APPENDICES

with the advisory review of the environmental assessments of the Chad export project in Chad and Cameroon

(appendices 1 to 2)

APPENDIX 1

Letter from the Minister for Development Cooperation dated 3 March 1998 in which the Commission is asked to submit an advice

Ministry	of	Foreign	Affairs
----------	----	---------	---------

The Hague

Commissie voor de m.e.r. OS **(Mor** brekemen: 🏲 auremer: doesler:

Netherlands Commission for EIA att. Mr. J.J. Scholten, Secretary General P.O. Box 2345 3500GH Utrecht the Netherlands

Date

Phone

Reference **DAF/WA 98/174**

3 march 1998

070-3486002

Subject WW050202, vlgnr 98/005

CREnr. DML-98-C0010

Department West Afrika

Oil winning in Chad

A consortium of Exxon and Shell and Elf is planning to exploit oil fields in Chad, which includes a pipeline through Cameroun territory. For both countries an environmental assessment study is available. Some of the documents (the Chad assessmentstudy) have reached you already under separate cover and other documents will follow in due time.

It is not yet clear whether the Worldbank will be involved in the project, but if so, a Board decision is foreseen for mid July. In the meantime, without a formal point of view from the Netherlands side, you are invited with this letter to review the two studies and other available and future relevant documents for the main environmental. issues. Your advice will serve for identifying possible benchmarks in the case a Board discussion will be held.

Looking forward to your earliest reply and refering to the agreement between NEDA and the commission for EIA of January 1998, I would like to receive the composition of the working group and a budget, which also should be send to DML/MI of the Environment and Development Department.

THE MINISTER FOR DEVELOPMENT COOPERATION

APPENDIX 2

Project information

Proposed activity:

The government of Chad intends to exploit the oil fields of Komé, Bolobo and Miandoum in order to stimulate its national economy by investing the revenues in the sectors of education, health and infrastructure. In 1988 the Chad government granted a consortium¹] a permit to explore 4.8 million hectares for oil and a permit to develop and produce crude from individual fields for a period of 30 years. The consortium now considers development and transport to Kribi, Cameroon, of crude oil from the oil fields mentioned above. These fields are expected to produce a total of 924 million barrels over a 30 year exploitation period.

Two private companies, named Tchad Oil Transportation Company (TOTCO)²] and Cameroon Oil Transportation Company (COTCO), intend to transport the crude by means of a pipeline and an offshore loading facility. The total length of this pipeline is 1050 km, of which 170 km are located in Chad. The pipeline in Chad will be exploited by TOTCO, in which the consortium and the Chad government will participate. The Pipeline and offshore loading facility in Cameroon will be exploited by COTCO, in which the consortium and the Cameroonian and Chad governments participate. The government of Cameroon intends to take advantage of the opportunity of constructing and exploiting its part of the pipeline to create job opportunities and to resolve its economic problems.

The consortium will provide the main (about 97 percent) of the investment capital needed. An International Finance Corporation (IFC) loan is foreseen for both TOTCO and COTCO. The government of Chad will provide 45 million US\$ for investment in the Chad portion of the pipeline. The Chad government has asked for a World Bank loan (on International Development Association [IDA] funds). The Cameroonian government will provide 70 million US\$ for investment in the Cameroonian portion of the facilities. Also the Cameroonian government has asked for a World Bank IDA loan. It is assumed that involvement of the World Bank will facilitate commercial loan contracting by the consortium.

Environmental Assessments have been prepared for the Chad and the Cameroon portion of the project. Also, an Environmental Management Plan has been prepared for the Cameroon portion of the project as well as a 'Plan de Compensation et de Réinstallation, Tchad'. The Netherlands Minister for Development Cooperation has asked the Netherlands Commission for Environmental Impact Assessment to review these documents.

Categories: Extractive industries: oil/natural gas; DAC/CRS 21400, Oil transport facilities; DAC/CRS 71400, Floating structures; DAC/CRS 22010

Project numbers: DAF/WA 98/174; Commission for EIA 033

Progress: Letter with request to submit a advisory review: 3 march 1998

Advisory review submitted: 2 July 1998

This consortium is currently (since 1993) composed of Esso Exploration and Production Chad (40% and operator), Societé Shell Tchadienne de Récherche et d'Exploitation (40%) and Elf Hydrocarbures Chad (20%).

² TOTCO has not yet been established. Establishment is scheduled for July 1998.

Composition of the working group of the Commission for EIA:

Mr W.G. Been Mr J.P. van Dessel Mr P. Nkwi Mr P. Wit Mr. D. de Zeeuw (chairman)

Technical secretary: Mr R.A.M. Post