

ENVIRONMENTAL RIGHTS ACTION/FRIENDS OF THE EARTH NIGERIA (ERA/FoEN)

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Field Report #352

Title: AZURA-EDO IPP

Location: Ihovbor, Orior-Osemwende and Idunmwonwina-Urho Nisen, Uhunmwonde Local Government Area, Edo state, Nigeria.

Date of Visit: 7th -12 April, 2014.

Report by: Nosa Tokunbor, Osayande Omokaro, and Godwin Ojo, PhD.

HIGHLIGHTS:

- Azura-Edo IPP project tears communities apart in Edo state
- Eviction is imminent and no compensation has been paid to some indigenes
- Others who vacated their homes are now tenants as only 20% compensation has been paid in the last three years
- The EIA document was not made available in the communities
- Communities' meaningful participation in public hearing mandatory in the EIA process has been violated
- Communities would not benefit directly in improved energy access
- Social and environmental impacts and mitigation plans not provided to the communities

INTRODUCTION

In Nigeria, demand for power outstrips supply. Power supply is not only sporadic; more than half of Nigeria's 170 million population lacks access to power. Although Nigeria has budgeted billions of dollars to improve supply, very little improvement have been recorded. A new power plant intended to improve supply is the Azura-Edo independent Power Project located in three main communities in Edo state, southern Nigeria. The three communities, Ihovbor, Orior-Osemwende and Idunmwonwina-Urho Nisen, all in Uhunmwonde Local Government Area, are hosts to the proposed Azura-Edo Integrated Power Project (IPP) which is intended to augment the current power supply in Nigeria. Our findings show that the communities are not supportive of the project, as prior and informed consent has not been realized. Also, these communities' members are unaware that the project would not improve their power supply, as there are no immediate plans for extending power to them. The environmental and social impacts, or how they would be mitigated, have not been fully shared the communities.

The U.S. Overseas Private Investment Corporation is now considering financing for a 450 megawatt natural gas power plant proposed by the Azura-Edo Independent Power in the North-Eastern Side of Benin City. Azura Power West Africa Limited ('Azura Power') is a Nigerian-registered subsidiary of Amaya Capital Limited. The project plans to use open-cycle gas turbines provided by General Electric (GE), which are much more polluting than closed-cycle turbines. The project is one kilometer from its feedstock gas line, and one kilometer from the Benin North electricity Substation. It is not intended to provide new energy access for people far off the grid, despite the fact that energy access is a primary goal of Obama's Power Africa initiative and the Electrify Africa Act.

ERA/FoEN Environmental Field Monitors who visited the affected communities between 7-12 April, 2014 report that while some community members have high hopes for benefits from the project, others are still waiting for relocation plans and compensation which they hope would provide them better living conditions. Already, there is tension in the once-open and friendly communities for fear of what community members stand to gain or lose from project engagement with outsiders.

This report serves as feedback to the Environmental Impact Assessment (EIA) process and analyzes the project in relation to its social benefits and its environmental impact. The ERA/FoEN team interacted with the communities' leadership and community members: men, women and youths. Some questionnaires were administered, and also interviews were conducted with some community members to obtain testimonies, and learn of expectations of the project. Already some environmental and social impacts are visible. These include dynamite blasting and laying of pipelines in some of the communities, conflict over land, quarrel, disharmony, and sacrileges arising from affected cultural practices. The project involves resettlement and movement of 14 sacred sites.

IHOVBOR COMMUNITY

The proposed site of the Azura-Edo IPP is adjacent to the Ihovbor Power Plant which is currently under construction under the aegis of National Integrated Power Project (NIPP).



Figure 1: NIPP Power Project under construction at Ihovbor.

On the 7th and 12th of April 2014, some ERA/ FoEN staff visited Ihovbor community, which is host to the NIPP power plant already under construction as well as the proposed Azura power project. Like the other communities, Ihovbor is a rural, closely-knit community of largely subsistence farmers. The Enogie is the paramount head of the community who presides over their affairs. The community declined to fill any questionnaire for the moment; however, some community members interviewed said that discussions were in the pipeline over the Azura project, as some paltry amount of money had

been paid to some individuals whose property were marked for demolition. The community members say they had not participated in any EIA process although there is renewed discussion with the power plant proponents towards an MoU, which made some community members reluctant to discuss the

issue openly. According to one community leader, “Azura just met us yesterday, being 11th April, 2014, to conclude talks on the Memorandum of Understanding.”

It is not clear what are the community demands beyond payment of compensation, but the fact that major environmental problems and the lack of access to energy have not been disclosed to them could lead to a feeling of betrayal and regrets in the future.

ORIOR-OSEMWENDE COMMUNITY

The visit to Orior-Osemwende took place on the 10th of April, 2014. Orior- Osemwende is the least developed of all three affected by the Azura-Edo project. However, while speaking in his Palace, the Enogie, HRH Nosa Ohenzuwa, disclosed that the proposed project “occupies over 80 % of the community landmass.”

The Enogie, HRH Nosa Ohenzuwa, disclosed that the community have been neglected and had not been compensated while the other two communities have already been paid about 20 % of compensation.

According to him, the amount for compensation was fixed and imposed by the project proponents based on the estimation of their lost value, and without community involvement hence it was arbitrary. Dissatisfied with the divisive arrangement by Azura project officials, some aggrieved community members have already filed a suit against Azura in a High Court in Ehor, Edo State.

From the consensus questionnaires completed, they responded that electricity supply to the community is about one day per week, and they believed that the project would change all that so they would have energy access regularly. Although some community members were aware that the project EIA has been done, they said the document was never available in the community and they were not part of the EIA process. The possible environmental and social problems that the project would bring to the community were unknown to them and have not been disclosed to them. By themselves they could not indicate any project social and environmental impacts and they left the questionnaire column blank; this sort of knowledge gap is being exploited, unknown to the communities.



Figure 2: A portion of land for the Azura project at Orior- Osemwende axis.



Figure 3:ERA/ FoEN staff taking testimonies from some Orior -Osemwende indigenes.

TESTIMONIES OF SOME INDIGENES OF ORIOR-OSEMWENDE

- EMMA OHENZUWA PRO OF ORIOR –OSEMWENDE COMMUNITY

Even as the Azura power project management is delaying compensation to our people, for the past 3 years they have continued to give us empty promises. We are still waiting without single compensation. We are hopeless yet we will continue to remain on our land already allotted to Azura. Nobody is relocating anywhere. The youths are not happy because the officials are frustrating us. However we are not forcing Azura. We are going to renege on earlier agreement because the value of property appreciates. Imagine those developing and building their houses have stopped ever since and now building materials have increased at alarming rate. Now the cost of cement is #2100 as against #1200 three years ago. Have they taken this and other factors into account? Let them go because we did not invite Azura in the first instance. Imagine some people roofed their houses before they Azura came and now they cannot move in.

- GODWIN OHENZUWA, INDIGENE OF ORIOR- OSEMWENDE

We are saddened by what Azura has done to our land by claiming a large expanse of our land including our only health centre. I really wonder how this community will survive. How much compensation will they pay for all these problems they are causing us?

- GODDAY AIDE, AFFECTED MEMBER OF ORIOR-OSEMWENDE COMMUNITY.

I am one of the owners of the living houses Azura is resettling. In the initial stage, they counted the areas earmarked for Azura project, then they invited us to Courtyard in G.R.A , Benin City where they disclosed to us the amount affected individuals were entitled to. And this they said would happen before June 2012. Till now, April 2014, they have not paid anything. Some people have resumed work on their property while others have moved into theirs because they have lost hope.



Figure 4: ERA/ FoEN staff presenting some ERA Newsletters to HRH Nosa Ohenzuwa, Enogie of Orior-Osemwende.

IDUNMWONWINA- URHO- NISEN VISIT

The ERA/ FoEN Environmental Field Monitors visited Idunmwonwina –Urho- Nisen community on the 10th of April, 2014. Of all the three communities visited hosting Azura project, Idunmwonwina-Urho Nisen is the most densely populated. During the visit, it was disclosed to ERA/ FoEN staff by some executive of the community that Azura proposed project is partly hosted by them. According to them, the Azura project is yet to commence as a full project because they have not met the requirements like paying full compensation to community and individuals affected.

The difference in administrative pattern of the three communities is that while Ihovbor and Orior-Osemwende have “Enogie” as their paramount head, Idunmwonwina-Urho-Nisen is headed by the Chairman of Community Development.

In a meeting with ERA/ FoEN, some executive members of the Idunmwonwina-Urho Nisen completed a consensus questionnaire on the Azura project. Such level of cooperation was possible only because some community members testified that ERA/FoEN is a friend of the environment and communities. Again, there was much ignorance about project benefits, social and environmental impacts hence the talk of compensation dominated discussions.



Figure 5:A building marked by Azura for destruction at Idunmwonwina- Urho- Nisen

TESTIMONIES OF SOME IDUNMWONWINA-URHO-NISEN COMMUNITY MEMBERS

- MR. ERIC ERHUNWUNOMASE, CHAIRMAN IDUNMWONWINA –URHO NISEN

The only thing done in 2011 was the valuation of crops and property by Azura valuers. Some people’s names did not appear on their list and they went to court to sue Azura for omission and lack of adequate compensation in Orior-Osemwende community. Azura only paid 10 % to people who did not sue them in court, though few in number. But for us in Idunmwonwina, even though they paid paltry sum, we are waiting till August after which they (Azura) would need to revalue the property because land appreciates. And because they paid in installments, the money cannot be properly managed in order to start building afresh or resettle. Even completed buildings marked by Azura for resettlement have since been abandoned by owners. These abandoned buildings constitute threats to lives of the people because they are now hiding ground for hoodlums.

- MR. CLIFFORD IGBINEWEKA, SECRETARY IDUNMWONWINA- URHO NISEN COMMUNITY DEVELOPMENT

The Azura project is not fascinating anymore to us because what they promised has not been fulfilled. We are predominantly farmers and about 1500 hectares of our land have been taken by Azura. They are not ready. They are setting the community backward.

We foresee severe environmental effect as regards air pollution. We are not enjoying any social amenities. NIPP and Azura are sharing our lands. NIPP did not pay us environmental hazards and Azura has also told us there is an environmental impact assessment but we have not seen it. They (Azura)

promised us on three occasions that they would pay us 80% but till date since 2011, nothing has been done. Meanwhile people have relocated and are paying rents.

No good road to our community and we depend on private boreholes. No regular power supply. They initially promised they would pay but this is April 2014 and nothing has happened.

CONCLUSION

It is a truism that the power supply in Nigeria is poor and therefore there is need to step up efforts to improve electricity by putting in place some infrastructure that would enhance sustainable power generation outside the national grid. However, the project from the communities' perspectives has been shrouded in secrecy as they have not been carried along. While the community anticipates greater energy access as part of the benefits, other social and environmental impacts have not been disclosed to them. The choice of the three communities for the Azura project is being considered as beneficial to enhance their standard of living. But empty promises at the start of a project could mean disappointment and tension in the near future when the reality dawns.

It is our opinion that a general lack of awareness in most of these communities exists and this needs to be promptly addressed. Thus, to drive the process of rural development and discourage apathy amongst rural dwellers, information dissemination must be done on time. Further elaborate independent study is urgently required to unmask the Azura-Edo IPP project, and to underscore its economic prospects, social and environmental impacts.

ERA/FoEN DEMANDS THAT

1. Public hearing be conducted on the Azura-Edo IPP project to determine its suitability as an environmentally compliant project
2. Communities' prior and informed consent be sought by providing adequate information on the Azura project.
3. The mandatory Environmental Impact Assessment (EIA) process and the legal requirement of public hearing be conducted with communities representatives and CSOs participation.
4. Any social and environmental impacts and mitigation plans should be disclosed to the host communities.
5. Communities should directly benefit from the project through step-down technology built directly as part of project benefits
6. Immediate re-valuation to ensure adequate and prompt compensation should be paid to allow for proper resettlement plans
7. Alternatives in renewable energy should be considered as part of the global transition effort from fossil fuels to renewable energy sources to checkmate climate change and its impacts.