

## **Environmental and Social Review Summary**

### **Congo Pre Shipment Inspection and Destination Inspection Scanning**

*This Environmental and Social Review Summary (ESRS) is prepared by MIGA staff and disclosed in advance of the MIGA Board consideration of the proposed issuance of a Contract of Guarantee. Its purpose is to enhance the transparency of MIGA's activities. This document should not be construed as presuming the outcome of the decision by the MIGA Board of Directors. Board dates are estimates only.*

*Any documentation which is attached to this ESRS has been prepared by the project sponsor, and authorization has been given for public release. MIGA has reviewed the attached documentation as provided by the applicant, and considers it of adequate quality to be released to the public, but does not endorse the content.*

Country:	Congo
Sector:	Services
Project Enterprise:	Cotecna Inspection Congo S.A.R.L.
Environmental Category:	B
Date ESRS Disclosed:	May 11, 2011
Status:	Due Diligence

#### **A. Project Description**

Cotecna Inspection S.A. of Switzerland seeks a MIGA guarantee for its investment as sole shareholder in Cotecna Inspection Congo S.A.R.L. (Cotecna-Congo). The project is a build-operate-transfer contract to supply, install and operate an x-ray container scanner, and Cotecna's Computerized Risk Management System (CRMS<sup>®</sup>), as well as the overall management of the import verification system for goods entering Congo through the Port of Pointe-Noire.

This build-operate-transfer contract includes some pre-shipment inspection and document verification at the point of origin which will be carried out by Cotecna's international network, and scanning at the port of entry (i.e., Port of Pointe-Noire). The import verification process uses Cotecna's Computerized Risk Management System (CRMS<sup>®</sup>) which analyses data on trade transactions in order to assign the correct level of intervention to identify which import transactions will be subject to pre-shipment inspection or scanning at destination on a risk assessment basis.

#### **B. Environmental and Social Categorization**

This project is Category B under MIGA's Policy on Social and Environmental Sustainability. The key issue is safe operation of the equipment (occupational health and safety). Land needed by the project is provided by the customs administration within the Port of Pointe-Noire. The scanner has been installed in a controlled access customs area which is restricted from the public. There are no significant social and environmental impacts directly resulting from this investment.

#### **C. Applicable Standards**

While all Performance Standards are applicable to this investment, the current information indicates that PS1 (Social and Environmental Assessment and Management Systems) and PS2 (Labor and Working Conditions) apply directly to this project. The Security Personnel aspects of PS4 are also applicable as Cotecna has engaged private security guards to secure its offices and scanner sites.

## **D. Key Documents and Scope of MIGA Review**

The documents reviewed by MIGA include:

- *Congo Project Business Case* prepared by Cotecna Inspection S.A., dated March 15<sup>th</sup> 2011, and
- *Definitive Application for a MIGA Guarantee* dated May 2009.

MIGA's review of this project also included correspondence comprising of environmental and social information submitted by the project sponsor.

## **E. Key Issues and Mitigation**

### Social and Environmental Assessment and Management Systems

The project does not need to develop impact assessments; however, a social and environment management plan is required which focuses on occupational health, safety and training consistent with PS2 and PS4.

### Labor and Working Conditions

The project currently employs approximately 70 workers. The project enterprise applies an equal opportunity and non-discriminatory work environment where 31% of the employees are female. The human resources policy is consistent with PS2 (e.g., all workers are entitled to receive transport allowances, annual bonuses, local state pension and health insurance premiums, and overtime pay. Annual salaries are above the national average.

The key health issue associated with scanner technology is radiological safety. The project design incorporates all required safety training and auditing procedures. The scanner suppliers warrants that the Radiological Safety System of their scanners - consisting of a wired-logic controller and associated safety sensors - autonomously offers safety in and around the scanners, so that the installations are safe for both its operators and those working in the vicinity. Cotecna warrants that it applies the safety procedures as prescribed by the suppliers.

The project requires training of local staff in the handling and operation of the equipment. Cotecna and Customs Agents working near the scanner are equipped with dosimeters which are analyzed and replaced every three months. The radiometers in the scanning equipment are calibrated yearly.

Regular and frequent audits of all sites to verify compliance with all procedures, including safety procedures are undertaken. A specific clause in the contract will require the investor to ensure that worker safety is part of an ongoing internal auditing program as per the Occupational Health and Safety guidelines, PS2 and PS4. Auditing reports on occupational health and safety will be made available to MIGA.

### Community Health, Safety & Security—Security Personnel

In cooperation with public security services, Cotecna has engaged private, unarmed security guards to secure its offices and scanner sites. Cotecna's private security will be managed in accordance with PS4 as well as local laws and professional standards. Cotecna employs sufficient marshalling staff to safely and efficiently manage traffic movements in the pre-scanning and scanning areas, and in the truck parks. Fencing will be used as a security/safety measure at the site.

**F. Environmental Permitting Process and Community Engagement**

Given that the project involves small physical installations within secure customs areas at the seaport, environmental permitting and community consultation/engagement are not required for this project.

**G. Availability of Documentation**

There are no attachments for this ESRS document.