Update on GRS complaint about Lom Pangar Hello [...], Sorry for my hyper late reply. I should have sent this email earlier on but I was held down by circumstances beyond my control. In fact, we did receive some payment obliging us to withdraw all pending cases before the courts and labor inspectorates in Cameroon. Though this does not fully satisfy the conditions on the 'gratifications' as presented in the Director General's letter to EDC, after talking with my team, we agreed that we can terminate the procedure at this point. We are grateful for the time you and your team invested in the procedure and we wish you the best. [complainant's name]</p>
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