

AKIIRA 1 GEOTHERMAL POWER PLANT PROJECT: MAASAI COMMUNITY IN KENYA AFFECTED BY ANOTHER GEOTHERMAL POWER PROJECT SPEAKS OUT

Introduction

“I did not feel safe to speak my mind about the project because I was afraid that when these people (company officials) come here, I might be jailed because I was complaining.” This was a voice from one of the affected community members that Narasha Community Development Group spoke with during a community-led research on the Akiira 1 Geothermal Power project conducted in April, 2018.

Akiira 1 Geothermal Power Project ([EIB-20140645](#)) is Akiira Geothermal Limited's first geothermal exploration and power plant development project located south of the Greater Olkaria Geothermal Complex in Naivasha, Kenya. The entire concession granted to the developer by the Ministry of Energy straddles 480km², but with the project focused on an initial area covering 120km² in a block known as Akiira. The project involves construction of a 70 Megawatt electric (MWe) geothermal power plant as an independent power producer. The project is the first phase of a planned 140MWe geothermal development in the Akiira geothermal area. The purported objective of the project is to provide renewable energy to bridge the existing demand gap between potential demand and supply in Kenya. The project started in 2012 with exploration of the geothermal power resource. So far, two wells were drilled awaiting to put up a geothermal power plant. The power generation activities surrounding the Akiira 1 project are likely to affect the Maasai pastoral communities in the project area for they may lose their homes, land and have adverse impacts on the environment. This calls for measures to mitigate project risks beforehand and to ensure that the people can monitor the project processes.

Investment Description

Project information indicates that the European Investment Bank (EIB) is preparing a €155 million (\$192 million) loan package for the project. The Akiira 1 Geothermal Power Plant project in total has an estimated cost of €310 million (\$380 million) and is being financed through a mix of 70% debt and 30% equity. Kenyan firm, Centum Investments owns a 37.5% equity stake in the Akiira consortium, with the remaining 62.5% owned by American firms Ram Energy, Marine Power, and Danish company, Frontier Markets. The Centum consortium is expected to contribute 30% of the project's cost of €310 million (\$380 million), while the rest will be funded through commercial loans.

The project is yet to be appraised by the EIB Board pending the completion of an Environmental and Social Impact Assessment (ESIA) for the steam field, power plant and transmission lines. This is to complement an ESIA that was prepared for the exploration programme of the project.

About the Community-Led Research

In April 2018, Narasha Community Development Group, in partnership with the International Accountability Project (IAP), worked together to provide project information through the Early Warning System to affected communities to facilitate their engagement in the project process. Dissemination of project information was followed by a community led research to gather information about their knowledge and expertise, and to seek recommendations for their effective engagement in the implementation of the project.

The research was structured in form of individual interviews, focus group discussions and a community dialogue (*Baraza*) in the Rapland area and Suswa ward. About 350 community members from both areas attended the outreach meetings and raised concerns and questions about the project. 144 people were reached through individual interviews, and a total of 50 people, who were separated into groups involving elders, leaders, women and youths, were reached through focus group discussions. The results of the surveys and focus groups will be shared with the EIB and the Akiira Geothermal Limited.

Preliminary Findings

1. Participation/consultation

1.1 64% of the respondents indicated they were not consulted during the formulation of the project. However, the results indicate that 29% of the 36% who were consulted felt unsafe to share their true feelings, questions and ideas about the project while 33% indicated that they felt safe. One of the reasons that respondents that felt unsafe cited was fear of harassment by the company in case they expressed views opposing the project.

1.2 The community representative committees - groups elected to represent and negotiate with the company on behalf of the rest of the communities - were not elected by the community. The communities expressed discontent that the committees do not represent their interest and that information from the company to committees does not flow down to the rest of the community members. Community members also expressed that the committees do not fully

represent the whole affected area. One community member from Kambitukana Village said, *“our community has not been considered as part of the affected communities. We have been left out in committee representation and in any negotiations involving the communities and the company, despite our village being within the project affected area.”* Kambitukana Village, originally immigrant ranch workers in the communities, and then settlers after the collapse of the ranch in 1994, reported to have been resettled more than once before by the Olkaria projects without compensation. Government doesn’t recognize their rights over the land despite having lived there for more than 12 years. This contradicts Kenyan land laws that confer ownership of the land to them..

2. Access to information

- 2.1 At the time the data was collected, 73% of the respondents did not have information about the Akiira 1 Geothermal Power Plant Project and they lacked sufficient information regarding the project details such as where, when and how the company intends to carry out its activities. When asked about funding for the project, 73% of the respondents didn’t know who funds the project while 63% of the respondents didn’t know who is implementing the project. One participant from Suswa noted that, *“the Environmental and Social Impact Assessment prepared for the exploration programme was not shared with us as affected communities. What we know is through word of mouth. We want this information shared with us.”*
- 2.2 58% of respondents indicated that they did not have the information they needed to be able to provide informed opinions and ideas about the project when they were contacted by the company. The community also lacks information regarding safety nets such as laws and policies regarding extraction of natural resources, mitigation guidelines and redress for conflicts arising. One participant from the focus group discussions said, *“the company should give us more information about the project; we are currently unable to fully participate in the project process.”*
- 2.3 During the research and outreach meetings, 49% indicated that they don’t know where to file their complaints and 77% indicated that they don’t know how to file their complaints arising from project implementation.

3. Environmental and Social Concerns

- 3.1 47% of the respondents anticipate that they may lose their jobs/livelihoods while 43% may lose their land to the project without clear mechanism for compensation and/or resettlement.

They may also be affected by pollution emanating from the fumes (sulphur hydroxide), brine water and other contaminants.

4. *Project Benefits for communities.*

4.1 Communities have not entered into any understanding with the company to develop benefit sharing agreements leaving their expectations of benefits aspirational. Interactions with the Akiira Geothermal Company Limited's Community Liaison Officer – the company's personnel acting as point of contact between the company and the affected communities - during the research indicated that the company is reluctant to hold discussions on benefit sharing with the communities until the project starts producing power. This leaves communities' claims to benefits hanging in balance.

Community Asks from Akiira Geothermal Limited

1. Communities demand that Akiira Geothermal Limited provides for their full and unconditional participation in decision making including the free will to elect trusted representatives to the committees who can uphold their interests without any undue influence from the company or its agents.
2. Akiira Geothermal Company Limited should fulfil its obligations under the Constitution of Kenya (2010) and Community Land Act (2016) including compensation for land, pollution control and provision of alternative livelihoods (guarantee job opportunities and capacity building to the communities) and based on mutual agreement between Akiira Geothermal Limited and affected communities.
3. A clearly negotiated and agreed upon benefit sharing formula based on Section 35 (1) of the Community Land Act that stipulates that natural resources found on community land shall be used and managed for the benefit of the whole community including future generations and on the basis of equitable sharing of accruing benefits.
4. Kambitukana Village residents who were excluded from all negotiations involving the Akiira Geothermal Limited and the community should be recognized as owners of the land that they occupy, provide them with project information and consider them in the project's benefit sharing and decision making processes.

For additional questions, please contact - john@accountabilityproject.org