

Annex A

Stakeholder Engagement Plan

Yara Dallol BV.

Stakeholder Engagement Plan:
*Environmental & Social Impact
Assessment*

*Proposed Yara Dallol Potash Project,
Dallol, Ethiopia*

April 2014

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ABBREVIATIONS

Abbreviation	Full Definition
ANRS	Afar National Regional State
AOI	Area of Influence
CBO	Community Based Organisation
EIA	Environmental Impact Assessment
EHS	Environmental, Health and Safety
ESMP	Environmental and Social Management Plans
EP	Equator Principles
ERM	Environmental Resources Management
ESIA	Environmental, Social and Health Impact Assessment
FGD	Focus Group Discussion
FHH	Female Headed Household
IFC	International Finance Corporation
KII	Key Informant Interviews
NGO	Non-Governmental Organisations
NTS	Non-Technical Summary
OECD	Organisation for Economic Co-operation and Development
PS	Performance Standards

Yara Dallol BV (Yara) is seeking to develop a potash mine in Dallol, Zone 2 of the Afar National Regional State (ANRS) in the north-east of Ethiopia (the Yara Dallol BV Project – proposed Project). Environmental Resources Management (ERM) has been appointed to conduct an Environmental and Social Impact Assessment (ESIA). This document, the Stakeholder Engagement Plan (SEP), has been developed to inform and guide the ESIA stakeholder engagement process.

The Stakeholder Engagement Plan (SEP) seeks to define a technically and culturally appropriate approach to consultation and disclosure. The goals are to ensure that adequate and timely information is provided to project-affected people and other stakeholders, that these groups are given sufficient opportunity to voice their opinions and concerns, and that these concerns influence project decisions.

The SEP for the proposed Project is a “living document” that will be updated and adjusted as the ESIA progresses and project planning evolves. It has thus provided – and continues to provide – a framework to manage effective and meaningful engagement with stakeholders.

1.1

PURPOSE OF THE STAKEHOLDER ENGAGEMENT PLAN

The overall aim of this plan is to ensure that a consistent, comprehensive, coordinated and culturally appropriate approach is taken to stakeholder engagement and project disclosure. It is intended to demonstrate the commitment of Yara to an ‘international best practice’ approach to engagement. Yara is committed to full compliance with all Ethiopian EIA Regulations, as well as aligning to the IFC Performance Standards, and any other directly relevant policies of the IFC and World Bank.

In line with current international best practice, this SEP aims to ensure engagement that is free of manipulation, interference, coercion and intimidation. It also aims to ensure that stakeholder engagement is conducted on the basis of timely, relevant, understandable and accessible information, in a culturally appropriate format.

To this end the SEP:

- outlines the **approach** to be adopted to engagement, showing how this will be integrated into the rest of the ESIA process;
- identifies **stakeholders** and **mechanisms** through which they will be included in the process;

- serves as a way to **document** the process; and
- identifies where there will be **requirements for Yara** and their engagement process.

This plan focuses on stakeholder engagement activities undertaken during the ESIA.

1.2 *OBJECTIVES OF STAKEHOLDER ENGAGEMENT*

The objectives of engaging stakeholders during the ESIA process include:

- **Ensuring understanding:** An open, inclusive and transparent process of culturally appropriate engagement and communication will be undertaken to ensure that stakeholders are well informed about the proposed development. Information will be disclosed as early and as comprehensively as possible.
- **Involving stakeholders in the assessment:** Stakeholders will be included in the scoping of issues, the assessment of impacts, the generation of mitigation and management measures and the finalisation of the ESIA report. They will also play an important role in providing local knowledge and information for the baseline to inform the impact assessment.
- **Building relationships:** Through supporting open dialogue, engagement will help establish and maintain a productive relationship between the ESIA team and stakeholders. This will support not only an effective ESIA, but will also strengthen the existing positive relationships between Yara and stakeholders.
- **Engaging vulnerable peoples:** An open and inclusive approach to consultation increases the opportunity of stakeholders to provide comment on the proposed Project and to voice their concerns. Some stakeholders, however, need special attention in such a process due to their vulnerability. Special measures will be considered to ensure that the perspectives of vulnerable stakeholders are heard and considered.
- **Managing expectations:** It is important to ensure that the proposed Project does not create or allow unrealistic expectations to develop amongst stakeholders about proposed Project benefits. The engagement process will serve as a mechanism for understanding and managing stakeholder and community expectations, where the latter will be achieved by disseminating accurate information in an accessible way.
- **Ensuring compliance:** The process is designed to ensure compliance with both local regulatory requirements and international best practice.

One of the key outcomes of engagement should be free, prior and informed consultation of stakeholders, where this can be understood to be:

- **free:** engagement free of external manipulation or coercion and intimidation;
- **prior:** engagement undertaken in a timely way, for example the timely disclosure of information; and
- **informed:** engagement enabled by relevant, understandable and accessible information.

1.3

STRUCTURE OF THE PLAN

The SEP is organised in the following subsequent sections:

Section 2 outlines the national and international legislative context that will govern the manner in which stakeholder engagement is conducted for the ESIA engagement process.

Section 3 proposes an engagement process that will comply with the national and international standards.

Section 4 provides an overview of the process followed to identify and define key Project stakeholders.

Section 5 outlines more detail on the plan for scoping activities, which serve as the next phase of the engagement process.

Section 6 outlines the feedback mechanism that will be developed through the stakeholder engagement process.

Section 7 presents an overview of how records of the process will be kept and monitored.

KEY STANDARDS AND LEGISLATION GUIDING STAKEHOLDER ENGAGEMENT

The stakeholder engagement process has been designed to ensure compliance with both Ethiopian legislative requirements, as well international good practice standards defined in the IFC's Performance Standards for Environmental and Social Sustainability (2012). This section presents the relevant standards and legislation identifying the key Ethiopian and international requirements for engagement. The following section will present the process that has been designed to meet these standards.

The focus of this section is only on legislation that relates directly to public participation requirements, where the legislative review in the Scoping Report will provide greater context.

2.1 ETHIOPIAN LEGISLATIVE REQUIREMENTS

The following legislation is relevant to consider when designing an engagement process:

- the Ethiopian Constitution;
- environmental legislation; and
- environmental standards and guidelines.

2.1.1 *The Ethiopian Constitution*

By virtue of the proposed Project being in the ANRS, Article 39 of the Ethiopian Constitution is relevant. This article defines ethno-cultural communities, whereby the Afar people can be classified as such a community. Article 39 provides every ethno-cultural community with the right to their own territory, within which they can establish institutions of government. It therefore effectively grants them the right to self-governance and to this effect the ANRS has its own constitution. Given the location of the proposed Project, there is a need to design an engagement process that meets federal, regional and local requirements.

2.1.2 *Environmental Legislation*

Ethiopian Environmental Impact Assessments (EIAs) are governed by the EIA Proclamation (No. 299/ 2002).

Part 5 of this proclamation identifies the need to undertake stakeholder engagement. It states that the authority or the relevant environmental agency (which in this case is the Ministry of Mines, as delegated by the Ministry of

Environment and Forestry) ⁽¹⁾ must make any Environmental Impact Study Report accessible to the public and solicit comments on it. They must also ensure that the comments made by the public, and in particular communities likely to be affected by the implementation of a project, are incorporated into the EIA process.

The authority is compelled to consider public comments when making a decision about whether to approve or reject the application. Furthermore, any person dissatisfied with the decision of the authority may submit a grievance notice to the head of the authority or the relevant regional environmental agency. The Proclamation states that the decision of the authority or relevant regional agency will be issued within 30 days of receipt of the grievance notice. From previous experience of working on projects in Ethiopia, submission of such notices has sometimes resulted in the authority issuing further requirements or conditions that must be met and incorporated into project development. However from previous experience this has not customarily resulted in the rejection of a proposed development.

2.1.3 *Guidelines and Standards*

The EIA Guideline document (final draft 2000) and the EIA Procedural Guideline (Series 1, 2003) also provide specific recommendations for stakeholder engagement.

Table 2.1 provides further detail on the phases, guidelines and activities recommended for engagement as part of the EIA process.

(1) In June 2013 a draft bill was presented by the Ethiopian Prime Minister to the House of People's Representatives proposing the transformation of the Environmental Protection Agency to the Ministry of Environment and Forestry. The bill outlined that the rights and obligations of the Environmental Protection Agency, as established under the existing proclamation No. 295/2002, will be transferred to the newly formed Ministry of Environment and Forestry. However it is reported that clear provisions regarding this change are yet to be defined.

Table 2.1 *Ethiopian Environmental Guidelines on Engagement*

Phase	Key Objectives	Legislative Requirements / Recommendations
Pre-screening	To establish an official contact person within the competent authority.	The consultation can take the form of: <ul style="list-style-type: none"> • A formal meeting; or • A telephonic conversation or correspondence via facsimile or electronic mail.
Screening	Review of the Screening Report, and for the applicant to advertise the application, in a manner instructed by the competent authority.	Submission of five copies of the Screening Report ⁽¹⁾ ; <ul style="list-style-type: none"> • The competent agency will inform the applicant whether the applicant must advertise the application; and • If advertisement is required this can be through on-site or media advertising.
Scoping	Creation of a plan of study for scoping to ensure that stakeholders who may have an interest in the proposed Project are identified.	<ul style="list-style-type: none"> • Five copies of the Scoping Report are submitted to the authority for review and approval; • As a minimum, the Scoping Report should include all issues raised by stakeholders and how these will be addressed; and a description of the engagement process including a list of stakeholders, and minutes of meetings; • Stakeholders should be given a reasonable timeframe to review the Scoping Report typically in the region of four weeks; and • The process of stakeholder review on the Draft Scoping Report should be reflected in the Final Scoping Report.

(1) Please note - in the legislative requirements a Pre-Screening and Screening phase are identified. However from previous projects (in the ANRS and elsewhere in Ethiopia) it was identified that both phases are not applicable to projects that require a full Scoping and EIA to be completed such as this project. This will be confirmed through consultation with the federal Ministry of Mines during the Scoping engagement.

Phase	Key Objectives	Legislative Requirements / Recommendations
Environmental Impact Assessment	To enable authority review (four weeks from submission). In addition if new issues are raised and addressed during the EIA process, these must be added as an addendum to the initial Scoping Report submitted.	<ul style="list-style-type: none"> • Five copies of the Environmental Impact Statement (or Environmental Impact Assessment Report) submitted to the competent agency, stakeholders and a specialist for review; and • The proponent is responsible for co-ordinating the stakeholder reviews, either through distributing the document to all of the stakeholders or by making the document available in strategic places such as public libraries, schools, clinics etc.
Record of Decision	For the competent agency to provide a record of decision report which should be provided to the proponent and be made available to stakeholders upon request.	<ul style="list-style-type: none"> • Stakeholders who are dissatisfied may object to actions, opinions or decisions made not later than 30 days after receipt of such a decision; and • The Head of the competent agency should make his decision within 30 days following the receipt of the appeal.

Ethiopian legislative text states that various techniques can be employed for engagement including:

- public meetings;
- exhibits or ‘open days’;
- newspaper advertisements;
- written information;
- working with established groups (e.g. Non-Governmental Organisations - NGO’s, Community Based Organisations - CBOs) etc.; and
- workshops or seminars.

For projects that fall under the jurisdiction of the federal Ministry of Environment and Forestry, as is the case with this ESIA, it is recommended that regional agencies should write an endorsement letter verifying or confirming that stakeholders, particularly affected parties, have been provided with all means and facilities (e.g. notice, public meeting halls, reasonable timeframes, and in the relevant language) to enable them to lodge their views and concerns (Environmental Protection Authority EIA Procedural Guidelines, 2003).

2.2 *INTERNATIONAL REQUIREMENTS*

In addition to aligning to Ethiopian requirements and standards, the SEP is designed to ensure alignment with international good practice standards, in particular the International Finance Corporation (IFC) Performance Standards for Environmental and Social Sustainability (2012) and the Equator Principles.

The following section sets out the engagement-specific requirements aligning to international good practice standards.

2.2.1 *The Equator Principles*

Of the Equator Principles (EPs), the following principle has an engagement specific requirement of relevance to the ESIA:

- ***Principle Five:*** This principle states that “projects with potentially significant adverse impacts on Affected Communities will conduct an Informed Consultation and Participation process. The borrower will tailor its consultation process to the language preferences of the Affected Communities, their decision-making processes, and the needs of disadvantaged and vulnerable groups. This process should be free from external manipulation, interference, coercion and intimidation.” (Equator Principles, 2012).

Principle Five also makes provision for ensuring that project related information, including assessment documentation (or non-technical summaries - NTS), and Environmental and Social Management Plans (ESMPs) are made publicly available, disclosed early in the assessment process and on an on-going basis, and are available for reasonable periods of time. In addition there is a need to ensure that the content is communicated in a culturally appropriate way, including in relevant local languages.

It should also be noted that Principle Six includes requirements for establishing a grievance mechanism based on an understandable, culturally appropriate and transparent consultative process. The grievance mechanism needs to be scaled to the level of risks and impacts of the project, and have affected communities as its primary user. All reporting and disclosure requirements are now included within Principle 10.

2.2.2 *The IFC Performance Standards*

The IFC Performance Standards on Environmental and Social Sustainability and the IFC Environmental, Health and Safety (EHS) Guidelines are generally accepted as the international benchmark for good practice. The standards have been effective since January 2012 and provide key guidance to a developer in planning good practice stakeholder engagement. The Performance Standards (PS) are also the reference standards to which the Equator Principles refer when Projects in non-OECD (Organisation for Economic Co-operation and Development) countries are being developed.

The IFC Performance Standards require clients to engage with affected communities through disclosure of information, consultation, and informed participation, in a manner commensurate with the risks to and impacts on the affected communities. *Box 2.1* outlines the main requirements for consultation and disclosure under Performance Standard 1, the umbrella Standard on the Assessment and Management of Environmental and Social Risks and Impacts.

Requirements for Public Consultation and Disclosure in Performance Standard 1

Aims:

To ensure that affected communities are appropriately engaged on issues that could potentially affect them; to build and maintain a constructive relationship with communities; and to establish a grievance mechanism.

Who to Consult:

Specifically with:

- Directly and indirectly affected communities;
- Positively and negatively affected communities/individuals;
- Those with influence due to local knowledge or political influence;
- Elected representatives;
- Non-elected community officials and leaders;
- Informal/traditional community institutions and/or elders; and
- Indigenous peoples, where the project is identified to have adverse impacts on them, and
- Communities in the wider area of influence (AOI).

When to Consult:

As early as possible or at the latest consultation should begin prior to construction. Consultation should be an on-going process throughout the life of the project, i.e. iterative. Consultation should also allow for a feedback mechanism where affected people are able to present their concerns and grievances for consideration and redress.

What to Consult on:

Specifically:

- Disclosure of project information (purpose, nature, scale);
- Disclosure on the Action Plan as a result of consultation, with periodic reports to demonstrate implementation;
- Risks and impacts of the project; and
- Updates actions and proposed mitigation measures to address negative impacts and areas of concern for affected communities.

How to Consult:

Consultation should:

- Be inclusive and culturally appropriate;
- Allow for free, prior and informed participation of affected communities;
- Be in the language preferred by the affected communities;
- Consider the needs of disadvantaged and vulnerable groups;
- Be fed into the decision making process including proposed mitigation, sharing of benefits and opportunities;
- Be iterative;
- Be documented;
- Be responsive to community concerns and grievances;
- Be easily understood and transparent; and
- Allow for differentiated means of engagement particularly for disadvantaged or vulnerable groups.

* Where engagement relies substantially upon a community representative the client will aim to ensure that the views of affected communities are communicated, and that the results of consultation are communicated back to the community.

Source: IFC Performance Standard 1, (paragraphs 25-35), (2012)

Consultation with Sensitive or Vulnerable Groups

Vulnerable stakeholders require special attention according to the IFC. The proposed Project may have impacts on vulnerable / marginalised or sensitive groups. Vulnerable people include those who, by virtue of their gender, ethnicity, age, physical or mental disability, economic disadvantage or social status may be more adversely affected by a project than others, and who may be limited in their ability to take advantage of a project's development benefits. As a whole the ANRS can be identified to be vulnerable in a national context, with key indicators such as literacy, access to basic health care and social infrastructure are significantly low for the region.

From previous experience of working on similar projects and from working in the Danakil Depression the following groups have been identified as potentially vulnerable:

- Afar women;
- female headed households (FHH)
- mobile groups;
- elderly;
- children; and
- people with physical / mental health illnesses and disabilities.

Identification and analysis of potentially vulnerable groups will be further defined during the course of the ESIA and collection of information

The IFC Performance Standards outline requirements for engagement with vulnerable people which should include differentiated measures to allow for the effective participation of these people. Thus the stakeholder engagement process needs to be designed to address the needs of these vulnerable groups.

This section tables an approach to engagement which has been designed to comply with the national and international standards described in *Section 2*.

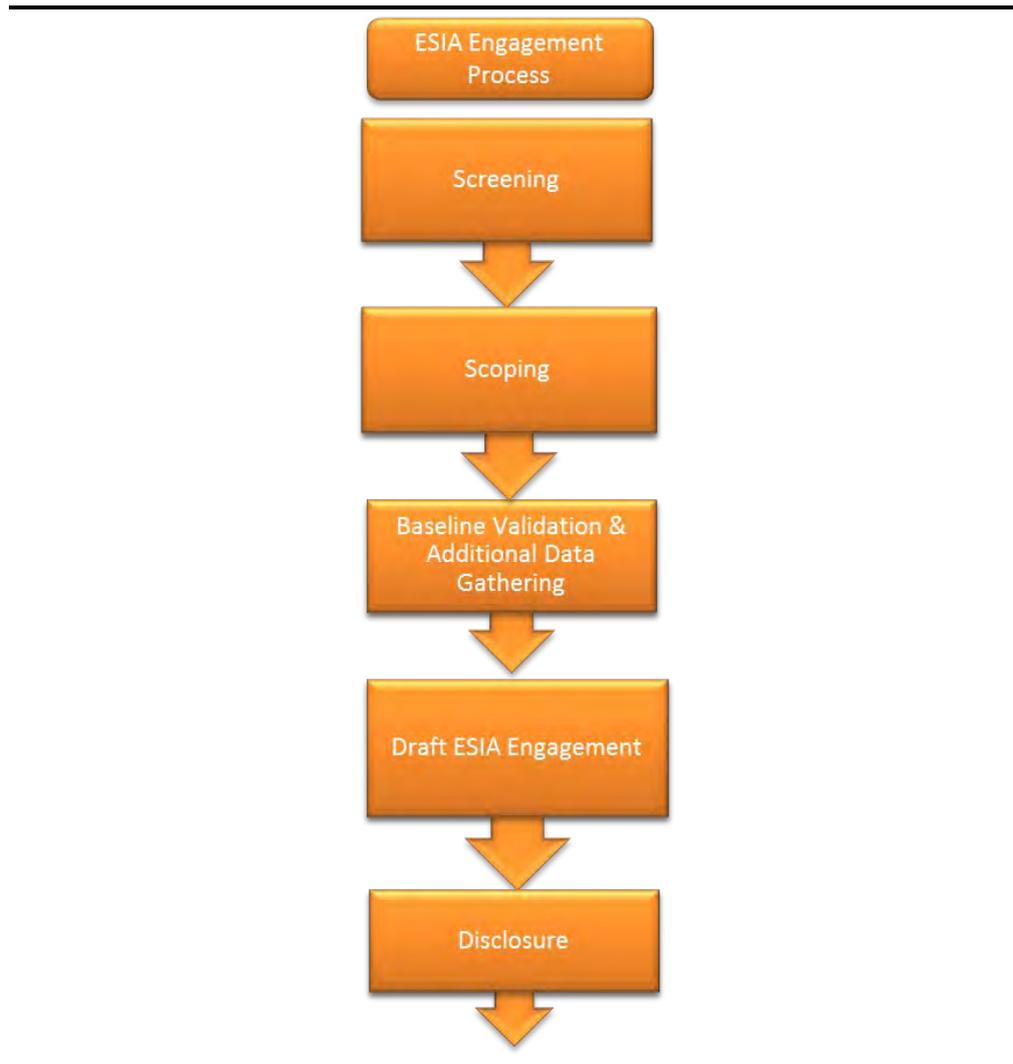
The stakeholder engagement process will involve five key phases, namely:

- Screening;
- Notification and Scoping;
- Baseline Data Gathering;
- Draft ESIA engagement; and
- ESIA Disclosure.

Figure 3.1 below identifies the phases within the designed stakeholder engagement process. The phases in *Figure 3.1* are aligned to the EIA procedures of the Ethiopian EIA guidelines as described in *Table 2.1*.

A Screening trip was conducted in country during November 2013. The key findings and outcomes of Screening are summarised in *Appendix A*.

Figure 3.1 *ESIA Stakeholder Engagement Phases*



3.1 *DIFFERENTIATED APPROACH TO ENGAGEMENT*

It is important to note that a significant proportion of stakeholders within the communities identified within the proposed Project footprint may have been previously engaged (and some recently engaged) either directly by Yara or by other companies operating in the area. ERM for example, has recently undertaken a detailed programme of stakeholder engagement as part of the ESIA for a neighbouring potash developer whose concession is located adjacent to the proposed Project, and has a potentially overlapping socio-economic area of influence in the Danakil Depression. Given this specific location, it is known to ERM that some overlap will result in terms of affected communities from this proposed Project, which also fall within the Project footprint and area of influence anticipated for the proposed Project.

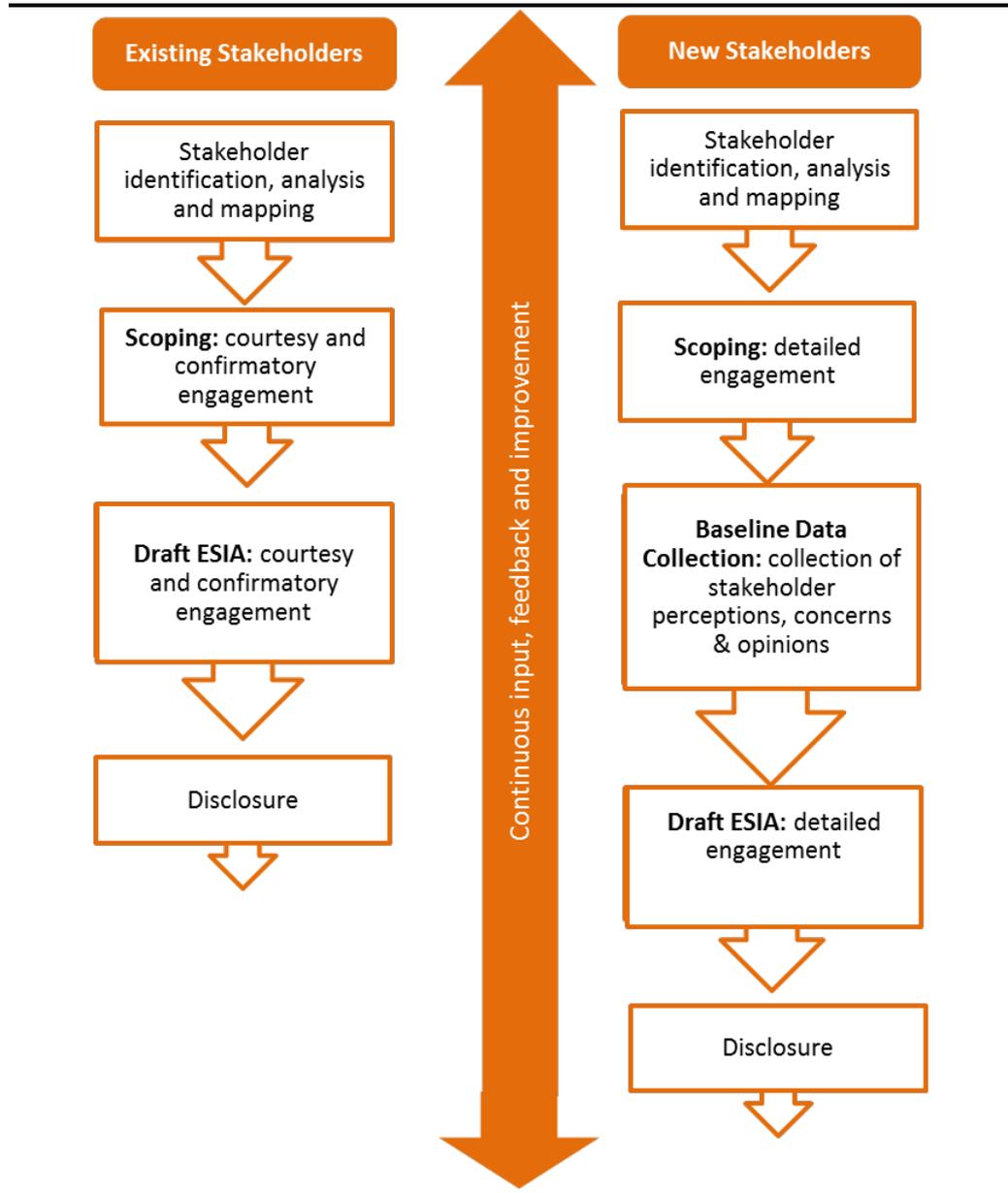
In addition to overlapping affected communities, work to date on neighbouring projects already points to stakeholder fatigue and despondency amongst key stakeholders in whom expectations have been raised for benefits and assistance from developers and mining companies. The risk of baseline

survey and engagement teams finding stakeholder fatigue and or unmet expectations when they engage communities needs to be considered when designing any future stakeholder engagement programmes. This should ensure that the stakeholder engagement approach is both relevant and appropriate to address current expectations and sensitivities. Taking into account the stakeholder engagement context, ERM recommends a two pronged approach to engagement particularly at the local level.

Figure 3.2 outlines the proposed two pronged process for stakeholder engagement, describing the different methods and approaches to be applied to differently affected groups: i.e.

- ***Courtesy and confirmatory*** engagement and disclosure for those that have been engaged previously with respect to potential impacts of neighbouring Projects; and
- ***Detailed engagement and disclosure*** for those newly identified stakeholders in additional locations, which fall specifically within the Yara concession and area of influence.

Figure 3.2 ESIA Stakeholder Engagement Approach



Ancillary infrastructure associated with the proposed Project (*viz.* transport corridor and port) is not included in the current ESIA scope. Separate environmental and social studies and engagement with stakeholders will however be conducted for these ancillary components.

It is proposed that a mixture of public community meetings, Key Informant Interviews (KII) and meetings with key interest groups be conducted along the transport corridor, in addition to introductory meetings with the relevant regional and Woreda government officials. It is proposed that similar engagement activities will also be conducted in and around the port area.

3.1.1

Key Considerations

Key considerations within our overall approach to stakeholder engagement will include:

- early consultation and the distribution of adequate and timely project information to project-affected people and other stakeholders in relevant local languages and through culturally appropriate mechanisms in a manner commensurate with the project's risks and impacts;
- a targeted stakeholder engagement approach according to the specific stakeholder profile (new or existing stakeholder) ensuring that the overall approach builds on and is sensitive to expectations raised and commitments made during previous stakeholder engagement programmes;
- planning for clarity of communication and messaging in introducing the ESIA and stakeholder engagement team and the work that we will be conducting. This is to avoid any confusion with other current or previous projects or personnel working in the area;
- the provision of opportunities for all stakeholder groups to voice their opinions and concerns, and the opportunity for these concerns to be both responded to and taken into account in project decisions through interface with the design engineers;
- the promotion of informed consultation and participation allowing stakeholders to confirm a diversity of opinions in a suitable timeframe without forcing consensus;
- the verification of broad community support for the project within the affected communities; and
- the consideration of marginalised or vulnerable groups within the engagement process considering the different information needs, and social and-economic status of these groups.

The proposed Project will have potentially significant impacts on lands customarily used by mobile (nomadic or semi-nomadic) groups which can be considered socio-economically vulnerable as a result of their reliance for their livelihoods upon local natural resources. For this reason a key consideration within our approach to stakeholder engagement will be culturally appropriate methods of engaging with disadvantaged groups. *Box 3.1* outlines some further details of our approach to engaging and consulting with marginalised stakeholders.

In order for stakeholders to gain a high level of understanding of the issues involved in the ESIA, and in the potash mining process a good level of literacy is required. These issues can be explained to the illiterate members of the community; however this requires more than mere linguistic translation. The interpreter needs to undertake an exercise of cultural translation, converting complex concepts, alien to the local culture in understandable terms. For this reason disclosure of project information and the ESIA process will require assistants that have a deep understanding of two domains, the bureaucratic and the customary one, the first dominated by written communication and the second by oral culture.

This 'cultural translator' is defined as a cultural intermediary and is typically a member of the local rural community who has gone through a full cycle of formal education, but spent their childhood in their native community and have maintained regular contacts thereafter.

ERM are working with both male and female cultural translators as facilitators during the stakeholder engagement process. Both originate from the local area, have worked on similar stakeholder engagement programmes and are accustomed to converting alien or abstract concepts in terms understandable to local community audiences, and to assist them in engaging with the proposed Project's feedback mechanism.

The benefits of these approaches are to identify early in the project lifecycle any issues that may prevent the proposed Project from proceeding and have a greater chance of being managed throughout the ESIA and the proposed Project schedule. In addition, this approach will be more cost and time effective, aiming to pre-empt issues prior to their occurrence, and allowing Yara to build a strong foundation to proactively develop and maintain successful stakeholder relationship and partnerships.

3.2

THE ESIA STAKEHOLDER ENGAGEMENT PROGRAMME

The outline for the ESIA stakeholder engagement programme is provided in in *Table 3.1* that includes a summary of the objectives and activities for each phase.

All stakeholder engagement activities will be informed by and regularly updated according to an iterative process of stakeholder identification, analysis and mapping. This will ensure that all relevant parties have been, and continue to be considered as part of the proposed Project's engagement programme.

Table 3.1 Phases of Engagement

Phase	Objective	Key Activities	Key Outputs
Screening	<ul style="list-style-type: none"> To gain a preliminary understanding of the scope of the proposed Project, it's likely impacts and relevant stakeholders. 	<ul style="list-style-type: none"> Inception meeting with Yara and personnel involved in the stakeholder engagement activities; Screening field visit; and Stakeholder identification process. 	<ul style="list-style-type: none"> SEP for the ESIA; Summary of Screening issues raised and stakeholders identified.
Scoping Engagement	<ul style="list-style-type: none"> To meet key stakeholders and introduce them to the proposed Project and ESIA; To generate feedback on the Draft Scoping Report, including the scope, approach and key issues to be investigated further for the ESIA; and To consult key stakeholders on the next steps in the ESIA process. 	<ul style="list-style-type: none"> Formal submission of Draft Scoping Report to Authorities; Distribution of draft Scoping Report or Background Information Document (BID) to other key stakeholders; Consultation on the proposed Project and associated ESIA through meetings and workshops with identified stakeholders. Details may include: <ul style="list-style-type: none"> Contextualisation of the proposed Project with respect to other neighbouring projects and any previous consultation undertaken Nature, purpose and scale of the proposed project ESIA & stakeholder engagement process Disclosure of scoping findings, including identification of preliminary impacts Feedback regarding findings; and Dissemination of engagement materials (BID, presentations etc.) 	<ul style="list-style-type: none"> Updated SEP; Stakeholder database; Engagement tools and proof of their dissemination; Final Scoping Report with record of stakeholder issues; Non-technical presentation and posters summarising the draft Scoping Report including list of preliminary identified impacts; Meeting minutes; and Updates to project website.
Baseline Validation and Additional Data Gathering Engagement	<ul style="list-style-type: none"> To validate and further gather data to form a comprehensive understanding of existing baseline conditions; and To allow stakeholders to raise concerns and expectations regarding the project. 	<ul style="list-style-type: none"> Further engagement for the purposes of additional baseline data gathering through: <ul style="list-style-type: none"> Focus Group Discussions (FGD) Key Informant Interviews (KII) 	<ul style="list-style-type: none"> Updated SEP; Updated database; Engagement tools; and Updated socio-economic baseline; and Meeting minutes; and Updates to project website.

Phase	Objective	Key Activities	Key Outputs
Draft Impact Assessment Disclosure	<ul style="list-style-type: none"> • To discuss the identified impacts and proposed mitigation measures with stakeholders allowing for their input; and • To provide stakeholders with the opportunity to comment on the Draft ESIA report. 	<ul style="list-style-type: none"> • Dissemination of the Draft ESIA to Authorities and key stakeholders; • Dissemination of engagement materials (BID, posters etc.) disclosing findings of the draft Impact Assessment Report; • Consultation on the draft Impact Assessment Report. This will include: <ul style="list-style-type: none"> ○ Identification of impacts in the draft ESIA and proposed mitigation; ○ Identification of stakeholder concerns and opinions on the impacts identified; ○ Involvement of stakeholders in assessing the efficacy and appropriateness of the proposed mitigation measures; and ○ Identification of revisions or additions to the draft ESIA report where necessary. 	<ul style="list-style-type: none"> • Draft ESIA Report; • BID of identified impacts and mitigation measures; • Updated SEP; and • Updates to project website.
Formal Submission of Final ESIA	<ul style="list-style-type: none"> • To formally submit the final ESIA to the authorities and key stakeholders with comments incorporated from the Scoping and draft ESIA engagement and disclosure stages. 	<ul style="list-style-type: none"> • Disclosure of the Final ESIA Report with stakeholders. 	<ul style="list-style-type: none"> • Final ESIA Report; and • Final SEP.

For the purposes of this plan, a stakeholder is defined as any individual or group who is potentially affected by the proposed Project, or who has an interest in the proposed Project and its potential impacts. It is therefore important to establish which organisations, groups and individuals may be directly or indirectly affected (positively and negatively) by the proposed Project and which might have an interest in the proposed Project. It should be noted that stakeholder identification is an on-going process, requiring regular review and updating as the ESIA progresses.

4.1 STAKEHOLDER IDENTIFICATION

In order to develop an effective SEP it is necessary to determine exactly who the stakeholders are and understand their priorities and objectives in relation to the proposed Project. By classifying and analysing the stance, influence, capacity and interests of stakeholders it will be possible to develop a plan that is tailored to the needs of different stakeholder groups.

It is likely that a diverse range of stakeholders will be identified that could be involved in the SEP process.

4.1.1 Zones of Influence

For the proposed Project, stakeholders have been, and will continue to be identified on an on-going basis by:

- (1) identifying the different categories of stakeholders who may be affected by or interested in the proposed Project; these groups are mapped in *Table 4.1*; and
- (2) identifying specific individuals or organisations within each of these categories taking into account:
 - a. the expected zones of influence of the proposed Project, that is the geographical area over which it may cause impacts (both positive and negative) over its lifetime, and therefore the localities within which stakeholders could be affected; and
 - b. the nature of the impacts that could arise and therefore the types of government bodies, NGOs, academic and research institutions and other bodies who may have an interest in these issues.

Different issues are likely to concern different stakeholders, and so different stakeholder groups have been established based on their anticipated interest to the proposed Project. Having an understanding of the connections of a

stakeholder group to the proposed Project helps identify the key objectives of engagement.

Details of individual stakeholders will be compiled in a stakeholder database. The database will be periodically updated throughout the ESIA engagement process. Such information may be kept on a database for ease of use, but will not be shared with any third party. The stakeholder lists are 'living documents' that have been updated as engagement has progressed.

The stakeholders groups that have been identified for engagement during the ESIA process are outlined in *Table 4.1*. Some of the stakeholders identified below have already been engaged during the Scoping engagement phase. It is important to note that *Table 4.1* identifies potential stakeholder groups across all proposed Project components, including ancillary infrastructure (transport corridor and port as described in *Section 3.1*); however, ancillary infrastructure does not form part of the current ESIA scope. This SEP and ESIA stakeholder engagement process focuses specifically on the proposed mine development, and the stakeholder groups identified in *Table 4.1* for the mine (cells highlighted in grey) will be of key interest. Any information gathered on stakeholders associated the transport corridor and port will be used in future social and environmental assessments conducted for these ancillary infrastructure components.

The ESIA engagement process is iterative, and the stakeholder identification, mapping and analysis activities will continue throughout the ESIA.

Table 4.1 Stakeholder Groups

Stakeholder Categories	Stakeholder Groups	Stakeholder - Zones of Influence		
		Mine	Transport Corridor	Port
Government	Federal, regional and local government: political	<ul style="list-style-type: none"> • ANRS Council • Woreda administrators for Dallol and Berahale • Kebele leaders for project affected Kebeles in Dallol and Berahale Woredas 	<ul style="list-style-type: none"> • Regional State Councils • Zonal offices • Woreda head offices • Kebele leaders 	<ul style="list-style-type: none"> • Constitutional council • National assembly • District regional councils
	Federal, regional and local government: administrative and technical	<ul style="list-style-type: none"> • Ministries at federal level (including Ministry leads and technical support e.g. Ministry of Mines and associated offices at the regional and local level) • Bureaus at regional level • Offices at woreda level 		<ul style="list-style-type: none"> • National ministries • Regional ministries
	Government agencies	<ul style="list-style-type: none"> • Ethiopian Wildlife Conservation Authority 		<ul style="list-style-type: none"> • Relevant government agencies in Djibouti (to be confirmed during Scoping)
Directly Affected Stakeholders*	Customary authorities (per village)	<ul style="list-style-type: none"> • Clan leaders • Religious leaders • Elders 		
	Community associations (per village)	<ul style="list-style-type: none"> • Women’s Federation • Youth Groups • Palm Association • Berahale Salt Association 	<ul style="list-style-type: none"> • Farmer’s Associations • Youth Associations • Women’s Associations • Savings and credit groups 	<ul style="list-style-type: none"> • Farmer’s Associations • Youth Associations • Women’s associations • Fishing Associations • Savings and credit groups

Stakeholder Categories	Stakeholder Groups	Stakeholder - Zones of Influence		
		Mine	Transport Corridor	Port
	Community members, including men, women, youth, artisanal salt workers	<ul style="list-style-type: none"> • Bada • Asabuya • Musley • Alai lai • Mororo • Hamad Ela • Asabolo • Ambule • Morrro • Berahale Town ⁽¹⁾ 	<ul style="list-style-type: none"> • Settlements located along the transport corridor ⁽²⁾ 	<ul style="list-style-type: none"> • Settlements located in vicinity of the port
	Business	<ul style="list-style-type: none"> • Mining companies in the northern Danakil • Potential suppliers • Salt related business: <ul style="list-style-type: none"> ○ Berahale Salt Selling ○ Mekele Salt Buying Associations ○ Subsidiary services including local restaurants, hotels, accommodation etc. in Berahale, Asabolo, Hamad Ela • Tourism operators working in the Danakil Depression • National Tourism Operator and Travel Agency (NTO) 	<ul style="list-style-type: none"> • Businesses located along the transport corridor (this may include hotels, restaurants and other business that provide services to road users) • Other potential suppliers 	<ul style="list-style-type: none"> • Businesses located in the vicinity of the port (this may include hotels, restaurants and other business that provide services) • Other potential suppliers
Civil Society	Federal / national and regional NGOs	<ul style="list-style-type: none"> • Forum for the Environment • MELCA • Matrix Development Solutions • Afar Pastoralist Development Association • Other national NGOs operating in Djibouti 		

(1) Several Kebeles were identified by local community members during Screening to live along the Balakiya escarpment. Their location and interaction with the proposed Project will be ascertained leading up to and during Baseline Data Gatheringthe .

Stakeholder Categories	Stakeholder Groups	Stakeholder - Zones of Influence		
		Mine	Transport Corridor	Port
	International NGOs (working or with an interest in the Danakil Depression)	<ul style="list-style-type: none"> • AMREF • The International Red Cross • Farm Africa • SOS Sahel • Other international NGOs e.g. Norwegian organisations 		
	Academics and research institutes	<ul style="list-style-type: none"> • Ethiopian Authority for Research and Conservation of Cultural Heritage • Addis Ababa University • Ethiopian Biodiversity Research Institute • Mekele University • Semera University • University of Djibouti 		

** Stakeholders listed in the table above may change and are only an indication of potential stakeholders to be engaged.*

This section expands on the process described in *Section 3*, providing more detail on the plan for engagement to be undertaken in the next phase of the engagement process, namely the Baseline Data Gathering Phase.

5.1 ENGAGEMENT ACTIVITIES

It is proposed that a two week baseline data gathering exercise be undertaken in April 2014. The broad objective of this activity will be to collect data at the local level, i.e. woreda, kebele and settlement level so as to:

- provide an understand of the existing environmental and socio-economic context to serve as a benchmark of pre-project livelihoods and conditions, and understand changes which have already occurred to the baseline conditions as a result of the proposed Project and other developments occurring in the area;
- help inform impact predictions (positive and negative) and assessments of the ability of receptors and stakeholders to benefit from, adapt to and accept change;
- identify stakeholders who are potentially sensitive/ vulnerable to the proposed Project or able to support in the implementation of information disclosure and mitigation measures (particular focus will be placed on understanding specific livelihood impacts or other vulnerabilities which may arise for women or pastoralists – the proposed techniques to be employed are described in *Chapter 11.1.5*;
- inform the proposed Project on how best to disseminate information and collect feedback from the wider range of stakeholders to be affected, including vulnerable groups; and
- provide a context for understanding feedback from stakeholders, specifically verifying what is reported by stakeholders and beginning to understand the differences between stakeholders' perceptions of impacts and actual impacts.

This round of engagement will involve engaging with stakeholders at the local level, including key government stakeholders, village groups made up of random samples of community members from various affected settlements and community based organisations. *Appendix C* presents a preliminary itinerary of the trip.

Although the core aim of this phase is primarily to collect baseline data, the data gathering activities (i.e., the Key Informant Interviews - KII and Focus

Group Discussions - FGDs) will also serve as a channel through which the team can provide stakeholders with more information about the proposed Project, answer their questions and receive further comments. It should be noted that these activities will only be undertaken with a random sample of affected stakeholders, and will therefore need to be augmented with a more extensive public consultation and disclosure process to be held during later phases of the ESIA (draft ESIA engagement and disclosure).

5.2

STAKEHOLDER ENGAGEMENT TOOLS AND MATERIALS

Figure 5.2 outlines the stakeholder engagement tools that will be used throughout the various stages of the ESIA process. For Baseline Data Collection the following materials were generated to support collection of information and engagement activities:

- FGD and KII question sets;
- maps of the area to assist with community and resource mapping exercises; and
- a simplified version of the PowerPoint presentation used as a flipchart presentation that has been for engagement at the local and regional level.

The presentation was written in non-technical/ accessible language and translated into English as well as Amharic, and provided information on the following:

- the background and description of the proposed Project;
- the environment in which the proposed Project will be developed;
- information on the client;
- information on the ESIA process and timelines;
- typical impacts associated with similar Projects; and
- information on ESIA consultants and their independence.

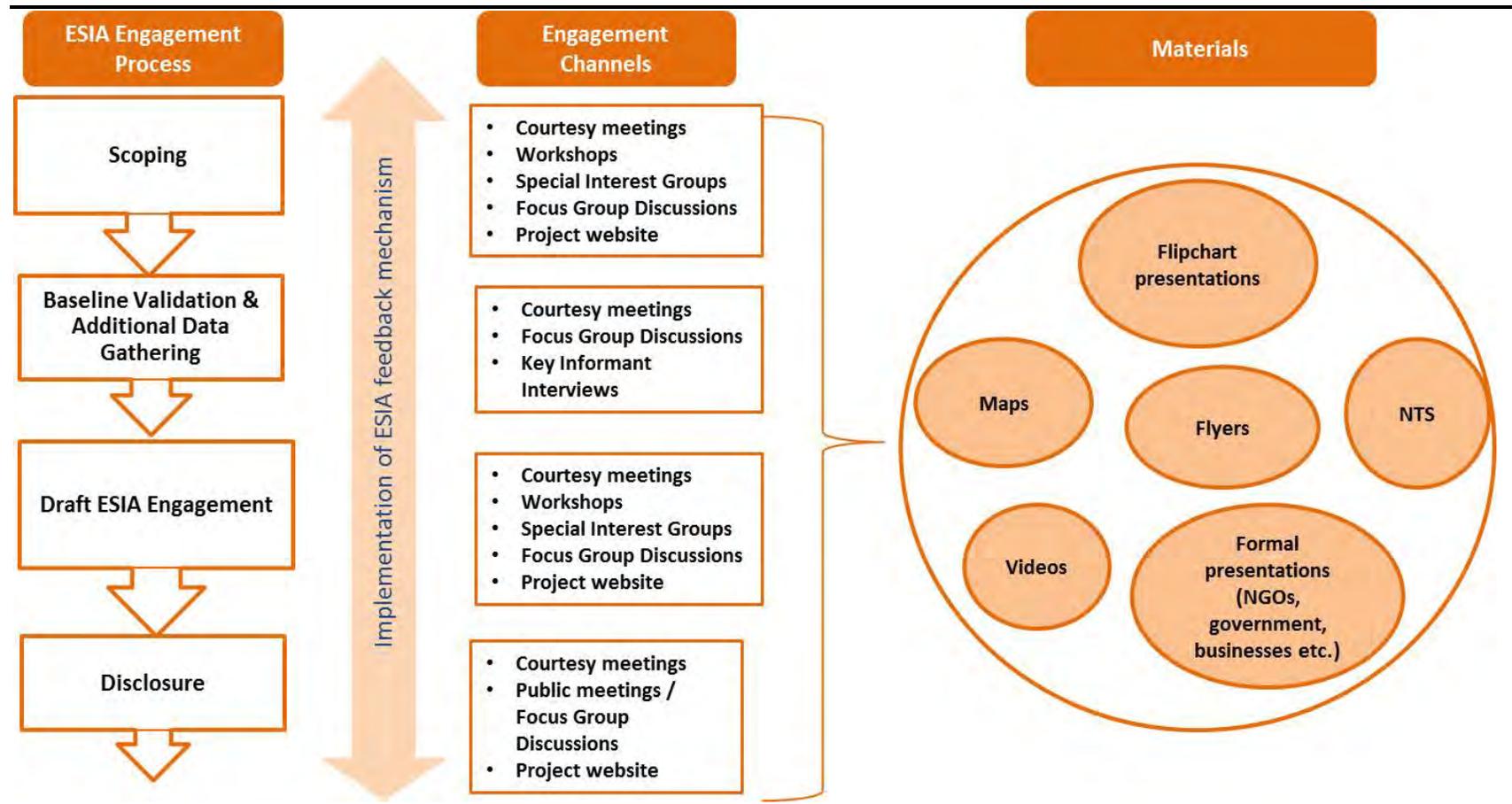
Since detailed household surveys will not be undertaken for Baseline Data Collection, elements of Participatory Rural Appraisal (PRA) techniques will be used including:

- livelihood mapping and ranking;
- seasonal calendars;
- venn diagram mapping
- community mapping; and
- daily calendars.

Semi-structured multiple choice questionnaires will also be adapted for use within the FGDs. These methods will enable the team to gather focused

quantitative data on key data points such as the livelihood and gender profile of the local area, as well as information on pastoralist groups.

Figure 5.1 Stakeholder Tools and Materials



Stakeholder engagement is a two way process. It is therefore important to ensure that there is a feedback mechanism to ensure stakeholders affected by or interested in the proposed Project can present their input (e.g., opinions, requests, suggestions and grievances) for consideration and, if required, seek redress. It should be noted that, even where not all feedback or grievances are deemed 'valid' or applicable to the context of the proposed Project, the feedback mechanism needs to function in a non-judgemental manner and record all feedback received.

In the case of this proposed Project, there is a need for both a grievance and feedback mechanism. The feedback mechanism relates specifically to the ESIA, and is intended to identify and collect stakeholder opinions and concerns regarding the ESIA process, and the way that it is being conducted. The ESIA feedback mechanism will feed into and inform the project's grievance mechanism which should be implemented and run in parallel to the ESIA feedback mechanism. The grievance mechanism is the responsibility of the proposed Project, and is designed to identify and manage issues across the entire project lifecycle.

This section identifies the feedback opportunities available to stakeholders through the ESIA. The focus of the mechanism will be on comments related to the ESIA, in particular with a focus on concerns or comments about the proposed Project and its possible impacts, as well as opportunities and constraints for mitigation. The ESIA team will channel project related issues or requests to Yara which will also inform the development of formal feedback channels post ESIA. It is anticipated that these will be dealt with through the existing feedback channels.

Each round of engagement undertaken will provide stakeholders with an opportunity to provide input and feedback on the proposed Project. However, it remains important to offer opportunities to people to both provide feedback and receive response at other time in-between formal rounds of engagement.

A feedback mechanism has therefore been put in place for use during the ESIA to ensure that potential concerns raised by stakeholders during engagement are acknowledged and addressed in a timely, structured and culturally appropriate manner.

The feedback mechanism for the ESIA described below, will be communicated to stakeholders during the Scoping Phase, and will be managed by the ERM team and local sub consultants - TS Environmental Technology (TET). It involves the following:

Opportunities to provide feedback: Stakeholders will be given the opportunity to provide comment and feedback through the engagement process. In

addition, there will be an opportunity to provide input either electronically or telephonically, where a contact person for the ESIA will be identified and where their details will be communicated to stakeholders through the process and associated engagement tools. For stakeholders that do not have access to electronic or telephonic means of communication, it is proposed that relevant Yara personnel are available to capture issues and inform ERM.

Recording feedback: All input received both through the engagement process and through the remote channels will be recorded via meeting records and feedback log.

Generating responses: The ESIA team together with Yara will regularly review comments received and generate comments. This will be undertaken according to the stakeholder engagement phase and level of stakeholder feedback received.

Communicating responses to stakeholders who have raised comments: Any opinions and concerns noted during engagement will feed into the feedback log. A summary of the feedback log will be updated throughout the comment periods, and will be included in the Final Scoping and Impact Assessment Reports which will be made publically available. Similarly, where appropriate, Yara can provide feedback at the local level. A record will be kept of how feedback was given to stakeholders, and can form a mechanism through which engagement can continue to be recorded following completion of the ESIA process.

Monitoring feedback mechanism: ERM will play a role in monitoring the feedback process including monitoring how their own team and TS Environmental Technology record and feed back to collectively generate responses to those raising inputs.

The following feedback channels are available to stakeholders through the course of the ESIA:

- electronic and telephonic feedback, where email and telephonic contact details have been made available to stakeholders for the South Africa and UK based ERM team as well as for the in-country sub-consultants and a Yara contact person; and
- engagement activities undertaken directly with stakeholders during the draft ESIA and Disclosure phases.

It will be important to monitor and report on the on-going stakeholder engagement efforts to ensure that the desired outcomes are being achieved, and to maintain a comprehensive record of engagement activities and issues raised. This will be done through this SEP that will be developed to ensure consistent and transparent stakeholder engagement activities are born out of an agreed strategy for consultation. The following will be recorded through this plan:

- Updates to the stakeholder database;
- Records of all consultations held; and
- Records of key stakeholder feedback (entered into a feedback log).

These records and outputs will be regularly updated and appended to each iteration of this report. In other words, this SEP will serve as a tool not only to plan future engagements but also to record previous phases of the process.