



**Clean Energy**

**Salkhit Wind Farm**

**Public Consultation and Disclosure Plan**

**Updated as of  
October 2023**

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## Table of Updates

| <b>Date</b>   | <b>Updates Made</b>  |
|---------------|--|
| January 2013  | Section 6 – updates include addition of information relating to the Community Health and Safety Plan and the Environment and Social Committee.<br>Section 7 – Update to Future Stakeholder Engagement Programme.<br>Section 9 - Addition of Grievances Recorded to Date. |
| March 2014    | General – Update into operational phase.<br>Section 7 – Update to Future Stakeholder Engagement Programme  |
| June 2015     | Section 3.1 – Contact Details  |
| November 2016 | Section 3.1 – Update of Community Liaison Officer role.  |
| October 2021  | Section 3.1 & Table 5 – Update of Contact Detail Cell number   |
|               |  |

## 1 INTRODUCTION

This document is a Public Consultation and Disclosure Plan (PCDP) developed by Sgurr Energy on behalf of Clean Energy, describing the key stakeholders and the information and communication plans intended in regard to the development of the Salkhit Wind Farm and associated infrastructure.

The PCDP takes into account best international practice in relation to information disclosure and outlines the general engagement principles that Clean Energy will adopt and those which will be used for the current modernisation programme.

The PCDP will be reviewed and updated on a regular basis. If activities change or new activities relating to stakeholder engagement commence, the PCDP will be brought up to date. The PCDP will also be reviewed periodically during project implementation and updated as necessary.

The specific objectives of the SEP are detailed below.

The methods, procedures, policies and actions undertaken by Clean Energy to inform stakeholders, in a timely manner, of the potential impacts of projects are the key subject of this document.

A level of stakeholder engagement has already taken place as part of the requirements of the Environmental and Social Impact Assessment (ESIA) of the project.

Communication will continue as further planning and design activities are progressed and through the project implementation.

Key stakeholders have been identified in this document. If any stakeholders have not been identified, they should contact Clean Energy and ask to be included in the future information and communication. Furthermore, this document describes the way that any concerns or grievances will be handled by the company.

This document also provides a time schedule for consultations, which may be subject to revisions during project initiation, design and implementation. The resources available to implement the PCDP are also described in this document.

This document covers the following:

Chapter 2 – Project description.

Chapter 3 – Roles and responsibilities.

Chapter 4 – Regulations and requirements

Chapter 5 – Identification of stakeholders.

Chapter 6 – Overview of previous stakeholder engagement activities.

Chapter 7 – Proposed stakeholder engagement programme.

Chapter 8 – Monitoring and reporting; and

Chapter 9 – Grievance mechanism.

## 2 PROJECT DESCRIPTION

Newcom LLC has leased 30,000 hectares in Sergelen soum in the vicinity of Salkhit Uul (“windy mountain”) and proposes to construct and operate a wind park to generate up to 50MW of electricity for the national grid.

Clean Energy has completed the construction and started its operation in mid-2013.

The environment in which the wind park will be placed is open steppe, characterized by low mountain ridges that rise to 1,780 meters above sea level, with relief of 200 to 250 meters between relatively flat valley floors and rounded ridges. Grasslands open to grazing by the livestock of nomadic herders dominate the landscape, while some north-facing slopes support patches of birch shrub.

Newcom originally proposed a total of 25 turbines. The proposed project would place the turbines on hilltops that are part of a ridgeline referred to here as the East Ridge. However, the capacity of the site has been upgraded to include 31 turbines and an additional ESIA is being prepared by Sgurr Energy to ensure that the level of assessment undertaken addresses the realistic worst-case scenario.

The Salkhit Wind Farm project is anticipated to produce electricity for about 20 years.

### 3 ROLES AND RESPONSIBILITIES

Responsibilities of parties of the Salkhit Wind Farm project are presented below.

**Clean Energy** has the overall responsibility of developing, reviewing, and updating the ESMP. It will also on a regular basis, monitor and audit the implementation of the ESMP. Clean Energy will provide appropriate training for their staff in relation to implementing the PCDP and ESMP.

**Sgurr Energy** as the Project Manager contracted by Clean Energy will be responsible for day-to-day management and overseeing of the implementation of the PCDP, ESMP and relative contract obligations of the contractors.

**Newcom LLC** as the Sponsor of Salkhit Wind Farm shall periodically review and monitor the implementation of the PCDP, and provide guidance and support in the framework of its ESMS.

**EBRD and FMO** as the Lenders and Shareholders will require compliance with the respective performance standards and requirements.

#### 3.1 CONTACT DETAILS

|  |  |
|--|--|
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|--|--|

CLO responsibilities was included as part of CDM/CSR specialist. Due to resignation of CDM/CSR specialist, CDM duties have been transferred to Finance Manager and Senior Engineer. PR (CLO) duties have been transferred to Admin and Document Control assistant role. CSR role has been transferred to HSE manager role. Therefore, no need of separate CLO role is required.

## 4 REGULATIONS AND REQUIREMENTS

### 4.1 PUBLIC CONSULTATIONS UNDER MONGOLIAN LAW

No specific Mongolian legislation is designed to ensure wide public consultations during implementation of Renewable Energy Projects. The Environmental Protection Law (1995) and The Environmental Impact Assessment Law (1998), however, define the right of citizens to be informed about on-going projects and to be involved in environmental protection activities. Currently, several studies (e.g. *Hannam, 2008*) are being performed to analyse the effectiveness and overall performance of Mongolian environmental laws, policies and strategies. It is expected; the results of such gap analyses studies will come out and be further taken into consideration by the Mongolian Government. Existing Mongolian environmental management and protection system needs reforming, which would include strengthening environmental governance and improving the overall system's effectiveness. Among other crucial issues needed to be addressed is the public involvement procedure in the ESIA process, which is expected to be reflected in further amendments to the current environmental laws and governmental programs/policies.

National procedures on EIA define two aspects: the level of consideration and the decision on the EIA project. Following the National EIA prepared for this project in 2006, the Mongolian Ministry of Nature and the Environment considered the project environmental impact to be minimal and that no further EIA was required. The project was approved for further implementation, but with a set of required conditions to be met. One key requirement was to advertise the project activities to rural residents and the public. This was accomplished by Newcom's public consultation in August 2007. At that time, Newcom held consultations and discussions, and hosted a public meeting in Sergelen soum.

Prior to and at the meeting, Newcom distributed materials associated with the wind park project (e.g. project description, proposed wind farm capacity, construction and operational phases etc.)

These discussions and public meeting were carried out within the Clean Development Mechanism framework (the United Nations Framework Convention on Climate Change (UNFCCC)) (refer to Section 3.0 of the report).

### 4.2 LENDERS PUBLIC CONSULTATION REQUIREMENTS

Public consultations for the Salkhit Wind Park project will be undertaken to meet the Lenders requirements, which include:

- EBRD/IFC Guidelines, including EBRD Public Information Policy (PIP), EBRD's Environmental Policy (EP) and EBRD's Environmental Procedures (EPr).
- IFC Environmental and Social Review Procedure (April, 2006).
- IFC Guidance Note F: Guidance for Preparation of a Public Consultation and Disclosure Plan.



- Good Practice Manual Doing Better Business through Effective Public Consultation; and Disclosure (1998).
- Relevant to the project International Conventions for Public participation.
- European Commission Directives (applicable to Mongolia as International Best Practice).

The EBRD's principles of public consultation are documented in the Bank's Public Information Policy (PIP), Environmental Policy (EP) and Environmental Procedure (EPr). Although, major EBRD requirements for public consultation reflect some of the World Bank (for public sector) and IFC (for private sector) requirements and regulations, the EBRD standards additionally require that projects are held to some other important requirements and standards with reference to the EU and other applicable to the project international conventions and treaties (e.g. Aarhus Convention, Espoo Convention, Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention); CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora, World Heritage Convention; Convention on Biological Diversity etc.).

The Salkhit Wind Farm project requires public consultation, including the notification by the project sponsor to the affected public about relevant environmental issues, associated with the project, providing the public with a summary of mitigation measures, action plans, and other agreed-upon actions, all in a language that can be understood by the affected public.

The public consultation process will include the following stages:

- **Notification stage:** providing potentially affected public and concerned non-governmental organizations (NGOs) with information about the project, including project location, projects' technical specifications, and design, overview of project operational phases and so forth.
- **Scoping stage:** Identification of key environmental and socioeconomic issues, in part through consultations with the affected public, NGOs, and the government (collectively, stakeholders). This also includes preparation of a Public Consultation and Disclosure Plan (PCDP)
- **Disclosure of ESIA documentation:** Making the draft ESIA available to the projects' stakeholders and providing means of communicating with stakeholder groups and receiving their comments and feedback on the project. Comments must be accepted for at least 60 days, and the final ESIA must describe how each comment has been considered.

The Lender requirements for public consultation process translate into open, direct and culturally appropriate communication with individuals and groups who may be affected by the project.

- **Disclosure of project information:** Making the PCDP, ESAP and operation information available to the projects' stakeholders and providing means of communicating with stakeholder groups and receiving their comments and

feedback on the project

## **5 IDENTIFICATION OF STAKEHOLDERS**

As a part of the development of the public consultation program, stakeholder identification was performed to determine all individuals, local communities, organizations, educational, research, and design organizations, and governmental authorities who might be potentially affected by or might affect the outcome of the proposed project. The criteria used in the stakeholder identification process included the proximity of residents' households to the project site, the level of potential interest in the project among federal and local governmental authorities, and scientists and local/international NGOs with interest or expertise. Different stakeholder groups were first identified in a stakeholder matrix that determined the level of potential interests and locations of the specific stakeholder group. To complete this task, Black & Veatch used a list of contacts provided by Newcom that was created during earlier public consultations held in 2006-2007. The list was combined with the contacts provided by Jargalsaikhan Sodnomdorj, the principal of Energy & Environment Co, Ltd, in Ulaanbaatar, who is a social consultation expert and who also is well informed about all parties involved in renewable energy projects in Mongolia. Further suggestions made during interviews with known stakeholders were reviewed and taken into consideration.

The following stakeholder groups were defined during the identification process:

- Government agencies related to the project approval and review.
- Tuv Aimag Authorities.
- Sergelen soum Authorities.
- Educational, research and design organizations.
- Non-governmental organizations (NGO's) including Professional associations and public organizations.
- Local citizens independent of pastures.
- Local herders.

The most vulnerable (affected by the project) group includes nomadic herders who seasonally inhabit the project area and who may not attend key meetings and have very limited access to information.

Method of communication for contacting stakeholder:

- By an email,
- By phone,
- By formal letter,
- Meet in person.

## **5.1 GOVERNMENT AGENCIES**

Sgurr Energy met the head of the EIA Department and the EIA Officer of the Mongolian Ministry of Nature, Environment and Tourism, both of whom had participated in the National EIA of the project. In addition, Black & Veatch met with the head of the National Renewable Energy Centre in the Ministry of Fuel and Energy, which was especially interested in the project implementation and then further replication throughout Mongolia. The team also met with a Mongolian Green Party representative who is directly interested in all Clean Development Mechanism (CDM) projects implementation in Mongolia.

## **5.2 TUV AIMAG ADMINISTRATIONS**

The project team met with key stakeholder groups in Tuv Aimag, including representatives from the Department of Agriculture, Department of Nature Protection, and the Aimag Meteorological Station Director, whose information is crucial for the appropriate project design.

## **5.3 SERGELEN SOUM ADMINISTRATION**

The project team met with the Sergelen soum Governor, who is the key contact person for information exchange and grievance collection from local residents. She promised to actively disseminate information about the project's risks and advantages among the residents of the Soum.

## **5.4 EDUCATIONAL, RESEARCH, AND DESIGN ORGANIZATIONS**

Information about the project was also shared with Director General of the Institute for Geo Ecology in the Mongolian Academy of Sciences, who may provide additional information about local conditions and help with the proper environmental risks identification and assessment.

## **5.5 NON-GOVERNMENTAL ORGANIZATIONS**

Two NGO's groups may be directly related to and be interested in the project. The first is the Mongolian Energy Association, which unites Mongolian specialists in renewable energy and energy efficiency. The second combines national and international environmental NGO's that may be concerned about conservation issues associated with the project. This group is represented by WWF and the Wildlife Conservation Society (WCS).

## **5.6 LOCAL CITIZENS**

Local citizens may be divided into three groups:

1. Local herders who live in the vicinity of the wind park and will fully or seasonally be dependent on pastures occupied by the facility (approximately 2-5 families);
2. Local citizens who work at the railroad and are employed by the State railway

company; and

3. Other citizens, who live within the territory of the soum, but tend to use other pastures.

All identified groups could be directly affected by the project during operational stages of the project. Clean Energy representatives distributed information about the project and its advantages and disadvantages among other inhabitants of the Salkhit Uul area. Clean Energy conducted a further round of stakeholder consultations in the first week of March, 2012.

## **5.7 VULNERABLE GROUPS**

The most vulnerable group exhibited to potential impacts of wind park construction and operation is the local herders who seasonally live and migrate in the vicinity of the project site.

The group is presented by approximately 2-5 families. They have limited access to information, however, are in contact with the Sergelen soum Governor. Traditional practice would lead them to leave the area, if the inconvenience becomes too serious. Joint efforts by Clean Energy and the local administration to keep them informed about the project's progress and associated risks with operation, quick conflict management, and if necessary, improvement of pastures or making available alternative pastures may be able to overcome any disruption.

## **6 PUBLIC CONSULTATION AND DISCLOSURE UNDERTAKEN TO DATE**

### **6.1 OVERVIEW**

Newcom has used printed mass media, internet and television since 2006 to ensure wide information distribution among all potential stakeholders. As part of the project undertaken within the UNFCCC CDM framework, in 2006-2007, Newcom hired a consultancy company CRM (Carbon Resource Management) to perform a full-scale stakeholder consultation process, which included project information disclosure to the stakeholders, receiving comments and responding to stakeholders' concerns. Newcom organized the stakeholder consultation in July-August 2007. Prior to the meeting, invitations coupled with enclosed brochures and questionnaires were distributed among the project stakeholders, including over 100 people (government officials, village leaders, herders) and 20 environmental NGOs. In addition, in July 2008, Newcom representatives and CRM consultants visited around 30 households of Sergelen Soum to introduce the project and invite them to the public hearings.

Newcom provided necessary transportation for local residents to attend the meeting. The meeting took place on August 10, 2007 at the Cultural Hall in Sergelen Soum, Tuv Aimag.

Over 50 people attended the stakeholder consultation meeting, including the Sergelen Soum governor, a representative of the Ministry of Environment, Green Development and Tourism and 3 NGO representatives. Nearly all stakeholders responded in favour of the proposed project. A few issues were raised and discussed during the meeting, including noise, sight spoiling and potential impact on wildlife, as well as potential negative impacts of the project on local community and environment. A Summary of Responses to 2007 Questionnaire is shown in **Appendix 3**.

Since the project is operational, the site has been visited by numerous public media and scholar groups who are interested in getting to know the first Windfarm in Mongolia.

## **6.2 SALKHIT ESIA SCOPING PROCESS**

In April 2008, Black & Veatch initiated the Salkhit Uul Wind Park ESIA scoping process and a formal public consultation process to support the ESIA procedure in accordance with EBRD requirements. This involved a visit to the project site, as well as meeting and interviewing local residents, regional and National authorities, NGOs and other officials. The primary goals of these scoping meetings and interviews were to:

- Describe the project and the ESIA process.
- Discuss and identify potential project impacts associated with operation of the wind park, including the electric transmission line, roads and other on-site facilities.
- Understand local land use, activities and populations living and working within or near the project site.
- Identify the most effective ways of information dissemination in the future.
- Develop a list of stakeholders' groups and local people most likely to be affected by the project. More detailed information about stakeholders and the way they were identified are specified in the next section of the PCDP.

Black & Veatch and Newcom representatives visited and interviewed project stakeholders in Ulaanbaatar, in the town of Zuunmod (Tuv Aimag's administrative centre) and Sergelen soum with the help of the Head of Soum's administration. Black & Veatch team also held a series of information meetings and interviews with stakeholder groups. All interested parties were provided with information materials on the Project in both English and Mongolian.

The objective of the interviews was to obtain a socio-economic picture of scattered population in the Salkhit Uul area, the main livelihoods in the nearby village, and how households considered they could be impacted by the wind park project, electric transmission lines and new roads. The project team also asked interviewees about their preferred means of communication regarding the project. Prior to the meetings, a checklist of questions had been prepared that covered such things as the type of stakeholder group, initial awareness level on the project, attitude to the project, projects'

potential positive and negative impacts, potential obstacles for its implementation and willingness to participate in the public consultation process in the future.

Personal interviews and information presentations were arranged for nomadic herders and railway employees who could not leave their workplace. A total of 29 persons were interviewed during the public consultation process, including stakeholders located in Ulaanbaatar, in the town of Zuunmod, and nearby the Salkhit site (**Table 1**). In addition, 33 more interviews were organized during an information meeting in Sergelen soum.

| <b>Table 1: Summary of Scoping Meetings and Interviews</b> |             |   |
|--|-------------|---|
| <b>Location</b>  | <b>Date</b> | <b>Persons Interviewed</b>  |
| Ulaanbaatar  | Apr 2008    | Two representatives of the Ministry of Nature and the Environment.  |
|  |             | Head of the Governmental Renewable Energy Centre.   |
|  |             | Head of the Institute of Geo ecology, Mongolian Academy of Sciences.  |
|  |             | Representatives of one professional and two international NGOs.   |
|  |             | Representative of the Green Political party.  |
| Zuunmod (Tuv Aimag capital)                                | Apr 2008    | Three representatives of Aimag administration.  |
|  |             | Director of the regional meteorological station.  |
| Sergelen soum  | Apr 2008    | Head of the soum administration.  |
|  |             | Chief doctor of the local hospital.   |
|  |             | Representative of Bag administration and 30 citizens.   |
| Project vicinity   | Apr 2008    | 13 citizens living within 10 km from the project site, including 7 railway workers (2 males and 4 females) and 6 herders (3 males and 3 females). |

Overall, none of respondents, including 33 citizens who attended the initial information seminar and public hearings in April 2008, objected to project implementation. It was notable that the general level of awareness of local citizens and soum administration on the projects' potential impacts was much higher than that of NGOs and the Aimag government. Governmental authorities and professional associations demonstrated an

intermediate level of awareness.

Local and federal governmental authorities generally support the project. Nearly all of them stressed the fact that all activities, associated with the wind park construction and operational phases should strictly be in line with national and international legislation and regulations. The officials noted that if there are significant changes in the project design, a new National EIA should be performed. The head of the National Renewable Energy Centre in the Ministry of Fuel and Energy expressed his full support for the project and had the highest level of awareness about it among all the government officials. He believed that successful implementation of this project may attract further foreign investments into Mongolia's renewable energy sector. Mongolian Green Party expressed their full support for the project and had no particular doubts or reservations.

Stakeholders, presented by academic scientists and researchers, expressed their support for the proposed project. They recommended, however, performing a large-scale natural risk assessment and a full-scale EIA in accordance with Mongolian national standards.

Consultations with international and local NGOs revealed a low level of awareness about this project. Except World Wildlife Fund (WWF), who positively commented on the proposed project, all other local and international NGOs were totally unfamiliar or were not willing to comment the project due to lack of available information. For example, Wildlife Conservation Society representatives had never heard about it and thus would not complete the questionnaire.

In general, all residents, including the citizens of the Sergelen soum and nomadic herders living nearby the wind park site, expressed high interest in the project. Face-to-face interviews with residents living in the vicinity of the project site demonstrated that nomadic herders seemed to be more concerned about the project and its potential negative impacts on grazing than railway workers, who do not rely on local pasture lands. Two herders believed that noise generated by the turbines may cause their livestock to panic. Newcom engineers provided details on the noise level and its frequency and, also, informed about the possibility the local administration could provide alternative pastures. About half of the respondents believed in the "wind-whistling" phenomenon (that is, that a whistling sound from the turbines would increase the wind speed). After a scientific explanation, they seemed to agree it would not be a problem.

Almost all interviewees informed Black & Veatch specialists that they would like to receive more information about the project's progress.

### **6.3 2008 ESIA DISCLOSURE AND PUBLIC CONSULTATION MEETING**

#### *6.3.1 DISCLOSURE OF INFORMATION AND TIMETABLE*

Consultations with project stakeholders were undertaken during two stages of the ESIA process: during project scoping and upon the disclosure of the draft ESIA. As noted previously, Black & Veatch conducted scoping studies in April 2008.

Detailed results of the consultations with the Salkhit Uul project stakeholder groups, including public consultation meetings, meeting and interviews with authorities and NGOs are included in the draft and final ESIA reports.

The ESIA and executive summary is available to the public for review and feedback. Interested project stakeholders were able to request the executive summary of the draft ESIA from Clean Energy. The executive summary was also distributed in electronic version to stakeholder groups, including local and international NGOs; the Ministry for Nature and the Environment of Mongolia; Tuv Aimag Administration, Department of Nature Protection; World Conservation Society; WWF; National Centre for Renewable Energy; and the Mongolian Energy Association.

Copies of the executive summary, in Mongolian, have been provided to community leaders in Sergelen soum, Zuunmod, to volunteers who promised to distribute information about the project and to nomadic herders who live in the neighbourhood and requested its delivery.

#### **6.4 PUBLIC CONSULTATION MEETING**

On July 30, 2008, following publication of the draft ESIA and distribution of the executive summary, Newcom, with the Black & Veatch assistance, hosted an open public meeting to discuss the project and receive relevant feedback from project stakeholders. The meeting took place at the Sergelen soum Cultural Centre, located near the wind park site. The meeting was advertised via available mass media, direct telephone calls, and formal letters to the identified stakeholder groups.

Local citizens of Sergelen soum were informed in person about the date and place of the meeting one to two weeks prior to the meeting by the Sergelen soum Governor and Newcom representatives. The meeting was held in the afternoon to allow most people the chance to participate.

The meeting agenda included a presentation that describes the wind park, an open discussion on the potential environmental and social impacts of the project during its construction and operational phases, and a discussion of proposed mitigation measures, and other associated with the project issues. Time was provided so that any person who attends the meeting will be able to ask questions, make verbal comments, and submit written comments.

Results of the public hearings and other comments were incorporated into the final ESIA.

#### **6.5 ON-GOING CONSULTATION BETWEEN 2008 AND 2016**

Informal consultation has been undertaken by Clean Energy since 2008. Clean Energy has been in constant contact with the local soum and nearby families, updating them on project progress.

Regular monthly consultation meetings are held to update on project progress during construction. The purpose of this meeting is to inform the local community about the



project progress, raise public awareness about important health and safety issues and receive local community comments and grievances about the project. During these meetings we share the latest project update with the community and distributed the Grievance forms. Most comments from the local community were about congratulating us for implementing this project and asking for employment opportunities for the company.

## **6.6 DISCLOSURE OF PROJECT INFORMATION**

The second stage of public consultation took place after the completion and disclosure of the draft ESIA document. Upon being deemed fit for purpose, the draft ESIA and executive summary were made available to the public for review and feedback. Interested project stakeholders were able to request the executive summary of the draft ESIA from Clean Energy. The executive summary was also distributed in electronic version to stakeholder groups, including local and international NGOs; the Ministry for Nature and the Environment of Mongolia; Tuv Aimag Administration, Department of Nature Protection; World Conservation Society; WWF; National Centre for Renewable Energy; and the Mongolian Energy Association.

Copies of the executive summary, in Mongolian, have been provided to community leaders in Sergelen soum, Zuunmod, to volunteers who promised to distribute information about the project and to nomadic herders who live in the neighbourhood and requested its delivery.

The full final ESIA disclosure pack including the Stakeholder Engagement Plan, Non-Technical Summary, full ESIA documentation and Environmental and Social Action Plan was made available to the public through the internet and information boards/announcement in respective communities' buildings.

Following approval of funding for the project, an announcement of the full decision to develop the site and the coverage of the implications (social / employment / EIA etc.) was confirmed to stakeholders through press announcements, the internet (company website), local newspapers and information boards/announcement in respective communities' buildings.

## **6.7 COMMUNITY HEALTH AND SAFETY MANAGEMENT**

A Community Health and Safety Plan (CHSP) has been developed describing the potential hazards of the project during commissioning and operation to local communities and detailing how these will be controlled. The document also outlines emergency preparedness and response and sets out the grievance mechanism to ensure feedback is acknowledged and addressed appropriately. The CHSP requires that a number of measures are put in place and implemented prior to and during operation relating to community health and safety. The key measures required by the CHSP are set out in the table below alongside details of associated actions.

| <b>Table 2: CHSP Key Measures</b>   |   |
|---|---|
| <b>Measure</b>  | <b>Action</b>   |
| Full and comprehensive public consultation will be undertaken with the local community to ensure that local people, particularly nomadic herders, are aware of the operation programme and timescales.  | Public notifications communicated to local community at on-going consultation meetings. Consultation meetings will continue throughout operation.   |
| Signs are required to be erected around the site to inform the local community of the location of operation activities. Fencing will be placed around all dangerous areas to prevent unauthorised access.   | Signs have been erected along roads to inform of risk areas, roads and public roads written in both Mongolian and English.<br><br>Additional road signs are placed whenever a new road is constructed.<br><br>Consultation meetings covered issues relating to traffic signs, safety and potential accidents. |
| An emergency action plan will be required detailing the action to be taken in the event of an emergency situation, this will cater for the potential for local people to be in the vicinity of the Project site and measures for their evacuation. The local community will be made aware of evacuation procedures in the event of a fire.              | Communicate to local community at annual consultation meetings.   |
| The local community will be notified about the operation schedule and its progress to ensure that there is an understanding of existing site activities and activities to be undertaken in the future. Public training for safety will be carried out to avoid accidents occurring and signs erected on roads to clearly indicate the route of traffic. | Local community has been made aware of the operation schedule. Traffic signs have been erected in both English and Mongolian languages. The local community will be made aware of any future changes to the schedule.   |
| Measures to alert the community of an emergency arising will be implemented.  | Emergency measures implemented.   |

| <b>Table 2: CHSP Key Measures</b>   |   |
|---|---|
| <b>Measure</b>  | <b>Action</b>   |
| <p>These include:</p> <ul style="list-style-type: none"> <li>• Audible alarms.</li> <li>• Face to face communications.</li> <li>• Communicating details of the nature of the emergency.</li> <li>• Communicating protection options (evacuation, restricted access).</li> </ul> |   |
| <p>Clean Energy will inform local communities of potentially significant hazards and summarise response plans in a cultural appropriate manner. Should plans be altered or tested, local communities will be informed of this.</p>  | <p>Addressed through public consultation meetings. Signs have also been erected in both Mongolian and English languages warning of potential hazards.</p> |
| <p>Provision of toolbox talks to workers to raise awareness of risks to community</p>   | <p>Local community safety is regularly discussed during workers daily toolbox talks.</p>  |

Monitoring has identified that whilst measures set out in the CHSP have been implemented more focus should be placed on community engagement and reporting.

### **6.8 ENVIRONMENT AND SOCIAL COMMITTEE**

A Project Environment and Social Committee was established in November 2012 prior to the commencement of the site construction and operation phase in order to discuss relevant issues that arise which could affect the people living or working in nearby properties or on nearby land.

The Committee was re-organized in order to implement ISO 9001, ISO 14001 and OHSAS 18001 international standards to the company in 21<sup>st</sup> March 2014.

The committee will act as a forum for the exchange of information on progress of the site and for the company to listen to views of residents relating to the development and to respond accordingly.

Representatives from the local government, contractors, Sgurr Energy, Clean Energy and local residents/herders form the committee.

Regular meetings take place during the operation if considered necessary.

## **7 FUTURE STAKEHOLDER ENGAGEMENT**

### **7.1 THE TYPES OF INFORMATION TO BE DISCLOSED**

The information that will be disclosed will be assessed on a specific basis as part of the Overall development programme for the site. In general terms, internal and external communications are handled by Clean Energy in several ways as detailed below. The objectives of external communications are to provide continuous engagement with targeted audiences to inform about the company activities, including company performance, company development and investment plans and their implementation.

### **7.2 METHODS OF COMMUNICATION**

The methods of communication to be utilised by Clean Energy are summarised in the following Stakeholder Engagement Programme and will include:

- Publication for public review of the PCDP, Non-technical Summary and Environmental and Social Action Plan.
- Meetings with regulatory bodies.
- Public meetings.
- Published updates on Local council website.
- Announcements in local media.
- Provision of general information on noticeboards at key public locations; and
- Publication of project information including ESIA, a Non-Technical Summary, Environmental and Social Action Plan and additional information on the Newcom website.

The future programme for stakeholder engagement is presented below.

| <b>Table 3: Future Stakeholder Engagement Program</b>                  |                           |   |   |   |
|--|---------------------------|---|---|---|
| <b>Activity / Project</b>  | <b>Project Timescales</b> | <b>Type of information disclosed</b>  | <b>Locations and dates of meetings / forms of communication</b>     | <b>Stakeholder Groups consulted</b>   |
| Public Consultation Meeting.   | Operation                 | Continued update on project progress including introduction and presentations on project schedules and timescales, details of operation works, operations plan, updates to the ESMP, ESAP and PCDP. | On-going annual meetings.   | Government (Mongolian, regional and local)<br>Advisory / non-government organisations<br>Public groups<br>General communities |
| Environment and Social Committee Meetings.                             | Operation                 | To communicate the Salkhit Wind Farm's progress and environmental performance and to discuss and address any issues raised during operation   | On-going meetings.  | Local Government<br>Public Groups<br>General Communities  |
| Announcement of any changes to operation Programme to local residents. | Operation                 | Details of any future changes to proposed operation programme   | As required.  | Government (Mongolian, regional and local)<br>Advisory/non-government organisations<br>Public groups<br>General communities   |
| Announcement of the Salkhit Wind Farm's commissioning and              | Operation                 | Formal notification of operation of the wind farm.  | Completed<br>Internet – company website.<br>Local newspapers/radio. | International<br>Government (Mongolian, regional and local)   |

| <b>Table 3: Future Stakeholder Engagement Program</b> |                           |  |   |   |
|---|---------------------------|--|---|---|
| <b>Activity / Project</b>                             | <b>Project Timescales</b> | <b>Type of information disclosed</b>       | <b>Locations and dates of meetings / forms of communication</b>                             | <b>Stakeholder Groups consulted</b>   |
| Start-up.   |                           |  | Information board/<br>announcement in respective communities' buildings.<br>Public meeting. | Advisory/non-government organisations<br>Institutions (universities etc.)<br>Public groups<br>General communities |
| Employees   | Operation                 | Internal meetings, employees and Managers. | On-going with monthly review.   | Company Management, Health, Safety and Environment Manager  |

## **8 MONITORING AND REPORTING**

Through communication channels such as the presentation of announcements at local community buildings, media and periodic meetings as listed above, Clean Energy will monitor and provide feedback as appropriate.

For public consultation meetings or public exhibitions, Clean Energy will use an open book (with pens provided) for recording questions and comments anonymously. A form will be provided for people to record complaints and grievances. These will be present in an obvious area of the exhibition but in an area that will not be directly monitored by host staff (e.g. by the exit). The information will be recorded by Clean Energy so that a response and feedback can be made to stakeholders.

The results of public consultation and project information disclosure (together with the grievance procedure) will be reported throughout operation as part of Clean Energy's environmental and social monitoring and reporting requirements. The reports must include attendance, purpose of meeting, and comments and decisions made.

## 9 GRIEVANCE MECHANISM

### 9.1 OVERVIEW

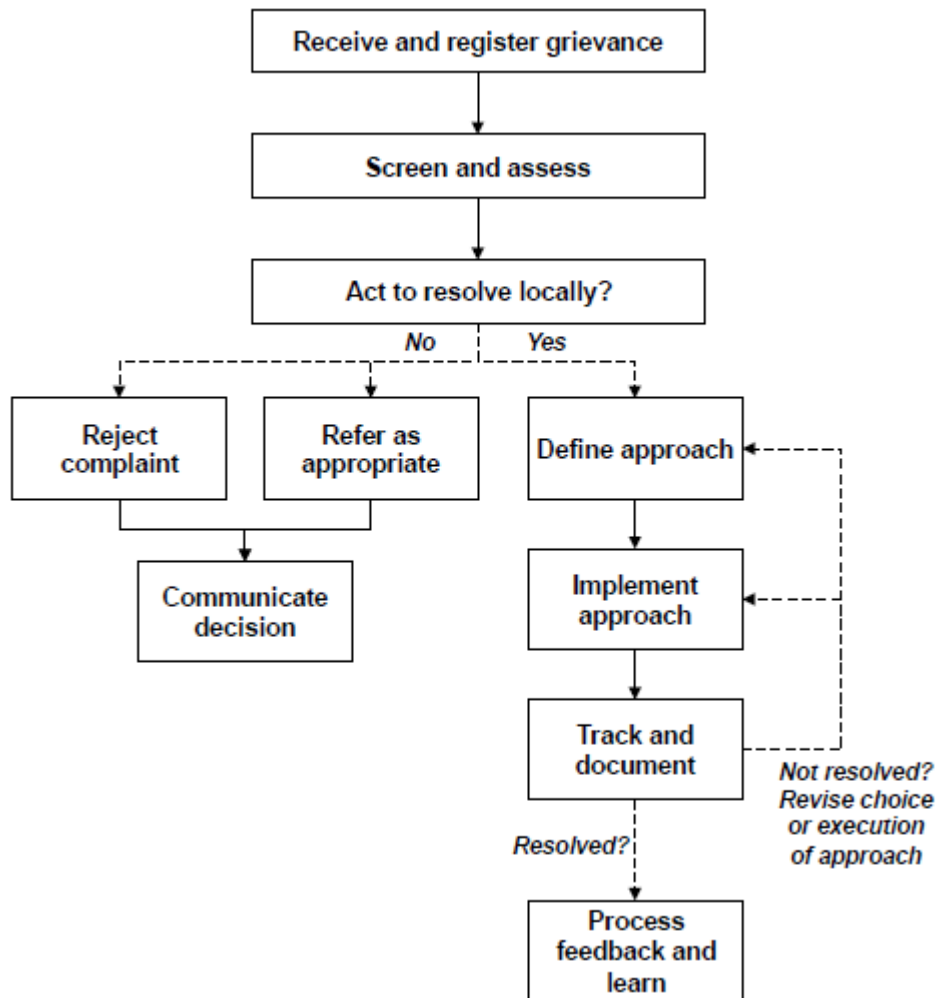
Clean Energy have developed a grievance mechanism for the project in accordance with IFC's Performance Standards and Guidance Notes which present various principles and good practice measures on grievance mechanisms. These include:

- Establish a procedure for receiving, recording or documenting and addressing complains that is easily accessible, culturally appropriate, and understandable to affected communities.
- Inform the affected communities about the mechanism during the company/community engagement process.
- Consider when and how to seek solutions to complaints in a collaborative manner with the involvement of the affected community,
- Address concerns promptly, using an understandable and transparent process that is readily accessible to all segments of the affected communities—and at no cost and without retribution.
- Ensure full participation of both genders and vulnerable groups.
- Take into consideration customary and traditional methods of dispute resolution when designing the system.
- Assign consistent, experienced, and qualified personnel within the client organization with responsibility for receiving and responding to grievances.
- Establish a redress mechanism so those who feel their grievances have not been adequately addressed have recourse to an external body for reconsideration of their case.
- Document grievances received and responses provided and report back to the community periodically.
- Provide periodic reports on issues that the grievance mechanism has identified as of concern to those communities.

The Performance Standards and Guidance Notes emphasize that a grievance mechanism should help Clean Energy understand the community's perception of project risks and impacts so as to adjust its measures and actions to address the community concerns.

The objective of Clean Energy's Salkhit Wind Farm grievance procedure is to ensure that all comments and complaints from people directly affected by the project, including local communities, herder families and railway workers are processed and considered in an appropriate way. Furthermore, the grievance mechanism should contain the corrective actions needed to be implemented in relation to complaints received with guarantees that complainant being informed of the outcome. The means by which stakeholders may make comments and complaints must be appropriate to their culture. The flowchart below shows a general mechanism of processing the complaints.





## 9.2 EXAMPLES OF GRIEVANCES TYPICALLY ENCOUNTERED

The following table provides examples of the types of grievances that are typically encountered on a major construction project such as this.

| <b>Type of Grievance</b>  | <b>Complainant(s)</b>   | <b>Examples</b>  |
|---|-------------------------|--|
| Relatively minor and onetime problems related to company operations | An individual or family | A company truck damaging a community member's fence; a one-time disrespectful encounter between a company employee and a community |

**Table 4: Examples of Grievances**

| Type of Grievance   | Complainant(s)  | Examples  |
|---|---|---|
|   |   | member  |
| Relatively minor but repetitive problems related to company operations  | An individual or family or small group of people  | Livestock getting loose because company employees fail to close gates   |
| Relatively minor but repetitive and widespread problems   | Multiple individuals, families, or larger groups  | Company-related Road traffic raising dust that settles on clothes hung out to dry   |
| Significant and larger repetitive problems  | Community groups, non-governmental or community-based organizations, or local governments               | Company blasting allegedly causing structural and/or aesthetic damage to building   |
| Major claims that company activities have resulted in significant adverse impacts on larger populations of people | Community groups, nongovernmental or community-based organizations, or local governments                | Company operations adversely impacting a community's water supply, making it unsafe for drinking, livestock, and/or irrigation  |
| Major claims over policy or procedural issues   | Non-governmental organizations, community groups or community-based organizations, or local governments | A company's noncompliance with its own policies; failure to follow guidelines of multilateral lenders for adequate consultation to achieve prior and informed consent; inadequate resettlement and compensation of affected populations |

**9.3 COMMUNITY EXPECTATIONS**

When local people present a grievance, they generally expect to receive one or more of the following:

- Acknowledgment of their problem
- An honest response to questions about company activities

- An apology
- Compensation
- Modification of the conduct that caused the grievance.
- Some other fair remedy.

In voicing their concerns, they also expect to be heard and taken seriously. Finally, Clean Energy, contractors, or government officials must convince people that they can voice grievances and work to resolve them without retaliation.

## 9.4 CLEAN ENERGY GRIEVANCE RESOLUTION MECHANISM

Local people need a trusted way to voice and resolve concerns linked to a project's operations. A locally based grievance resolution mechanism provides a promising avenue by offering a reliable structure and set of approaches where local people and the company can find effective solutions together. Clean Energy will develop and implement a grievance mechanism which:

- Increases the likelihood that small disputes can be brought to a conclusion relatively quickly before they become deep-seated grievances.
- Keeps ownership of the dispute in the hands of local people
- Offers an early, efficient, and less costly way to address concerns.
- Promotes a more stable business climate for companies that reduces risk and enhances accountability to the host community.

A successful grievance mechanism can help achieve the following goals:

- Open channels for effective communication
- Demonstrate that a company is concerned about community members and their well-being.
- Mitigate or prevent adverse impacts on communities caused by company operations.
- Improve trust and respect.
- Provide structures for raising, addressing, and resolving issues that reduce imbalances in power.
- Promote productive relationships.
- Build community acceptance of a company's "social license" to operate.

At all times, Clean Energy will accept comments and complaints concerning the project in both verbal and written formats. An example of a Grievance Form is provided in Appendix A.

The key aspects of Clean Energy's grievance mechanism are described below:

### 9.4.1 RESPONSIBILITIES

Any person or organization may send comments and/or complaints in person or via post, email, or facsimile using the following contact information:

**Table 5: Contact Details**

|   |   |
|---|---|
| <p><b>Clean Energy</b></p> <p>Amar Altangerel<br/>HSE &amp; Community manager</p> <p>8F, 8 Zovkhis Building<br/>Seoul Street 21,<br/>Ulaanbaatar 14251, Mongolia<br/>Clean Energy LLC</p> <p>Email: <a href="mailto:amar@cleanenergy.mn">amar@cleanenergy.mn</a><br/>Tel: +976 9999-4093<br/>Tel: +976 7011 1331 /68/</p> | <p><b>GE</b></p> <p>Enkhee Chuluubaatar<br/>Field Engineer</p> <p>room 605, Central Tower, Sukhbaatar<br/>Square-2, Sukhbaatar District 8,<br/>Ulaanbaatar 14200, Mongolia<br/>GE International Inc.<br/>Mongolia Representative Office</p> <p>Email: <a href="mailto:Chuluunbaatar.Enkhee@ge.com">Chuluunbaatar.Enkhee@ge.com</a><br/>Cell: +976-9927-9145</p> |
|---|---|

In addition to the above contact details a mailbox will be provided at the site entrance to allow local people to raise grievances in a more informal way.

**9.4.2 ON RECEIVING A GRIEVANCE**

The comments and complaints will be summarized and listed in a Complaints/Comments LogBook, containing the name/group of commenter/complainant, date the comment was received, brief description of issues, information on proposed corrective actions to be implemented (if appropriate) and the date of response sent to the commenter/complainant. A grievance must be responded within 14 workdays after undertaking complete grievance investigation.

**9.4.3 ASSESSING THE GRIEVANCE**

During the assessment, the team gathers information about the case and key issues and concerns and helps determine whether and how the complaint might be resolved. Clean Energy will:

- Determine who will conduct the assessment. Typically, the complaints coordinator performs this task or directs it to an appropriate staff or department for assessment (production, procurement, environment, community relations, and human resources).
- Select a company member to engage directly with the complainants to gain a first-hand understanding of the nature of the complaint.
- Clarify the parties, issues, views, and options involved.
  - Identify the parties involved.
  - Clarify issues and concerns raised by the complaint.

- Gather views of other stakeholders, including those in the company.
- Determine initial options that parties have considered and explore various approaches for settlement.
- Classify the complaint in terms of its seriousness (high, medium, or low). Seriousness includes the potential to impact both the company and the community.

Issues to consider include the gravity of the allegation, the potential impact on an individual's or a group's welfare and safety, or the public profile of the issue. A complaint's seriousness is linked to who in the company needs to know about it and whether senior management is advised.

- Rather than resorting to a purely unilateral "investigate, decide, and announce" strategy, engage more directly with the complainant in the assessment process, and involve the complainant in influencing the resolution process to be selected, and settlement options.

#### 9.4.4 FORMULATING A RESPONSE

The system for responding to the complainant should specify *who* communicates and *how*.

In some cases, it may be appropriate that feedback be provided by the staff member responsible for assessment accompanied by the coordinator of the complaints procedure.

The site manager may participate in feedback, depending upon the seriousness of the complaint.

When formulating a response Clean Energy will ensure that:

- The complaint coordinator or relevant department may prepare the response. The response should consider the complainants' views about the *process* for settlement as well as provide a specific remedy. The response may suggest an approach on how to settle the issues, or it may offer a preliminary settlement.
- To present and discuss the response to the complainant, consider holding a meeting with the complaint coordinator, relevant company manager, and the complainant. If a direct meeting is not possible, consider meeting with a neutral third party serving as facilitator. The group would also discuss appropriate next steps during this meeting. If the proposal is a settlement offer and it is accepted, the complaint is resolved successfully and there is no need to proceed to the next step of selecting a resolution approach. If the complainant is not happy with the response about a resolution process or substance, the group should try to reach an agreement that would be mutually acceptable.
- If the case is complex and a resolution time frame cannot be met, provide an interim response—an oral or written communication—that informs the person of

the delay, explains the reasons, and offers a revised date for next steps.

All comments and complaints will be responded either verbally or in writing, in accordance with preferred method of communication specified by the complainant in the Comments and Complaints Form. Comments will not be considered as complaints and may not, therefore, be responded to unless the commenter requests a response.

Clean Energy will respond to the complaint within one week. It is possible that some responses may take longer than one week to implement, but even in those instances Clean Energy will inform the complainant what actions will be taken and when.

#### 9.4.5 TRACK AND MONITOR GRIEVANCES

Grievances need to be tracked and monitored as they proceed through the system. Effective tracking and documentation accomplish several goals:

- Document the severity of a complaint (high, medium, low) according to specific criteria. The level of severity guides requirements for alerting senior management and determines the seniority of management oversight needed.
- Provide assurance that a specific person is responsible for overseeing each grievance—from receipt and registration to implementation.
- Promote timely resolution.
- Inform all concerned (the complainant and appropriate company personnel) about the status of the case and progress being made toward resolution.
- Document the company's response and outcome(s) to promote fairness and consistency.
- Record stakeholders' response(s) and whether additional research or consultation is needed.
- Provide a record of settlements and helps develop standards and criteria for use in the resolution of comparable issues in the future.
- Monitor the implementation of any settlement to ensure that it is timely and comprehensive.
- Provide data needed for quality control measures, to assess the effectiveness of the process and action(s) to resolve complaints.
- Identify learning from specific cases to be used later to assess the effectiveness of the mechanism or address systemic issues that may require changes in company policies or performance.

In order to ensure that grievances are tracked and documented Clean Energy will provide the following:

- *Tracking forms and procedures* for gathering information from company personnel and complainant(s).

- *Dedicated staff* to routinely update the database of grievances.
- *Periodically review information* so as to recognize grievance patterns, identify any systemic causes of grievances, promote transparency, publicize how complaints are being handled by the company, and periodically evaluate the overall functioning of the mechanism.
- *Processes for informing stakeholders* about the status of a case (such as written status reports).
- *Procedures* for provision of regular reporting of grievances and resolutions.

#### 9.4.6 GRIEVANCES RECEIVED TO DATE

Grievance records are keeping as an attachment.

### Appendix A: Sample Grievance Form

I, (full name)

Resident at:

Tel:

Fax:

E-mail:

Wish to raise the following complaint or concern (include location and duration of problem):

Suggestions to solve problem: