WESTERN SECTION OF THE SUPER GRID PROJECT ASSESSMENT OF THE POTENTIAL IMPACTS ON LAND USE, LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT



Western Section of the

Super Grid Project

Assessment of the Potential Impacts on Land Use, Land Acquisition and Involuntary Resettlement

Final Report

March 2024

TCN Nigeria 330kV Super Grid Program

EXECUTIVE SUMMARY

ES 1: Project Background

The Federal Ministry of Power (FMoP) and the Transmission Company of Nigeria (TCN) are embarking on a long-term power development and grid extension plan which is based on a future electrical load demand forecast. Furthermore, both the ministry and TCN had requested professional teams to develop power master plans expected to drive strategic and efficient future development of the power sector in Nigeria. Consequently, in February 2019, a master plan study on national power system development for the Federal Republic of Nigeria was conducted by the Japan International Cooperation Agency (JICA). The objective of the study was to a) develop a 25-year power development masterplan, including a power demand forecast, b) develop a plan with the lowest possible cost c) an optimal power generation master plan which takes into account constraints on primary energy supply and the best energy mix, and also to d) develop a power transmission development plan. Similarly, Messrs. Fichtner in 2017 carried out a study and developed a Transmission Expansion Plan for the Development of Power Systems within the jurisdiction of the Transmission Company of Nigeria (TCN), under the Nigeria Electricity and Gas Improvement Project (NEGIP) funded by the World Bank. Consequently, the studies suggested that for improvements to be ascertained in the national transmission network, 14 nos. of 330kV Quad-Bison Double Circuit transmission line network regarded as a "Super Grid" was required to achieve this transformation in energy transmission, efficiency, guality and sustainability. The Super Grid has been identified to be the needed robust and resilient structure, serving as the backbone essential for the optimal functionality and optimization of the national power grid. Based on the study of the two reports and discussions with the FMoP and TCN, CCECC-TBEA Consortium identified some of the transmission lines, which shall be constructed with top priorities, as pilot projects and concluded in the Memorandum of Understanding (24th December, 2020) for further discussion. The objectives of the Project are to expand the wheeling capacity, improve the reliability, stability and reduce the loss of the power grid, which shall be a key to actualize the industrialization and reboot the economy of Nigeria.

ES2: Transmission Sub-Sector Overview

The first power interconnection in Nigeria was a 132kV link constructed in 1962 between Lagos and Ibadan. By 1968 the first National grid structure emerged with the construction of the Kainji hydro station which supplied power via a 330kV primary radial type transmission network into the three 132kV sub-system then existing in the Western, Northern and Eastern parts of the country (Abanihi et al, 2018). The 330kV and 132kV systems were initially run by two separate bodies - Niger Dams Authority (NDA) and Electricity Corporation of Nigeria (ECN) respectively. Central control for the 330kV network was coordinated from Kainji power supply control room. While the 132kV network was run by load dispatcher located at Ijora power supply Lagos. These two bodies were merged formally into a single power utility known as NEPA in 1972, thus ushering in centralized regulation and coordination of the entire rapidly growing 330kV and 132kV National network. Presently, the radial transmission grid (330kV and 132kV) is managed by the TCN. Following passing of the Electric Power Sector Reform (EPSR) Act 2005 (repealed by the Electricity Act of 2023), which resulted in the unbundling of the defunct National Electricity Power Authority (NEPA), the Government of Nigeria privatized 11 electricity distribution companies (DISCOs) and 6 generating companies (GENCOs) while retaining 100% ownership of TCN as part of a wider strategy to reform the sector and stimulate growth. The country's ongoing comprehensive power reforms aimed at expanding capacity, increasing electricity access and upgrading electricity transmission, broadly.

ES3: Rationale for the Assessment of Potential Impacts on Land Use, Land Acquisition and Involuntary Resettlement

According to the World Bank's Environmental and Social Standard (ESS 5) – Land Acquisition, Restrictions on Land Use and Involuntary Resettlement; project-related land acquisition and restrictions on land use can have adverse impacts on communities and persons. Furthermore, project-related land acquisition or restrictions on land use may

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cause physical displacement, economic displacement or both. Similarly, though the extent of the proposed intervention works for the western section of the Super Grid project is unknown (in terms of detailed description of activities to be undertaken by the consortium), the project activities may result in land acquisition, especially where there is encroachment on the Right-of-Way (ROW) of the proposed transmission lines by farms, petty trading activities, houses, and other structures, etc. In this regard, and in line with Good International Industry Practices (GIIPs), an initial assessment of the potential impacts of the proposed intervention works on Land Use. Land Acquisition and Involuntary Resettlement is required so as to determine the potential adverse impacts at an early stage and from a broad perspective, with a view to managing them through more detailed and site-specific studies. Importantly, unless properly managed by CCECC-TBEA consortium in the course of project implementation, involuntary resettlement may result in long-term impacts on livelihood and other social conditions of affected persons and communities. This likewise may contribute to adverse environmental and social impacts in areas where affected persons may be relocated to. The assessment will allow for an early understanding of the nature, scale and magnitude of adverse impacts related to Land Use, Land Acquisition and Involuntary Resettlement resulting from the project. Outcomes of the assessment will likewise guide the project design, allow for an analysis of alternatives to avoid or reduce adverse project risk and impacts which may result in physical and economic displacement. Moreover, the assessment will aid top management of the consortium in decision making on best approaches to assure good environmental and social performance of the project.

Objectives/Scope of the Assessment of Potential Impacts on Land Use, Land Acquisition and Involuntary Resettlement – The objective of the Assessment of the Potential Impacts of Intervention Works on Land Use, Land Acquisition and Involuntary Resettlement is to provide a bird's-eye view of what the potential adverse risks and impacts of the activities might be in terms of scope and scale. This shall enable guidance and support for effective decision making in order to ensure that project implementation is environmentally and socially sound and sustainable. It is imperative to state that this assessment in no way represents the site-specific realities of quantifiable potential losses that Project Affected Persons (PAPs) may suffer as a result of implementation of the intervention works. Rather, the assessment is needful to guide future and more detailed studies which should lead to the preparation of a Resettlement Action Plan (RAP) and subsequent implementation of the RAP through compensation and livelihood restoration activities where Involuntary Resettlement is unavoidable under this project.

Assessment of Potential Impacts on Land Use, Land Acquisition and Involuntary Resettlement Study Approach and Methodology - The Assessment of the Potential Impacts of Intervention Works on Land Use, Land Acquisition and Involuntary Resettlement was prepared in accordance with standard procedures for assessing impacts of involuntary resettlement and the World Bank ESS 5 – Land Acquisition, Restrictions on Land Use and Involuntary Resettlement, other relevant international environmental and social assessment regulations and guidelines, and the Nigerian environmental assessment guidelines. Key stakeholders included the TCN, Transmission Regions, Sub-stations, and Local Government Areas where the transmission lines and sub-stations transverse and are located respectively.

Summarily, the assessment was conducted through;

- Consultations with stakeholders at the national level (TCN), state (Transmission Regions and Substations) and local levels (Affected Communities/Local Government Areas (LGAs)).
- The presentation of the provisional line route to stakeholders including communities for their contributions, suggestions and comments;
- The development of a multi-criteria line route study conducted to reduce the potential impacts of the project including resettlement upfront (see the line route study report);
- An estimation of households, land size, private and community assets and properties affected by the line route and substation sites. Note: The proposed RAP will allow for a proper and detailed census of actual PAPs, structures, property, etc. The RAP will also adequately valuate property, estimate actual compensation costs, and determine eligibility criteria for compensation.
- A preliminary socioeconomic survey of communities and households whose land are crossed by the lines

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ES 4: Project locations

The proposed Transmission Line projects under the Western Section of the Super Grid include the following:

No	Transmission Line	Abbreviation	Route Length
Lot 1	SG Benin North - SG Egbin - SG Ajegunle (New Agbara), 2×366km		
TL1-1	SG Benin North - SG Egbin	BN-EG	2×248 km
TL1-2	SG Egbin - SG Ajegunle (New Agbara)	EG-NA	2×118 km
Lot 2	SG Ajegunle (New Agbara) - SG Osogbo - SG Benin North, 2×460km		
TL2-1	SG Ajegunle (New Agbara) - SG Osogbo	NA-OS	2×233 km
TL2-2	SG Osogbo - SG Benin North	OS-BN	2×227 km
Lot 3	SG Benin North - SG Ajaokuta, 2×175km		
TL3	SG Benin North - SG Ajaokuta	BN-AJ	2×175 km
Lot 4	SG Gwagwalada - SG Kainji - SG Osogbo, 2×534 km		
TL4-1	SG Gwagwalada - SG Kainji	GW-KA	2×293 km
TL4-2	SG Kainji - SG Osogbo	KA-OS	2×241 km
Total Length of Transmission Line			1,535km

ES 5: Environmental and Social Baseline

Environmental Baseline: While the broader Super Grid Program will have a wide coverage; cutting through all the geopolitical zones of the country, the Western Section of the Super Grid Program shall extend across parts of the south west (Ekiti, Lagos, Ogun, Oyo, Osun, and Ondo), south-south (Benin) and north-central (FCT, Kogi, Kwara and Niger) geopolitical zones. The climate, hydrology, floods, geology, vegetation and soil types for the 11 states the transmission lines cut across, as well as site-specific baseline have been presented in Chapter 4 of this report.

Social Baseline: A random sampling survey was carried out along the corridors of all transmission stretches (project sites). Semi-structured questionnaires were administered to respondents within the project corridors. A total number of 64 (Benin North – Egbin – New Agbara), 96 (New Agbara – Osogbo – Benin North), 42 (Benin North - Ajaokuta), 76 (Gwagwalada – Kainji - Osogbo), respondents, respectively were surveyed. The survey was designed to understand the socio-economic conditions within the project's area of influence and provide insight to potential social risks and impacts.

Additionally, questionnaires were administered to garner socio-economic data on certain variables. E.g., Gender Distribution, Age Distribution, Marital Status, etc. (*Refer to Chapter 4 for more details*).

ES 6: Identification of Potential Environmental and Social Risks and Impacts

The activities to be undertaken have been judged to have high social risks and impacts. The social impacts, will be largely adverse, resulting in land acquisition, physical and economic displacement in most cases. However, where there are envisaged beneficial impacts, they will rather be enhanced. Based on availability of information provided, expert judgment and opinion, and stakeholder engagement, a further breakdown of the activities per component/sub-project has been established, including a list of major social sensitivities or receptors to be impacted adversely. Potential Environmental and Social Risks and Impacts are described in Chapter 5 of this report.

ES 7: Estimated Compensation Cost

The estimated compensation cost for the implementation of the Western Section of the Super Grid Project is NGN 52,946,816. This cost has been prepared following actual on-ground site visitation and assessment. The assessment has captured the socio-economic context of the stretches and will be extensively presented in the PESA report. Additionally, the methodology has also followed estimated valuation of features on land such as structures, crops, trees

and has made deductions based on real time costs and value information. Google Earth satellite imagery was also used to view and compare actual onsite calculations. However, the estimated cost for land acquisition is NGN 32,656,915.00. The estimate has been prepared by the technical inputs of RAP Specialists with international development experience. (*Refer to Chapter 5 for a breakdown of Costs for Land Acquisition*).

ES 8: Recommendations

It is possible for this project to apply the provisions of the World Bank's ESS 5 or similar provisions of other multilateral organizations and those of the Government of Nigeria, provided they are likely to address the projects risks and impacts on land use, land acquisition and involuntary resettlement, and enable the project to achieve objectives materially consistent with Good International Industry Practices (GIIPs). In this regard, the following recommendations are provided.

- Where the estimated cost associated with land acquisition might appear to be high, the Land Use Act of 1978 could be brought into effect. This may cut-down the costs as the governors of each state, have power over the lands in their respective states, and so doing may offer the lands within the ROW and proposed line routes to the project.
- Secondly, the requirements of ESS 5 should be brought into effect for compensation for economic displacement and economic losses. The requirements, should also be applied in preparing the RAP and implementation of compensation and entitlements.