

Report No. 78219-EG

The Inspection Panel 

Report and Recommendation

**ARAB REPUBLIC OF EGYPT:
Giza North Electric Power (P116194)**

June 10, 2013

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Report and Recommendation
On
Request for Inspection

ARAB REPUBLIC OF EGYPT: Giza North Power Project (P116194)

A. Introduction

1. In accordance with the Resolution (hereinafter “the Resolution”)¹ establishing the Inspection Panel (hereinafter “the Panel”), the purpose of this Report and Recommendation on Request for Inspection (hereinafter “the Report”) is to make a recommendation to the Board of Executive Directors as to whether the Panel should investigate the matters alleged in the Request for Inspection (hereinafter “the Request”),² based on the Panel’s confirmation of the technical eligibility of the Request and its assessment of other factors as stipulated in the Resolution.
2. This Report begins with a description of the Project which is the subject of the Request (Section B) and continues with summaries of the written Request as received by the Panel (Section C) and of the Management Response to the Request (Section D). Section E contains the Panel’s review of the Request and Management Response. It begins with the determination of the technical eligibility of the Request, in accordance with the 1999 Clarification,³ in subsection E (1). Subsection E (2) summarizes the Panel’s observations on other factors considered in making a recommendation to the Board. Finally, the Panel’s recommendation is presented in Section F.
3. On February 21, 2013, the Inspection Panel received a Request related to the Arab Republic of Egypt: Giza North Power Project (hereinafter “the Project”). The Request was submitted by the Egyptian Association for Collective Rights and seven other non-governmental organizations (NGOs)⁴ on their own behalf and on behalf of 17 owners of

¹ International Bank for Reconstruction and Development (Resolution IBRD 93-10) and International Development Association (Resolution 93-6), “The World Bank Inspection Panel”, September 22, 1993 (hereinafter “the Resolution”), para 19. Available at:

<http://siteresources.worldbank.org/EXTINSPECTIONPANEL/Resources/ResolutionMarch2005.pdf>

² The original Request is in Arabic and was translated by the Inspection Panel into English. The Request includes several attachments.

³ “1999 Clarification of the Board’s Second Review of the Inspection Panel”, April 1999 (hereinafter “the 1999 Clarification”). Available at:

<http://siteresources.worldbank.org/EXTINSPECTIONPANEL/Resources/1999ClarificationoftheBoard.pdf>

⁴ The seven listed NGOs are: the Egyptian Center for Civil and Legislative Reform, the Egyptian Center for Economic and Social Rights, Children’s Earth Foundation for Human Rights, Health and Environmental

agricultural holdings and 18 agricultural laborers and tenants belonging to the villages of Alqata and Abu Ghalib in the Imbaba area of Giza Governorate, who claim to be impacted by the Project. The Requesters have not requested confidentiality.

4. The Panel registered the Request on April 4, 2013 and Management's Response was received on May 7, 2013.

B. The Project

5. The Project involves the construction of a gas-fired power plant with several ancillary facilities supported by the World Bank through a Specific Investment Loan in the amount of \$600 million approved by the Board on June 8, 2010 and additional financing in the amount of \$240 million approved on February 14, 2012. The Project Appraisal Document states that the "*project development objective is to contribute to improving the security and efficiency of electricity supply by adding a new generation capacity based on the most efficient thermal power generation technology*".⁵
6. The borrower is the Arab Republic of Egypt, and the plant will be owned and operated by the Cairo Electricity Production Company (CEPC), a subsidiary of the Egyptian Electricity Holding Company (EEHC).
7. At the time of the receipt of the Request, the initial loan (Loan No. 7895-EG) was 14.8% disbursed and the additional financing loan (Loan No. 8100-EG) was 11.23% disbursed. The closing date for the operation is December 31, 2016.
8. The Project is co-financed by the European Investment Bank (US\$307 million) and the OPEC Fund for International Development (US\$30 million).
9. The Project includes construction of a 1500-MW power plant involving two identical 750-MW combined cycle gas turbine modules, which will burn natural gas as the main fuel. The Project will also include ancillary facilities for the power plant, as well as a short transmission line to link the plant to the national grid and a short gas pipeline to link the plant to the gas transmission network for fuel supply. The additional financing added a third gas unit of 750 MW capacity and financed a new pipeline for gas supply (Noubaria-Metnama)
10. The Project also involves a technical assistance component which includes (a) support for promotion of private sector investment in electricity generation, (b) development of a power sector strategy, and (c) support for promotion of energy efficiency.

Development Association, Housing and Land Rights Network, Arab Non-Governmental Organizations for Development, and Right to Water Forum in the Arab Region.

⁵ Project Appraisal Document on a Proposed Loan in the amount of US\$600 Million to The Arab Republic of Egypt for a Giza North Power Project, April 26, 2010 (hereinafter "PAD"), p. 10.

11. The Project is environmentally categorized as “A” and the World Bank’s policies on Environmental Assessment (OP/BP 4.01), Involuntary Resettlement (OP/BP 4.12), and Projects on International Waters (OP/BP 7.50) have been triggered.
12. **Project Status.** The initial loan became effective on August 12, 2011 and the loan for additional financing became effective on December 19, 2012.

C. Summary of the Request

13. Below is a summary of the issues raised in the written Request for Inspection and further elaborated by the Requesters. The Request and its attachments, and an English translation of it, are attached to this Report as Annex I.
14. The Request refers to “*the policies set by the World Bank [WB] to protect the rights of people and local communities when implementing WB projects*” and “*the policies on transparency being promoted by the WB*”, and elaborates on “*damages caused by the project*”. The Requesters state they have experienced some Project-related impacts already, and fear additional impacts may arise as Project construction progresses.
15. **Impacts on the environment and agriculture from the construction of the power plant.** The Request identifies several issues. Firstly, the Requesters are concerned about the effects of the dewatering undertaken for the construction of the power plant. They claim that this has led to a drop in groundwater levels, causing their wells to dry up. In their view, this has also resulted in their crops withering and drying out, and thus a reduction in crop production. They state that some farmers used water available in a nearby agricultural canal as an alternative water source but the salt content and chemicals in this canal water further deteriorated the quality of their crops. The Requesters claim that environmental studies undertaken for the Project did not address such impacts.
16. Secondly, the Requesters allege that, contrary to existing standards and requirements, the implementing agency infringed on “*the only agricultural drainage canal surrounding the agricultural land*”. The Requesters state that lack of adequate drainage will cause “*many adverse impacts on the land and water environment for the farmers and will consequently result in substantial material damages*” since “[a]gricultural water drainage canals are considered a necessity to drain excess water from the soil, and the absence of such canals leads to the deterioration of agricultural land and the reduction of its fertility due to increased salinity in the ground which disturbs the soil alkaline and acid balance”. In an elaboration provided to the Inspection Panel, the Requesters’ representative stated that the excess agricultural water is normally drained through a nearby drainage canal and the law requires that an 8m buffer be maintained on each side. The Requesters’ representative stated that this buffer area has been used to construct a fence for the power plant and this construction is interfering with the drainage function of the canal.

17. Thirdly, the Requesters state that the high fence wall being constructed for the power plant casts a shadow on their fields and prevents sunlight from reaching their crops, which affects plant growth. They also state that this wall is preventing air circulation, which is needed for pollination, and that their crops are damaged by the glare of direct light from spotlights erected on this fence walls.
18. Fourthly, the Requesters state their fear that waste from the Project may be dumped untreated causing pollution to water sources used to irrigate crops. This ultimately may damage their crops and land and also having the potential to impact human health.
19. **Impacts from the construction of transmission lines.** The Requesters fear loss of agricultural land from construction of towers needed for the transmission lines and access roads that will be built to facilitate their construction and maintenance. In a subsequent elaboration, the Requesters' representative said that they feel that taking of agricultural land should be minimized to avoid negative impacts on the food security of the agriculture-dependent communities. The Requesters believe non-agricultural land should be acquired to construct associated Project infrastructure such as roads and towers. They also state they fear the effects of "*high-voltage lines and the implications thereof to the public health*" of the community.
20. **Eviction of tenant farmers.** The Requesters state that tenant farmers, including some who had worked on the land for almost 40 years and built their homes on it, were evicted due to Project construction without any compensation or remedies provided.
21. **Impacts on fisheries.** The Requesters state they fear that water pollution from the Project's construction and operation and the waste which may be dumped untreated into the Canal, will potentially cause harm to water and fish resources.
22. **Inadequate consultation and transparency.** As a general concern, the Requesters allege that "*the mechanisms for consulting the population regarding the implementation of the project in a transparent and clear manner were not applied*" and "*vague*" consultations were carried out "*with the aim of approving the project without taking the views of the population affected by the project in an effective and real manner*". They further add that that the Bank failed to comply "*with the required standards with respect to transparency about the negative effects of the project*".
23. The Requesters conclude by stating they hope the negative impacts caused by the Project are reconsidered and actions will be taken to save their land, water, flora and fauna.

D. Summary of the Management Response

24. A summary of Management's response to the Request follows, and a full copy is attached to this Report as Annex II.

25. In general, Management believes that notwithstanding its “*best efforts to fully assess negative impacts, limited harm occurred and is being adequately addressed*”. Management states that all issues referred to in the Request have previously been acknowledged by the Bank and by the Project operator, CEPC, and “*have been or are being addressed through the appropriate channels in a responsive manner*. Management also states that the monitoring and mitigation measures that are now in place are sufficient to prevent, minimize and mitigate any potential adverse environment and social impacts resulting from the Project’s construction and implementation. Management is confident that “*the Grievance Redressal Mechanism (GRM) which has recently become fully functional is best suited to receive and resolve issues as they arise*”.⁶
26. **Impact on groundwater.** Management states that impacts on groundwater were temporary and narrow in scope, and mitigation measures were undertaken. The dewatering took place between February 2012 and March 2013 for purposes of the power plant construction. According to Management, CEPC distributed pumped water to farmers, and discharged the excess to the El-Beheiry Canal. Management states that no long term groundwater level impacts are evident or anticipated to occur and that the groundwater table was completely restored by April 2013. Mitigation measures benefitting 104 farmers included provision of water required for drinking and irrigation, cash and/or other forms of compensation, including new wells, submersible pumps and related equipment. These measures were all implemented by April 22, 2012. Management further states that following complaints in May 2012, three groundwater impact assessments were conducted to complement the initial Environmental and Social Impact Assessment (ESIA) and to monitor the situation, including an independent study by Cairo University, the *Ground Water and Agriculture Monitoring Report*, completed in April 2013. According to Management, these assessments collectively confirm that groundwater level impacts were temporary and limited.
27. **Impact on agriculture.** Management considers that CEPC adopted mitigation measures to ensure that no damage to crops occurred as an adequate supply of water was available. Both Bank experts and the Cairo University study concluded based on field visits “*that there was no evidence of crops or trees suffering from lack of water*”.⁷
28. It adds that there is no evidence that shading from the perimeter wall would have any adverse effects on adjacent farmland. According to Management, all adjacent trees or crops receive sufficient sunlight during the day required for normal plant growth. There is equally no evidence of harm caused to crops from spotlights at night. Management also adds that no construction has adversely impacted the functionality of the local rural drainage canals of the neighboring farmers.

⁶ Management Response to Request for Inspection Panel Review of the Egypt: Giza North Power Project (P116194), dated May 03, 2013, submitted on May 07, 2013 (hereinafter “Management Response”), Executive Summary, p. 1, para iv.

⁷ Management Response, Executive Summary, p. 2, para vii.

29. Concerning pollution, Management states that potential impacts have been reviewed in the ESIA, and mitigation measures were identified to address them. Management states that emissions are expected to be well within acceptable Egyptian and Bank standards. Management states that during construction, air quality, water quality and noise level, are being monitored by CEPC, that the results are within applicable limits, and that this monitoring will continue during implementation.
30. **Impacts from transmission lines.** Regarding high voltage transmission lines Management states that it has carefully reviewed these concerns. According to the Response, “[I]nternationally recognized radiation protection agencies and national health agencies have reviewed the scientific literature and evidence available and have concluded that evidence is insufficient to establish a definitive causal relationship between low frequency magnetic field exposure and increased incidences of cancer and other illnesses.” In addition, Management states that the transmission lines have been designed and routed so as to keep the minimum distance from any building and ground as per industry standards and practice.⁸
31. **Impacts from pollution.** As for waste disposal and management, Management states that there are no plans to channel waste or untreated wastewater directly into the Nile River. Solid waste is disposed of in a dedicated landfill and wastewater is being treated in a facility on-site to meet applicable standards before being discharged into the Nile River.
32. **Supervision.** In Management’s view, supervision was substantially strengthened in response to complaints received from Project affected people in May 2012. Management states that it believes that Bank supervision has been adequately adapted to the mobility restrictions following the Egyptian Revolution. In total, 16 missions were conducted following Project approval and until March 2013. Management states that the Cairo office conducted additional site visits. Management further states that CEPC established a “*Society and Environment Service Office*” to engage with the surrounding communities in 2010, which issued regular Environmental and Social Progress Reports. By December 2012, the complaints handling mechanism had become more formalized and CEPC revamped its earlier committee to focus more on Project level complaints management. A “Supreme Committee for Grievances” was established by decree in March 2013 and includes community representatives from Abu Ghalib and Alqata villages. Management states that it recognizes that a well-functioning Grievance Redress Mechanism is an important instrument to promote citizen involvement and the Bank has worked closely with CEPC to progressively improve its accessibility and clarify its decision making procedures.
33. **Land acquisition and evictions of tenants.** According to Management, “*no tenants were present on, or were evicted from the power plant site at the time of purchase of the lands from a private owner*”. All available documentation including the ESIA, interviews, and “*eight years of Google Satellite imagery*” show that, at the time of purchasing the land from a private owner, no tenants were present on, or were evicted from it. Management

⁸ Management Response, p. 10, para 21.

states that the land was previously used for cultivation of mango and orange trees, and that four workers were employed, but did not live on it.⁹

34. **Consultations.** Management states that two formal consultations with stakeholders groups have been held in accordance with OP 4.01 requirements during the scoping phase and on the ESIA. In addition, targeted consultations were held with community members and marginalized groups during ESIA preparation, including with fishermen, local people and their councils. According to Management, CEPC involved all interested parties and emphasized an open-door policy for stakeholders' suggestions and complaints.

E. Panel Review of the Request and Management Response

35. Panel Member Zeinab Elbakri together with Deputy Executive Secretary Dilek Barlas and Senior Operations Officer Serge Selwan visited Cairo, Egypt, on May 13-17, 2013. During its visit, the Panel team met with the Requesters and approximately one hundred potentially affected persons including; persons who identified themselves as tenant laborers working earlier on the land used for the power plant, farmers who have land adjacent to the plant, farmers affected by the transmission line, and fishermen affected by the impacts on the El-Beheiry Canal. The Panel team also met with Government officials of the Ministry of Planning and International Cooperation, the Egyptian Electricity Holding Company, the Cairo Electricity Production Company, and civil society organizations concerned with the impacts of the Project. Additionally, the Panel team met with Bank staff in the country office and via video-conference with headquarters staff responsible for this Project.
36. The Panel wishes to express its appreciation to all those mentioned above for sharing their views and exchanging information and insights with the Panel. The Panel wishes to thank the Government of Egypt for meeting with the Panel team. The Panel extends its thanks to the Requesters and affected people and to the Country Director and staff in the Country Office for meeting with the Panel team, discussing the issues and providing relevant information, and assisting with logistical arrangements.
37. The Panel's review is based on information presented in the Request, on the Management Response, on other documentary evidence, and on information gathered during the site visit, and meetings with Requesters and other affected people, and Bank Management. Subsection 1) covers the Panel's determination of the technical eligibility of the Request, according to the criteria set forth in the 1999 Clarification, and subsection 2) includes observations on other factors supporting the Panel's recommendation.

1) Determination of Technical Eligibility

38. The Panel is satisfied that the Request meets all six technical eligibility criteria provided for in paragraph 9 of the 1999 Clarifications.

⁹ Management Response, pp. 11-12, para 25.

39. The Panel notes that its confirmation of technical eligibility, which is a set of verifiable facts focusing to a large extent on the content of the Request as articulated by the Requesters, does not involve the Panel's assessment of the substance of the claims made in the Request. It follows that determination of technical eligibility in and of itself would not constitute sufficient basis for recommending an investigation.
40. Criterion (a): *"The affected party consists of any two or more persons with common interests or concerns and who are in the borrower's territory."* The Panel confirms that the Requesters live in the borrower's territory and share interests that may be affected by Project activities. The Panel considers the requirement of paragraph 9(a) as met.
41. Criterion (b): *"The request does assert in substance that a serious violation by the Bank of its operational policies and procedures has or is likely to have a material adverse effect on the requester."* The Requesters assert that the lack of compliance with Bank Policies has resulted in: harm to agricultural land and crops of farmers; draining of groundwater and drying out of wells; dissatisfaction with compensation for harm suffered during, and caused by, the construction of the Power Plant and the towers required for the transmission lines; and, impacts on fishermen and fisheries. The Panel is thus satisfied that the requirement of paragraph 9(b) is met.
42. Criterion (c): *"The request does assert that its subject matter has been brought to Management's attention and that, in the Requester's view, Management has failed to respond adequately demonstrating that it has followed or is taking steps to follow the Bank's policies and procedures."* The Requesters indicated that the issues related to their concerns were brought to the Bank's attention on different occasions. The Panel during its discussions with Management confirmed that the issues were known to Management at the time of the receipt of the Request. The Panel is satisfied that this criterion has been met.
43. Criterion (d): *"The matter is not related to procurement."* The Panel is satisfied that the claims with respect to harm and non-compliance included in the Request for Inspection do not raise issues of procurement under the Project and hence this criterion is met.
44. Criterion (e): *"The related loan has not been closed or substantially disbursed."* The Request for Inspection raises issues related to the Giza North Power Project and the Giza North Power Project – Additional Financing. At the time of the receipt of the Request, the original loan (Loan No. 7895-EG) was 14.8% disbursed and the additional financing loan (Loan No. 8100-EG) was 11.23% disbursed. The closing date for the operation is December 31, 2016. This criterion is thus met.
45. Criterion (f): *"The Panel has not previously made a recommendation on the subject matter or, if it has, that the request does assert that there is new evidence or circumstances not known at the time of the prior request."* The Panel confirms that it has not previously made a recommendation on the subject matter of the Request.

2) Observations on Other Factors Supporting the Panel's Recommendation

46. In making its recommendation to the Board, the Panel considers whether there is a plausible causal link between the Project and the harm alleged in the Request, and whether alleged non-compliance and harm may be potentially of a serious character. The Panel records its preliminary observations on these elements below, noting that it can only make a definitive assessment of the Bank's compliance with its policies and procedures, and any adverse material effect this may have caused, through an investigation. The Panel also takes into account statements of any remedial actions provided by Management to address the matters raised in the Request.

(i) Issues of harm and compliance raised

47. Impacts on environment and agriculture from the construction of the power plant.

In meeting with the Panel team, the Requesters reiterated their concern that lowering of the groundwater level by the Project has reduced the availability of water and as a result damaged their crops. They informed the Panel team that they had to dig their wells deeper in order to reach the water table, and that groundwater shortages due to dewatering processes coincided with the flowering of the trees resulting in reduced fruit production. According to the Requesters, both the costs of deepening the wells and reduced agricultural production have caused economic loss to the farmers concerned. Furthermore, some of the Requesters claim major adverse impact on their agricultural production from dust during construction of the power plant, and some elaborated on the harms from the wall surrounding the power plant and the shadowing effect on their fruit trees impacting their growth and the growth of the fruits.

48. The Panel notes that Management acknowledges the Project's negative groundwater impacts, but argues that these impacts were temporary and narrow in scope. Management states that the groundwater level was restored to its original level in April 2013. Both Management and CEPC officials refer to the Cairo University Groundwater and Agricultural Monitoring Report, which was commissioned following the complaints of four farmers owning land in the vicinity of the plant, confirming the temporary and limited nature of groundwater impacts. Management and CEPC officials note that affected farmers received cash compensation and free piped water beyond the amounts estimated by the Cairo University study.

49. The Panel also notes that Management does not agree with the farmers' claims related to dust and shadowing. Both Management and CEPC officials refer to the Cairo University report which concludes that "*there is no evidence that shading from the fence would have any adverse effects on adjacent farmland, in particular when taking into account the 2 m buffering zone with neighboring properties.*"¹⁰ Management and CEPC officials claim that the wall will rather prevent dust moving from the construction site to the agricultural lands but the neighboring farmer does not agree to its construction. CEPC officials also

¹⁰ Management Response, p. 9, para 20.

informed the Panel that in addition to the Cairo University report, they have carried out measurements of shadowing effect of the wall every 2 hours and could not verify the claim of the neighboring farmer.

50. **Panel's review.** During its field visit, the Panel team noted the frustration and anger among the farmers neighboring the plant, and heard further elaboration and explanation of the issues that had been raised in the Request. These include: i) the compensation levels were not adequate to cover their losses and the additional costs of digging deeper wells, ii) the company is dealing with them on an individual basis rather than as a group and it is very hard for them to have full and relevant information, and iii) especially farmers neighboring the plant note that the dust is causing drying and mite infestation of fruit trees, impacting their growth as well as requiring more fertilizers and insecticides.
51. The Panel team observed drying of fruits, mite infestation, and low level of fruit growth in the orchard that is closest to the power plant. The Panel team cannot verify whether these impacts are solely due to construction dust from the power plant, however, the construction dust over the dense agricultural land around the plant was visible. While Management claims that the issues of the four farmers who originally complained to the Bank have been effectively dealt with and resolved, the Panel team noted that affected farmers still have outstanding issues with respect to the compensation for the impacts of the dust and the construction of the wall surrounding the power plant.
52. While the farmers state that the groundwater level continues to be low, Management affirms that the original level has been restored. Further, the Panel notes that the Management and CEPC officials view is that farmers received cash compensation and free piped water beyond the amounts estimated by the Cairo University study.
53. While the Panel is not in a position at this stage to assess the severity of the harms, nor whether the loss of agricultural production as elaborated by the Requesters, is solely the direct consequence of the construction of the power plant, it notes that the effects relate to the construction phase and are mainly temporary. Furthermore, it notes that CEPC and the Bank acknowledge that there is a potential causal link with the Project and compensatory measures are warranted and have been implemented, but that the Requesters complain about the adequacy and duration of these measures. The Panel acknowledges that the remaining issues are limited to a few farmers and that Project authorities expressed their commitment to address the outstanding grievances.
54. **Impacts from the construction of transmission lines.** During its eligibility visit the Panel team met with farmers whose farmlands will be in the route of the transmission lines who claim harms from both the related towers and the transmission lines themselves. This group has several distinct claims. The Requesters fear loss of agricultural land from construction of towers needed for the transmission lines and access roads that will be built to facilitate their construction and maintenance, as well as potential health impacts from the high voltage transmission lines.

55. While some of the Requesters do not agree to have the towers on their lands, due to potential health and environmental impacts from continuous exposure to electro-magnetic fields or due to loss of value of their farmland, others do not object to having the towers on their land. The latter group raised concern about the way compensation has been handled. They claim that the compensation is being paid out in tranches, which does not allow them to put these funds to good use. The farmers complained about the fact that during negotiations the company dealt with them on an individual basis rather than as a group and that some feel being pressured to negotiate. Farmers also claimed that they are not being compensated for the affects on crop growth from the dewatering of agricultural lands in connection with the construction of the towers.
56. In its Response, Management notes that any land acquisition for the transmission lines is occurring in line with relevant Bank policies and a specific Resettlement Action Plan for the transmission lines has been prepared, translated and disclosed. Management also notes that the impact on agricultural land either is of a temporary nature limited to the construction phase (7-10 days) or limited to the towers' foundation and access roads. Management also notes that once the towers are built there is no restriction on growing traditional crops and restrictions are limited to high trees immediately under the transmission lines.
57. **Panel's review.** It should be noted at the outset that the transmission lines are not being implemented by CEPC but by the Egyptian Electricity Transmission Company. The management of the Egyptian Electricity Holding Company further informed the Panel that a grievance redress mechanism was under development for the transmission lines. They also informed the Panel team that the process of maintenance for the lines had been carefully studied, was an area where the company had a lot of experience and would not cause further harms to the farmers. In addition, they relayed to the Panel the difficulties involved in negotiation with the farmers, and informed the Panel that they have revised upwards the current compensation rates.
58. The Panel notes the ongoing efforts to address concerns raised by farmers affected by the transmission lines, including reviewing the criteria for determining compensation. It is the view of the Panel that, at this stage in the land acquisition process, the approach taken does not raise questions about potential serious non-compliance with Bank policy. The outstanding issues are recognized by the relevant authorities and a grievance redress mechanism is being set up.
59. **Eviction of tenant farmers.** During the field visit the Panel team met a group of Requesters who claim to be tenants and that they were evicted from the power plant site at the time of the purchase of land from a private owner.
60. The Panel notes that Management acknowledges only four households as affected by the sale and transfer of the land to the CEPC, namely the households of four workers/guards who lived on the land. These workers later were given fixed term contracts by CEPC. Management refers to satellite imagery and other sources of information which confirms

that the land had no permanent dwellings prior to the sale to CEPC. Management takes this as evidence that there were no other tenant farmers dependent on this land.

61. **Panel's review.** During the field visit the Panel met with several persons who claimed to have worked for many years on the land purchased by CEPC. CEPC informed the Panel team that they informally surveyed nearby villagers to see if they could corroborate the status of these farmers and were not able to come up with documentary evidence on the matter. The Panel believes that nearby villagers were employed on a regular basis as seasonal agricultural workers in the former fruit orchards purchased by CEPC, but considers that there are no indications of farming households who lived on this land.
62. The Panel also wishes to note that the land for the Project had been acquired through a market transaction, and did not involve land acquisition as per law. The Panel considers that this matter does not raise potential serious non-compliance with the Bank's policy on involuntary resettlement. Nevertheless, the situation of formers agricultural workers who have lost a regular source of income would be a matter that legitimately can be addressed by the Project's Grievance redress Mechanism.
63. **Impacts on fisheries.** Although harms related to fisheries and fishermen were only marginally mentioned in the Request, the Panel team met with approximately thirty fishermen who live around and fish in the El-Beheiry Canal. They claimed that the fish stock in the Canal substantially dropped as a consequence of construction activities along the banks of the Canal. They argued that fingerlings are adversely affected from these activities.
64. They also believe that the impact on fish will continue to exist during operation of the power plant due to warmer waters and operation of pumps at the discharge point. They claim potential damages as a result of temperature change from discharged cooling water from the plant. They informed the Panel team how much they were making from fish-sales on average per day. They told the Panel team that they are not after compensation, but since their fishing is significantly impacted by the power plant they need help to restore their livelihood.
65. According to the Project Appraisal Document, there is limited number of fish in the El-Beheiry Canal to begin with and there is no significant commercial fishing activity in the Canal.¹¹ They did not agree with the claims of the fishermen and stated that, contrary to the fears of the local fishermen, a moderate increase in water temperature from release of cooling water from the plant is likely to have a positive impact on fish and fingerlings.
66. **Panel's review.** The Panel notes that CEPC officials stated that four of the fishermen living and fishing in front of the power plant have been hired by CEPC for two years as compensation. CEPC officials informed the Panel team that the reason for hiring these fishermen was due to restriction on fishing in the waters in front of the power plant. CEPC officials noted that they would be having a meeting with a larger group of

¹¹ PAD, p. 83, para 6.

fishermen to understand their claims better. The Panel notes that there is a lack of clarity over what is being impacted by the construction, whether it is fishermen's ability to fish in specific locations or the fish stock itself.

67. It is the Panel's view that impacts on fisheries due to ongoing construction is temporary. According to the Project Appraisal Document, longer term impacts due to discharge of waste cooling water has been studied and "*satisfies the World Bank standard of a maximum increase of 3 degree °C above ambient at the edge of the mixing zone (100 m from the point of discharge)*".¹² It also notes that waste water will be treated to "*produce an effluent suitable for discharge into the canal.*"¹³ In addition, as stated above, CEPC Management is open to hearing and responding to additional grievances from the fishermen. The Panel was informed about an upcoming meeting between the fishermen and CEPC management.
68. **Consultations and transparency.** The Requesters state that the Bank failed to comply with the "*required standards with respect to transparency about the negative effects of the project.*" They also allege that "*the mechanisms for consulting the population regarding the implementation of the project in a transparent and clear manner were not applied.*" When the Panel met with the Requesters they insisted that the timing and venue of the consultations were not appropriate and that this was done on purpose in order to allow only supporters of the project to be present.
69. Management states that consultations with all stakeholders groups have been held in accordance with requirements of Bank policy on environmental impact assessment (OP 4.01). CEPC officials informed the Panel team of their intention to go beyond the consultation requirements by involving all interested parties in a series of meetings with targeted groups and emphasizing an open-door policy where stakeholders could present suggestions and complaints. CEPC informed the Panel team that they established a "*Society and Environment Service Office*" to meet the objectives of proactive engagement with and corporate social responsibility towards the surrounding communities. In its Response and during the Panel's eligibility visit, Bank Management noted the Project level grievance redress mechanism (GRM) and CEPC's demonstrated commitment to implement provisions of the GRM. However, in conversations with the Panel, affected people expressed little knowledge about and trust in the GRM to resolve their concerns.
70. **Panel's review.** The Panel remains concerned with the issue of timely communication, consultation and dissemination of information about the Project, including about its environmental impacts. The latter are inevitable given that it is a big infrastructure project in the heart of an agricultural community. The Panel, however, recognizes the evolving and challenging political context in which the Project is being implemented and notes that Management has been requested by various Government entities, including CEPC, to provide country and context specific guidance on effective consultations with communities within the context of highly charged political times.

¹² PAD, p. 29, para 120.

¹³ PAD, p. 83, para 6.

71. The Panel wishes to record the view of the Requesters that the environmental impact assessment (EIA) did not adequately analyze Project adverse impacts during construction and operation, and that it took a long time before CEPC and the Bank started to listen to them with respect to the issues raised in the Request and discussed above. On June 6, 2013, while the Panel was finalizing its Report and Recommendation, it received a communication from some of the NGOs signing the Request, where they question the analysis of alternatives and emphasize the need to put in place strong standards for the protection of agricultural land and water resources. The Panel notes that the study of alternatives as part of the EIA was not explicitly raised as an issue in the Request and hence was not covered by Management Response.

(ii) Panel's overall observations

72. **Nature and extent of the alleged harms.** Based on its observations and review above, the Panel is of the view that the Request raises issues of a potentially serious character. This includes the effects on groundwater from dewatering and the duration and adequacy of remedial measures to prevent loss of income for farmers. The Panel notes that affected farmers are of the view that the groundwater level has not yet been fully restored and they are concerned about lack of water in the next season. The Panel also notes the potential seriousness of impacts on fishing in the El-Beheiry Canal if there is a longer term restriction on access or adverse effects on stocks. The Panel was informed that there are several households that depend on fishing for their livelihood.

73. At the same time, the Panel considers that the outstanding issues of harm are limited in scale and complexity, and that they seem to be amendable to be addressed through the mitigation plans and the grievance redress system that are now in place. The Panel notes that most of the issues have been identified and mitigation measures introduced, although not to the full satisfaction of the Requesters.

74. **Actions and commitments.** In this context, the Panel notes that the Project authority indicated to the Panel that there is room for further compensatory action. CEPC management clearly stated that the Project cannot succeed without harmonious relations with the surrounding community and indicated its willingness to continue the search for mutually agreed solutions. The Panel during its visit noted a general goodwill on behalf of the CEPC Project management to continue its dialogue with the community and Requesters on any further compensatory measures that could be agreed. As evidence of this goodwill, the CEPC Project Manager set up a specific meeting to discuss issues facing fishermen. The CEPC officials also showed us letters sent to the Requesters informing them of the results of the Cairo University study, referred to above, and where to access copies of this study.

75. Management, on its part, acknowledges that some limited harm has occurred. In the Response it is noted that it has *"carefully reviewed the issues raised by the Requesters and notwithstanding [Bank Management's] best efforts to fully assess negative impacts,*

limited harm occurred and is being adequately addressed.”¹⁴ Management notes that in response to the farmers’ May 2012 complaint, “*CEPC developed an Action Plan under the Project to enhance community outreach, including: meeting with the NGOs and farmers; establishment of a compensation/mitigation committee in addition to the existing process, further strengthening procedures for handling requests and complaints; improved documentation; further monitoring the impact on groundwater level and quality; retaining of an independent agriculture expert; confirmation of the number of laborers on the land prior to purchase; improvement of public road diversion safety; and further improvement of public communications and community outreach*”.¹⁵

76. Management states that the Bank has complied with the policies and procedures applicable to the issues raised in the Request, and notes that it has supported CEPC to strengthen and improve processes and systems related to social accountability, monitoring, and community oversight. The Panel notes that CEPC has been hampered by lack of capacity and guidelines in handling community consultations and implementing compensation and livelihood restoration measures. In this context, the Panel acknowledges Management’s commitment to continue to improve Project implementation, and further strengthen supervision and implementation support. In its Response, Management states that it will also continue to reach out to affected communities and will seek to further strengthen CEPC’s capacity to address upcoming and pending issues through improved client-community relations and the Project level Grievance Redress Mechanism.

77. In this context, the Panel acknowledges both the challenges and new opportunities created by the socio-economic and political context of Egypt in the aftermath of the “Arab Spring”. According to the Bank’s May 31, 2013 Interim Strategy Note for Egypt, the country is “*at a major crossroads in its political history and its ability to navigate many challenges in the short term will have important consequences for its longer-term stability and development.*”¹⁶ Among these challenges is enhancing the participation of civil society organizations and citizen participation in Government policy and program design, implementation and monitoring and focusing attention on the issues and concerns raised by citizens. The Interim Strategy also recognizes the seriousness of the poverty problem in Egypt, and increased impoverishment of certain segments of the population, especially in the rural areas.

78. The Panel is of the view that the combined efforts of CEPC Project management and Bank Management provide a high level of confidence that the remaining issues of harm maybe redressed in consultation with the affected farmers and communities.

79. **Community view.** The Panel notes that the community members who met the Panel team did not oppose the Project, but certain among them claim redress for a variety of harms and potential harms stating that redress provided was not adequate to compensate for

¹⁴ Management Response, p. 13, para 30.

¹⁵ Management Response, p. 11, para 24

¹⁶ Interim Strategy Note for the Arab Republic of Egypt, dated May 31, 2013, page 7.

their income losses. In the Panel's assessment there is openness to continue dialogue with the CEPC and the Bank, in the pursuit of further compensatory and other actions.

F. Recommendation

80. The Requesters and the Request meet the technical eligibility criteria set forth in the Resolution that established the Inspection Panel and the 1999 Clarifications.
81. The Panel notes that Management, in its Response does recognize some limited harms and that efforts to redress these harms require further action. Furthermore, the Panel recognizes that both the Requesters and CEPC Project management are willing to continue their dialogue with the objective of arriving at mutually agreed solutions. The Panel, however, also notes the capacity constraints faced by the CEPC Project management, which requires urgent attention, notably weaknesses in information dissemination, especially as regards the Grievance Redress Mechanism.
82. Considering the above, the Panel does not recommend an investigation at this stage of whether the Bank has complied with its Operational Policies and Procedures related to the Project. The Panel notes that this recommendation does not, however, preclude the possibility of a future claim relating to non-compliance and harm.

ANNEX I

**(English translation of the Request for Inspection in
Arabic is provided by the Panel as a courtesy)**

Complaint to the Director of the Inspection Board at the World Bank

Requesting inspection of the North Giza Plant Project for the Production of Electric Power

In the context of the policies set by the World Bank to protect the rights of people and local communities when implementing WB projects in the different countries, especially the developing countries, and in light of the protective policies set by the WB to avert risks and abuses that the population and local environment might be subject to as a result of the implementation of any projects funded by the World Bank;

Also, in the context of the policies on transparency being promoted by the WB among the criteria for the funding provided by the WB to various projects, we, the undersigned organizations and a number of citizens affected by the damages emanating from the project of North Giza Electric Power Plant, located in the village of Alqata, Imbaba in Giza Governorate, would like to report the following:

- Since the start, there was no compliance with the required standards with respect to transparency about the negative effects resulting from the project. Furthermore, the mechanisms for consulting the population regarding the implementation of the project in a transparent and clear manner were not applied, rather the procedures of consultation were carried out in a vague and elusive manner with the aim of approving the project without taking the views of the population affected by the project in an effective and real manner,, a matter which pushed us to address the World Bank office in Cairo. We submitted a letter on 05/16/2012 containing the complaints of the people harmed by the implementation of the project, whereupon some officials of the Company contacted us, but after two sessions of dialogue we have not reached anything on the abuses which impacted the population. Meanwhile, we had agreed with company officials in the session of 07/07/2012 to establish a cooperation protocol with the project management to organize for a process to examine the complaints from those harmed by the project and work towards their solution, but this did not happen.

These wrongful actions have resulted in many harms to the people in the vicinity of the project including:

- Damage to agricultural land and crops of farmers in the lands adjacent to the North Giza Electric Power Plant project's area, because of the destruction of the groundwater environment as a result of this project. The draining of the artesian water whose impact was drying up of water wells of the farmers which was reflected in the destruction of farmers crops, also as a result of the drying up of wells the farmers resorted to the water of the agricultural drainage which is not fit to irrigate lands due to the high levels of sodium and chemical elements a matter which negatively reflected on the fertility of the agricultural soil which resulted in a reduction in the productivity of the agricultural land in the short term and

what could possibly be the barrenness of agricultural land in the medium term (see Table 1 listing some of the affected owners of land holdings).

In addition, the draining of artesian water and drying water out of the wells have resulted in drought to the cultivated crops, resulting in a lot of material losses, whether in terms of land or crops (see the reports and complaints received in this regard in the Exhibits Nos. 1 and 2), in addition to the material and technical costs, which the land and crops will need to be restored because of the damage inflicted (see the technical and police reports on drying of the crops and the problems caused to the agricultural land in the Exhibits Nos. 1 and 2). In the same context, the study on the Environmental Impact Study which was prepared by the Engineering Office of the North Giza Company did not address these kinds of problems associated with shortage in artesian water during the project construction.

- Noncompliance by the North Giza Electric Power Company of the requisite standards as regards the necessity of respecting the sanctity of the road to the agricultural drainage canal of the land and the takeover of this road by the Company without compliance to the laws pertaining to this. In this regard, this will have many adverse impacts on the land and water environment for the farmers and will consequently result in substantial material damages. Agricultural water drainage canals are considered a necessity to drain excess water from the soil, and the absence of such canals leads to the deterioration of agricultural land and the reduction of its fertility due to increased salinity in the ground which disturbs the soil alkaline and acid balance. It was thought that the construction of the North Giza project for the production of electric energy would not infringe on the road leading to the only agricultural drainage canal surrounding the agricultural land.
- The construction of a very high fence for the Company and the consequential adverse effects on the land and plants because of holding back the air currents that help in pollination of agricultural crops, as well as blocking sunlight, which will result in rendering the agricultural land barren.
- The damages caused by direct spotlights on the agricultural crops, in addition to effects of dust and waste on cultivated crops.
- No recompense was provided to the tenants who have been evicted from the land on which the project was constructed, after having been evicted from the land on which they have been working for many years, ranging from 10 to 40 years. (See Table No. 2 for the names of tenants and workers who were working in the project land).
- There are many other damages caused by constructing the project including the adverse effects on the owners of artesian wells, used to irrigate the agricultural land due to the draining of artesian water, the consequences of which included

material damage to the lives of the owners of those wells and drought of the farmland that was irrigated from these wells (see Table No. 3 for the names of some affected owners of wells).

- The harms resulting from the operation of the Company in the future, including the company's chimneys and their impact on agricultural land and crops
- The towers that will be built on the agricultural land and the access roads thereto and their destructive impact on the agricultural area.
- The high-voltage lines and the implications thereof to public health.
- Problems arising from the operation of the plant in the future, especially the waste which will be channeled directly into the Nile water and the potential consequent destruction of water and fish resources and denying the farmers and population access to safe drinking water and irrigation at the same time, as well as the future consequential risks related to human health, and also to animal and plant resources.

We, the civil society organizations and a number of affected citizens representing the area's population, hope that the negative effects resulting from this project are reconsidered and action to be taken to redress them in order to save the lives of the people and save the land and the water, flora and fauna resources from the dangers surrounding them.

The signatory organizations:

1. The Egyptian Association for Collective Rights
2. The Egyptian Center for Civil and Legislative Reform
3. The Egyptian Center for Economic and Social Rights
4. Children's Earth Foundation for Human Rights
5. Health and Environmental Development Association
6. Housing and Land Rights Network
7. Arab Non-Governmental Organizations for Development
8. Right to Water Forum in the Arab Region

Exhibit (1)

Al-Qanater Police Station
Wardan Post

On 06/16/2012 at 12:00 Hours
Prepared by Sergeant Sami al-Sayed

4h-Wardan 06/16/2012,

The following was recorded:

Whereas the following was reported through the inspection of the Department of Agricultural Reform in Giza and Abu Ghalib Agricultural Society in the report No. 4h-Wardan 05/20/2012 on the report of Sa'id Masri Mohammed and others from Abu Ghalib that they suffered damages by lack of water cause by the North Cairo Electricity Company. They stated the following:

1. The lands of the complainants are located in the Basin of Sheikh Khairallah in Abu Ghalib district.
2. From the inspection, it was found that the complainants' land is planted with citrus / grapes / peanuts / tomato.
3. From the inspection, it was found that all crops were affected by lack of water. There are some trees with dry branches and the tomato plants clearly show dried leaves with no fruits due to the lack of water. There were no alternative wells for irrigation wells, as their wells were died out of water because the Company has drilled giant wells and withdraw the water from the surrounding area of the complainants' land.
4. During the inspection, the Committee preview has run the artesian irrigation machines but no water came out of the pipes. Also during the inspection, all plants in the cultivated land were not irrigated.
5. The Company has drilled the wells and the crops were affected by the lack of water. The inspection dated 05/28/2012 has been attached after having it initialed.

Thereafter, this report was closed at this time to date and attached to the original report No. 4h-Wardan 05/20/2012 issued by the Police Station under No. 1091 dated 26/05/2012 on the report of Sa'id Masri Mohammed and others for action. 06/16/2012

Exhibit (2)

Agricultural Reform Directorate in Giza

Imbaba District / Abu Ghalib Society

Inspection and case recording report prepared today, Monday 28/05/2012 based on the letter received from the police post of Wardan regarding the complaint of the following people:

1. Ayman Ahmed Mohammed Badawi
2. Khalid Mohmoud Abdul Hamid Harbi
3. Sayed Nasr Mohammed
4. Emad Abdel Halim Abdul Hamid Harbi

Who are reported to have suffered damages caused by North Giza Electricity Company, adjacent to their land and the lack of water due to the drilling of the Company's wells. Accordingly, a committee was formed from the following people to carry out the necessary inspection

1. Eng. Salah Ali Ali - Imbaba District Office
2. Eng. Saber Salah Ahmed - Manager of Abu Ghalib Society
3. Eng. Samir Zaki Allam - Land Protection Officer
4. Mr. Ayman Ahmed Mohammed - Board Member (illegible words)
5. Mr. Marie Abdel Azim - (illegible words)

The Committee moved to the site to carry out the required inspection, through which the following was evident:

1. The lands of the complainants are located in the Basin of Sheikh Khairallah in Abu Ghalib district.
2. From the inspection, it was found that the complainants' land is planted with citrus / grapes / peanuts / tomato.
3. From the inspection, it was found that all crops were affected by lack of water. There are some trees with dry branches and the tomato plants clearly show dried leaves with no fruits due to the lack of water. There were no alternative wells for irrigation wells, as their wells were dried out of water because the Company has drilled giant wells and withdraw the water from the surrounding area of the complainants' land.
4. During the inspection, the Committee preview has run the artesian irrigation machines but no water came out of the pipes. Also during the inspection, all plants in the cultivated land were not irrigated.
5. The Company has drilled the wells and the crops were affected by the lack of water.
05/28/2012

(Signed by the committee members)

شكوى إلى مدير لجنة التفتيش بالبنك الدولي لطلب التفتيش على مشروع شمال الجيزة لإنتاج الطاقة الكهربائية

فى إطار السياسات التى وضعها البنك الدولى من أجل حماية حقوق السكان والمجتمعات المحلية عند تنفيذ مشروعات البنك فى الأقطار المختلفة وبخاصة البلدان النامية ، وفى ضوء السياسات الحمائية التى وضعها البنك الدولى درءا للمخاطر والانتهاكات التى قد يتعرض لها السكان والبيئة المحلية نتيجة تنفيذ أى مشروعات يقوم البنك الدولى بتمويلها .

أيضا وفى إطار السياسات المتعلقة بالشفافية التى يقوم البنك الدولى بالترويج لها ضمن معايير التمويل التى يقدمها للمشروعات المختلفة ، نتوجه نحن المنظمات الموقعة أدناه وعدد من الأهالى المضارين بتلك الشكوى من الأضرار الناجمة من مشروع محطة شمال الجيزة لإنتاج الكهرباء الكائنة بقرية القطا لتابعة لمركز إمبابة بمحافظة الجيزة .

- فى البداية لم يتم الإلتزام بالمعايير الواجبة بما يتعلق بالشفافية حول الآثار السلبية الناجمة عن المشروع ، أيضا لم يتم تطبيق الآليات الخاصة بمشاوره الأهالى فيما يتعلق بتنفيذ المشروع بشكل يتسم بالشفافية والوضوح بل أن إجراءات المشاوره تمت فى أسلوب يتسم بالغموض والتحايل بهدف تمرير المشروع دون أخذ آراء الأهالى المتأثرين بالمشروع بشكل فعلى وحقيقى ، الأمر الذى دفعنا إلى مخاطبة مكتب البنك الدولى بالقاهرة وتقديمنا بخطاب يوم 2012/5/16 بشكاوى الأهالى المضارين من تنفيذ المشروع، حيث قام بعض مسئولى الشركة بالاتصال بنا ولكن بعد جلستين من الحوار لم يتم التوصل لشيء بشأن الانتهاكات التى طالت الأهالى ، فى الوقت الذى كنا قد اتفقنا مع مسئولى الشركة فى جلسة 2012/7/21 على إجراء بروتكول تعاون مع إدارة المشروع على تنظيم عملية بحث شكاوى المضارين من المشروع والعمل على حلها ، لكن هذا لم يحدث .

وقد أدت هذه الإجراءات الخاطئة إلى تعرض الأهالى المجاورين لمنطقة المشروع بالعديد من المضار من بينها :

- اتلاف الأرض الزراعية والمحاصيل الخاصة بالمزارعين فى الأراضى المجاورة لمنطقة مشروع شمال الجيزة لإنتاج الطاقة الكهربائية ، وذلك بسبب تدمير بيئة المياه الجوفية بفعل إنشاء هذا المشروع من خلال سحب المياه الارتوازية والتي كان من أثرها جفاف ابار المياه الخاصة بالفلاحين الأمر الذى انعكس على دمار المحاصيل الخاصة بالفلاحين ، كما أنه نتيجة لجفاف الآبار لجأ الفلاحون إلى مياه المصرف الزراعى التى لا تصلح لرى الأراضى بسبب ارتفاع الأملاح والعناصر الكيميائية الأمر الذى انعكس الذى ينعكس بالسلب على خصوبة التربة الزراعية مما يؤدى إلى خفض إنتاجية الأرض الزراعية فى المدى القصير وأيضاً إلى ما قد يترتب على لك من تبوير للأرض الزراعية فى المدى المتوسط (راجع الجدول رقم 1 لأصحاب بعض الحيازات المضارين).

أيضاً ترتب على سحب المياه الارتوازية وجفاف آبار المياه إلى جفاف للمحاصيل المنزرعة ، وقد نجم عن ذلك العديد من الخسائر المادية سواء فيما يتعلق بالأرض أو المحاصيل (راجع المحاضر والشكاوى الواردة فى هذا الشأن الشكلين رقمى 1 و2)، هذا بالإضافة أيضاً إلى التكاليف المادية والفنية التى ستحتاجها الأرض والمحاصيل من أجل اصلاحها بسبب ما لحقها من أضرار (راجع المحاضر الفنية والشرطية الخاصة بجفاف المحاصيل ومشكلات الأرض الزراعية الشكلين رقمى 1 و2)، فى السياق ذاته لم يرد بدراسة تقييم الأثر البيئى التى تم إعدادها بواسطة المكتب الهندسى التابع لشركة شمال الجيزة هذه النوعية من المشكلات الخاصة بنقص المياه الارتوازية أثناء إنشاء المشروع.

- عدم الالتزام بالمعايير الواجبة من قبل شركة شمال الجيزة لإنتاج الطاقة الكهربائية فى ضرورة احترام حرم الطريق الخاص بالمصرف الزراعى الخاص بالأرض ، وقيام شركة شمال الجيزة لإنتاج الطاقة الكهربائية بالإستيلاء عليه دون الألتزام بالقوانين المنظمة لذلك ، الأمر الذى سيجترتب عليه العديد من الآثار الضارة على بيئة الأرض والمياه الخاصة بالمزارعين، وما يترتب على ذلك من أثار مادية جسيمة ، حيث أن المصارف الزراعية تعد ضرورة لتصريف المياه الزائدة عن حاجة التربة ، وغياب هذه المصارف يؤدى إلى تدهور الأرض الزراعية والإقلال من خصوبتها بسبب زيادة نسب الملوحة فى الأرض الأمر الذى يخل بتعادل التربة بين القلوى والحامضى ، وكان يفترض مع إنشاء مشروع شمال الجيزة لإنتاج الطاقة الكهربائية عدم الاعتداء على حرم المصرف الزراعى الوحيد المحيط بالأرض الزراعية.

- بناء سور للشركة بارتفاعات عالية وما يترتب عليه من أثار سلبية على الأرض والمزروعات وذلك بسبب احتجاز التيارات الهوائية التى تساعد فى تلقيح المحاصيل الزراعية ، بالإضافة لحجب ضوء الشمس وما سوف يترتب على ذلك من تبوير للأرض الزراعية .

- الأضرار الناجمة عن تسليط الإضاءة المباشرة على المحاصيل الزراعية بالإضافة إلى الأتربة والمخلفات على المحاصيل المنزرعة .

- عدم جبر الضرر للمستأجرين الذين تم إخلائهم من الأرض المقام عليها المشروع وذلك بعد طردهم من الأرض التى كانوا يعملون عليها لسنوات عديدة تتراوح ما بين 10 إلى 40 سنة. (راجع اسماء المستأجرين والعاملين الذين كانوا يعملون بأرض المشروع راجع الجدول رقم 2).

- هناك العديد من الأضرار التى كان لإنشاء المشروع من اثار ضاره على أصحاب الآبار الارتوازية التى تقوم برى الأرض الزراعية وذلك بسبب سحب المياه الارتوازية والذى كان من نتائجه الاضرار المادية على حياة أصحاب تلك الآبار وأيضا جفاف الأراضى الزراعية التى كانت تروى من هذه الآبار (راجع أسماء بعض أصحاب الآبار المضارين الجدول رقم 3).

- المضار الناجمة عن تشغيل الشركة مستقبلا من بينها المداخل الخاصة بالشركة وآثارها على الأرض والمحاصيل الزراعية

- الأبراج التى سوف يتم بنائها على الأرض الزراعية والطرق المؤدية إليها وأثرها على تدمير الرقعة الزراعية .

- خطوط الضغط العالى والآثار المترتبة على الصحة العامة.

- المشكلات الناجمة عن تشغيل المحطة مستقبلا من المخلفات التى سوف تصب فى مياه النيل مباشرة وما يترتب على ذلك من تدمير محتمل للموارد المائية والسمكية وأيضا عدم وصول الفلاحين والسكان لمياه صالحة للشرب والرى فى آن واحد ، وما يترتب على ذلك مستقبلا من مخاطر تتعلق بصحة الإنسان وأيضا الثروة الحيوانية والنباتية .

إننا نحن منظمات المجتمع المدني وعدد من الأهالى المضارين الممثلين لسكان المنطقة نامل فى إعادة النظر فى الآثار السلبية الناجمة عن هذا المشروع والعمل على تصحيحها إنفاذا لحياة الناس والموارد الأرضية والمائية والنباتية والحيوانية من الخطر الذى يحيق بها .

المنظمات الموقعة :

- 1- الجمعية المصرية للحقوق الجماعية
- 2- المركز المصرى للإصلاح المدنى والتشريعى
- 3- المركز المصرى للحقوق الاقتصادية والاجتماعية
- 4- مؤسسة أولاد الأرض لحقوق الإنسان
- 5- جمعية التنمية الصحية والبيئية
- 6- شبكة حقوق الأرض والسكن
- 7- شبكة المنظمات العربية غير الحكومية للتنمية
- 8- منتدى الحق فى المياه بالمنطقة العربية

ANNEX II

**MANAGEMENT RESPONSE TO
REQUEST FOR INSPECTION PANEL REVIEW OF THE
EGYPT: GIZA NORTH POWER PROJECT (P116194)**

May 03, 2013

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Abbreviations and Acronyms

CDA	Community Development Association
CEPC	Cairo Electricity Production Company
CSO	Civil Society Organization
EEHC	Egyptian Electricity Holding Company
ELF	Extremely Low Frequency
EMF	Electric and Magnetic Field
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
GRM	Grievance Redressal Mechanism
IBRD	International Bank for Reconstruction and Development
MW	Megawatt
NGO	Nongovernmental Organization
OP	Operational Policy
PGESCO	Power Generation Engineering and Services Company
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework

Currency Unit – Egyptian Pound (as of April 28, 2013)

LE 1.00 = USD 0.14

USD 1.00 = LE 6.87

EXECUTIVE SUMMARY

(i) On April 4, 2013, the Inspection Panel registered a Request for Inspection, concerning the Giza North Power Project, financed by IBRD. The Project includes development and construction of a 1,500-MW combined cycle gas turbine power plant using natural gas, located at Giza North near Cairo, a transmission line to link the plant to the national grid and a gas pipeline for fuel supply. Technical assistance includes support for promotion of energy efficiency and private sector investment in electricity generation, and development of a power sector strategy.

(ii) The Bank is supporting the Project with a loan of US\$600 million, approved by the Executive Directors on June 8, 2010. Additional Financing of US\$240 million was approved on February 14, 2012 to add a third 750 MW unit and a new gas pipeline. The Project's closing date is December 31, 2016.

The Request

(iii) The Request was submitted by the Egyptian Association for Collective Rights and seven other nongovernmental organizations (NGOs) on their own behalf and also on behalf of 17 owners of agricultural holdings and 18 agricultural laborers belonging to the villages of Alqata and Abu Ghalib in the Imbaba area of Giza Governorate ("the Requesters"). The Requesters are concerned about a variety of alleged impacts, specifically: (a) impacts on agriculture due to groundwater shortages; the obstruction of a drainage canal; positioning of a high fence wall; land acquisition; and positioning of spotlights; (b) impacts from pollution and high voltage lines; (c) eviction of tenant farmers, and (d) inadequate consultation and transparency. The Requesters have also expressed demands for employment.

Management's Response

(iv) *Management has carefully reviewed issues raised by the Requesters and notwithstanding our best efforts to fully assess negative impacts, limited harm occurred and is being adequately addressed.* All issues referred to in the Request have previously been acknowledged by the Bank and by the Project operator, Cairo Electricity Production Company (CEPC) and have been or are being addressed through the appropriate channels in a responsive manner. Management also submits that the monitoring and mitigation measures that are now in place are sufficient to prevent, minimize and mitigate any potential adverse environment and social impacts resulting from the Project's construction and implementation. Management is confident that the Grievance Redressal Mechanism (GRM) which has recently become fully functional is best suited to receive and resolve issues as they arise.

(v) *Groundwater Issues.* Impacts associated with groundwater lowering were temporary and narrow in scope, and mitigation measures were undertaken. Pumping of groundwater took place continuously from February 2012 to March 2013, to keep two 12 m deep construction pits dry. CEPC distributed the pumped water to farmers, and discharged the excess to the El-Beheiry Canal. No long term groundwater level impacts are evident or anticipated to occur. The groundwater table was completely restored by

April 2013. Mitigation measures benefitting 104 farmers included provision of water required for drinking and irrigation, cash and/or other forms of compensation, including new wells, submersible pumps and related equipment were all implemented by April 22, 2012.

(vi) In May 2012, four farmers and three NGOs submitted a complaint, in which the farmers sought further benefits. Following this complaint, three groundwater impact assessments were conducted to complement the initial Environmental and Social Impact Assessment (ESIA) and to monitor the situation, including an independent study by Cairo University, the *Ground Water and Agriculture Monitoring Report*, completed in April 2013.¹ These assessments collectively confirm that groundwater level impacts were temporary and limited.

(vii) **Impact on Agriculture.** The mitigation measures adopted by CEPC were implemented to ensure that no damage to crops occurred as an adequate supply of water was available. Both Bank experts and the *Ground Water and Agriculture Monitoring Report* concluded based on field visits that there was no evidence of crops or trees suffering from lack of water.

(viii) **Drainage Canal.** The Project has not restricted access to the El-Beheiry Canal or other rural drainage canals by neighboring farmers, nor has the functionality of those drainage canals been adversely impacted.

(ix) **High Perimeter Wall and Spotlights.** The perimeter wall was built in accordance with the construction license granted by the authorities and there is no evidence that shading from the fence would have any adverse effects on adjacent farmland. All adjacent trees or crops receive sufficient sunlight during the day required for normal plant growth. There is equally no evidence of harm caused to crops from spotlights at night.

(x) **Pollution and High Voltage Transmission Lines.** Potential future impacts have been reviewed in the ESIA, and mitigation measures were identified to address them. Since the plant is gas fired, emissions are expected to be well within acceptable Egyptian and Bank standards. During construction, air quality, water quality and noise level measurements are being carried out by CEPC, the results of which so far confirm that the levels are within applicable limits. Solid wastes are disposed of in a dedicated landfill and wastewater is being treated in an onsite facility to meet applicable standards for release into the Nile River. This monitoring will continue during implementation. Regarding high voltage transmission lines, Management refers to the scientific research and the consensus that no known health impacts can be linked to them.

(xi) **Consultations.** Consultations with all stakeholders groups have been held in accordance with OP 4.01 requirements during the scoping phase and on the ESIA. In addition to the two formal consultations that were organized as part of ESIA preparation, targeted consultations were held with community members and marginalized groups

¹ Available on the CEPC website at: http://www.cairoepc.com/CEPC_AR/PDF_files/Giza%20North-Final%20April%202021.pdf .

during ESIA preparation, including with fishermen, local people and their councils. CEPC involved all interested parties and emphasized an open-door policy for stakeholders' suggestions and complaints.

(xii) ***Land Acquisition and Alleged Evictions.*** All available documentation, including the ESIA, interviews and eight years of Google Satellite imagery, shows that no tenants were present on, or were evicted from the power plant site at the time of its purchase from a private owner. The land was previously used for cultivation of mango and orange trees. Four workers served as guards and managers, but did not live on the land, and there is no evidence of laborers or tenants living on the site of the power plant.

(xiii) ***Supervision.*** In Management's view, supervision was substantially strengthened in response to complaints received from Project affected people regarding alleged impacts in May 2012. Despite some mobility restrictions for Bank staff given security concerns following the Egyptian Revolution, Management believes that Bank supervision has been adequately adapted to the circumstances. In total, 16 missions have been conducted following Project approval and covering the period July 2010 to March 2013, not including site visits by the Cairo office.

(xiv) ***Project level GRM.*** In 2010, CEPC established a "Society and Environment Service Office" to engage with the surrounding communities. It has adopted institutionalized outreach methods, with regular Environmental and Social Progress Reports. In response to the May 2012 complaint, CEPC developed an Action Plan to further improve its community outreach. Management recognizes that a well-functioning GRM is an important instrument to promote citizen involvement and the Bank has worked closely with CEPC to progressively improve its accessibility and clarify its decision making procedures. By December 2012, the GRM had become more formalized and CEPC revamped its earlier committee to focus more on Project level complaints management. This committee – called the Supreme Committee for Grievances, was established by decree in March 2013 and it includes community representatives from Abu Ghalib and Katta villages. It is supported by two CEPC Social Facilitation Officers designated also by Decree on 20 January 2013.

Conclusion

(xv) ***Management has carefully reviewed the issues raised by the Requesters and notwithstanding our best efforts to fully assess negative impacts, limited harm occurred and is being adequately addressed.*** Management believes that the Bank has complied with the policies and procedures applicable to the matters raised in the Request. Management concludes that the Requesters' rights or interests have not been, nor are they likely to be directly and adversely affected by a failure of the Bank to implement its policies and procedures. ***However, in order to improve Project implementation and to ensure that all monitoring and mitigation measures, including those spelled out in the Environmental and Social Management Plan (ESMP), are effective, Management will continue to further strengthen supervision and implementation support and stands ready to support CEPC and communities should any issues arise.***

I. INTRODUCTION

1. On April 4, 2013, the Inspection Panel registered a Request for Inspection, IPN Request RQ 13/03 (hereafter referred to as “the Request”), concerning the Giza North Power Project, (P116194), (“the Project”), financed by the International Bank for Reconstruction and Development (“the Bank”).

II. THE PROJECT

2. The Project is supported by a loan of US\$600 million, which was approved by the Bank’s Board of Executive Directors on June 8, 2010. The loan became effective on August 12, 2011. On February 14, 2012, the Board approved an Additional Financing for the Project in the amount of US\$240 million to add a third gas unit of 750 MW capacity and to finance a new pipeline for gas supply (Noubaria-Metnama). The Project’s current closing date is December 31, 2016. The Project includes co-financing for the investment component from the European Investment Bank (EIB) (US\$307 million) and the Organization of Oil Exporting Countries (OPEC) Fund for International Development (OFID) (US\$30 million). The government’s contribution is US\$475 million.

3. ***Project Objective.*** The development objective of the Project is to contribute to improving the security and efficiency of electricity supply by adding new generation capacity based on the most efficient thermal power generation technology. This Project will contribute to sustaining Egypt’s economic growth and development, as the country’s existing fleet of generation plants is insufficient to maintain a reliable supply of power, and demand is expected to keep increasing under all reasonable economic development scenarios.

4. ***Project Components.*** The Project includes development and construction of a 1,500-MW combined cycle gas turbine (CCGT) power plant at Giza North near Cairo (two gas units of 750 MW each). The plant will use natural gas as the main fuel and light diesel oil as a back-up. The plant will be owned and operated by the Cairo Electricity Production Company (CEPC), a subsidiary of the Egyptian Electricity Holding Company (EEHC). The Project will also include a transmission line to link the plant to the national grid and a gas pipeline to link the plant to the gas transmission network for fuel supply.

5. The technical assistance associated with the Project includes the following components: (a) support for promotion of private sector investment in electricity generation; (b) development of a power sector strategy, focusing on attracting additional private investment, which includes associated tariff and other policies to facilitate efficient financing of investment needs; and (c) support for promotion of energy efficiency.

III. THE REQUEST FOR INSPECTION

6. The Request was submitted by the Egyptian Association for Collective Rights and seven other nongovernmental organizations (NGOs) on their own behalf and also on

behalf of 17 owners of agricultural holdings and 18 agricultural laborers belonging to the villages of Alqata¹ and Abu Ghalib in the Imbaba area of Giza Governorate (hereafter “the Requesters”), who claim to be impacted by the Project. The other NGOs include: Egyptian Center for Civil and Legislative Reform, the Egyptian Center for Economic and Social Rights, Children’s Earth Foundation for Human Rights, Health and Environmental Development Association, Housing and Land Rights Network, Arab Nongovernmental Organizations for Development, and the Right to Water Forum in the Arab Region. The Request contained several attachments.

7. The Requesters complain about a variety of construction related impacts, potential impacts stemming from future operation of the gas fired power plant, as well as issues relating to compensation and consultation. Specifically they allege: (a) impacts on agriculture due to groundwater shortages; the obstruction of a drainage canal; positioning of a high fence wall; land acquisition; and positioning of spotlights; (b) impacts from pollution and high voltage lines; (c) eviction of tenant farmers, and (d) inadequate consultation and transparency. Separately and unrelated to the design or operation of the Project, the Requesters have also expressed demands for employment.

IV. MANAGEMENT’S RESPONSE

8. ***Management has carefully reviewed issues raised by the Requesters and notwithstanding our best efforts to fully assess negative impacts, limited harm occurred and is being adequately addressed.*** In Management’s view, the Bank has followed the guidelines, policies and procedures applicable to the matters raised by the Request. In fact, in responding to the initial complaints of the farmers, and before the Request, the Bank further strengthened the mechanisms and processes related to community engagement. As a result, Management believes that the Requesters are not able to demonstrate that their rights or interests have been or will be directly and adversely affected by a failure of the Bank to implement its policies and procedures.

9. ***The issues referred to in the Request have been acknowledged by the Bank and have been or are being addressed through the appropriate channels.*** Following a May 2012 complaint to the Bank by four farmers and three NGOs, Management and CEPC demonstrated their commitment to examining these grievances and addressing relevant concerns. Since the May 2012 complaint, seven Bank missions have been deployed with staff from Washington DC, with multiple additional site visits and meetings with farmers, supported by Cairo based energy, environmental and social development experts.² These were conducted to examine the complaint and to develop and implement corrective measures as needed. Over the last one year, the Bank has hired additional social safeguards specialists in Cairo and Washington, and sought support from groundwater and safeguards specialists from across the institution to augment support to the Egypt portfolio.

¹ Referred to variously as Katta, El Kata, Qata or Qatta Village.

² Details of Bank missions associated with the Giza North Power Project are available in Annex 2.

10. ***The monitoring and mitigation measures that are currently in place – some of which were strengthened as a result of the initial complaints raised by the farmers – are intended to prevent, minimize and mitigate any potential adverse environmental and social impacts resulting from activities during the Project’s construction and implementation.*** In Management’s view the environmental and social impacts associated with the site are limited in their scope, and are being mitigated through implementation of appropriate measures. While impacts during construction occurred, these were limited in scope, and mitigation measures were put in place. Management also believes that sufficient scientific evidence exists to dispel some of the Requesters’ concerns regarding future adverse impacts. The Project’s Environmental and Social Management Plan (ESMP) details specific mitigation measures that are supported by adequate institutional arrangements and budgets for effective implementation, supervision and monitoring. The mitigation measures have also been incorporated as conditions of contract required to be implemented by the contractor and any sub-contractors employed to build or operate any part of the power plant.

11. ***The Bank has worked closely with CEPC to progressively improve its accessibility and clarify its decision making procedure following the May 2012 complaint.*** CEPC established an Environment and Society Service Office by July 2010, which had among its stated responsibilities to receive proposals for compensation in the event of proven negative effect and to discuss these with applicants with the intent of reaching satisfactory solutions. By December 2012, the complaints handling mechanism had become more formalized with the following core features: multiple complaint uptake locations and multiple channels for receiving complaints; community participation; fixed service standards for complaint resolution; prompt and clear grievance processing guidelines and an effective complaint response system to inform complainants of the actions taken.³ A revamped committee – called a Supreme Committee for Grievances, was recently established by Decree on March 16, 2013 and it includes community representatives from both Abu Ghalib and Katta villages (see Annex 8). This committee is supported by two CEPC Social Facilitation Officers designated also by Decree on 20 January 2013. One of these officers is from an adjoining village and has been CEPC’s social relations officer since the early days of construction. In addition, complainants have the option to access the judicial system in Egypt on any issue.

12. ***In Management’s view, the groundwater impacts related to construction have been identified and were appropriately mitigated by providing all complainants known to CEPC with water for drinking and irrigation purposes. Compensation was also quickly provided in cash and/or other provision of goods by CEPC as a mitigation measure. CEPC also provided technical support to allow farmers to continue their irrigation activities.*** In total, one hundred and four farmers received either piped water, cash and/or other forms of compensation to address groundwater impacts (see Annex 6). Assistance included the following: the provision of submersible pumps, drilling of new wells, and provision of the necessary accessories (pipeline, cable and panel) to ensure these pumps and wells would supply water for irrigation. All of these measures were

³ These are clearly detailed in the Bank’s September 2012 Aide Memoire.

completed by April 22, 2012. The four farmer complainants from May 2012 are all documented as having received either direct supply of water or compensation, with a mechanism in place to address outstanding complaints. An independent assessment made by the Cairo University, *Giza North Power Plant, Ground Water and Agriculture Monitoring Report*,⁴ concludes that the compensation was adequate based on either the provision of water, or the coverage of additional costs for new pumps and for pumping water from lower groundwater levels. The water that was provided originates in the same aquifer as the water used by farmers prior to construction, and no impact on the water quality was detected by third party monitoring during construction. The independent assessment determined that farmers did not suffer any income losses. However, the two farmers located immediately adjacent to the site incurred minimal but additional expenses related to the watering of their plants to suppress the increase in dust. With the Cairo University assessment now finalized, CEPC intends to discuss the results with the host community by mid May 2013.

13. ***Management wishes to underscore the far-reaching impacts that the political events – known collectively as the Egyptian Revolution – have had on: (a) Project management,⁵ especially with regard to CEPC’s ability to engage with the community; and (b) the Bank’s supervision activities, in particular from January 2011 onwards.*** Management is of the view that the increased calls for voice and accountability, combined with a burgeoning civil society movement, have created an opportunity for greater social accountability on the part of government, compelled in part by greater citizen engagement. Indeed, in the aftermath of the Egyptian Revolution, the Region’s Management has been requested by various government entities, including CEPC, to provide country and context specific guidance on effective consultations with communities within the context of highly charged political times. The Region is in the final stages of preparing Guidance on Consultations that is specifically tailored to the post-revolution regional context. At the same time, the security situation related to the aftermath of the Egyptian Revolution created mobility restrictions for Bank staff. For the Giza North Project, and unrelated to its direct operation, the general social unrest has manifested in repeated strikes, demonstrations, overturning of vehicles and demands for jobs, which have impacted the Project’s ability to proceed with construction. Despite these and numerous other security challenges, Management responded with targeted but consistent supervisions, and persisted in taking forward the complaints handling mechanism.

14. ***Overall, Management would like to note that in a context where inclusion of beneficiary voice has not been the norm in Government practices, this Project has since the beginning established important norms of beneficiary involvement. Through this Project and the Bank’s involvement in the energy sector overall, the Bank has deepened its programs for strengthening accountability.*** In response to the May 2012

⁴ Available on the CEPC website at http://www.cairoepc.com/CEPC_AR/PDF_files/Giza%20North-Final%20April%2021.pdf.

⁵ Attacks on the power plant workers, workers prevented from entering the site, and destruction of project property are among the challenges faced by CEPC. Police incident reports were filed for these on the following dates: December 2011, January 2012, December 2012, February 2013, and twice in March 2013.

complaints from the four farmers, the Bank further strengthened the Project specific mechanisms to ensure that the Bank continues to play an important role in supporting Egyptian society's demand for Government accountability in projects and programs. The Bank has been both pro-active and responsive to the dynamic social and political setting of this Project and the important changes that are taking place in Egyptian society. Management will continue to listen to communities, be in a learning mode, and be ready to adapt our support to programs and projects in Egypt accordingly as it has been doing in Giza North.

V. RESPONSE TO SPECIFIC ISSUES RAISED IN THE REQUEST

Construction Related Impacts and Compensation

15. *Groundwater Issues: Impacts associated with groundwater lowering were temporary and narrow in scope, and the groundwater table was completely restored by April 2013.* While the civil works of the Project led to a temporary and localized impact on the groundwater level, the deeper wells and aquifer did not dry up, and no long term groundwater level impacts are anticipated to occur. Pumping of groundwater took place continuously for one year (from February 2012 to March 2013), with the purpose of keeping two construction pits (up to 12 m below ground level) dry. CEPC created a distribution system to provide the pumped water to *farmers for their use, and to discharge the excess into the El-Beheiry Canal.*

16. *Three groundwater impact assessments have been conducted to complement the initial Environmental and Social Impact Assessment (ESIA) and to monitor the situation.* Two were internal studies by CEPC and the Bank, conducted following receipt of the May 2012 complaint, and the third was the independent study by Cairo University completed in April 2013. These assessments collectively confirm that groundwater level impacts were temporary and limited, centered in the southern part of the Giza North site and rapidly decreasing with distance.⁶ The impact on the groundwater level below the land managed by the four farmers who complained in May 2012 has been limited: 2.5 and 2.4 m respectively at two farms that have received direct water supply from CEPC and 2.2 and 1.6 m respectively at the two other farms. These drawdowns are limited compared to the depth of the wells and the thickness of the groundwater layer (more than 70 m). These four farmers received compensation as described below.

17. *Mitigation and Compensation: The impacts due to temporary lowering of the groundwater table were mitigated and compensation was offered to all known affected parties.* Mitigation measures included providing water required for drinking and irrigation. In total, one hundred and four farmers received cash and/or other forms of compensation benefits (see Annex 6). A mechanism is in place to address all complaints. The independent groundwater impact study conducted by Cairo University concluded that the four complainants from May 2012 received compensation from CEPC in the form of direct cash payments and submersible pumps, as well as access to piped water. It

⁶ The maximum drawdown of the groundwater table was 6.0 m observed at the southwestern border of the construction site, and 1.7 m near the northeastern corner of the site.

also concluded that two of these four complainants received compensation higher than their assessed damages for additional energy costs and dust impacts. The remaining two complainants received direct supply of water and would in addition be entitled to receive compensation for dust but the amounts are extremely small (USD 15 and 30 respectively). Since the Cairo University study is now finalized, disclosed and shared with the CEPC's Grievance Redressal Mechanism (GRM) committee (April 2013), CEPC intends to hold a meeting with community representatives by mid-May 2013 to discuss the findings.

18. ***Impact on Agriculture: The mitigation measures adopted by CEPC were implemented to ensure that no damage to crops occurred as an adequate supply of water was available.*** Visits by Bank experts at different times of the year have revealed no lack of irrigation water and the *Ground Water and Agriculture Monitoring Report*⁷ concluded based on field visits that there was no evidence of crops or trees suffering from lack of water. Except for minor quantities of dust in the immediate vicinity of the construction site, the agricultural experts concluded that the construction activities at Giza North site do not have any adverse impacts on the agricultural activity of the farms surrounding the site. The independent *Ground Water and Agriculture Monitoring Report* confirmed that the Project compensated the farmers affected by the drawdown with water from the dewatering system by pipeline to their irrigated lands. Other farmers were compensated for water loss by drilling new wells. The model developed by Cairo University was successful in simulating the hydro-geologic conditions and the level of damage at each well.

19. ***Drainage Canal: There is no evidence from numerous site visits that the Project has restricted access to the El-Beheiry Canal or other rural drainage canals by neighboring farmers, nor is there evidence that the functionality of those drainage canals has been adversely impacted.*** While the Notice of Registration refers to the El-Beheiry Canal, the original complaints and part of the Request seem to refer to a small private rural drainage canal located on the eastern side of the Project site.

20. ***High Perimeter Wall and Spotlights.*** The Project is surrounded by a four meter high perimeter wall which can vary in height reaching up to 7 meters from the outside due to variations in the surface of the land. The perimeter wall was built in accordance with the construction license granted by the authorities, which also protects the adjacent residents from some of the impacts raised in the Request, such as noise, dust and trespass. The Cairo University *Groundwater and Agricultural Monitoring Report* concludes that there is no evidence that shading from the fence would have any adverse effects on adjacent farmland, in particular when taking into account the 2 m buffering zone with neighboring properties. The shading effect is only partial and all adjacent trees or crops receive sunlight during the day sufficient for normal plant growth. There is equally no evidence of harm caused to crops from spotlights at night. Crops and trees can easily adapt to lights at night as evidenced by trees in urban settings or the tree growth in the far northern hemisphere.

⁷ See findings in *Groundwater and Agricultural Monitoring Report*, University of Cairo, April 2013.

Anticipated Impacts from Plant Operation

21. ***Pollution and High Voltage Transmission Lines.*** The potential future impacts have been reviewed and assessed in the ESIA, and the mitigation measures that were identified fully address them. Since the plant is gas fired, emissions of particulate matter, nitrous oxide and sulphur dioxide are expected to be very low and well within acceptable Egyptian and Bank standards. During construction, air quality, water quality and noise level measurements are being carried out by CEPC and its consultants. The results of the monitoring are being made accessible to the local communities on a quarterly basis. The readings of the monitoring so far confirm that the air quality, water quality and noise level are within applicable limits and not exceeding the levels in the ESIA. In line with the ESMP, solid wastes are disposed of in a dedicated landfill and wastewater is being treated in an onsite facility to meet applicable standards for release into the Nile River. During implementation, this monitoring will continue and the results will be made available to the local communities. Regarding the alleged impact from high voltage transmission lines, Management refers to the very broad scientific research on these concerns and the consensus that no known health impacts can be linked to the operation of high voltage lines. The transmission lines have been designed and routed to keep the minimum distance from any building and ground as per industry standards and practice.

Consultations

22. ***Consultations with all stakeholders groups have been held in accordance with OP 4.01 requirements and served to inform Project design.*** The details of the two-stage consultations are available in the relevant documents through the Bank as well as the client's website, including information on stakeholders involved and issues raised.⁸ During the scoping phase, the client undertook formal and informal consultations to provide information regarding the Project and its alternatives, to identify published and non-published sources of relevant data and information related to the site and surrounding area, to obtain views on the scope of the Project, and to open channels for ongoing communication. At a later stage, further consultations were held to discuss potential impacts from construction and operations identified in the draft ESIA Reports. It should be noted that the ESIA anticipated that groundwater impacts would be minimal; this was confirmed by the Cairo University *Ground Water and Agriculture Monitoring Report* of 2013.

23. ***Management is of the view that the importance of a participatory process whereby all relevant stakeholders, including representatives of civil society, are fully involved has been underscored throughout the different stages of the Project cycle.*** In the September 2009 Aide Memoire, the Bank notes its satisfaction that CEPC intended to go beyond the strict consultation requirements by involving all interested parties in a series of meetings with targeted groups and emphasizing an open-door policy where

⁸ The full Project ESIA's (2010, 2011), Executive Summaries, and annexes detail these consultations. In addition, the Bank's Aide Memoires from 2009, 2010, and 2011 underscore the nature and principles of the consultation processes undertaken during the Project's preparation phase. The EEHC links to the Bank's information disclosure websites with all the English and Arabic documents.

stakeholders could present suggestions and complaints, in addition to the two formal consultations that were organized as part of ESIA preparation. Targeted consultations were held with community members and marginalized groups during the ESIA preparation phase including with fishermen, local people and their councils. According to community interviews held in June 2012, invitation flyers for the public consultations were distributed by CEPC at the village levels. The Sheikh of the Abu Ghalib Mosque reported personally distributing flyers to attend ESIA consultations. Farmers informed a Bank mission that they often nominated representatives (religious or other elders, or other respected parties) to attend consultations on their behalf as a means of representing community interests. Local NGOs (such as the Community Development Association of Katta Village) and mosques were also some of the main means of receiving information back about the Project.

24. ***CEPC has initiated community outreach programs⁹ and demonstrated commitment to implement provisions of the Project level GRM.*** In 2010, CEPC established a “Society and Environment Service Office” to meet the objectives of proactive engagement with and corporate social responsibility towards the surrounding communities. Following the Egyptian Revolution, CEPC’s engagement with communities notably increased and its responsiveness has improved as communities become more involved and organized to participate in development decisions. CEPC has adopted institutionalized outreach methods, with the issuance of regular Environmental and Social Progress Reports that are instrumental in the engagement with communities and also in managing risks early. The first of these reports was issued at the commencement of construction in September 2011. Six quarterly reports have been provided to date covering the period till December 2012. In response to the May 2012 complaint, CEPC developed an Action Plan under the Project to enhance community outreach, including: meeting with the NGOs and farmers; establishment of a compensation/mitigation committee in addition to the existing process, further strengthening procedures for handling requests and complaints; improved documentation; further monitoring the impact on groundwater level and quality; retaining of an independent agriculture expert; confirmation of the number of laborers on the land prior to purchase; improvement of public road diversion safety; and further improvement of public communications and community outreach. All of these are additional steps that CEPC took to enhance the existing system and processes.

Land Acquisition and Alleged Evictions

25. ***All available documentation leads Management to conclude that no tenants or laborers were present on, or were evicted from the power plant site at the time of purchase of the lands from a private owner.*** The non-presence of laborers or tenants is confirmed through the ESIA, Bank staff reporting, village interviews and Google Satellite research. As noted in these sources, the entire land parcel was purchased by CEPC in 2009 from one private owner. The land was previously used for cultivation of

⁹ Examples of CEPC’s community outreach programs includes schools, health clinics, and playgrounds. The Bank’s May 2012 mission recommended that CEPC hire public relations persons to better communicate these good works.

mango and orange trees without introducing any other type of plant in the off season period. The available data confirms that four salaried workers (belonging to two families) served as guards and as managers of the plantation, but did not live on the land. There is no evidence of tenants on the purchased land based on ESIA data as well as an eight year review of Google Satellite imagery carried out by the Bank. The single evident structure from Google Satellite is also noted in the 2010 ESIA, which describes this structure as a small office.¹⁰ Interviews with communities also do not indicate any evidence of tenants living on the land purchased by CEPC.

Supervision and Grievance Redressal Mechanisms

26. ***The political upheaval arising from the Egyptian Revolution created safety and security challenges for Bank staff.*** The Egyptian Revolution fundamentally altered the operating environment for the Bank and for clients. At the project level, security conditions have at times affected project supervision, with missions to the country or visits to field sites cancelled due to security concerns.¹¹ As examples, the Bank during its 2011 October negotiation mission was advised not to visit the site due to security reasons. Nineteen people were killed in Cairo on the mission's second night of arrival. During the 2012 visit, the environmental and social staff were requested to not visit sites due to security considerations as well.

27. ***Despite the security challenges, Management believes that Bank supervision has been adequate to respond to the complaints received from Project affected people regarding alleged impacts in May 2012.*** For this Project, a total of 16 Bank missions originating from Washington DC have been conducted covering the period July 2010 to March 2013, of which seven were in part to address the farmer complaints of May 2012. Further, there were numerous visits by Bank staff based in Cairo after the May 2012 complaints.

28. ***Lack of employment is a key source of discontent voiced since the Egyptian Revolution. Strikes on the power plant site have been routine, often resulting in complete work stoppage.*** The July 2012 Aide Memoire attaches the requests by farmers to CEPC to provide employment, including in one case to appoint one such person in the company "under an exceptional decree from the Minister." Disturbances related to the employment issue are not uncommon. A major disturbance at the power plant site occurred in December 2011 when over 200 villagers gathered also for employment related reasons. CEPC held a major public event in early 2012 to build community relations. A video recording of this meeting (100 plus attendees) is available and it is noted that some of the May 2012 complainants attended this event. Strikes and work stoppage were particularly acute during the Bank's March 2013 mission. CEPC Project management indicated that residents were demonstrating for employment and even the demonstrators employed by the Project on a temporary basis were seeking to claim permanent governmental jobs.

¹⁰ ESIA Summary Section 3, pages 22 and 24. Section 5.1, 2010 ESIA.

¹¹ For example, field visits were canceled on June 2, 2012 because of security concerns associated with the sentencing of the ex-President. In March 2013, a series of strikes at Giza Power Plant were recorded by Bank staff.

29. ***Management recognizes that a fully functioning grievance redressal mechanism (GRM) is an important instrument to promote citizen involvement and will continue to provide implementation support to CEPC in this regard. Supporting such a process of social accountability and voice are pillars of the Bank's engagement in the Region following the Egyptian Revolution.*** In addition to the one-on-one and group engagement with CEPC, the Bank carried out two major training sessions on safeguards and GRMs for clients in the energy sector in Cairo in May and September 2012. These sessions focused on international good practices in developing mechanisms to address community concerns. The Bank's September 2012 Aide Memoire details the provisions of a GRM that builds on CEPC's systems in place for managing complaints.

VI. CONCLUSION

30. ***Management has carefully reviewed the issues raised by the Requesters and notwithstanding our best efforts to fully assess negative impacts, limited harm occurred and is being adequately addressed.*** Management believes that the Bank has complied with the policies and procedures applicable to the matters raised in the Request. Where needed, the Bank has also supported CEPC to strengthen and improve processes and systems related to social accountability, monitoring, and community oversight. Management concludes that the Requesters' rights or interests have not been, nor are they likely to be directly and adversely affected by a failure of the Bank to implement its policies and procedures.

31. ***Since complaints from farmers related to construction impacts were received, CEPC has moved to mitigate any impacts and Management has been responsive to address any outstanding concerns and to strengthen its procedures.*** Management wishes to reiterate that groundwater impacts were temporary and narrow in scope, with groundwater levels completely restored by April 2013. CEPC ensured that all impacts associated with the groundwater table were mitigated and compensation offered to all known affected parties. Cairo University's independent assessment concludes that CEPC effectively mitigated impacts and no damages to crops resulting from lack of water are evident. Management notes that CEPC initiated community outreach programs starting early in the construction period, but especially following the May 2012 complaint. Despite a climate of social unrest and numerous security challenges following the Egyptian Revolution, Management has ensured targeted but consistent supervisions and persisted in taking forward the complaints handling mechanism. Seven Bank missions have been deployed since the May 2012 complaint (sixteen in total for the Project) with additional safeguards specialists in Cairo and Washington hired to support the Egypt portfolio, especially on energy. Management notes the Region did not hesitate to draw on expert staff from across the institution for support on groundwater and for institutionalizing CEPC's grievance redressal mechanisms. The above activities are not only intended to ensure compliance with the Bank's policies but also to ensure there are appropriate social accountability mechanisms for the Project's effective engagement with communities going forward.

32. ***In order continue to improve Project implementation and to ensure that the adopted mitigation measures, including those spelled out in the ESMP, are effective,***

Management will continue to further strengthen supervision and implementation support. These steps are not related to issues of compliance with Bank policy and have been put in place well before the submission of the Request for Inspection. Management will also continue to reach out to affected communities and will seek to further strengthen CEPC's capacity to sustainably address upcoming and pending issues through improved client-community relations and Project level mechanisms to address grievances.

**ANNEX 1
CLAIMS AND RESPONSES**

No.	Claim	Response
1.	<ul style="list-style-type: none"> We, the civil society organizations and a number of affected citizens representing the area's population, hope that the negative effects resulting from this project are reconsidered and action taken to redress them in order to save the lives of the people and save the land and the water, flora and fauna resources from the dangers surrounding them. 	<p><i>In Management's view, the Project's monitoring and mitigation measures are adequate to prevent, minimize and mitigate any potential adverse environmental and social impacts resulting from construction and operation of the Project.</i></p> <p><i>Management considers that the construction related impacts have been identified and are being appropriately mitigated by CEPC, and that this will continue to be the case during the operational phase.</i></p> <p>Bank supervision has been adequate despite the security challenges of the Egyptian Revolution, and Management has been responsive to the Requesters' concerns. The Bank has augmented its safeguards support to Egypt by hiring local as well as DC based staff to further support the energy portfolio. In addition, there have been concerted efforts to strengthen the social accountability channels existing within CEPC, such as the Social and Environment Facilitation Committee (later revamped as the Supreme Committee for Grievances) and the Project's Grievance Redressal Mechanism (GRM).</p> <p><i>Management has carefully reviewed the issues raised by the Requesters and notwithstanding our best efforts to fully assess negative impacts, limited harm occurred and is being adequately addressed. .</i></p>
Consultations		
2.	<ul style="list-style-type: none"> Since the start, there was no compliance with the required standards with respect to transparency about the negative effects resulting from the project. Furthermore, the mechanisms for consulting the population regarding the implementation of the project in a transparent and clear manner were not applied, rather the procedures of consultation were carried out in a vague and elusive manner with the 	<p><i>Management is of the view that consultations were conducted in accordance with OP 4.01 requirements¹ and informed Project design.</i> As documented in the ESIA and Resettlement Policy Framework (RPF) prepared by the borrower, as well as in Bank documents (specifically the Aide Memoires), consultations were carried out in two phases: (i) during the scoping phase to obtain views of concerned parties, local NGOs, and affected groups; and (ii) once the draft ESIA was finalized, to provide information about and obtain feedback on the final evaluation of the potential environmental and social impacts from construction and operation. In sum, the purpose of consultations was to ensure that the views of various</p>

¹ Section 9 of both the 2010 and 2011 ESIA (the ESIA was amended in 2011 to take into account the Additional Financing) describe Project consultations (ESIA 2010 p. 555; ESIA 2011 p. 605). These sections of the ESIA's also contain summaries of the issues raised. Annex A of both reports provides the list of attendees. Copies of the press advertisements in Al Ahram Newspaper (October 7, 2009; December 30, 2009; March 30, 2011) and the invitations that were sent out are in the Annexes to the ESIA's.

No.	Claim	Response
	<p>aim of approving the project without taking the views of the population affected by the project in an effective and real manner, a matter which pushed us to address the World Bank office in Cairo.</p>	<p>stakeholders and interests of all parties were heard during the scoping as well as the ESIA phase. Several consultations² were advertised and conducted for the Additional Financing of the Project. The invitee lists for the public scoping sessions³ include NGOs, ordinary citizens, journalists, farmers from the neighboring villages, etc. Each time, the public was informed by press advertisement in Al-Ahram Newspaper, which is the most widely distributed and read newspaper in Egypt, describing the Project and inviting interested parties to attend the scoping meeting, and by the distribution of an invitation and a leaflet summarizing the main concerns of the ESIA study (in Arabic).</p> <p>To maximize participation and to ensure a wider audience, invitations were also sent out to various parties. For instance, for the October 21, 2009 consultation, 114 invitations were issued for the Public Scoping, which 116 persons attended,⁴ including from the Environmental Affairs Agency – EEAA; Egyptian Electricity Transmission Company – EETC; Egyptian Electricity Holding Company – EEHC, Power Generational Engineering and Services Company – PGESCO; Egyptian General Petroleum Corporation – EGPC; Egyptian Natural Gas Holding Company – EGAS; General Authority for Fishery Development, Ministry of Agriculture; Egyptian General Authority for Shore Protection; Research Institutes for astronomy, air, pollution, water quality; professors of university in engineering and ecological studies; 6th of October Governorate; Local people’s council of 6 of October Governorate and Imbaba; NGOs; citizens; and news reporters. For the January 11, 2010 consultations, of the 128 invited participants, 114 attended.</p> <p>Issues raised by various stakeholders are summarized in the ESIA and relate to the main categories of air quality, aquatic ecology, canal bank line and canal bed morphology, noise, hazardous waste, traffic, socio-economic issues (related to employment and demand for local services) as well as land acquisition/compensation (in case of land acquisition, for transmission line towers and gas pipeline).</p> <p>In addition, meetings with targeted groups were held with some potentially affected communities to take their specific viewpoints into consideration, in order to improve Project viability, as noted in the 2010 ESIA and ESIA summary. Thus,</p>

² A Public Scoping Meeting was held on October 21, 2009 in the 6th of October Governorate. Communities and other stakeholders were informed through press advertisements such as in Al-Ahram newspaper and through distribution of invitations. A second Public Consultation Meeting was held on January 11, 2010 also in the 6th of October Governorate. For the latter, invitations were sent out, as well as a copy of the Non-Technical Summary (in Arabic) describing the context of the power plant, the technology employed, the impact on the environment and the mitigation measures in the ESMP.

³ Giza North Environmental and Social Impact Assessment, Annexes on Consultation Activities and other Annexes, January 2010.

⁴ 2010 ESIA Consultation Summary Annex.

No.	Claim	Response
		<p>meetings with targeted groups were held with fishermen along the El-Rayyah/El-Beheiry Canal about 5 km from the Project site, the El-Katta area representatives, Imbaba and Menshet El-Qanater District Administration, active NGOs, and youth centers.⁵</p> <p>During the Bank's June 2012 mission, villagers that were interviewed confirmed that invitation flyers for the public consultations were distributed by CEPC at the village level. Specifically, the Sheikh of the Abu Ghalib Mosque distributed flyers to attend ESIA consultations. According to this Sheikh, these consultations were well attended (at least 200 people was the figure cited). Additional community interviews also confirmed that often representatives (nominated elders, or other respected parties) were sent to the consultation sessions to represent the interests of the village. Local NGOs (such as the Community Development Association of Katta Village) and mosques were also some of the main means of receiving information back about the Project.</p> <p>Assessment of Alternatives. The current site selection is based on an assessment of alternatives of two other sites (Nubaryyah and Kom Hamada), which is fully documented in the Project's ESIA Report. The other site options were rejected for reasons of parcel size, proximity to road, water, transmission and gas lines. Other advantages of the current site include minimal additional infrastructure requirements, the availability of local workforce from the 6 of October and Giza Governorates, which would avoid the need for a workers colony, and no need for involuntary resettlement.⁶</p>
Construction Impacts and Compensation		
3.	<ul style="list-style-type: none"> • Damage to agricultural land and crops of farmers in the lands adjacent to the North Giza Electric Power Plant project's area, because of the destruction of the groundwater environment as a result of this project. The draining of the artesian water whose impact was drying up of water wells of the farmers, which was reflected in the destruction of farmers crops. Also as a result of the drying up of wells the farmers resorted to the water of the agricultural drainage, which is not fit to irrigate lands due to the high levels of sodium and chemical 	<p>Management notes that impacts on groundwater levels during the construction stage of the Project were temporary and narrow in scope. The groundwater table was restored by April 2013.</p> <p>The impacts due to temporary lowering of the groundwater table were mitigated and compensation was offered to all complainants known to CEPC.</p> <p>Claims of damage to agricultural lands and crops have not been substantiated by groundwater impact assessment or the Cairo University Groundwater and Agricultural Monitoring Report.</p> <p>The ESIA indicated that groundwater impacts during construction would be minimal. Nevertheless, a baseline assessment of the groundwater table was conducted by CEPC and continuous groundwater level monitoring in 22 observation</p>

⁵ See 2010 ESIA Executive Summary, section 8.1 on Public Consultations.

⁶ Noted in the 2010 ESIA and ESIA Executive Summary. See section 5.4.

No.	Claim	Response
	<p>elements, a matter which negatively reflected on the fertility of the agricultural soil and resulted in a reduction in the productivity of the agricultural land in the short term and what could possibly be the barrenness of agricultural land in the medium term.</p> <ul style="list-style-type: none"> • There are many other damages caused by constructing the project including the adverse effects on the owners of artesian wells, used to irrigate the agricultural land due to the draining of artesian water, the consequences of which included material damage to the lives of the owners of those wells and drought of the farmland that was irrigated from these wells (see Table No. 3 for the names of some affected owners of wells). 	<p>wells started in October 2011, (i.e., 4 months before the start of dewatering) and will continue in the future.</p> <p>Three site visits were conducted by the Bank's senior groundwater expert and three separate groundwater impact assessments were made: two internal assessments by CEPC⁷ and the Bank,⁸ and one independent study by Cairo University, the <i>Giza North Power Plant Groundwater and Agricultural Monitoring Report</i> (April 2013).⁹ The impact on groundwater during construction was limited to the temporary lowering of the groundwater table; which was quickly mitigated by making piped water available, thus enabling farmers to maintain an adequate supply of water for irrigation and drinking during the construction phase. Evidence from site visits as well as a farm survey conducted by Cairo University for the <i>Groundwater and Agricultural Monitoring Report</i> revealed that no crops suffered from lack of water.</p> <p>The assessments confirm that:</p> <ul style="list-style-type: none"> ▪ The construction activities temporarily impacted the groundwater levels but the impact was localized around the plant boundary, and no impacts are anticipated during the operational phase of the Project; ▪ The groundwater table returned to its initial levels in April 2013; ▪ The groundwater level near the southeastern boundary dropped by 6.0 m but this impact reduced rapidly with distance from the pumping area. At the northern limit of the construction site, the impact was limited to a drop of only 1.5 to 2.0 m meters from the pre-construction levels to depths around 10 meters below ground level. Most farmers' wells in the neighborhood have depths between 25 and 70 m and are hardly affected by similar variations in groundwater levels; ▪ Problems faced by surrounding farmers were mostly related to limitations of the pumps, resulting in reduced pumping volumes with lowered water levels. CEPC responded by implementing a range of mitigation measures including: <ul style="list-style-type: none"> (i) direct supply of irrigation water by three pipelines; (ii) upgrade of submersible pumps and lowering of well intake, cash payments or a combination thereof; and (iii) drilling of 5 new wells, equipped with submersible pumps, to supply farmers not directly affected by the

⁷ Cairo Electricity Production Company (CEPC). Giza North Power Plant. Neighborhood Complaints and Environmental Issues. May 23, 2012.

⁸ Giza North Power Plant: Neighborhood Complaints – Groundwater related issues. The World Bank October 2012.

⁹ *Giza North Power Plant, Ground Water and Agriculture Monitoring Report*, Cairo University, April 2013. Ministry of Water Resources and Irrigation, National Water Research Center, Water Resources Research Institute.

No.	Claim	Response
		<p>construction activities.</p> <p>In total, one hundred and four farmers¹⁰ received piped water, cash and/or other forms of compensation to address groundwater impacts.</p> <p>The Bank team in its interactions with farmers did not find any justification for the use of drainage water due to depletion of the groundwater table pumped from wells. CEPC has implemented a robust monitoring plan of the groundwater. Verification of the well of a farmer who claimed to have to use drainage water as a result of falling groundwater levels proved that the well operated correctly after closing one of the valves left open.</p> <p>After completion of construction activities, all 45 sand drains that were constructed by CEPC to ensure proper dewatering have been filled with cement plugs to ensure the integrity of the aquifers. Of the 16 wells operating at the start of dewatering in February 2012, one of them remains temporarily in operation as of April 2013, at the request of the farmers, for the free provision of piped water, which would otherwise be pumped at the farmers' expense (as was the case before Project construction).</p> <p><i>As a result of the mitigation measures described above, Management does not agree that material damage has occurred to the livelihoods of owners of land and wells in the neighborhood of the proposed plant.</i></p>
4.	<ul style="list-style-type: none"> In addition, the draining of artesian water and drying water out of the wells have resulted in drought to the cultivated crops, resulting in a lot of material losses, whether in terms of land or crops (see the reports and complaints received in this regard in the Exhibits Nos. 1 and 2), in addition to the material and technical costs, since the land and crops will need to be restored because of the damage inflicted (see the technical and police reports on drying of the crops and the problems caused to the agricultural land in the Exhibits Nos. 1 and 2). 	<p><i>The fact-finding missions by the Bank's groundwater expert, CEPC assessments and the Cairo University Groundwater and Agricultural Monitoring Report (including the farm survey) have confirmed that no wells have dried up during the construction phase, and as a result of the implementation of mitigation measures, at no time during the dewatering period has there been any evidence of crop loss or drought conditions arising from the temporary and localized lowering of the groundwater table.</i></p> <p>The Cairo University <i>Groundwater and Agricultural Monitoring Report</i> concludes that CEPC adequately addressed the impacts by providing farmers with water via pipeline from the dewatering system to irrigate their lands. Other farmers were also compensated for their loss by drilling new wells. The report concludes that the construction activities do not represent any source of harm to the trees within the surrounding farms. According to the report:</p> <ul style="list-style-type: none"> There is no evidence of lack of irrigation water or damage to trees as a result of inadequate water supply; and The survey revealed no evidence of drying up of wells or lack of irrigation water. The farmers' complaints are

¹⁰ Breakdown is available in Annex 6.

No.	Claim	Response
		limited to the lowered groundwater levels with no visible drought signs on the trees.
5.	<ul style="list-style-type: none"> In the same context, the study on the Environmental and Social Impact Assessment (ESIA) which was prepared by the Engineering Office of the North Giza Company did not address these kinds of problems associated with shortage in artesian water during the project construction. 	<p><i>The 2010 and 2011 ESIA address the temporary construction related impacts on groundwater, and these were supplemented by assessments by CEPC and by the Bank as soon as reports of impacts were received, to assess the situation and monitor follow-up measures.</i></p> <p>These assessments were complemented by the Cairo University <i>Groundwater and Agricultural Monitoring Report</i>. CEPC monitored groundwater levels in 22 observation wells 4 months prior to start of the dewatering and will continue to do so in the future. CEPC has taken extensive measures to mitigate this impact, by supplying affected farmers directly with irrigation water and compensating them with cash, well repair/drilling and/or pumping equipment (see Annex 6).</p>
6.	<ul style="list-style-type: none"> Noncompliance by the North Giza Electric Power Company with the requisite standards as regards the necessity of respecting the sanctity of the road to the agricultural drainage canal of the land and the takeover of this road by the Company without compliance to the laws pertaining to this. In this regard, this will have many adverse impacts on the land and water environment for the farmers and will consequently result in substantial material damages. Agricultural water drainage canals are considered a necessity to drain excess water from the soil, and the absence of such canals leads to the deterioration of agricultural land and the reduction of its fertility due to increased salinity in the ground which disturbs the soil alkaline and acid balance. It was thought that the construction of the North Giza project for the production of electric energy would not infringe on the road leading to the only agricultural drainage canal surrounding the agricultural land. In a subsequent elaboration provided to the Inspection Panel, the Requesters' 	<p><i>Management has been unable to identify any restriction on the accessibility or functionality of the El-Beheiry Canal or any rural drainage canals caused by the Project, and the Requesters have not substantiated their claim, as requested in Management's letter of June 25, 2012.</i></p> <p>The Requesters claim that the Project is not in compliance with the requisite standards ensuring proper access to agricultural drainage canals, by not respecting: (i) the "sanctity of the road to the agricultural drainage canal;" or (ii) the mandatory buffer zone around drainage canals. While the Notice of Registration refers to the El-Beheiry Canal, the original complaints and part of the Request seem to refer to a small private rural drainage canal located on the eastern side of the Project site. The following addresses both the El-Beheiry Canal and the private rural drainage.</p> <p>The rural drainage canal located on the eastern side of the Project site is a privately built channel that is not part of the public drainage network. The Egyptian Irrigation Law¹¹ only imposes buffer zones for public canals planned and maintained by the Irrigation Authority and not for private drainage canals. Management had asked¹² for additional information on the alleged 8 m buffer zone from some of the Requesters, but this has remained unanswered. That being said, a boundary wall built around the Project site is in fact located approximately 2.5-5 m from the rural drainage canal located on the eastern side of the Project site. This rural drainage canal is unaffected as there are no restrictions in continuing to use the existing accessible and rural road running along its eastern bank, nor was any access road to this drainage canal affected as a result of Project</p>

¹¹ Egyptian Irrigation and Drainage Law, dated May 28, 1990.

¹² Letter dated June 25, 2012 from the Acting Country Director for Egypt to the four farmers and three NGOs who had signed the May 16, 2012 letter sent to the Country Director for Egypt.

No.	Claim	Response
	<p>representative stated that the El-Beheiry Canal is used to drain excess agricultural water and the law requires that it maintain an 8m buffer on each side. The Requesters' representative stated that the implementing agency had used the buffer to construct the perimeter wall for the power plant and this construction was interfering with the drainage function of the canal. The Requesters state that if water is not drained properly from their agricultural lands, it may lead to a reduction in soil fertility.</p>	<p>boundary construction.</p> <p>The El-Beheiry Canal is a large public irrigation canal with a width of nearly 90 meters near the Giza North construction site. The construction of the water intake structure does temporarily reduce the width of the El-Beheiry Canal but the construction activities do not interfere in any way with the drainage or shipping functions of the canal. The Irrigation Law imposes a 50 m buffer zone for these types of irrigation canals. The fence of the Project site is located at more than 50 m from the El-Beheiry Canal, from which it is separated by an existing public road. This public road was temporarily rerouted and then restored in March 2013 with the requisite authorizations.¹³ This rerouting applied to approximately 80 m of the existing road during the construction of the Intake/Offtake system for the power plant. While the existence of the Project itself and the temporary rerouting of the public road unquestionably slowed down traffic, it did not prevent access to the El-Beheiry Canal by the local farmers.</p> <p>There is no evidence that the perimeter wall “is interfering with the functioning of the nearby drainage canal,” therefore the claim of “adverse impacts on the land and water environment” is not substantiated.</p>
7.	<ul style="list-style-type: none"> The construction of a very high fence for the Company and the consequential adverse effects on the land and plants because of holding back the air currents that help in pollination of agricultural crops, and to get rid of the dust that is being generated by Project construction, as well as blocking sunlight, which will result in rendering the agricultural land barren. 	<p><i>Management has reviewed the matter and there is no evidence that temporary shading would have adverse impacts on agricultural yields. Management has also confirmed that the perimeter wall was built in accordance with perimeter wall specifications within Egyptian regulations.¹⁴</i></p> <p>It is highly unlikely that the four meter height (EEHC standard) as measured from the inside of the perimeter wall (and at places, 7 m as measured from the outside), would have any adverse effects on adjacent farmland, in particular when taking into account the 2 m buffering zone with neighboring properties.</p> <p>During the May 2012 Bank mission, meetings were held with PGESCO, the construction company which has developed more than 15 power plants for the same holding company. According to PGESCO, there are specific height and security requirements including that the perimeter wall should not be penetrated from the inside or the outside. PGESCO informed the Bank mission that government noise regulations and the company's</p>

¹³ Authorization from the General Authority for Roads, Bridges and Inland Transportation, The First Central Zone to the president of the Board of Directors of CEPC, dated June 9, 2011; Authorization from the General Authority for Roads, Bridges and Inland Transportation, The First Central Zone to the president of the Board of Directors of CEPC, dated April 29, 2012; Authorization from Giza Traffic Authority to CEPC, dated January 6, 2012 (renewed in April 2012, July 2012 and October 2012).

¹⁴ The Executive Summary of the 2010 ESIA notes that “Once EEAA (Egyptian Environmental Affairs Agency) has approved the project, a license to proceed can be issued. No additional environmental or social clearances are required other than the EIA approval to proceed with project activities,” pages 18/19.

No.	Claim	Response
		<p>requirements on security related to perimeter walls were followed.</p> <p>The shading effect from the perimeter wall is only partial and all adjacent trees or crops receive sunlight during the day sufficient for normal plant growth. During the May 2012 mission, the Bank interviewed communities specifically regarding the perimeter wall, during which the benefits of the perimeter wall were highlighted by interviewees regarding protection from wind and noise and increased security. At the request of some farmers, the wall is not continuous and has a few openings as some of the Requesters have not allowed construction adjacent to their lands. It is estimated that over eighty five percent of the perimeter fence is completed. There is little effect on the flow of air currents and the claim that pollination might be affected is not validated.</p>
8.	<ul style="list-style-type: none"> The damages caused by direct spotlights on the agricultural crops, in addition to effects of dust and waste on cultivated crops. 	<p><i>The Groundwater and Agricultural Monitoring Report reviewed the matter and has found no evidence of adverse impacts caused to crops from spotlights.</i> Crops and trees can easily adapt to bright lights at night (as evidenced by healthy trees in urban settings or the far northern hemisphere). The only potential damage that spotlights could cause is due to excessive heat, but this would affect only trees that are touching or very close (less than 1 meter) to the source of light, which is not the case for any of the spotlights installed in the Project site.</p> <p>Construction impacts related to dust are noted in the ESIA along with mitigation measures. In addition to the Bank's requirements under OP 4.01, the Project – as noted in the ESIA – followed established guidelines of the Pollution Prevention and Abatement Handbook.¹⁵ Regarding the issue of dust, a comparison of the results from measurements prior to Project construction with the current results does not indicate a clear increase due to Project activities. The total dust level as measured currently on a continuous basis is within the limits. The Cairo University <i>Groundwater and Agricultural Monitoring Report</i> concluded that the impact of the total dust level on crops is expected to be very minor and could be easily washed off. As for waste, some plastic bags and other waste has ended up on land just adjacent to the construction site before completion of the boundary wall.</p> <p>Management notes that the completion of the boundary wall will stop any possible impacts from waste and dust.</p>
Anticipated Impacts		
9.	<ul style="list-style-type: none"> The harms resulting from the operation of the Company in the future, including the company's 	<p><i>The air quality will be monitored continuously during operation and the monitoring results will be made available to the local community. The potential future impacts have been reviewed and assessed, and mitigation measures contained in</i></p>

¹⁵ Noted also in the Executive Summary of the 2010 ESIA, page 21.

No.	Claim	Response
	chimneys and their impact on agricultural land and crops.	<p><i>the ESIA aptly address them.</i></p> <p>It is pertinent to note that the chimneys for the proposed plant are the standard for power plants and that the plant will use natural gas as the primary fuel, with light fuel oil on a limited basis. The power plant is expected to fire light fuel oil for less than 2% of the operating time (in emergency situations), and is expected to continue to be in compliance with the applicable air quality standards. Since the plant is primarily gas fired, emissions of particulate matter, nitrous oxide and sulphur dioxide during normal operation of the plant will be very low and within the acceptable legal limits, using Egyptian and Bank benchmarks, as illustrated in the ESIA.</p>
10.	<ul style="list-style-type: none"> The towers that will be built on the agricultural land and the access roads thereto and their destructive impact on the agricultural area. In a subsequent elaboration, the Requesters' representative said that they feel that taking of agricultural land should be minimized to avoid negative impacts on the food security of the agriculture-dependent communities. The Requesters believe non-agricultural land should be acquired to construct associated Project infrastructure such as roads and towers. 	<p><i>Any land acquisition for the Project is occurring in line with relevant Bank policies and the Project specific RPF and Resettlement Action Plans (RAPs) as applicable.</i></p> <p>For the transmission lines, Management notes that the Project makes all efforts to avoid human settlements, buildings and trees. This is in compliance with Egyptian legal requirements concerning the buffer zone (Right of Way) of the transmission lines. The routing strategy for the transmission lines does not avoid agricultural lands but the impact on these lands is of temporary nature limited to the construction phase (7-10 days); and limited to the towers' foundation and access roads. The footings of the towers are small – about 60 percent are suspension towers with footings 15x15 m in size. It should be noted that tower footings are no longer concreted as was the case in the past thus this also serves to minimize impacts on agricultural lands. The distance between successive towers is approximately 500 meters so this also helps minimize impacts on land and crops. Once the towers are built, there is no restriction on growing traditional crops; restrictions are limited to high trees under the transmission lines. While only one season of farming is considered as affected, farmers are compensated for 20 years.</p> <p>To address potential adverse impacts on lands owned by individuals or communities, the RAP has been prepared, translated and disclosed for the transmission line.</p> <p>More generally, the use of land for this Project has been approved by the relevant Egyptian authority, the Ministry of Agriculture.</p>
11.	<ul style="list-style-type: none"> The high-voltage lines and the implications thereof to public health. 	<p><i>Management carefully reviewed these concerns and has concluded that the scientific consensus states no known health impacts can be linked to electromagnetic exposure to</i></p>

No.	Claim	Response
		<p><i>high voltage lines such as those to be constructed under the Project.</i>¹⁶</p> <p>The Requesters express concerns about potential public health impacts stemming from the high voltage lines in connection with the Project. The Request, however, is unspecific as to the nature of such alleged health impacts. Management is of the view that the Requesters may be referring to the discussion about potential impacts from exposure to electromagnetic radiation stemming from power lines. In Management’s view the Requesters’ concern is based on perceived risks which are not supported by the evidence.</p> <p><i>Internationally recognized radiation protection agencies and national health agencies have reviewed the scientific literature and evidence available and have concluded that evidence is insufficient to establish a definitive causal relationship between low frequency magnetic field exposure and increased incidences of cancer and other illnesses.</i>¹⁷ The World Bank Group Environmental Health and Safety Guidelines (Electric Power Transmission and Distribution) state that: “<i>Although there is public and scientific concern over the potential health effects associated with exposure to [electric and magnetic field] EMF (not only high voltage power lines and substations, but also from everyday household uses of electricity), there is no empirical data demonstrating adverse health effects from exposure to typical EMF levels from power transmissions lines and equipment.</i>” The Guidelines further state that “<i>However, while the evidence of adverse health risks is weak, it is still sufficient to warrant limited concern.</i>” Thus, the transmission lines have been designed and routed so as to keep the minimum distance from any building and ground as per industry standards</p>

¹⁶ Extensive epidemiological and laboratory research has been conducted over the last 15 years on the biological and health consequences of exposure to Extremely Low Frequency (ELF) EMFs. Some epidemiological studies have found weak associations between exposure to power-frequency EMFs and some forms of cancer, such as leukemia; while other studies have failed to find such associations. The primary limitation with most epidemiological studies has been with the methods of exposure assessment. Rigorous methods of exposure assessment that can be associated with biological effects are clearly needed. Epidemiological studies also continue to suffer from significant methodological difficulties associated with the effects of confounding factors. These difficulties hinder interpretation and acceptance of epidemiological findings. Laboratory studies have noted a wide variety of interesting biological effects resulting from exposure to power-frequency EMFs. The most significant and replicated findings are an apparent change in ion efflux at cell membranes in response to limited ranges and intensities of ELF electric fields, an effect of ELF magnetic fields on melatonin production, and effects on enzyme activity. Several concerns exist with regard to the laboratory findings. One concern is that the field strength used is often orders of magnitude greater than commonly encountered in the home or office. Another concern is that much of the laboratory evidence remains to be independently confirmed. Lastly, a credible mechanism by which commonly encountered (milligauss) power-frequency EMFs could produce human health effects such as cancer still needs to be developed. Thus, the significance of the laboratory findings to human health is questionable. (Engineering in Medicine and Biology Magazine, IEEE, Jul/Aug 1995, Author(s): Bren, S.P.A., Volume: 14, Issue: 4, Page(s): 370-374).

¹⁷ Internationally recognized radiation protection agencies and national health authorities such as the International Commission on Non-Ionizing Radiation Protection (ICNIRP), the World Health Organization (WHO), the British Health Protection Agency, Health Canada or the German Commission on Radiological Protection concluded that there is no proof of a connection between everyday life exposure to magnetic fields and an increased incidence of cancer in adults.

No.	Claim	Response
		and practice.
12.	<ul style="list-style-type: none"> Problems arising from the operation of the plant in the future, especially the waste which will be channeled directly into the Nile water and the potential consequent destruction of water and fish resources and denying the farmers and population access to safe drinking water and irrigation at the same time, as well as the future consequential risks related to human health, and also to animal and plant resources. They fear air and water pollution from the Project in the future. 	<p><i>Management notes that waste and wastewater management were appropriately assessed and addressed in the ESIA, and adequate monitoring and mitigation measures are in place. There are no plans to channel waste or untreated wastewater directly into the Nile River.</i></p> <p>The ESIA 2011 indicates that: “Wastes generated at and by the plant will be evacuated from the site by licensed contractors. Final disposal of wastes will be to waste treatment plants or local landfill sites, as agreed by the relevant Competent Administrative Authority.” Mitigation measures related to solid waste management are as follows:</p> <ul style="list-style-type: none"> All waste taken off site will be carried out by a licensed waste contractor and CEPC will audit the disposal procedure; All solid waste will be segregated into different waste types, collected and stored on site in designated storage facilities and areas prior to release to off-site disposal facilities; All relevant consignments of waste for disposal will be recorded, indicating their type, destination and other relevant information, prior to being taken off site; and Standards for storage area, management systems and disposal facilities will be agreed with the relevant parties. <p>The 2011 ESIA also confirms that: “A waste water treatment facility on the site will treat liquid wastes and produce effluents suitable for discharge into the Nile River.” The treatment plant will be of sufficient quality to ensure the discharged water is within Egyptian and World Bank guidelines (refer to Table 2-6 of the ESIA).</p>
No Tenants on Acquired Land		
13.	<ul style="list-style-type: none"> No recompense was provided to the tenants who have been evicted from the land on which the project was constructed, after having been evicted from the land on which they have been working for many years, ranging from 10 to 40 years. 	<p><i>Based on an extensive review of the available information, Management has concluded that no tenants were present on, or were evicted from the power plant site at the time of purchase of the lands from a private owner.</i></p> <p>All available documentation (2010 and 2011 ESIA's plus Executive Summaries; reporting by Bank staff; farmer interviews, plus Google Satellite research covering eight years prior to construction) is conclusive that no tenants were on the lands where the power plant is located.</p> <p>During the December 2012 mission, an interview was conducted with a farmer whose ancestors (many generations) lived adjacent to the site where the power plant is now located. This interview provided a detailed history on the nature of land ownership across several generations, including data on the final owner who sold the lands to CEPC on a willing-buyer, willing-seller basis. The farmer stated that the land use under all owners was for plantation style cultivation (mainly mango and citrus) and confirmed that no one lived on the lands where the</p>

No.	Claim	Response
		<p>power plant is located.</p> <p>The ESIA and supporting data show that power plant lands were purchased at a commercially negotiated value of 37 million Egyptian pounds from one private owner.¹⁸ A notarized land transfer from the original owner to the President of the Board of Directors of CEPC, for the amount of LE 36,094,010 and dated March 22, 2009, was reviewed by the Bank.¹⁹</p> <p>The 2010 and 2011 ESIA's (Section 6.9.3) both note that the plantations were being managed by four farm employees of the owner, who were salaried and were not beneficiaries of the annual farm revenue. In addition, seasonal laborers were brought in on-demand for harvesting or digging the soil. These four farm workers (belonging to two families) had similar jobs in the surrounding farms at the time and were identified as also being eligible for employment at the site during construction. Management has established that these four workers on the site (prior to purchase by CEPC) do not meet the definition of tenants since they did not reside on the acquired lands. It has been established that upon purchase of the lands, CEPC hired all four as agricultural workers, for a period of about two years, until civil works began. Their respective ages rendered them ineligible for employment according to CEPC rules, but their relatives were offered positions. .</p> <p>During the July 2012 mission, the Bank used Google Satellite Imagery for the period 2003-2011 (till start of construction) and site visits to verify that there was no evidence of tenants on the Project land.</p> <p><i>Management further notes that Bank archival data from August 2009, along with recent interviews with the social and environmental specialists who were on the preparation team, confirms the information that there was no evidence of tenants, squatters or encroachers on the site.</i></p> <p><i>Land Acquisition for the Power Plant: As noted above, the land for the Project site was purchased by CEPC from one private owner in 2009 at a commercially negotiated value, also known as a "willing-buyer, willing-seller" transaction.</i></p>
14.	<ul style="list-style-type: none"> We submitted a letter on 05/16/2012 containing the complaints of the people harmed by the implementation of the project, whereupon some officials of the Company contacted us, but after two sessions of dialogue we have not reached anything on the abuses 	<p><i>The Bank has supported CEPC to strengthen its Project Level Grievance Redressal Mechanism (GRM).</i></p> <p>While very good access to Project level information and channels for handling complaints have always been available, the Bank has worked closely with CEPC to strengthen its GRM based on international good practice standards.</p> <p><i>The May 2012 Bank mission undertook a review of CEPC's</i></p>

¹⁸ Executive Summary ESIA Final Report, Volume – II (A) January 2010, p. 9.

¹⁹ The relevant sections of the ESIA pertaining to the lands of the power plant site are on pages 11, 116-117 of the 2010 ESIA and pages 116-117 of the 2011 ESIA.

No.	Claim	Response
	<p>which impacted the population. Meanwhile, we had agreed with company officials in the session of 07/07/2012 to establish a cooperation protocol with the project management to organize for a process to examine the complaints from those harmed by the project and work towards their solution, but this did not happen.</p>	<p>systems for handling complaints. This review was undertaken with CEPC and separately with community members. From CEPC, the Bank mission gathered the following facts: CEPC has six staff designated to answer questions, including an officer designated as the “Environment and Society” focal point. These persons receive construction and other forms of complaints. It should be noted that such staff were from immediately adjoining villages, thus community members are well known to them. The Bank was informed that the typical mode of communication between CEPC and communities was face-to-face or by mobile phone.²⁰ The Mayor’s offices as well as local NGOs were also cited as intermediaries that were used.</p> <p>Community/farmer interviews from the May 2012 mission indicated that specific modes of addressing grievances were in place including approaching internal leaders (the local NGOs, mosques, and other respected persons). CEPC was also approached directly by villagers to address Project complaints. When the drop in the water table occurred, community members reported that they contacted a local NGO (Community Development Association or CDA) to represent their interests, and thereafter meetings were held via the CDA and mosque to ascertain how many people were affected.</p> <p>When such processes (described as more informal and ad-hoc), were not effective, villagers reported that they did not hesitate approaching formal authorities and registering complaints. The Katta Village (via the CDA) registered the water drop complaint with three sources: (i) the Council Level Police Station; (ii) the City Council Head; and (iii) the Head of CEPC. Such measures supported the handling of complaints specific to the water table drop.</p> <p><i>Building on CEPC’s commitments to ensuring good relations with communities and managing grievances as they arise, the Bank has supported CEPC’s in-house complaints handling system to bring it into closer alignment with international best practice standards.</i> These relate to principles of accessibility, predictability, fairness, capability and feedback loops. A one-page leaflet in Arabic, explaining the GRM in simple terms, was disseminated to neighboring communities.</p> <p>To ensure clarity on the availability and purposes of the more systematized GRM proposed by the Bank following the May 2012 complaint, meetings between Project management and the workers from Katta and Abu Ghalib villages were arranged on the Project site. The Project Manager and the two CEPC Acting Social Officers (assigned by Decree in January 2013) distributed information and explained the steps of the GRM.</p>

²⁰ According to one NGO representative, he had “communicated with the CEPC about 40 times in 4 months” due mainly to the water shortage issue. Many of the villagers interviewed – including two of the May 2012 complainants – informed the Bank that they had the mobile phone of CEPC’s Social Facilitation Officer.

No.	Claim	Response
		<p>The CEPC Acting Social Officers provided a leaflet to the two information centers (youth centers) to be announced on the information board and hard copies were made available for the public and also distributed through mosques in the villages. Minutes of meetings and photographs are available documenting these.</p> <p>In addition, plant workers who live in the adjoining two villages received hard copies of the leaflets and were asked to distribute them to the residents in their villages and explain the process.</p> <p>During the mission of March 13, 2013, the Bank team met one of the four farmers who made the May 2012 complaint to explain the objectives of the GRM mechanism. It was emphasized that the aim is equal and transparent access to the system. Copies of the GRM leaflet were left with the farmer who was asked by the team to distribute them to other villagers.</p> <p><i>Management believes that the specifics of the GRM's design will formalize the accountability process. The system will be adjusted as needed with support from technical experts to ensure it is specific to the local socio-cultural context.</i></p> <p>The September 2012 Aide Memoire clearly defines the step by step process for written as well as verbal complaints.</p> <p><i>Management is of the view that the post Egyptian Revolution context necessitates much greater attention to social accountability mechanisms and considers that CEPC will serve as a model of client-community engagement and the GRM process, further emphasizing the importance of accountability systems. Management notes its firm support of these processes.</i></p>
Proactive Response to Requester's Claims		
15.	<ul style="list-style-type: none"> • Inspection [in May/June 2012] of the Department of Agricultural Reform in Giza and Abu Ghalib Agricultural Society [following complaint from farmers in] Abu Ghalib that they suffered damages by lack of water cause by the North Cairo Electricity Company. • The lands of the complainants are located in the Basin of Sheikh Khairallah in Abu Ghalib district. • From the inspection, it was found that the complainants' land is planted with citrus / grapes / peanuts / tomato. • From the inspection, it was found that all crops were affected by lack 	<p><i>Management has strengthened Project Supervision</i>, including by hiring two new senior social safeguards specialists, one based in Cairo and the other in Washington; strengthening communications; focusing on more regular and field based monitoring, and enhanced reporting requirements for environmental and social aspects of projects.</p> <p>The fact-finding missions in June and July 2012 showed that the impact of construction activities on groundwater was limited and adequate mitigation measures had been put into place by CEPC (see also response to Item 1).</p> <p>None of the visited farms suffered from lack of water. The well of one of the complainants was tested on June 4, 2012 and was operating correctly after closing an air valve that had been left open.</p> <p>Finally, as observed in the May/June Aide Memoire (2012), a number of security incidents resulted in blocked access to the site, stopping of construction of the security wall, and stopping of construction. This culminated with destruction of property on</p>

No.	Claim	Response
	<p>of water. There are some trees with dry branches and the tomato plants clearly show dried leaves with no fruits due to the lack of water. There were no alternative wells for irrigation wells, as their wells were dried out of water because the Company has drilled giant wells and withdraw the water from the surrounding area of the complainants' land.</p> <ul style="list-style-type: none"> • During the inspection, the Committee preview has run the artesian irrigation machines but no water came out of the pipes. Also during the inspection, all plants in the cultivated land were not irrigated. • The Company has drilled the wells and the crops were affected by the lack of water. 	<p>December 31, 2011. In early February 2012, a public meeting organized by CEPC and attended by the neighboring communities appears to have calmed the situation.</p>

ANNEX 2

LIST OF TECHNICAL SUPERVISION MISSIONS 2010-2013

- **July 13–22, 2010:** Lead Energy Specialist, Infrastructure Specialist, Sr. Energy Specialists (3), Sr. Procurement Specialist, Regional Safeguards Adviser, Program Assistant
- **Sept. 26–Oct. 7, 2010:** Sr. Energy Specialists (5), Lead Infrastructure Specialist, Infrastructure Specialist, Energy Specialist, Sr. Social Scientist, Sr. Procurement Specialist, Regional Safeguards Adviser
- **March 5–10 and April 17–21, 2011:** Director MNSSD, Lead Energy Specialist, Sr. Energy Specialist, Sr. Procurement Specialist, Sr. Financial Management Specialist, Sr. Social Scientist, Regional Safeguards Adviser, Infrastructure Specialist, Financial Analyst, Program Assistant
- **May 29–June 9, 2011:** Lead Energy Specialist, Sr. Energy Specialists (2), Sr. Procurement Specialist, Sr. Counsel, Sr. Finance Officer, Energy Specialist, Economist/Consultant, Environment Consultant, Lead Economist, Program Assistant, Team Assistant
- **June 2011:** Social Development Handover Mission
- **July 31–August 4, 2011:** Lead Energy Specialist, Sr. Energy Specialists (2), Sr. Procurement Specialist, Financial Management Specialist, Operations Analyst, Environmental Specialist/Consultant, Program Assistant,
- **October 9–11, 2011:** Manager, MNA Regional Procurement, Lead Energy Specialist, Sr. Energy Specialists (2), Sr. Counsel, Sr. Finance Officer, Sr. Financial Management Specialist, Procurement Officer, Program Assistant, Team Assistant
- **December 5-15, 2011 and January 17–18, 2012:** Lead Energy Specialist, Sr. Energy Specialists (2), Consultant/Solar Energy Specialist, Environment Specialist Consultant, Sr. Procurement Specialist, Lead Economist, Sr. Social Development Specialist, Sr. Infrastructure Specialist, Operations Analyst, Team Assistant
- **March 3–9, 2012:** Sr. Energy Specialists (2), Environment Consultant
- **May 17, 2012:** Sr. Energy Specialist, Environment Specialist
- **May 27–June 7, 2012:** Lead Energy Specialists (2), Sr. Energy Specialists (2), Regional Safeguards Advisor, Sr. Water Resources Management Specialist, Legal Counsel, Consultant/Environment Safeguards Specialist, Sr. Social Development Specialist, Communications Officer
- **July 1–3, 2012:** Lead Energy Specialists (2), Sr. Energy Specialist
- **July 9–12, 2012:** Sr. Water Resources Management Specialist, Sr. Energy Specialist, Sr. Social Development Specialist

- **Sept. 10–23, 2012:** Sector Manager, Lead Social Development Specialist, Lead Energy Specialist, Sr. Social Scientists (2), Energy Specialist, Communications Specialist
- **December 3–12, 2012:** Lead Social Development Specialist, Sr. Energy Specialist, Legal Consultant, Sr. Social Specialist, Sr. Water Specialist, Sr. Counsel, Environment Consultant
- **March 8–14, 2013:** Lead Social Development Specialist, Sr. Energy Specialist, Social Development Specialist, Communications Specialist, Consultant, Cairo Field Office

ANNEX 3

GIZA NORTH POWER PROJECT – BANK ENGAGEMENT WITH COMMUNITY POST MAY 2012 COMPLAINT

No	Type of Consultation	Where Held	Who was invited	Issues Discussed	Date	Documentation Available y/n
1-	Meeting with civil society organizations (CSOs) and youth centers in the Project area	Project site	<p>The mission met with the following NGOs/youth centers/CDAs in both El Qatta and Abu Ghalib villages:</p> <p>(1) The Sheikh of Abu Ghalib is a very respected and trustworthy community leader in the village and interacts directly with the company and mediates to help solve farmers' problems. He heads the Popular Committee of Abu Ghalib</p> <p>(2) Community Development Association of El Qatta</p> <p>(3) El Qatta Youth Association for Comprehensive Society</p> <p>(4) Youth Center of El Qatta</p> <p>(5) The Good Land NGO of Abu Ghalib</p> <p>(6) Youth Center of Abu Ghalib</p> <p>(7) Youth Center of al-Hager village.</p>	<ul style="list-style-type: none"> The mission discussed with CSOs engagement at community level and how each of those CSOs has served as a key link between the neighboring towns and villages and the Project implementing agency. Many CSOs held meetings for CEPC at their own premises. The head of the Youth Center of Abu Ghalib said that the Center hosted a seminar to explain to the community the Project in the presence of well-regarded scientists. The Center also organized for its youth members several site visits to the Project. Thus, the mission found that a number of other members of the neighboring communities felt positively about the Project, emphasizing such impacts as the direct and indirect job creation opportunities, increased land values. 	May 28, 2012	Registration list
2	Meeting with complainants	Complainant's house- Abu Ghalib village - near Project site	4 complainants and other neighbors	The Bank team listened to the complainants and visited their farms.	May 31, 2012	Registration list
3	Meeting with CSOs from Project area and workers from neighboring villages who are employed in the Project	Project site	CSOs, workers from neighboring villages	The mission confirmed that CSOs advocate on behalf of individuals and the community at large, including through mosques, local NGOs, respected elders nominated to attend meetings with the Project implementing agency, youth centers, national societies for local developments, etc. The meeting also included workers from 2 villages who	June 4, 2012	Registration list

No	Type of Consultation	Where Held	Who was invited	Issues Discussed	Date	Documentation Available y/n
				are employed at the Project. A farmer from El Qatta explained a sense of ownership of the Project not only for its national importance in terms of contributing to the increased reliability of electricity supply country-wide: “this is not only a project of a national interest; this is also our project, it will get us electricity and gas. Our sons are also employed here.”		
4	A follow-up meeting with 3 CSOs and complainants	Bank office	3 CSOs and farmers	In a follow-up to their complaints, the Bank mission concluded its visit by meeting with farmer and CSOs. The team discussed their meeting with CEPC and other stakeholders. They also discussed follow-up steps.	June 5, 2012	Registration list
5	A visit to the 4 complainants	Complainant’s house	4 complainants and relatives	In a follow-up to their complaints, the Bank submitted to the complainants and 3 CSOs a letter signed by the Country Director requesting more information from CSOs and informing farmers about next steps.	June 28, 2012	Signed letters by farmers / receipt of emails by 3 CSOs
6	Visit to youth centers	2 youth centers	Youth centers staff and managers	The Bank team visited 2 youth centers to ensure outreach to community and availability of information on community notice boards.	September 2, 2012	
7	Follow-up meeting with complainants	Complainant’s house	4 complainants and relatives	The team discussed ground water study, GRM process and next steps.	December, 2012	
8	Meeting with complainants about GRM	Complainant’s house	Complainant and brother	The Bank team informed and explained to the complainants the GRM process. The team also gave about 40 copies of GRM leaflet to complainants and requested to share with neighboring farmers so they can approach CEPC with their complaints.	March 13, 2013	GRM leaflets distributed

ANNEX 4

SUMMARY OF THE MEETINGS BETWEEN CEPC AND THE FARMERS AFTER MAY 2012

Type of Consultation	Venue	Participants categories & numbers	Main issues discussed	Meeting Date	Documents availability
Social Service	Project site	CEPC (3) Farmers (8) Mansheyet El Qanater Local City Council (2) Orascom (2)	Social Service related to fuel shortage: the Project helped the farmers to get in contact with the City Council to provide diesel for the operation of generators and the Project paid the diesel price to the City council.	19/05/2012	Documented in Arabic (2) ¹
Village committee selection	Project site	CEPC (3) Farmers from El Qatta and Abu (5)	Selection of Village Committee from El Qatta: Discussion of village members (representatives) to represent the village in communicating with the CEPC.	07/06/2012	Documented in Arabic (3)
Village committee selection	El Qatta village	Village residents (unspecified number)	Selection of Village Committee from El Qatta: Discussion among the families of El Qatta to select members in the village committee. CEPC did not participate but the meeting was documented and submitted to CEPC.	07/06/2012	Documented in Arabic (4)
Social Service	Youth center of Abu Ghalib	CEPC (19) Village residents (unspecified number)	Social Service: Abu Ghalib arranged a recreational activity day. The day included sports activities, honoring village students and submitting appreciation certificates to the CEPC team.	28/06/2012	Documented in Arabic (5)
Follow-up on complaints	Project site	CEPC (5) NGOs (4) Complainant farmers (4)	Follow-up on the complaints submitted to the Bank in May 2012: and the various relevant aspects (drainage right of way, perimeter wall heights, dewatering, towers and transparency/ consultation).	11/07/2012	Documented in Arabic (1)
Follow-up on complaints	Project Site	CEPC (8) Complainant farmers (4) CSOs and lawyers (2)	Follow-up on complaints: Discussion with the CSOs and the complainants' lawyers on the submitted complaints and about launching the agriculture report as a measure to study the submitted complaints.	13/10/2012	Documented in Arabic (10)
Village committee selection	Project Site	CEPC (5) Farmers from El Qatta (10) Mansheyet El Qanater Local City Council (1)	Village committee: Discussion with CEPC for changes in El Qatta village committee.	17/10/12	Documented as list not report. The topic of the meeting is from the memory of CEPC (6)
Requests for jobs and closing Project site	Project Site	CEPC (5) Community Committee of El Qatta (5) Farmers and other residents from El Qatta (5) Mansheyet El Qanater Local City Council (2)	Requests for jobs and closing the Project site: Discussion with the Requesters and the committee on the received job claims that resulted in closing the Project site (strike), the needed qualifications and the role of the holding company in the hiring process.	17/10/2012	Documented in Arabic (8)

¹ The number between brackets refer to the number code given to the Arabic proof document.

Type of Consultation	Venue	Participants categories & numbers	Main issues discussed	Meeting Date	Documents availability
		National Security (1)			
Requests for jobs	Project Site	CEPC (4) Gezaya village residents (5)	Requests for jobs from Gezaya village: The Resident Project Manager raised the issue to CEPC Chairman and currently 6 engineers and chemists have been hired from Gezaya village.	03/11/2012	Documented in Arabic (7)
Preparation for the agriculture study	Project Site	Community Committee of Abu Ghalib (1) Consultants (4) Orascom (1)	Preparation for the agriculture study: The meeting involved discussion about the Project and the surroundings as part of preparing the agriculture study.	11/12/2012	CEPC did not participate to maintain the meeting neutrality. Minutes of meeting shared later with CEPC (9)
Requests for jobs	Project Site	CEPC (4) El Qatta residents and farmers (23) Community Committee of El Qatta (4)	Requests for jobs: The meeting raised the issue of job requests and youth denying access to the Project site. It was suggested that CEPC raise the issue of the job requests with the Chairman.	16/12/2012	Documented (11)
Explaining and disseminating the GRM	Project Site	CEPC (25) including workers at CEPC from El Qatta and Abu Ghalib	Explaining and disseminating the GRM: The meeting aimed to explain the GRM and distribute the designed leaflet to the workers who are residents of the 2 neighboring villages.	03/03/2013	Documented in Arabic (12)
Opening the Project site that was closed as a result of strikes	Project Site	CEPC including the Chairman and Security Authority	Opening the Project site that was closed as a result of strikes: Discuss amicable and peaceful methods for allowing access to the Project site and breaking the strike.	05/03/2013	Documented in Arabic (13)
Opening the Project site that was closed as a result of strikes	Project Site	CEPC (3) Community Committee of El Qatta (4) Community Committee of Abu Ghalib (4) Residents from the villages (20) Including 2 of the complainers	Opening the Project site that was closed as a result of strikes: Discussion with the strikers through the Social Committees of El Qatta and Abu Ghalib to agree on opening the site and allowing access.	10/03/2013	Documented in Arabic (14)

ANNEX 5
CEPC ESIA PROJECT CONSULTATIONS

Type of Engagement	Where Held	Who was invited	Consultation Date	Documentation Available y/n
Public consultations (ESIA for AF)	Mansheyet El Qanater, close to site	<p>Public consultation meetings were attended by a large number of people, including neighboring farmers, who were specifically invited, as confirmed in meetings with some of them during several missions.</p> <p>Sheikh of Abu Ghalib village confirmed that about 150 attended the meeting held at the City Council.</p>	14/04/2010	<p>The Project documents (ESIA, RPF) were publicly available, as stated in the press advertisements of 30/12/2009 and 30/03/2011. As per advertisement, the documents were available in 3 locations: the Holding Company; CEPC, and Project site. There are video records of public consultations of 14/04/2010 (ESIA).</p>
ESIA Public consultations	Pyramisa Hotel in Dokki, Cairo	<p>Sheikh of Abu Ghalib village informed the mission that at least 200 people attended the second Project consultation.</p> <p>CEPC provided buses to transfer community members and neighboring farmers to the meeting in Cairo.</p> <p>One of the complainants told the mission that he had attended several consultative meetings and he directly reached out to CEPC regarding his various complaints.</p> <p>(Videos: he explains his engagement with the Project on tape. Other videos of consultation meeting show him attending).</p> <p>Sheikh of Abu Ghalib distributed invitations to attend the ESIA consultations.</p>	19/04/2011	<p>Invitation flyers were distributed by CEPC at the village level. The flyer provided details about the Project, CEPC and its full contact address, and PGESCO.</p>

ANNEX 6
GROUNDWATER IMPACT COMPENSATION BY CEPC

Farmer	Cash payment (LE)	Well modification cost (LE)	Other	Total (LE)	Date	Remarks	Documentation (Y/N)
1	12,000.00	---	Submersible pump with its pipeline, cable, panel and accessories (10,000.00 L.E.)	22,000.00	2/4/2012	Direct cash payment and Submersible pump with its pipeline, cable, panel and accessories	Yes (1) ¹
2	10,000.00	---	Submersible pump with its pipeline, cable, panel and accessories (10,000.00 L.E.)	20,000.00	2/4/2012	Direct cash payment and Submersible pump with its pipeline, cable, panel and accessories	Yes (2)
3	10,000.00	---	---	10,000.00	2/4/2012	Direct cash payment	Yes (3)
4	13,000.00	---	---	13,000.00	2/4/2012	Direct cash payment	Yes (4)
5	3,000.00	16,535.00	---	19,535.00	2/4/2012	Lowering well level (deepening) +1.5 ton of cement	Yes (5)
6	3,000.00	16,535.00	---	19,535.00	5/4/2012	Lowering well level (deepening) +1.5 ton of cement	Yes (6)
7	3,000.00	16,535.00	---	19,535.00	5/4/2012	Lowering well level (deepening) +1.5 ton of cement	Yes (7)
8	3,000.00	16,535.00	---	19,535.00	5/4/2012	Sinking Caisson +1.5 ton of cement +Excavator for Caisson sinking	Yes (8)
9	3,000.00	16,535.00	---	19,535.00	5/4/2012	Lowering well level (deepening) +1.5 ton of cement	Yes (9)
10	3,000.00	16,535.00	---	19,535.00	4/4/2012	Lowering well level (deepening) +1.5 ton of cement	Yes (10)
11	3,000.00	16,535.00	5,000.00	24,935.00	5/4/2012	Lowering well level (deepening) +1.5 ton of cement + 6000 bricks	Yes (11)
12	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (12)
13	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (13)
14	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (14)
15	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (15)
16	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (16)
17	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (17)
18	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (18)
19	5,500.00	---	---	5,000.00	3/4/2012	Direct cash payment	Yes (19)

¹ The number between brackets refer to the number code given to the Arabic proof document.

Farmer	Cash payment (LE)	Well modification cost (LE)	Other	Total (LE)	Date	Remarks	Documentation (Y/N)
20	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (20)
21	5,500.00	---	---	5,000.00	24/4/2012	Direct cash payment	Yes (21)
22	5,500.00	---	---	5,000.00	3/4/2012	Direct cash payment	Yes (22)
23	5,500.00	---	---	5,000.00	3/4/2012	Direct cash payment	Yes (23)
24	5,500.00	---	---	5,000.00	2/4/2012	Direct cash payment	Yes (24)
25 - 2 brothers	5,500.00	---	---	5,000.00	3/4/2012	Direct cash payment	Yes (25)
26 – Farmer who signed contract plus eleven more farmers	----	42,840,40.00 (new well) + 37,432,29.00 other costs	----	80,272,69.00	22/4/2012	Drill and install 42 m well including 4 in submersible pump with its pipeline, cable, panel and accessories, cost of hiring generator, fuel, supervision and operation	Yes (26)
27 – Farmer who signed contract plus ten more farmers	----	42,840,40.00 (new well) + 39,716,14.00 other costs	----	82,556,54.00	22/4/2012	Drill and install 42 m well including 4 in submersible pump with its pipeline, cable, panel and accessories, cost of hiring generator, fuel, supervision and operation	Missing (27)
28 – Farmer who signed contract plus eleven more farmers	----	42,840,40.00 (new well) + 8,00,4.00 other costs	----	50,844,40.00	22/4/2012	Drill and install 42 m well including 4 in submersible pump with its pipeline, cable, panel and accessories, cost of hiring generator, fuel, supervision and operation	Yes (28)
29 – Farmer who signed contract plus six more farmers	----	42,840,40.00 (new well) + 39,643,29.00 other costs	----	82,493,69.00	22/4/2012	Drill and install 42 m well including 4 in submersible pump with its pipeline, cable, panel and accessories, cost of hiring generator, fuel, supervision and operation	Yes (29)
30	----	42,840,40.00 (new well)	----	42,840,40.00	22/4/2012	Drill and install 42 m well including 4 in submersible pump with its pipeline, cable, panel and accessories, cost of hiring generator, fuel, supervision and operation	Beneficiary refused to sign but benefited from the mentioned service
Actual number of beneficiaries from the above is 30 (as per the serial number) + 37 farmers as associate beneficiaries from the wells = 67 Farmers							
Beneficiaries		205,884.00		205,884.00	2/2012	1500 m 6 inch PVC pipeline + 80 m 8	No (only lists of

Farmer	Cash payment (LE)	Well modification cost (LE)	Other	Total (LE)	Date	Remarks	Documentation (Y/N)
from the water pipes as elaborated below		(other)				inch PVC pipeline + installed	names)
18 Farmers Beneficiaries of Water Pipeline No.1							
12 Farmers Beneficiaries of Water Pipeline No.2							
4 Farmers Beneficiaries of Water Pipeline No. 3							
And three others							
Grand Total	LE 829,036.00						

Total beneficiaries are 67 + 37 farmers (at least) benefiting from the wells = Total of 104 farmers

ANNEX 7
SERVICES PROVIDED TO THE LOCAL COMMUNITY BY CEPC

CEPC has a strong relationship with the Abu Ghalib Youth Center. It accepted an invitation from the youth center president to attend a sports day on June 28, 2012. This event pitted the center members and the Giza North site employees against each other in a friendly soccer match. CEPC also celebrated with the youth center at an awards ceremony held in honor of distinguished school students for their achievements during the academic year.

CEPC has donated time, money and manpower to numerous community development undertakings:

- Paid six thousand and five hundred pounds for electrical connection for the youth center at Abu Ghalib.
- Repaired loader unit for the village of Abu Ghalib in the amount of twenty five thousand pounds.
- Participated in local mosque construction project by overseeing the ongoing ceiling concrete work. At an existing mosque in El Qatta CEPC installed ten ceiling fans.
- Donated three thousand pounds and obtained two tons of cement to install light posts on roads leading to the El Qatta cemetery.
- Renovated the sewage /sanitary drainage pipes in Abu Ghalib village.
- Arranged for the fabrication and installation of village name signs for twenty-five communities in the vicinity.
- Granted the village of Abu Ghalib two pumps to lift water from El-Behairy Canal to Abu Ghalib Canal for use in irrigating farmers' land.
- Built a fence for the youth center in Abu Ghalib and provided maintenance of the playground.
- Paid three thousand pounds and 2 tons of cement to install lighting columns on the way to the cemeteries in the village of Abu Ghalib.
- Provided Project employment to a large number of people in the villages of El Qatta and Abu Ghalib.
- Awarded a local resident 1,500 white bricks and one ton of cement to help her build home.

ANNEX 8
GRIEVANCE REDRESSAL MECHANISM LEAFLET

JANUARY 2013

(English translation follows)

الخطوات المتبعة لتلقي و التعامل مع الشكاوى لمشروع محطة كهرباء شمال الجيزة

توضح هذه النشرة الإجراءات التي سيتم أتباعها في تلقي و التعامل مع و تقييم و متابعة و حل شكاوى الأفراد المستفيدين و

المتأثرين من لمشروع محطة كهرباء شمال الجيزة

تلقي الشكاوى:

يتم تلقي الشكاوى باليد عن طريق السيد المهندس / أحمد النمر - مديرعام الكيمياء والبيئة بمشروع محطة كهرباء شمال الجيزة و ذلك من الاهالي القاطنين بجوار موقع المشروع. كما يمكن تقديم الشكاوى باليد لمراكز الشباب التالية: مركز شباب قرية أبو غالب و مركز شباب قرية القطا أو عن طريق ممثلين عن هذه القرى الموجودين ضمن أعضاء لجنة العلاقات العامة (لجنة التيسير الإجتماعية) باليد. كما يمكن تقديم الشكاوى عن طريق ما يلي:

تليفون (سويتش) 0482241202 ، 0482241203 ، 0482241204

فاكس 0482241201

البريد الإلكتروني Gizanorth@cairoepc.com

سيتم إصدار رقم متابعة على أیصال استلام لجميع الشكاوى التي سيتم تلقيها، و يمكن للمشتكى من خلال الرقم متابعة حل الشكاوى.

أستلام و تقييم و التعامل مع الشكاوى

يتم البت في الشكاوي التي لم يتمكن البت فيها في الحال خلال ثلاثة أيام من تاريخ تلقيها.

يقوم السيد المهندس / أحمد النمر مدير عام الكيمياء والبيئة بمشروع محطة كهرباء شمال الجيزة ببحث الشكاوي في خلال ثلاثة أيام من تاريخ تلقيها وإذا لم يتم البت فيها خلال تلك المدة يتم تحويلها إلي السيد المهندس/ رأفت عبد العزيز محمد سالم - مدير مشروع محطة كهرباء شمال الجيزة.

يقوم السيد المهندس/ رأفت عبد العزيز محمد سالم - مدير مشروع محطة كهرباء شمال الجيزة ببحث الشكاوي والبت فيها خلال خمسة أيام من تاريخ تلقيها وإذا لم يتم البت فيها خلال تلك المدة يتم تحويلها الي لجنة العلاقات العامة (لجنة التيسير الإجتماعية) بمشروع محطة كهرباء شمال الجيزة والتي يكون من بين أعضائها ممثلين عن القرى المجاورة للنظر فيها ومحاولة

حلها و تحديد الإجراءات أو التعويضات الملائمة إذا لزم الأمر. و ستقوم اللجنة بالإستماع للمشتكي من خلال أجتماع معه قد يحضره أيضا غيره من الأشخاص ذوي العلاقة.

وإذا لم يتم البت في الشكوي من قبل لجنة العلاقات العامة أو لم يرتضي الشاكي بالحل خلال شهر واحد يتم تقديم الشكوي الي التحكيم المستقل، بحيث يحدد الحكم بشكل مشترك من قبل كل من المشتكي والمشروع. وسيتم دفع التكاليف عن طريق المشروع وإذا لم يرتضي صاحب الشكوي بالحل ، يتم تحويل الشكوي الي المحاكم المختصة.

التسجيل و المتابعة

يتم إرسال الرد على الشكوى (حل الشكوى) كتابةً لمقدم الشكوى.

يتم إعداد تقارير ربع سنوية تضم ملخص لوضع الشكاوى والتعامل معها، على أن يتم إتاحة ونشر التقرير بإدارة المشروع و مركزي الشباب.

(English Translation)

This Leaflet describes the procedures that will be followed by the Giza North Power Project on how complaints or concerns submitted by the people who may be benefitted or impacted by the Project will be received, assessed, resolved and monitored.

Complaints Uptake

The Social Officer (*insert name and phone number*) of the Giza North Project Management Team will receive complaints in person from people who live close to the Project site. Complaints can be made in persons at the Youth Centers in (*insert the names of the two youth centers functioning as public information centers*). Complaints can also be made by phone (*insert phone number*), and by mail or email (*insert project address and email*).

All complaints received will be assigned a number and complainants will be handed a receipt to help track progress on resolution of the complaint.

Assessment, Acknowledgement and Response

Complaints that cannot be resolved on the spot will be responded to within 3 days of receipt of complaint by the Social Officer.

The Social Officer will bring the complaint to the attention of the Project Director if the person making the complaint is not satisfied with the response of the Social Officer.

If no satisfactory resolution can be achieved by the Project Director within 5 days, the complaint will be brought before the Social Facilitation Committee (*insert composition of Social Facilitation Committee*) which will decide what measure or compensation, if any, is required to resolve the complaint. The Committee will hear the complainant in a face-to-face meeting at which the complainant and any advisor or representative can be present.

Cases that cannot be resolved by the Social Facilitation Committee within one month may be submitted to independent arbitration, with the arbiter selected jointly by both the complainant and the Project. Costs will be paid by the Project. If the complainant is not satisfied, resolution can be sought through the courts.

Registry and Monitoring

Resolution of the complaint will be communicated in writing to the complainant.

Quarterly grievance reports will be made publically available at the Project Office and at the two Youth Centers.

**ANNEX 9
PICTURES**



Picture 1. Shading Effects with Limited Impacts on Crops



Picture 2. Fence Construction



Picture 3. Partially Built Wall Near Farmland



Picture 4. Crops near Wall



Picture 5. Wall Construction



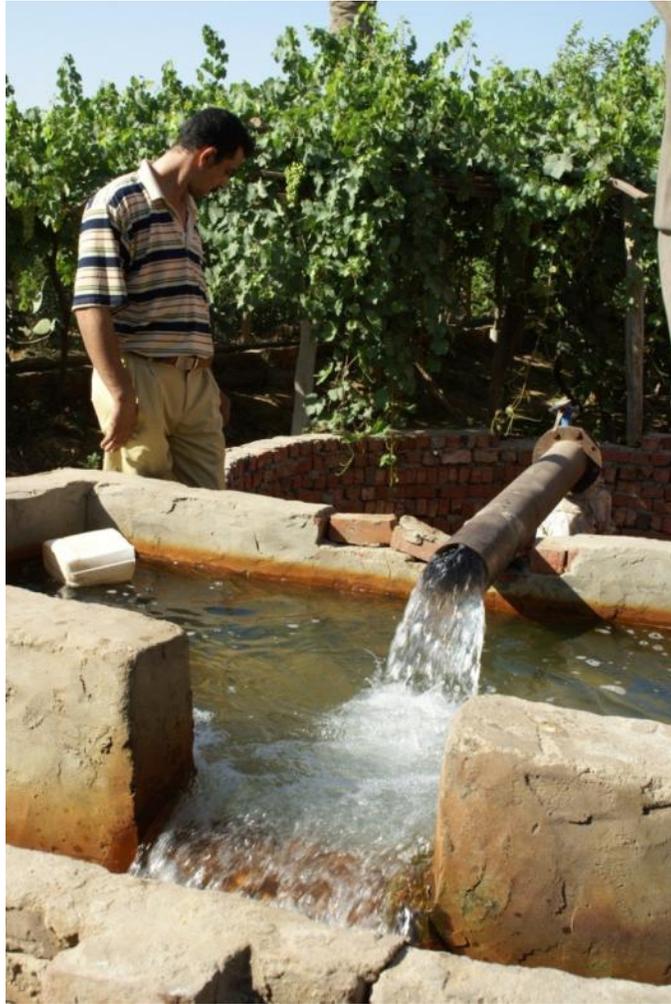
Picture 6. Environmental Monitoring Station



Picture 7. Distance between Wall and Farmland



Picture 8. Irrigated Fields



Picture 9. Irrigation Stations/Valves

ARAB REPUBLIC OF EGYPT GIZA NORTH POWER PROJECT Request for Inspection

- URBAN AREAS
- AGRICULTURAL AREA
- PROPERTY BOUNDARY / WALL
- ROADS
- GOVERNORATE CAPITALS
- NATIONAL CAPITAL
- RIVERS
- GOVERNORATE BOUNDARIES
- CANALS
- INTERNATIONAL BOUNDARIES

