

**1.0LBV XX/16**



# **Gulf of Suez BOO Wind Power Plant Project**

**Supplementary Social Assessment**

**20 June 2018**



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## 1.0 Abbreviations

BOO	Build Own Operate
BoP	Balance of Plant
CAPMAS	Central Agency for Public Mobilisation and Statistics
CFP	Community Feedback Procedure
CIP	Community Investment Plan
CLO	Community Liaison Officer
CESMP	Construction Environmental and Social Management Plan
EBRD	European Bank for Reconstruction and Development
EETC	Egyptian Electricity Transmission Company
EHS	Environment, Health and Safety
ESIA	Environmental and Social Impact Assessment
ESMS	Environmental and Social Management System
EPC	Engineering Procurement Construction
FGD	Focus Group Discussions
GIIP	Good International Industry Practice
GM	General Manager
GPC	General Petroleum Company
GUPCO	Gulf of Suez Petroleum Company
IFC	International Finance Corporation
ILO	International Labour Organisation
MoU	Memorandum of Understanding
MW	Megawatt
NREA	New and Renewable Energy Authority
OHS	Occupational Health and Safety
OPIC	Overseas Private Investment Corporation
PID	Project Information Disclosure
RCREEE	Regional Centre for Renewable Energy and Energy Efficiency
RFP	Request for Proposal
RG	Ras Gharib
RTA	Road Traffic Accident
PRS	Petro Red Sea
SBA	Social Baseline Assessment
SEP	Stakeholder Engagement Plan

SESA	Strategic Environmental and Social Assessment
SIA	Social Impact Assessment
VPSHR	Voluntary Principles on Security and Human Rights

## 2.0 Key Findings

- The Lekela Gulf of Suez Build, Own and Operate (BOO) Wind Power Plant Project ('the Project') will be constructed on a remote and isolated desert location. The Project is not located nearby communities or sensitive receptors.
- The development, construction and operation of the Project will not result in any economic or physical displacement of populations.
- Based on the scale of the Project, the remote desert location and the characteristics of the existing social and socio-economic context, the socio-economic impacts of the Project are expected to be largely positive.
- The Project will bring new investment and (albeit temporary) employment opportunities to the area. Through workforce training, it will enhance the skill base and promote economic activity through local content initiatives. Furthermore, Lekela has a robust approach to community investment over and above its impact mitigation obligations and will seek to make a positive and sustainable community development contribution.

Potential social risk areas identified include:

- Labour force management (recruitment, mobilisation and retention).
  - Assuming a peak construction workforce of approximately 300 over a period of 18 months, the Project is not considered significant either in terms of resource requirements or duration. It is anticipated that the majority of the manpower requirements will be sourced from an existing local pool of semi-skilled and unskilled labour.
- Workforce accommodation.
  - A number of onsite and offsite workers' accommodation options are currently under consideration. Irrespective of the option selected, GIIP will be followed in determining and evaluating any social impacts and developing the *Worker Accommodation Management Plan*.
- Influx / induced in-migration.
  - Based on the current Project schedule, it is expected that the Lekela BOO Wind Power Project will be the only notable construction activity in the area. Project labour, goods and service requirements are expected to be sourced / serviced largely from within the Governorate and therefore any Project-induced influx / in-migration impacts are expected to be negligible.
- Community safety and security.
  - Working closely with State security organisations to ensure the safe passage of personnel, equipment and goods will be a key project success factor. Recognising that the Project's activities may affect local communities, it will be important to engage

regional and local authorities to ensure the welfare of the community and mitigate any potential conflicts.

- Risks to community safety are mostly likely to derive from the transportation and movement of heavy equipment from the receiving port to the site. Once the route analysis is completed, a robust *Transport Management Plan* will be developed to address the associated risks.

## 3.0 Introduction

This supplementary Social Impact Assessment (SIA) for the Lekela Gulf of Suez Build, Own and Operate (BOO) Wind Power Plant Project ('the Project') includes updated and additional social and socio-economic baseline information which was not available at the time of the original Environmental and Social Impact Assessment (ESIA). It also accounts for feedback provided by stakeholders during initial community consultation and the Project Public Disclosure and Consultation Meeting conducted in April 2018. Based on the information available at the time of writing, the SIA also includes social impact identification and assessment.

The SIA should be read in conjunction with the '*Environmental and Social Impact Assessment for Lekela BOO Wind Power Plant at Gulf of Suez Report, January 2018*' and the '*Strategic and Cumulative Environmental and Social Assessment, Active Turbine Management Program (ATMP) for the Wind Power Projects in the Gulf of Suez; RCREEE, August 2017*'.

### a. Scope

The supplementary SBA includes updated and additional social and socio-economic information pertaining to:

- The local Government and state security apparatus;
- Other planned local and regional infrastructure developments which may contribute to cumulative social impacts;
- Key local stakeholder groups, community demographics and social characteristics;
- Local social services and infrastructure;
- Labour force availability and composition; and
- Local accommodation and housing.

Social baseline and assessment information which is included in the project *ESIA* (January 2018) has not been repeated in this supplementary assessment unless necessary for explanatory purposes.

Detailed Project engineering and design is currently underway and, as a result of this, it is expected there will be updates to the Project description and execution methodology (most notably, labour requirements, workforce accommodation solutions, transport and logistics). The Engineering, Procurement and Construction (EPC) Contractor has been selected by Lekela however this contract has yet to be finalised. No negotiations have commenced with Balance of Plant (BoP) subcontractors.

A number of assumptions have been made in order to complete this supplementary baseline and impact assessment. As further social and socio-economic data is acquired during ongoing consultation efforts and additional Project information becomes available the Project risk register and management plans will be reviewed and updated accordingly.

## 4.0 Project Description

Lekela Power BV (Lekela), an undertaking between Mainstream Renewable Power Limited and Actis Capital LLP, signed a Memorandum of Understanding (MoU) with the Egyptian Electricity Transmission Company (EETC) in November 2015 to develop, construct and operate a 250 megawatt (MW) wind farm as part of the Egyptian Government's Renewable BOO framework.

The Project will be financed by a consortium of international lenders including the International Finance Corporation (IFC), European Bank for Reconstruction and Development (EBRD) and the Overseas Private Investment Corporation (OPIC). Accordingly, the Project is required to comply with their respective Environmental and Social Performance Requirements. This supplementary assessment accounts for these requirements.

The current Project parameters are defined in the Project *ESIA*<sup>1</sup>, *Section 3-0*. It is expected that the Project description will be further defined together with EPC contractor and BoP subcontractors in due course. Key Project aspects / assumptions of note (for the purposes of the SIA) include:

- The presence of extensive petroleum and gas production operations in neighbouring concession areas.
- A construction phase of approximately 18 months will include (but may not be limited to) extraction / importation of aggregate for access roads, hard-standing and turbine base construction, construction of supporting facilities, installation of meteorological instrumentation, turbines & collector system, and commissioning.
- An anticipated peak construction labour force of approximately 300 personnel, of which a large proportion of unskilled and semi-skilled workers (up to 75%) will be sourced from the local communities.

The Project is due to commence construction at a desert site along the Red Sea coast in Q4 2018 / Q1 2019. The Project location is isolated and uninhabited with the nearest town, Ras Gharib, located approximately 28 kilometers (kms) south of the site (*Refer Map 1.0*). There are two concession areas earmarked for the Project in a yet-to-be developed industrial zone. This zone has a total of 43 land plots designated for wind power projects.

## 5.0 Local Social Context - Summary

The Red Sea Governorate, the administrative area in which the Project will be constructed, has a long history of industrial development and is considered the 'heartland' of Egypt's significant oil and gas industry with approximately 70% of current oil and gas production originating in this area<sup>2</sup>. The Red Sea coastline also leads into the Suez Canal and for these reasons the area is considered to be of strategic national importance. Given its importance, movement in the area

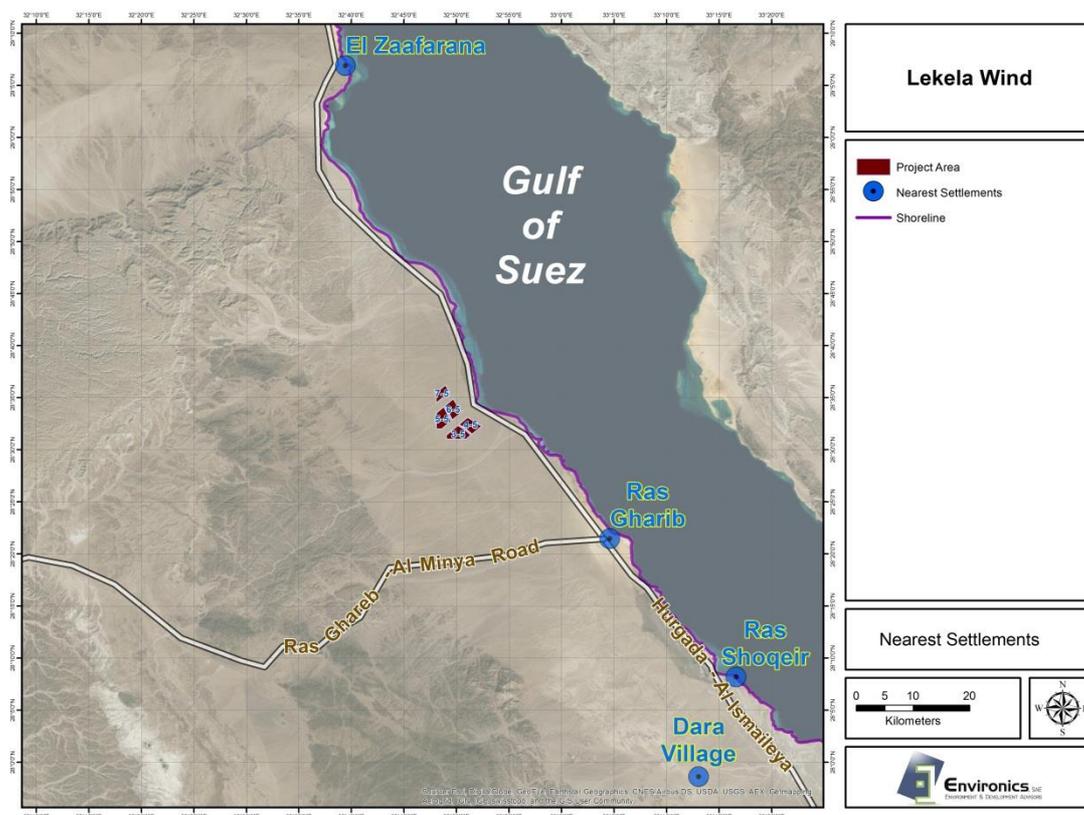
<sup>1</sup> Environics (2018), Environmental and Social Impact Assessment for Lekela BOO Wind Power Plant at Gulf of Suez Report, January 2018.

<sup>2</sup> Strategic and Cumulative Environmental and Social Assessment, Active Turbine Management Program (ATMP) for the Wind Power Projects in the Gulf of Suez; RCREEE, August 2017.

(both onshore and offshore) is restricted and there is a sizable local police, military and national intelligence presence. Community consultation protocols are in place and these require a number of permits and administrative authorisations before any local community engagement can take place.

The Lekela BOO Project site is located in a remote desert area with no evidence of nearby communities or settlements. Ras Gharib, the nearest town to the site, is situated 28 kms south and accessed by the Sukhna-Ras Gharib highway. In addition to Ras Gharib there are two smaller communities to the south, Ras Shoqeir, (approximately 60 kms from the Project site) and Wadi Dara village (approximately 72 kms from the site). To the north, El Zaafarana village is located approximately 65 kms from the Project site.

**Map 1.0 – Lekela Wind Power Project Site & Nearby Settlements**



As Ras Gharib is the nearest town to the development, it is considered an area of interest, as well as the site itself. Given its proximity, Ras Gharib is a potential supplier of labour, goods and services to the Project and a focus for potential community investment initiatives. Furthermore, the township may experience some degree of population influx or induced in-migration in the event that there are other regional or local infrastructure projects simultaneously under construction.

The town, built in the 1930s, was established as a satellite town to service the petroleum industry and has grown rapidly in size to 59,785 residents<sup>3</sup> today from 32,369 as reflected in the 2006

<sup>3</sup> Ras Gharib Family Planning Centre, 2018.

National Census. It is the second largest city in the Red Sea Governorate. The principal source of employment in Ras Gharib is the petroleum industry and while unemployment is thought to be high by local residents the standard of living (as compared to townships in other frontier Governorates) is considered good<sup>4</sup>.

First impressions of the town are that it is conservative, well-serviced and has friendly residents willing to offer their views and explain the workings and culture of their community. It is also a 'military town' which is currently operating under a nationally imposed State of Emergency. There are concerns regarding terrorism risks along the Red Sea coast and, in addition, the Presidential election has recently taken place (March 2018).

Ras Gharib is a relatively close knit community with a robust and active civil society. The leaders, managers and volunteers of local NGOs are strong advocates, passionate about their services and aims and committed to supporting those in need. As is the case in much of Egypt, youth form a significant (and active) proportion of the local population.

The local Bedouin population comprises of four main tribes, the Tababna, Sheikh Fadi, Hamadine and Khushman. They have links to local land and resources, which are also informally recognised by Government authorities. Outside of traditional roles, the Bedouin are primarily employed in security roles.

## 6.0 Baseline Data Collection Methodology

The majority of the data currently contained in the supplementary SBA has been gathered from desk based research as well as a number of brief site visits. It also accounts for stakeholder feedback which was provided during the recent Project Public Disclosure and Consultation Meeting (April 2018)<sup>5</sup>.

During the preparation of the *ESIA* (2018), a team from Environics conducted field visits during December 2017, the results of which are reflected in the Project ESIA.

Further to this, Kina Advisory also undertook a brief field visit (26 February – 1 March 2018) during which a series of semi-formal interviews were conducted with 19 participants including those involved in the NGO sector, the Coptic Church, the Central Hospital, the Bedouin tribe, fishers and the commercial sector. All interviews took place in situ at offices and places of work.

Desk based research has primarily focused on publicly availability information provided by the Egyptian Government including the Central Agency for Public Mobilisation and Statistics (CAPMAS) as well as the International Labour Organisation (ILO), which has a strong presence in the area, and other internationally recognised and reputable organisations. Some anecdotal literature has also been reviewed.

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<sup>4</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.

<sup>5</sup> Environics (2018), Project ESIA, Chapter 8, Public Consultation for Lekela BOO Wind Power Plant at Gulf of Suez, April 2018.

## a. Data and Information Limitations

The quality and relevance of social and socio-economic data and information gathered to date has been limited by a number of factors. Publicly available secondary data (i.e. Census data) is out of date and typically restricted to regional (i.e. Governorate level) generic indicators of little direct relevance to the Project or Project footprint. Where current data is held by regional and local authorities access to this tends to be restricted and subject to the approval of the Head of the Ras Gharib City Council. Primary data collection is inhibited by the Government and State security apparatus which controls, restricts and monitors access to local stakeholders.

At the time of undertaking this supplementary assessment, a number of data and information requests submitted to key regional and local authorities remain outstanding. There are also a number of follow-up consultation meetings yet to be conducted with key regional and local stakeholders, specifically Government representatives, and the ILO.

Additional information is currently being sought via consultation efforts on the following topics:

- Local demographic characteristics (i.e. population specifics of community subgroups);
- Gender roles and dynamics;
- Local housing and hotel stock and availability; and
- Unemployment, local and regional availability of semi-skilled and unskilled labour.

The additional social and socio-economic data included in the supplementary assessment includes some updated information (which was not available at the time the ESIA was completed) and also new information which is based on an assessment of the potential Project impacts and their ability to modify (either positively or negatively) the local social context.

## 7.0 Stakeholder Identification & Analysis

In addition to stakeholders identified during the preparation of the Project *ESIA* (2018), other stakeholder organisations, groups and individuals were also identified as a result of the field visit conducted by Kina Advisory (February 2018) and the Project Public Disclosure and Consultation Meeting (April 2018).

The Project has drafted a *Stakeholder Engagement Plan* (SEP)<sup>6</sup> which also includes a detailed stakeholder register and a *Community Feedback Procedure* (CFP)<sup>7</sup>. A detailed tactical engagement and consultation plan is being developed and as detailed engineering and design is completed, the EPC contractor is onboarded and the Project schedule is refined, this will be updated to ensure a timely, open and transparent dialogue is established with key stakeholders prior to site mobilisation.

<sup>6</sup> Lekela (2018), Gulf of Suez BOO Wind Power Plant Project: Stakeholder Engagement Plan, Draft 5.0, March 2018.

<sup>7</sup> Lekela (2018), Gulf of Suez BOO Wind Power Plant Project: Community Feedback Procedure, Draft 3.0, March 2018.

In the meantime, a number of consultation meetings are planned over the course of the coming months to provide stakeholders with Project updates, gather additional social and socio-economic data and inform the development of the respective management plans.

## 8.0 Social Context

The following section outlines relevant social and socio-economic attributes of neighbouring communities, specifically Ras Gharib.

### a. Government & State Security Apparatus

Given the strategic importance of this area, the regional and local Government (Red Sea Governorate and Ras Gharib City Council), as well as the state security apparatus, represent critical Project stakeholders. Understanding and navigating the relationships with the multitude of state institutions will prove to be a critical Project success factor given their significant remit and far-reaching powers.

Within this context and in order to understand the local community and social dynamics it is critical to also understand the interaction between communities, the Government and the State security apparatus.

As previously mentioned, the State security closely monitors the movement of people (particularly foreigners) in and out of this restricted area. It is within their remit to control and restrict movement if deemed necessary and for protection purposes. While they expect to be consulted by investors and developers directly about Project requirements and activities which fall within their respective remit, they also rely heavily on local community intelligence and based on this, can act accordingly and independent of the regional and local Governments.

The National Security Agency has direct responsibility for the protection of foreigners and, as such, requires detailed information on the presence and movement of foreigners in the region. The Egyptian military focus on supporting search and rescue operations, emergency response and population protection across outlying geographies (such as the Western and Eastern Deserts). The local police forces (including the traffic police) tend to act as the first physical contact point for visitors and provide escort services at the request of the National Security Agency<sup>8</sup>.

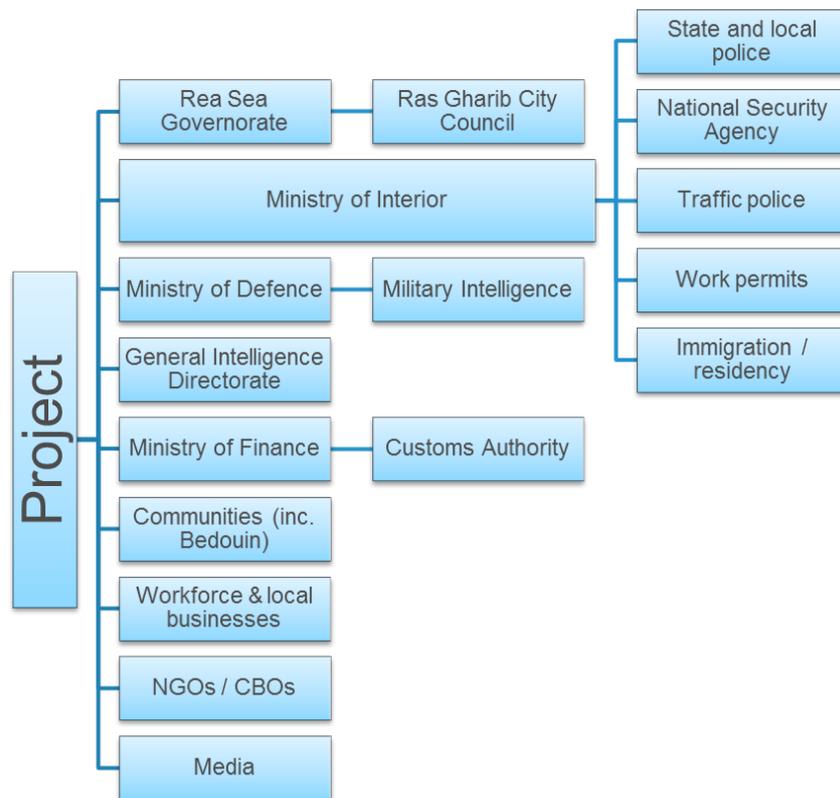
Anecdotal evidence suggests that a high level of military patronage pervades local business throughout the Governorate<sup>9</sup>.

The regional and local Government focus on political and civil matters and provide support as requested by the State security institutions.

### Figure 1.0 – Key Project Stakeholder Groups

<sup>8</sup> Risk Free Advisors (2018), Lekela Project Meeting, April 2018.

<sup>9</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.



On a practical note, there is a significant visible military presence in Ras Gharib and a police checkpoint on entry to the town from the highway.

### b. Planned Regional & Local Infrastructure Developments

There is limited and conflicting public data on planned Government and private infrastructure upgrades and new Projects across the Rea Sea Governorate.

However, two known Projects of note in the region include the Gulf of Suez Engie BOO Wind Power Plant Project and the Tahrir Petrochemical Corporation’s (TPC) petrochemical complex.

The Engie BOO Wind Power Plant Project<sup>10</sup> is located approximately 30kms from Lekela’s site. This 250WM Project has commenced mobilisation and early construction works and is expected to be commissioned in Q4 2019.

The Tahrir Petrochemical Corporation’s (TPC) petrochemical complex<sup>11</sup> will be located to the north of Ras Gharib within a special economic zone nearby Ain Sokhna, 33kms south west of the City of Suez. It is understood that detailed engineering and design is still underway and construction is unlikely to commence prior to 2020. It is anticipated that the construction phase will last approximately 46 months and require a peak workforce of 20,000.

<sup>10</sup> <https://www.engie.com/en/journalists/press-releases/engie-wind-power-park-in-egypt/>

<sup>11</sup> <http://carbonholdings.net/>

As identified in the ‘*Cumulative Biodiversity Effects briefing for Lekela Projects in the Gulf of Suez, Egypt*’ (May 2018)<sup>12</sup>, there are also a number of planned wind power Projects along the western side of the Gulf of Suez. Aside from the aforementioned Engie Project, these appear to still be in early development and therefore their construction phases are unlikely to coincide with Lekela’s BOO Project.

### c. Local Demographics & Societal Characteristics

Ras Gharib is the second largest city in the Red Sea Governorate and home to approximately 60,000<sup>13</sup> residents, of which some 98% reside in the city itself. The remaining residents (estimated to equate to approximately 115 households) live in and around the outlying villages of El Zaaarana and Wadi Dara. Historic data suggests that within Ras Gharib there is a male to female ratio of 54:46. The average family size is five members<sup>14</sup>.

Based on information gathered during recent consultation meetings, anecdotal evidence suggests there is a community of migrants (relatively recent arrivals) from other parts of Egypt (primarily Cairo and Upper Egypt) residing in and around Ras Gharib. Although the exact size of this community is unknown, it is not believed to be significant. It is understood that this predominantly male community has migrated in search of employment and economic opportunities. Considering the long and significance presence of the mining and oil and gas sectors in this area (and the comparatively high wages offered by this sector) as well as the proximity of tourism operations, this is a predictable economic trend.

According to a 2012 study by the World Bank<sup>15</sup>, despite Egypt’s comparatively low rates of internal migration (8% in 2012 as compared to the international average of 15%), the Red Sea Governorate experienced a net migration flow of 19.4% in 2012. This is primarily attributed to the employment possibilities offered by the tourism sector.

#### Education Levels

According to 2006 CAPMAS data, approximately 11% of the employable population in Ras Gharib were illiterate, 34% had attained a ‘pre-intermediate’ level of education (i.e. basic reading, writing), 37% had attained an intermediate education and a further 5% received a tertiary qualification. It is anticipated that there have been improvements in these figures since 2006 given the positive progress across Egypt’s education sector in recent years but this requires further investigation.

#### Vulnerable Groups

<sup>12</sup> Serckx A., Wilson D., Pollard E., Katariya V., Pilgrim J., (2018) ‘*Cumulative Biodiversity Effects briefing for Lekela projects in the Gulf of Suez, Egypt*’, The Biodiversity Consultancy.

<sup>13</sup> 59,785 provided by the Family Planning Centre, 2018.

<sup>14</sup> CAPMAS (2006).

<sup>15</sup> Herrera, S. & Badr, K. (2012) ‘*Internal Migration in Egypt: Levels, determinants, wages and likelihood of employment*’, Policy Research Working Paper 6166. Available at

<http://documents.worldbank.org/curated/en/875681468232465669/Internal-migration-in-Egypt-levels-determinants-wages-and-likelihood-of-employment>

Due to the tribal nature of local relationships in the area, anecdotal evidence based on discussions with stakeholders in Ras Gharib suggests that there is a disproportionately high number of children born with genetic deformities and special needs. This was reported to be as high as 3.5% of the child population in the city. Existing data on the number and types of disabilities vary widely as cases are undiagnosed or not registered / reported. Often families tend to isolate children and other relatives with special needs due to the social stigma associated with physical and mental disabilities and impairments.

Feedback from a number of stakeholders also confirmed that there is a notable and growing drug addiction problem within the Ras Gharib community which is predominantly impacting youth (both male and female)<sup>16</sup>. Access to detailed information on drug use in the Ras Gharib community has been limited to date, however attempts to solicit more data will continue via ongoing consultation efforts with local NGOs and other international organisations active in the area.

### Bedouin Tribes

The Bedouins in the Red Sea Governorate are made up of four main tribes, Tababna, Sheikh Fadi, Hamadine and Khushman.

**Table 1.0 - Local Bedouin Tribes<sup>17</sup>**

Tribe	Geographic Area	Population
Tababna	<ul style="list-style-type: none"> <li>80 kms west of Ras Gharib and located in the Project's concession areas.</li> </ul>	Approximately ten people in Ras Gharib <i>(based on feedback provided during initial consultation)</i> .
Sheikh Fadl	<ul style="list-style-type: none"> <li>Ras Gharib to Zaafarana.</li> </ul>	Approximately 70 people including 20 people in Zaafarana <i>(based on feedback provided during initial consultation)</i> .
Hamadine	<ul style="list-style-type: none"> <li>Ras Gharib to Gabal Zeit.</li> </ul>	Unknown. <i>Note: no official data exists and this could only be ascertained via consultation with the Head of the Hamadine tribe.</i>
Khushman	<ul style="list-style-type: none"> <li>South towards Hurghada.</li> </ul>	Unknown. <i>Note: no official data exists and this could only be ascertained via consultation with the Head of the Khushman tribe.</i>

The tribal social organisation is mainly based on tribal affiliation and extended family systems. The tribe is led by a 'Sheikh', who is the tribe's representatives in any external dealings. In Ras Gharib, the Tababna are led by Sheikh Hamid while Sheikh Frieg and Sheikh Mohamed Ayed handle the interface with the police and army on behalf of the Tababna. This tribe and the Khushman tribe

<sup>16</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.

<sup>17</sup> Ibid.

are nomadic and move freely to graze cattle. The Bedouin do not hunt deer or birds and do not fish.

Tribes in the Red Sea Governorate including in Ras Gharib comprise of the Aerynat, Brown Attia (Almezh), Rashida, Agazzaazh, Araban Arashndah, Aeazzaazah, Beja, Alababdp, Huwaitat, Alnoblin and Brahmin families<sup>18</sup>.

The Bedouin have informal territorial / land use rights and some oil and gas operators in the Ras Gharib area have consulted with them to secure land access for operations. These consultations have, in some cases, resulted in the provision of compensation for land use and other economic opportunities (such as employment).

The Bedouin within this region are mostly employed in security roles for oil and gas operators. This appears to have been a result of precedents set by local oil and gas companies which use Bedouin to provide local intelligence and act as security personnel. The Bedouin also have limited capacity to provide additional services such as catering and transportation.

The Lekela BOO wind power Project site is an isolated and remote desert location with no settlements (Bedouin or otherwise) on it or nearby. The Project will not hinder access to any water sources or other community livelihood resources (i.e. Gulf of Suez for fishing). No physical or economic displacement will occur as a result of Project construction or operations activities. For these reasons, the Project is unlikely generate any negative livelihood impacts for Bedouin communities.

During Project consultation meetings<sup>19</sup>, tribal representatives noted the effects of the October 2016 floods (*see Section g below*) reporting heavy losses of animal stock, cars and money. It seems that while this occurred almost two years ago, the effects are still felt by the community.

### Religious Groups

Ras Gharib is predominantly an Islamic society with a large number of mosques and a single Coptic Church located within the grounds of a monastery.

## d. Social Services & Infrastructure

### Civil Society<sup>20</sup>

Ras Gharib is a relatively closed community and has a robust and active civil society which residents believe to be better than other towns in the Red Sea Governorate. The leaders, managers and volunteers of local NGOs are considered strong 'advocates' who are passionate about their services and aims, and committed to supporting those in need. Given the lack of state provided social services, local NGOs play an important role in enhancing social capital and supporting vulnerable groups.

<sup>18</sup> Ibid.

<sup>19</sup> Ibid & Environics (2018) Project Public Disclosure and Consultation Meeting.

<sup>20</sup> Ibid.

As with many other parts of the country, youth represent a sizable (and active) proportion of the local population. There are six youth centers located in Ras Gharib, namely Elfath, Ras Ghareb, Elnasha, Employees Club, October and Elnasr<sup>21</sup>.

As previously mentioned, there is a burgeoning ‘hard’ drugs addiction problem in Ras Gharib among youth including both males and females. Given it is a conservative society, it is highly unusual that females are also affected to such an extent. Without a detailed understanding of the issue, youth unemployment, boredom and a lack of recreational facilities appear to be contributing factors.

There are no orphanages in Ras Gharib because family ties are strong and any orphaned children are generally cared for by their extended family. There was a view of one of the NGOs consulted that practitioners in the town’s Special Needs School were not adequately trained or qualified to affect positive developmental change, and that there was a lack of understanding amongst mothers about special needs conditions.

Table 2.0 below provides an example of some of the NGO activities currently underway in Ras Gharib.

**Table 2.0 - Ras Gharib Based NGO Activity**

Name	Activities	Additional Information
<b>Nahdet Baladna</b>	<p>Income generating activities are provided in three areas.</p> <p><b>Health</b></p> <ul style="list-style-type: none"> <li>▪ Drugs Rehabilitation Programme including prevention, treatment of addicts from an addiction eradication fund, and an outreach scheme.</li> <li>▪ Delivery of medicine to retired people via a monthly subscription scheme.</li> <li>▪ Medical discounts for vulnerable groups and those in need.</li> <li>▪ Early identification of viruses.</li> <li>▪ <i>Note: Speech therapy was previously provided but the speech therapist left due to poor wages.</i></li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Teaching of the Koran, English, IT skills and literacy skills.</li> </ul> <p><b>Social Services</b></p> <ul style="list-style-type: none"> <li>▪ A Special Needs School supports those who are physically-challenged and those with sight and hearing impairments.</li> <li>▪ Building of a play park.</li> <li>▪ Running a sports day for 300 children.</li> </ul>	<p>The Board of Directors include university educated youth, accountants, and engineers.</p> <p>Funding is provided by private donations, National NGOs and Kuwait Energy.</p>

<sup>21</sup> Ibid.

<p><b>Ras Gharib Association for the Protection of the Environment</b></p>	<p><b>Awareness Raising</b></p> <ul style="list-style-type: none"> <li>▪ Climate change campaign.</li> <li>▪ HSSE training provided by Hattm Abul Enein in ISO9000 / ISO14001 / ISO18001 / ISO22000 / OSSA Working at Height / Food and Medicine Safety. Recently 179 people were trained including 39 from the City Council.</li> </ul> <p><b>Beach Protection</b></p> <ul style="list-style-type: none"> <li>▪ Monitor the beach and report issues to the Police.</li> <li>▪ Conduct beach clean-up campaigns funded by petroleum companies.</li> <li>▪ Engage with petroleum companies on sea pollution.</li> </ul> <p><b>Waste Collection</b></p> <ul style="list-style-type: none"> <li>▪ Petroleum companies contract with them to transport waste water to Alexandria. They do not handle solid waste.</li> <li>▪ During the floods, they deployed water removal vehicles to pump the water away using three from the town and renting four others. They collaborated with the army and petroleum companies in the clean up.</li> </ul> <p><b>Beautification</b></p> <ul style="list-style-type: none"> <li>▪ Planted 700 trees and painted pavements and kerbstones following the 2016 floods.</li> </ul>	<p>The NGO has three permanent members of staff and a network of volunteers.</p> <p><i>Note: The NGO was not invited to RCREEE's EIA public consultation meeting and has tried to get access to the meeting minutes which they know should be publicly available but this is proving difficult.</i></p>
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<p><b>Muslim Youth Association</b></p>	<p>Focused on care for vulnerable groups.</p> <p><b>Female Club</b></p> <ul style="list-style-type: none"> <li>▪ 625 members.</li> <li>▪ Delivers programmes in illiteracy eradication, reading and teaching of the Koran, awareness raising about social issues such as drug addiction and supports vocational skills training such as dress-making.</li> <li>▪ Supports women in marketing and selling their goods for a percentage of the sales price.</li> <li>▪ Arranges field trips.</li> </ul> <p><b>Vulnerable Groups</b></p> <ul style="list-style-type: none"> <li>▪ Must be registered with Ministry of Social Solidarity.</li> <li>▪ Includes divorcees, physically-challenged, those whose husbands are unable to work and those who receive free or financial support for medical care.</li> <li>▪ Families must have a total monthly household income of below LE1,200 to qualify to receive support.</li> <li>▪ Beneficiaries are monitored to evaluate improvements in their standard of living.</li> <li>▪ Access to a dentist, pediatrician, optician, GP, gynecologist and surgeons is provided.</li> <li>▪ Food distribution is managed monthly and on behalf of community donations and national NGOs such as Orman and the Food Bank.</li> <li>▪ Support brides in preparation for their weddings.</li> </ul> <p><b>Education</b></p> <ul style="list-style-type: none"> <li>▪ Runs a nursery for children from three months of age.</li> <li>▪ 200 children are registered.</li> </ul> <p><b>Income Generation</b></p> <ul style="list-style-type: none"> <li>▪ Koshery sales.</li> <li>▪ Rent out shop units that surround the NGO building.</li> </ul>	<p>Oldest NGO established in 1970.</p> <p>Principal lead has been with the Association for 17 years. Have partnered with the ILO on management training, building businesses and providing Microsoft training.</p>
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## Communications

Ras Gharib residents primarily received information on news and local affairs from social media (i.e. Facebook) as well as personal networks and socialising with friends in local coffee shops. There was a local radio station and newspaper but it is understood that these are no longer operational.

There is significant usage of social media with 56,000 members on the town's most popular Facebook page.

There is a local Information Technology Centre supported by the Ministry of Telecommunications. Furthermore, each household is assumed to have more than one electronic device, with laptops being relatively prevalent.

## Training Facilities

According to a review conducted by the ILO (2014)<sup>22</sup>, there are a number of privately operated vocational and technical training centers within the Red Sea Governorate which cover skills from carpentry to handicrafts and carving.

The ILO is also involved in designing and implementing a range of training programmes which target youth and entrepreneurs in the region. Lekela is in discussion with the ILO to explore community training and development opportunities which are aligned with the Project requirements (i.e. 'green jobs', wind technical training etc). As part of the Project labour force planning, a local skills assessment will be conducted to inform the Labour Force Management Plan and training requirements.

## Healthcare

Ras Gharib is serviced by the Ras Gharib Central Hospital and a new hospital building is under construction. The hospital, and its associated health clinics, is managed by the Health Affairs Directorate of the Red Sea Governorate in Hurghada. According to information provided by the Health Department in 2013, and as detailed in the Project ESIA, the facilities and equipment available include one blood bank, eight dialysis machines (currently servicing 39 patients<sup>23</sup>), two operating rooms, two general health care units, five family planning units and four ambulances. There is also one general health unit and an ambulance located in El Zaafarana village to the north of the city.

There are currently 49 nurses which service the entire hospital<sup>24</sup>. The exact number of doctors is not known because they rotate between hospitals in the Red Sea Governorate. They also operate

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<sup>22</sup> International Labour Organisation (2014), 'Decent Jobs for Egypt's Young People: Tackling the Challenge Together – Desk Review, Governorate of the Red Sea', June 2014.

<sup>23</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.

<sup>24</sup> Ibid.

their own private clinics in Ras Gharib in the afternoon although there are no private hospitals in the town.

Equipment is provided by the Government or via donations made to the Health Directorate. A Government-managed ambulance service stationed along the Sukhna - Ras Gharib Highway outside of Ras Gharib operates independently of the hospital.

There is high demand for clinical care and a flat rate fee of LE1 (USD0.05) is charged per patient. Follow up examinations or treatment is charged separately.

During a consultation meeting, the hospital General Manager complained about the lack of surgeons and an increased demand on resources during the tourist season due to an increased number of Road Traffic Accidents (RTA) stating that there can be up to five RTAs each day<sup>25</sup>.

Medical cases currently being treated are pneumonia, assumed to be caused by changing weather patterns while in the summer there is a high incidence rate of food poisoning.

The birth rate is believed to be high and birth defects are considered to be per the national average while causes are linked to pollution and processed food. About 3 - 5% of the population are physically-challenged or are affected by sight and hearing impairments. The number of residents affected by autism and learning difficulties is unknown because those with the conditions are not registered or reported<sup>26</sup>.

Residents who were interviewed were negative about the quality of healthcare at the hospital and preferred to travel to Minia or Cairo for treatment.

The hospital uses Ras Gharib City Council's Facebook page to post information and make announcements.

The EPC Contractor is currently undertaking a local health facility and service assessment in order to inform emergency response planning, the Occupational Health and Safety Management Plan and any other management plans which may be required in the event that the construction workforce is housed in Ras Gharib.

## Sports

Ras Gharib residents typically play and are interested in football, boxing and karate as these are the only sports available.

## Transportation

Public transportation is available on all main roads in and out of the area and within Ras Gharib an efficient taxi service operates along the lines of Uber and is contactable via telephone. There is

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<sup>25</sup> Ibid.

<sup>26</sup> Ibid.

also a local micro-bus service available and public buses link Ras Gharib to many coastal and inland towns.

The main airport is located in Hurghada, approximately 80kms south of Ras Gharib.

### Utilities

During consultations<sup>27</sup>, community stakeholders advised that there is reliable water and electricity supply in Ras Gharib. There are two large and visible water pipes located on the perimeter of the town. El-Sheikh Fadl, 245kms to the west of Ras Gharib, also has access to good utility services but in Zaafarana, 120kms north of Ras Gharib, water supplies are not continuous and often involve water collection up to 5kms away from localities. Residents did however complain about Ras Gharib's garbage / waste collection service.

The EPC contractor is currently assessing water sources for construction to ensure there are no adverse impacts on existing community water resources.

### e. Employment, Labour Force Availability & Composition

According to official sources from the Rea Sea Governorate<sup>28</sup>, the average unemployment rate during 2013 in Ras Gharib was 9.8%. Although current unemployment data is not available, discussions with local stakeholders would indicate that it is higher than the last available estimate.

The migrant community originating from Upper Egypt tend to either set up their own small businesses or accept jobs that are below their capabilities. Anecdotal evidence suggests that Ras Gharib youth, on the other hand, are reluctant to accept jobs that are below their actual or perceived capabilities<sup>29</sup>. This may lead to some tensions between the existing Ras Gharib community and the migrant population, although this is not confirmed.

Aside from a single operational hotel, there is no tourism industry in Ras Gharib, nor are there any professional services such as legal or accountancy firms. There are also no trade service companies (plumbing, electrical fitting) or cleaning providers. Women tend to be confined to gender stereotyped roles and are employed as nursery and primary school teachers, pharmacists, shopkeepers and in the civil service. Facebook is a very effective platform for small businesses, for example, women with small businesses use this medium to sell their products.

Those who are in gainful employment tend to be either directly employed within the petroleum sector or by private local petroleum service companies. They are also employed in small private enterprises such as retail outlets, street food, clothing vendors or in the public sector (government, healthcare and education).

One company, Petro Red Sea, is a local service supplier to the petroleum industry managing transportation services, housing, civil works and labour supply. They report to have access to

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<sup>27</sup> Ibid.

<sup>28</sup> Information & Decision Support Centre (2014), Rea Sea Governorate.

<sup>29</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.

approximately 3,000 unskilled and semi-skilled workers from Ras Gharib and their clients include Petro Dara, West Bakr, Petro Amir, Suco, GUPCO and GPC.

Based on recent Project discussions with the Head of the Ras Gharib City Council<sup>30</sup>, there is a pool of technical expertise and skills (engineers and technicians) within the community. Many of these semi-skilled and skilled people are currently working within the oil and gas sector, however with some additional generic (EHS) and technical training, there appears to be an alternative pool of local labour which could be utilised. Further investigation is ongoing in order to understand local skills and capabilities as well as the number of resources available. This information will inform the development of the *Labour and Working Conditions Management Plan*.

During the Project Public Disclosure and Consultation Meeting<sup>31</sup>, General Yasser Shaaban Head of Ras Gharib City, as well as other attendees, stressed on the importance of coordination with Ras Gharib City Council regarding employment provision. He noted that previous Projects had made promises with regards to employment opportunities which were not kept. He also added that the City Council is willing to provide logistical / facility support for community training specific to the renewable energy sector.

## Fishing

Shoreline net fishing has not been allowed in the area for some time, but recently Ras Gharib's fishing industry has been impacted by a ban imposed on line fishing along a large swathe of the Red Sea. The ban, imposed by the military for security reasons, appears to be unofficial as there is no evidence of a formal announcement. Fishers have made appeals to the City Council to get the decision reversed.

The impacted fisher population is estimated at between 80-100 people and, while some (illegal) line fishing seems to have continued<sup>32</sup>, their livelihoods have been disrupted as a result of the ban. Produce was sold to local restaurants and residents could purchase fish from 25 small shops (huts/sheds) dotted along the streets.

Those impacted are either now unemployed or have taken temporary jobs as construction workers and painters and decorators. One fisherman who was interviewed was employed by GPC with responsibility for environmental protection<sup>33</sup>. This person also admitted that fish catch (in particular, squid) was in decline because of poor fishing practices.

There is a Fishing Association which sources income from fines imposed on the petroleum industry. The Association supports unemployed members.

## Tourism

<sup>30</sup> Project update meeting with General Yasser Shaaban, Head, Ras Gharib City Council, 27 May 2018.

<sup>31</sup> Environics (2018), Public Consultation for Lekela BOO Wind Power Plant at Gulf of Suez, April 2018.

<sup>32</sup> In adverse weather conditions (high winds) there is no catch.

<sup>33</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.

The city of Ras Gharib itself is not promoted as a tourism destination. Visitors and tourists tend to pass through en-route to other destinations along the Red Sea coastline.

## f. Accommodation & Housing

### Local Hotel Availability

The Rea Sea Governorate is home to one of Egypt's premier tourist destinations although in recent years the sector has suffered as a result of political upheavals and security threats. According to figures provided by the State Information Services (2014)<sup>34</sup>, there are over 70,000 hotel rooms of varying quality across the Governorate. Further information is being ascertained on seasonal availability, quality and location to inform the Project workforce accommodation solution.

During a recent field visit, it was noted that there is a single operational hotel in Ras Gharib, the *El Amir Palace Hotel*. According to the Head of the Ras Gharib City Council<sup>35</sup>, there are also a number of youth involved in small local accommodation businesses which require further support.

### Local Housing

Ras Gharib residents typically own their own houses (with mortgages) while newcomers tend to rent accommodation. A typical two-bedroom house costs between LE700-800 (USD40 – 45) per month. Buildings are limited to a maximum level of four stories due to constraints imposed by the military. Many buildings look unfinished because the columns are exposed but this is intentional as residents deliberately refrain from 'showing off' their wealth.

The extent of local housing availability and type of dwellings available is currently unknown and further investigation is underway.

## g. Other Notable Social Aspects

During initial stakeholder consultation meetings, it was clear that the community of Ras Gharib continues to be affected by severe flooding which occurred in October 2016. Eleven people lost their lives while numerous others were injured. The two-day heavy rains brought major disruption to power and water supplies, destroyed homes and made roads inaccessible.

There was a national response to the floods and Prime Minister, Sherif Ismail, visited the town and the Ministry of Social Solidarity compensated families of those who lost their lives and were injured. Notable national NGOs providing assistance were Misr El Kheir Foundation, El-Orman, The Food Bank and Resala. One of the NGOs interviewed advised that much of their 2017 budget was channeled towards supporting ongoing relief efforts and this was set to continue into 2018<sup>36</sup>.

It has been recently reported that flood management measures are being put in place by the military and include the construction of an artificial lake in Wadi Dara, south of Ras Gharib.

<sup>34</sup> State Information Services (2014), The Rea Sea. Available at <http://www.sis.gov.eg>.

<sup>35</sup> Project update meeting with General Yasser Shaaban, Head, Ras Gharib City Council, 27 May 2018.

<sup>36</sup> Kina Advisory (2018), Preliminary stakeholder consultation meetings.

## 9.0 Social Impact Assessment & Management Planning

A supplementary social assessment has been conducted to identify potential impacts (both positive and negative) of the Project on the local social context and conversely, the way in which existing social attributes may impact the Project throughout its life cycle. In order to maintain consistency, a similar methodology as that used for the original Project *ESIA (2018)*<sup>37</sup> has also been used for this supplementary exercise. Impact identification has also been informed by stakeholder consultation.

The below assessment includes the identification of potential social impacts and an evaluation of the likely significance of those impacts (*Refer Appendix A – Social Impact Matrix*). It also proposes management and / or monitoring measures.

Social baseline and assessment information which is included in the Project *ESIA* (January 2018) has not been repeated in this supplementary assessment unless necessary for explanatory purposes.

## 10.0 Social Impact Identification & Evaluation

Based on the scale of the Project, the remote desert location and the characteristics of the existing social and socio-economic context, the socio-economic impacts of the Project are expected to be largely positive.

The Project will bring new investment and (albeit temporary) employment opportunities to the area. Through workforce training, it will enhance the skill base and promote economic activity through local content initiatives. Furthermore, Lekela has a robust approach to community investment over and above its impact mitigation obligations and will seek to make a positive and sustainable community development contribution.

In addition to the impacts identified and assessed in the Project *ESIA (2018)*, the below sections outline the key social impacts which may be generated as a result of the Project. As more detailed Project information and social data becomes available these impacts will be further defined and managed through the Project risk management process and the social management plan.

### a. Workforce Recruitment, Mobilisation and Retention

It is expected that there will be a peak construction workforce of approximately 300 and the intention is to source the bulk of this requirement from the local community. The final Project

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<sup>37</sup> Refer Section 6-1 for methodology. Envirionics (2018), Environmental and Social Impact Assessment for Lekela BOO Wind Power Plant at Gulf of Suez Report, January 2018.

manpower profile and categorisation of the skills and capabilities required during construction is yet to be determined. The Project is working closely with the Ras Gharib City Council, local Ministry of Labour representatives and organisations such as the ILO, which has significant outreach activities in the region, to determine local labour availability.

The results of preliminary stakeholder consultation suggest that there is a pool of semi-skilled (technicians) and unskilled labour locally however the extent of the resources available, the location, skills and capabilities of those resources is yet to be determined.

Although the creation of employment opportunities will be temporary in nature, this is expected to have a net positive impact not only through the provision of direct Project employment opportunities, but also indirectly via an expanding local economy.

In order to minimise opportunities for nepotism and corruption and enhance and leverage the positive impacts which employment will bring to the local community, it will be critical that the recruitment and retention of the workforce is managed by contractors and subcontractors in an equitable, fair and transparent manner.

Given the relatively small construction workforce, it has been assumed that the bulk of the labour requirements will be sourced locally. Therefore, it is unlikely that the area will experience any population influx or subsequent impacts to community health and safety, access to social services and local community cohesion. Potential influx and in-migration impacts are discussed further in section (c) below.

### Recommended Management Measures

- Key local stakeholders will be consulted prior to recruitment and mobilisation on key human resource and recruitment procedures. Information provided by stakeholders will also inform a skills profile / database for the Project construction phase.
- Develop and deliver clear messaging regarding labour requirements and recruitment to ensure local community expectations are managed.
- Construction contractors will be required to source as much labour as possible from the local community.
- Where feasible, appropriate training and skills development programmes for the local community will be initiated prior to construction.
- A database of local companies and service providers will be developed prior to any major tender process for construction contractors. These companies will be notified when Requests for Proposals (RFPs) are issued by the Project.
- As the EPC contractor (and its BoP subcontractors) will be responsible for recruiting and retaining the majority of the construction workforce, the above will be detailed by the contractor in a *Labour and Working Conditions Management Plan*. The *Labour and Working Conditions Management Plan* will form part of the Construction Contractors Environmental and Social Management Plan (CESMP). It will be aligned with Lender standards, Lekela's Human Resource Policy, and the requirements of the company's ESMS.
- The Project will also put in place a Worker Grievance Management Procedure covering all Project staff and contractors (including BoP subcontractors).

## b. Workforce Accommodation

There are four workforce accommodation solutions under consideration including:

- a) An on-site temporary construction camp located nearby / within the Project footprint.
- b) Existing hotel stock.
- c) Existing local housing stock in Ras Gharib.
- d) A combination of the above.

For each of these solutions, there are a number of both positive and negative potential impacts which require due consideration. The optimal solution will depend on a number of factors including (but not necessarily limited to):

- Cost;
- The extent to which labour requirements can be met locally (i.e. workers sourced from Ras Gharib will be in existing accommodation with their families, migrant labour required from other parts of Egypt, foreign expertise);
- Daily movement of the workforce to and from the site (distance, state security permits and approvals, road traffic safety, workforce productivity);
- Simultaneous construction of other infrastructure Projects in the region (possible cumulative impacts);
- Seasonal availability of existing or newly constructed hotel stock;
- Housing availability and quality within Ras Gharib;
- Social cohesion and the potential to leverage community / economic benefits; and
- Views of key local stakeholders, specifically the Red Sea Governorate and Ras Gharib City Council.

### Onsite Temporary Construction Camp

Housing the construction workforce on site will negate a number of transportation risks and security (permitting for movement of people) issues. A temporary onsite camp will also minimize potential impacts to community safety and security and negate the need for workers to access already stretched local social services. However, it will also limit both the direct and indirect economic benefits which can flow from accommodating personnel within local communities.

### Existing Coastal Hotel Stock

Utilising existing or newly constructed hotel stock in proximity to the site may have considerable advantages for local tourism operators and be cost effective however, Government restrictions on the use of such facilities and seasonal tourism demand need to be considered. Furthermore, offsite accommodation will require transportation to and from the site which will inherently increase the risk of road traffic incidents. The Project will also need to secure additional permits and approvals from the local Government and relevant State security organisations.

### Existing Ras Gharib Housing Stock

If the bulk of the labour requirements are able to be sourced from the local Ras Gharib community, many should have access to local accommodation. Housing the remaining workforce within Ras Gharib will be dependent on availability and ensuring that Project demands do not artificially inflate housing costs for the local population and lead to displacement. Furthermore, issues of social cohesion, transportation (to and from the site) as well as community safety, security and access to social services need to be considered. This said, housing the workforce in Ras Gharib would generate greater economic benefits for the local community as a result of the workforce utilising local goods and services.

### Recommended Management Measures

- Irrespective of the solution proposed, any workforce accommodation provided by the Project will be in accordance with GIIP as per the IFC / EBRD Workers' Accommodation: Processes and Standards<sup>38</sup>.
- Where onsite accommodation is provided, all efforts will be made to ensure that local services providers are involved in managing the day-to-day camp operations therefore securing economic benefits.
- Where offsite accommodation is provided, transportation risk mitigation measures (including risks to community safety) will be detailed in the Contractors *Transport Management Plan*. This plan will form part of the CESMP.
- As the EPC contractor (and its BoP subcontractors) will be responsible for providing workforce accommodation where required, management measures pertaining to the establishment and management of the accommodation solution will be detailed in the *Workers' Accommodation Management Plan*. This plan will also detail workforce behavior expectations and guidelines for the use of local community services and infrastructure. This plan will also form part of the CESMP.

### c. Influx / Project Induced In-migration

Given the existing economic opportunities which are available in the Governorate (oil and gas, mining, tourism etc), evidence suggests that migrants are drawn to the region from other parts of Egypt. While there are existing renewable Projects in the area, the neighbouring Engie wind power Project, together with the Lekela BOO Project and other anticipated local wind Project, will herald the start of a new energy sector in the Governorate.

There are a number of factors which have been considered in determining the probability of Project induced migration including:

#### **The simultaneous development and construction of other infrastructure Projects in the region.**

- There is currently limited and conflicting data available on planned Government and private infrastructure upgrades and new Projects across the Governorate. Taken as a standalone Project (no other Projects are expected to be in construction simultaneously) and assuming

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<sup>38</sup> Available at [https://www.ebrd.com/downloads/about/sustainability/Workers\\_accomodation.pdf](https://www.ebrd.com/downloads/about/sustainability/Workers_accomodation.pdf)

a peak construction workforce of approximately 300 over a period of 18 months, the Lekela BOO Project is not considered significant either in terms of resource requirements or duration. It is anticipated that the majority of the manpower requirements will be sourced from an existing local pool of semi-skilled and unskilled labour.

- In the unlikely event that there are several sizable Projects on parallel or overlapping construction schedules, there is likely to be a necessary influx of labour and competition for local resources, goods and services. In this case, a further risk assessment would need to be undertaken in cooperation with the regional and local authorities and appropriate mitigation plans put in place.

### **The extent to which Project labour, goods and service requirements can be met locally.**

- Assuming there are sufficient local labour resources, and provided the recruitment of personnel is well managed, Project related in-migration impacts on the local community will be limited.
- Given the sizable mining and petroleum operations in the area, there are also a number of service contractors (civils, logistics etc) already operating in Ras Gharib and along the Rea Sea coastline. It is anticipated that a number of local service providers will be retained to support Project construction activities.

### **Population mobility.**

- Evidence suggests that the Rea Sea Governorate experiences a higher than national average rate of migration. While Egyptian identification cards include the individual's place of birth / origin, there are no state imposed limitations on an individual's decision to relocate. There are however, a number of social and livelihood factors (such as links to subsistence agriculture) which determine mobility in Egypt. Furthermore, in-migration is likely to be discouraged by local authorities and any new migrants would be closely monitored by State security organisations.

Based on the current Project schedule, it is expected that the Lekela BOO Project will be the only notable construction activity in the area. Project labour, goods and service requirements are expected to be sourced / serviced largely from within the Governorate and therefore any Project-induced in-migration impacts are expected to be negligible.

If however, there is significant local competition for labour, goods and services as a result of multiple Projects on simultaneous construction schedules, there are likely to be in-migration impacts which would require a detailed risk assessment and mitigation actions developed.

It should be noted that there is a significant petrochemical installation (Tahrir Petrochemical Complex) planned in Ain Sokhna, on the Rea Sea coastline. While this is some distance north of Lekela's BOO Wind Power Project site and not currently expected to overlap with Lekela's construction schedule, it is a major infrastructure Project which has considerable labour, goods and service requirements. The construction phase is estimated to require a peak workforce of 20,000 which will have a significant impact of resource availability in the region.

## Recommended Monitoring Measures

- Based on current assumptions it is unlikely that there will be any influx or in-migration impacts resulting from the Lekela BOO Project. However, it is recommended that measures be put in place to monitor key local indicators which may identify early trends and issues.
- Ongoing stakeholder engagement with local NGOs and government authorities will be a key mechanism for the early identification of any potential issues or concerns.

### d. Community Safety & Security

As detailed in the Project *ESIA (2018)*, in the course of securing and safeguarding assets and personnel, Lekela will undertake a security risk assessment which will assess risks and impacts to workers and local communities resulting from the security arrangements put in place. This will include details of the interface between private and State security personnel.

Any private security personnel retained by the Project or contractors will be appointed subject to thorough due diligence. Given the sizable presence of State sponsored security in this region, it will also be a requirement of the Contractor to ensure that security arrangements comply with the spirit of the Voluntary Principles of Security and Human Rights (VPSHR)<sup>39</sup>. While developed with the extractive sector in mind, the VPSHRs provide a robust framework for most infrastructure Projects to appropriately manage security arrangements in such an operating context.

The Project *Community Feedback Procedure* also provides a mechanism for community members to express concerns about Project security arrangements and the actions of security personnel.

During construction, a significant amount of heavy equipment will be transported to the site from a port located either on the Mediterranean or Red Sea coastline. The Contractor is currently undertaking a detailed route assessment of the options available. In the event that a Mediterranean port is selected, it will be necessary for convoys to traverse the north east outskirts of Cairo (Alexandria – Cairo – Ain Sokhna). Measures will be taken to ensure that all relevant stakeholders (local traffic police etc) are notified in advance of convoys so that appropriate traffic management procedures can be put in place.

Finally, in the event that the workforce is accommodated in existing housing stock within Ras Gharib, there will be a greater interface between the workforce and local population which may lead to increased community safety and security risks.

## Recommended Management Measures

- Conduct a security risk assessment and develop a *Security Management Plan* complying with the spirit of the Voluntary Principles on Security and Human Rights and including community redress procedures.
- Working closely with State security organisations to ensure the safe passage of personnel, equipment and goods will be a key project success factor. Recognising that the Project's

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<sup>39</sup> Available at <http://www.voluntaryprinciples.org/>

activities may affect local communities, Project management will engage regional and local authorities on a regular basis to ensure the welfare of the community and mitigate any potential conflicts.

- As the EPC contractor (and its BoP subcontractors) will be responsible for the movement of heavy equipment transport management measures will be detailed in the *Transport Management Plan*. This plan will be developed in cooperation with key external stakeholders (traffic police, customs, port authorities and local administrations) and account for any security / permitting requirements. It will also form part of the CESMP.
- All transportation contractors working on behalf of the Project will be required to carry contact cards which provide the details for accessing the Project Community Feedback Procedure. In the event they are approached by community members, they will be able to immediately refer them to the Feedback Procedure.

## 11.0 Social Management Plan

As per the Project ESIA (2018), the social management plan forms part of the Project's overall Environmental and Social Management Plan (ESMP). Specifically, the EPC Contractor will develop the following management plans which will address relevant social impacts:

- Labour and Working Conditions Management Plan (including a Worker Grievance Management Procedure).
- Workers' Accommodation Management Plan.
- Security Management Plan (addressing community safety and security aspects as appropriate).
- Transport Management Plan (addressing community road safety).

Further to this, Lekela will also develop the following Project plans:

- Stakeholder Engagement Plan (SEP)
- Community Feedback Procedure (CFP)
- Community Investment Plan (CIP)

Given the importance of maintaining productive stakeholder relations in this operating context, Lekela has developed a single Project SEP and CFP. The SEP and CFP will be owned and managed directly by Lekela to ensure there is a single coordinated approach to stakeholder engagement and consultation throughout mobilisation, construction and operations. The EPC Contractor will be required to support Lekela's stakeholder consultation efforts and will be actively involved in receiving and acting on community feedback.

In order to ensure clear roles and responsibilities between Lekela and the EPC Contractor, a stakeholder engagement protocol will be developed articulating the process which the Contractor will follow in soliciting stakeholder meetings and the responsibilities which they have in respect to the consultation process. Local community liaison resources will be retained by both Lekela and the EPC Contractor in order to appropriately manage regional and local stakeholder consultation efforts.

While there is no requirement for the EPC Contractor to support local community development initiatives and programmes, should they elect to do so, this would be first agreed with Lekela to ensure that any investment is aligned with Lekela's *Community Investment Strategy*.

## 12.0 Conclusion

As further social and socio-economic data is acquired during ongoing stakeholder consultation efforts and additional Project information becomes available, the Project risk register and ESMP will be reviewed and updated accordingly.

Based on the scale of the Project, the remote desert location and the characteristics of the existing social and socio-economic context, the socio-economic impacts of the Project are expected to be largely positive.

The Project will bring new investment and (albeit temporary) employment opportunities to the area. Through workforce training, it will enhance the skill base and promote economic activity through local content initiatives. Furthermore, Lekela has a robust approach to community investment over and above its impact mitigation obligations and will seek to make a positive and sustainable community development contribution.

Social risks and negative impacts identified will be addressed and managed in accordance with international social performance standards and in cooperation with key stakeholders.

## 13.0 Appendix A - Social Impact Matrix

Project Activity (source of impacts)	Social Aspects <sup>40</sup>						
	Land take	Displacement	Employment / Livelihoods	Workplace H&S <sup>41</sup>	Community H&S	Social Services / infrastructure	Social Cohesion
<b>CONSTRUCTION</b>							
Workforce recruitment, mobilisation & retention	NA	NA	+ (M)	- (L)	- (L)	- (L)	- (L)
Workforce accommodation							
▪ Onsite temporary construction camp	- (L)	NA	+ (L)	- (L)	NA	NA	NA
▪ Existing housing stock in Ras Gharib	NA	- (L)	+ (M)	NA	- (L)	- (L)	- (L)
▪ Existing hotel stock on western GoS coastline	NA	NA	+ (M)	NA	NA	NA	NA
Civils / site prep	- (L)	NA	+ (L)	- (L)	- (L)	NA	NA
Installation / traffic / movement of heavy equipment	NA	NA	NA	- (M)	- (L)	NA	NA
<b>OPERATIONS</b>							
Operations workforce	NA	NA	+ (L)	- (L)	NA	NA	NA

<sup>40</sup> (-) = negative impact; (+) positive impact; (L) low impact; (M) moderate impact; (H) high impact.

<sup>41</sup> Workplace H&S / Occupational impacts and mitigations have been primarily addressed in the Project ESIA (2018).

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