

Appendix 10.1

Community Perceptions of Project Impacts and Proposed Mitigation Measures

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Summary Discussion of Data Collected During Socio-Economic Baseline Survey May – June 2008

North Plot

El Karatssa

Perceived Positive Impacts

Residents in El Karatssa stated that likely positive Project impacts of ERC were mainly related to job creation. They expect ERC will provide job opportunities especially for the youth (FGDs 3 & 4). Respondents stated the Project should recruit residents from local communities to gain their support (KIIs 16-23). Respondents believe that providing 600-700 jobs 'is realistic' and it would be possible to find janitors and maybe even engineers from local communities (KIIs 1-15). As for traffic and transport impacts, female residents do not see any problem especially since the entrance of the ERC 'does not interfere' with El Karatssa (FGDs 3 & 4).

Shopkeepers also state transportation is not a problem since people already use different roads, e.g., El Zeiton and Ein Shams. (KIIs 1-15). Noise does not seem a concern: "noise will be tolerated since it is far from the residential area which is already noisy". More important to them is the Project potential positive impact of providing garbage dumpsites and improving the sewerage network (KIIs 16-23).

Perceived Negative Impacts

There are concerns from PAPs that none of the residents will have any chance of being recruited by ERC (FGDs 3 & 4); "it takes a lot of money to get recruited" (FGD 1 & 2); "and our husbands are over the age of 30" (FGDs 3 & 4). Meanwhile, shopkeepers said that: "600 jobs are never enough to solve the unemployment problem in the area" (KIIs 1-15). Female residents mentioned negative impacts related to solid waste generated by the ERC that may cause health and environmental problems: "this will cost us over LE 100 a month for doctors' visits" (FGDs 3 & 4). As for other environmental impacts, owners of workshops are convinced that negative environmental impacts will happen in the surrounding area or the refinery (KIIs 16-23). Shop owners are concerned about indirect negative economic impacts, i.e., sudden increase in rent rates (KIIs 1-15). Female residents are worried about fires (FGDs 3 & 4), while shopkeepers anticipate environmental problems with sanitation if the refinery uses the same sewerage network, or if it disposes industrial waste in the canal (KIIs 1-15). Transportation and traffic was stated as a potential negative impact of ERC by all participants in all FGDs and KIIs as: "the problem will get more complicated"; "traffic will get worse, especially with public transportation"; "our kids will be late for school and never arrive on time" (FGDs 1-5 and KIIs 1-23).

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Mitigation of Impacts as Proposed by Residents of El Karatssa

PAPs have proposed certain mitigation measures to enhance positive benefits and reduce negative impacts of the ERC in El Karatssa namely: providing jobs for women (FGDs 3 & 4) and making sure the hiring process is bribe free (KIIs 1-15). Using up to date technology is also mentioned as a measure to mitigate air pollution (KIIs 16-23). Providing an alternative route on the “other side of El Karatssa” or on the back road is proposed to avoid traffic jams in the area (KIIs 16-23). In addition residents stated that daytime construction working hours should be kept under strict supervision (KIIs 1-15).

Naguib

Perceived Positive Impacts

Naguib residents’ main expectation of benefits from ERC was stated as: “recruitment is possible during construction phase” (FGDs 1-4). Workshop owners and workers believe there will be positive impacts in terms of: “recruitment of locals, the refinery’s ability to develop an effective management plan, install an efficient sanitation network, make sure the environment is safe and pollution free, widen the main road, and implement industrial safety measures” (KIIs 16-23). On the other hand, shopkeepers showed some reservation concerning job opportunities: “it will all depend on whether the refinery will recruit workers from the area or not” (KIIs 1-15).

Perceived Negative Impacts

Male residents in Naguib have reservations regarding job opportunities in terms of insufficiency, “600 job opportunities are not enough to absorb unemployed folk here”. From their point of view, locals are neither skilled nor experienced, and have no access to connections to secure jobs at the refinery. There is a wide consensus among all Naguib participants (FGDs 6 & 7 and KIIs 24-32) that the chance of recruiting locals is nil due to lack of skills, experience and connections. Sceptical, workshop owners even stated: “jobs are only propaganda to win locals support” (KIIs 29-32); “the refinery will already have its own trained staff” (FGD 7). In terms of environmental impacts, they regard fumes and emissions from the refinery as a potential cause of air pollution related diseases. Toxic waste and roads not getting fixed or paved were also mentioned as potential negative impacts. Sanitation issues are a concern, especially as the sanitation network is designed for a small area, not for a refinery (FGD 6). Female residents raised problems concerning water supply shortage in addition to fumes and toxic waste (FGD 7). There is again extensive concern among all participants regarding constant traffic jams and dust resulting from company cars, trucks and heavy machinery driving on unpaved roads during the construction phase (FGDs 6 & 7 and KIIs 24-32). Female residents have concerns about the sanitary network and its malfunction if serving both the residential area and the refinery. Environment linked health issues are a priority concern for most respondents (FGDs 6 & 7 and KIIs 24-32). However, only shopkeepers raised concerns regarding the negative impact of construction and noise on the foundation of the buildings and houses in the area (KIIs 24-28).

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Mitigation of Impacts as Proposed by Residents of Naguib

Advertising for jobs in Naguib is seen as a solution to enhance the potential benefit of ERC regarding local recruitment and thus avoiding bribery and 'hiring by connections' (nepotism). Environmental mitigation measures suggested by residents in Naguib include: control of toxic emissions by using higher chimneys and establishing pipelines under the ground for the smoke to go through. For sanitation, residents proposed installing a separate sanitation network for the refinery to avoid malfunction of the network. It was also proposed to widen the main road and appoint traffic officers to control transportation and traffic impacts during construction and operation (KIIs 29-32). It is also suggested, that working hours during construction should be fixed to day time (from 8 am until 8 pm), and no work should be carried out in the evenings to mitigate the potential negative impact of noise nuisance (KIIs 24-32).

South Plot

Arab El Hessn

Perceived Positive Impacts

There is a consensus amongst respondents in Arab El Hessn, that the ERC is a benefit for all "Egyptians", in terms of economic growth and development, "the ERC is a benefit for all of us" (IGAs). It was also expected that new job opportunities will benefit youngsters (FGD 8 & 9), and would include women (FGD 8) and poor people in the area (KII 33-35). It was specified that the refinery should be made strictly responsible to recruit locals and not outsiders; "The refinery should hire people from the local community, upgrade the area and improve our housing conditions" (IGAs). Improvements in the physical environment of the area, especially infrastructure and specifically sanitation, are also perceived as potential positive impacts of the ERC (FGD 8 & 9). Street lighting and paving is also expected (KIIs 33-35 & IGAs). Provision of social services, mainly hospitals and health centres is also expected (FGD 8). Garbage collectors and sorters (FGD 9) expect better housing conditions and opportunities. It was clearly expressed that: "we hope the refinery will have a positive impact, in terms of infrastructure improvements, e.g. streets' paving and lighting, sanitation.... etc" (IGAs); and "if the refinery would benefit the area and local people, that would be good" and: "we look forward for any benefit" (IGA s). Worth mentioning here is that all participants of FGDs, KIIs and IGAs agreed that the ERC should commit itself to 'a social responsibility plan' with clear measures and actions, and the Government should also take constructive actions in this regard.

Perceived Negative Impacts

In Arab El Hessn, it was stated that: "positive economic impacts will only profit the private sector, but not us; we never benefited from refineries that already exist in the area" (IGAs); "the refinery will not recruit any of us, they will recruit educated people only" (FGD 10); "The refinery will never recruit illiterates like us" (KIIs 33-35). Another perceived negative impact is the threat of land acquisition, which might result in evicting and possessing buildings to build the refinery (FGD 8 &

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KIIs 33-35). Another concern is the threat of resettlement of residents on the side of Arab El Hessn site, i.e. garbage collectors and sorters (KIIs 33-35). These issues, though not true, were mentioned; which represents insecurity and vulnerability. Negative impacts on health and pollution related diseases are crucial concerns raised in all FGDs, KIIs and IGAs. All participants confirmed negative impacts on people's health in the area, in particular respiratory problems and chest congestions. In some FGDs and KIIs, negative health impacts were specific to children (FGD 8 & 9). It was expressed that "the refinery will positively impact the economy, but smoke will negatively impact people's health" (IGAs). The raised expectation of improved infrastructure for Arab El Hessn is also a potential negative impact unless experienced consultation specialists manage this expectation.

Mitigation of Impacts as Proposed by Residents of Arab El Hessn

To ensure minimisation of environmental degradation and deterioration of health in Arab El Hessn area, it was proposed during community meetings to: a) commit ERC to a social responsibility plan with clear measures and actions (all FGDs, KIIs and IGAs); b) enforce the implementation of effective industrial safety measures (FGD 8); and c) establish an efficient system and install efficient filters to control smoke and fumes emission (FGD 10 and KIIs 33-35).

Ezbet Atef

Perceived Positive Impacts

Male residents of Ezbet Atef are convinced ERC will recruit locals (FGD 11), while female residents believe that they will only recruit one or two residents as propaganda to satisfy locals (FGD 12). Shopkeepers stated that residents would benefit from this recruitment process since they live close by (KIIs 36-43). As for environmental impacts, there is a belief that ERC will use modern effective technology to ensure 'air pollution abatement' (FGD 13). Farmers see no problem with traffic (FGD 14), while workers state they can endure noise, as people are used to noise in the area (KIIs 36-43). As for sanitary and drainage issues, all participants see no damage as efforts are already being made to develop sanitary networks by local government (FGDs 11-14 and KIIs 36-43).

Perceived Negative Impacts

Reservation about local recruitment is a repeated negative impact. Recruiting through connections and not recruiting locals due to the lack of skills, experience and training is the major concern for all residents in Ezbet Atef (FGDs 11-14 and KIIs 36-43). Employment opportunities are perceived as fake promises (KIIs 36-43). Negative environmental impacts and consequent health problems for the elderly and children is a pressing concern for male residents (FGD 11); fires are a negative impact perceived by female residents (FGD 12); while smoke and crops "growing too soon because of the smoke" is a perceived negative impact raised by concerned farmers (FGD 14). Many participants are convinced that the refinery means "only pollution" (FGD 13). The negative impact on traffic and transportation was raised in many discussions (FGD 13 & 14 and KIIs 36-43).

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Impacts of 'noise' (construction nuisance) on the foundations of "delicate" housing were raised as a potential negative impact in only one discussion (FGD 13).

Mitigations of Impacts as Proposed by Residents of Ezbet Atef

A number of impact mitigation measures are proposed by Ezbet Atef respondents: use updated technology (FGD 11); ensure industrial safety (FGD 12); commit the ERC to recruit locals from the area (FGD 14); widen roads and organise traffic; establish new roads away from residential areas (KIIs 36-43); restrict work to day time (FGDs 12 & 13 and KIIs 36-43); and install a new, independent sanitary network for the refinery (FGDs 11-14 and KIIs 36-43).

The Laydown Area

Perceived Positive Impacts

Participants of Key Informant Interviews in the Laydown Area mentioned a few positive impacts of the Project regarding local economic development due to increased traffic flow around the Laydown Area. This includes: benefits for workshops and shops (KIIs 58-70) and, that the refinery needs a large number of employees and will probably have to recruit locals from surrounding areas (KII 58-70). "Even if job opportunities for locals are not ensured, the economy will benefit". (KII 44-49 & 58-64). Traffic jams and environmental issues do not seem a crucial concern: "it is only a warehouse for storage, so what is the problem"? (KIIs 44-49 & 65-70). The development of a sanitation network by the Project is an expected positive benefit (KIIs 58-70).

Perceived Negative Impacts

Respondents perceive that recruitment of locals is not possible due to lack of skills and experience PAPs (KIIs 44-57 & 65-70). Again, 600-700 new job opportunities are perceived as insufficient to absorb the large numbers of unemployed (KIIs 50-57). They stated recruitment would benefit residents in the communities as they are closer to the ERC North and South Plot sites but not residents close to the Laydown Area (KIIs 65-70). Again, hiring through connections and bribery remains a concern (KIIs 44-64). Participants are also concerned about negative impacts on the environment which negatively impacts on their Quality of Life, e.g. air pollution and solid waste management issues (KIIs 44-49); dust of unpaved roads when traffic flow increases due to the Project (KIIs 50-57 & 65-70); burning of chemical waste (KIIs 44-49); and respiratory diseases due to the air pollution "we will be living in a closed box" (KIIs 50-57). Blocking the Jalal Abd El Hafez Road will force residents to take alternative roads (KIIs 58-64). Nuisance due to construction works and traffic flow is believed to be a significant negative impact (KIIs 58-70) as is solid waste management and the need for an adequate, alternative dumpsite given the Laydown Area may now not be used (KIIs 58-64). Finally, if the expected economic development, jobs and sanitation network do not happen, this may create the negative impact of social risk/dissatisfaction.

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Mitigation of Impacts as Proposed by Residents of the Laydown Area

There is a consensus, among all participants, that the ground of the Laydown Area and Road 18 (leading to the Ring Road) should be paved to minimise dust and air pollution. The Canal Street should be used instead of the Mosque Road, and alternative roads should be used during construction to provide easier and secure access to the area and to reduce risk of accidents and blockages. ERC jobs should also be advertised in the Laydown Area communities.

Vendors on the Route to the Laydown Area

These small-scale businessmen operating in the transport right of way (as discussed in Chapter 9) and thus receptive to increased traffic flow stated that they would be both positively (economically) and negatively (pollution) impacted by ERC. For mitigation of these impacts (and some confused this with compensation for the negative impacts i.e. toilets) they stated: upgrading and paving roads; improving public transportation and constructing public toilets under the bridge for use by all street vendors given they will have to endure increased traffic due to the Project.