INDEPENDENT REVIEW MECHANISM

SPOT-CHECK ADVISORY REVIEW OF PROJECT COMPLIANCE REPORT

KETTA-DJOUM ROAD DEVELOPMENT PROJECT—PHASE I, CAMEROON

JUNE 2019
Acknowledgements

The Members of the Roster of Experts of the Independent Review Mechanism (IRM) and the Director of the Compliance Review and Mediation Unit (BCRM) would like to acknowledge the valuable support they received from the Ministry of Public Works (MINTP), the staff of the ADB/World Bank Road Projects Monitoring and Implementation Unit (CSEPR-ADB/BM) in Cameroon, the Management and staff of the African Development Bank Group (AfDB), the Assistant Governors of Djoum and Mintom, and the local communities in the project area. This support has been invaluable in facilitating the Spot-Check Advisory Review of Project Compliance of the Ketta–Djoum Road Development Project—Phase I, which is the subject of this Report.
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Abbreviations and Acronyms

CURRENCY EQUIVALENTS
(March 2009)

UA 1 = CFAF 761.251
CFAF 1 = UA0.0013

FISCAL YEAR
1st January – 31 December

ADB  African Development Bank

ADF  African Development Fund

AfDB  African Development Bank Group

AHWS  Water Development and Sanitation Department

BCRM  Compliance Review and Mediation Unit

COCM  AfDB Country Office in Cameroon

CRP  Compensation and Resettlement Plan

CSEPR-ADB/BM  ADB/World Bank Road Projects Monitoring and Implementation Unit

ESIA  Environmental and Social Impact Assessment

ESMP  Environmental and Social Management Plan

FCU  Forest Conservation Unit

FRAP  Full Resettlement Action Plan

GIS  Geographic Information System

IRM  Independent Review Mechanism

MINTP  Ministère des Travaux Publics (Ministry of Public Works)

NGO  Non-Governmental Organization
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>PAEPA-MSU</td>
<td>Semi-Urban Drinking Water Supply And Sanitation Project</td>
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<tr>
<td>PAGL</td>
<td>AfDB’s Office of the Auditor General</td>
</tr>
<tr>
<td>PAPs</td>
<td>Project-Affected Persons</td>
</tr>
<tr>
<td>PAR</td>
<td>Project Appraisal Report</td>
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<tr>
<td>PCR</td>
<td>Project Completion Report</td>
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<tr>
<td>PCU</td>
<td>Project Coordination Unit</td>
</tr>
<tr>
<td>PIC</td>
<td>Public Information Center</td>
</tr>
<tr>
<td>PICU</td>
<td>Infrastructure and Urban Development Department</td>
</tr>
<tr>
<td>PIU</td>
<td>Project Implementation Unit</td>
</tr>
<tr>
<td>Op</td>
<td>Operations Complex</td>
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<td>SDPRU</td>
<td>Sustainable Development and Poverty Reduction Unit</td>
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Executive Summary

Introduction

This Spot-Check Advisory Review of Project Compliance (spot-check review) was carried out to determine whether the Ketta–Djom Road Development Project—Phase I in Cameroon is in compliance with the applicable policies and procedures of the African Development Bank Group (AfDB). The Boards of Directors of the AfDB approved the spot-check review on 9 May 2018. The Independent Review Mechanism (IRM) is mandated to conduct spot-check reviews by the Operating Rules and Procedures of the IRM (IRM Rules, 2015). The objective of the spot-check review is to draw lessons for the purposes of advising the Bank Management on compliance issues associated with high-risk projects, with the aim of improving sustainability outcomes of similar projects in the future.

This spot-check review was undertaken in response to the recommendations made by AfDB’s Office of the Auditor General (PAGL) in its Internal Audit Report on AfDB-financed public sector projects in Cameroon in 2016. The findings of the Audit\(^1\) flagged this project as one that is likely to be in breach of the applicable Bank Group policies on environmental and social assessments. As a result, the Boards of Directors authorized the IRM to conduct a spot-check review of the project on 9 May 2018.

On 25 September 2009, the Board of Directors of the African Development Fund (ADF) approved a loan of UA 59.27 million for the Republic of Cameroon to finance part of the foreign currency cost and part of the local currency cost of the Multinational Ketta–Djom Road and Brazzaville–Yaoundé Transport Corridor Facilitation Project.\(^2\) The Project aims to improve the service level of the transport logistic chain on the Brazzaville–Yaoundé road axis and the living conditions of dwellers within the project impact area. The development of the Ketta–Djom Road, which is an important link of the axis, is scheduled in two phases. The first phase, which is the subject of this spot-check review, has four components summarized as follows: (i) Development of the principal axis (which includes road development in Cameroon and Congo; and raising awareness on road safety, environmental protection, and the control of sexually transmitted diseases [STDs] including HIV/AIDS); (ii) Ancillary works (development of rural tracks and social activities); (iii) Transport and road transit facilitation actions, including the construction of a single border checkpoint and a study to establish a Corridor Management Committee; and (iv) Project management and monitoring implementation.\(^3\)

The total cost of the Project is UA 65.86 million, of which the ADF loan comprises UA 59.27 million and the UA 6.59 million is the Government contribution. At the project closing date of September 2017, the disbursement of UA 3.0 million was not yet made. The project-executing agency is the Ministry of Public Works (MINTP), through the ADB/World Bank Road Projects Monitoring and Implementation Unit (CSEPR-ADB/BM), which had been established in 1998 for

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\(^3\) Ibid., p. 3.
the African Development Bank (ADB) and then extended in 2008 to the World Bank’s transport projects.4

The Project was classified as Category 1 in accordance with the AfDB’s Policy on the Environment (2004) and consistent with the Environmental and Social Assessment Procedures for Public Sector Operations (2001). An Environmental and Social Impact Assessment (ESIA) of the Project was prepared. The consolidated summary of the ESIA as well as the summary of the Compensation and Resettlement Plan (CRP) were published on the Bank’s website on 23 January 2009 and are available at the Public Information Center (PIC). These summaries were submitted to the Board for information on 2 February 2009.5 The environmental and social impacts of the Project and corresponding mitigating measures were identified in the Environmental and Social Management Plan (ESMP) for successive stages of the project: the road’s technical design stage, concerning drainage, erosion control, tree planting, supporting natural regeneration, and sowing of local species and deferred grazing and compensatory planting; the road construction phase, comprising measures designed to mitigate direct negative impacts of the Project, including the risks of degradation of natural heritage (fauna, flora, and socio-cultural heritage) at a cost estimated at UA 47,000; and the road operations phase, including measures designed to mitigate indirect impacts of the project, including degradation of the natural heritage and its maintenance and restoration. This would require: (a) the conducting of annual environmental and forest audits and monitoring; (b) constant updating of the Geographic Information System (GIS)—an environmental, forest, and wildlife tracking system; (c) classification of new forests through the certification of forests and the establishment of Forest Conservation Units (FCUs) for the conservation of these ecosystems; (d) sensitization and strengthening of institutional capacity, including local and regional authorities; and (e) road maintenance for a total cost of UA 360,000 to be financed directly by the Government of Cameroon.6

The Project will result in the displacement of approximately 600 houses in Cameroon, generally built with local materials, and whose occupants are grouped in families and will be compensated by the Government. The cost related to the resettlement of the project-affected persons (PAPs), which will be financed by the Government of Cameroon, is estimated at UA 1.29 million. The Project Appraisal Report (PAR) indicated that proof of compensation payment to those affected by expropriation was a condition for giving the loan to the Government of Cameroon.7

In accordance with Section A2 of the Loan Agreement, dated 11 January 2010, the conditions precedent to loan disbursement related to social and environmental aspects were as follows: (a) the first disbursement of the loan resources will require proof of compensation payment to the population affected by expropriation; and (b) by signing this Agreement, the Borrower will show proof of the Government’s commitment to set up a minimum annual budget of CFAF 200,000,000 to finance the “Environmental and Forest Heritage Maintenance, Rehabilitation, and Conservation” component, once the road is operational.

Based on the above information, the IRM Expert conducted a field mission from 27 October to 6 November 2018 to assess the state of the Project’s compliance with the Bank Group’s applicable

4 Ibid., p. 16.
5 Ibid., p. 12.
7 Ibid., p. 15.
environmental and social policies. Initially, the IRM Expert was supposed to visit the Kumba-Mamfé Road Development Project and the Ketta–Djoum Road Development Project—Phase I. However, for security reasons, the IRM Expert, in consultation with the Director of the Compliance Review and Mediation Unit (BCRM) and the AfDB Country Office in Cameroon (COCM), agreed that the Expert would visit the Ketta–Djoum Road Development Project—Phase I only.

Key findings and Recommendations of the Spot-Check Review


The IRM determined that the Project is not in compliance with the AfDB Policy on the Environment (2004) and the Environmental and Social Assessment Procedures for Public Sectors Operations (2001), for the following reasons:

1) Lack of measurable monitoring parameters in the ESMP, such as methods to be used, sampling locations, frequency of measurements, detection limits, and definition of thresholds.

2) No evidence of the proof of Government’s commitment to set up a minimum annual budget of CFAF 200,000,000 to finance the “Environmental and Forest Heritage Maintenance, Rehabilitation, and Conservation” component, once the road becomes operational. The absence of an operations and maintenance fund would result in the road’s deterioration over time due to the lack of pavements for the Sangmélíma–Djoum road and the Mintom–Ketta road. There was no evidence that the Government has developed pavement management techniques to ensure service for the entire life of the road. The IRM believes that the lack of an operations and maintenance fund will unduly expose the Bank to a reputational risk.

3) There was no evidence that the Government complied with the commitments made in the PAR, namely to: (a) conduct annual environmental and forest audits, given that the road cuts across an equatorial forest that is rich in fauna and flora; (b) conduct annual environmental and forest monitoring to ensure the protection and preservation of fauna and flora; (c) constant updating of the GIS environmental, forest, and wildlife tracking system; (d) classification of new forests through the certification of forests and the establishment of FCUs for the conservation of these ecosystems; (d) sensitization and strengthening of institutional capacity, including local and regional authorities; and (e) road maintenance for a total cost of UA 360,000 to be financed directly by the Government of Cameroon.

4) Bank staff has totally overlooked the environment and social aspects of this project during project supervision, based on evidence in Supervision Mission Reports.

Phase I of the Project was completed in September 2017 and Phase II of the Project is ongoing. Hence, the IRM recommends that, as part of Phase II of the Project, the Bank Management should act as follows:
1) Conduct a rapid survey of the fauna and flora affected by the road construction;

2) Ensure that Government funds are made available for environmental and forest monitoring; updating the GIS environmental, forest, and wildlife tracking system; and establishing FCUs for the conservation of the ecosystem in the equatorial forest impacted by the road;

3) Provide technical support to the MINTP to develop a road rehabilitation maintenance plan with associated costs and schedules; and

4) Ensure that a road maintenance and rehabilitation fund is made operational before the closing date of Phase II of the Project.

*State of Compliance with the AfDB Involuntary Resettlement Policy (2003)*

The IRM determined that the project is not in compliance with the AfDB Involuntary Resettlement Policy (2003), for the following reasons:

1) The IRM could not find sufficient evidence that the compensation and resettlement plan prepared by the Government of Cameroon meets the requirements of the AfDB Involuntary Resettlement Policy (2003), namely: the legal basis and the procedures for expropriation and compensation at full replacement cost for land and property; the identification of any gaps or inconsistencies between the Borrower’s legal framework and the AfDB Involuntary Resettlement Policy (2003); the mechanisms to bridge such gaps, names and areas of the PAPs; the detailed amount of compensation per PAP; the procedures for physical and economic relocations; as well as implementation schedules covering all resettlement activities from preparation to implementation.

2) The Bank Management proceeded with the first disbursement of the loan, despite the fact that the Government did not comply with the condition precedent for the first disbursement, requiring that compensation should be paid for the persons affected by the expropriation. Project records indicated that compensation was initiated in July 2012 after the Project became effective in March 2010 and was completed in September 2018, and after the road was completed in September 2017.

3) The Bank Management did not comply with the requirement of the PAR concerning the supervision of the resettlement procedures. These procedures require, *inter alia*, that the Bank and the MINTP will inspect the project twice a year, with a mid-term evaluation and an external evaluation before implementing the action plan.

4) The compensation clearance plan that was supposed to be established, as stated in the Management Response to the Auditor General’s Report, was not realized.

Based on Sections 4.26 and 4.27 of the AfDB Involuntary Resettlement Policy (2003), the IRM recommends the following:

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8 AfDB Involuntary Resettlement Policy, 2003, p. 18, Section 4.1.6.
1) Upon completion of the Project, the Borrower should undertake an assessment of the success of implementation of the resettlement plan. This should be followed by the Bank’s Project Completion Report (PCR).

2) The Bank’s post-evaluation mission should review the Bank’s PCR to evaluate the resettlement and its impacts on the quality and standards of living of the PAPs and the host communities.

**General Conclusions and Recommendations**

The IRM has determined that the Bank Management has put its best efforts possible into the preparation of the ESIA, the ESMP, and the CRP, in conformity with the applicable AfDB policies and procedures. However, the Bank Management did not give sufficient attention to the implementation of these safeguard documents as well as to the sustainability of the road infrastructure and the protection of the forest ecosystem impacted by the Project. These may affect the reputation of the AfDB if actions are not taken to mitigate the imminent negative impacts of the Project, especially on the environment.

The IRM recommends that the Bank Management should undertake the actions proposed by this Spot-Check Advisory Review of Project Compliance Report of the Ketta–Djoum Road Development Project—Phase I in order to comply with the applicable AfDB policies and procedures and to avoid a recurrence of these issues in Phase II of the Project, which is currently ongoing.

The IRM submits this Spot-Check Advisory Review of Project Compliance Report of the Ketta–Djoum Road Development Project—Phase I in Cameroon for consideration by the Boards of Directors.
1. BACKGROUND AND OBJECTIVES OF THE SPOT-CHECK REVIEW

The Operating Rules and Procedures of the Independent Review Mechanism (IRM Rules, 2015) mandates the Independent Review Mechanism (IRM) to undertake an advisory role, which is divided into two activities: (1) the Spot-Check Advisory Review of Project Compliance (spot-check review), carried out by one of the IRM Experts, and (2) advisory services provided by the Director of the Compliance Review and Mediation Unit (BCRM). The scope of these advisory services is to enhance institutional learning by providing independent opinions on systemic issues, and technical advice on any projects and programs financed by the African Development Bank Group (AfDB), so as to strengthen their positive social and environmental impacts. The services are carried out when: (a) the BCRM receives a request for such advice or technical opinion from the President and/or the Boards of Directors; or (b) the President and/or the Boards approve a proposal by the BCRM to undertake similar services.

The specific objective of the spot-check review is to draw lessons from the experience of the IRM for the purpose of advising Management on compliance issues associated with high-risk projects. The spot-check review examines whether or not there has been an infringement of any Bank Group operational policies or procedures in respect of a project’s design, appraisal, and/or implementation.

This Spot-Check Report focuses on the Ketta–Djoum Road Development Project—Phase I. This spot-check review was a response to the recommendations made by the Bank’s Office of the Auditor General (PAGL). Among the findings of the Audit Report issued in March 2017, the PAGL flagged the following two road sector projects and one water supply and sanitation sector project in Cameroon that the audit found may be in breach of the applicable Bank policies and procedures:

(i) Semi-Urban Drinking Water Supply and Sanitation (PAEPA-MSU) Project;
(ii) Ketta–Djoum Road Development Project—Phase I;
(iii) Kumba–Mamfé Road Development Project.

The Audit Report recommended that the Bank’s Water Development and Sanitation Department (AHWS) and the Infrastructure and Urban Development Department (PICU), in conjunction with the AfDB Country Office in Cameroon (COCM), “should ensure that the ESMPs of all the projects concerned are updated and implemented effectively, and monitored to achieve the expected objectives; the circumstances surrounding these projects should be verified by BCRM.”

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9 IRM Operating Rules and Procedures, 2015, para. 1 (b).
10 Ibid., rule 73.
11 Audit Report.
12 Ibid., para. 2.1.
The recommendations of the Audit Report were considered by the BCRM and Management alongside suggestions about several other projects. Considering the aim of the spot-check review as an institutional-learning oriented exercise, the BCRM and the Bank Management agreed that the projects recommended by the Audit Report should be proposed for the IRM spot-check review process of 2018. The key factor the selection team considered was the usefulness of the spot-check review’s recommendations to the relevant operations departments. The proposal was approved by the Board of Directors on 9 May 2018.

However, at the time of the site visit, the IRM mission was not in the position to travel to the northwest of Cameroon because of security concerns. The initial plan was revised and the IRM chose to conduct its field work where security was guaranteed. Therefore, the IRM Expert did not visit the Kumbe–Mamfé Road Development Project but the Ketta–Djoum Road Development Project—Phase I only.

The IRM carried out a desk review of the documents relating to this Project and conducted a field mission to Cameroon from 27 October to 6 November 2018. The mission was conducted by the IRM Expert, Mr. Sherif Arif; with the technical support from Mr. Sekou Touré, the Director of the BCRM; and Mr. Birima Fall, Senior Communication and Outreach Officer in the BCRM. During the mission, they visited selected sites along the Ketta–Djoum Road Development Project—Phase I; and interviewed the project executing agency—the Ministry of Public Works (MINTP), the local authorities in the project area, the Bank staff responsible for the Project, and other stakeholders.

The IRM would like to emphasize that the findings of this Report are based on information made available by the Bank Management at the time of the spot-check exercise, and that factual issues have already been verified with the Management. Accordingly, this Report is submitted to the Boards of Directors for consideration.

2. PROJECT DESCRIPTION

On 25 September 2009, the Board of Directors of the African Development Fund (ADF) approved a loan of UA 59.27 million for the Republic of Cameroon to finance part of the foreign currency cost and part of the local currency cost of the Multinational Ketta–Djoum Road and Brazzaville–Yaoundé Transport Corridor Facilitation Project (Figure 1). The Project was effective on 29 March 2010. Conditions precedent for disbursement were satisfied on 2 July 2012, although the people to be resettled were not compensated. The initial closing date was 30 December 2015, which was extended to 30 November 2017.
2.1. Project Objectives and Components

In accordance with the Project Appraisal Report (PAR),¹³ the project aims to improve the service level of the transport logistic chain on the Brazzaville–Yaoundé road axis and the living conditions of dwellers within the project impact area. The development of the Ketta–Djoum road, which is an important link of the axis, is scheduled in two phases. The first phase, which is the subject of this spot-check review, centers on four components summarized in the table below:¹⁴ (i) Development of the principal axis (which includes road development in Cameroon and Congo; and raising awareness on road safety, environmental protection, and the control of sexually transmitted diseases (STDs) including HIV/AIDS); (ii) Ancillary works (development of rural tracks and social activities); (iii) Transport and road transit facilitation actions, including the construction of a single border checkpoint and a study to establish a Corridor Management Committee; and (iv) Project management and monitoring implementation.

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¹³ PAR, August 2009.
¹⁴ Ibid., p. 3.
Table 1: Summary of Project Components

<table>
<thead>
<tr>
<th>Components</th>
<th>Cost Estimate Net of Taxes and Custom Duty (UA Million)</th>
<th>Description of Components</th>
</tr>
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<tbody>
<tr>
<td>A Development of the principal axis</td>
<td>200.88</td>
<td>a.1 In Congo</td>
</tr>
<tr>
<td></td>
<td></td>
<td>□ Paving of the Ketta-Biessi section (121 km, including space for the laying of optical fibre, establishment of a weighing station and construction of shelters)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>□ Minimal development of the Biessi - Cameroon Border earth road section, including permanent works (195 km)</td>
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<td></td>
<td></td>
<td>a.2 In Cameroon</td>
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<td></td>
<td></td>
<td>□ Paving of the Djoum-Mintom section (83 km, including space for the laying of optical fibre, establishment of a weighing station and construction of shelters)</td>
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<td></td>
<td></td>
<td>□ Minimal development of Mintom- Congo Border earth road section, including permanent works (105.5 km)</td>
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<td></td>
<td></td>
<td>a.3 In the two countries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Works inspection and supervision, sensitization on HIV/AIDS/STI, road safety and environmental protection</td>
</tr>
<tr>
<td>B Ancillary works</td>
<td>4.53</td>
<td>b.1 Ancillary works</td>
</tr>
<tr>
<td></td>
<td></td>
<td>□ Development of 120 km of rural tracks (60 km in each country)</td>
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<td></td>
<td></td>
<td>□ Rehabilitation of socio-economic infrastructure in the project area</td>
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<td></td>
<td>b.2 Inspection and supervision of ancillary works in the two countries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>b.3 Support to the local population (materials and equipment)</td>
</tr>
<tr>
<td>C Transport and transit facilitation actions</td>
<td>1.42</td>
<td>c.1 Study on development of a Corridor Management Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c.2 Construction and equipment of the single border checkpoint</td>
</tr>
<tr>
<td></td>
<td></td>
<td>c.3 Inspection of checkpoint works and training of the border services/sensitization of users</td>
</tr>
<tr>
<td>D Project management and implementation monitoring</td>
<td>1.81</td>
<td>d.1 Support to project coordination</td>
</tr>
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<td></td>
<td></td>
<td>d.2 Joint Technical Committee (Congo, Cameroon, ECCAS)</td>
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<td></td>
<td></td>
<td>d.3 Monitoring and evaluation of project impact</td>
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<td>d.4 Accounts audit</td>
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<td></td>
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<td>d.5 Project procedures manual (Congo, Cameroon, ECCAS)</td>
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</table>

2.2. Cost of the Project

The total cost of the Project is UA 65.86 million, of which the ADF loan comprises UA 59.27 million and the UA 6.59 million is the Government contribution. At the project closing date of September 2017, the disbursement of UA 3.0 million was not yet made.

2.3. Implementation Arrangements

The project executing agency is the MINTP, through the ADB/World Bank Road Projects Monitoring and Implementation Unit (CSEPR-ADB/BM), which had been established in 1998 for the African Development Bank (ADB) and then extended in 2008 to the World Bank’s transport projects. At the time of the loan approval in 2009, the CSEPR-ADB/BM consisted of a coordinator, three civil engineers, a procurement expert, an accountant, and support staff. It has a procedures manual, which governs its operations. The aforementioned personnel were also supported by
another civil engineer and an environmental forestry expert, whose profiles and qualifications were considered acceptable to the Bank.\textsuperscript{15}

\textbf{2.4. Environmental Aspects}\textsuperscript{16}

The Project was classified as Category 1 in accordance with the AfDB Policy on the Environment (2004) and consistent with the Environmental and Social Assessment Procedures for Public Sector Operations (2001). An Environmental and Social Impact Assessment (ESIA) was prepared for the three branches of the road in Cameroon, namely: the Sangmélima–Djoum–Congo border road (July 2007), the Sembé–Souanké–Ntam road (April 2006), and the Ketta–Sembé road (September 2007).\textsuperscript{17} The consolidated summary of the ESIA as well as the summary of the Compensation and Resettlement Plan (CRP) were published on the Bank’s website on 23 January 2009 and are available at the Public Information Center (PIC). These summaries were submitted to the Board for information on 2 February 2009.

The environmental and social impacts of the project and corresponding mitigating measures were identified in the Environmental and Social Management Plan (ESMP) in three stages:\textsuperscript{18}

(i) At the road’s technical design stage, mitigation measures would target drainage, erosion control, tree planting, supporting natural regeneration, sowing of local species, and deferred grazing and compensatory planting;

(ii) At the road’s construction stage, mitigation measures would target the Project’s direct impact area concerning the restoration of borrow sites, sensitization on environmental protection, and the limitation of dust emissions. The management of the environmental and social impacts directly related to the construction of the road were estimated at UA 47,000 to be borne by the Government. The ESMP clauses were to be included in the contractors’ specifications agreements. The afforestation mitigation measures would be carried out under the Compensation and Re-housing Plan (2 trees planted for each tree uprooted), which would be financed by the Government; and

(iii) At the road’s operations phase, measures would mitigate the risks of degradation of the natural heritage (fauna, flora and socio-cultural heritage) in the project’s indirect impact area and include the maintenance and restoration of the said heritage, given that the road crosses the equatorial forest, which is rich in biodiversity. The measures consist of: (a) the conducting of annual environmental and forest audits and monitoring; (b) constant updating of the Geographic Information System (GIS)—an environmental, forest, and

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\textsuperscript{15} Ibid., pp. 16-17.
\textsuperscript{16} Ibid., p. 12, para. 3.22-3.23.
\textsuperscript{17} SCET Tunisie, April 2009, \textit{Étude d’Impact Environnemental et Social : Route Sangmélima–Ouesso–Rpisso} (Environmental and Social Impact Assessment: Sangmélima–Ouesso–Rpisso Road)
\textsuperscript{18} PAR, pp. 12-13.
wildlife tracking system; (c) classification of new forests through the certification of forests and the establishment of Forest Conservation Units (FCUs) for the conservation of these ecosystems; (d) sensitization and strengthening of institutional capacity, including local and regional authorities; and (e) road maintenance. The annual cost of the actions concerned at this third level was estimated at UA 360,000 to be financed by the Government through the existing or new financial instruments (environmental or forestry funds, in particular) based on a detailed action plan and budget. The undertaking by the Government of Cameroon to provide these amounts once the road becomes operational was a condition for the first disbursement of the loan.

2.5. Social Aspects\textsuperscript{19}

The Project was intended to have significant social impact in terms of: (i) accessibility to the markets to sell agricultural and forest products at profitable prices, and provision of health care and education to the area; (ii) reduction of the school dropout rate among the youth and increase in the enrolment rate of children, expected from potential improvement in family income; and (iii) improvement in the quality of life and living conditions of the people in the project impact area through the creation of permanent jobs (such as transport and catering services; trade in gravel, sand and fill; batch-selling of non-timber forest products; and other activities induced by the construction of the road and the link-up tracks). Therefore, it was expected that at least 5,000 direct and indirect temporary jobs would be created during the period of the works and 2,000 permanent jobs during the manual road maintenance phase.

2.6. Involuntary Resettlement Aspects\textsuperscript{20}

The project would cause the displacement of approximately of 600 houses in Cameroon, generally built in local materials, and whose occupants were grouped in families and were to be compensated by the Government. This procedure was aimed at facilitating the reconstruction of dwellings on nearby sites, shifting new ships backwards, and opening new acreages. The cost related to the resettlement of this population, which was to be financed by the Government and estimated at UA 1.29 million. Proof of compensation payments to those affected by expropriation was a condition precedent to the first disbursement of the loan.

2.7. Project Monitoring Aspects\textsuperscript{21}

The monitoring/evaluation of the Project would comprise internal and external monitoring, Bank supervision missions, a mid-term review, and a post-evaluation, together with the Borrower’s and the Bank’s Project Completion Reports (PCRs). Project implementation was expected to produce a monthly and quarterly report prepared by the consultants charged with works inspection and

\textsuperscript{19} Ibid., p. 14, para. 3.24.
\textsuperscript{20} Ibid., p. 15, para. 2.2.14.
\textsuperscript{21} Ibid., p. 18, para. 4.2.
supervision, and the responsible project officer of the CSEPR-ADB/BM. These reports were to be transmitted to the Bank within fifteen days following the end of each quarter in a format acceptable to the Bank.

2.8. Compliance with Bank Group Policies

The PAR stated that the project complies with all applicable Bank policies.

2.9. Conditions for Disbursements

In accordance with section A2 of the Loan Agreement, dated 11 January 2010, the conditions precedent related to social and environmental aspects were as follows:

1) In addition to entry into force, the Fund will proceed with the first disbursement of loan resources only upon fulfilment of the following conditions by the Borrower (the Government of Cameroon) to the Fund’s satisfaction to “show to the ADF, proof of compensation payment to the population affected by expropriation.”

2) By signing this agreement, the Borrower will show proof of the Government’s commitment to set up a minimum annual budget of CFAF 200,000,000 to finance the “Environmental and Forest Heritage Maintenance, Rehabilitation, and Conservation” component, once the road becomes operational.

3. THE AUDIT REPORT

The PAGL conducted an internal audit of 6 out of 16 public sector projects financed by the AfDB in Cameroon in 2016, and covered the project management activities of the Bank and the Borrower between 1 January 2015 and 30 June 2016. The Ketta–Djourou Road Development Project was one of the audited projects.

The major findings of the subsequent Audit Report were as follows:

1) The analysis of implementation of the ESMPs of the Project examined calls for the following observations: For the implementation of the Ketta–Djourou Road Development Project, environmental and social management obligations were not clearly and exhaustively mentioned. Therefore, most of the basic measures of each ESMP have not yet begun to be implemented. There is, therefore, a major discrepancy between the ESMP and the measures taken to implement it. The control mission monitors the implementation of

22 Ibid., p. 23 para 5.3.
23 Loan Agreement, February 2010, Loan no. 2100100A2079t.
24 PAR, para. 3.2.14.
25 Ibid., para. 3.2.3.
26 Audit Report, p. 8, Section II, 2.1.
the ESMP, but its monthly reports to the Project Implementation Unit (PIU) are not followed up.

2) Specifically for the Ketta–Djoum Road Development Project, contrary to the requirements of the Loan Agreement, the compensation of persons affected by the project (PAPs) was not acted on before the commencement of works. In fact, the route of the road was modified, resulting in the displacement of additional people as a result of the destruction of their buildings and crops. Works on this section are advanced but the compensation of a group of expropriation victims, estimated at FCFA 12,631,774.00, has not yet been carried out. The file has allegedly been forwarded to the Ministry in charge of land registration to begin the procedure for amending the compensation decree. The absence of a mechanism at the level of COCM and PIUs for monitoring the recommendations of missions on the implementation of ESMPs could be behind this situation and could have a negative impact on the implementation of the said projects and expose the Bank to reputational risk.

The recommendations\textsuperscript{27} of the Audit Report stated that the Project Coordination Unit (PCU), in conjunction with COCM, should ensure that the compensation procedure for the PAPs of the Ketta–Djoum Road Development Project should be fully finalized without delay. The Management Response to this recommendation was: “A supervision mission for the phases 1 and 2 of Ketta–Djoum will be organized from 19 to 30 June 2017. At the end of the mission, it is planned to establish a compensation clearance plan with the administration. In addition, the compensation process also involved Phase 2 of the project, which will be launched in 3 months. The lessons learnt from Phase 1 will help so that the same problems will not occur in the implementation of Phase 2. The target implementation date is August 30, 2017.”

4. THE SPOT-CHECK ADVISORY REVIEW OF PROJECT COMPLIANCE


4.1.1. The Facts

4.1.1.1. The Policy Requirements for Category 1 Projects

The Ketta–Djoum Road Development Project—Phase I was classified as Category 1, which in accordance with the AfDB Policy on the Environment (2004)\textsuperscript{28} is likely to cause substantial adverse environmental and/or social impacts that are irreversible, or to significantly affect environmental or social components considered sensitive by the Bank or Cameroon. Category 1 projects require a full ESIA, including the preparation of an ESMP to prevent, minimize, mitigate, or compensate for adverse impacts and to enhance environmental and social project benefits. The

\textsuperscript{27} Ibid., p. 9

ESIA is based on the process developed under the Environmental and Social Assessment Procedures for Public Sector Operations (2001). These procedures require that, during project supervision, the ESMP should include the following:

1) Feasible and cost effective measures to address the impacts previously defined, and each measure should be described in detail, providing all technical information required for its implementation (such as design, equipment description, and operating procedures, as appropriate).\(^{29}\)

2) A monitoring program which will consist of two parts: surveillance and monitoring activities. The surveillance activities will ensure that the proposed mitigation and enhancement measures are effectively implemented during the construction phase, while the monitoring activities should define as clearly as possible the indicators to be used to monitor the mitigation and enhancement measures. It should also provide technical details on monitoring activities, such as methods to be used, sampling locations, frequency of measurements, detection limits, and definition of thresholds.

3) An estimate of the capital and recurrent cost associated with the various proposed measures (for enhancement and mitigation), the monitoring program, consultations, complementary initiatives, and institutional arrangements. The ESMP should be a part of the Project’s financing that would signal the need for corrective actions.\(^{30}\)

4) An implementation schedule taking into account all activities related to the proposed measures (for enhancement and mitigation), the monitoring program, consultations, complementary initiatives, and institutional arrangements.\(^{31}\)

The Borrower’s responsibility\(^{32}\) during supervision is to:

1) Ensure compliance to the ESMP during project activities (construction and operations);

2) Continue to consult with relevant stakeholders throughout project implementation;

3) Monitor environmental and social impacts of project activities;

4) Report to Operation Complexes (Ops) on the ESMP’s implementation and ongoing consultations;

5) Propose changes to the ESMP whenever non-compliance to agreed requirements or unexpected impacts are noted.

\(^{29}\) ESAP 2001, Annex 11, Section 5.
\(^{30}\) Ibid., section 10
\(^{31}\) ESAP 2011, Annex 11, Section 11.
\(^{32}\) ESAP, 2001, p. 14, Box 4 A.
The responsibility\textsuperscript{33} of the OP and the Sustainable Development and Poverty Reduction Unit (SDPRU)—or the current equivalent department/unit during supervision—is to:

1) Include environmental and social expertise in the launching mission, supervision missions, and project completion, which is highly recommended;

2) Supervise the implementation of the ESMP and clear changes to the ESMP if necessary;

3) Consult with primary and secondary stakeholders during supervision;

4) Ensure compliance to the Environmental and Social Assessment Procedures for Public Sector Operations (2001) through the implementation of an environmental and social tracking system.

\subsection*{4.1.1.2. Preparation of the ESIA}

The Djoum–Mintom road was constructed by MNO Vervat B.V., a Dutch company, for an amount of FCFA 44.45 billion.\textsuperscript{34} The contract included road works and related developments, with an increase of road length from 83 km to 98.85 km from Mintom to the village of Tam towards the Congolese border. The supervising consultant was Louis Berger/Ingécam Group, which was awarded a contract of FCFA 1.498 billion, and the monitoring and evaluation of impacts were awarded to a local consulting firm, SOREPS, for FCFA 102.3 million.

During project preparation, an ESIA was prepared in July 2009 by SCET-Tunisie, a Tunisian consulting firm, for the Cameroon–Congo Sangmélima–Ouesso road. The ESIA covered two sections of the road (from west to east) of Djoum–Lélé with a distance of 98 km, which goes beyond the village of Mintom; but as a result of the increase of the linear road, it includes the village of Lélé and the section of the Sembé–Ketta road (on the Congolese border) with a distance of approximately 150 km. The ESIA is very detailed and follows the requirements provided in Annex 11 of the Environmental and Social Assessment Procedures for Public Sector Operations (2001). The impact analysis is qualitative; however, no measurements were taken for the air and water quality as well as the quantities of hazardous and solid wastes. The mitigating measures are provided, though no responsibility or costs were given. In addition, the monitoring measures were described without providing any measurement parameters and methods for analysis, responsibility, and costs. The cost of the ESMP was estimated at USD 6.0 million,\textsuperscript{35} which includes compensation for the PAPs estimated at USD 1.97 million.\textsuperscript{36}

On 1 September 2011, in response to the request made by the MINTP, the contractor MNO Vervat B.V. prepared a detailed ESMP and a security plan during the site preparation of the Ketta–Djoum

\textsuperscript{33} Ibid., Boxes 4 B and 4 C.
\textsuperscript{34} Aide Mémoire, Supervision Mission of 19-30 June 2017.
\textsuperscript{35} SCET Tunisie, 2009, ESIA of the Louis Beger, Cameroon/Congo: Sangmélima–Ouesso Road, p. 197.
\textsuperscript{36} Ibid., p. 182.
Road Development Project.\textsuperscript{37} The ESMP highlights the project description; the issues related to soil, water, and air quality; noise; biodiversity; socio-economic conditions; the related mitigating measures; the results; the responsible actors; and the means of verification.

In 2016, the supervising contractor, Louis Berger, prepared a revised ESMP for the Djoum–Mintom–Congo border road.\textsuperscript{38} The contractor indicated that the ESIA prepared by SCET-Tunisie was not prepared in a proper format for an ESMP. The revised ESMP included an ESMP for the site that had to be implemented by the works contractor, MNO Vervat B.V., as well as an evaluation of the ESMP reflected in the ESIA of 2009 by SCET-Tunisie. The revised nine-page ESMP included a detailed table relating to the environmental measures, the location, the related impacts, the objectives of the mitigating measures, the calendar, as well as the cost of the mitigating measures, their description, and the responsible parties. The supervising contractor assessed the level of implementation of the ESMP and concluded that MNO Vervat B.V. had implemented 90% of the mitigating measures, and 5% of the measures were still ongoing. However, 5% of the measures related to strengthening non-governmental organizations (NGOs) and pygmies had been implemented as of 2016. The cost of environmental measures was estimated at FCFA 48.87 million.

\textbf{4.1.1.3. ESMP Monitoring by the Borrower}

Since 2011, the supervising contractor, Louis Berger, has prepared monthly reports, of which the IRM examined the monthly reports no. 47 (September 2015), no. 49 (November 2015), no. 56 (June 2016), and no. 59 (September 2016). All these reports provided extensive information on the Project’s road management and its extension, the detailed costs and expenditures, the status of the expropriation, the implementation of the ESMP, as well as the progress of implementation of the ESMP with regards to civil works by the contractor.

In September 2015, Louis Berger/Ingécam included in its monthly report no. 47 the progress made during the construction of the road as well as the associated environmental, security, and heath measures. The extensive report provided recommendations to the civil works contractor for improving the different aspects of the construction of the road, the various ancillary works, and the contractor’s camps and workshops. The report indicated that the environmental mitigation measures in the amount of FCFA 24.4 million were not implemented.\textsuperscript{39} A grave accident involving a truck was reported that occurred when its driver was reversing the vehicle. The environmental measures in report no. 47 (September 2015) did not change in report no. 49 (November 2015).

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\begin{footnote}{38} Louis Berger and Ingécam, \textit{Evaluation du Programme de Gestion Environnementale et Sociale (PGES)} (Evaluation of the Environmental and Social Management Program [ESMP]).
\end{footnote}

\begin{footnote}{39} Louis Berger and Ingécam, September 2015, Monthly Report No. 47, p. 18.
\end{footnote}
Furthermore, the lack of implementation of mitigation measures relating to water and air quality as well as the disposal of waste were reported in the monthly report no. 49.

4.1.1.4. ESMP Monitoring by the Bank Staff

The IRM also reviewed the following supervision Aide Mémoires prepared by Bank staff:

1) The Bank supervision mission of 12-31 February 2013 did not include an environmentalist. The Aide Mémoire of this mission noted the delays in the implementation of the works of the Djoum–Mintom road. It requested a new implementation plan but did not report on the implementation of the ESMP, as well as the speeding up of the selection of a consultant for the monitoring and evaluation of impacts.

2) The Bank supervision mission of 27 October-7 November 2014\(^{40}\) included an environmentalist and a socio-economist. The Aide Mémoire of this mission made a review of the construction activities of the Djoum–Mintom road and noted that a comprehensive CRP has not been prepared. The resettlement was made based on the CRP Summary. The Aide Mémoire did not provide any information on the implementation of the ESMP.

3) The Bank supervision mission of 7-20 July 2016 did not include an environmentalist. The Aide Mémoire of this mission noted that the conditions precedent for disbursement were satisfied in accordance with the deadlines; however the conditions precedent for the first disbursement relating to the compensation of the PAPs experienced “some delays”—the duration of the delay was not specified. The report did not address the status of implementation of the ESMP.

4) The Aide Mémoire for the Bank supervision mission of 19-30 June 2017 provided a detailed overview of all the activities carried out along the Djoum–Mintom road as well as the facilitation of transport along the Brazzaville–Yaoundé Transport Corridor. The report did not provide an update on the implementation of the ESMP and the status of the compensation.

4.1.2. The Findings

On 1 November 2018, the IRM mission travelled with officials of the MINTP and the Bank’s senior staff along the new road from Sangmélima to Mintom. This road, from the west to the east at the Congolese border, is divided into three sections: Sangmélima–Djoum of 103 km, which is still under construction by the Egyptian Arab Contractors and financed by the Islamic Development Bank; the section of Djoum–Mintom of 83 km, which is financed by the ADF and

\(^{40}\) Aide Mémoire, Supervision Mission of 27 October-7 November 2014.
crosses about 50 villages; and the third section from Mintom to the Congolese border in Ketta, which is still under construction and financed by the ADF.

The construction of the Djoum–Mintom road was completed and asphalted. It consists of a pavement 7.5 m in width with two shoulders coated with a superficial bilayer coating of 2 m each, i.e. a profile of 11.5 m. The road includes culvert facilities along its two sides, road signs, road markings, and bumpers at specific locations. The project includes the realization of a set of related activities, including fences for schools and health centers along the road, latrine blocks, and drinking water wells.

The IRM mission meetings on 1 November 2018 with Mr. Tsimi Melingui Vital, the Assistant Governor of Djoum, and with Mr. Emmanuel Frederic Dongo, the Assistant Governor of Mintom, showed their total satisfaction for the construction of the road, which will improve both traffic and the living conditions of the displaced people.

The IRM has determined that the ESIAAs developed during project preparation and implementation phases were consistent with the ESAP requirements. The monthly reports prepared by Louis Berger, the supervisory contractor, were very detailed; though the monitoring measures were not in accordance with the ESMP, which itself was deficient in providing detailed monitoring parameters.

The following weaknesses in the ESIA and the ESMP were identified:

1) There was a lack of monitoring parameters of the ESMP. The ESAP should define as clearly as possible the indicators to be used to monitor the mitigation and enhancement measures. It should also provide technical details on monitoring activities, such as methods to be used, sampling locations, frequency of measurements, detection limits, and definition of thresholds. These were not mentioned. Monitoring measures should have addressed both emission and ambient levels of pollutants as well as parameters relating to water quality, such as Total Suspended Solids (TSS), Chemical Oxygen Demand (COD), Biological Oxygen Demand (BOD5), and Oil and Grease (O&G). Also, as per the ESMP for Bank-financed road projects, the results of the monitoring and analysis should be included with interpretation.

2) There was no evidence or proof of the Government’s commitment to set up a minimum annual budget of CFAF 200,000,000 to finance the “Environmental and Forest Heritage Maintenance, Rehabilitation, and Conservation” once the road becomes operational, as stated in the PAR and included in the Loan Agreement. The lack of availability of an operations and maintenance fund would result in the road’s deterioration over time due to the lack of pavement of the Sangmélíma–Djoum road and the Mintom–Ketta road. Even when these road segments are fully paved, the deterioration is likely to increase due to increased traffic. Periodic maintenance and inspection of the road and its culverts are necessary. There was no evidence that the Government has developed pavement
management techniques to ensure service for the entire life of the road. The IRM is of the view that the lack of an operations and maintenance fund will constrain these essential services and can unduly expose the Bank to a reputational risk.

3) There was no evidence to substantiate that the Government has complied with the requirements as presented in the PAR, namely: (a) the conducting of annual environmental and forest audits given that the road cuts across of the equatorial forest rich in fauna and flora; (b) the conducting of annual environmental and forest monitoring to ensure the protection and preservation of fauna and flora; (c) constant updating of the GIS environmental, forest, and wildlife tracking system; (d) classification of new forests through the certification of forests and the establishment of FCUs for the conservation of these ecosystems; (d) sensitization and strengthening of institutional capacity, including local and regional authorities; and (e) road maintenance. The annual cost of these actions, estimated at UA 360,000, was not financed directly by the Government through existing or new financial instruments (environmental or forestry funds, in particular), nor based on a detailed action plan and budget.

In addition, according to the Aide Mémoires reviewed by the IRM, the Bank’s supervision mission entirely overlooked the environmental and social aspects of this project during implementation, namely to act as follows:
By the Borrower:

1) Ensure compliance to the ESMP during project activities (construction and operations);

2) Monitor environmental and social impacts of project activities;

3) Report to Ops on the ESMP’s implementation and ongoing consultations;

By the Bank:

4) Include environmental and social expertise in supervision missions as this is a Category 1 project;

5) Ensure compliance to the Environmental and Social Assessment Procedures for Public Sector Operations (2001) through the implementation of an environmental and social tracking system, which was not available.

4.1.3. Conclusions

Based on the findings above, the IRM has determined there was negligence on the part of the Bank staff for failing to comply with the applicable policies and procedures of the AfDB, especially in monitoring the implementation of the ESMP and protecting and monitoring the fauna and flora of this road, which cuts across the equatorial forest. The IRM has, therefore, concluded that the Project does not comply with the AfDB Policy on the Environment (2004) and the Environmental and Social Assessment Procedures for Public Sector Operations (2001).

4.1.4. Recommendations

Now that the Ketta-Djoum Road Development Project—Phase I has been completed, the IRM recommends that the Bank Management—as part of the ongoing implementation of Phase II of this Project (the Mintom–Ketta road) —should undertake the following actions:

1) Conduct a rapid survey of the fauna and flora affected by the road construction;

2) Ensure that Government funds are made available for environmental and forest monitoring; updating the GIS environmental, forest, and wildlife tracking system; and establishing FCUs for the conservation of the ecosystem in the equatorial forest impacted by the road;

3) Provide technical support to the MINTP for developing and road rehabilitation maintenance plan with associated costs and schedules; and

4) Ensure that a road maintenance and rehabilitation fund be made operational before the closing date of Phase II of the Project.

4.2.1. The Facts


The relevant sections of the AfDB Involuntary Resettlement Policy (2003) state that: “The Bank Group Involuntary Resettlement Policy has been developed to cover involuntary displacement and resettlement of people caused by a Bank financed project.”  

The policy applies “when a project results in relocation or loss of shelter by the persons residing in the project area, assets being lost or livelihoods being affected.” Specifically, “this policy covers economic and social impacts associated with Bank financed projects which result in (b) loss of assets; (c) loss of income sources or means of livelihood as a result of the project.” It requires that “compensation at the full replacement cost for loss of lands and other assets should be paid prior to the implementation.”

It also states that the payment procedures should be simple and payment should be settled before expropriation of the land or soon after.

The AfDB Involuntary Resettlement Policy (2003) requires the Borrower to prepare a Full Resettlement Action Plan (FRAP) for any project involving 200 or more persons who would be displaced with a loss of assets, or access to assets, or reduction in their livelihood. The FRAP should be consistent with the national legislation of the Borrower as well as the requirements set in the AfDB Involuntary Resettlement Policy (2003). The policy also states that the FRAP should be finalized as a supplement document to the ESIA, and can be carried out as part of or parallel to the environmental and social impact studies. Annex A of the policy contains a detailed outline of a FRAP for a project requiring a resettlement plan.

The policy also requires providing land, accommodation, infrastructure, and other compensation to the PAPs, even in the absence of legal titles to the land, which is different from national regulations in Cameroon. The Bank’s guiding principles states in Section 10 that “only displaced population having formal legal rights to land or assets and those who can prove entitlement under the country’s customary laws are considered and will be fully compensated for loss of land or other assets. However, a third category of displaced persons who have no recognizable legal right or claim to the land they are occupying in the project area will be entitled to resettlement assistance

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41 AfDB Involuntary Resettlement Policy, para. 1.
42 Ibid.
43 Ibid., para. 3.4.1 (b) and (c).
44 Ibid., para. 8.
45 Ibid., para. 4.1.6.
46 Ibid., p. 13, Section 3.4.6.
47 Ibid., p. 19, Section 4.1.8.
48 Ibid., p. 13, Section 3.4.6.
49 Ibid., p. ii, para. 10.
in lieu of compensation for land.” This third category of displaced persons is not consistent with national laws.

Concerning supervision of the social impacts arising from a project, the AfDB Involuntary Resettlement Policy (2003) requires the following:

1) The resettlement component should be supervised throughout the implementation of the project. Bank’s supervision missions should be staffed with requisite environmental, social, economic, and technical expertise. These missions should ensure that the Borrower’s implementing agencies also have the requisite environmental, social, economic, and technical expertise to properly implement the project. For any Bank-financed project that involves a significant number of people to be displaced, in-depth annual Bank reviews and midterm progress reports should be prepared. Projects involving large-scale or complicated resettlement activities should be independently monitored.51

2) Upon completion of the project, the Borrower should undertake an assessment of the success of the resettlement plan. This should be followed by the Bank’s PCR.52

3) The evaluation mission will review the Bank’s PCR to assess the resettlement and its impacts on the quality and standards of living of the settlers and the host communities.

4.2.1.2. The FRAP Prepared by the Borrower

As stated in Section 2.6. of this Report, the Project entailed the displacement of approximately 600 houses in Cameroon. These were generally built with local materials and their occupants, grouped in families, would be compensated by the Government.

The IRM reviewed the FRAP, which was dated July 2009 and prepared by the consulting firm, Bureau d’Études Williams FRU.53 The reinstallment plan is based on the Cameroonian land law no. 85/009 (4 June 1995), which stipulates that all land belongs to the state and any other person can only lay claim of ownership if he/she has a land certificate—in which case, evaluation and compensation would be made according to his/her rights derived from the loss of the land. However, law no. 05/009 (4 July 1985), concerning expropriation for public use and modalities for compensation, stipulates that expropriation gives right to financial compensation or in kind to all property invested on national land; which property, if destroyed during land acquisition for public use, shall be compensated in its absolute value.

50 Ibid., p. 21, Section 4.2.5.
51 Ibid., p. 21, Section 4.2.6.
52 Ibid., p. 21, Section 4.2.7.
The FRAP has “taken into consideration”\textsuperscript{54} the African Development Bank (AfDB) Directives of 1995 related to involuntary displacements or transfer of populations in Development Projects.

Between 30 May and 10 June 2009, an exhaustive inventory of all the PAPs and all investments found along the right-of-way was conducted by 4 teams of investigators (one from each subdivision). The last team also covered the Ntam locality, situated in the East region. In terms of population distribution, the population is unevenly distributed along the road, the density being average between Sangmélima and Djoum, weak between Djoum and Mintom, and very weak between Mintom and Ntam. However, from Djoum to the border with Congo, majority of the inhabitants live based on illegal activities,\textsuperscript{55} such as elephant-hunting for the sale of tusks, poaching of animals prohibited by law, fraudulent extraction of gold, and the production and sale of various drugs widely consumed locally—in this case, hemp and cocaine, which is prohibited by law.

In accordance with the Cameroonian eligibility criteria, it distinguishes between the people that have official land titles in terms of three attributes: a) the \textit{usus} (use of the thing); (b) \textit{fructus} (the right to the fruits of a thing belonging to another; the compensation which a person receives from another for the use or enjoyment of a thing); and (c) the \textit{abusus} (the right to dispose or alienation). Under such conditions, compensation is mandated in accordance with Decree 87/18/72 implementing Law 85/9 (4 July 1985) on expropriation for reasons of public utility. In all cases, this compensation must be paid before the start of the planned work. For people that do not have registered titles, the people on this category of land can only benefit from \textit{usus} and \textit{fructus}, and are entitled to a fair return on investments.

The totality of physical persons or legal entities whose houses and other investments will be affected by the project (from Sangmélima to Ketta) is 1019. An approximate amount of FCFA 857,618,979 (USD 1.45 million) should be budgeted for compensation to the PAPs.

The FRAP indicated that the AfDB and a highly placed official of the MINTP will inspect the Project twice a year in ordinary sessions, as often as need be in extraordinary sessions, conduct a mid-term internal evaluation supervised by the AfDB and the MINTP, and an external evaluation before completing the implementation of this plan.

In addition to the FRAP prepared by the Bureau d’Études Willams FRU, the comprehensive ESIA prepared also in July 2009, prepared by SCET-Tunisie, has an entire section VIII outlining the compensation requirements and procedures that should be followed, referring specifically to the AfDB Involuntary Resettlement Policy (2003). In accordance with the ESIA,\textsuperscript{56} the resettlement plan to be considered will therefore consist of a simple compensation for the destruction of buildings, businesses, churches, crops, and graves present along the right-of-way of the road.

\textsuperscript{54} Ibid., p. 10.
\textsuperscript{55} Ibid., p. 47.
\textsuperscript{56} SCET Tunisie, 2009, p. 155.
However, moving houses could offer the opportunity to develop the habitat, which can be done by adding certain functions that have been previously non-existent, such as the construction of latrines. In the case of crops along the right-of-way would be destroyed before harvesting or planting, their owners will be compensated according to the scale provided by the national regulations in force in each region concerned. Affected owners of land and real estate cannot claim legal titles to land, but recognized as such, are largely in the majority along the right-of-way of the road. The compensation to the eviction is to be paid in kind or in cash, and they must be able to benefit from fair compensation, as recommended by the AfDB.  

The ESIA estimated that 600 houses will be demolished along the Djoum–Lélé right-of-way, 25 schools would require fencing, 201 tombs would require rehabilitation, and about 1,200 trees will be destroyed. The total compensation was estimated at USD 1.97 million and payment should be planned for September 2009.

4.2.2. The Findings

It was not clear to the IRM why the FRAP prepared in July 2009 by the consulting firm Bureau d’Études William FRU has taken into consideration the Bank Directives relating to involuntary displacements or transfer of populations in Development Projects of 1995, since the AfDB Involuntary Resettlement Policy (2003) stated that these guidelines lack clarity on policy-related issues, such as on policy requirements, enforcement, and compliance. In any case, these Directives were superseded by the AfDB Involuntary Resettlement Policy (2003).

Furthermore, the detailed resettlement procedures provided in the ESIA (July 2009) by SCET-Tunisie referred to the AfDB Involuntary Resettlement Policy (2003), though it followed the compensation procedures of the Cameroonian laws and decrees, and made no reference to the FRAP prepared in the same month by Bureau d’Études William FRU. It seems that there was no coordination between the works of these two consulting firms.

Furthermore, the Aide Mémoire of the Bank supervision mission dated 7 October 2014 stated that “the complete plan for compensation and resettlement which was supposed to be prepared for implementation, was not done. The resettlement was made on the basis of a summary of the resettlement plan which was prepared with the Bank assistance.” The IRM did not have access to this summary and did not receive any explanation why a summary was prepared when two separate resettlement action plans were already elaborated.

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57 Ibid., p. 166.  
58 Ibid., p. 182.  
59 Ibid., p. 169.  
60 Ibid., p. 10.  
61 AfDB Involuntary Resettlement Policy, p. 2, Section 1.2.1.  
Although the AfDB Involuntary Resettlement Policy (2003) states that the resettlement plan should be consistent with both the national legislation of the Borrower as well as the requirements set in the policy itself, the IRM could not find sufficient evidence that the actions plan prepared met the requirements of the AfDB Involuntary Resettlement Policy (2003); namely, the legal basis and the procedures for expropriation and compensation at full replacement cost for land and property; the identification of any gaps or inconsistencies between the Borrower’s legal framework and the AfDB Involuntary Resettlement Policy; the mechanisms to bridge such gaps; names and areas of those PAPs; the detailed amount of compensation per PAP; the procedures for physical and economical relocations; as well as the implementation schedules covering all resettlement activities from preparation to implementation. Furthermore, no records on compensation were available at the CSEPR-ADB/BM, which claimed that all information is available at the Ministry of State Property, Surveys and Land Affairs (MINDCAF; Ministère du Domaine, du Cadastre et Affaires Foncières).

As stated earlier, the AfDB Involuntary Resettlement Policy (2003) requires that the compensation be paid before expropriation or soon after. The condition precedent for the first disbursement required that by the date that the project became effective, i.e. 29 March 2010, the Government should “show proof of compensation payment to the population affected by expropriation.” This condition was not met. In fact, the Aide Mémoire of the Bank dated 7-20 July 2016 stated that the conditions precedent for disbursement were satisfied in accordance with the deadlines; however, the condition precedent for the first disbursement relating to the compensation of the PAPs had experienced “some delays.” In reviewing the monthly reports prepared by the supervisory contractor, Louis Berger, the IRM noted that the monthly report of September 2015 indicated that property compensation of Point kilometer (PK) 0-PK 80 was started in July 2012 and was completed in December 17-18, 2012, i.e. 33 months after the Project became effective. The report also stated that compensation related to dwellings along the road was assessed on 21 January 2013, but no compensation was made even in September 2016, which caused the delay for further earthwork. In its monthly report dated 27 February 2017, the environmentalist of the unit MAD/BM-MNTE visited the Project and indicated that all compensations were paid. The Assistant Governor of Djoum confirmed to the IRM mission that compensation was completed only in September 2018. Overall, 17 villages from Djoum and 35 villages from Mintom were affected by the road alignment and no complaints were received from those that received compensation.

The Bank Management did not comply with the requirement of the AfDB Involuntary Resettlement Policy (2003) concerning the supervision of the resettlement procedures. Only the supervision of November 2014 indicated the presence of an environmental and social expert. The

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63 AfDB Involuntary Resettlement Policy, p. 19, Section 4.1.8.
64 Ibid., p. 18, Section 4.1.6.
65 Louis Berger, September 2015, Monthly Report No. 47, Section 3.3.
CRP also stated that “the African Development Bank and a highly placed official of the Ministry of Public Works will inspect the project twice a year in ordinary sessions; as often as need be in extra-ordinary sessions; with a mid-term internal evaluation supervised by AfDB and the Ministry of Public Works; and an external evaluation before putting in place this plan of action.” The IRM could not find any evidence that these supervision procedures were put in place.

Finally, the compensation clearance plan that was supposed to be established, as stated in the Management Response to the Auditor General’s Report, was not realized to the best of the information received by the IRM.

4.2.3. Conclusion

The IRM determined that the Project is not in compliance with the AfDB Involuntary Resettlement Policy (2003). The Borrower did not implement a proper FRAP in accordance with the requirements of the policy. The Bank Management also authorized the disbursement of project funds without complying with the conditions of the first disbursement. Furthermore, the supervision of the implementation of the FRAP is considered inadequate.

4.2.4. Recommendations

The IRM recommends that, as stated in the AfDB Involuntary Resettlement Policy (2003), the Bank Management should ensure that:

1) Upon completion of the Project, the Borrower should undertake an assessment of the success of implementation of the resettlement plan. This should be followed by the Bank’s PCR.

2) The Bank’s post-evaluation mission should review the Bank’s PCR to evaluate resettlement and its impacts on the quality and the living standards of the PAPs and the host communities.

5. GENERAL CONCLUSIONS AND RECOMMENDATIONS

The IRM has determined that the Bank Management has put its best efforts possible into the preparation of the ESIA, the ESMP, and the CRP, in conformity with the applicable AfDB policies and procedures. However, the Bank Management did not give sufficient attention to the implementations of these safeguard documents as well as to the sustainability of the road infrastructure and the protection of the forest ecosystem impacted by the Project. These may affect the reputation of the AfDB if actions are not taken to mitigate the imminent negative impacts of the Project, especially on the environment.

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68 AfDB Involuntary Resettlement Policy, Sections 4.26 and 4.27.
The IRM recommends that the Bank Management should undertake the actions proposed by this Spot-Check Advisory Review of Project Compliance Report of the Ketta–Djoum Road Development Project—Phase I in order to comply with the applicable AfDB policies and procedures and to avoid a recurrence of these issues in Phase II of the Project, which is currently ongoing.

The IRM submits this Spot-Check Advisory Review of Project Compliance Report of the Ketta–Djoum Road Development Project—Phase I in Cameroon for consideration by the Boards of Directors.