

Local Employment

For the first time since construction began, the size of the Project's direct workforce has started to fall. The Project's overall peak workforce was reached in November with a total of 13,156 workers. In December, total employment had dropped back down from the peak to a level about the same as at the end of the previous quarter.

As construction moves forward towards completion, Project contractors will be releasing workers as more and more tasks are completed, triggering a steady decline in construction-related employment as anticipated in the Environmental Assessment.

Fourth Quarter Ending Employment Levels

Total Project-wide employment at the end of the fourth quarter of 2002 was 12,701, essentially unchanged from the ending employment figure for the previous quarter.

- Demobilization of workers no longer needed for pipeline construction work reduced total employment in Cameroon by over 900 workers at the end of the quarter.
- However, intensive construction activity at the various oilfield area facilities caused an increase in employment in Chad, with over 4,700 Chadian citizens on the job at the end of the quarter.

Fourth Quarter Wage Payments

Wages paid to Chadian and Cameroonian workers in the fourth quarter of 2002 totaled almost 7.8 billion FCFA (\$12 million).

- Total wage payments to Chadian workers approached 4.1 billion FCFA (\$6.3 million).
- Total wage payments to Cameroonian workers were 3.7 billion FCFA (\$5.7 million).



These Chadians have jobs working in the pipefitting shop at the Komé central oilfield facility construction site. They received Project funded training, on-the-job mentoring, and have passed certification tests permitting them to perform high-precision welding tasks.



It takes great skill and care to load these "guns," which are lowered into newly drilled oil wells and fired to open up flow paths for the oil. This group of Chadians has been trained to perform this highly technical work for the Project's oil well servicing contractor.

Annual Summary: Employment

The Project paid a total of 28.1 billion FCFA (\$43.2 million) in wages during 2002 to Chadian and Cameroonian workers.

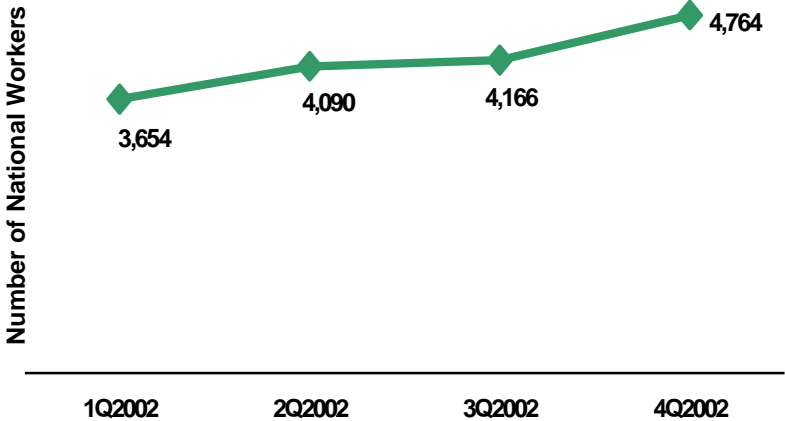
◀ 2002 Summary Tally of Workforce Quarter by Quarter

	<i>End of 1st Qtr 2002</i>	<i>End of 2nd Qtr 2002</i>	<i>End of 3rd Qtr 2002</i>	<i>End of 4th Qtr 2002</i>
Chad				
Nationals	3,654	4,090	4,166	4,764
Expatriates	760	1,261	1,751	2,357
Total Chad	4,414	5,351	5,917	7,121
Cameroon				
Nationals	5,844	5,645	5,796	4,879
Expatriates	690	761	761	701
Total Cameroon	6,534	6,406	6,557	5,580
Project Total	10,948	11,757	12,474	12,701

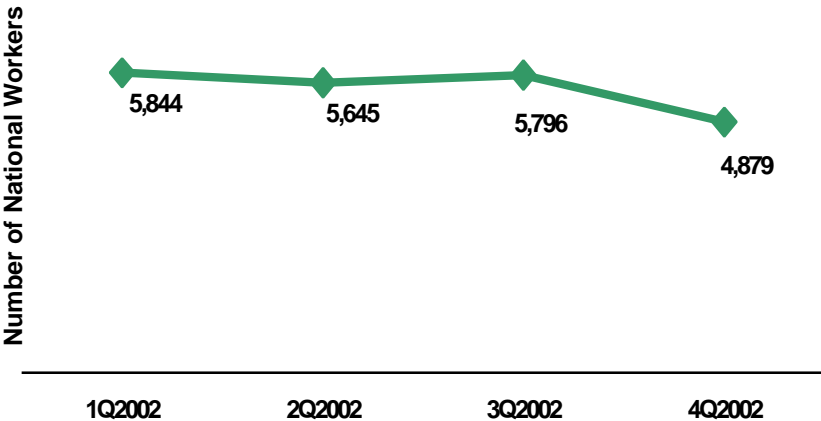
Chadians and Cameroonians make up about three-fourths of the Project's total workforce. For the first two years of construction this percentage was much higher, at times over 90%. However, the national worker percentage fell somewhat in the latter months of 2002 as the Project's facilities construction contractor added a significant number of experienced skilled workers from the Philippines. These workers were brought into Chad with the assistance and approval of the National Coordination of the Republic of Chad and ONAPE (Office Nationale d'Appui a la Promotion de l'Emploi) in order to accelerate the pace of construction and ensure that oilfield area facilities are built in accordance with the Project's rigorous quality standards.

◀ National Employment Level Trends by Country

Chad

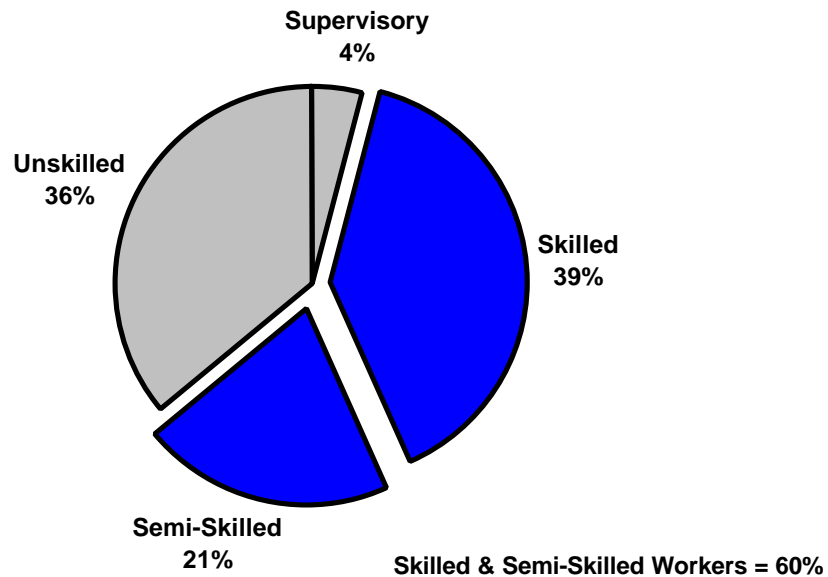


Cameroon



**◀ 2002 Employment Category Levels by Country
(National Project Workers Only)**

	<i>Supervisory</i>	<i>Skilled</i>	<i>Semi-Skilled</i>	<i>Unskilled</i>
Chad	144	2,789	629	1,202
Cameroon	251	997	1,351	2,280
Project Total	395	3,786	1,980	3,482



The majority of Chadians and Cameroonians hired by the Project are working in skilled or semi-skilled jobs. Skilled jobs include such positions as archaeological aides, two-way radio repair technicians, and welders. Examples of semi-skilled jobs include food service assistants and welder helpers. Together, these two categories amount to about 60% of the national workforce assembled for the Project. Another 4% of the national employees hold supervisory jobs.

