

# Voilà!

A new chapter in world energy markets opened in early October when the first cargo of crude oil from the African country of Chad was loaded onto a tanker off the coast of Cameroon.

The story behind that first cargo is worth the telling.

Oil was discovered 27 years ago in Chad, a landlocked country that is one of the world's poorest.

The Chad oil fields are about 650 miles from the ocean, and major upgrading of railways, roads and bridges was required to get the oil project materials on location. The pipeline route travels through environmentally and socially sensitive areas, including the rainforest in southern Cameroon and communities of Bakola pygmies near the coast. The route also lies in the area of the world with the highest exposure to malaria, and one of the highest rates of meningitis.

Chad was nearly the poorest country in Africa, and Cameroon was only moderately better off. Moreover, Chad suffered for many years from civil strife and armed rebellion, a condition that subsided only in the late 1990s.

The obstacles to oil development were so formidable that some of the early project participants dropped out, and were replaced by ChevronTexaco and Petronas in 2000.

But the oil offered hope for a better future, and a remarkable coalition of people and organizations eventually collaborated to make the Chad/Cameroon oil project a unique example

of energy development.

ExxonMobil and the early project partners invited the World Bank to help fund a minority ownership in the pipeline — which represents about 40 percent of the project's cost — for the governments of Chad and Cameroon. The World Bank then assisted Chad in designing an unprecedented plan to ensure that oil revenues would contribute to poverty alleviation and an improved education system.

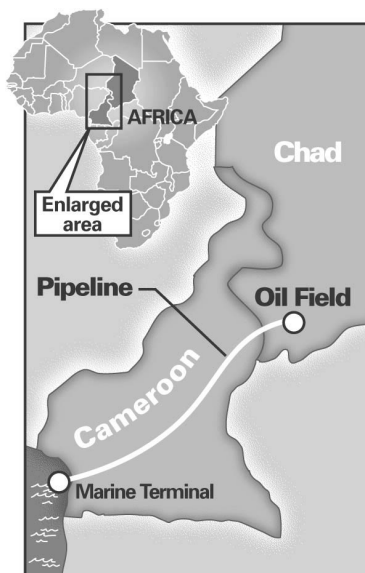
An extensive public consultation process in hundreds of villages, begun seven years prior to the start of construction, led to many project changes. The pipeline was routed to avoid villages and cultural sites and to protect biodiversity. People who, due to construction, faced losses of crops and plants used for medicinal purposes were provided compensation.

The project partners helped build schools, health clinics and community water wells. They also put in place

extensive public health education programs focused on malaria and HIV/AIDS prevention. These efforts included distribution of 80,000 insecticide-treated bed nets.

Local employment soared as 35,000 workers were employed during the project's construction. More than \$650 million was pumped into the local economies through 2,200 Chadian and Cameroonian companies.

And so with the first oil loaded, an extraordinary project begins to supply energy to the world as well as a better life and a cargo of hope to the people of Chad and Cameroon.



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